STATE UNIVERSITY SYSTEM of FLORIDA
Board of Governors

Agenda and Meeting Materials
March 29-30, 2017

Grand Ballroom
H. Manning Efferson Student Union Building
Florida A&M University
1780 S. Martin Luther King, Jr. Blvd.
Tallahassee, FL 32307

ACTIVITIES
BOARD OF GOVERNORS MEETINGS

Grand Ballroom
H. Manning Efferson Student Union Building
Florida A&M University
1780 S. Martin Luther King, Jr. Boulevard
Tallahassee, Florida 32307
March 29-30, 2017

By Telephone Conference Call
Dial-in Number: 888-670-3525
Board Member Code: 8893354522#
Listen-Only Code: 4122150353#

Wednesday, March 29, 2017

12:30 – 1:30 p.m. **Lunch will be provided**

1:30 – 2:45 p.m. or upon Adjournment of Previous Meetings
Innovation and Online Committee
Chair: Mr. Ned Lautenbach; Vice Chair: Mr. Ed Morton
Members: Beard, Kitson, Link, Stewart, Tripp, Tyson

2:45 – 3:15 p.m. or upon Adjournment of Previous Meetings
Budget and Finance Committee
Chair: Mr. Ned Lautenbach; Vice Chair: Mr. Alan Levine
Members: Doyle, Hebert, Huizenga, Kitson, Kuntz, Tripp

3:15 - 3:45 p.m. or upon Adjournment of Previous Meetings
Task Force on University Research
Chair: Mr. Daniel Doyle, Jr.
Members: Jordan, Valverde

3:45 – 4:00 p.m. **Break**

4:00 – 6:00 p.m. **Facilities Committee**
or upon Chair: Mr. H. Wayne Huizenga, Jr.; Vice Chair: Dr. Fernando Valverde
Adjournment of Members: Beard, Doyle, Jordan, Kitson, Levine, Link, Morton,
Previous Meetings Tyson

6:00 – 6:45 p.m. **Welcome Reception**

Thursday, March 30, 2017

7:30 – 8:30 a.m. **Members Breakfast with the Advisory Council of Faculty Senates**

7:30 – 8:30 a.m. **Breakfast will be provided**

8:30 – 9:15 a.m. **Select Committee on 2+2 Articulation**
or upon Chair: Mr. Alan Levine; Vice Chair: Ms. Wendy Link
Adjournment of Members: Huizenga, Lautenbach, Stewart, Tripp
Previous Meetings

9:15 – 10:00 a.m. **Academic and Student Affairs Committee**
or upon Chair: Mr. Norman Tripp; Vice Chair: Ms. Wendy Link
Adjournment of Members: Beard, Frost, Hebert, Jordan, Kitson, Morton, Stewart,
Previous Meetings Tyson, Valverde

10:00 – 10:15 a.m. **Select Committee on Florida Polytechnic University**
or upon Chair: Ms. Wendy Link
Adjournment of Members: Doyle, Jordan, Morton, Valverde
Previous Meetings

10:15 – 10:30 a.m. **Break**

10:30 – 11:00 a.m. **Audit and Compliance Committee**
or upon Chair: Ms. Wendy Link; Vice Chair: Mr. Alan Levine
Adjournment of Members: Frost, Huizenga, Jordan, Lautenbach, Morton, Valverde
Previous Meetings

11:00 a.m. – **Strategic Planning Committee**
12:00 p.m. Chair: Mr. Ed Morton; Vice Chair: Ms. Darlene Jordan
or upon Members: Beard, Doyle, Frost, Lautenbach, Levine, Link, Tyson
Adjournment of
Previous Meetings

12:00 – 12:45 p.m.	**Lunch will be provided**
12:45 – 1:00 p.m. or upon Adjournment of Previous Meetings	**Nomination and Governance Committee** Chair: Mr. Tom Kuntz; Vice Chair: Mr. Ned Lautenbach Members: Huizenga, Levine, Tripp
1:00 – 3:00 p.m. or upon Adjournment of Previous Meetings	**Board of Governors – Regular Meeting** Chair: Mr. Tom Kuntz; Vice Chair: Mr. Ned Lautenbach All Board members

Please note that this schedule may change at the Chair's privilege.

CONSTITUTION
OF THE
STATE OF FLORIDA

AS REVISED IN 1968 AND SUBSEQUENTLY AMENDED

ARTICLE IX

EDUCATION

SECTION 7. State University System.--

(a) PURPOSES. In order to achieve excellence through teaching students, advancing research and providing public service for the benefit of Florida's citizens, their communities and economies, the people hereby establish a system of governance for the state university system of Florida.

(b) STATE UNIVERSITY SYSTEM. There shall be a single state university system comprised of all public universities. A board of trustees shall administer each public university and a board of governors shall govern the state university system.

(c) LOCAL BOARDS OF TRUSTEES. Each local constituent university shall be administered by a board of trustees consisting of thirteen members dedicated to the purposes of the state university system. The board of governors shall establish the powers and duties of the boards of trustees. Each board of trustees shall consist of six citizen members appointed by the governor and five citizen members appointed by the board of governors. The appointed members shall be confirmed by the senate and serve staggered terms of five years as provided by law. The chair of the faculty senate, or the equivalent, and the president of the student body of the university shall also be members.

(d) STATEWIDE BOARD OF GOVERNORS. The board of governors shall be a body corporate consisting of seventeen members. The board shall operate, regulate, control, and be fully responsible for the management of the whole university system. These responsibilities shall include, but not be limited to, defining the distinctive mission of each constituent university and its articulation with free public schools and community colleges, ensuring the well-planned coordination and operation of the system, and avoiding wasteful duplication of facilities or programs. The board's management shall be subject to the powers of the legislature to appropriate for the expenditure of funds, and the board shall account for such expenditures as provided by law. The governor shall appoint to the board fourteen citizens dedicated to the purposes of the state university system. The appointed members shall be confirmed by the senate and serve staggered terms of seven years as provided by law. The commissioner of education, the chair of the advisory council of faculty senates, or the equivalent, and the president of the Florida student association, or the equivalent, shall also be members of the board.

History.--Proposed by Initiative Petition filed with the Secretary of State August 6, 2002; adopted 2002.

STATE UNIVERSITY SYSTEM of FLORIDA
Board of Governors

AGENDA
Innovation and Online Committee
Grand Ballroom
H. Manning Efferson Student Union Building
1780 S. Martin Luther King, Jr. Boulevard
Florida A&M University
Tallahassee, Florida
March 29, 2017
1:30 p.m. – 2:45 p.m.
or
Upon Adjournment of Previous Meetings

Chair: Mr. Ned Lautenbach; Vice Chair: Mr. Ed Morton
Members: Beard, Kitson, Link, Stewart, Tripp, Tyson

1.	**Call to Order and Opening Remarks**	**Governor Ned Lautenbach**
2.	**Minutes of Committee Meeting** Minutes, October 17, 2016 Minutes, November 2-3, 2016	**Governor Lautenbach**
3.	**2016 Annual Report for Online Education**	**Dr. Nancy McKee** *Associate Vice Chancellor*
4.	**Implementation of the 2025 Strategic Plan for Online Education**	**Dr. Joe Glover** *Provost, University of Florida*
	a. Quality Course: **Review** **Designation**	**Dr. Len Roberson, UNF**
	b. Online Programs and Courses: **Inventory and Gaps**	**Dr. Andy McCollough, UF** **Mr. Mike Ronco, UF**

Shared Programs/Courses **Dr. McCollough**

b. Online Programs and Courses, ***continued:***

Open Access Textbooks and Resources: **Ms. Jennifer Smith, UF**
Increasing Usage
Reducing Costs
Innovation in Florida Online Learning **Dr. Tom Cavanagh, UCF**

c. Infrastructure: **Mr. Joseph Riquelme, FIU**
Facilitating Collaboration
Proctoring Network

d. Student Services: **Dr. Vicki Brown, FAU**
Ensuring Access to Student Services
Securing Resources for Technology

e. Professional Development: **Dr. Cindy DeLuca, USF**
Certification

5. Concluding Remarks and Adjournment **Governor Lautenbach**

STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
Innovation and Online Committee
March 30, 2017

SUBJECT: Approval of Minutes of Meetings held October 17, 2016, and November 2-3, 2016

PROPOSED COMMITTEE ACTION

Approval of minutes of meetings held on October 17, 2016, and November 2-3, 2016.

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution

BACKGROUND INFORMATION

Board members will review and approve the minutes of the meetings held on October 17, 2016 and November 2-3, 2016.

Supporting Documentation Included: Minutes: October 17, 2016; and November 2-3, 2016

Facilitators/Presenters: Governor Ned Lautenbach

MINUTES
STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
INNOVATION AND ONLINE COMMITTEE
UNIVERSITY OF SOUTH FLORIDA
TAMPA, FL
October 17, 2016

1. Call to Order

Chair Ned Lautenbach convened the meeting at 2:01 p.m. on October 17, 2016, with the following members present: Governors Ed Morton, Dick Beard, Dean Colson (by phone), Wendy Link, Pam Stewart (by phone), Norman Tripp, and Gary Tyson. A quorum was established.

2. Approval of Committee Meeting Minutes

Governor Morton moved that the committee approve the minutes of the meeting held on September 21, 2016, as presented. Governor Tyson seconded the motion, and the members concurred.

3. Cost of Online Education

Chair Lautenbach stated that one of the goals of the SUS Strategic Plan for Online Education is to determine the cost of online education. He thanked Dr. Pam Northrup, Dr. Cindy DeLuca, and all other institutional staff that worked so hard on this report.

Dr. Northrup said that Texas, North Carolina, Tennessee, Indiana, and, most recently, Georgia have tackled the issue of cost of online education and most were not successful in building a uniform methodology to capture cost and explain it as a system. She said she believes this report is the most comprehensive in the nation at this point.

She stated that thirty-seven states assess a distance learning fee and the average for that fee is $50.00 per student credit hour. In Florida, there is statutory authority for charging a distance learning fee. This fee is only used for courses that are delivered 80% or more online and are included in the distance learning course catalog.

She said that Florida is a national leader in online education, with each institution taking a different path to implementation of its distance learning program. Dr. Northrup stated that the system average incremental cost per student credit hour for online courses is $41.48, although the cost varies by institution. A deeper review

showed there were clusters of institutions, from those with lower costs that were heavily engaged in distance learning to those that were not heavily engaged and had higher costs. The ones with lower costs became engaged in distance learning in the mid-nineties, earlier than the other institutions, and distance learning was a part of their institutional strategy.

For the cost study, Dr. Northrup said the workgroup included several different data elements in the model created, including ones for online course and faculty development, technology and infrastructure, support services, and administrative services. The model captures total cost of distance learning, not just costs paid with the distance learning fee.

Dr. Northrup said that, system-wide, 42% of the cost of online education is for course development and 58% is for course delivery.

The report also addressed cost avoidances, cost savings, and the price to students. It included four recommendations: share courses and programs across the system; share services across the system; build institutional dashboards; and develop an alternative cost model.

Governor Tripp asked Dr. Northrup to clarify the meaning of administrative service costs. Dr. Northrup said that administrative costs include such items as staffing, state authorization, and Quality Matters and other activities and resources to run the operation itself.

Governor Morton asked if there had been a discussion about the kinds of courses that would lend themselves to sharing across the system. He also asked about electronic textbooks being more useful and cost effective for all students to use. Dr. Northrup said that there are several workgroups addressing different aspects of the 2025 Strategic Plan for Online Education, and the Online Courses and Programs Workgroup, chaired by Dr. Andy McCollough, is studying both of these issues. Dr. McCollough said there are courses that are common across the State University System, not by title, but by intent. General education courses that students tend to take in their first couple of years tend to be alike. He said plans for master courses will be presented to the Innovation and Online Committee in March. Dr. Northrup added that the integrated library system that is being developed now has a component that will allow library e-resources to be populated within the learning management system in a significant way to help with those textbook costs. Governor Morton suggested setting goals and objectives regarding e-textbooks.

Chair Lautenbach indicated that Appendix C in the report shows that institutions have a variety of approaches to charging tuition and fees to online students. Governor Tripp moved that President John Hitt be requested to reconstitute his strategic planning task

force to look at a new cost model that would encourage online students to graduate in a timely manner, while being cognizant of institutional costs and fairness in student pricing. Governor Link seconded the motion and members concurred. Governor Lautenbach asked Dr. Nancy McKee and Mr. Tim Jones to work with President Hitt on this effort.

Governor Tyson encouraged the workgroups to do a study on what we are doing in the state and what other states are doing. Dr. Northrup said Florida institutions were in many places online – lower division, upper division, general studies, graduate, and professional. Dr. McCollough said that his workgroup was looking at all online programs offered across the system, workforce needs, and areas of strategic emphasis to uncover where supply is not meeting demand.

Governor Tripp moved that the Implementation Committee and Steering Committee present recommendations for sharing additional services and/or resources. Governor Link seconded the motion and members concurred.

Governor Tripp moved that the Implementation Committee and Steering Committee present recommendations related to sharing courses and programs. Governor Link seconded the motion and members concurred.

Governor Tripp moved that the Implementation Committee and Steering Committee develop common definitions and common dashboards to more effectively manage online education. Governor Link seconded the motion and members concurred.

4. Concluding Remarks and Adjournment

Governor Lautenbach adjourned the meeting at 2:49 p.m.

MINUTES
STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
INNOVATION AND ONLINE COMMITTEE
FLORIDA ATLANTIC UNIVERSITY
BOCA RATON, FL
November 2-3, 2016

1. Call to Order

Chair Ned Lautenbach convened the meeting at 4:43 p.m. on November 2, 2016, with the following members present: Governors Ed Morton, Dean Colson, Wendy Link (attended November 3 only, arriving at 8:39 a.m.), Pam Stewart, Norman Tripp, and Gary Tyson. A quorum was established.

2. A Look Inside the UF Online Classroom

Dr. Lora Levett said she teaches differently for her UF Online course in Criminology and Law than for her in-person course. Her online class has 16 timed and proctored quizzes, 19 discussions, activities defined as short papers, two group projects, and a five- to seven-page paper. She explained that she gets more responses and student engagement from her online students than from her in-person students. She indicated that a student satisfaction survey of her online students reflected that they were highly satisfied with the course, feeling they were being challenged in class and were learning.

The meeting stopped on November 2, 2016, at 5:23 p.m.. On November 3, 2016, Chair Lautenbach reconvened the meeting at 8:34 a.m.

3. UF Online Annual Report and Amendments to the Business Plan

Ms. Evie Cummings said that UF Online is in the second phase of its implementation, steadying its operations, reducing costs, and reassessing its vendor mix. She said UF Online has improved services to both students and faculty and now has in-house functions for recruitment and marketing.

Ms. Cummings presented three nonmaterial amendments to the comprehensive business plan. The first amendment reflects that UF Online no longer has a public-private partnership with Pearson. The second amendment reflects the launch of the Pathway to Campus Enrollment (PaCE) program and updates the program offerings for 2019. UF Online will be offering 35 majors, 12 minors, and 15 undergraduate certificates by 2019. The third amendment updates the enrollment projections. UF

Online anticipates growing, but not exponentially as had been anticipated by the private partner. The projections also reflect the larger-than-expected enrollment from students in Florida; 90% of current UF Online students are from Florida.

4. State Authorization Reciprocity Agreement (SARA)

Ms. Vikki Shirley said that in 2010, the United States Department of Education promulgated a new program integrity rule that required postsecondary institutions that receive Title IV funding to legally be authorized to offer distance education to students who are located in other states while receiving that instruction.

She said that the rule had been invalidated in federal court because the department had failed to follow rule-making procedures, but the rule heightened awareness across the country that postsecondary institutions offering distance education in other states may have to meet specific requirements of those states. She stated that authorization requirements vary across states; in some states, they may be triggered by advertising in a local media outlet or having a faculty member located in that state.

Ms. Shirley indicated that the State Higher Education Executive Officers (SHEEO) started working with the regional compacts to develop a reciprocity agreement for states that choose to participate in it. Florida's participation in SARA would require legislative authorization. She said the Board Office has been working with the Florida College System, Independent Colleges and Universities of Florida, and the Commission on Independent Education to develop legislation to take to the Legislature for the 2017 session.

5. Concluding Remarks and Adjournment

Governor Lautenbach adjourned the meeting at 8:52 p.m.

STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
Innovation and Online Committee
March 30, 2016

SUBJECT: 2016 Annual Report for Online Education

PROPOSED COMMITTEE ACTION

For approval

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution

BACKGROUND INFORMATION

In November 2015, the Board of Governors approved the 2025 Strategic Plan for Online Education, establishing goals, strategies, and tactics that focus on three primary elements: quality, access, and affordability.

To capture the extent to which institutions in the SUS are successfully working to meet the goals of the Plan, the 2016 Annual Report for Online Education will be presented to the Innovation and Online Committee.

Supporting Documentation Included: *2016 Annual Report for Online Education*

Facilitators/Presenters: Dr. Nancy McKee

Online Education

State University System *of* Florida

Annual Report 2016

PENDING BOARD OF GOVERNORS APPROVAL (03/14/2017)

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Highlights

In November 2015, the Board of Governors approved the *State University System's 2025 Strategic Plan for Online Education*[1] to guide the future development of online education in the State University System. The *SUS 2016 Annual Report for Online Education*, the first such report for online education in the System, reflects the progress universities have made in online education, in addition to their opportunities for further improvement.

- Florida continued to be a leader in the provision of distance learning courses, ranking second in the nation in the number of students enrolled in distance learning courses. Texas was ranked first.
- Sixty-one percent (61%) of SUS students took at least one distance learning course in 2015-16.
- System-wide, 24% of undergraduate credit hours in 2015-16 were taken in distance learning courses, ranging from 0% at New College and Florida Polytechnic to 31% at the University of Central Florida and the University of Florida.
- In 2015-16, there were 26,641 undergraduate students who took only distance learning courses, and 175,103 who took a mix of distance learning and non-distance learning courses. There were 107,456 who took no distance learning courses.
- For graduate courses, 25% of student credit hours system-wide were taken in distance learning courses, ranging from 0% at NCF and FPU to 75% at the University of West Florida.
- There were 11,952 graduate students who took only distance learning courses, and 19,458 who took a mix of distance learning and non-distance learning courses. Graduate students who took no distance learning courses totaled 40,009.
- The average number of years to degree for full-time, first time in college (FTIC) baccalaureate students in 120-hour programs was 4.33 for students who took no distance learning courses, and 3.92 for students who took 41%-60% of their courses via distance learning.
- Undergraduates who took only distance courses were older (average age of 30) than students who took no distance learning courses or a mix of distance learning and non-distance learning (classroom and/or hybrid) courses (average age of 23 for both groups). Older students are more likely to be place-bound, working full-time and/or supporting families, making distance learning an ideal way for them to complete their degrees.
- Of undergraduate students who took only online courses, 96% were Florida residents and 4% non-residents.
- A wide variety of student services for online students are available, such as the FloridaShines site that provides such materials and resources as financial aid information, library catalogs, the distance learning course catalog, My Career Shines education and training tool, and the Transient Student Admissions Application.
- SUS institutions offered 210 distinct online majors in 2015-16, and a grand total of 320 majors when all online majors provided by institutions were considered. If two institutions were offering the same online major, it would be counted as one distinct major in the system, but would be counted as two in the grand total of majors in the system.
- UF Online, launched in spring 2014, had 2,191 students enrolled in 2015-16.

[1]Online education is one type of distance learning and is the focus of this report. Because distance learning encompasses other modalities when instructor and student are separated by time and /or distance, such as correspondence courses and courses broadcast over television networks, the term is found in this plan when appropriate.

Distance Learning is defined in Section 1009.24(17), Florida Statutes, as a course in which at least 80% of the direct instruction of the course is delivered using some form of technology when the student and instructor are separated by time or distance, or both.

Introduction

The *State University System 2016 Annual Report for Online Education* provides the System's first comprehensive review of online education.

The Board of Governors believes that online education provides a means to address capacity requirements while providing students with options for completing their education in a timely manner; it allows individuals with family or work obligations to complete their education and on-campus students to accelerate the completion of their degrees and/or engage in co-curricular activities. To advance its focus on online education, the Board's Innovation and Online Committee (IOC) considers policies and best practices for transformative and innovative approaches to the delivery of higher education, including pursuing initiatives such as system-wide cost efficiencies and effectiveness for university programs and services, funding models for online education, online course and/or program collaborations, and meeting workforce needs through online education.

To guide the growth of online education in the System and to ensure quality instruction and services are being provided in a cost-efficient and effective manner, the Board adopted the State University System *2025 Strategic Plan for Online Education* in November 2015.

Strategic Plan for Online Education

The *SUS 2025 Strategic Plan for Online Education* is one of the few system-wide plans for online education in the country. It presents goals, strategies, and tactics organized around the primary elements of Quality, Access, and Affordability, building on the collective strength of institutions in the System. The Plan was proposed by the Task Force on Strategic Planning for Online Education, created by the Board's Innovation and Online Committee and chaired by President John Hitt (see Appendix A for membership). Upon the Plan's adoption, the Board Office immediately worked with institutions to establish a system-wide Implementation Committee that is guided by a Steering Committee of provosts (Appendix B).

The joint organizational meeting of the two committees was held in December 2015, with an Implementation Plan being approved and workgroups being established. Each workgroup invited representatives from institutions in the Florida College System to participate in its deliberations. Numerous workgroup and committee meetings were held throughout 2016 to develop recommendations and/or detailed proposals for implementation of the 49 tactics in the *2025 Strategic Plan for Online Education.* Many of these recommendations and proposals are scheduled to be heard by the Innovation and Online Committee in March 2017.

Student Enrollment

Florida's Ranking in Distance Learning Enrollments

Florida continues to be a leader in the provision of distance learning courses, ranking second in the nation in the number of students enrolled in distance learning courses, as reflected in the *2015-16 System Accountability Report*:

TOP TEN STATES FOR DISTANCE LEARNING ENROLLMENT IN FALL 2015

[for All Levels Among Public 4-Year, Primarily Baccalaureate-granting Institutions]

	STATE	NUMBER OF INSTITUTIONS	DL STUDENT HEADCOUNT	DISTANCE LEARNING ONLY	SOME DISTANCE LEARNING	COMBINED TOTAL
1	TEXAS	41	196,586	10%	20%	30%
2	FLORIDA	14*	158,014	11%	35%	47%
3	CALIFORNIA	32	120,438	1%	16%	17%
4	OHIO	17	82,207	8%	20%	28%
5	ARIZONA	7	74,195	17%	28%	46%
6	MARYLAND	13	67,898	26%	13%	39%
7	NEW YORK	16	64,135	10%	19%	29%
8	NORTH CAROLINA	37	63,477	8%	15%	24%
9	PENNSYLVANIA	19	60,154	7%	16%	23%
10	GEORGIA	14	56,906	8%	17%	26%

SOURCE: Board of Governors staff analysis of US Dept. of Education's National Center for Education Statistics (NCES) available at the Integrated Postsecondary Education Data System (IPEDS) website (data extracted 2/16/2017). Notes: IPEDS defines Distance Learning as instructional content that is delivered exclusively (100%) via distance education – Florida statute defines Distance Learning as at least 80%. It is important to note that the percent of students enrolled in at least one DL course for the entire 2015-16 academic year jumps to 61%, because the expanded time period provides more opportunities for a student to take a DL course.

**NOTE: This table shows Florida with 14 public 4yr institutions because USF campuses report separately to IPEDS. (Table included in the 2016 SUS Accountability Report)*

61%

of SUS students took at least one distance learning course in 2015-16

Student Enrollments (Headcounts)

2015-2016 UNDERGRADUATE STUDENT ENROLLMENTS (HEADCOUNTS)

INSTITUTION	STUDENTS WHO TOOK ONLY DL COURSES	STUDENTS WHO TOOK BOTH DL AND CLASSROOM AND/OR HYBRID COURSES	STUDENTS WHO TOOK NO DL COURSES
FAMU	21	1,279	7,402
FAU	1,699	13,679	13,917
FGCU	609	9,176	5,185
FIU	6,244	24,450	17,508
FPU	0	0	948
FSU	1,045	18,103	17,060
NCF	0	0	884
UCF	7,790	38,206	17,164
UF	2,818	28,116	6,182
UNF	656	8,013	7,329
USF	3,561	28,041	10,414
UWF	2,198	6,040	3,463
SUS	26,641	175,103	107,456

SOURCE: BOG SUDS tables, extracted 2017-02-10.
Note: Unclassified students are not included in this analysis. Headcounts are unduplicated.

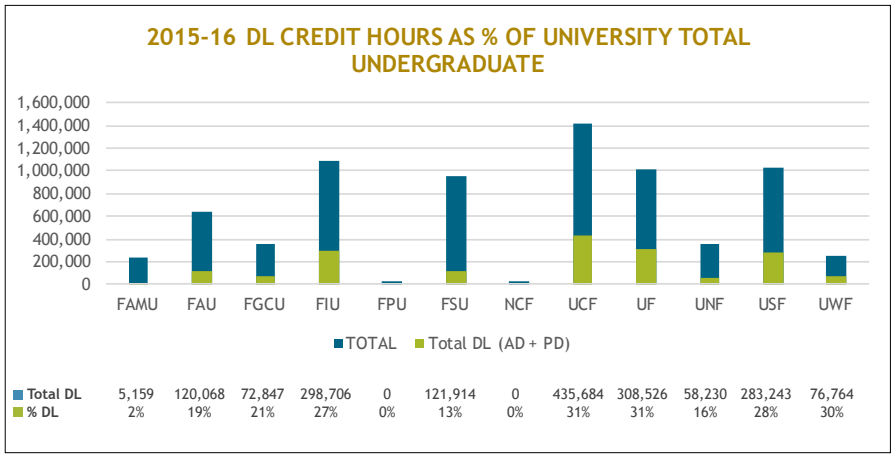
2015-2016 GRADUATE STUDENT ENROLLMENTS (HEADCOUNTS)

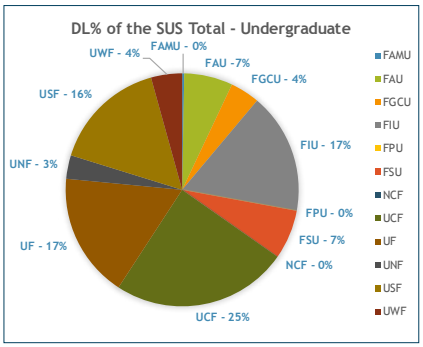
INSTITUTION	STUDENTS WHO TOOK ONLY DL COURSES	STUDENTS WHO TOOK BOTH DL AND CLASSROOM AND/OR HYBRID COURSES	STUDENTS WHO TOOK NO DL COURSES
FAMU	51	86	1,790
FAU	772	2,133	2,570
FGCU	190	569	457
FIU	1,508	2,303	6,692
FPU	0	0	35
FSU	911	1,536	6,328
NCF	0	0	0
UCF	1,843	2,819	4,472
UF	2,861	5,048	8,997
UNF	194	665	1,340
USF	1,869	3,822	6,728
UWF	1,753	477	600
SUS	11,952	19,458	40,009

SOURCE: BOG SUDS tables, extracted 2017-02-10.
Note: Unclassified students are not included in this analysis. Headcounts are unduplicated.

Credit Hours by Delivery Method

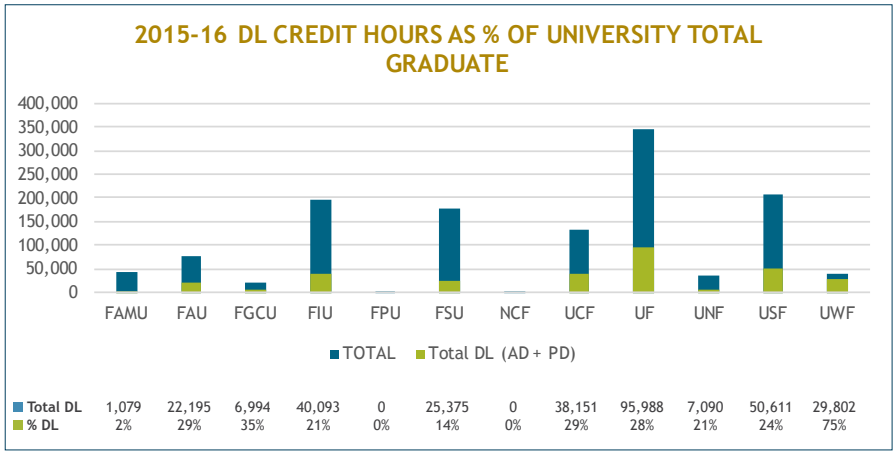
System-wide, 24% of undergraduate credit hours were taken in distance learning courses, ranging from 0% at New College and Florida Polytechnic University to 31% at the University of Central Florida and the University of Florida.

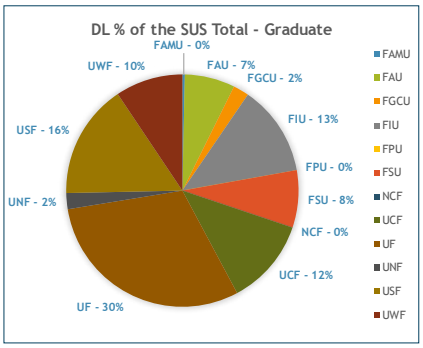




SOURCE: BOG SUDS tables, extracted 2017-02-10. All funding sources.

For graduate courses, 25% of student credit hours system-wide were in distance learning courses, ranging from 0% at New College and Florida Polytechnic University to 75% at the University of West Florida.





SOURCE: BOG SUDS tables, extracted 2017-02-10. All funding sources.

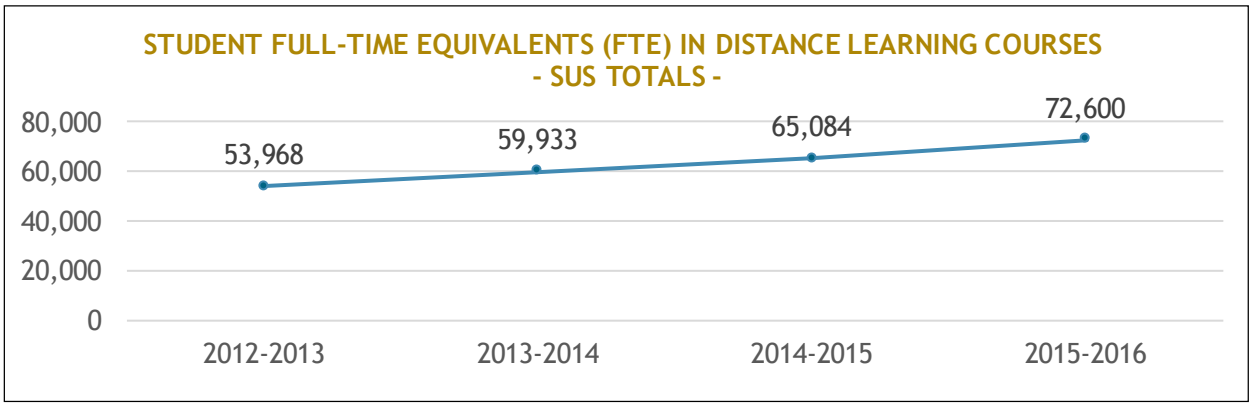
Historical Full-Time Equivalents (FTE) in Distance Learning Courses

A Full-Time Equivalent (FTE) student is a measure of instructional activity that is based on the number of credit hours in which students enroll. Both the number and percentage of FTEs in distance learning courses continue to increase:

STUDENT FULL-TIME EQUIVALENTS (FTE) IN DISTANCE LEARNING COURSES

LEVEL/YEAR	FAMU	FAU	FGCU	FIU	FSU	UCF	UF	UNF	USF	UWF	SUS
UNDERGRAD											
2012-2013	50	1,876	1,597	7,104	1,982	12,433	6,404	1,054	7,805	2,582	42,885
2013-2014	73	2,164	1,774	8,396	2,854	12,807	8,380	1,389	7,867	2,545	48,248
2014-2015	131	2,388	2,055	9,192	3,476	13,559	8,921	1,722	8,745	2,434	52,622
2015-2016	172	4,002	2,428	9,957	4,064	14,523	10,287	1,941	9,442	2,559	59,375
MASTERS											
2012-2013	82	761	201	1,387	608	1,522	2,027	154	1,657	861	9,258
2013-2014	47	755	182	1,429	751	1,411	2,079	173	1,718	1,017	9,562
2014-2015	49	786	187	1,461	822	1,361	2,336	214	1,921	1,081	10,218
2015-2016	39	863	240	1,625	955	1,429	2,609	214	1,960	1,125	11,058
DOCTORATE											
2012-2013	1	52	29	35	48	185	1,329	10	91	44	1,824
2013-2014		67	35	39	70	183	1,564	13	108	42	2,122
2014-2015	4	73	38	41	79	177	1,608	38	130	55	2,244
2015-2016	6	62	52	46	103	161	1,392	82	149	117	2,167
TOTAL											
2012-2013	134	2,689	1,827	8,525	2,637	14,140	9,760	1,217	9,553	3,486	53,968
2013-2014	120	2,986	1,991	9,864	3,675	14,401	12,023	1,575	9,693	3,604	59,933
2014-2015	183	3,247	2,280	10,694	4,377	15,098	12,865	1,975	10,797	3,569	65,084
2015-2016	217	4,927	2,720	11,627	5,121	16,112	14,287	2,237	11,551	3,801	72,600

SOURCE: BOG SUDS tables

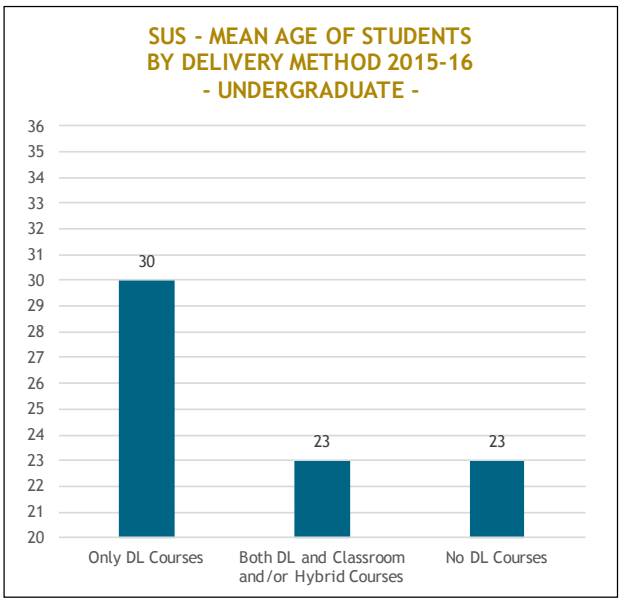


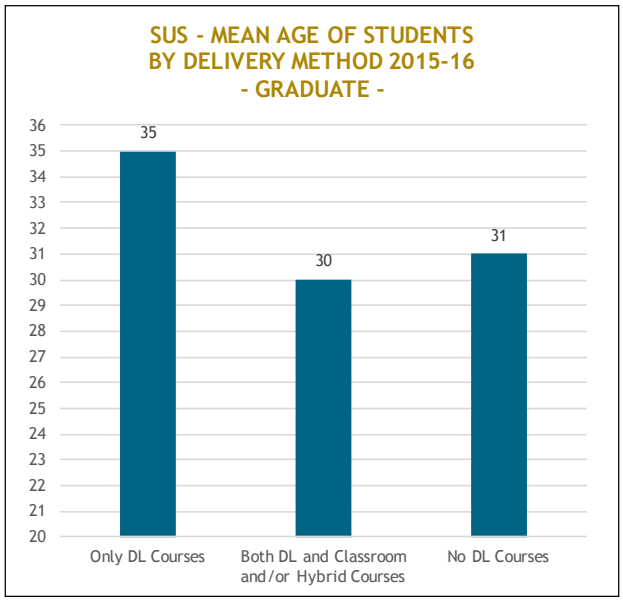
[2]Total undergraduate student credit hours are divided by 30 to obtain the number of undergraduate FTEs. Total graduate student credit hours are divided by 24 to obtain the number of graduate FTEs.

Student Demographics

Age of Student

Students who took only online courses were older than students who took both distance learning and classroom and/or hybrid courses and those who took no distance learning courses. Older students are more likely to be place-bound working full-time and/or supporting families, making distance learning an ideal way for them to complete their degrees.

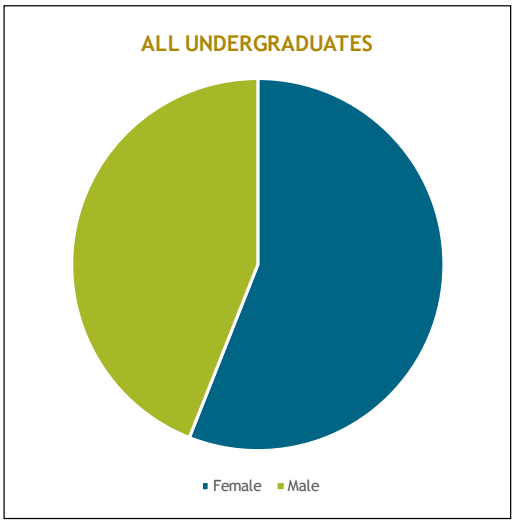


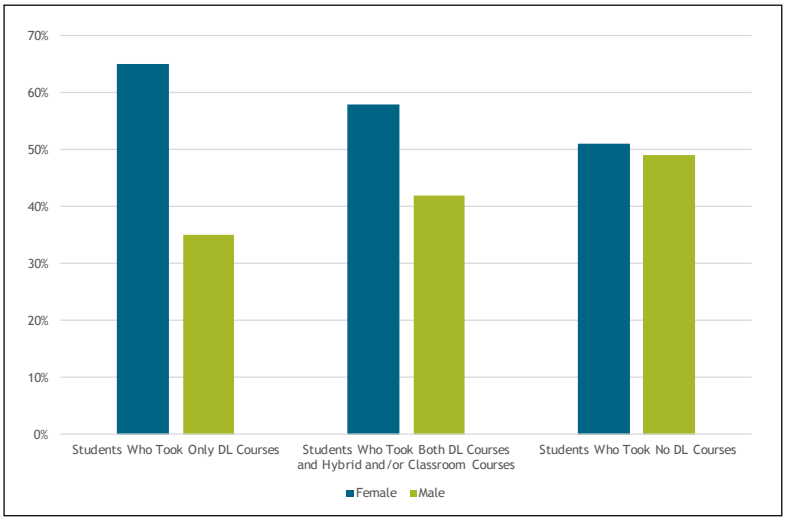


SOURCE: BOG SUDS tables, extracted 2017-02-10. Note: Unclassified students are not included in this analysis. Headcounts are unduplicated.

Gender

Almost two-thirds of students taking only distance learning courses are female. Sixty five percent (65%) of students who took only distance learning courses were female, while females comprised just 56% of the undergraduate student body as a whole.

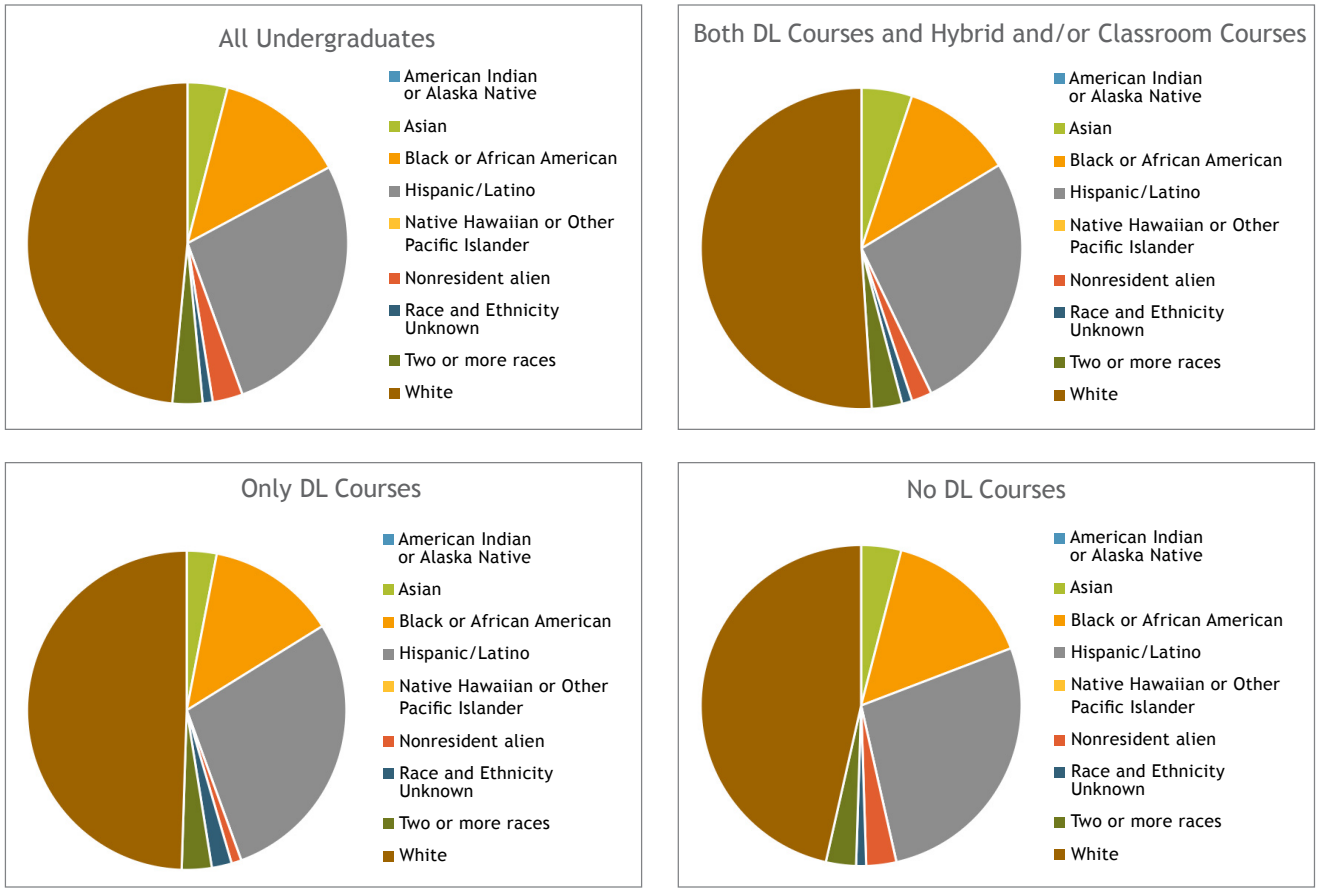




SOURCE: BOG staff analysis, Person Demo, Financial Aid Demo, Enrollments, Courses Taken and Instructional Activity data. NOTE: Undergraduate is defined as Student Class Level = Lower or Upper Division, excluding unclassified students.

Race/Ethnicity

The race/ethnicity of undergraduates who took only distance learning courses closely aligned with that of the undergraduate student body as a whole.



SOURCE: BOG staff analysis, Person Demo, Financial Aid Demo, Enrollments, Courses Taken and Instructional Activity data. NOTE: Undergraduate is defined as Student Class Level = Lower or Upper Division, excluding unclassified students. Fall 2015-16 data.

Residency

Of undergraduate students who took only distance learning courses, 96% were Florida residents and 4% non-residents

RESIDENCY	UNDERGRADUATES WHO ONLY TOOK DL COURSES		UNDERGRADUATES WHO TOOK BOTH DL COURSES AND HYBRID AND/OR CLASSROOM COURSES		UNDERGRADUATES WHO TOOK NO DL COURSES		ALL UNDERGRADUATES	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Florida	19, 815	96%	119, 750	94%	110, 129	93%	249, 694	93%
Non-Florida	899	4%	8, 086	6%	8, 718	7%	17, 703	7%

SOURCE: BOG staff analysis, Person Demo, Financial Aid Demo, Enrollments, Courses Taken and Instructional Activity data.
NOTE: Undergraduate is defined as Student Class Level = Lower or Upper Division, excluding unclassified students. Fall 2015-16 data

Student Services

Florida Virtual Campus

FloridaShines

Florida Shines florida shines.org is a 'student hub for innovative educational services' for students in Florida, with 3,210,000 visitors to the site in 2016. Intended as a one-stop for students K-20 seeking three major areas of support that are legislatively identified as part of the Florida Virtual Campus/Complete Florida Plus Program, identified as:

- college preparation materials,
- resources to support success while in college, and
- connection to careers

Materials and resources included are information about Bright Futures, scholarships in Florida, financial aid information, how to apply to college, library resources, the online course catalog, free online textbooks, transient applications and My Career Shines as a career education and training tool to support students as they build pathways to careers. To highlight major areas of high interest on the website, the **course catalog** is responsible for 40,000 fully online courses listings. **My Career Shines** has over 550,000 active users and the **Transient Student Admissions Application (TSAA)** processed 73,828 applications in 2016.

Florida Shines also highlights Florida's 40 public postsecondary institutions (12 universities and 28 colleges) through institutional profiles and highlights of innovative activity by institution. Statewide events focused on Florida's students are always highlighted on the site. Most recently, the Florida Virtual Campus Florida Shines site is highlighting Virtual College Week for all high school students in Florida in partnership with colleges and universities to share the pathway to admissions.

eTextbooks and Open Educational Resources

Textbook costs in some courses place a huge burden on students in Florida's higher education system. The 2016 Florida Student Textbook Survey (Florida Virtual Campus) reported that 53.2% of students spent more than $300 on textbooks during the spring 2016 term and 17.9% spent more than $500. The survey also noted that 77.2% of respondents spent up to $200 on required course materials. The rising cost of materials seems to be a barrier to successful degree completion. The survey found that, due to the cost of required materials, 66.6% of students did not buy a required textbook; 47.6% occasionally or frequently take fewer courses; 26.1% drop a course; and 20.7% withdraw from a course.

A workgroup was formed to address the *2025 Strategic Plan for Online Education's* Affordability Goal 2 ("The State University will reduce the costs of educational materials for students"). During 2016, the group researched costs, preferred characteristics of e-textbooks, and e-textbook programs in other states and will present recommendations to the Board's Innovation and Online Committee during its March 2017 meeting.

Tutoring

Many state universities offer tutoring through their own academic units and third-party providers. The *2025 Strategic Plan for Online Education* recognized tutoring as a service that should be explored for potential sharing to expand the quality of the student online learning experience, while reducing costs (Affordability Tactic 1.1.1). The Infrastructure Workgroup will present to the Board's Innovation and Online Committee at its March 2017 meeting its plans to address tutoring as part of its implementation of Quality Tactic 2.2.2, developing "a structure to facilitate collaboration system-wide in evaluating, recommending, and purchasing software to ensure cost efficiencies and effectiveness."

Proctoring

The Southern Association of Colleges and Schools, Commission on Colleges' Policy Statement on Distance and Correspondence Education states that "At the time of review by the Commission, the institution demonstrates that the student who registers in a distance or correspondence education course or program is the same student who participates in and completes the course or program and receives the credit by verifying the identity of a student who participates in class or coursework by using, at the option of the institution, methods such as (1) a secure login and pass code, (2) proctored examinations, and (3) new or other technologies and practices that are effective in verifying student identification."

Methods to proctor exams in online courses vary by institution and include the use of live remote proctoring services, testing centers, and various software. The Infrastructure Workgroup began developing a system-wide framework for proctoring and will present its recommendations to the Board's Innovation and Online Education Committee at its March 2017 meeting.

Student Services

To provide quality online degrees and to meet accreditation requirements, universities need support services for online students that are equivalent to those offered for on-campus students. Across the university system, institutions are in various stages of implementing those services, using different models. To develop a better understanding of the level of service provided for online students across the system, the *2025 Strategic Plan for Online Education* included tactics to (1) develop a scorecard to assist each university in evaluating the level of service it provides and (2) provide recommendations for best practices in the delivery of those services. Listed below are the tactics for student support services in the *Plan*.

Quality 2.3.1: Ensure that universities use Quality Scorecard or a similar process to confirm that online students, including online students with disabilities, have access to services equivalent to those used by campus-based students.

Access 1.1.6: Retain fully online students by implementing best practice strategies such as academic coaches, success coaches, analytics, and early alert interventions.

Access 1.1.8: Provide a robust set of student support services to support the delivery of multiple, accelerated models.

Access 2.1.4: Secure student support resources to ensure students have access to technology required for online education.

The Student Services Workgroup began addressing these tactics and will present recommendations to the Board's Innovation and Online Committee during its March 2017 meeting.

Student Life

Student engagement is a critical component of excellence in online learning. There are numerous examples of engagement efforts, but one of the most comprehensive is underway in UF Online.

UF Online students have an array of options for extracurricular involvement. Students who live near campus are able to participate in the full array of campus activities. While UF Online students are not required to pay Athletic, Health, Transportation, or Activity & Service fees, they may choose to pay those fees. By doing so, they will have access to all campus services and amenities. Regardless of whether or not a UF Online student pays the Optional Fee Package, he or she is eligible to join any student club or organization.

In an effort to provide more opportunities for engagement for UF Online students not located near campus, UF Online has developed a web-based community called the UF Online Plaza. The Plaza was launched in beta in fall 2016 and will be in full production by fall 2017. Within the site, students have the opportunity to engage with one another as well as with UF staff, advisors, and faculty who have joined the site. Each student is added to a group for his or her major along with advisors and other students in the major. Other campus offices such as the Career Resource Center and the Disability Resource Center can create groups to serve as convenient points of contact and as channels for the dissemination of information. The students themselves can also create their own groups based on geographic location, academic interests, professional pursuits, or any other shared interest. Ultimately, this platform and the groups it hosts provide students with the ability to associate freely with each other and to engage with the institution.

HEALTH AFFAIRS FOR FULLY ONLINE STUDENTS

Student health issues for fully online students present a difficult challenge for any institution. One of the most innovative programs has been developed at UF under the title “U Matter We Care.” This program is designed for students in crisis (mental health), and online students often refer themselves, although faculty and staff also frequently refer students. The U Matter We Care Team sets up a phone call or video conference with the student to help identify and prioritize issues and then develop a plan to address each issue that is a barrier to success. Some students only need one interaction with the Care Team; others meet consistently with the Care Team through graduation.

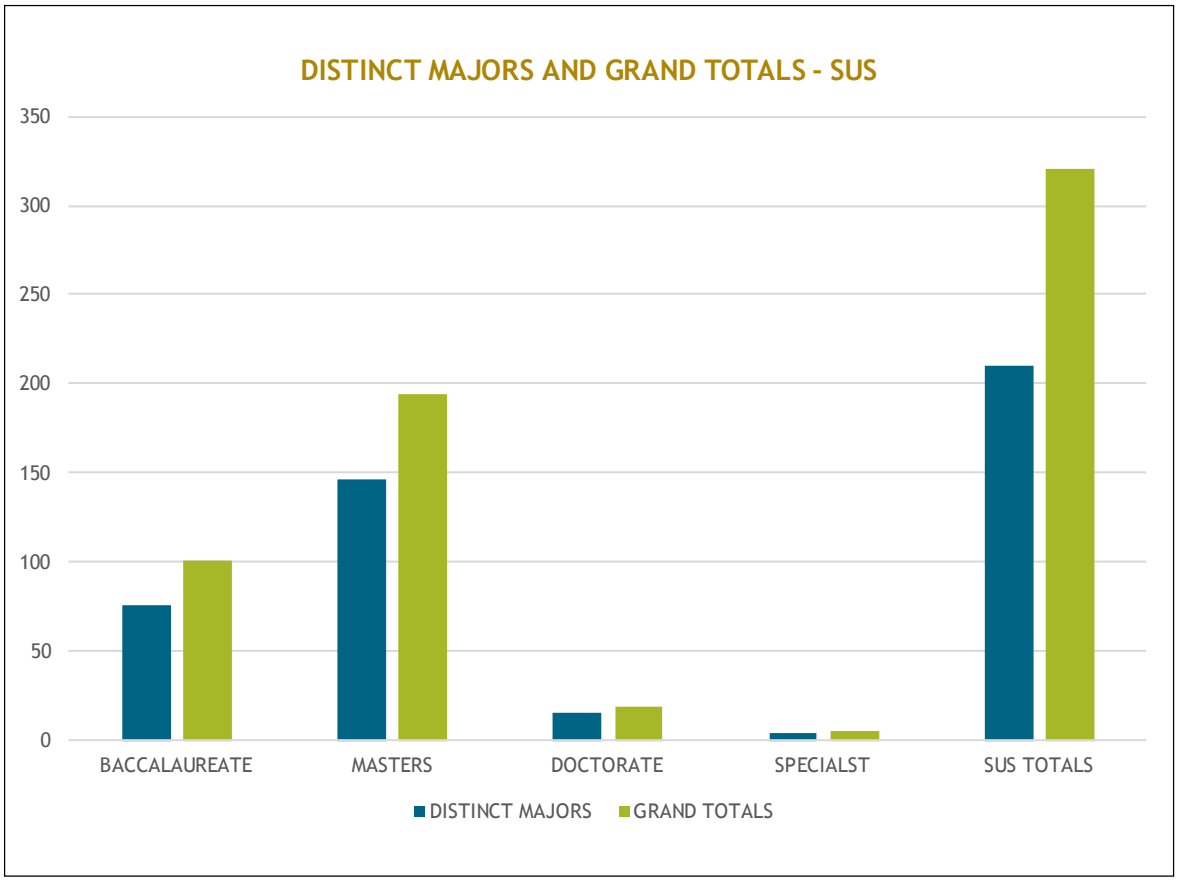
While there is some consistency in issues among all students, online students bring their own unique challenges. For example, many are nontraditional-aged students and have spouses, children, and full- time jobs to balance. They are often caring for aging parents as well as children. Some online students are experiencing divorce, domestic violence, employment issues or a loss of housing, and thus may not have easy access to course work. UF works with local caregivers in the students’ permanent location if students are experiencing mental health issues or have need of other nearby services.

Academic Affairs

Online Programs

In response to Access Tactic 1.1.2 in the *2025 Strategic Plan for Online Education*, "Offer a broad range of fully online degree programs in most Classification of Instructional Programs (CIP) codes reflected in the Board of Governors Approved Academic Program Inventory," the Online Programs Workgroup first developed a State University System Online Program Inventory using the Online Program Survey responses received from each of the SUS institutions in 2015. Data from all SUS institutions was merged into a single source, which was then cross-referenced with and validated against a listing of known CIP codes, the Approved Program Inventory, and the list of Programs of Strategic Emphasis.

Degree programs were condensed to distinct online majors by removing concentrations and specializations. SUS institutions offered 210 distinct online majors in 2015-16, with a grand total of 320 online majors.[1] Recommendations for expanding the number of programs in additional CIP codes will be presented to the Board's Innovation and Online Committee at its March 2017 meeting.

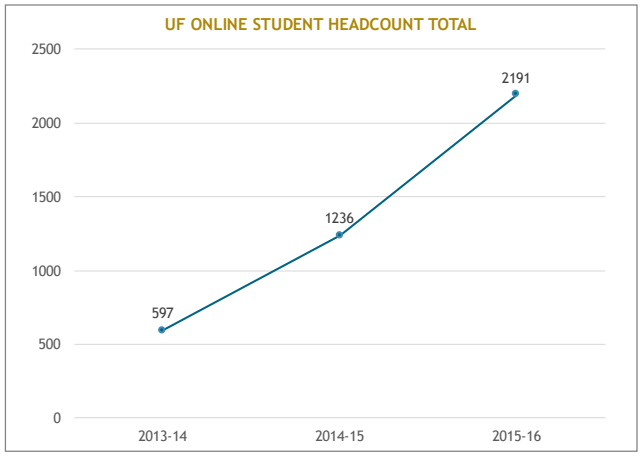


The sum of distinct degrees by level may not tie to the totals in the "Total Distinct Majors" column, because majors that are offered at multiple levels (such as both baccalaureate degrees and Masters degrees) were counted only once in the "Total Distinct Majors" column; however, those duplicate levels are all counted in the "Grand Total" column. Likewise, majors offered by multiple universities are counted only once in the "Distinct Majors" column, but are all included in the "Grand Total column.

UF Online

UF Online offers fully online undergraduate degrees designed and delivered by UF faculty and rich in student engagement and support. The program was established by statute in 2013 and launched in spring 2014. Some highlights of the UF Online statutory framework include:

- Exceptions for face-to-face lab-based instruction.
- Increasing access to UF while keeping college affordable:
  - > Reduced tuition: 75% in state; market rate for out of state ($500/SCH)
  - > Reduced fees: UF Online students only pay 3 fees: Capital Improvement, Student Financial Aid, and Technology Fee.
  - > No Distance Learning Fee.
  - > Students may customize their fees through the Optional Fee Package.



Students are supported by a cadre of academic advisors across campus. Courses are taught by over 275 faculty from 12 colleges and over 70 academic departments. By fall 2017, 8 colleges will offer 19 degrees in UF Online. Since launching in spring 2014, over 680 students have graduated from these programs.

PATHWAY TO CAMPUS ENROLLMENT (PACE)

Launched in fall 2015, the PaCE admissions program provides opportunities to first time in college (FTIC) students to begin their undergraduate studies through UF Online. Due to on-campus space constraints, these students would have been denied admissions to UF. Instead they are admitted to UF Online for their lower division course work. Once they have completed 60 hours towards their degree, these students may complete the remainder of their degrees on campus.

Complete Florida

Complete Florida is Florida's degree completion initiative, established by the Florida Legislature to serve Florida's more than 2.8 million citizens who have earned some college credit, but have not earned a degree. Statutorily, Complete Florida is to recruit, recover and retain students to completion of a degree through partnerships with colleges, universities and Independent Colleges and Universities to offer an array of accelerated offerings to help adult students obtain degrees preparing them for jobs in Florida's most high-demand fields: business and management, education, information technology and healthcare. Complete Florida is working to help Florida increase the number of college degrees awarded, fulfilling state and national goals to increase the number of high quality postsecondary qualified citizens that meet the needs of the Florida economy.

90+ DEGREE OPPORTUNITIES

Complete Florida is serving 2,337 adult learners with some college and no degree. Currently, 5,400 prospective students are in process of completing applications, participating in Back to College Experiences, and working with Complete Florida Success Coaches while working toward admission. Enrolled students in academic year 2015-2016 reached 1,644. Since Spring 2014, 579 adult students have earned a certificate, associates degree, or bachelor's degree.

Financial barriers are one of the most challenging aspects for the returning adult student. Complete Florida supports students in the return to college through scholarships and information about Financial Aid and support. Over 400 scholarships were awarded to Complete Florida students in 2015-16.

Complete Florida Military

Complete Florida Military was created in 2015 with funding from Florida's Defense Support Task Force (FDSTF) to provide targeted, tailored support to the 75,000-plus members of Florida's active-military and veteran community and their dependents. Helping veterans and military service members overcome the unique challenges they face in returning to college is a primary goal of Complete Florida. The grant facilitated scholarships of $150,000 (half from resources through the FDSTF and the other half matched from Complete Florida scholarship resources); 93 scholarships were awarded to military students and their families, and 85 military-related students completed Information Technology non-credit courses in preparation for industry certification, Spring 2016-Summer 2016. Florida State College at Jacksonville re-engineered 13 courses to support curriculum for Information Technology programs. There are 597 military-related students in Complete Florida Military.

Innovative Strategies

COMPETENCY-BASED EDUCATION (CBE)

Complete Florida has launched seven competency-based programs through its partnership with 14 public and private postsecondary institutions in Florida (participating SUS institutions are Florida Gulf Coast University, Florida International University, University of Central Florida, University of South Florida, and University of West Florida). The purpose of competency-based education (CBE) for Complete Florida is to provide a pathway for adult degree completion where students demonstrate what they know through guided CBE and assessments. When successful, adult students can accelerate forward using a self-paced CBE approach to reduce time to graduation. A series of convenings were held in partnership with the Lumina Foundation and Complete Florida partners to uncover areas of concern around issues, policies and practices to support successful larger scale implementation of CBE in Florida. Attending also were representatives from the Florida Board of Governors, the Florida College System and the Florida Statewide Common Course Numbering office. To gain perspective from other states, representatives from the University of Texas System and the Kentucky Community College System were invited to present successes and challenges with system-level initiatives and to provide guidance

to the state of Florida. Currently, the Complete Florida coaching team guides prospective student options to select from the 90 degree programs currently offered, with seven competency-based degree programs and one adaptive program (at UCF) to support acceleration to completion. The adult learner is a good audience for CBE. Results of convenings identified areas for consideration for the larger system to meet the goal of 50% of institutions offering competency-based education include: setting tuition for CBE students, data integration to support off-cycle admissions, re-connecting competency-based courses to the recognized transcript, consideration for financial aid and the need to develop policies and practices around each of these areas.

ADAPTIVE LEARNING

Adaptive learning continues to gain attention nationally, with new practices and commercial platforms entering the market on a regular basis. With the promise of improving quality and personalizing a student's learning experience at scale, adaptive learning leverages data to offer custom content, pathways and assessments to meet every student at his/her own ability. For the past several years, UCF has been expanding its use of adaptive learning across a variety of disciplines and courses and UCF staff have served on numerous national panels and advisory boards related to its development. To date, UCF has delivered adaptive learning in 9 courses/ 30 sections, and to over 1,700 students. Other schools within the Florida SUS are also investigating or experimenting with adaptive learning, including UF and FIU. UF is planning to convene a statewide discussion on personalized and adaptive learning, bringing in experts from across the state and country to discuss and share information about its effective design and delivery, in February 2017.

MASTER COURSES

The master course (shared course) concept has found traction in a number of state systems; the motivation has often been affordability with a secondary benefit of quality consistency. The Online Programs Workgroup has been exploring this concept to assist in addressing Affordability Strategy 1.2, "Develop a common toolset for online course design and delivery to minimize the cost of online education without reducing quality of the instructional experience," in the *2025 Strategic Plan for Online Education*. The Workgroup will present recommendations to the Innovation and Online Committee at its March 2017 meeting.

STEM LABS

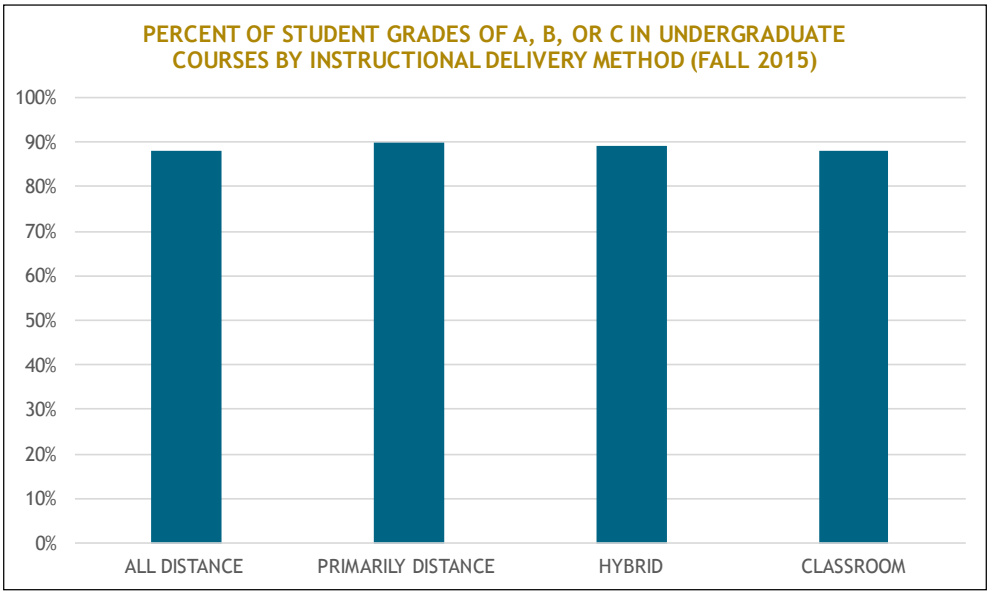
The Steering Committee for the implementation of the SUS *2025 Strategic Plan for Online Education* approved the creation of the system-wide task force to evaluate options for deployment of STEM labs for online students. The Director of UF Online is leading a one-year effort to inventory current online lab offerings across the SUS, identify gaps and opportunities, and produce findings and recommendations for moving forward. The task force is focusing on undergraduate Chemistry, Biology, and Physics labs and anticipates completing its work in October 2017.

Unizin

In July 2015, Institutions in the State University System became members of Unizin, a consortium established by fourteen major research universities throughout the country, including the University of Florida, to support the direction and development of a digital ecosystem to improve teaching and learning environments. As stated on the Unizin website, the consortium is:

> Jointly creating digital tools; working together to negotiate more favorable contracts with learning content providers; utilizing a business model for delivering content that reduces the cost of course materials and promotes low-cost and free alternatives like OER and faculty-generated content; and offering much of the infrastructure and core capabilities at no additional cost to Members.

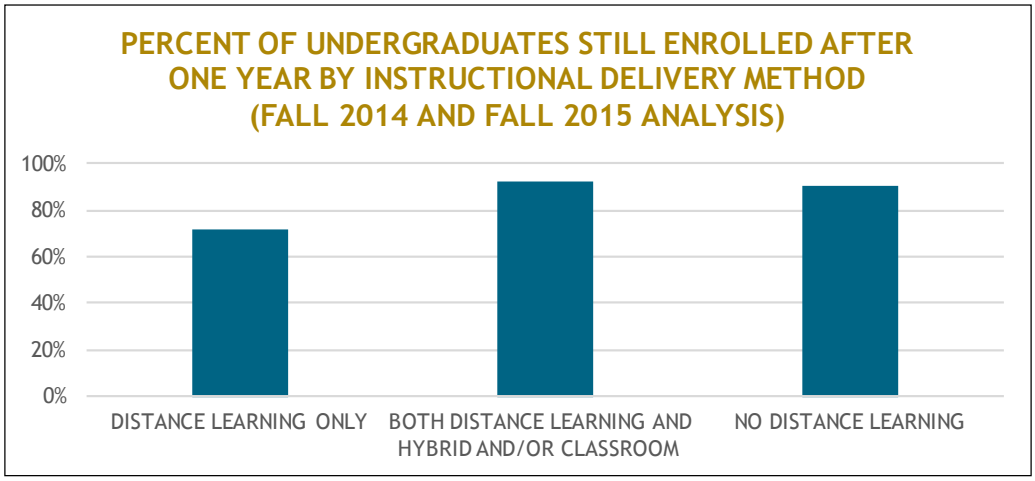
Grade Comparison



SOURCE: BOG IR staff analysis of SUDS-EGmarts, extracted 2016-07-14.
Notes: Undergraduate courses include Lower- and Upper- division. All plus/minus grades are included. Course grades of "W" (withdraw) were not included in the denominators for calculating percentages. Delivery Method categories are based on element #2052. FIU, FSU and UCF did not report any courses as hybrid during the Fall 2015 term. The SUS includes data for NCF and FPU who were not identified separately because they had no DL enrollments.

Retention

Seventy-two percent (72%) of undergraduate students who enrolled only in distance learning courses in fall 2014 were also enrolled in fall 2015. Additional research is needed to determine if those distance learning students who were not retained in fall 2015 enrolled in a subsequent semester, transferred to another institution, or had been transient students with a different home institution in fall 2014.



SOURCE: BOG SUDS tables, extracted 2017-02-15.
Notes: Includes all undergraduates. Delivery Method Categories are based on their enrollments during the Fall 2014 term.
The percentages report the proportion of the Fall 2014 students who were enrolled during Fall 2015. Students who graduated between Fall 2014 and Fall 2015 were deleted from the numerators and the denominators. NCF and FPU had no DL enrollments.

Time to Degree

Students who took both distance learning courses and non-distance learning (classroom and/or hybrid) courses generally graduated faster than students who took no distance learning courses.

AVERAGE NUMBER OF YEARS TO DEGREE IN THE SUS FOR 2015-2016 FULL-TIME, FTIC BACCALAUREATES IN 120HR PROGRAMS

DISTANCE LEARNING CATEGORIES	HEADCOUNT	MEDIAN YEARS	MEAN YEARS
0% DL (Classroom/Hybrid only)	2,214	4.33	4.47
1-20% DL	13,515	4.00	4.26
21-40% DL	6,314	4.00	4.12
41-60% DL	1,703	3.92	3.95
61-80% DL	147	*	*
81-99% DL	20	*	*
100% DL only	3	*	*
Total	**23,916**	**4.00**	**4.22**

SOURCE: BOG IR analysis of datamarts, extracted 2017-03-14.
Notes: Years-to-degree is measured as number of calendar years (12 months) from the student's first entry date as a Bachelor's-seeking undergraduate to the last month of the degree term. FTIC status is based on the student recent admit type and includes early admits. Student headcount represent those who earned a bachelor's degree during academic year 2015-16 and graduated from programs that require 120 credit hours. In addition, data only includes 'full-time' students — those with a least half of all the terms in which they were enrolled were at full-time status (fall and spring = 12 SCHs; Summer = 6 SCHs). These students were then designated into groups of online activity based on the delivery method indicator ('DL') for all courses taken throughout their academic career. For courses taken prior to summer 2010, the technology delivery indicator-primary ('W') was used. For courses taken after summer 2010, the delivery method indicator ('DL') was used. The dataset only extends back to students who entered in Summer 2004 or later. Due to low counts of the 61+% groups, results are not generalizable to other populations.

Professional Development

The *2025 Strategic Plan for Online Education* emphasizes quality in the design, development and delivery of online courses and the professional development of the instructors and staff. To successfully fulfill those goals, the following tactics are being addressed.

INSTRUCTIONAL DESIGNERS

According to the Quality Tactic 1.2.1, "create a statewide professional development network for instructional designers in order to share best practices and provide guidance in designing and developing online education" was implemented through the design and development of an instructional designer page on the FLVC website. The page went live in December 2016. The tab is monitored and updated by a lead designer from an SUS institution and a lead designer from the state colleges. The site will provide research, reviews on software and products used in course design and development, updates on quality reviews and professional development opportunities specifically for instructional designers in the State of Florida.

INSTITUTIONAL LEADERS

In response to Quality Tactic 1.2.2, to "enhance professional development opportunities offered by the Florida Virtual Campus for institutional leaders in online education," a professional development for online leaders tab was added to the FLVC website to announce opportunities around the State of Florida as well as national opportunities. In addition, a ½ day professional development workshop will be held once a year specifically for online leaders across the State. The first such workshop will be held in June of 2018 at the University of South Florida.

FACULTY CERTIFICATION

The workgroup is in the process of investigating best practices for certifying faculty to teach online and will make recommendations to the Innovation and Online Committee in March of 2017 on which approach should be recommended for SUS institutions that choose to certify faculty to teach online.

PROFESSIONAL DEVELOPMENT STAFF

In addition, the workgroup is anticipating the launch of Teaching Online Preparation Toolkit (TOPkit), an online toolkit and annual workshop for institutional staff who are responsible for *professional development activities for faculty* who teach online courses (Quality Tactic 1.2.3). On March 2016, the Professional Development Workgroup made recommendations to the Council of Academic Vice Presidents (CAVP), who agreed to fund recurring costs for four years after the first year startup. FLVC agreed to fund first year start-up, nonrecurring costs. The University of Central Florida is the primary developer. The toolkit and workshops will be available in the Spring of 2017.

Quality Courses

Although there is not a system approach for determining the quality of online courses, many universities have some type of process in place for an individual faculty member to have his or her course reviewed, including using proprietary tools, such as those available from Quality Matters or institution-developed rubrics and processes. During 2015-16, a system-wide workgroup was created to address quality issues in the *2025 Strategic Plan for Online Education*, focusing primarily on the development of a quality course review process and a process for identifying quality and/or high quality courses in the Florida Virtual Campus course catalog. Recommendations for these deliverables are planned to be presented to the Board's Innovation and Online Committee at its March 2017 meeting.

Research

Quality Tactic 2.1.1 in the *2025 Strategic Plan for Online Education* states, "Create a statewide online education research consortium with members from Florida institutions interested in sharing and presenting research, determining research needs in online education, and identifying collaborative research projects." The research consortium was created in 2016 and had its organizational meeting.

Data Definitions

Affordability Tactic 4.1.1 in the *2025 Strategic Plan for Online Education* provides that system-wide terms and definitions related to online education should be reviewed and revisions recommended to ensure consistency and relevancy of data collection. Section 1009.24(17), Florida Statutes, defines a distance learning course as "a course in which at least 80 percent of the direct instruction of the course is delivered using some form of technology when the student and instructor are separated by time or space, or both." The same definition is provided for the Florida College System in Section 1009.23 (16), F.S.. Distance Learning courses also include modalities other than online education, such as correspondence courses and videotapes, where instructors and students are separated by time or space, or both; however, the term "distance learning" is often used interchangeably with "online education" or "online learning."

Recognizing that it would be useful to have a more discrete definition of distance learning courses, the SUS split the statutory definition into two data elements: "fully distance learning course" and "primarily distance learning course," the sum of which equals the statutory definition. The SUS began collecting data using the new data elements during the Fall term, 2015. The full definitions are:

DATA ELEMENTS	COURSES - DEFINITION
Fully Distance Learning Course	100% of the direct instruction of the course is delivered using some form of technology when the student and instructor are separated by time, space, or both. All special course components (exams, internships, practica, clinicals, labs, etc.) that cannot be completed online can be completed off-campus.
Primarily Distance Learning Course	80-99% of the direct instruction of the course is delivered using some form of technology when the student and instructor are separated by time, space, or both. There is a requirement for the student to attend campus or another explicit geographic location for a portion of the course.

The SUS also adopted definitions for "Fully Online Programs" and "Primarily Online Programs," which were needed for development of an inventory of online programs:

TERMS	PROGRAMS - DEFINITION
Fully Online Program	100% of the direct instruction of the program is available using some form of technology when the student and instructor are separated by time, space, or both. All program requirements that cannot be completed online can be completed off-campus.
Primarily Online Program	80-99% of the direct instruction of the program is available using some form of technology when the student and instructor are separated by time, space, or both. There is a requirement for the student to attend campus or another explicit geographic location for a portion of the program.

Affordability

Cost of Online Education Report

In response to Affordability Goal 4 in the *2025 Strategic Plan for Online Education*, "The State University System will determine the costs of online education campus-by-campus," the Affordability Workgroup undertook a massive data collection and analysis effort to produce the Cost of Online Education report that found that the average incremental cost of online learning is $41.48 per credit hour, with 42% of incremental costs for the development of the online course and 58% for the delivery of the online course.

Institutions' increased costs for developing and delivering online education are from the investment in staffing, the cost of creating online courses with high interaction levels and media rich content, and the technology infrastructure. The report found that the development and delivery of online education requires additional human resources and technology resources that are not necessary for face-to-face education, increasing the cost of online education. Many institutions have implemented a distance learning fee to cover these additional costs.

Alternative cost models were also considered in the report to reduce the cost of online education and to encourage students to graduate in a timely manner. This concept included reducing fees (such as: activity and service, health, and athletics fees), block tuition and fees, partial block tuition and fees, subscription pricing, and flat rate.

Common LMS

During the January 2016 Innovation and Online Committee meeting, members heard the results of the selection process for a common, opt-in learning management system. At the Committee's and Board's direction, Board staff had worked with institutional representatives from the SUS and Florida College System to implement a competitive procurement process for selecting an LMS. FSU lead the procurement process, which resulted in a master agreement that could be used by institutions in both delivery systems. Ten of the twelve universities are now using – or are transitioning to – the common LMS; the remaining two universities are in the review stage. Several colleges in the FCS are also taking advantage of the master agreement.

Reduced Needs for Classrooms

Distance learning FTE are not included in the space needs formula for classrooms. A review of the formula in 2016 showed that if all distance learning credit hours were to be taken on campus, there would be a need system-wide for an additional 641,847 GSF of classroom space for a cost of $184.3 million.

Infrastructure

Affordability Goal 1 in the *2025 Strategic Plan for Online Education* is "The State University System will enhance shared services to support online program development and delivery costs," with one tactic directing an exploration of "items for potential sharing to expand the quality of the student online learning experience while reducing costs through efficiency." The Infrastructure Workgroup will be making recommendations to the Board's Innovation and Online Committee at its March 2017 meeting to address this charge.

Resources

Southern Association of Colleges and Schools Commission on Colleges. (n.d.). Distance and Correspondence Education. Policy Statement. Retrieved from: http://www.sacscoc.org/pdf/DistanceCorrespondenceEducation.pdf

State University System of Florida, Board of Governors. (n.d.), Online Education 2025 Strategic Plan. Retrieved from: http://www.flbog.edu/about/taskforce/_doc/strategic_planning_online_ed/2015_11_05%20FINAL_StrategicPlan.pdf

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Unizin. (n.d.). Retrieved from: http://unizin.org/about/

Appendix A

Task Force for Strategic Planning for Online Education

Dr. John Hitt, Chair
President, University of Central Florida

Dr. Judith Bense
President, University of West Florida

Marcella David, J.D.
Provost, Florida A & M University

Harrison DuBosar
Student, Florida State University

Dr. Shawn Felton
Assistant Professor, Florida Gulf Coast University
President, FGCU Faculty Senate
Trustee, FGCU Board of Trustees

Dr. Kent Fuchs
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Dr. Judy Genshaft
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Dr. Jim Henningsen
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Dr. Sally McRorie
Interim Provost, Florida State University

Dr. Pam Northrup
Associate Provost, Academic Innovation
Exec. Dir, Florida Virtual Campus and Complete Florida
University of West Florida

Dr. Gary Perry
Provost, Florida Atlantic University

Dr. Mark Rosenberg
President, Florida International University

Dr. Earle Traynham
Interim Provost, University of North Florida

Dr. Nancy McKee
Associate Vice Chancellor, Board of Governors;
Staff Liaison for Chancellor Criser and the Board's Innovation and Online Committee

Appendix B

Steering Committee

Dr. Joseph Glover (Chair)
Provost and Senior Vice President for Academic Affairs
University of Florida

Dr. Gary Perry
Provost and Vice President for Academic Affairs
Florida Atlantic University

Dr. Martha Saunders
Provost and Vice President for Academic Affairs
University of West Florida

Dr. Dale Whittaker
Provost and Executive Vice President for Academic Affairs
University of Central Florida

Dr. Ralph Wilcox
Provost and Executive Vice President for Academic Affairs
University of South Florida System

Implementation Committee

Dr. Kelley Bailey
Assistant Professor
Florida Agricultural and Mechanical University

Dr. Vicki Brown
Assistant Provost, eLearning
Florida Atlantic University

Dr. Cynthia DeLuca (Chair, 11/1)
Associate Vice President, Innovative Education
University of South Florida

Dr. Cathy Duff
Associate Vice President,
Academic and Curriculum Support
Florida Gulf Coast University

Dr. Joyce Elam (Chair, through 10/31)
Vice Provost, FIU Online (Emerita)
Florida International University

Robert Fuselier (8/31)
Interim Director, Office of Distance Learning
Florida State University

Dr. Joel Hartman
Vice President, Information Technologies and Resources
University of Central Florida

Dr. Tom Hull
Chief Information Officer
Florida Polytechnic University

Dr. Andy McCollough
Associate Provost, Teaching and Technology
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Kevin Celebi
Coordinator of Educational Technology
New College of Florida

Dr. Pam Northrup
Vice President, Research and Strategic Innovation
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Joseph Riquelme (11/1)
Interim Assistant Vice President, FIU Online
Florida International University

Dr. Len Roberson
Associate Vice President,
Academic Technology and Innovation
University of North Florida

Dr. Susann Rudasill (through 7/31)
Director, Office of Distance Learning
Florida State University

Board *of* Governors Office

Dr. Nancy McKee
Associate Vice Chancellor
Board of Governors

STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
Innovation and Online Committee
March 30, 2016

SUBJECT: Implementation of the 2025 Strategic Plan for Online Education

PROPOSED COMMITTEE ACTION

For approval

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution

BACKGROUND INFORMATION

In November 2015, the Board of Governors adopted the 2025 Strategic Plan for Online Education. Immediately, a system-wide Implementation Committee, guided by a Steering Committee of provosts, developed an Implementation Plan to begin addressing the 49 tactics in the Strategic Plan for Online Education. Several workgroups and sub-workgroups were formed, and deliverables were staggered to better manage the workload associated with researching and developing policies and proposals for each deliverable. During the March 30 meeting of the Innovation and Online Committee, workgroup chairs will present several recommendations that address:

Quality Course Review
Quality Course Designation
Online Programs and Courses: Inventory and Gaps
Online Programs and Courses: Shared Programs/Courses
Open Access Textbooks and Resources: Increasing Usage
Open Access Textbooks and Resources: Reducing Costs
Innovation in Florida Online Learning
Infrastructure: Facilitating Collaboration
Infrastructure: Proctoring Network
Student Services: Ensuring Access to Services
Student Services: Securing Resources
Professional Development: Certification

Supporting Documentation Included: Issue papers for each issue listed above

Facilitators/Presenters: Dr. Joe Glover

SUBJECT: Quality Course Review

Tactic: Quality 1.1.3 - Ensure implementation of Quality Scorecard, Quality Matters Course Rubric, and/or course certification processes for all universities offering online education.

Background:

The original intent of the course review process was to encourage a culture of quality course design from the beginning across the system. While a desirable outcome of this process would be a high percentage of courses within the SUS that are quality and high quality courses, the impetus behind the development of the process is really about supporting quality course development and the creation of well-structured online courses.

Because this proposal is for a voluntary process, it will most likely take time to see the numbers of courses being submitted for quality design review increase from current numbers across the system. The current performance indicator in the 2025 Strategic Plan for Online Education calls for 90% of SUS courses in the FLVC catalog to be rated at the high quality level.

Recommendations:

(1) In an effort to identify both quality and high-quality online courses across the State University System of Florida, it is recommended that a course review process be established with two levels of recognition: quality and high-quality. The course review process will make use of the Quality Matters standards, higher education rubric, and process as the basis of the overall review. The QM standards and rubric focuses on the design of the online course and not the content or the delivery. Both review processes will use the MyQM portal of Quality Matters and the MyCR tool (the course review tool) and will be at the course section level (i.e., not a master course but for each section or instructor). Submission of courses for review will be voluntary.

Quality and High Quality Courses:

To receive a **Quality Course** designation, a course must successfully complete a QM *Internal Course Review* process, and satisfy all of the ***Essential*** standards (currently, there are 21) as identified in *The Quality Matters Higher Education Rubric, Fifth Edition, 2014*. This will be referred to as the **Florida QM Fundamentals Course Review** and is a baseline review conducted by the instructor and one additional reviewer, who has been trained as a QM reviewer. Courses that are successful in meeting all of the *essential* standards have measurable objectives aligned with assessments and are presented in an organized and consistent format. The courses that satisfy all of the *essential* standards

will be considered Quality Courses and will be designated as such in the FLVC catalog.

To receive a **High Quality Course** designation, a course must successfully pass an *Official QM Course Review* using the Quality Matters standards, as identified in *The Quality Matters Higher Education Rubric, Fifth Edition, 2014*, in either a QM-managed or Subscriber-Managed official course review, as described by Quality Matters. This review process will use the Quality Matters standards, rubric, and scoring criteria (e.g., all essential, 3 point standards must be met **and** an overall point value of at least 84 out of 99 points).

(2) It is recommended that, because some institutions may have a quality course review process that they developed and would like to use, a formal process be developed by which institutions may elect to provide evidence that their internal quality review system is based on a documentable set of standards, is of comparable rigor, and adheres to a similar review process as those outlined above. In so doing, an institution's specific quality review standards and process could be approved to also meet the quality and/or high quality designation.

(3) It is recommended that, as part of the Quality course review process, one or more course design templates be developed and shared system-wide for faculty to use, at their discretion, in the design of their online courses. The course design templates will be developed based on the QM Standards and when used will satisfy a significant number of the standards. In addition, use of course design templates provide key aspects of effective practices such as consistent navigation, organization, and student usability. The course design templates will be developed by a cross-institutional team and shared throughout the system. Additional benefits of using course design templates include saving development time on behalf of the faculty, and allowing for easy reuse of key elements of design and development.

(4) It is recommended that a statewide, shared service agreement be negotiated and obtained for a system subscription to Quality Matters. It is also recommended that the Florida Virtual Campus (FLVC) be the system centralized agency to manage the QM subscription.

Costs:

Costs of implementing the course review process outlined above would include the QM subscription fees for a "system" membership, possibly some "review" fees for course reviewers if an institution chooses to offer such stipends for course reviewers, and finally a cost affiliated with submitting a course to QM for a QM lead official review if a faculty chooses that review process rather than a system-led process.

System membership in QM, as per the QM standard pricing (i.e., not a negotiated

reduced cost) currently costs $5,775 for the lead entity (e.g., FLVC) and $1,155 per "affiliate" (e.g., each institution) entity. For the Florida SUS that total annual costs would be approximately $19,635 (assuming FLVC is designated at the lead entity and the 12 SUS institutions are "affiliate" members. Although we would pursue a new negotiated system subscription at a reduced cost, through the FLVC we did have a prior "discount" for any institution to join individually and that reduction was a 25% reduction.

Review fees may be provided to those individuals who agree to serve on a course review team. Currently, if you serve as a reviewer for the official QM review process, you are given an *honorarium* of $100. At this time, those institutions that conduct internal reviews compensate faculty reviewers in a variety of ways. It may also be the case that reviews are done as a professional courtesy without a need for review fees. If a review fee is offered, the institution where the course resides would be responsible for this fee.

QM Lead Official Review Fee would be paid by the institution if a faculty or institution chooses to use the national QM review process rather than the Florida SUS review process. Currently, this review fee is $1,000 per course. It should be noted that if a QM lead review is used, QM coordinates all aspects of the review including selecting the review team and paying each reviewer the review fees.

Supporting Documentation Included:
*The hyperlinks below connect to each document.

1. The Principles of QM
2. QM Standards, Fifth Edition
3. QM Course Review Process

Facilitators/Presenters: **Dr. Len Roberson**

SUBJECT: Quality Course Designation

Tactic: Quality 1.1.2 - Create a coding system in the Florida Virtual Campus course catalog that allows the identification of QM- or QS-certified, President's Award, Florida's Quality Award, and Chancellor's Quality Award courses.

Background:

Section 1006.735(3), Florida Statutes, establishes the framework for the distance learning catalog that is developed and managed by the Florida Virtual Campus (FLVC). The catalog reflects most distance learning course and degree programs offered by public postsecondary education institutions.

Recommendations:

(1) It is recommended that the "More Detail" section of the course description for each course in the FLVC catalog be modified to include a descriptive statement and possibly an appropriate logo/graphic (e.g., a unique seal or logo be developed for each designation) that identifies courses determined to be quality and/or high quality courses in accordance with the Florida Quality Course Review process to be developed as part of Tactic 1.1.3, as presented in the previous issue paper. The designation would be displayed for all courses identified by institutions as having met the criteria for Quality or High Quality courses as set out in the final process related to Tactic 1.1.3. A standard statement or key would be provided to explain the designation and the review process.

(2) It is recommended that, in addition to the designation identified above, the FLVC staff revise the information collection process to include the opportunity for institutions to include in the submission of course data for the catalog courses that have been reviewed and identified as either Quality or High Quality courses and modify the filtering functions of the catalog to enable students to filter courses by courses with one of the quality rankings.

Supporting Documentation Included: None

Facilitators/Presenters: Dr. Len Roberson

SUBJECT: Online Programs Inventory and Gaps

Tactic: Access 1.1.2 (Part I – Undergraduate) - Offer a broad range of fully online degree programs in most Classification of Instructional Programs (CIP) codes reflected in the Board of Governors Approved Academic Program. Review current offerings of fully online degree programs by CIP codes and make recommendations to address gaps.

Background:

The inventory used for this analysis is a subset of an inventory compiled in 2015 using survey responses from all universities, and defines online programs as online majors. It includes only four-year undergraduate degree programs that are fully online. These offerings were compared to the 227 CIP codes currently identified by the Board of Governors as having a Strategic Emphasis, resulting in the identification of primary gaps (CIP codes with no online offerings) and secondary gaps (CIP codes requiring expansion due to the need for extra capacity or additional majors).

Recommendations:

(1) Create "Fully Online" baccalaureate degree programs to address the 8 "Primary Gaps" as identified in the gap analysis. [1]

(2) Create additional "Fully Online" baccalaureate degree programs to provide additional capacity for the 11 "Secondary Gaps" as identified in the gap analysis. [2]

(3) Explore the possibility of converting the 2 existing "Primarily Online" undergraduate programs to "Fully Online" programs. [1]

(4) Explore the possibility of converting the 11 existing "Fully Online Upper Level" undergraduate programs to "Fully Online" programs for all four years. [2]

(5) Target the 12 STEM programs and 1 language program for "Fully Online" bachelors' degrees. Technical hurdles will need to be overcome to successfully deliver these online for all four years. [1]

[1] Universities offering these programs on campus should determine the feasibility of offering them online.
[2] Institutions listed should determine the feasibility of expanding the identified programs to be fully online.

Next Steps:

- There should be careful consideration of which "gaps" should be filled. All may not be needed or cost-effective.
- There should be an effort to avoid unnecessary duplication.
- Establish a process for a system-wide review of online programs, which should take into account the current process used by the Academic Program Coordination Committee. Determination will need to be made as to whether a Board regulation will be needed to ensure coordination.

Supporting Documentation Included:

State University System – Fully Online Undergraduate Degree Inventory and Gaps (*Note: This summary document includes only the identified gap recommendations and the basic methodology. Full SUS and FCS Inventories and Gap Analysis documentation, data definitions, and CIP Code Gaps are available at http://tnt.aa.ufl.edu/sus-online-inventory.aspx.)*

Facilitators/Presenters: Mike Ronco

State University System - Fully Online Undergraduate Degree Inventory and Gaps

Tactic 1.1.2 – Current Online Offerings and Gaps

Subcommittee:

Mike Ronco, UF, Chair
Cathy Duff, FGCU

Assignment:

"Review current offerings of fully online degree programs by CIP codes and make recommendations to address gaps." *Note:* While the original assignment did not specify distinct undergraduate and graduate listings, reporting these programs separately provides a clearer picture of online activity.

Access 1.1.2	Offer a broad range of fully online degree programs in most Classification of Instructional Programs (CIP) codes reflected in the Board of Governors Approved Academic Program.	**December 2016:** Online Programs Workgroup to review current offerings of fully online degree programs by CIP codes and make recommendations to address gaps in providing a broad range of degree programs online. Recommendations presented to Implementation Committee in its January meeting. Upon approval, recommendations sent to Steering Committee for their approval. After approval by the Steering Committee, the recommendations are sent to the CAVP.

Gaps in State University System Fully Online Undergraduate Degree Programs by CIP Code

The following gaps have been identified as being the highest priority for Fully Online Undergraduate Degree Programs.

PRIMARY GAPS – No Fully online offering currently in the SUS under this CIP code and major.

CIP Detail	Major	Degree Type	Strategic Emphasis	Offered
01.1001 Food Science	Food Science	Bach.	STEM	N/A
09.0702 Digital Communication and Medi …	Digital Communication and Multimedia	Bach.	STEM	N/A
09.0900 Public Relations, Advertising, and …	Public Relations and Advertising	Bach.	GAP ANALYSIS	N/A
14.0901 Computer Engineering, General.	Computer Engineering	Bach.	STEM	N/A
27.0101 Mathematics, General.	Mathematics	Bach.	STEM	N/A
27.0301 Applied Mathematics, General.	Applied Mathematics	Bach.	STEM	N/A
27.0501 Statistics, General.	Statistics	Bach.	STEM	N/A
52.0803 Banking and Financial Support …	Financial Services	Bach.	GAP ANALYSIS	N/A

State University System - Fully Online Undergraduate Degree Inventory and Gaps

SECONDARY GAPS – Fully online offering in the system under this or another closely related CIP but there may be additional capacity.

CIP Detail	Major	Degree Type	Strategic Emphasis	Offered
03.0103 Environmental Studies.	Sustainability and the Environment	Bach.	STEM	FIU
05.0107 Latin American Studies.	Latin American Studies	Bach.	GLOBAL	UCF
11.0101 Computer and Information Scien …	Computer Science	Bach.	STEM	UF
13.1001 Special Education and Teaching, …	Exceptional Student Education-Elem-ESOL-Reading	Bach.	EDUCATION	UWF; IRSC
13.1311 Mathematics Teacher Education.	Mathematics Teacher Education	Bach.	EDUCATION	IRSC, SPC
13.1316 Science Teacher Education/Gene …	Science Teacher Education	Bach.	EDUCATION	SPC
26.0101 Biology/Biological Sciences, General.	Biology	Bach.	STEM	UF, SPC
52.0801 Finance, General.	Finance	Bach.	GAP ANALYSIS	FIU
52.1001 Human Resources Management/ Personnel Administration, General.	Human Resource Management	Bach.	GAP ANALYSIS	FIU
52.1101 International Business/Trade/Co …	International Business	Bach.	GLOBAL	FIU
52.1201 Management Information Systems …	Logistics and Supply Chain Management	Bach.	STEM	FIU, SPC

PRIMARILY ONLINE PROGRAMS - Explore the possibility of expanding these Primarily Online Programs to Fully Online Programs.

CIP Detail	Major	Degree Type	Strategic Emphasis	Offered
09.0101 Speech Communication and Rheto …	Human Communication	Bach.	GAP ANALYSIS	UCF
26.0908 Exercise Physiology.	Applied Physiology and Kinesiology	Bach.	STEM	UF

FULLY ONLINE UPPER LEVEL - Explore expanding these degrees with Fully Online Upper Level offerings to Fully Online Four Year offerings.

CIP Detail	Major	Degree Type	Strategic Emphasis	Offered
11.0101 Computer and Information Scien …	Computer Science	Bach.	STEM	FSU
11.0103 Information Technology.	Information Studies	Bach.	STEM	USF
11.0103 Information Technology.	Information Technology	Bach.	STEM	USF
26.0503 Medical Microbiology and Bacte …	Microbiology and Cell Science	Bach.	STEM	UF
43.0107 Criminal Justice/Police Science.	Law Enforcement Operations	Bach.	No Strategic Emphasis	FSU
50.0102 Digital Arts.	Digital Arts and Sciences	Bach.	STEM	UF
51.0000 Health Services/Allied Health/ …	Health Science	Bach.	HEALTH	FGCU

State University System - Fully Online Undergraduate Degree Inventory and Gaps

51.0201 Communication Sciences and Dis …	Communication Sciences & Disorders	Bach.	HEALTH	USF
51.0204 Audiology/Audiologist and Spee …	Communication Sciences and Disorders	Bach.	HEALTH	UF
51.3801 Registered Nursing/Registered … UNF	Nursing	Bach.	HEALTH	FAU; FIU; UF;
52.0301 Accounting.	Accounting	Bach.	GAP ANALYSIS	FAU

*Note: 50.0102: The Digital Arts program could also be placed under the following "Delivery Challenges" category.
*Note: 51.0000: UWF offers four Fully Online Baccalaureate degrees under this CIP code.
*Note: 51.3801: UCF, UWF, CC, FSSC, NFSC, PBSC, PSC, IRSC, and PHSC offer Fully Online Baccalaureate degrees under this CIP code.
*Note: There are a number of other programs which offer fully online upper level courses that were not included because they did not fit into one of the strategic emphasis categories.

DELIVERY CHALLENGES - Gaps which may require innovative approaches to overcome online delivery challenges. For example, STEM labs.

CIP Detail	Major	Degree Type	Strategic Emphasis	Offered
14.0801 Civil Engineering, General.	Civil Engineering	Bach.	STEM	N/A
14.1001 Electrical and Electronics Engineering	Electrical Engineering	Bach.	STEM	N/A
14.1901 Mechanical Engineering.	Mechanical Engineering	Bach.	STEM	N/A
14.3501 Industrial Engineering.	Industrial Engineering	Bach.	STEM	N/A
16.0905 Spanish Language and Literature.	Spanish Language and Literature	Bach.	GLOBAL	N/A
26.0301 Botany/Plant Biology.	Botany	Bach.	STEM	N/A
26.0701 Zoology/Animal Biology.	Zoology	Bach.	STEM	N/A
31.0505 Kinesiology and Exercise Science.	Kinesiology	Bach.	STEM	N/A
40.0501 Chemistry, General.	Chemistry	Bach.	STEM	N/A
40.0801 Physics, General.	Physics	Bach.	STEM	N/A
43.0106 Forensic Science and Technology.	Forensic Science	Bach.	STEM	N/A
50.0409 Graphic Design.	Graphic Design	Bach.	STEM	N/A

Methodology - SUS Fully Online Undergraduate Degree Inventory

State University System - Fully Online Undergraduate Degree Inventory and Gaps

The **SUS Fully Online Undergraduate Degree Inventory** is a subset of a larger **SUS Online Program Inventory**. The complete inventory was compiled using the survey responses received from each of the SUS institutions in 2015. The Online Program Survey data for all SUS institutions was merged into a single data source. Rows with concentrations or specializations were identified and consolidated so as to represent the agreed upon definition of an Online Degree Program being an "Online Major". Only degree programs reported as being fully online for all four years were included in this undergraduate inventory.

The SUS Online Program Inventory data was cross-referenced with and validated against the CIP 2010 listing, the Approved Program Inventory as well as *Programs of Strategic Emphasis Effective Fall 2014 (by CIP)* document. In addition to the Fully Online Undergraduate Degree Programs, inventories at both the graduate and undergraduate level are able to be generated for Primarily Online Degrees, Fully Online Certificates, Primarily Online Certificates, and Fully Online Upper Level Undergraduate Degrees.

Note: The Florida College System Online Program Inventory is being maintained separately from the SUS Online Program Inventory. Both inventories will be made available for review.

Methodology - SUS Fully Online Undergraduate Degree Gap Analysis

Tactic 1.1.2 required gaps to be identified at the CIP code level. Since there are roughly two thousand CIP codes in the CIP 2010 listing, there needed to be a way to reduce the list down to a more manageable number. Fortunately, the SUS has identified 227 codes as currently having strategic emphasis. This subset was used as the starting point for the gap analysis.

Primary Gaps: The SUS Fully Online Undergraduate Degree Inventory was compared to the strategic emphasis CIP list and it was found that 208 CIP codes did not have a corresponding program. For the purpose of this report, CIP codes with no offering are labelled as "primary gaps". The primary gap list was reduced to a priority listing and majors were specified based upon the institutional knowledge of several members of the workgroup.

Secondary Gaps: Some CIP codes may not appear on the primary gap listing but may require expansion due to the need for extra capacity or additional majors. These are being termed "secondary gaps" and were identified by members of the workgroup reviewing the existing inventory.

Primarily Online and Fully Online Upper Level Programs: A number of programs across the system already exist as Primarily Online Undergraduate Degrees or Fully Online Upper Level Undergraduate Degrees. A listing of these has been provided with the suggestion that some may be good candidates to become Fully Online Undergraduate Degree programs.

State University System - Fully Online Undergraduate Degree Inventory and Gaps

Primary Gaps with Challenges: The final listing of gaps represent those which may require innovative approaches to overcome online delivery challenges. For example, STEM programs with labs and foreign language programs with spoken language requirements.

Note: The Florida College System Online Program Inventory was used to modify the identified gaps in the final step of this gap analysis.
Note: See http://tnt.aa.ufl.edu/sus-online-inventory.aspx for complete online program inventories and CIP code gap listings.

SUBJECT: Shared Programs/Courses

Tactics:

Affordability 1.2.2: Develop or co-develop shared master courses that would be available, but not required, for use in specific high-demand areas.

The Florida Orange Grove could be refined for master course availability throughout the state. With additional standards around the best-case use of a master course, the Florida Orange Grove could be a shared resource for all Florida institutions to exchange content.

Affordability 3.1.1: Develop or co-develop shared programs that would be available, but not required, for use in areas of high demand while maintaining quality and increasing efficiencies through an innovative, shared model.

Background:

Master (shared) courses and shared programs have found traction in a number of other states, with motivation being affordability and consistency in quality.

Recommendations:

Master Courses (Affordability Tactic 1.2.2)

1) The Committee will propose to the Board's Innovation and Online Committee a University to establish, maintain, and manage a Repository for the State General Education Core (SGEC) courses.

2) The materials in the Repository will be available to all SUS institutions for use in their local curriculum. The adopting institutions will have searchable access to full courses, modules, videos, and/or other ancillary materials to establish, supplement or enrich the resident course in the SGEC.

3) Establish a faculty oversight committee with system-wide membership to maintain oversight to assure quality and accessibility.

4) This collection of "master" courses will be available on an "opt-in" basis. Institutions may use entire courses or faculty may use any part of a SGEC course to supplement, replace, or enrich his/her lesson plan. The goal of the plan is not to standardize course content, but rather to provide access to high quality content that can be used to supplement and/or fill course gaps in their General Education program.

5) Provide/recommend provision of appropriate resources with an ROI metric to build and maintain this collection of courses which will converge on "Master" over time. Shared Programs (Affordability 3.1.1)

Shared Programs (Affordability Tactic 3.1.1)

1) Establish a complete portfolio of General Education Master Courses that constitute the State General Education Core (program).

2) Authorize a Shared Degree Program Task Force with appropriate SUS representation. This task force would be charged with considering a variety of models, including Georgia's eCore and eMajor programs, as possible models for SUS Shared Programs. This task force will be assigned a time limited task, "Provide a recommendations for the Steering Committee as to the viability of such models for the Shared Programs tactics." The report should include implementations details and relevant cost and cost/benefit estimates.

Supporting Documentation Included: None

Facilitators/Presenters: Dr. Andy McCollough and Dr. Pam Northrup

SUBJECT: Increasing Usage of Open-access Textbooks and Educational Resources

Tactic: Affordability Tactic 2.1.1: Determine and promote methods to increase the use of open-access textbook and educational resources to reduce costs to students. (NOTE: These recommendations also support Tactic 2.1.2)

Background:

Textbook costs in some courses place a huge burden on students, with the 2016 Florida Student Textbook Survey (Florida Virtual Campus) reporting that 53.2% of students spent more than $300 on textbooks during the spring 2016 term and 17.9% spent more than $500. Providing faculty the tools they need to increase their usage of open-access textbooks and educational resources is expected to decrease the financial burden on students.

Recommendations:

1) Improve adoption of existing OER/eText material through the selection and implementation of an OER/eText catalog tool.

2) Implement state-wide PR and marketing efforts to increase faculty awareness as well as coordinate usage, training, and technical support.

3) Select and implement a repository tool to support sharing and adoption of new OER.

Supporting Documentation Included: Implementation of Recommendations

Facilitators/Presenters: Ms. Jennifer Smith

Implementation of Recommendations to Increase Usage of Open-access Textbooks and Educational Resources

(1) Establish a state-wide steering committee to determine how best to leverage Open Educational Resources (OER) repositories available through SUS libraries, Unizin, and FLVC's Orange Grove.

(2) The steering committee will provide guidance for the development of an OER/eText catalog tool.
   a. Develop or identify an existing OER/eText catalog tool that will facilitate the process of selecting appropriate course material.
   b. Potential tools include, but are not limited to, the Unizin Content Studio Suite, (creation and discovery tools), Canvas Commons, as well as Orange Grove Texts and Lumen.

(3) Implement and coordinate state-wide awareness, training and technical support for OER adoption and usage.
   a. Each institution identifies an eText/OER Coordinator.
      i. Works with faculty to help identify potential OER to meet course needs.
      ii. Coordinates the campus OER Champions (see below.)
      iii. Coordinates with efforts at other state institutions.
   b. Identify OER Champions at each state institution.
      i. OER Champions meet virtually to share strategies and resources.
      ii. OER Champions seek guidance and recommendations from institutional PR and marketing groups.
      iii. OER Champions support PR efforts at their institution.
   c. Create informational materials for dissemination throughout the state.
      i. Description and benefits of OER.
      ii. How to use the OER Catalog and Repository tools.
   d. Recommend that all new courses investigate OER usage prior to course approval by the institution's curriculum committee.

(4) Develop or identify an existing OER repository that will facilitate the creation and vetting of new OER.
   a. Create a state-wide faculty committee to review and rate existing and new materials.

SUBJECT: Open Access Textbooks and Resources: Reducing Costs

Tactic: Affordability Tactic 2.1.2: Reduce the costs of eTextbooks for students through mechanisms that could include negotiating lower pricing with vendors and providing an enhanced repository for educational material.

Background:

The rising cost of materials seems to be a barrier to successful degree completion. The 2016 Florida Student Textbook Survey (Florida Virtual Campus) found that, due to the cost of required materials, 66.6% of students did not buy a required textbook; 47.6% occasionally or frequently take fewer courses; 26.1% drop a course; and 20.7% withdraw from a course.

Recommendations:

1) Recommend adoption of eTexts which can be made available more cheaply than print texts.

2) Negotiate volume pricing through the state system or other consortiums such as Unizin (through its Engage eText platform.)

3) Aggregate eText and OER options into one catalog tool as described in tactic 2.1.1.

4) Leverage and expand library resources to support appropriate use-cases.

5) Implement PR and marketing efforts to support eText adoption. These should be combined with OER strategies listed in tactic 2.1.1.

Supporting Documentation Included: Implementation of Recommendations

Facilitators/Presenters: Ms. Jennifer Smith

Implementation of Recommendations to Reduce Costs of Open Access Textbooks and Resources

1) E-Text Adoption

Today's eText options include collaboration and interactive elements that can enhance the student learning experience. eText platforms are available for tablets and mobile devices making learning available anytime, anywhere. Generally, eTexts can be made available to students at a lower price than printed textbooks.

2) Volume Pricing

Negotiate volume pricing for textbooks and other educational materials used in the State general education core. Leverage the buying power of the state system or other consortium such as Unizin to garner the lowest possible pricing.

1. Unizin provides publisher content through its eText tool, Engage.
    a. Currently, Unizin has agreements with 16 publishers including:
    b. Cengage
    c. Macmillan (Bedford Freeman & Worth) (Includes Launchpad)
    d. McGraw Hill
    e. Pearson (includes MyLab and Mastering Products)
    f. SAGE
    g. Wiley
    h. Negotiations are ongoing with additional publishers.
2. Identify education startup companies and open source platforms that provide e-textbooks and negotiate with these companies to ensure the greatest financial benefit for students.

3) Catalog Tool

Lower-cost eTexts and OER should be combined into a catalog tool that allows efficient discovery and selection of appropriate course material (see tactic 2.1.1.) The following two initiatives are currently underway: Unizin is developing a catalog tool that will work with Engage, its eText platform, and FLVC is working toward integrating the Orange Grove repository with the new Integrated Library System through its digital repository component, Vital.

4) Library Resources

Build on existing library licenses, additional course materials can be place in e-Reserve in the University/College libraries for use by large enrollment courses.

Implementation of Recommendations to Reduce Costs of Open Access Textbooks and Resources

5) Faculty Awareness

A communication plan to inform both faculty and students of the advantages available through the use of eTexts should be developed and implemented. eText marketing should be combined with the OER efforts listed in tactic 2.1.1.

1. Each institution identifies an eText/OER Coordinator.
    a. Coordinators collaborate across the state.
2. Create informational materials for dissemination throughout the state.

SUBJECT: Innovation in Florida Online Learning (IFOL)

Tactics:

Access 2.1.3: Seek incentive funding to encourage institutions to implement innovations in online education

Affordability 3.1.4: Develop a series of experimental incubation pilot projects to support new and emerging online education innovations through institutional partnerships, lead institution, or other methods to support collaboration with the purpose of building affordable, innovative approaches and models that work.

Background:

Modern learning technologies and changing practices in education provide opportunities to improve pedagogies, increase student success, accelerate time-to-degree, and lower the cost of education. As stated in the hyperlinked proposal below, innovative and experimental projects "seek to push the boundaries of current technology and practice in order to disrupt existing models and positively impact the constraints of the 'iron triangle' of quality, cost, and access for students."

Recommendations:

(1) Establish a coordinating body at the system level to be called the Innovation in Florida Online Learning (IFOL) Coordinating Committee. This committee will be appointed by and report to the Steering Committee and will manage the selection and oversight of proposed innovative projects. Specific roles of the committee are defined in the attached proposal.

(2) Convene an annual Florida Higher Education Innovation Summit where all awarded projects will present their programs and results to foster and accelerate the dissemination of innovation throughout the SUS (and potentially the FCS). Other innovations may also be presented.

(3) Provide recurring funding adequate to support true innovation with the potential for scale and impact. Note that several other implementation plan tactics can be supported through the innovative projects framework.

Supporting Documentation Included: Proposal for Implementing Experimental Projects to Support New and Emerging Online Education Innovation

Facilitators/Presenters: Dr. Tom Cavanagh

SUBJECT: Facilitating Collaboration

Tactic: Quality 2.2.2 - Develop a structure to facilitate collaboration system-wide in evaluating, recommending, and purchasing software to ensure cost efficiencies and effectiveness.

Background:

Institutions often work independently to explore, test, and implement educational technology. Collaboration will reduce duplications of efforts in technology adoption and selection processes.

Recommendations:

The infrastructure workgroup recommends the formation of the State Educational Licensing Committee (SELC) to enable discussions via quarterly meetings regarding the exploration, evaluation, and procurement of technology, software, and/or shared services to assist in the delivery of online education to help reduce costs and/or promote quality. The State Educational Licensing Committee (SELC) will organize and hold quarterly meetings to facilitate communication regarding technology, software, or services for adoption through a master contract or agreement at the state system level to help reduce costs.

The State Educational Licensing Committee (SELC) will be appointed by and report to the Steering Committee for the implementation of the 2025 Strategic Plan for Online Education and shall include, but not be limited to, representative(s) of the SUS CIOs and the Board of Governors Director of Shared Services. Representatives from Florida College System institutions will be invited to participate.

The State Educational Licensing Committee (SELC) will identify technology, software, or services that are most commonly used or needed in the SUS and will establish operating procedures, including those procedures for working with the Board's Director of Shared Services to manage the procurement process and communication strategies for collaboration. All recommendations, including recommendations for funding, will be submitted to the Steering Committee for approval.

Supporting Documentation Included: None

Facilitators/Presenters: Joseph Riquelme

SUBJECT: Proctoring Network

Tactic: Affordability 1.1.2 - Explore additional items for potential sharing to expand the quality of the student online learning experience while reducing costs through efficiency, such as a Proctoring Network, Tutoring Network, and expansion of Florida Orange Grove shared resources.

Background:

Methods to proctor exams in online courses vary by institution. The Infrastructure Workgroup proposes a system framework for proctoring to support academic integrity, while ensuring the efficient use of resources.

Recommendations:
The workgroup recommends establishing the Proctoring Network Committee (PNC) to create and support a statewide proctoring network.

A statewide proctoring network allows for the establishment of a centralized location to provide education, procedural information, and resources on academic integrity. This effort will facilitate the ability to achieve high standards of academic integrity in online courses. This recommendation is broken into two phases and a financial considerations piece below:

1. Initial Phase:
    a. The Proctoring Network Committee will be appointed by and report to the Steering Committee for the implementation of the Strategic Plan for Online Education. Members of the Committee will be from SUS institutions and participants who are invited from the Florida College System. The Proctoring Network Committee (PNC) will establish its operating procedures.
    b. The PNC will develop a formal process by which institutions may elect to provide evidence that their internal online proctoring tool is based on a documentable set of standards, is of comparable rigor, and adheres to a similar review process as those outlined by the selected vendor. In so doing, an institution's specific online proctoring tool and process could be approved to also meet the best practices identified by the PNC.
2. Implementation Phase:
    a. Implement a statewide proctoring website to provide students, faculty and staff information on proctoring services and processes, such as the one used by the University of North Carolina.
        i. Include proctoring service instructions, guidelines, and procedures.
            a) Assess the status of current resources across the FCS and

SUS and make recommendations as to which to include on the statewide proctoring website.

b) Create a proctoring network of qualified proctors that will be responsible for proctoring exams for online courses across the FCS and SUS. Examples of approved proctors could be librarians, K-12 teachers or administrators, employees of a local testing site, etc.

ii. Create resources to assist in the development of an academic integrity culture. Examples below:
   a) Faculty facing video
   b) Student facing video

iii. Identify and include best practices on course design and how a variety of assessment modalities can reduce incidents of academic misconduct, and offer students more opportunities to demonstrate content mastery.

iv. Develop and provide example statements and policies related to academic misconduct.

v. Include "Frequently Asked Questions" with answers.

b. The Proctoring Network Committee (PNC) will establish evaluation criteria and complete an RFP to find a vendor that can provide proctoring services at an affordable cost to students and the university and college system. Requirements for selected proctoring provider should include:
   i. Flexible payment options where students can pay directly for the cost of the exam or an institution can cover the cost of the exam at the course level.
   ii. The ability to offer a service platform that provides options for institutions to define the proctoring model which impacts overall cost:
      a) Vendor is responsible for proctoring the exam
      b) Faculty is responsible for proctoring the exam
      c) Institution assigns staff to proctor the exam
      d) Technology platform provides notifications of potential misconduct.

3. Financial Considerations
   a. Funding is needed to support the development of the website and acquisition of additional resources to support this initiative. The Proctoring Network Committee (PNC) will identify resources needed and provide recommendations to the Steering Committee. Funding can be

provided to the FLVC or awarded to an institution that is selected to develop and maintain the website.

Supporting Documentation Included: None

Facilitators/Presenters: Joseph Riquelme

SUBJECT: Ensuring Access to Student Services

Tactics:

Quality 2.3.1-Ensure that universities use Quality Scorecard or a similar process to confirm that online students, including online students with disabilities, have access to services equivalent to those used by campus-based students.

Access 1.1.6 - Retain fully online students by implementing best practice strategies, such as academic coaches, success coaches, analytics, and early alert interventions.

Background: To provide quality online degrees and to meet accreditation requirements, universities need support services for online students that are equivalent to those offered for on-campus students.

Recommendations:

The Student Services Workgroup worked with the Florida Virtual Campus' Access Committee to develop (1) a scorecard to evaluate support services for postsecondary students taking most or all of their courses off campus and (2) an accompanying guidebook.

Institutions can use the results of the scorecard to identify strengths and weaknesses of various services essential to the success of this subset of students. The scorecard has been tied to the Southern Association of College and Schools Commission of Colleges 2012 SACS-COC Edition of the Principles of Accreditation: Foundation for Quality Enhancement Core Requirements (SACS-COC, 2011). With the close association to the Core Requirements, the Off-campus Student Support Scorecard may be used as supporting documentation for SACS-COC visits.

The scorecard has 44 quality indicators within 11 different categories. Each of the indicators is worth 2 points. The 11 different categories include admissions, financial aid, preenrollment advising, veterans' services, career counseling, orientation, postenrollment services, library, students with disability services, and technology support. Each category has a broad description of the activities. The guidebook gives a description of the areas followed by the indicators used to measure the quality of the service provided. That is followed by a list of suggested practices in meeting the needs of the online students. Examples are then provided from research, as to possible ways to implement services in that area to meeting the needs of off-campus students.

Timeframe for Implementation:

Universities will begin using the Scorecard during summer 2017, with an analysis of results being presented to the Steering Committee in December 2017. The Scorecard will be presented to the Online Learning Consortium Conference in 2018 (the OLC, a consortium of online leaders worldwide, has already expressed interest in reviewing the Scorecard and having it presented during its conference).

Supporting Documentation Included: None

Facilitators/Presenters: Dr. Vicki Brown

SUBJECT: Student Services: Securing Resources for Technology

Tactic: Access 2.1.4 - Secure student support resources to ensure students have access to technology required for online education.

Background:

Three factors contribute to the digital divide (a) access to broadband, (b) socioeconomic status, and (3) primary language other than English.

a) Broadband serves are a gateway to a highly connected world. Although Florida ranked as the ninth most connected state, three counties have no access to internet. According to BroadBandNow, 1.2 million Floridians are without access to a wired connection capable of 25 Mbps download speeds.
b) Individuals with low socioeconomic status do not have the resources to own a computer or to pay for broadband to access the full range of educational resources. Across Florida in the 2013-2014 academic year, 188,590 undergraduate students received some form of grant aid. Of that number, 102,288 received grant aid from Pell, and another 111,115 were awarded a federal student loan to apply to the cost of their education. Not counted in these statistics are those who attempted and did not finish the admission process or did not try to attend a post-secondary institution.
c) Individuals whose primary language is not English often place owning the technology as a low priority. In Fall 2014, 77,633 Hispanic students enrolled in Florida's public universities, which is 24% of the total student population.

Lack of Broadband Access Impact on Higher Education

a) Prospective students, who lack access to broadband, struggle with the preenrollment processes with 15% to 40% not enrolling in college after acceptance or enrolling in a college that does match their ability or interest.
b) Prospective students overestimate the cost of attending college because they do not have the digital literacy skills to research options to reduce the cost of attendance resulting in not enrolling at the university.
c) Students, once in college, are not as proficient in communication skills due to lack of practice using technology or unable to participate in online discussions because of the lack of adequate technology to be active participants in online courses.
d) Students using online mobile devices miss critical aspects of the courses because of the lack of access to a full range of tools to participate in online courses or to conduct research.
e) Economically disadvantage students spend financial aid money on meeting basic needs not on technology.
f) Students require 10 to 15 hours a week per online class access to technology which is not always available through public libraries or computer labs.

Recommendation:

This issue is broader than the State University System. Therefore, the recommendation is to forward the lack of broadband access whitepaper to the Higher Education Coordinating Council for review and consideration.

Supporting Documentation Included: None

Facilitators/Presenters: Dr. Vicki Brown

SUBJECT: Faculty certification to teach online

Tactics:

Quality 1.2.2: Encourage faculty participation in professional development before teaching online. Consider certifying faculty to teach online.

Background:

In response to a recommendation of the Task Force on Postsecondary Education in Florida, the Innovation and Online Committee established as one of its priorities faculty development for faculty who teach online education, directing that Board staff, with the invited assistance of staff from the Florida College System office, use a competitive procurement process to select a lead institution to provide institutions with a train-the-trainer professional development program. UCF was selected as the lead institution. Partnering with UCF, FLVC has provided first-year start-up with non-recurring funding to develop the Teaching Online Preparation Toolkit (TOPkit), with a commitment from CAVP to fund the next four years with recurring funds. TOPkit launched on February 2017. An online faculty development course is included in the toolkit.

Recommendations:

TOPkit 's online faculty development sample course (https://webcourses.ucf.edu/courses/1246849) is integrated into the online toolkit and will be modified to meet the needs identified in Quality Tactic 1.2.2 (i.e. TOPkit Sample Course Lite--a baseline, 5 week self-paced version). A preliminary review of the sample course indicated that the UCF/FLVC (TOPkit) certification course is built on a solid foundation of theory and covers all necessary topics for preparing faculty to teach online. The Professional Development Workgroup recommends this course as the "certification" course associated with the implementation of Quality Tactic 1.2.2.

The Professional Development Workgroup will re-evaluate the faculty certification course after the first TOPkit workshop is held. The first workshop will be held March 22-23, 2017, at the University of Central Florida. At the conclusion of the first workshop, the Professional Development Workgroup will assess the tool and survey SUS participants for best approaches. An update and recommendation will be provided to the Steering Committee by June, 2017.

The recommendation delivered in June will assess potential funding and project management to make this a facilitated course (or not) as well as determine the organization/institution who will have the responsibility for facilitating and maintaining the certification course going forward. For those institutions who have a certification course in place and would like to continue using it, a formal process will be

developed by which institutions may elect to provide evidence that their internal online faculty certification course meets the same rigor and quality of the recommended course.

Supporting Documentation Included: None

Facilitators/Presenters: Dr. Cindy DeLuca

STATE UNIVERSITY SYSTEM of FLORIDA
Board of Governors

AGENDA
Budget and Finance Committee
Grand Ballroom
H. Manning Efferson Student Union Building
Florida A&M University
1780 S. Martin Luther King, Jr. Boulevard
Tallahassee, Florida 32307
March 29, 2017
2:45 p.m. – 3:15 p.m.
or
Upon Adjournment of Previous Meetings

Chair: Mr. Ned Lautenbach; Vice Chair: Mr. Alan Levine
Members: Doyle, Hebert, Huizenga, Kitson, Kuntz, Tripp

1.	**Call to Order and Opening Remarks**	**Governor Ned Lautenbach**
2.	**Minutes of Committee Meeting** Minutes, January 26, 2017	**Governor Lautenbach**
3.	**Auxiliary Facilities that have Bond Covenants Requiring Approval of Estimated 2017-2018 Operating Budgets**	**Mr. Tim Jones** *Vice Chancellor for Finance and Administration*
4.	**Public Notice of Intent to Amend Board of Governors Regulation 9.008 University Auxiliary Facilities with Outstanding Revenue Bonds**	**Mr. Jones**
5.	**2018-2019 Legislative Budget Request Guidelines**	**Mr. Jones**
6.	**Legislative Budget Update**	**Mr. Jones**
7.	**Concluding Remarks and Adjournment**	**Governor Lautenbach**

STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
Budget and Finance Committee
March 30, 2017

SUBJECT: Minutes of Committee Meeting held January 26, 2017

PROPOSED COMMITTEE ACTION

Approve the minutes from the meeting held on January 26, 2017

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution

BACKGROUND INFORMATION

Committee members will review and approve the minutes of the meeting held on January 26, 2017 at Florida Polytechnic University.

Supporting Documentation Included: Minutes: January 26, 2017

Facilitators/Presenters: Governor Ned Lautenbach

MINUTES
STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
BUDGET AND FINANCE COMMITTEE
FLORIDA POLYTECHNIC UNIVERSITY
LAKELAND, FLORIDA
JANUARY 26, 2017

Video or audio archives of the meetings of the Board of Governors and its Committees are accessible at http://www.flbog.edu/.

Mr. Ned Lautenbach, Chair, convened the meeting of the Budget and Finance Committee at 8:35 a.m. Members present for roll call were Dan Doyle, H. Wayne Huizenga, Jr., Tom Kuntz, Alan Levine, Sydney Kitson, and Norman Tripp. Other board members present included Dick Beard, Darlene Jordan, Edward A. Morton, and Fernando Valverde.

1. **Call to Order**

Mr. Lautenbach called the meeting to order.

2. **Approval of October 17, 2016 and November 3, 2016 Committee Meeting Minutes**

Mr. Doyle moved that the Committee approve minutes from the October 17, 2016 and November 3, 2016 meetings. Mr. Kitson seconded the motion, and members of the Committee concurred.

3. **Public Notice of Intent to Amend Board of Governors Regulation 9.014 – Collegiate License Plates Revenues**

Mr. Lautenbach introduced the amendment to Regulation 9.014. He noted that approval by the Committee to notice the regulation would be posted on the Board's website for 30 days and barring no public comments would be approved at the March Board meeting.

Mr. Tim Jones explained the changes to the regulation. Florida statute requires the Board to approve expenditure plans for revenue collected from collegiate license plate sales. The current expenditure allocation is identified in Regulation 9.014. If a university

deviates from the approved plan by more than 10 percent the revisions must come to this Board for consideration.

There are 3 university changes to the regulation;

1) Two universities allocation of revenues to scholarships and fundraising was not updated; and
2) Last December the University of Florida board of trustees modified their plan to spend more on fundraising which will ultimately increase scholarship support.

Mr. Tripp asked staff to work with the universities to help identify the cost-benefit-analysis of using revenues for fundraising instead of directing all of the revenue to scholarships.

Mr. Tripp moved that the Committee approve the amended regulation for public notice. Mr. Huizenga seconded the motion, and members of the Committee concurred.

4. **2017-2018 Board Office Legislative Budget Request**

Mr. Lautenbach introduced the next item requesting funds for the Board General Office. Mr. Lautenbach stated that he has worked with the Chancellor and staff on this issue and agrees this request is critical for Board data collection operations. He indicated that a lot of demands are placed on staff for data and analysis, thus we need to ensure our IT operations are fully staffed and supported. He asked Mr. Jones to walk us through this request.

Mr. Jones reviewed the $1.2 million request. Board Office IT salaries are 10-12 percent below other state agencies and turnover of 40 percent the last three years has outpaced other Board Offices. The data we collect is integral and provides the basis for the policy decisions that go into the Boards Strategic Plan, Accountability Report and Workplans.

The request includes funds to help retain existing staff, requests four new positions to focus on quality control and data security and requests funds to contract with experts on disaster recovery and cybersecurity projects.

After considerable discussion and support, Mr. Tripp moved that the Committee approve the amended Board Office legislative budget request as presented. Mr. Huizenga seconded the motion, and members of the Committee concurred.

Mr. Levine raised the issue of requesting funds for a cybersecurity assessment. There was general discussion about whether this should be a LBR issue or funded from the

base budget. There was general consensus that staff should work with the universities to understand what type of assessments are currently being done. This would help identify a baseline of current work. From that we can identify what the system's needs are and if additional resources will be needed in the future.

5. **Performance-Based Funding Model**

Mr. Lautenbach began the discussion on performance funding metrics 9 and 10, which are the two choice metrics. At the Committee workshop in October there were two changes to metric 10, the university board of trustees' choice metric, and there was discussion on the timing for an overall review of these two metrics.

In the packet are some options for consideration that the Committee needs to discuss and give direction to staff, so they can be working with the universities over the next few months. Then staff would come back to the Committee when we have our annual performance-based funding workshop in October.

First, let's start with Metric 9. This is the Board of Governors' choice metric. As part of our workshop discussion this fall, we will need to look at the metrics we have chosen and whether universities are improving as expected. Staff should be able to provide trend data on each metric and we can discuss the trends and whether we need to make changes.

Next is Metric 10, the Board of Trustees choice metric. When this metric was first implemented each university was requested to pick a metric from a set of metrics that was in the accountability report. We didn't put any restrictions on these metrics and left it completely up to the Trustees to choose the metric and the benchmarks.

This resulted in all but one university receiving the maximum number of points on this metric.

We are coming up on the fourth year of implementing the performance model, so we need to review this metric as well. Mr. Lautenbach outline his proposal:

- Have each Board of Trustees choose three metrics from a set of metrics in the accountability report.
- The Trustees would propose benchmarks for each metric, but the benchmarks should be set so that in the first year of implementing the metric, no university would receive more than seven points.
- This would in effect make this a stretch metric and give the universities incentive to work on improvements in this area.

- The three metrics and benchmarks for each university would be presented at the fall workshop and this Committee would choose one of these as the new Board of Trustee choice metric.

It was clarified that the Committee would have the option of accepting the proposed benchmark or adjusting. That would be within the Committee's discretion.

After general discussion, the Committee directed staff to proceed with the proposed outline.

6. **Concluding Remarks and Adjournment**

Having no further business, the meeting was adjourned at 9:06 a.m.

_____ _____

Tim Jones, Vice Chancellor
Finance and Administration

Ned Lautenbach, Chair

STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
Budget and Finance Committee
March 30, 2017

SUBJECT: Auxiliary Facilities that have Bond Covenants Requiring Approval of Estimated 2017-2018 Operating Budgets

PROPOSED COMMITTEE ACTION

Approve estimated 2017-2018 operating budgets for auxiliary facilities that have bond covenants requiring Board approval.

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution

BACKGROUND INFORMATION

An auxiliary enterprise, as defined by the National Association of College and University Business Officers (NACUBO) in the College and University Business Administration Manual, is "an entity that exists to furnish a service to students, faculty, or staff, and that charges a rate directly related, but not necessarily equal, to the cost of the service". One of the distinguishing characteristics of auxiliary enterprises is that they are managed as self-supporting activities. Some examples of auxiliary enterprises are housing operations, university bookstores, food services, student health centers, parking services, and continuing education. Many auxiliary enterprises have debt service commitments for the construction of facilities that must be repaid from pledged revenues from operations.

Section 1010.60, Florida Statutes, authorizes the issuance of bonds or other forms of indebtedness pursuant to the State Bond Act to finance or refinance capital projects authorized by the Legislature. Specific covenants, as set forth in the authorizing resolutions of certain bond issues, require approval of estimated operating budgets for the upcoming fiscal year at least ninety (90) days preceding the beginning of the fiscal year. The state universities historically submit annual operating budgets for their auxiliary operations approximately forty-five (45) days after the beginning of the fiscal year; therefore it is necessary for each affected institution to develop and submit, in advance, an estimated operating budget for all facilities with outstanding bond issues containing the operating budget approval covenant language.

The following universities have outstanding bond issues that require Board of Governors approval: the University of Florida, Florida State University, Florida A&M University, the University of South Florida, Florida Atlantic University, the University of Central Florida, and Florida International University.

A review of each university's information for auxiliary facilities affected by the specific bond covenants indicates that there will be sufficient revenues to meet the estimated level of operational expenditures and debt service payments for fiscal year 2017-2018.

Supporting Documentation Included: Auxiliary Facility 2017-2018 Operating Budgets

Facilitators/Presenters: Mr. Tim Jones

INCOME AND EXPENDITURE STATEMENT

UNIVERSITY: University of Florida

BOND TITLE: Parking Revenue Bonds Series 1998, 2007A

AUXILIARY FACILITY (IES): University of Florida Transportation and Parking

		2015-16 Actual	2016-17 Estimated	2017-18 Projected
1.	REVENUE CARRIED FORWARD			
	A. Operating Cash Carried Forward:			
	Liquid	4,244,567	4,609,297	5,439,383
	Investments	0	0	0
	Sub-Total:	4,244,567	4,609,297	5,439,383
	B. Replacement Reserve Forward:			
	Bond Covenants (Facilities Maintenance and Equipment)	4,511,345	5,265,150	4,711,789
	Other	0	0	0
	Sub-Total:	4,511,345	5,265,150	4,711,789
	TOTAL CARRIED FORWARD (A +B):	8,755,912	9,874,447	10,151,172
2.	CURRENT YEAR REVENUE:			
	* Revenue	12,357,355	12,503,410	13,399,410
	Interest Income	26,098	18,000	18,000
	Other Income	196,590	196,590	196,590
	TOTAL CURRENT YEAR REVENUE:	12,580,043	12,718,000	13,614,000
3.	SUMMARY OF AVAILABLE REVENUES (1 +2):	21,335,955	22,592,447	23,765,172
4.	EXPENDITURES			
	Salaries and Matching	2,353,550	2,424,157	2,496,881
	Other Personal Services	419,822	432,417	445,389
	Operating Expense	1,350,932	1,777,216	1,880,653
	Repairs and Maintenance	149,384	150,000	151,000
	Debt Service	2,664,972	3,079,124	3,499,631
	Repair and Replacement Expense	0	0	0
	Operating Capital Outlay	24,147	25,000	27,500
	Other Expense & Transfers Out	3,552,506	2,150,000	2,150,000
	TOTAL EXPENDITURES:	10,515,313	10,037,914	10,651,054
5.	TRANSFERS TO REPLACEMENT RESERVES			
	Bond Covenants (Facilities Maintenance and Equipment)	1,000,000	1,000,000	1,000,000
	Other	700,000	850,000	675,000
	Sub-Total:	1,700,000	1,850,000	1,675,000
6.	TRANSFERS FROM REPLACEMENT RESERVES			
	Bond Covenants (Facilities Maintenance and Equipment)	29,536	1,503,361	675,000
	Other	916,659	900,000	900,000
	Sub-Total:	946,195	2,403,361	1,575,000
7.	ENDING REPLACEMENT RESERVES (1B +5 -6)			
	Bond Covenants (Facilities Maintenance and Equipment)	5,265,150	4,711,789	4,811,789
	Interest Income Earned on Reserve Balance	0	0	0
	Sub-Total:	5,265,150	4,711,789	4,811,789
8.	ENDING OPERATING CASH (1A +2 -4 -5)	4,609,297	5,439,383	6,727,329
9.	SUMMARY OF ENDING REVENUES (7 +8)	9,874,447	10,151,172	11,539,118

*** Revenue as outlined in the Bond Covenants to support the debt servicing of the bonds.**

UNIVERSITY AUXILIARY FACILITIES
OUTSTANDING REVENUE BONDS
SUPPLEMENTAL NARRATIVE INFORMATION
FEBRUARY 2017 DATA REQUEST SUBMISSION

University of Florida – Parking Revenue Bonds Series 1998, 2007A

1. Do any of the pledged revenues reported on the Income and Expenditure Statement contain overhead assessments? If yes, please explain.

Yes, UF charges an auxiliary overhead expense to Transportation and Parking Services.

For 2015-16, the actual overhead charge was $481,585.

For 2016-17 and 2017-18, the estimated overhead charges are $490,000 and $500,000, respectively.

2. Do pledged revenues or expenditures change year-over-year by 10% or more? If yes, please explain.

Debt Service – 2017-18 anticipates the construction of a new garage. Increased debt service payments are associated with a new revenue bond.

Other Expense and Transfer Out – Actual transfers to reserve for future parking facility construction for 2015-16 was $1,950,000. The estimated transfers for this purpose in 2016-17 and 2017-18 are $650,000 each.

Transfer from Replacement Reserves for Bond Covenants – Transfers from this reserve fund various parking and transportation facility repair and maintenance projects as well as minor construction projects. 2015-16 had an abnormally low volume of projects. Higher volumes of projects are forecasted for 2016-17 and 2017-18.

3. Please explain amounts categorized as "other".

Other Income – Vending machine revenue and transfers from the Transportation Fee Fund to fund the GatorLift student bus service.

Other Expense & Transfers Out – Typical transfers out include $1,500,000 from the Parking Operations Fund to the Transportation Fee Fund for on-campus RTS bus service and a $650,000 transfer to reserve for future parking facility construction projects, like the $1,950,000 transfer made in 2015-16.

Transfers to Replacement Reserves – Other – These are transfers out to fund various unanticipated maintenance and repairs. Budget amounts for transfers to this reserve and the Bond Covenants Reserve are based on an Asset Management and Capital Improvement Plan prepared for UF by Walker Restoration Consultants.

4. Add lines as needed for additional comments.

INCOME AND EXPENDITURE STATEMENT

UNIVERSITY: Florida State University

BOND TITLE: Housing System Bond Series 1993, 2004A, 2005A, 2010A, 2011A, 2013A, 2014A, 2015A

AUXILIARY FACILITY (IES): University Housing System

		2015-16 Actual	2016-17 Estimated	2017-18 Projected
1.	REVENUE CARRIED FORWARD			
	A. Operating Cash Carried Forward:			
	Liquid	25,642,939	30,815,906	28,722,732
	Investments	0	0	0
	Sub-Total:	25,642,939	30,815,906	28,722,732
	B. Replacement Reserve Forward:			
	Bond Covenants (Facilities Maintenance and Equipment)	6,496,755	6,496,755	6,543,589
	Other	23,936,381	18,265,212	17,832,931
	Sub-Total:	30,433,136	24,761,967	24,376,520
	TOTAL CARRIED FORWARD (A +B):	56,076,075	55,577,873	53,099,252
2.	CURRENT YEAR REVENUE:			
	* Revenue	44,569,525	40,777,073	47,496,046
	Interest Income	560,053	369,600	450,000
	Other Income	378,061	446,000	436,000
	TOTAL CURRENT YEAR REVENUE:	45,507,639	41,592,673	48,382,046
3.	SUMMARY OF AVAILABLE REVENUES (1 +2):	101,583,714	97,170,546	101,481,298
4.	EXPENDITURES			
	Salaries and Matching	8,181,176	9,313,691	10,124,170
	Other Personal Services	2,409,045	2,664,062	2,908,645
	Operating Expense	8,820,706	7,769,698	8,304,299
	Repairs and Maintenance	1,755,895	1,792,000	2,000,000
	Debt Service	13,673,648	14,035,000	15,296,475
	Repair and Replacement Expense	2,601,948	4,070,000	2,255,000
	Operating Capital Outlay	83,019	110,000	100,000
	Other Expense & Transfers Out	642,159	733,568	877,970
	TOTAL EXPENDITURES:	38,167,596	40,488,019	41,866,559
5.	TRANSFERS TO REPLACEMENT RESERVES			
	Bond Covenants (Facilities Maintenance and Equipment)	0	0	0
	Other	2,167,076	3,197,828	3,475,328
	Sub-Total:	2,167,076	3,197,828	3,475,328
6.	TRANSFERS FROM REPLACEMENT RESERVES			
	Bond Covenants (Facilities Maintenance and Equipment)	0	0	0
	Other	8,103,244	3,877,275	6,000,000
	Sub-Total:	8,103,244	3,877,275	6,000,000
7.	ENDING REPLACEMENT RESERVES (1B +5 -6)			
	Bond Covenants (Facilities Maintenance and Equipment)	24,496,968	24,082,520	21,851,848
	Interest Income Earned on Reserve Balance	264,999	294,000	330,000
	Sub-Total:	24,761,967	24,376,520	22,181,848
8.	ENDING OPERATING CASH (1A +2 -4 -5)	30,815,906	28,722,732	31,762,891
9.	SUMMARY OF ENDING REVENUES (7 +8)	55,577,873	53,099,252	53,944,739

*** Revenue as outlined in the Bond Covenants to support the debt servicing of the bonds.**

UNIVERSITY AUXILIARY FACILITIES
OUTSTANDING REVENUE BONDS
SUPPLEMENTAL NARRATIVE INFORMATION
FEBRUARY 2017 DATA REQUEST SUBMISSION

Florida State University – Housing Bonds 1993, 2004A, 2005A, 2010A, 2011A, 2013A, 2014A, 2015A

1. Do any of the pledged revenues reported on the Income and Expenditure Statement contain overhead assessments? If yes, please explain.
No.

2. Do pledged revenues or expenditures change year-over-year by 10% or more? If yes, please explain.
Yes. Pledged revenues will increase approximately 16% between 2016-17 and 2017-18 due to the opening of the new Magnolia and Azalea Halls in fall 2017.

3. Please explain amounts categorized as "other".

"Other Income" consists of funds received from laundry services in the residence halls as well as miscellaneous income which includes cell tower rental income.

"Other Expense & Transfers Out" consists of transfers out for university administrative overhead charges.

"Other" in the replacement reserve categories refers to the housing system's internal designated fund for renewal and replacement projects including, but not limited to: specific hall renovations, mechanical upgrades, and other planned major projects.

4. Add lines as needed for additional comments.

INCOME AND EXPENDITURE STATEMENT

UNIVERSITY: Florida State University

BOND TITLE: Parking Facilities Bond Series 2007A, 2011A, 2014A, 2017A

AUXILIARY FACILITY (IES): Parking and Transportation Services

		2015-16 Actual	2016-17 Estimated	2017-18 Projected
1.	REVENUE CARRIED FORWARD			
	A. Operating Cash Carried Forward:			
	Liquid	3,062,445	3,380,072	3,612,461
	Investments	0	0	0
	Sub-Total:	3,062,445	3,380,072	3,612,461
	B. Replacement Reserve Forward:			
	Bond Covenants (Facilities Maintenance and Equipment)	2,629,704	2,755,120	2,905,120
	Other	0	0	0
	Sub-Total:	2,629,704	2,755,120	2,905,120
	TOTAL CARRIED FORWARD (A +B):	5,692,149	6,135,192	6,517,581
2.	CURRENT YEAR REVENUE:			
	* Revenue	11,614,837	12,688,924	12,812,519
	Interest Income	98,196	100,000	100,000
	Other Income	0	0	0
	TOTAL CURRENT YEAR REVENUE:	11,713,033	12,788,924	12,912,519
3.	SUMMARY OF AVAILABLE REVENUES (1 +2):	17,405,182	18,924,116	19,430,100
4.	EXPENDITURES			
	Salaries and Matching	1,199,645	1,283,885	1,371,519
	Other Personal Services	167,682	200,000	200,000
	Operating Expense	4,280,985	5,454,289	5,446,895
	Repairs and Maintenance	182,638	496,340	504,500
	Debt Service	4,806,247	4,714,307	4,739,518
	Repair and Replacement Expense	345,266	0	0
	Operating Capital Outlay	34,846	40,000	50,000
	Other Expense & Transfers Out	228,097	217,714	227,300
	TOTAL EXPENDITURES:	11,245,406	12,406,535	12,539,732
5.	TRANSFERS TO REPLACEMENT RESERVES			
	Bond Covenants (Facilities Maintenance and Equipment)	150,000	150,000	150,000
	Other	0	0	0
	Sub-Total:	150,000	150,000	150,000
6.	TRANSFERS FROM REPLACEMENT RESERVES			
	Bond Covenants (Facilities Maintenance and Equipment)	22,764	0	0
	Other	1,820	0	0
	Sub-Total:	24,584	0	0
7.	ENDING REPLACEMENT RESERVES (1B +5 -6)			
	Bond Covenants (Facilities Maintenance and Equipment)	2,755,120	2,905,120	3,055,120
	Interest Income Earned on Reserve Balance	0	0	0
	Sub-Total:	2,755,120	2,905,120	3,055,120
8.	ENDING OPERATING CASH (1A +2 -4 -5)	3,380,072	3,612,461	3,835,248
9.	SUMMARY OF ENDING REVENUES (7 +8)	6,135,192	6,517,581	6,890,368

*** Revenue as outlined in the Bond Covenants to support the debt servicing of the bonds.**

UNIVERSITY AUXILIARY FACILITIES
OUTSTANDING REVENUE BONDS
SUPPLEMENTAL NARRATIVE INFORMATION
FEBRUARY 2017 DATA REQUEST SUBMISSION

Florida State University – Parking Facility Revenue Bonds 2007A, 2011A, 2014A, 2017A

1. Do any of the pledged revenues reported on the Income and Expenditure Statement contain overhead assessments? If yes, please explain.
No.

2. Do pledged revenues or expenditures change year-over-year by 10% or more? If yes, please explain.
No, revenues do not change year over year 10% or more.
Yes, FY 2016-17 aggregated expenditures are projected at 10.3% higher than the prior year, primarily due to increased operating expenses for campus bus expenses and repair and maintenance staffing expenses. Projected campus bus expenses increased in FY 2016-17 due to the addition of three new buses and extended hours of operation.

3. Please explain amounts categorized as “other”.
University overhead and interest expenses charged to operating account.

4. Add lines as needed for additional comments.
Operating expenses: Amount includes the campus bus expense of : FY 2015-16 $2.5 million, 58.6% of line item expense; FY 2016-17 $3.4 million, or 61.4% of line item expense.

INCOME AND EXPENDITURE STATEMENT

UNIVERSITY: Florida A&M University

BOND TITLE: Student Dormatory Revenue and Revenue Refunding, Series 2010A, 2010B

AUXILIARY FACILITY (IES): Housing Operation

		2015-16 Actual	2016-17 Estimated	2017-18 Projected
1.	REVENUE CARRIED FORWARD			
	A. Operating Cash Carried Forward:			
	Liquid	2,346,713	3,775,456	4,775,759
	Investments	0	0	0
	Sub-Total:	2,346,713	3,775,456	4,775,759
	B. Replacement Reserve Forward:			
	Bond Covenants (Facilities Maintenance and Equipment)	4,248,851	4,354,782	4,813,955
	Other	0	0	0
	Sub-Total:	4,248,851	4,354,782	4,813,955
	TOTAL CARRIED FORWARD (A +B):	6,595,564	8,130,238	9,589,714
2.	CURRENT YEAR REVENUE:			
	* Revenue	14,804,844	15,337,089	15,727,969
	Interest Income	0	0	0
	Other Income	0	0	0
	TOTAL CURRENT YEAR REVENUE:	14,804,844	15,337,089	15,727,969
3.	SUMMARY OF AVAILABLE REVENUES (1 +2):	21,400,408	23,467,327	25,317,683
4.	EXPENDITURES			
	Salaries and Matching	2,417,557	2,591,437	3,622,224
	Other Personal Services	858,337	409,935	300,000
	Operating Expense	3,667,879	4,919,161	5,556,600
	Repairs and Maintenance	0	0	0
	Debt Service	5,922,080	5,922,080	5,923,786
	Repair and Replacement Expense	0	0	0
	Operating Capital Outlay	66,786	35,000	310,000
	Other Expense & Transfers Out	0	0	0
	TOTAL EXPENDITURES:	12,932,639	13,877,613	15,712,610
5.	TRANSFERS TO REPLACEMENT RESERVES			
	Bond Covenants (Facilities Maintenance and Equipment)	443,462	459,173	471,839
	Other	0	0	0
	Sub-Total:	443,462	459,173	471,839
6.	TRANSFERS FROM REPLACEMENT RESERVES			
	Bond Covenants (Facilities Maintenance and Equipment)	337,531	0	0
	Other	0	0	0
	Sub-Total:	337,531	0	0
7.	ENDING REPLACEMENT RESERVES (1B +5 -6)			
	Bond Covenants (Facilities Maintenance and Equipment)	4,354,782	4,813,955	5,285,794
	Interest Income Earned on Reserve Balance	0	0	0
	Sub-Total:	4,354,782	4,813,955	5,285,794
8.	ENDING OPERATING CASH (1A +2 -4 -5)	3,775,456	4,775,759	4,319,279
9.	SUMMARY OF ENDING REVENUES (7 +8)	8,130,238	9,589,714	9,605,073

*** Revenue as outlined in the Bond Covenants to support the debt servicing of the bonds.**

UNIVERSITY AUXILIARY FACILITIES
OUTSTANDING REVENUE BONDS
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FEBRUARY 2017 DATA REQUEST SUBMISSION

Florida A&M University – Student Dormitory Revenue & Refunding Bonds Series 2010A, 2010B

1. Do any of the pledged revenues reported on the Income and Expenditure Statement contain overhead assessments? If yes, please explain.
No.

2. Do pledged revenues or expenditures change year-over-year by 10% or more? If yes, please explain.
The salaries are increasing, because the majority of the employees in the Housing area make less than $18,000 per year. They have been increased to $22,000 per year. There were also a large number of employees on OPS, and they have been changed to full time positions to help retain employees.

The expense and operating capital outlay categories have been increased to take care of replacing boilers, bathroom fixtures, and cabinets in some of the dorms.

3. Please explain amounts categorized as “other”.
N/A.

4. Add lines as needed for additional comments.

INCOME AND EXPENDITURE STATEMENT

UNIVERSITY: Florida A&M University

BOND TITLE: Parking Facility Revenue Bonds Series 1997

AUXILIARY FACILITY (IES): Parking Operation

		2015-16 Actual	2016-17 Estimated	2017-18 Projected
1.	REVENUE CARRIED FORWARD			
	A. Operating Cash Carried Forward:			
	Liquid	1,620,767	1,672,676	1,264,784
	Investments	0	0	0
	Sub-Total:	1,620,767	1,672,676	1,264,784
	B. Replacement Reserve Forward:			
	Bond Covenants (Facilities Maintenance and Equipment)	791,618	854,161	914,381
	Other	0	0	0
	Sub-Total:	791,618	854,161	914,381
	TOTAL CARRIED FORWARD (A +B):	2,412,385	2,526,837	2,179,165
2.	CURRENT YEAR REVENUE:			
	* Revenue	1,942,280	1,910,327	1,972,077
	Interest Income	0	0	0
	Other Income	0	0	0
	TOTAL CURRENT YEAR REVENUE:	1,942,280	1,910,327	1,972,077
3.	SUMMARY OF AVAILABLE REVENUES (1 +2):	4,354,665	4,437,164	4,151,242
4.	EXPENDITURES			
	Salaries and Matching	478,715	634,533	778,695
	Other Personal Services	0	99,810	100,000
	Operating Expense	954,568	1,166,301	1,135,354
	Repairs and Maintenance	0	0	0
	Debt Service	233,343	233,343	233,290
	Repair and Replacement Expense	0	0	0
	Operating Capital Outlay	63,546	0	33,000
	Other Expense & Transfers Out	97,656	124,012	136,820
	TOTAL EXPENDITURES:	1,827,828	2,257,999	2,417,159
5.	TRANSFERS TO REPLACEMENT RESERVES			
	Bond Covenants (Facilities Maintenance and Equipment)	62,543	60,220	80,096
	Other	0	0	0
	Sub-Total:	62,543	60,220	80,096
6.	TRANSFERS FROM REPLACEMENT RESERVES			
	Bond Covenants (Facilities Maintenance and Equipment)	0	0	0
	Other	0	0	0
	Sub-Total:	0	0	0
7.	ENDING REPLACEMENT RESERVES (1B +5 -6)			
	Bond Covenants (Facilities Maintenance and Equipment)	854,161	914,381	994,477
	Interest Income Earned on Reserve Balance			
	Sub-Total:	854,161	914,381	994,477
8.	ENDING OPERATING CASH (1A +2 -4 -5)	1,672,676	1,264,784	739,606
9.	SUMMARY OF ENDING REVENUES (7 +8)	2,526,837	2,179,165	1,734,083

*** Revenue as outlined in the Bond Covenants to support the debt servicing of the bonds.**

UNIVERSITY AUXILIARY FACILITIES
OUTSTANDING REVENUE BONDS
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Florida A&M University – Parking Facilities Revenue Bonds Series 1997

1. Do any of the pledged revenues reported on the Income and Expenditure Statement contain overhead assessments? If yes, please explain.
Yes, the overhead assessment is 6% of operating expenses.

2. Do pledged revenues or expenditures change year-over-year by 10% or more? If yes, please explain.
Other Personal Services (OPS) expenditures increased because we have mini-buses that take students around campus and to the FAMU/FSU Engineering School. The OPS is for the drivers of these buses. The expenditures increased because Parking Services purchased a new ticketing system and software for the department.

3. Please explain amounts categorized as “other”.
Other is the overhead assessment.

4. Add lines as needed for additional comments.

INCOME AND EXPENDITURE STATEMENT

UNIVERSITY: University of South Florida

BOND TITLE: Parking Revenue Bonds: Series 2002, 2004A, 2006A

AUXILIARY FACILITY (IES): Parking Garages 1, 2, 3, & 4

		2015-16 Actual	2016-17 Estimated	2017-18 Projected
1.	REVENUE CARRIED FORWARD			
	A. Operating Cash Carried Forward:			
	Liquid	11,421,863	12,888,730	13,920,721
	Investments	0	0	0
	Sub-Total:	11,421,863	12,888,730	13,920,721
	B. Replacement Reserve Forward:			
	Bond Covenants (Facilities Maintenance and Equipment)	9,389,710	9,815,621	9,978,854
	Other	0	100,262	100,000
	Sub-Total:	9,389,710	9,915,883	10,078,854
	TOTAL CARRIED FORWARD (A +B):	20,811,573	22,804,613	23,999,575
2.	CURRENT YEAR REVENUE:			
	* Revenue	14,047,255	14,011,403	14,000,000
	Interest Income	0	0	0
	Other Income	263,722	4,071	3,000
	TOTAL CURRENT YEAR REVENUE:	14,310,977	14,015,474	14,003,000
3.	SUMMARY OF AVAILABLE REVENUES (1 +2):	35,122,550	36,820,087	38,002,575
4.	EXPENDITURES			
	Salaries and Matching	3,597,454	3,734,779	3,947,400
	Other Personal Services	497,739	670,750	690,872
	Operating Expense	3,880,474	3,698,532	3,809,488
	Repairs and Maintenance	0	0	0
	Debt Service	3,559,829	3,179,768	3,157,875
	Repair and Replacement Expense	0	0	0
	Operating Capital Outlay	172,528	250,000	950,000
	Other Expense & Transfers Out	669,545	988,833	900,000
	TOTAL EXPENDITURES:	12,377,569	12,522,662	13,455,635
5.	TRANSFERS TO REPLACEMENT RESERVES			
	Bond Covenants (Facilities Maintenance and Equipment)	166,541	160,821	167,000
	Other	300,000	300,000	300,000
	Sub-Total:	466,541	460,821	467,000
6.	TRANSFERS FROM REPLACEMENT RESERVES			
	Bond Covenants (Facilities Maintenance and Equipment)	0	0	0
	Other	40,630	397,850	400,000
	Sub-Total:	40,630	397,850	400,000
7.	ENDING REPLACEMENT RESERVES (1B +5 -6)			
	Bond Covenants (Facilities Maintenance and Equipment)	9,815,621	9,978,854	10,145,854
	Interest Income Earned on Reserve Balance	100,262	100,000	100,000
	Sub-Total:	9,915,883	10,078,854	10,245,854
8.	ENDING OPERATING CASH (1A +2 -4 -5)	12,888,730	13,920,721	14,001,086
9.	SUMMARY OF ENDING REVENUES (7 +8)	22,804,613	23,999,575	24,246,940

*** Revenue as outlined in the Bond Covenants to support the debt servicing of the bonds.**

UNIVERSITY AUXILIARY FACILITIES
OUTSTANDING REVENUE BONDS
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University of South Florida – Parking Revenue Bonds Series 2002, 2004A, 2006A

1. Do any of the pledged revenues reported on the Income and Expenditure Statement contain overhead assessments? If yes, please explain.
No. The pledged revenues reported do not contain overhead assessments.

2. Do pledged revenues or expenditures change year-over-year by 10% or more? If yes, please explain.
No. Pledged revenues or expenditures do not change year-over-year by 10% or more.

3. Please explain amounts categorized as "other".
Revenue Carried Forward "Other" – interest income earned on reserve balance.
Revenue "Other" – interest income earned from revenue.
Expenditures "Other" – overhead assessments and transfer to university-wide reserve account.
Transfers "Other" – transfer to/from reserve account to fund building and parking improvements and repairs.

4. Add lines as needed for additional comments.

INCOME AND EXPENDITURE STATEMENT

UNIVERSITY: Florida Atlantic University

BOND TITLE: Florida Atlantic University Housing Revenue Bonds, Series 2003

AUXILIARY FACILITY (IES): University Village Student Apartment Complex

		2015-16 Actual	2016-17 Estimated	2017-18 Projected
1.	**REVENUE CARRIED FORWARD**			
	A. Operating Cash Carried Forward:			
	Liquid	6,165,489	7,339,296	8,266,476
	Investments	0	0	0
	Sub-Total:	6,165,489	7,339,296	8,266,476
	B. Replacement Reserve Forward:			
	Bond Covenants (Facilities Maintenance and Equipment)	1,620,863	1,702,220	1,733,577
	Other	0	0	0
	Sub-Total:	1,620,863	1,702,220	1,733,577
	TOTAL CARRIED FORWARD (A +B):	7,786,352	9,041,516	10,000,053
2.	**CURRENT YEAR REVENUE:**			
	*** Revenue**	3,628,530	3,514,000	3,435,600
	Interest Income	0	0	0
	Other Income	11,521	31,216	11,891
	TOTAL CURRENT YEAR REVENUE:	3,640,051	3,545,216	3,447,491
3.	**SUMMARY OF AVAILABLE REVENUES (1 +2):**	11,426,403	12,586,732	13,447,544
4.	**EXPENDITURES**			
	Salaries and Matching	234,267	272,117	264,393
	Other Personal Services	124,457	124,809	108,645
	Operating Expense	852,607	850,991	932,860
	Repairs and Maintenance	117,388	247,900	215,040
	Debt Service	1,002,229	1,005,176	1,004,994
	Repair and Replacement Expense	0	0	0
	Operating Capital Outlay	0	0	0
	Other Expense & Transfers Out	53,938	35,686	104,887
	TOTAL EXPENDITURES:	2,384,886	2,536,679	2,630,819
5.	**TRANSFERS TO REPLACEMENT RESERVES**			
	Bond Covenants (Facilities Maintenance and Equipment)	81,357	81,357	68,712
	Other	0	0	0
	Sub-Total:	81,357	81,357	68,712
6.	**TRANSFERS FROM REPLACEMENT RESERVES**			
	Bond Covenants (Facilities Maintenance and Equipment)	0	50,000	125,000
	Other	0	0	0
	Sub-Total:	0	50,000	125,000
7.	**ENDING REPLACEMENT RESERVES (1B +5 -6)**			
	Bond Covenants (Facilities Maintenance and Equipment)	1,702,220	1,733,577	1,677,289
	Interest Income Earned on Reserve Balance	0	0	0
	Sub-Total:	1,702,220	1,733,577	1,677,289
8.	**ENDING OPERATING CASH (1A +2 -4 -5)**	7,339,297	8,266,476	9,014,436
9.	**SUMMARY OF ENDING REVENUES (7 +8)**	9,041,517	10,000,053	10,691,725

*** Revenue as outlined in the Bond Covenants to support the debt servicing of the bonds.**

UNIVERSITY AUXILIARY FACILITIES
OUTSTANDING REVENUE BONDS
SUPPLEMENTAL NARRATIVE INFORMATION
FEBRUARY 2017 DATA REQUEST SUBMISSION

Florida Atlantic University – Housing Revenue Bonds 2003 – University Village Apartments

1. Do any of the pledged revenues reported on the Income and Expenditure Statement contain overhead assessments? If yes, please explain.
Not at this time.

2. Do pledged revenues or expenditures change year-over-year by 10% or more? If yes, please explain.
Transfers from replacement reserves begin in FY17 and increase 150% in FY18 due to pending ESCO contract for HVAC repair and replacement for University Village Apartments.

3. Please provide details for amounts categorized as "other".
Adhoc purchase & programming expenditures for residence life and academic initiatives.
Attorney fees and gross proceeds.
Contra-expense: other services and supplies.
Credit card and bank fees.
Departmental and individual memberships.
Honorariums and guest speakers.
Perquisites.
Promotional items.
Registration fee.
Repair – vehicle.
Revenue sharing expense.
Scholarships and grants.
Subscriptions.
Survey and tests.
Unemployment compensation benefits.

4. Add lines as needed for additional comments.

INCOME AND EXPENDITURE STATEMENT

UNIVERSITY: Florida Atlantic University

BOND TITLE: Florida Atlantic University Housing Revenue Bonds, Series 2003

AUXILIARY FACILITY (IES): Glades Park Towers

		2015-16 Actual	2016-17 Estimated	2017-18 Projected
1.	**REVENUE CARRIED FORWARD**			
	A. Operating Cash Carried Forward:			
	Liquid	3,601,900	4,215,502	5,486,228
	Investments	0	0	0
	Sub-Total:	3,601,900	4,215,502	5,486,228
	B. Replacement Reserve Forward:			
	Bond Covenants (Facilities Maintenance and Equipment)	755,503	842,498	879,493
	Other	0	0	0
	Sub-Total:	755,503	842,498	879,493
	TOTAL CARRIED FORWARD (A +B):	4,357,403	5,058,000	6,365,721
2.	**CURRENT YEAR REVENUE:**			
	*** Revenue**	3,639,451	4,448,576	4,936,990
	Interest Income	0	0	0
	Other Income	34,853	155,209	115,872
	TOTAL CURRENT YEAR REVENUE:	3,674,304	4,603,785	5,052,862
3.	**SUMMARY OF AVAILABLE REVENUES (1 +2):**	8,031,707	9,661,785	11,418,583
4.	**EXPENDITURES**			
	Salaries and Matching	280,307	393,665	287,135
	Other Personal Services	131,080	149,032	133,647
	Operating Expense	672,748	815,259	604,442
	Repairs and Maintenance	64,299	104,200	126,450
	Debt Service	1,721,936	1,716,873	1,717,173
	Repair and Replacement Expense	0	0	0
	Operating Capital Outlay	0	0	0
	Other Expense & Transfers Out	103,337	67,035	106,629
	TOTAL EXPENDITURES:	2,973,707	3,246,064	2,975,476
5.	**TRANSFERS TO REPLACEMENT RESERVES**			
	Bond Covenants (Facilities Maintenance and Equipment)	86,995	86,995	98,740
	Other	0	0	0
	Sub-Total:	86,995	86,995	98,740
6.	**TRANSFERS FROM REPLACEMENT RESERVES**			
	Bond Covenants (Facilities Maintenance and Equipment)	0	50,000	125,000
	Other	0	0	0
	Sub-Total:	0	50,000	125,000
7.	**ENDING REPLACEMENT RESERVES (1B +5 -6)**			
	Bond Covenants (Facilities Maintenance and Equipment)	842,498	879,493	853,233
	Interest Income Earned on Reserve Balance	0	0	0
	Sub-Total:	842,498	879,493	853,233
8.	**ENDING OPERATING CASH (1A +2 -4 -5)**	4,215,502	5,486,228	7,464,874
9.	**SUMMARY OF ENDING REVENUES (7 +8)**	5,058,000	6,365,721	8,318,107

*** Revenue as outlined in the Bond Covenants to support the debt servicing of the bonds.**

UNIVERSITY AUXILIARY FACILITIES
OUTSTANDING REVENUE BONDS
SUPPLEMENTAL NARRATIVE INFORMATION
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Florida Atlantic University – Housing Revenue Bonds 2003 – Glades Park Towers

1. Do any of the pledged revenues reported on the Income and Expenditure Statement contain overhead assessments? If yes, please explain.
Not at this time.

2. Do pledged revenues or expenditures change year-over-year by 10% or more? If yes, please explain.
Revenues for Glades Park Towers increase 25.3% in FY17 estimate over FY16 due to summer housing this fiscal year moving from Parliament Hall to Glades Park Towers.

Transfers from replacement reserves begin in FY17 and increase 150% in FY18 due to pending ESCO contract for HVAC repair and replacement for Glades Park Towers.

3. Please provide details for amounts categorized as "other".
Adhoc purchase & programming expenditures for residence life and academic initiatives.
Attorney fees and gross proceeds.
Contra-expense: other services and supplies.
Credit card and bank fees.
Departmental and individual memberships.
Honorariums and guest speakers.
Perquisites.
Promotional items.
Registration fee.
Repair – vehicle.
Revenue sharing expense.
Scholarships and grants.
Subscriptions.
Survey and tests.
Unemployment compensation benefits.

4. Add lines as needed for additional comments.

INCOME AND EXPENDITURE STATEMENT

UNIVERSITY: Florida Atlantic University

BOND TITLE: Florida Atlantic University Housing Revenue Bonds, Series 2003

AUXILIARY FACILITY (IES): Heritage Park Towers

		2015-16 Actual	2016-17 Estimated	2017-18 Projected
1.	**REVENUE CARRIED FORWARD**			
	A. Operating Cash Carried Forward:			
	Liquid	2,455,124	2,535,980	3,147,353
	Investments	0	0	0
	Sub-Total:	2,455,124	2,535,980	3,147,353
	B. Replacement Reserve Forward:			
	Bond Covenants (Facilities Maintenance and Equipment)	1,007,614	1,081,091	1,104,568
	Other	0	0	0
	Sub-Total:	1,007,614	1,081,091	1,104,568
	TOTAL CARRIED FORWARD (A +B):	3,462,738	3,617,071	4,251,921
2.	**CURRENT YEAR REVENUE:**			
	*** Revenue**	3,619,440	3,673,640	3,430,200
	Interest Income	0	0	0
	Other Income	67,214	170,034	115,872
	TOTAL CURRENT YEAR REVENUE:	3,686,654	3,843,674	3,546,072
3.	**SUMMARY OF AVAILABLE REVENUES (1 +2):**	7,149,392	7,460,745	7,797,993
4.	**EXPENDITURES**			
	Salaries and Matching	279,012	317,028	263,420
	Other Personal Services	128,004	144,564	144,564
	Operating Expense	566,614	922,127	699,724
	Repairs and Maintenance	987,090	243,377	178,750
	Debt Service	1,469,384	1,473,680	1,473,413
	Repair and Replacement Expense	0	0	0
	Operating Capital Outlay	0	0	0
	Other Expense & Transfers Out	102,217	58,048	115,480
	TOTAL EXPENDITURES:	3,532,321	3,158,824	2,875,351
5.	**TRANSFERS TO REPLACEMENT RESERVES**			
	Bond Covenants (Facilities Maintenance and Equipment)	73,744	73,477	68,604
	Other	0	0	0
	Sub-Total:	73,744	73,477	68,604
6.	**TRANSFERS FROM REPLACEMENT RESERVES**			
	Bond Covenants (Facilities Maintenance and Equipment)	0	50,000	125,000
	Other	0	0	0
	Sub-Total:	0	50,000	125,000
7.	**ENDING REPLACEMENT RESERVES (1B +5 -6)**			
	Bond Covenants (Facilities Maintenance and Equipment)	1,081,358	1,104,568	1,048,172
	Interest Income Earned on Reserve Balance	0	0	0
	Sub-Total:	1,081,358	1,104,568	1,048,172
8.	**ENDING OPERATING CASH (1A +2 -4 -5)**	2,535,713	3,147,353	3,749,470
9.	**SUMMARY OF ENDING REVENUES (7 +8)**	3,617,071	4,251,921	4,797,642

*** Revenue as outlined in the Bond Covenants to support the debt servicing of the bonds.**

UNIVERSITY AUXILIARY FACILITIES
OUTSTANDING REVENUE BONDS
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Florida Atlantic University – Housing Revenue Bonds 2003 – Heritage Park Towers

1. Do any of the pledged revenues reported on the Income and Expenditure Statement contain overhead assessments? If yes, please explain.
Not at this time.

2. Do pledged revenues or expenditures change year-over-year by 10% or more? If yes, please explain.
Expenses decrease in FY17 over FY16 due to significant repairs and replacements to Heritage Park Towers residence in FY16.

Transfers from replacement reserves begin in FY17 and increase 150% in FY18 due to pending ESCO contract for HVAC repair and replacement for Heritage Park Towers.

3. Please provide details for amounts categorized as "other".
Adhoc purchase & programming expenditures for residence life and academic initiatives.
Attorney fees and gross proceeds.
Contra-expense: other services and supplies.
Credit card and bank fees.
Departmental and individual memberships.
Honorariums and guest speakers.
Perquisites.
Promotional items.
Registration fee.
Repair – vehicle.
Revenue sharing expense.
Scholarships and grants.
Subscriptions.
Survey and tests.
Unemployment compensation benefits.

4. Add lines as needed for additional comments.

INCOME AND EXPENDITURE STATEMENT

UNIVERSITY: Florida Atlantic University

BOND TITLE: Florida Atlantic University Dormitory Revenue Refunding Bonds, Series 2006B

AUXILIARY FACILITY (IES): Indian River Towers Residence Hall Complex

		2015-16 Actual	2016-17 Estimated	2017-18 Projected
1.	**REVENUE CARRIED FORWARD**			
	A. Operating Cash Carried Forward:			
	Liquid	5,501,469	7,147,161	8,697,410
	Investments	0	0	
	Sub-Total:	5,501,469	7,147,161	8,697,410
	B. Replacement Reserve Forward:			
	Bond Covenants (Facilities Maintenance and Equipment)	1,455,627	1,541,801	1,577,975
	Other	0	0	0
	Sub-Total:	1,455,627	1,541,801	1,577,975
	TOTAL CARRIED FORWARD (A +B):	6,957,096	8,688,962	10,275,385
2.	**CURRENT YEAR REVENUE:**			
	*** Revenue**	4,465,318	4,546,600	4,387,175
	Interest Income	0	0	0
	Other Income	262,848	121,983	189,324
	TOTAL CURRENT YEAR REVENUE:	4,728,166	4,668,583	4,576,499
3.	**SUMMARY OF AVAILABLE REVENUES (1 +2):**	11,685,262	13,357,545	14,851,884
4.	**EXPENDITURES**			
	Salaries and Matching	319,541	366,650	287,122
	Other Personal Services	117,336	138,098	133,647
	Operating Expense	753,583	778,510	706,970
	Repairs and Maintenance	155,464	123,350	128,550
	Debt Service	1,578,420	1,577,538	1,576,938
	Repair and Replacement Expense	0	0	0
	Operating Capital Outlay	0	0	0
	Other Expense & Transfers Out	71,956	48,014	111,833
	TOTAL EXPENDITURES:	2,996,300	3,032,160	2,945,060
5.	**TRANSFERS TO REPLACEMENT RESERVES**			
	Bond Covenants (Facilities Maintenance and Equipment)	86,174	86,174	87,744
	Other	0	0	0
	Sub-Total:	86,174	86,174	87,744
6.	**TRANSFERS FROM REPLACEMENT RESERVES**			
	Bond Covenants (Facilities Maintenance and Equipment)	0	50,000	125,000
	Other	0	0	0
	Sub-Total:	0	50,000	125,000
7.	**ENDING REPLACEMENT RESERVES (1B +5 -6)**			
	Bond Covenants (Facilities Maintenance and Equipment)	1,541,801	1,577,975	1,540,719
	Interest Income Earned on Reserve Balance	0	0	0
	Sub-Total:	1,541,801	1,577,975	1,540,719
8.	**ENDING OPERATING CASH (1A +2 -4 -5)**	7,147,161	8,697,410	10,241,105
9.	**SUMMARY OF ENDING REVENUES (7 +8)**	8,688,962	10,275,385	11,781,824

*** Revenue as outlined in the Bond Covenants to support the debt servicing of the bonds.**

UNIVERSITY AUXILIARY FACILITIES
OUTSTANDING REVENUE BONDS
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Florida Atlantic University – Housing Revenue Bonds 2003 – Indian River Towers

1. Do any of the pledged revenues reported on the Income and Expenditure Statement contain overhead assessments? If yes, please explain.
Not at this time.

2. Do pledged revenues or expenditures change year-over-year by 10% or more? If yes, please explain.
Transfers from replacement reserves begin in FY17 and increase 150% in FY18 due to pending ESCO contract for HVAC repair and replacement for Indian River Towers.

3. Please provide details for amounts categorized as "other".
Adhoc purchase & programming expenditures for residence life and academic initiatives.
Attorney fees and gross proceeds.
Contra-expense: other services and supplies.
Credit card and bank fees.
Departmental and individual memberships.
Honorariums and guest speakers.
Perquisites.
Promotional items.
Registration fee.
Repair – vehicle.
Revenue sharing expense.
Scholarships and grants.
Subscriptions.
Survey and tests.
Unemployment compensation benefits.

4. Add lines as needed for additional comments.

INCOME AND EXPENDITURE STATEMENT

UNIVERSITY: University of Central Florida

BOND TITLE: Student Health Services 2004A

AUXILIARY FACILITY (IES): Health Service Facility

		2015-16 Actual	2016-17 Estimated	2017-18 Projected
1.	**REVENUE CARRIED FORWARD**			
	A. Operating Cash Carried Forward:			
	Liquid	6,054,585	8,054,734	7,745,154
	Investments	0	0	0
	Sub-Total:	6,054,585	8,054,734	7,745,154
	B. Replacement Reserve Forward:			
	Bond Covenants (Facilities Maintenance and Equipment)	4,244,153	4,906,077	5,570,171
	Other	0	0	0
	Sub-Total:	4,244,153	4,906,077	5,570,171
	TOTAL CARRIED FORWARD (A +B):	10,298,738	12,960,811	13,315,325
2.	**CURRENT YEAR REVENUE:**			
	*** Revenue**	21,835,252	22,136,456	22,355,631
	Interest Income	208,451	193,000	137,099
	Other Income	0	0	0
	TOTAL CURRENT YEAR REVENUE:	22,043,703	22,329,456	22,492,730
3.	**SUMMARY OF AVAILABLE REVENUES (1 +2):**	32,342,441	35,290,267	35,808,055
4.	**EXPENDITURES**			
	Salaries and Matching	10,763,588	11,336,749	12,016,954
	Other Personal Services	1,778,588	1,953,429	2,306,435
	Operating Expense	3,856,907	5,121,161	4,328,435
	Repairs and Maintenance	67,012	365,638	288,926
	Debt Service	619,415	615,952	616,828
	Repair and Replacement Expense	0	0	0
	Operating Capital Outlay	61,032	109,496	54,311
	Other Expense & Transfers Out	2,235,088	2,472,517	2,595,442
	TOTAL EXPENDITURES:	19,381,630	21,974,942	22,207,331
5.	**TRANSFERS TO REPLACEMENT RESERVES**			
	Bond Covenants (Facilities Maintenance and Equipment)	661,924	664,094	670,669
	Other	0	0	0
	Sub-Total:	661,924	664,094	670,669
6.	**TRANSFERS FROM REPLACEMENT RESERVES**			
	Bond Covenants (Facilities Maintenance and Equipment)	0	0	0
	Other	0	0	0
	Sub-Total:	0	0	0
7.	**ENDING REPLACEMENT RESERVES (1B +5 -6)**			
	Bond Covenants (Facilities Maintenance and Equipment)	4,906,077	5,570,171	6,240,840
	Interest Income Earned on Reserve Balance	0	0	0
	Sub-Total:	4,906,077	5,570,171	6,240,840
8.	**ENDING OPERATING CASH (1A +2 -4 -5)**	8,054,734	7,745,154	7,359,884
9.	**SUMMARY OF ENDING REVENUES (7 +8)**	12,960,811	13,315,325	13,600,724

*** Revenue as outlined in the Bond Covenants to support the debt servicing of the bonds.**

UNIVERSITY AUXILIARY HEALTH SERVICE FACILITY
OUTSTANDING REVENUE BONDS
SUPPLEMENTAL NARRATIVE INFORMATION
FEBRUARY 2017 DATA REQUEST SUBMISSION

University of Central Florida – Student Health Services Facilities Bond Series 2004A

1. Do any of the pledged revenues reported on the Income and Expenditure Statement contain overhead assessments? If yes, please explain.
No.

2. Do pledged revenues or expenditures change year-over-year by 10% or more? If yes, please explain.
Expenditures increased by 13% from FY 2015-16 to FY 2016-17, primarily due to the replacement of the electronic management records software projected to be $750,000. This is reflected in the $1.3 million increase in operating expenses.

3. Please provide details for amounts categorized as “other”.
Other Expense & Transfers Out primarily consist of auxiliary overhead, internal IT assessments, and transfers to the University Facilities Department for building improvements.

4. Add lines as needed for additional comments.

INCOME AND EXPENDITURE STATEMENT

UNIVERSITY: University of Central Florida

BOND TITLE: Parking Facilities Series 2004A, 2010B, 2011A, 2012A

AUXILIARY FACILITY (IES): Parking Facilities

		2015-16 Actual	2016-17 Estimated	2017-18 Projected
1.	REVENUE CARRIED FORWARD			
	A. Operating Cash Carried Forward:			
	Liquid	13,107,308	12,531,398	14,206,231
	Investments	0	0	0
	Sub-Total:	13,107,308	12,531,398	14,206,231
	B. Replacement Reserve Forward:			
	Bond Covenants (Facilities Maintenance and Equipment)	6,305,976	6,305,976	6,413,790
	Other	0	0	0
	Sub-Total:	6,305,976	6,305,976	6,413,790
	TOTAL CARRIED FORWARD (A +B):	19,413,284	18,837,374	20,620,021
2.	CURRENT YEAR REVENUE:			
	* Revenue	21,266,174	21,379,296	21,617,051
	Interest Income	362,840	350,908	240,000
	Other Income	140,579	148,450	150,677
	TOTAL CURRENT YEAR REVENUE:	21,769,593	21,878,654	22,007,728
3.	SUMMARY OF AVAILABLE REVENUES (1 +2):	41,182,877	40,716,028	42,627,749
4.	EXPENDITURES			
	Salaries and Matching	1,747,484	1,881,206	1,881,646
	Other Personal Services	628,384	619,915	657,310
	Operating Expense	9,141,884	9,273,783	9,542,885
	Repairs and Maintenance	387,503	515,000	515,000
	Debt Service	4,917,012	4,567,658	4,550,958
	Repair and Replacement Expense	0	0	0
	Operating Capital Outlay	24,419	440,000	257,000
	Other Expense & Transfers Out	5,498,817	2,798,445	9,726,855
	TOTAL EXPENDITURES:	22,345,503	20,096,007	27,131,654
5.	TRANSFERS TO REPLACEMENT RESERVES			
	Bond Covenants (Facilities Maintenance and Equipment)	0	107,814	71,326
	Other	0	0	0
	Sub-Total:	0	107,814	71,326
6.	TRANSFERS FROM REPLACEMENT RESERVES			
	Bond Covenants (Facilities Maintenance and Equipment)	0	0	0
	Other	0	0	0
	Sub-Total:	0	0	0
7.	ENDING REPLACEMENT RESERVES (1B +5 -6)			
	Bond Covenants (Facilities Maintenance and Equipment)	6,305,976	6,413,790	6,485,116
	Interest Income Earned on Reserve Balance	0	0	0
	Sub-Total:	6,305,976	6,413,790	6,485,116
8.	ENDING OPERATING CASH (1A +2 -4 -5)	12,531,398	14,206,231	9,010,979
9.	SUMMARY OF ENDING REVENUES (7 +8)	18,837,374	20,620,021	15,496,095

*** Revenue as outlined in the Bond Covenants to support the debt servicing of the bonds.**

UNIVERSITY PARKING AUXILIARY FACILITY
OUTSTANDING REVENUE BONDS
SUPPLEMENTAL NARRATIVE INFORMATION
FEBRUARY 2017 DATA REQUEST SUBMISSION

University of Central Florida – Parking Facilities Series 2004A, 2010B, 2011A, 2012A

1. Do any of the pledged revenues reported on the Income and Expenditure Statement contain overhead assessments? If yes, please explain.
No.

2. Do pledged revenues or expenditures change year-over-year by 10% or more? If yes, please explain.
Expenditures decreased by 10% from FY 2015-16 to FY 2016-17, primarily due to the funding of the Garage C Expansion project in FY16. This is reflected in the $2.7 million decrease in Other Expenses & Transfers Out.

Expenditures increased by 35% from FY 2016-17 to FY 2017-18, primarily due to the funding of the Downtown Campus Garage project in FY 2017-18. This is reflected in the $6.9 million increase in Other Expenses & Transfers Out.

3. Please provide details for amounts categorized as “other”.
Other Expense & Transfers Out primarily consist of auxiliary overhead assessments and transfers to the University Facilities Department for building improvements and the Downtown Campus Garage.

4. Add lines as needed for additional comments.

INCOME AND EXPENDITURE STATEMENT

UNIVERSITY: University of Central Florida

BOND TITLE: Housing Revenue Certificates Series 2002, 2007A, 2012A

AUXILIARY FACILITY (IES): Housing Facilities

		2015-16 Actual	2016-17 Estimated	2017-18 Projected
1.	REVENUE CARRIED FORWARD			
	A. Operating Cash Carried Forward:			
	Liquid	13,907,144	17,600,069	16,459,143
	Investments	0	0	0
	Sub-Total:	13,907,144	17,600,069	16,459,143
	B. Replacement Reserve Forward:			
	Bond Covenants (Facilities Maintenance and Equipment)	8,588,176	8,588,176	8,588,176
	Other	0	0	0
	Sub-Total:	8,588,176	8,588,176	8,588,176
	TOTAL CARRIED FORWARD (A +B):	22,495,320	26,188,245	25,047,319
2.	CURRENT YEAR REVENUE:			
	* Revenue	27,632,217	27,700,000	27,700,000
	Interest Income	425,147	480,000	480,000
	Other Income	2,265,920	2,000,000	2,043,000
	TOTAL CURRENT YEAR REVENUE:	30,323,284	30,180,000	30,223,000
3.	SUMMARY OF AVAILABLE REVENUES (1 +2):	52,818,604	56,368,245	55,270,319
4.	EXPENDITURES			
	Salaries and Matching	6,581,862	6,614,834	7,197,504
	Other Personal Services	1,654,243	1,757,339	1,653,052
	Operating Expense	5,239,422	5,290,397	5,449,109
	Repairs and Maintenance	3,316,394	3,435,382	7,625,000
	Debt Service	8,804,418	8,789,511	8,782,331
	Repair and Replacement Expense	0	0	0
	Operating Capital Outlay	82,446	143,170	579,000
	Other Expense & Transfers Out	951,574	5,290,293	2,981,854
	TOTAL EXPENDITURES:	26,630,359	31,320,926	34,267,850
5.	TRANSFERS TO REPLACEMENT RESERVES			
	Bond Covenants (Facilities Maintenance and Equipment)	0	0	0
	Other	0	0	0
	Sub-Total:	0	0	0
6.	TRANSFERS FROM REPLACEMENT RESERVES			
	Bond Covenants (Facilities Maintenance and Equipment)	0	0	0
	Other	0	0	
	Sub-Total:	0	0	0
7.	ENDING REPLACEMENT RESERVES (1B +5 -6)			
	Bond Covenants (Facilities Maintenance and Equipment)	8,588,176	8,588,176	8,588,176
	Interest Income Earned on Reserve Balance	0	0	0
	Sub-Total:	8,588,176	8,588,176	8,588,176
8.	ENDING OPERATING CASH (1A +2 -4 -5)	17,600,069	16,459,143	12,414,293
9.	SUMMARY OF ENDING REVENUES (7 +8)	26,188,245	25,047,319	21,002,469

*** Revenue as outlined in the Bond Covenants to support the debt servicing of the bonds.**

UNIVERSITY AUXILIARY HOUSING FACILITY
OUTSTANDING REVENUE BONDS
SUPPLEMENTAL NARRATIVE INFORMATION
FEBRUARY 2017 DATA REQUEST SUBMISSION

University of Central Florida – Housing Revenue Certificates Series 2002, 2007A, 2012A

1. Do any of the pledged revenues reported on the Income and Expenditure Statement contain overhead assessments? If yes, please explain.
No.

2. Do pledged revenues or expenditures change year-over-year by 10% or more? If yes, please explain.
No.

3. Please provide details for amounts categorized as "other".
Other income primarily consists of all event related revenues, housing cancellation fees, late payment fees, earned commissions, and any administrative revenues.

Other Expenses & Transfers Out primarily consists of auxiliary overhead, internal IT assessments, and transfers to university facilities department for building improvements.

4. Add lines as needed for additional comments.

INCOME AND EXPENDITURE STATEMENT

UNIVERSITY: Florida International University

BOND TITLE: Parking Facility Revenue Bonds, Series 2009A, 2009B, 2013A

AUXILIARY FACILITY (IES): Parking Revenue Trust Fund

		2015-16 Actual	2016-17 Estimated	2017-18 Projected
1.	REVENUE CARRIED FORWARD			
	A. Operating Cash Carried Forward:			
	Liquid	8,585,739	5,427,018	4,835,141
	Investments	0	0	0
	Sub-Total:	8,585,739	5,427,018	4,835,141
	B. Replacement Reserve Forward:			
	Bond Covenants (Facilities Maintenance and Equipment)	1,580,026	3,193,850	3,193,850
	Other	0	0	0
	Sub-Total:	1,580,026	3,193,850	3,193,850
	TOTAL CARRIED FORWARD (A +B):	10,165,765	8,620,868	8,028,991
2.	CURRENT YEAR REVENUE:			
	* Revenue	14,628,654	14,431,411	14,364,893
	Interest Income	19,015	3,590	17,573
	Other Income (Unrealized Loss on Investments)	(12,176)	0	0
	TOTAL CURRENT YEAR REVENUE:	14,635,493	14,435,001	14,382,466
3.	SUMMARY OF AVAILABLE REVENUES (1 +2):	24,801,258	23,055,869	22,411,457
4.	EXPENDITURES			
	Salaries and Matching	2,710,946	2,617,914	2,686,077
	Other Personal Services	562,851	762,202	507,670
	Operating Expense	3,531,994	4,383,312	3,502,548
	Repairs and Maintenance	448,778	179,483	642,414
	Debt Service	6,915,978	6,904,652	6,894,422
	Repair and Replacement Expense	0	0	0
	Operating Capital Outlay	80,856	76,815	29,767
	Other Expense & Transfers Out	1,142,811	102,500	1,500,000
	TOTAL EXPENDITURES:	15,394,214	15,026,878	15,762,898
5.	TRANSFERS TO REPLACEMENT RESERVES			
	Bond Covenants (Facilities Maintenance and Equipment)	2,400,000	0	0
	Other	0	0	0
	Sub-Total:	2,400,000	0	0
6.	TRANSFERS FROM REPLACEMENT RESERVES			
	Bond Covenants (Facilities Maintenance and Equipment)	786,176	0	0
	Other	0	0	0
	Sub-Total:	786,176	0	0
7.	ENDING REPLACEMENT RESERVES (1B +5 -6)			
	Bond Covenants (Facilities Maintenance and Equipment)	3,193,850	3,193,850	3,193,850
	Interest Income Earned on Reserve Balance			
	Sub-Total:	3,193,850	3,193,850	3,193,850
8.	ENDING OPERATING CASH (1A +2 -4 -5)	5,427,018	4,835,141	3,454,709
9.	SUMMARY OF ENDING REVENUES (7 +8)	8,620,868	8,028,991	6,648,559

*** Revenue as outlined in the Bond Covenants to support the debt servicing of the bonds.**

FLORIDA INTERNATIONAL UNIVERSITY AUXILIARY FACILITIES
OUTSTANDING PARKING FACILITIES REVENUE BONDS
SUPPLEMENTAL NARRATIVE INFORMATION
FEBRUARY 2017 DATA REQUEST SUBMISSION

Florida International University – Parking Facility Revenue Bonds Series 2009A, 2009B, 2013A

1. Do any of the pledged revenues reported on the Income and Expenditure Statement contain overhead assessments? If yes, please explain.
No. Parking does not have revenue overhead assessments.

2. Do pledged revenues or expenditures change year-over-year by 10% or more? If yes, please explain.
There are no changes of 10% or more in total revenues or expenditures.

3. Please provide details for amounts categorized as "other".
Other Income – comprised of unrealized losses on investments.
Other Expense & Transfers Out is comprised of transfers and payments for construction project expenditures.

4. Add lines as needed for additional comments.
No additional comments deemed necessary at this time.

INCOME AND EXPENDITURE STATEMENT

UNIVERSITY: Florida International University

BOND TITLE: Housing Facility Revenue Bonds, Series 2011 , 2012, 2015A

AUXILIARY FACILITY (IES): Housing Revenue Trust Fund

		2015-16 Actual	2016-17 Estimated	2017-18 Projected
1.	REVENUE CARRIED FORWARD			
	A. Operating Cash Carried Forward:			
	Liquid	19,634,394	23,098,591	21,932,326
	Investments	0	0	0
	Sub-Total:	19,634,394	23,098,591	21,932,326
	B. Replacement Reserve Forward:			
	Bond Covenants (Facilities Maintenance and Equipment)	464,864	289,674	591,654
	Other	0	0	0
	Sub-Total:	464,864	289,674	591,654
	TOTAL CARRIED FORWARD (A +B):	20,099,258	23,388,265	22,523,980
2.	CURRENT YEAR REVENUE:			
	* Revenue	30,723,645	30,198,003	30,376,851
	Interest Income	42,842	8,099	16,835
	Other Income (Unrealized Loss on Investments)	(24,911)	0	0
	TOTAL CURRENT YEAR REVENUE:	30,741,576	30,206,102	30,393,686
3.	SUMMARY OF AVAILABLE REVENUES (1 +2):	50,840,834	53,594,367	52,917,666
4.	EXPENDITURES			
	Salaries and Matching	3,605,585	4,243,630	4,370,939
	Other Personal Services	1,122,272	1,325,645	1,327,499
	Operating Expense	11,869,482	13,652,509	11,485,104
	Repairs and Maintenance	363,477	927,433	346,970
	Debt Service	9,304,559	7,418,263	7,418,163
	Repair and Replacement Expense	0	0	0
	Operating Capital Outlay	5,500	38,000	21,750
	Other Expense & Transfers Out	749,681	3,464,907	2,356,985
	TOTAL EXPENDITURES:	27,020,556	31,070,387	27,327,410
5.	TRANSFERS TO REPLACEMENT RESERVES			
	Bond Covenants (Facilities Maintenance and Equipment)	256,823	301,980	303,769
	Other	0	0	0
	Sub-Total:	256,823	301,980	303,769
6.	TRANSFERS FROM REPLACEMENT RESERVES			
	Bond Covenants (Facilities Maintenance and Equipment)	432,013	0	0
	Other	0	0	0
	Sub-Total:	432,013	0	0
7.	ENDING REPLACEMENT RESERVES (1B +5 -6)			
	Bond Covenants (Facilities Maintenance and Equipment)	289,674	591,654	895,423
	Interest Income Earned on Reserve Balance			
	Sub-Total:	289,674	591,654	895,423
8.	ENDING OPERATING CASH (1A +2 -4 -5)	23,098,591	21,932,326	24,694,833
9.	SUMMARY OF ENDING REVENUES (7 +8)	23,388,265	22,523,980	25,590,256

*** Revenue as outlined in the Bond Covenants to support the debt servicing of the bonds.**

FLORIDA INTERNATIONAL UNIVERSITY AUXILIARY FACILITIES
OUTSTANDING HOUSING FACILITY REVENUE BONDS
SUPPLEMENTAL NARRATIVE INFORMATION
FEBRUARY 2017 DATA REQUEST SUBMISSION

Florida International University – Housing Revenue Bonds Series 2011, 2012, 2015A

1. Do any of the pledged revenues reported on the Income and Expenditure Statement contain overhead assessments? If yes, please explain.
No. Housing does not have revenue overhead assessments.

2. Do pledged revenues or expenditures change year-over-year by 10% or more? If yes, please explain.
Total expenditures increased approximately 15% from 2015-16 actuals to 2016-17 estimated primarily due to expenses for planned repairs and maintenance projects in housing facilities scheduled to be completed during FY 2016-17.

Total expenditures decreased approximately 12% from 2016-17 estimated to 2017-18 projected primarily due to expenses for repairs and maintenance projects not being forecasted as these projects are expected to be completed during FY 2016-17.

3. Please provide details for amounts categorized as “other”.
Other income is comprised of unrealized losses on investments.
Other Expense & Transfers Out is comprised of transfers and payments for construction expenditures.

4. Add lines as needed for additional comments.
No additional comments deemed necessary at this time.

STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
Budget & Finance Committee
March 29, 2017

SUBJECT: Notice of Intent to Amend Board Regulation 9.008 University Auxiliary Facilities with Outstanding Revenue Bonds

PROPOSED COMMITTEE ACTION

Approve notice of intent to amend Board Regulation 9.008 University Auxiliary Facilities with Outstanding Revenue Bonds

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution; Subsection 1013.02(b), Florida Statutes; Board Regulation Development Procedure

BACKGROUND INFORMATION

This regulation was created on December 6, 2007, and has not been amended since its creation.

The proposed revisions include:

a. Authorizes the creation of other reserve accounts in addition to the maintenance and equipment reserve;
b. Requires income and expenditure statements to be submitted when required by bond covenants;
c. Requires Board of Trustee approval of operating budgets in advance of submission to the Board;
d. Provides examples for the use of reserves; and
e. Provides a policy goal for reserves, specifying that reserves should be focused on sustainability and student affordability with coverage adequate to meet bond covenants or they may be higher to maintain or improve credit ratings.

If approved, the amended regulation will be noticed on the Board's website for 30 days; with final approval by the Board scheduled for the June 22, 2017 meeting.

Supporting Documentation Included: Amended Regulation 9.008

Facilitators/Presenters: Mr. Tim Jones

9.008 University Auxiliary Facilities with Outstanding Revenue Bonds.
(1) Certain outstanding state university system bond issues for auxiliary facilities have covenants that state: "The Board of Governors shall annually, at least ninety (90) days preceding the beginning of each fiscal year, or at any other time as requested by the Board of Administration, prepare a detailed budget providing reasonable estimates of the estimated current revenues and expenses of the university during the succeeding fiscal year and setting forth the amount to be deposited in the (facility name) Maintenance and Equipment Reserve Fund. The budget shall be adopted by the Board of Governors and shall not be changed during the fiscal year except by the same procedure by which it was adopted."

(2) In order to satisfy bond covenant requirements specified in (1), it is necessary for each university to develop and submit, in advance of the annual submission of institutional budgets in August, operating budget detail approved by the University Board of Trustees for auxiliary facilities with such bond covenants and to report the anticipated amount to be deposited in the (facility) Maintenance and Equipment Reserve Fund(s). The reserve fund amount for each auxiliary bond issue shall be determined by each university's Board of Trustees in accordance with institutional policy and/or bond covenant requirements. Other reserve accounts may be established as warranted including, but not limited to, a debt service reserve and a general liability reserve.

(3) Universities shall prepare an Income and Expenditure Statement, in a format provided by the Board of Governors, for each auxiliary bond issue (or series issue as amended) ~~containing these bond covenants.~~ However, only where specifically required by bond covenants must these Income and Expenditure Statements be submitted to the Board for approval. The required annual submission date shall be established by the Board ~~General~~ Office, but shall be no later than ninety (90) days prior to the beginning of the fiscal year reporting period. The financial information provided will be presented to the Board of Governors for approval as soon as meeting scheduling permits.

(4) When required by bond covenants, the operating budget for auxiliary facilities must be approved by the Board of Trustees in advance of submission to the Board of Governors, must identify the planned beginning and ending reserve amounts, and planned use of reserves. Reserves may be used as authorized by the approved Income and Expenditure Statements including, but not limited to, such items as planned or unplanned capital expenditures for related auxiliary facilities, capital planning, mitigation of interest rate risk, temporary cash flow purposes, or other purposes related to the auxiliary programs. In determining the appropriate level of auxiliary facility reserves, the focus should be on the long-term sustainability and affordability to the student of the auxiliary program. Coverage should be adequate to comply with bond covenants, and each university may establish higher target coverage levels where needed to maintain or improve credit ratings.

STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
Budget and Finance Committee
March 30, 2017

SUBJECT: 2018-2019 Legislative Budget Request Guidelines

PROPOSED COMMITTEE ACTION

Approve the 2018-2019 Legislative Budget Request (LBR) guidelines for the operating budget

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution; Subsection 1001.706(4)(b), Florida Statutes

BACKGROUND INFORMATION

The 2018 legislative session is scheduled to start in January 2018, two months earlier than normal. In order to maintain the schedule for developing the LBR in a timely manner, the Board needs to approve a set of policy guidelines for the development of the 2018-2019 operating and fixed capital outlay budget request at the June Board meeting. The Board will then review and approve a 2018-2019 operating and fixed capital outlay LBR at the August 2017 meeting. The final budget request will then be forwarded to the Governor and Legislature. It is anticipated that the normal due of October 15 will be moved to September 15.

The guidelines are a living document, and the recommended changes from Board staff to the previous adopted LBR guidelines are as follows:

I. **Operating LBR -** This is the primary changes:
   a. Updates the timeline to reflect the start of the 2018 session in January, 2018.

II. **Fixed Capital Outlay LBR –** This is the primary change:
   a. Updates the timeline to reflect the start of the 2018 session in January, 2018.

Supporting Documentation Included: 2018-2019 LBR Guidelines

Facilitators/Presenters: Mr. Tim Jones

State University System of Florida
Board of Governors
2018-19 Legislative Budget Request Development
Policy Guidelines

Pursuant to Section 7, Article 9 of the Florida Constitution, the Board "…shall operate, regulate, control, and be fully responsible for the management of the whole university system." Included within this responsibility is the development of a Legislative Budget Request (LBR). In addition, Section 216.023(1), Florida Statutes, requires the submission of an LBR to the Legislature and Governor based on an independent judgment of needs.

The 2018-2019 LBR will provide flexibility for the Board of Governors (Board) and individual university boards of trustees to jointly manage the system to meet the critical needs of the state, achieve the statewide goals and objectives of the updated State University System (SUS) Strategic Plan and university work plans, and demonstrate accountability and transparency. The following goals of the SUS Strategic Plan will be addressed in the request:

1. Excellence
2. Productivity
3. Strategic Priorities for a Knowledge Economy

These System goals, as well as institutional goals and initiatives, should be incorporated into the following priorities, which will be reflected in the LBR:

Operating and Specialized Program Funds:

1. Continuing costs associated with existing programs – This policy addresses the funds needed to continue existing programs:

   a. Plant operations and maintenance for new and existing buildings –
      i. Funds will be requested for the annualized operations and maintenance costs for buildings completed and phased-in during 2017-2018;
      ii. Funds will be requested for the operating costs for new buildings to be completed and occupied in 2018-2019.

   b. Annual Fire Safety Inspection Fees –

i. Funds will be requested to cover the annual costs of the State Fire Marshal inspection of university facilities.

2. Performance Funding – Funding will be requested based on the Board's performance funding model.

3. Campus Health, Safety and Security – Consideration will be given to initiatives that support or enhance student health, ensure the safety of students, faculty and staff, and secures the campus to promote a safe learning environment.

4. Task Force Reports, Studies, and Strategic Plans – Consideration will be given to initiatives recommended in any reports, studies or strategic plans and endorsed by the Board.

5. Shared System Resources – Consideration will be given to initiatives that allow for greater efficiencies through shared system resources. System initiatives developed by the universities should be vetted by the appropriate SUS council before being recommended to the Board.

The following represents the timeline for submission of the SUS 2018-2019 LBR for operations:

- March 30: Board approves the LBR Policy Guidelines
- April: Chancellor provides guidance to the universities on the development of system and university LBR issues
- July 28: System issues are submitted by the appropriate SUS council
- August 31: Board approves the operating LBR
- Sept. 15.: Operating LBR is submitted to the Governor and Legislature
- Oct. 13: Budget and Finance Committee Workshop to discuss potential changes to the performance funding model
- Nov. 9: Board evaluates amendments to the LBR
- Dec. : Amended LBR is submitted to the Legislature and Governor after release of the Governor's budget recommendations

Fixed Capital Outlay Funds:

The university's approved Five Year Capital Improvement Plan (CIP) will be prioritized, in the first year, as indicated below. Please note that PECO funding to meet

critical maintenance needs has been assigned a higher priority than adding new facilities, with the intent to improve the condition of existing space and campus infrastructure. Written justification, noting any exceptions to the priorities provided by the guidelines, and explaining why a priority exception is in the best interest of the university should be included in the cover letter submitted with the CIP package. This will assist Board staff in comparative evaluation of university projects, and justification in terms of relative system ranking for placing in system priority order. Each university should submit one and only one prioritized, sequentially numbered list.

Funding will be requested for institutional survey recommended PECO projects in the following priority order[1]:

1. Maintenance Projects
    a. Funding for Remodeling/Renovation/Maintenance/Repair will be requested from PECO pursuant to formula as required by Section 1013.64(1)(a), Florida Statues.

2. System and Continuation Projects
    a. Projects funded by the legislature in the amount and in the year as last included on the Board adopted three year list.
    b. Projects funded by the Legislature, but not on the Board adopted three year list.
    c. Projects that require additional funding to complete.

3. Renovation Projects
    a. Utilities/infrastructure/capital renewal/roofs needs.
    b. Renovation and remodeling projects to meet current space needs, structural/mechanical repairs, replacement of existing facilities which have a survey recommendation. (Major named projects)

4. Strategic Projects
    a. Land or building acquisition in accordance with university board of trustees adopted master plans.

[1] Each university must incorporate utilization data as a factor in prioritization of university CIP funding requests to the Board. Programs with classroom and teaching lab space utilization below the current SUS standard will not be eligible for inclusion on the university CIP. General purpose classroom or teaching lab space (space not designated for a specific academic program or discipline) will not be eligible for inclusion if utilization was below the SUS standard for 2013-14. This standard applies both to the university as a whole and on a site-specific basis.

b. New facilities, as needed to meet instructional and support space needs.

5. Legislative Authorizations
   a. Required legislative authorizations will be requested for externally funded projects as proposed by the universities, in accordance with Section 1010.62 and 1013.78, Florida Statutes.

The following represents the timeline for submission of the SUS 2017-2018 Fixed Capital Outlay LBR:

- March 30: Board approves the LBR Policy Guidelines
- April 30: Chancellor provides draft technical instructions and requests universities to submit their five-year CIPs
- May – July: Board of Trustees approve CIPs
- Aug. 1: Universities submit five-year CIPs. Board staff will review CIPs with university designee(s), technical corrections will be made as required
- Aug. 31: Board approves the fixed capital outlay LBR
- Sept. 15: Fixed capital outlay LBR is submitted to the Governor and Legislature
- Oct. 3: Facilities Committee Workshop. The Committee will meet with university staff to review projects
- Nov. 9: Board evaluates amendments to the LBR
- Dec.: Amended LBR is submitted to the Legislature and Governor after release of the Governor's budget recommendations

STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
Budget and Finance Committee
March 29, 2017

SUBJECT: Legislative Budget Update

PROPOSED COMMITTEE ACTION

For information and discussion

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution

BACKGROUND INFORMATION

An update will be provided on legislative budgets and potential legislation that could impact the performance-based funding model.

Supporting Documentation Included: House Member Projects

Facilitators/Presenters: Mr. Tim Jones

2017 University House Appropriation Project Bills

	Bill #	Title	University	Amount	Previously funded through the SUS within the past 10 years?	Was this initiative submitted to the Board in August 2016?
	Operating Budget Initiatives					
1	HB 2137	Online Education- Florida Agricultural and Mechanical University	FAMU	$ 5,000,000	Yes	Yes
2	HB 2205	Sustainability Institute- Florida Agricultural and Mechanical University	FAMU	$ 716,000	No	Yes
3	HB 2375	Brooksville Agricultural and Environmental Research Station (BAERS) at FAMU	FAMU	$ 1,340,000	No	Yes
4	HB 2461	FAMU Undergraduate Student Success Center (USSC)	FAMU	$ 6,630,000	Yes	Yes
5	HB 2871	Young and Gifted Empowerment Institute for Girls at FAMU	FAMU	$ 169,000	No	No
			FAMU	$ 13,855,000		
6	HB 2163	FAU Tech Runway	FAU	$ 3,000,000	Yes	Yes
7	HB 2227	FAU Honors College Expansion and Enrollment Growth	FAU	$ 6,940,000	No	No
8	HB 2387	Florida Atlantic University Kissimmee River Restoration Project	FAU	$ 3,780,000	No	No
			FAU	$ 13,720,000		
9	HB 2209	Florida Gulf Coast University Target Existing Talent Gaps	FGCU	$ 2,860,000	Yes	Yes
10	HB 2211	Florida Gulf Coast University Honors College	FGCU	$ 1,600,000	No	Yes
			FGCU	$ 4,460,000		

2017 University House Appropriation Project Bills

	Bill #	Title	University	Amount	Previously funded through the SUS within the past 10 years?	Was this initiative submitted to the Board in August 2016?
11	HB 2233	FIU UP: LIFT (University Paradigm: Learn, Interact, Facilitate, Transform)	FIU	$ 4,990,000	Yes	Yes
12	HB 2995	StartUp FIU	FIU	$ 4,900,000	No	Yes
13	HB 3785	Florida International University - Hazardous Substance Mitigation	FIU	$ 2,500,000	No	Yes
14	HB 3787	Florida International University Population Health Science Research Collaborative	FIU	$ 2,000,000	No	Yes
15	HB 4097	Relating to FIU - Washington Center for Internships	FIU	$ 850,000	Yes	No
			FIU	$ 15,240,000		
16	HB 2865	FPU-Technology Entrepreneurship Center	FPU	$ 500,000	No	Yes
17	HB 2867	Summer Engineering Introduction for Underrepresented Students at FPU	FPU	$ 250,000	No	No
			FPU	$ 750,000		
18	HB 2127	Florida State University - Rural Northwest Florida Public Health Mosquito Surveillance	FSU	$ 700,000	No	No
19	HB 2219	Florida State University College of Medicine Evaluation of the Behavorial Health System of Care in Florida	FSU	$ 489,000	No	No

2017 University House Appropriation Project Bills

	Bill #	Title	University	Amount	Previously funded through the SUS within the past 10 years?	Was this initiative submitted to the Board in August 2016?
20	HB 2245	Florida Center for Advanced Aero Propulsion at FSU	FSU	$ 4,800,000	No	Yes
21	HB 2393	Florida State University- Themed Experience Academic Center	FSU	$ 2,000,000	No	Yes
22	HB 2609	Tallahassee Veterans Legal Collaborative – FSU	FSU	$ 200,000	No	No
23	HB 2907	Florida Health Equity Research Institute at FSU	FSU	$ 1,000,000	Yes	No
24	HB 3633	Joint Agency In-Water Strike Force -JAWS- at FSU	FSU	$ 1,950,000	No	No
25	HB 3999	Florida State University Development of the Next Generation Ultra-High Field Magnets	FSU	$ 300,000	No	No
26	HB 4003	Center for Advanced Power Systems Expansion and Diversification at FSU	FSU	$ 1,180,000	No	Yes
27	HB 4303	Smart Water Solutions to Help Reduce the Impact of Flooding at FSU	FSU	$ 2,000,000	No	No
28	HN 3901	Florida High-Risk Delinquent & Dependent Youth Educational Research Project at FSU	FSU	$ 1,560,000	Yes	No
			FSU	$ 16,179,000		
29	HB 3211	UCF Incubator Project	UCF	$ 3,000,000	Yes	Yes
30	HB 3213	University of Central Florida Population Health Science Research Collaborative	UCF	$ 2,000,000	No	Yes

2017 University House Appropriation Project Bills

	Bill #	Title	University	Amount	Previously funded through the SUS within the past 10 years?	Was this initiative submitted to the Board in August 2016?
31	HB 3619	UCF Restores - PTSD Clinic for Florida Veterans and First Responders	UCF	$ 4,400,000	No	No
32	HB 3941	Florida FIRST Robotics Team Grant at UCF	UCF	$ 300,000	Yes	No
33	HB 4005	Community Partnership Schools at UCF	UCF	$ 2,800,000	No	Yes
34	HB 4009	University of Central Florida - College of Nursing and Allied Health	UCF	$ 7,350,000	Yes	No
			UCF	$ 19,850,000		
35	HB 2057	University of Florida Center for Translational Research in Neurodegenerative Disease	UF	$ 2,000,000	Yes	No
36	HB 2131	University of Florida: Institute for Comparative Veterinary Diagnostics	UF	$ 3,000,000	No	No
37	HB 2169	University of Florida: Infrastructure Investment: Zika Research	UF	$ 4,000,000	No	Yes
38	HB 3073	Water Use, Water Supply & Free Market Policy Study at UF	UF	$ 100,000	No	No
39	HB 3159	University of Florida - Medical Marijuana Efficacy and Safety Evaluation	UF	$ 2,400,000	No	Yes
40	HB 3201	UF Health Program to Cure Dystonia and other Involuntary Muscle Disorders	UF	$ 500,000	No	No

2017 University House Appropriation Project Bills

	Bill #	Title	University	Amount	Previously funded through the SUS within the past 10 years?	Was this initiative submitted to the Board in August 2016?
41	HB 3417	Lastinger Center Ensuring Access to Abuse Prevention and Trauma Informed Care Techniques for Florida Child Care and Instructional Personnel at UF	UF	$ 1,500,000	No	No
42	HB 3625	University of Florida: Florida Applied Research in Engineering	UF	$ 2,500,000	No	Yes
43	HB 3759	University of Florida - Institute of Food and Agricultural Sciences - Tropical Research and Education Center	UF	$ 3,900,000	Yes	Yes
44	HB 3793	University of Florida: St. Augustine Historic Building Roof Replacements	UF	$ 250,000	No	No
45	HB 3913	Lastinger Center - Math Nation at UF	UF	$ 2,000,000	Yes	No
46	HB 3915	Lastinger Center - Algebra Nation at UF	UF	$ 2,000,000	Yes	No
47	HB 2019	Integrated Pediatric Research and Education Program at UF Health	UF	$ 1,500,000	Yes	No
48	HB 4299	Statewide, High-Resolution Soil Moisture Content at UF	UF	$ 850,000	No	No
			UF	$ 26,500,000		
49	HB 3795	University of North Florida Highly-Effective Teacher Grant	UNF	$ 700,000	Yes	No
50	HB 3093	UNF - The Jax Bridges Competitive Small Business Initiative, by Rep. Cummings	UNF	$ 350,000	No	No
51	HB 3267	University of North Florida - Targeted High-Tech Infrastructure	UNF	$ 5,000,000	No	No

2017 University House Appropriation Project Bills

	Bill #	Title	University	Amount	Previously funded through the SUS within the past 10 years?	Was this initiative submitted to the Board in August 2016?
			UNF	$ 6,050,000		
52	HB 2041	University of South Florida Biogeochemical Laboratory Renovation at the College of Marine Science	USF	$ 2,000,000	No	No
53	HB 2345	USF St. Petersburg STEM Initiative	USF	$ 2,500,000	No	No
54	HB 2347	USF St. Petersburg Debbie Nye Sembler Student Success Center	USF	$ 460,000	No	No
55	HB 2469	Coastal Oceans Initiative at USF	USF	$ 1,500,000	No	No
56	HB 3031	Programs of Strategic Importance at the University of South Florida Sarasota-Manatee	USF	$ 2,500,000	No	No
57	HB 3533	Advanced Manufacturing Initiative at USF	USF	$ 2,000,000	No	No
58	HB 4071	Alternative Treatment for Veterans-University of South Florida	USF	$ 500,000	Yes	No
59	HB 4227	USF St. Petersburg Midtown Early Care & Education Collaborative - The 6 to 6 Proposal	USF	$ 1,000,000	No	No
60	HB 4229	University of South Florida St. Petersburg - Citizen Scholar Partnership	USF	$ 263,000	No	No
			USF	$ 12,723,000		
61	HB 2945	University of West Florida Alice Hall-Robinson Farmstead	UWF	$ 500,000	No	Yes
62	HB 3295	Advanced Manufacturing Design Studio at UWF	UWF	$ 351,000	Yes	Yes

2017 University House Appropriation Project Bills

	Bill #	Title	University	Amount	Previously funded through the SUS within the past 10 years?	Was this initiative submitted to the Board in August 2016?
63	HB 4275	University of West Florida Programs of Distinction	UWF	$ 3,000,000	No	No
64	HB 4277	University of West Florida Intelligent Systems and Robotics PhD. Program	UWF	$ 2,000,000	No	No
			UWF	$ 5,851,000		
	Total Operating Initiatives			**$ 135,178,000**		

2017 University House Appropriation Project Bills

	Bill #	Title	University	Amount	PECO Project	Comments
	Fixed Capital Outlay Appropriations Projects					
1	HB 2249	Florida Agricultural and Mechanical University (FAMU) Dyson Building Remodel	FAMU	$ 6,950,000	Yes	On Univ 5-yr list
			FAMU	$ 6,950,000		
2	HB 2935	Florida Atlantic University - Boca Library Renovation	FAU	$ 3,900,000	Yes	On Univ 5-yr list
3	HB 3545	Florida Atlantic University - College of Science and Engineering Building Renovations	FAU	$ 15,200,000	Yes	On Univ 5-yr list
4	HB 3553	Florida Atlantic University Medical Building Phase 1	FAU	$ 3,350,000	Yes	On Univ 5-yr list
5	HB 3223	Florida Atlantic University - A.D. Henderson School	FAU	$ 7,800,000	No	On Univ 5-yr list
			FAU	$ 30,250,000		
6	HB 2673	Florida International University - Strategic Land Acquisition	FIU	$ 20,000,000	Yes	On Univ 5-yr list
7	HB 2763	Florida International University - Engineering Expansion	FIU	$ 3,500,000	Yes	On Univ 5-yr list
8	HB 3461	Florida International University - School of International and Public Affairs Phase II	FIU	$ 15,000,000	Yes	On B list
			FIU	$ 38,500,000		
9	HB 2215	Land Acquisition for Florida State University	FSU	$ 5,000,000	Yes	On Univ 5-yr list
10	HB 2357	Florida State University STEM Teaching Lab	FSU	$ 5,000,000	Yes	On Univ 5-yr list
11	HB 2445	Florida State University Schools Arts & Sciences Building (STEAM Building)	FSU	$ 20,000,000	Yes	On Univ 5-yr list

2017 University House Appropriation Project Bills

	Bill #	Title	University	Amount	PECO Project	Comments
12	HB 2621	Legacy Hall- Florida State University College of Business Building	FSU	$ 10,000,000	Yes	On B list
13	HB 4001	Florida State University Interdisciplinary Research & Commercialization Building	FSU	$ 10,000,000	Yes	On B list
			FSU	$ 50,000,000		
14	HB 3547	State University System - Retrofit Strategic Investment B	SUS	$ 10,000,000	Yes	On B list
			SUS	$ 10,000,000		
15	HB 4011	University of Central Florida - Interdisciplinary Research and Incubator Facility	UCF	$ 46,600,000	Yes	On B list
			UCF	$ 46,600,000		
16	HB 2663	University of Florida: Music Building Remodel and Addition	UF	$ 12,500,000	Yes	On B list
17	HB 2805	University of Florida - Utilities Infrastructure Improvements	UF	$ 30,000,000	Yes	On Univ 5-yr list
18	HB 3205	University of Florida: Data Science and Information Technology Building	UF	$ 25,000,000	Yes	On B list
			UF	$ 67,500,000		
19	HB 2269	University of North Florida Schultz Hall Bldg 9 Renovations	UNF	$ 3,000,000	Yes	On B list
20	HB 2271	University of North Florida Science & Engineering Bldg. 50 Renovations	UNF	$ 7,000,000	Yes	On B list
			UNF	$ 10,000,000		
21	HB 2409	University of South Florida - Sarasota-Manatee Academic STEM Facility	USF	$ 2,200,000	Yes	On Univ 5-yr list

2017 University House Appropriation Project Bills

	Bill #	Title	University	Amount	PECO Project	Comments
22	HB 3667	University of South Florida - Interdisciplinary Science Teaching & Research Facility	USF	$ 9,000,000	Yes	On B list
			USF	$ 11,200,000		
	Total Facility Projects			**$ 271,000,000**		

STATE UNIVERSITY SYSTEM of FLORIDA
Board of Governors

AGENDA
Task Force on University Research
Grand Ballroom
H. Manning Efferson Student Union Building
Florida A&M University
1780 S. Martin Luther King, Jr. Boulevard
Tallahassee, Florida 32307
March 29, 2017
3:15 p.m. – 3:45 p.m.
or
Upon Adjournment of Previous Meeting

Chair: Mr. Daniel Doyle, Jr.
Members: Jordan, Valverde

1. **Call to Order and Opening Remarks** — **Governor Daniel Doyle, Jr.**

2. **Minutes of Task Force Meeting** — **Governor Doyle**
   - Minutes, September 22, 2017

3. **State University System Research and Innovation Metrics Dashboard** — **Dr. Jan Ignash**, *Vice Chancellor, Academic and Student Affairs*

4. **Public Notice of Intent to Establish Board of Governors Regulation 10.002 Sponsored Research; Review of Sponsored Research Certification Form** — **Dr. Ignash**

5. **State University System Research Return on Investment** — **Dr. Ignash**

6. **Concluding Remarks and Adjournment** — **Governor Doyle**

STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
Task Force on University Research
March 29, 2017

SUBJECT: Minutes of Task Force on University Research Meeting held September 22, 2016

PROPOSED TASK FORCE ACTION

Consider for approval the minutes of the Task Force on University Research's September 22, 2016 meeting at New College of Florida

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution

BACKGROUND INFORMATION

The Task Force on University Research will consider for approval the minutes of its September 22, 2016 meeting at New College of Florida.

Supporting Documentation Included: Minutes: September 22, 2016

Facilitators/Presenters: Governor Daniel Doyle, Jr.

MINUTES
STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
TASK FORCE ON UNIVERSITY RESEARCH
NEW COLLEGE OF FLORIDA
SARASOTA, FLORIDA
September 22, 2016

Video or audio archives of the meetings of the Board of Governors and its committees are accessible at http://www.flbog.edu/.

1. Call to Order and Opening Remarks

Governor Valverde convened the meeting of the State University System Task Force on University Research. Governor Doyle was in attendance and a quorum was established.

Governor Valverde congratulated Board of Governors Chair Kuntz for creating the Task Force and said that it was much needed. He said he was hopeful that Florida's culture would be changed with respect to how research was valued. He noted that although Florida has the third largest population in the country it ranks 14th in research and development and that states such as California, New York, Massachusetts, and Texas have invested billions of dollars in research and development. He said that the charge of the Task Force was to explore ways in which the State University System (SUS) can begin to move its research portfolio toward national and international prominence. Governor Valverde noted that historical and infrastructural circumstances had fragmented Florida into an environment of competition regarding research and that there were ways in which the SUS could increase collaboration.

2. SUS Research and Innovation Metrics Dashboard

Governor Valverde said that the first item on the Task Force's agenda was to consider approval of a State University System Research and Innovation Dashboard. He said that in June 2016 the Council of SUS Vice Presidents for Research met with Board staff to discuss strategies for the SUS to achieve national and international prominence in research. He indicated that strategies discussed included recruiting top research faculty and graduate students, providing state-of-the-art research facilities necessary to attract preeminent faculty, and enhancing collaboration with business and industry to increase statewide economic development. Governor Valverde said that much of the discussion was devoted to strategies for documenting the System's progress in research. He then invited Vice Chancellor Jan Ignash to present a draft SUS Research and Innovation Metrics Dashboard.

Dr. Ignash said that she was impressed with the Dashboard and the speed with which it was developed by the SUS Council of Vice Presidents for Research. She noted that there were 15 suggested measures under four major headings: Research and Contracts, Innovation, People, and Return on Investment. The three proposed measures under ROI have not yet been defined and would require further work by the Council.

Vice Chancellor Ignash noted that certain of the Dashboard's measures were captured in the Board's Annual Accountability Report and within University Work Plans. She said that the plan was to present the Dashboard to the Board of Governors twice a year. Dr. Ignash then introduced four SUS Research Vice Presidents in attendance: Dr. David Norton from the University of Florida, Dr. Paul Sanberg from the University of South Florida, Dr. Andres Gil from Florida International University, and Dr. Gary Ostrander from Florida State University.

Governor Valverde asked whether the Research Vice Presidents could increase inter-university collaboration, particularly in competing for federal research dollars. Dr. Norton noted that SUS faculty were regularly competing for research dollars from various funding agencies across the entire United States. He said that many proposals involve single investigators at single institutions. He said, however, that larger opportunities exist where collaboration is advantageous. He pointed to the success of the High Magnetic Field Laboratory as an example. Dr. Norton pointed out that the universities were not waiting to collaborate. He said that two things were required for successful collaboration: communication among the institutions, and research strengths within the individual institutions. On the subject of competitiveness, Vice President Norton pointed out that, as an example, a collaboration of SUS institutions might be competing with a formidable teams comprised of North Carolina State, the University of North Carolina, and Duke University. He said that the stronger each SUS institution is, the greater is the likelihood for success.

Governor Valverde invited Governor Link to comment on her visit to the North Carolina Research Triangle. Governor Link said that a business group from Palm Beach County made the visit, and that the focus had been on strategies developed by the Research Triangle for bringing in more research dollars. Research Triangle representatives noted that their institutions also had a history of competing against each other but realized that they would be stronger if they worked together. Governor Link indicated that this culture shift transpired over a period of years.

Dr. Ostrander said that federal funding agencies were now encouraging interdisciplinary research and moving away from proposals submitted by individual investigators. He indicated that the SUS Research Vice Presidents communicate frequently in order to determine whether an SUS team can be created. Dr. Gil agreed that the Vice Presidents for Research always sought collaboration. He said that the area

in which greater collaboration was most likely had to do with large center proposals and that the universities were endeavoring to create this collaboration. He noted that California's success involved increasing the quality of its faculty in the individual universities as well as by having facilities that complement one another. He added that, because the focus was changing in Washington, D.C. away from the historical system of earmarks, agencies and the private sector needed to be apprised of individual and collaborative System strengths.

Governor Kuntz asked for clarification as to how many universities have a Washington, D.C. office. It was determined that six institutions did. Governor Kuntz asked how often those offices communicated with one another. Governor Valverde noted that regular communication among individual institution Washington, D.C. offices would be beneficial. Vice President Sanberg from USF said that individual university representatives in Washington D.C. typically had many other responsibilities beyond research and that a single research-specific System office might be productive. He said, further, that the proposed Research Dashboard should measure the System as a whole. He also noted that the Research Vice Presidents were in communication with one another in attempts to recruit highly productive research faculty.

Governor Levine said that there were many collaborative opportunities associated with the National Institutes of Health Centers for Translational Research. Dr. Sanberg agreed, noting that clinical trials were critical to Floridians in both metropolitan and rural areas.

Governor Tripp asked whether the System had a process for identifying faculty who were clearly moving upward in terms of their research portfolios. Vice President Norton said that this was a high priority and it was a matter of keeping those faculty satisfied within their SUS institution. He said that challenges associated with those efforts often included issues of salary, facilities, and collaboration opportunities. Dr. Norton noted that retaining faculty rather than recruiting new faculty was a much better investment. Governor Tripp asked whether specific dollars were set aside for this purpose. Vice President Ostrander replied that such dollars were invariably internal institutional funds. Governor Tripp asked whether funding for that purpose at the System-level would assist efforts, and Dr. Ostrander indicated that they certainly would. Governor Tripp said that he had spoken with all System presidents and that his impression was that federal funding agencies preferred entering into discussions with collaborating institutions rather than with individual institutions. Dr. Gil and Dr. Sanberg agreed. Governor Tripp also indicated that a source of funding was needed to build or renovate facilities that would retain the most productive research faculty. Dr. Gil agreed, saying that adequate facilities were often more important than the issue of salaries.

Governor Tripp noted that Florida was competing with states that had invested large amounts of funding to increase research. Vice President Ostrander said that Florida could learn from what other states had done over the last decade. Governor Tripp asked whether the specific return on investment was known for research dollars in the SUS. Vice Chancellor Ignash said that the most recent data available indicated that $4.87 was the return on investment for every state dollar.

Governor Levine asked whether the research areas of greatest interest to the National Institutes of Health were clearly known. Vice Chancellor Ignash said that, through the efforts of the System's federal lobbyist, the SUS annual Research and Development Workshop in Washington, D.C. would take place very soon, with slots for 90 SUS representatives and with no other universities participating. She said that SUS representatives would have access to directors from some of the major federal agencies, who not only articulate their research priorities but also provide the names and phone numbers for specific contacts within their agencies. She also said that the agencies were impressed that the System made the effort to conduct these federal workshops and that no other state did so. Further, the agencies representatives were eager to understand the strengths within the SUS and impressed that the state as a whole was demonstrating a priority for increasing research. Dr. Ostrander indicated that, in turn, the information shared with the federal agencies helped them understand what cutting-edge research was being conducted and that it assisted in shaping the priorities of those agencies.

Governor Tripp asked whether the System has identified its research strength areas. Dr. Ignash said that the Research Vice Presidents had done exactly that, identifying target areas important to Florida. She indicated that those areas included advanced manufacturing, marine and coastal research, cybersecurity, and health sciences. She said that the Vice Presidents have also created a list of every research project in these areas and that the list included each project's topic and funding source.

There being no further discussion, Governor Valverde called for a motion to approve the State University System Dashboard for Research and Innovation as presented, with the collection of existing metrics to be reviewed by the Board twice a year and new metrics to be defined by February 2017 for inclusion in the Dashboard. The motion was made by Governor Doyle, seconded by Governor Valverde, and carried unanimously.

3. Approval of the SUS Research Legislative Budget Request

Governor Valverde said that the next item on the agenda was considering for approval the SUS Research Legislative Budget Request. He said that the SUS Research Legislative Budget Request is designed to assist Florida to secure its place as a national leader in the 21st century. He noted that the SUS Vice Presidents for Research have identified the need for funding in order to support efforts to increase research capacity

and impact through strategic cluster and targeted hiring of talented researchers, to provide for critical research infrastructure such as equipment and instrumentation for institutional shared facilities and laboratory renovations, to engage more of Florida's talented undergraduate students in research, and to forge stronger connections with business and industry. He then called on Vice Chancellor Ignash to present the request.

Dr. Ignash pointed out that it was the SUS Vice Presidents for Research themselves who had drafted the Legislative Budget Request. She said that, within the Legislative Budget Request, the Vice Presidents had identified those Dashboard metrics that would be used to measure progress on each particular component of the Request.

Dr. Ignash indicated that there are three basic objectives in the Legislative Budget Request. The first objective is to increase research capacity output and impact, with several sub-components associated with the objective. The first sub-component is associated with cluster hires, and that this is one of the biggest pieces of the Request, consisting of $40M recurring funding for research faculty salaries and $40M non-recurring dollars for associated start-up funding. Dr. Ignash indicated that the objective's second sub-component consisted of $15M in non-recurring dollars for equipment and instrumentation. The objective's other sub-components included $6M in non-recurring dollars for data infrastructure and $12M non-recurring dollars for renovating existing laboratories.

Dr. Ignash said that the second major objective is to enhance undergraduate participation in research. She noted that this is one of the Board's Strategic Plan goals. She indicated that several states invest in this area. She said a sub-component of this objective was an Undergraduate Research Scholar Grant Program consisting of $500K recurring dollars for program administration; $2M recurring dollars for student support in the form of travel, tuition and stipends; and $5M recurring dollars for assisting students to become involved in research outside of the classroom.

Dr. Ignash said that the Legislative Budget Request's third objective is to connect university research to Florida business and industry. She indicated that one sub-component is a $12M request for recurring funding for a statewide matching grant program for industry sponsored research at the institutions. In addition, she said that a $1.5M sub-component is to increase research commercialization through the National Science Foundation's Innovation Corps (I-corps) program, designed to accelerate the transition of basic research into start-ups and products. She indicated that $1M recurring dollars would fund original I-corps teams and another $500K would be used for regional program delivery.

In sum, Dr. Ignash said that the total Legislative Budget Request is for $136M, comprised of $63M recurring dollars and $73M non-recurring funds. She also noted that the Request was scalable, with some activities spread over multiple years.

Governor Valverde asked if Board members had any observations or questions. Governor Huizenga said that he thought that the Request was thoughtful, and that, through the Dashboard, it would be easy to discern progress.

Hearing no further observations or questions, Governor Valverde asked for a motion that the State University System Research Legislative Budget Request be forwarded to the Budget and Finance Committee for consideration. The motion was made by Governor Doyle, seconded by Governor Valverde, and the motion carried unanimously.

4. Concluding Remarks and Adjournment

Governor Valverde said that the Research Legislative Budget Request was unprecedented and that he hoped that it would demonstrate that the Board of Governors was serious in seeing Florida move forward in research and development. He applauded Chair Kuntz for the initiative. President Genshaft also commented that this was a very valuable Legislative Budget Request and that it was much appreciated. Governor Kuntz said that he didn't think the State University System could become truly great without increasing dollars related to research.

Having no further business, the Task Force was adjourned.

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R.E. LeMon, Associate Vice Chancellor

STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
Task Force on University Research
March 29, 2017

SUBJECT: State University System Research and Innovation Metrics Dashboard

PROPOSED TASK FORCE ACTION

For information

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution

BACKGROUND INFORMATION

On May 6, 2016 the State University System (SUS) Council of Vice Presidents for Research met with Board staff to discuss strategies designed to help the SUS achieve national and international prominence in research. These strategies included recruiting top research faculty and graduate students and providing state-of-the-art research facilities necessary to attract preeminent faculty. The group also discussed collaborating with business and industry to increase statewide economic development, and ways that both large and small SUS institutions can be used as a resource to expand the SUS research portfolio. Important to the discussion was the possibility of developing a Research and Innovation Metrics Dashboard to document progress.

At the Board of Governors June 22, 2016 meeting, the Vice Presidents for Research of all 12 public universities met with the Board to discuss these strategies as well as a dashboard that would document progress. Subsequently, the Council was asked to produce such a dashboard for consideration for approval at the Board's September 2016 meeting.

The Dashboard was approved at the Board's September 2016 meeting, with the understanding that certain of the metrics required further definition. Those definitions are now provided as information.

Supporting Documentation Included:	SUS Research and Innovation Metrics Dashboard
Facilitators / Presenters:	Dr. Jan Ignash

Meeting of SUS Vice Presidents and Directors for Research
March 29, 2017

R&D Dashboard

	Florida SUS Research and Innovation Metrics	BOG/Work Plan Metrics	Preeminence Metrics	NEW Metrics
Research Grants & Contracts	NSF Higher Education R&D (HERD) Survey (Expenditures)	X		
	Schedule of Expenditures of Federal Awards (SEFA) Submissions	X		
	Total Annual Research Expenditures (Science & Engineering only)	X	X	
	Total Annual Research Expenditures in Diversified Non-Medical Sciences	X	X	
	National Ranking in S.T.E.M. Research Expenditures *(includes public & private)*	X	X	
	Number of Grants/Contracts between Two or More SUS Institutions			X
Innovation	Patents Awarded (over 3-year period)	X	X	
	Number of Industry-related Grants and Contracts *Associated with HERD survey Q1 C+D (for Business & Nonprofit organizations)*			X
	Number of Startups *as reported in Accountability Reports and AUTM*	X		
	Number of National Academy of Inventors Fellows			X
	Number of I-Corps teams			X
	Number of Licenses and Options Executed	X		
People	Number of Students Engaged in Undergraduate Research			X
	Doctoral Degrees Awarded	X	X	
	Number of Postdoctoral Appointees (NSF-NIH)	X	X	
	National Academy Members (NAS, NAE, NAM)	X	X	
ROI	Total number of jobs created -- Calculated on an annual basis. The total dollars received from external sources is multiplied using a regional multiplier (RIMS II or IMPLAN), which will generate the total number of jobs created for every $1 of change in external funding.			X
	Economic Impact of State Funding – Calculated on an annual basis. The total contract & grant dollars received by the institutions from the State. The total dollars received in state support is multiplied by the state multiplier (RIMS II or IMPLAN), generating the total economic impact on the state's economy for every $1 of change in state support.			X
	Economic Impact of Federal Funding – Calculated on the annual contract & grant dollars received by the institutions from the federal agencies. The total dollars received in federal support is multiplied by the state multiplier (RIMSII or IMPLAN), generating the economic impact on the state's economy for every $1 change in federal support.			X

STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
Task Force on University Research
March 29, 2017

SUBJECT: Public Notice of Intent to Establish Board of Governors Regulation 10.002 Sponsored Research

PROPOSED TASK FORCE ACTION

Consider for approval Public Notice of Intent to Establish Board of Governors Regulation 10.002 Sponsored Research

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution

BACKGROUND INFORMATION

Under the "Guidance and Oversight Function" of the *State University System of Florida Board of Governors Operational Audit, Report No. 2017-048 (November 2016)* a finding was that the Board of Governors needed to enhance regulations to help the State University System (SUS) conform to statutory requirements regarding sponsored research. As a result, a workgroup comprised of Board Staff, SUS Vice Presidents for Research, and SUS General Councils met and drafted Board of Governors Regulation 10.002 Sponsored Research. The Chair of the SUS Task Force on University Research will provide a recommendation to the full Board.

The new Regulation is accompanied by a Research Certification Form that will assist in operationalizing the provisions of the Regulation.

Supporting Documentation Included: 1. New Regulation 10.002
2. Research Certification Form

Facilitators/Presenters: Dr. Jan Ignash

10.002 Sponsored Research

(1) University boards of trustees are authorized to create divisions of sponsored research and establish policies regulating the administration and operation of the divisions of sponsored research.

(2) Each university shall annually certify to the Board of Governors that it has policies in place to negotiate, enter into, and execute research contracts including, but not limited to, policies for solicitation and acceptance of research grants and research donations, policies for the collection of fees and research donations in the context of university sponsored research, and policies relating to the appropriate use of research funds.

(3) Each certification will further provide that reasonable control and monitoring systems are in place for research activities to comply with applicable laws and the mission and long term plans of the university. The certification will be submitted to the Board of Governors by October 1 of each calendar year.

(4) The certification form will be signed, to the best of the certifying official's knowledge, by the most senior officer responsible for research as designated by the President and the annual certification will be reported to the board of trustees.

Authority: Section 7(d), Art. IX, Fla. Const.; History – New _____.

STATE UNIVERSITY SYSTEM of FLORIDA
Board of Governors

Sponsored Research Certification

Name of University: _____

INSTRUCTIONS: Please respond "Yes" or "No" for each representation below. Explain any "No" responses to ensure clarity of the representation you are making to the Board of Governors.

Sponsored Research Certification Representations			
Representations	**Yes**	**No**	**Comment / Reference**
1. I am responsible for establishing and maintaining, and have established and maintained, reasonable effective internal controls and monitoring over my university's division of sponsored research.	☐	☐	
2. The internal controls and monitoring activities include policies for negotiating, entering into, and executing research contracts; policies for soliciting and accepting research grants and research donations; policies over the collection of fees and research donations; and policies related to the appropriate use of research funds.	☐	☐	
3. The research activities of the university comply materially with applicable laws and the mission and long term plans of the university, and reasonable controls are in place to identify any material noncompliance so that it may be remedied.	☐	☐	
4. The internal controls and monitoring activities are consistent with the requirements of applicable funding entities.	☐	☐	

I certify the foregoing information is true and correct to the best of my knowledge. My signature below acknowledges I have read and understand these statements. I certify this information will be reported to the board of trustees.

Certification: _____ Date_____

Title: _____

STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
Task Force on University Research
March 29, 2017

SUBJECT: State University System Research Return on Investment

PROPOSED TASK FORCE ACTION

For information

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution

BACKGROUND INFORMATION

Return on investment in a key indicator of the value of university research. States such as California, Texas, New York, and North Carolina have invested billions of dollars in order to realize greater returns on the investment being made in order to support university research. Vice Chancellor Jan Ignash will provide a brief presentation on the subject of university research and an indication of the magnitude of research in the State University System, particularly from the perspective of its immediate and longer-term impacts upon the economic and social vitality of the state of Florida.

Supporting Documentation Included: "SUS Research Targeting Florida's Needs"

Facilitators/Presenters: Dr. Jan Ignash

STATE UNIVERSITY SYSTEM of FLORIDA
Board of Governors

AGENDA
Facilities Committee
Grand Ballroom
H. Manning Efferson Student Union Building
Florida A&M University
1780 S. Martin Luther King, Jr. Boulevard
Tallahassee, Florida 32307
March 29, 2017
4:00 p.m. – 6:00 p.m.
or
Upon Adjournment of Previous Meetings

Chair: Mr. H. Wayne Huizenga, Jr.; Vice Chair: Dr. Fernando Valverde
Members: Beard, Doyle, Jordan, Kitson, Levine, Link, Morton, Tyson

1.	**Call to Order and Opening Remarks**	**Governor H. Wayne Huizenga, Jr.**
2.	**Minutes of Committee Meeting** Minutes, January 25, 2017	**Governor Huizenga**
3.	**2018-2019 Fixed Capital Outlay Legislative Budget Request Guidelines**	**Mr. Chris Kinsley** *Assistant Vice Chancellor for Finance & Facilities*
4.	**2nd Amendment to the 2017-2018 SUS Fixed Capital Outlay Legislative Budget Request**	**Mr. Kinsley**
5.	**Overview of the Capital Planning Process**	**Mr. Kinsley**
6.	**P3 Guidelines Implementation Review**	**Ms. Karen Armstrong** *Director, Shared Initiatives*
7.	**2016 Completed Projects Report**	**Mr. Kinsley**
8.	**UCF/HCA Joint Venture Hospital Proposal**	**Mr. Kinsley**
9.	**Concluding Remarks and Adjournment**	**Governor Huizenga**

STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
Facilities Committee
March 29, 2017

SUBJECT: Minutes of Meeting held January 25, 2017

PROPOSED COMMITTEE ACTION

Approve the minutes from the meeting held on January 25, 2017

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution

BACKGROUND INFORMATION

Committee members will review and approve the minutes from the meeting held on January 25, 2017 at Florida Polytechnic University.

Supporting Documentation Included: Minutes: January 25, 2017

Facilitators/Presenters: Governor H. Wayne Huizenga, Jr.

MINUTES
STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
FACILITIES COMMITTEE
FLORIDA POLYTECHNIC UNIVERSITY
LAKELAND, FLORIDA
January 25, 2017
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Mr. Wayne Huizenga Jr., Chair, convened the meeting of the Board of Governors Facilities Committee meeting at 4:12 p.m., January 25, 2017. The following members were present: Vice Chair Fernando Valverde, Darlene Jordan, Syd Kitson, Alan Levine, Wendy Link, Edward Morton, Gary Tyson, and Dick Beard. Other members present included Tom Kuntz, Ned Lautenbach, Patricia Frost, Jacob Hebert and Norman Tripp.

1. Call to Order

Mr. Wayne Huizenga, Jr. called the meeting to order.

2. Minutes of Committee Meetings: Governor Huizenga

Governor Levine moved that the Committee approve the minutes of the Facilities Committee meetings held September 22 and October 18, 2016. Governor Link seconded the motion and it passed unanimously.

3. UF Educational Plant Survey Amendment

Chair Huizenga called on Mr. Chris Kinsley, Assistant Vice Chancellor for Finance and Facilities, to discuss the proposed amendment to UF's 2013-14 Educational Plant Survey. Mr. Kinsley explained that the UF Board of Trustees has amended their survey, dropping project 3.3, the Mechanical and Aeronautical Engineering Building and replacing it with two projects the committee heard at the October workshop: the Multidisciplinary Information Technology Data Science Building and the Music Building Renovation and Addition. Governor Beard moved approval, Governor Link seconded and the members of the committee concurred.

4. Amendment to the 2017-18 SUS Fixed Capital Outlay Legislative Budget Request

Chair Huizenga explained the function and formulation process of the Legislative Budget Request (LBR) for Fixed Capital Outlay (FCO) for new members of the committee and then asked Mr. Kinsley to discuss the SUS request for 2017-18, which he broke into several components:

- Mr. Kinsley detailed the statutory process by which funds from PECO are allocated to the K-12, College, and State University Systems and that the SUS's 2017-18 share is $124.8 million, of which $45.5 million would be for maintenance and $79.3 million would be for projects. Mr. Kinsley explained that the maintenance allocation is based on the statutory formula for Maintenance, Repair, Renovations and Remodeling (MRRR).

- The PECO project list was split into an "A" list and a "B" list, with the A list consisting of projects that address the three year projections of PECO cash allocations and the B list considers years four, five and beyond. Most A list projects have already been discussed and received prior funding. Mr. Kinsley noted three projects that have not, beginning with priority two, the Retrofit Strategic Investment Fund. This fund is meant to address concerns discussed in the October workshop that the ongoing need for maintenance is not sufficiently covered by the statutory allocation by supplementing the MRRR and raising the total combined maintenance fund to $70 million so that it is not a reduction from last year's allocation of $61.8 million and provide some funding stability for maintenance projects. Mr. Kinsley also discussed the FAU Cooling Tower Replacement project and its urgency due to the precarious conditions of the university's original, aging cooling towers. The third project Mr. Kinsley highlighted was the New College Multidisciplinary Building, which addresses the need to grow New College's student enrollment. This request is for the planning funds and is concurrent with the request for operating dollars, so Mr. Kinsley also addressed the various funding scenarios:
    - If the operating request is approved but the planning funds are not, the Board could request planning funds again.
    - If the planning request is approved but operating funds are not, the Board could request operating funds again, revert the planning funds, or re-appropriate the funds for another purpose.

- Mr. Kinsley then went on to explain the B list, which consists of projects in years four and five of PECO cash allocation projections. He noted that the list had been revised with three projects moving up in priority: the FPU Applied Research Center, the FSU College of Business, and the FIU School of Innovation and Public Affairs. At this point the committee members discussed:

    - Governor Kuntz asked for clarification that, considering new House rules on fixed capital requests, the A and B lists taken together have been vetted and approved by the BOG and should any funding requests arise for projects outside of these lists they would not be sanctioned by the Board.
    - Mr. Kinsley explained that as Board staff understand the House rules, the new form for project requests asks if the project has been requested by a state agency. All projects on the A or B lists, if approved by the Board, would be able to check yes for this question; if a House member wants to

advance a project not on either list that question would check no. Mr. Kinsley also confirmed that projects on our list correspond with high priority projects identified by universities on their Capital Improvement Plans and advised that any projects on the B list that are highlighted receive a separate bill in addition to being in the Board's budget request.
    - Chair Huizenga explained that the A list is for projected PECO allocations and the reason for the B list is in the event that there are additional funds the Board has vetted and approved a list of eligible projects.
    - Governor Link asked why some projects presented by universities that Board staff vetted did not get placed on the B list, specifically inquiring as to why Board staff did not reduce the list further if all requested projects were not on the list.
    - Chair Huizenga and Governor Kuntz explained that this was in order to give the Legislature some flexibility in what they choose to fund should there be any additional funds and that the projects selected maximize potential state contributions through the addition of donor funds.

- After this discussion Mr. Kinsley moved to the list of Capital Improvement Trust Fund projects, explaining that we now have the final fiscal year figures to detail the university specific allocations of the total $45 million request reported at the Board's last meeting in November of 2016. Mr. Kinsley then briefly discussed the BOB 1, which is Projects Requiring Legislative Approval to be Constructed, Acquired and/or Financed by a University or a University Direct Support Organization and the BOB 2 which is the Fixed Capital Outlay Plant, Operation and Maintenance (PO&M) Appropriation request.

The vote on this item was broken into five motions:

- $45,562,241 PECO request for maintenance, renovation, repair and remodeling:
  Governor Link motioned, seconded by Governor Jordan and the motion passed unanimously.
- $79,256,253 PECO request for SUS projects:
  Governor Link motioned, seconded by Governor Morton and the motion passed unanimously.
- $293,000,000 supplemental request for SUS projects:
  Governor Beard motioned, seconded by Governor Levine and the motion passed with Governor Link in opposition.
- $45,000,000 Capital Improvement Trust Fund allocation:
  Governor Link motioned, seconded by Governor Jordan and the motion passed unanimously.
- Back of Bill 1 and Back of Bill 2 requests:
  Governor Levine motioned, seconded by Governor Link and the motion passed unanimously.

5. UF Parking Garage XIV Debt Authorization

Chair Huizenga asked Mr. Kinsley to discuss the bond authorization for UF's Parking Garage XIV. Mr. Kinsley explained that this was a request to issue not to exceed $37.2 million in bonds approved by the UF Board of Trustees. These would be traditional bonds issued through the Division of Bond Finance and the revenue source would be an optional decal fee to the students, faculty, staff and commercial vendors. The fee for the students would not be increased, however the faculty, staff and commercial vendor fees would increase. Additionally the university is requesting to retire the outstanding debt on the 1998 series of bonds. This debt conforms with the Board's debt management guidelines. After some brief discussion Governor Morton moved to approve bond authorization, Governor Levine seconded and the motion passed unanimously.

6. FSU College Town Phase III Debt Authorization

Mr. Kinsley then explained another debt item, College Town Phase II, which is a mixed use student housing facility built by the FSU Seminole Boosters, Inc. near the main campus. The financing mechanism of this project is debt and is in two parts, the first of which is a $15 million short term bank loan and the second is a $31 long term amortizing bank loan. Mr. Kinsley explained that College Town Phases I and II were done before the Board amended the debt management guidelines and thus FSU was not required to come to the Board at the time of those projects, however under the new guidelines FSU is required to seek approval for Phase III, which is consistent with the guidelines. The university employed some creative financing for Phase I by combining contributions from some equity investors with New Market tax credits and in order to bring Phase I into conformity with the debt guidelines the university is refinancing. These private investors stand to make a windfall if not bought out, and the university cannot use a mortgage to do so because it does not have title on the property until the New Market tax credits expire in the next two to three years, when FSU will come back to the Board for permanent financing. After some brief discussion and Mr. Kinsley answered some technical questions Governor Levine moved to approve the debt, Governor Tyson seconded and the motion passed unanimously.

7. SUS Housing Study

The Chair called upon Mr. Kinsley to briefly explain the SUS Housing Study, which was conducted in response to an inquiry from committee members at the Facilities Committee meeting on September 22, 2016, in particular addressing the rationale and use of housing funds. The Chair also noted that based on the report, the reasons given by the universities for maintaining housing cash reserves are reasonable and make good business sense. Mr. Kinsley concurred and reported that the study also confirms that

reserves are not being used for non-housing purposes. There was some discussion regarding maintaining affordability to students by not exceeding the necessary housing cash reserves, however Mr. Kinsley emphasized the importance of balancing this with maintaining enough reserves to address any emergency issues that could arise.

As an outcome of this discussion, the Committee asked Mr. Kinsley to work with the university CAFA group to develop recommendations to bring back to the Committee.

8. UCF Academic Medical Center

Chair Huizenga asked for Mr. Kinsley to give some background information on UCF's proposed P3 to build a hospital, the Academic Medical Center, and Mr. Kinsley noted the university's cooperation with Board staff throughout the development of this proposal. Mr. Kinsley then gave a presentation on the proposed project's various components, including the scope, financial arrangements and operational details. The presentation is available here. Members of UCF also gave a presentation on the proposed project, which is available here. There was extensive discussion of this project by committee members, which is included in the attached Q & A document.

9. Concluding Remarks and Adjournment

Chair Huizenga noted that March would be the 18 month anniversary of the adoption of the P3 guidelines and requested that Board staff give a retrospective look at the projects that have been approved during that span. There being no further business, Chair Huizenga adjourned the meeting at 6:32 p.m., January 25, 2017.

Chris Kinsley, Assistant Vice Chancellor
Facilities

H. Wayne Huizenga, Jr., Chair

UCF Academic Health, Inc.

Request for Approval of a Public-Private Partnership to Establish a UCFAH-HCA Joint Venture Hospital on the UCF Health Sciences Campus in Lake Nona

Responses to Questions from Board of Governors Raised in Facilities Committee meeting 1/25/17

February 14, 2017

UCF Academic Health (UCFAH) provides the following responses to questions received from the Board of Governors Facilities Committee on January 25, 2017. Questions raised in the BOG Facilities Committee meeting have been numbered and bolded below.

1. Question of Perpetual Lease, and requirement to pay fair market value at end of the lease.

The partnership of UCFAH and HCA is intended to be perpetual and the joint venture hospital will continue to grow and develop for many years to come as the College grows and the population expands.
The land sublease, however has defined terms. It will begin as a 50-year lease with an option to extend for another 49 years. The value of rent for the first 50-year term will be invested to support UCFAH's 20% equity interest in the joint venture LLC. Beginning in year 51, the joint venture will pay FMV rent to UCFAH. At the end of 99 years the lease will terminate. At that time the parties may elect to enter into a new FMV lease; two other alternatives will be available at that time: UCFAH will purchase HCA's interest in the hospital facility and furnishings and equipment at FMV if in a financial position to do so; or find a new partner to acquire HCA's interest.

This FMV purchase arrangement at the end of the lease term addresses two issues.

A. Alignment of financial interests/incentive for continued growth. It is expected that a successful academic hospital will continue to grow and develop for more than 99 years. We provided examples in our November 14, 2016 responses of hospitals nationally and in Florida that demonstrate this longevity. It will best serve the interests of UCF to continue to expand, add specialties and educational programs, develop research programs, and serve the growing population. This will require continuous updating, renovation and rebuilding with current and innovative patient care facilities and equipment. Requiring that the hospital facility be transferred for free to UCF at the end of the lease would create a serious disincentive to HCA's ongoing investment in growing and expanding the partnership hospital. Unlike many other P3s, this Public Private Partnership is not structured as a financing vehicle. Instead is a much broader, long-term partnership to build, own and operate a hospital together, combining the diverse expertise and resources of a public university medical school and a private hospital company.
B. Compliance with Federal Anti-kickback laws. Because UCF and its employed physicians are referral sources for the joint venture hospital and for other HCA hospitals, the Federal

Antikickback statute, 42 USC 1320a-7b, and its implementing regulations require that any transactions between UCF or UCFAH and HCA or the joint venture provide fair market value (FMV) for benefits that one receives from the other. Thus all aspects of the joint venture are subject to independent appraisals and valuations and to the use of formulae that ensure calculation of FMV. This includes the land leases and the potential reverter at the end of a land lease. Penalties for violation of the federal Antikickback statute include substantial fines, criminal penalties or exclusion from the Medicare and Medicaid programs. The FMV approach is consistent with Florida Statutes section 1013.171 which provides for land leases by state universities of up to 99 years and requires that the lease include "provisions for the eventual ownership of the completed facilities".

The longer term lease enables UCFAH to benefit both from having a mature academic hospital developing adjacent to the College of Medicine and from an equity interest that will increase in value over time as the joint venture hospital grows and expands. The provision for a purchase at FMV at the end of the land lease enables UCFAH to comply with both the federal and state requirements.

2. Deed restriction: Is UCF permitted to build a community hospital on 25 acres?

Yes. The "Use Restriction", Exhibit C to the Special Warranty Deed dated February 14, 2012, restricts the use of the property to "Medical Uses and Educational Uses", which are broadly defined, and to additional supporting uses. Medical uses, as defined below, permit development of a range of medical facilities by UCF or by third parties in collaboration or affiliation with UCF, "in support or facilitation of any of the tripartite mission of UCF's College of Medicine for medical education, medical research, and patient care". Such facilities expressly include, for example, hospitals, clinics, outpatient facilities and/or free-standing emergency facilities:

(a) **"**Medical Use(s)" shall mean the use of the Property solely for the following:
   (i) The construction and operation of a hospital for human patients (the **"**Hospital**"),** which Hospital shall serve as an academic hospital for the medical research, education and clinical programs of UCF, including any existing or future medical education, research, or clinical uses by UCF or UCF Affiliates
   (ii) A medical clinic, free-standing emergency facility, surgery center, or other ambulatory or outpatient facility affiliated with or involving collaboration with UCF

3. Defining Scope of Project for Approval: Problem with a blanket approval or "blank check" allowing UCF to do anything it wants on the land; Identify when UCF/UCFAH would need to return for further approval.

UCF Academic Health requests approval of a Public Private Partnership arrangement with Hospital Corporation of America as follows:

a. Leasing of UCF's 25.2 acres adjacent to the UCF College of Medicine to UCFAH, and UCFAH subleasing the land for up to 99 years to the joint venture LLC, Central Florida Health Services, LLC, ("UCFAH-HCA JV") which is owned 20% by UCFAH and 80% by HCA, with shared governance 50% UCFAH and 50% HCA.

b. Development by the UCFAH-HCA joint venture of up to a 500-bed hospital including inpatient beds, emergency department, outpatient services and physician practice building and parking.
c. The Hospital will begin as a 100 bed facility with educational programs for medical students. Over time it will add residencies and research programs as the hospital grows.
d. Further approvals from the BOG must be sought when the expansion on the university's land will exceed 500 beds or involves facilities not outlined in bullet b above, or if any university entity proposes to incur debt.
e. UCFAH will provide the BOG with annual reports no later than 90 days following the close of the fiscal year that include metrics on hospital services, education of students, plans for development of residencies, and financial results.

Attached as Attachment 1 is a revised proposed BOG resolution for approval of the UCFAH-HCA Public Private partnership. Attached as Attachment 2 is a diagram showing the layout of the planned facilities. Phase One shows the 100 bed hospital facility and Emergency Department. Phase Two shows vertical expansion for impatient beds and horizontal expansion for outpatient services and physician practices

4. **Community versus Academic Hospital. Concern that pro forma looks like a community hospital. Provide a plan showing the approach for becoming an "academic hospital" that shows number residents and faculty, research plans and growth of facilities. Show financial commitment reflecting an academic hospital.**

   The UCFAH-HCA Joint Venture Hospital will begin as a 100 bed hospital with important but limited educational programs for medical students, consistent with the hospital's size and capabilities. Over time it will add residencies and research programs as the hospital grows to meet expected demand. As outlined below and in the referenced Attachments, UCFAH and HCA have projected growth in beds, students, residents, clinical faculty and research over the initial 25 years.

   Addition of Beds

   As shown on Attachments 3 through 6, the UCFAH-HCA hospital anticipates a growth of inpatient beds, adding increments of 50 beds each, beginning in year 10 as follows:

   Year 10 - 150 beds
   Year 15 - 200 beds
   Year 20 - 250 beds
   Year 25 - 300 beds

   Education of Medical Students

   As detailed on Attachment 3, beginning in its opening year, the UCFAH-HCA hospital will have 36 clerkship rotations for third year medical students (M3) and 110 student rotations for fourth year medical students (M4). These will grow over time to 108 M3 clerkship rotations and 212 M4 student rotations per year.

   Addition of Residents and Pro Forma for Graduate Medical Education

   Based on analyses of the current Medicare graduate medical education (GME) payment system, the UCFAH-HCA hospital has targeted Year 15 to begin the 5-year process of building towards its cap of

Medicare-funded residency positions. As shown in Attachment 4, the first year of residencies (Hospital Year 15) will begin with 14 residency positions in four disciplines such as Family Medicine, Internal Medicine, Obstetrics and Gynecology, and Emergency Medicine. These will build over the succeeding years to a maximum cap estimated at 107 residency positions. Residency programs or positions will be added during that time in at least Transitional Year, General Surgery, and Anesthesiology.

Attachment 5 is the pro forma prepared by HCA showing the costs and revenues by discipline associated with building these residency programs. This shows an investment of approximately $4 million of unreimbursed expenses in building the graduate medical education programs.

Clinical Faculty

The medical staff of the UCFAH-HCA hospital will include both UCF-employed clinical faculty and Affiliated and Volunteer clinical faculty who are employed by others or practice in the community. As shown on Attachment 6, in the Opening Year the hospital will have a medical staff of approximately 44 physicians including 11 UCF-employed clinical faculty. Attachment 6 shows the growth of clinical faculty anticipated over the next 25 years.

Definitions of "Teaching Hospital"

In preparing this response, UCFAH and HCA reviewed definitions of "teaching hospital." See examples below. Most definitions are structured in the context of a specific payment eligibility or program definition. The dictionary reflects a more basic definition.

Regardless of which definition you choose, the UCFAH-HCA hospital will be teaching medical students from Day 1 and will grow to meet the more specialized definitions as residency programs are added beginning in year 15.

Teaching Hospital**:** A hospital that is affiliated with a medical school and provides means for medical education - *Merriam-Webster*

Teaching Hospital: Teaching hospitals are hospitals that receive payment for Medicare direct graduate medical education (GME), IPPS indirect medical education (IME), or psychiatric hospital IME programs during the last calendar year for which such information is available. (See 42 CFR 403.902) – *Centers for Medicare and Medicaid Services, definition of hospitals receiving Medicare funding for residencies*

Teaching Hospital: sponsor, or significantly participate in, at least four approved, active residency programs. At least two of the approved programs must be in medicine, surgery, obstetrics/gynecology, pediatrics, family practice, or psychiatry; - *Association of American Medical Colleges*

Statutory Teaching Hospital - Any Florida hospital officially affiliated with an accredited Florida medical school which exhibits activity in the area of graduate medical education as reflected by at least seven different graduate medical education accredited by the Accreditation Council for Graduate Medical Education or the Council on Postdoctoral Training of the American Osteopathic Association and the presence of 100 or more full-time equivalent resident physicians. – Florida Statutes section 408.07(45) definition administered by AHCA, establishing eligibility for Disproportionate Share funding.

Research

The College of Medicine has established a general goal of doubling its research over the next five years. The UCFAH-HCA Joint Venture Hospital will be a component of that growth and will drive future research growth.

Access to major health data resource. From Day 1 the new Hospital will be part of HCA's established electronic patient records system, linked with patient data nationally. The new UCF-HCA hospital will be part of a network of hospitals with the largest patient database in existence. UCF faculty in the College of Medicine and in the other colleges of UCF will have access to this national database for research in population health, personalized medicine, health services research, patient outcomes and clinical effectiveness research, and preventive medicine research. This will benefit student, resident and faculty research. Because such research is a national funding priority, this data access will advance opportunities for securing research grants from funders including the Patient Centered Outcomes Research Institute (PCORI), the National Institutes of Health, the US Department of Health and Human Services, the Centers for Disease Control and Prevention, and foundations such as Robert Wood Johnson.

Coordination with existing basic research.

The College of Medicine's existing basic science research units include neurodegenerative disease, cardiovascular disease, infectious and inflammatory disease, and cancer. The basic scientists in these areas will partner with clinicians including hospital-based physicians and surgeons to obtain tissue and data to enhance basic research. As a result of these collaborations we would expect basic research funding to increase by 10% per year.

Clinical trials and areas of clinical research focus.

Clinical faculty in the College of Medicine's rapidly growing UCF Health practice are interested in a variety of clinical trials. With the university hospital, patients will be able to be followed from the outpatient to inpatient setting, and clinical trials will have the continuity of care opportunity. As noted previously, initial areas of clinical research focus will include women's health, cardiovascular, and sports medicine, reflecting some early areas of clinical focus. Areas of research focus will grow and reflect in part the specialty interests of new faculty who will be recruited to practice in the hospital.

Proximity integrates education, research and clinical care.

Proximity of the medical school to the new hospital will also drive research opportunities. The medical school has research labs in its Burnett Biomedical Sciences building which is within walking distance from the site of the new hospital. At UCF College of Medicine all medical students are required to do research. Our university hospital, with access to a powerful database, will give students a rich and varied resource for these research projects. The Harriet Ginsburg digital medical library is in the College's Medical Education Building which is adjacent to the proposed hospital. These resources will prevent the need to build research laboratories and library facilities in the new hospital.

Cost. There are no significant capital or operating costs to the College of Medicine or the hospital associated with providing these research opportunities.

5. **Medical student clerkships. Obtain written commitment of HCA to provide clerkships for all UCF medical students at no cost if needed.**

The following will be added to the Operating Agreement:

HCA agrees to provide student clerkship rotation placements for UCF College of Medicine students displaced from rotations previously provided by Florida Hospital and Orlando Health and will commit to covering the costs of providing housing for the students up to total of $160,000 per year for five years, subject to approval by HCA's legal/compliance department.

6. **The health care industry is changing significantly to more value-based care, more advanced outpatient services, same-day surgery, robotics, declining hospital use rates, with incentives to keep people out of the hospital; is there a problem with sufficient growth of beds to be an academic hospital?**

   The services and growth of the UCFAH-HCA Joint Venture hospital will strategically take into account emerging models of care and payment. Conservative growth projections support planned expansion and growth of residencies. Starting at 100 beds enables planned growth that can respond to the changing health care delivery environment. If hospital use rates decline and academic medical centers in the future have a shifting mix of inpatient and outpatient services, the UCFAH-HCA Joint Venture hospital can be an innovative training facility for future physicians, nurses and others who will practice in the changing environment. Additionally, since HCA operates hospitals in a variety of markets nationally, UCF will have access to data enabling research on the clinical effectiveness and patient outcomes of emerging best practices and models of care.

7. **Concern that HCA will disadvantage joint venture hospital by moving higher paying patients and services into other HCA hospitals.**

   HCA is committed to investing $175 Million and more in the development and growth of this new hospital. Decisions regarding service line development for the hospital will be made by the UCFAH-HCA Joint Venture Board not by HCA alone. As for patient referrals, patients are generally directed to hospitals by their physicians and prefer to obtain care in their own community.

8. **Does hospital pro forma include funds to support physician recruitment?**

   Yes. The original pro forma includes $2.1 Million to support recruitment of physicians, which increases by 3% each year for the first five years.

9. **GME Consortium Agreement does not have academic exclusivity. HCA should limit residencies in Central Florida HCA hospitals to UCF.**

   HCA originally requested that the GME Consortium Agreement be exclusive, however UCF requested nonexclusivity. This is because UCF prefers to retain flexibility to develop additional residencies and fellowships with other hospital partners. HCA would agree to exclusivity if UCF did so as well.

10. **Charges for HCA Services. List what services for the Joint Venture hospital are included in management agreement for 1% management fee and provide a list of services that will be provided and charged for separately by HCA and at what rates; are all services reflected in the pro forma?**

The following services are included in the 1% Management Fee:

Corporate and Division Leadership
Division Services
Accounting
Financial Reporting
Financial Planning
Development
Internal Audit
Capital Management
Real Estate Development
Ethics and Compliance
Education and Training
Human Resources
Compensations
Employee Benefits
Treasury
Legal
Quality Management
Insurance/Risk Management
Tax Department
Reimbursement
Communications/Public Relations
Governmental Affairs
Investor Relations
Contracting with Payors

The following services will be charged separately at cost, using the same structure that is provided with hospitals owned 100% by HCA. The pro forma includes the cost of these services.

Billing and Collections
Revenue Cycle Management
Supply Chain
Group Purchasing
Workforce Solutions
Health Information Management
Credentialing
IT&S

11. Concern with name "academic hospital", potential for misleading public to believe have comprehensive range of tertiary services available.

In order to address any potential questions or confusion around use of the term "academic hospital", the proposed hospital will be referred to at this time as the UCFAH – HCA joint venture hospital. UCF and HCA will work collaboratively to develop a name that appropriately defines the hospital, such as the UCF Hospital at Lake Nona.

12. Question on equity distributions. Is issuing distribution a Major Decision under the Operating Agreement or can HCA break the tie in deciding when/whether to issue a distribution?

UCFAH and HCA have agreed to amend the Operating Agreement to

- Define "Excess Cash", providing a standard formula regarding distribution of Excess Cash, and
- Require as Major Decisions both approval of distributions that are less than the required standard and establishment of a reserve for quarterly distributions.

See text below:

New and revised provisions for the Operating Agreement relating to distributions of "Excess Cash."

REVISED SECTION 6.1 - DISTRIBUTION OF EXCESS CASH

6.1 Distribution of Excess Cash
Except as may be otherwise provided in Section 15.3, or as may otherwise be prohibited or required by applicable Law, within 45 days following the end of each calendar quarter after the Hospital has commenced its operations, the Manager will cause the Company to distribute its Excess Cash to the Members pro rata in accordance with their respective Sharing Percentages. Additionally, the Manager will make distributions of any such excess cash in accordance with any cash distribution policy that has received Approval of the Governing Board.

NEW SECTIONS 8.4(d)(xviii) and (xix) (MAJOR DECISIONS) - APPROVAL OF DISTRIBUTIONS LESS THAN AS REQUIRED BY SECTION 6.1 AND ESTABLISHMENT OF RESERVE FOR QUARTERLY DISTRIBUTIONS

(xviii) any decision to make quarterly distributions in an amount less than as required by Section 6.1; and

(xix) the determination of the amount of any reserve to be withheld from the Company's distributions pursuant to Section 6.1.

NEW DEFINED TERM FOR SECTION 1 - "EXCESS CASH"

*"**Excess Cash**" means, as of any given date, the amount equal to the Company's cash on hand minus the following amounts, as determined by Manager in its reasonable judgment: (a) projected operating expenses of the Company for the 60 days following such date, (b) projected debt service for the following three months (other than debt service taken into account for the determination of the amount of the Company's cash on hand), (c) a capital reserve in the amount of all capital expenditures authorized by the Company but unmade as of the given date (including capital expenditures authorized in prior years or the current year), and (d) any reserve amount established by the Board pursuant to Section 8.4(d)(xix). For purposes of this definition, "cash on hand" will include positive balances in favor of the Company under HCA's cash management system, but negative balances under HCA's cash management system and any amounts due under*

working capital lines of credit (whether from HCA or other Persons) shall be deducted to determine "cash on hand." See proposed changes below to Section 6.1 of the Operating Agreement and new Section 8.4(d)(xviii). These changes would clarify that the Company shall establish a Cash Distribution Policy by a Major Decision and the Manager shall comply with this Policy.

13. Impact of Accounting rules. Under the Operating Agreement, if accounting rules governing consolidation of the joint venture hospital's financial statements with other HCA hospital financials prohibit shared decision making in any of the Major Decisions, HCA can ultimately require removal of the Major Decision.

Section 8.4 of the Operating Agreement will be amended such that this provision for addressing consolidation of financial statements applies specifically if there is a change to applicable accounting policies or interpretations. Existing language in the Operating Agreement provides for UCFAH and HCA to work together to modify the applicable Major Decision and amend the Agreement to preserve the economic, financial and governance arrangements to the maximum extent possible while allowing HCA to consolidate financial statements.

Following is the revised text of Section 8.4:

*Notwithstanding the foregoing, if the accounting firm that prepares HCA's audited financial statements determines that**, as a result of changes to applicable accounting policies or the interpretation thereof,** HCA cannot consolidate the Company's assets and results of operations under HCA's consolidated financial statements because of the inclusion of one or more of the Company's Major Decisions, the Members and the Company will amend, modify or eliminate the applicable Major Decision, as necessary, to permit HCA to consolidate the Company's assets and results of operations under HCA's consolidated financial statements. Prior to any such amendment, modification or elimination of the Company's Major Decisions, (x) HCA Sub will notify the other Members and the Governing Board of HCA's accounting firm's determination and provide a written copy of such determination to each of them and (y) during the thirty (30) day period following delivery of such determination, the Members will discuss amending, modifying or eliminating the applicable Major Decisions and amending this Agreement accordingly. To the maximum extent possible, any such amendment will preserve the economic, financial and governance arrangements between the Members while allowing HCA to consolidate the Company's assets and results of operations under HCA's consolidated financial statements. If the Members are unable to agree on an amendment to this Agreement, the recommendation of HCA's accounting firm alone will govern the amendment of this Agreement to amend, modify or eliminate the applicable Major Decision.*

14. Valuation of UCF Name. What amount has been assigned in the valuation to UCF's name?

Name. Valuation of the UCF brand is being completed by an independent national health care valuation company, Health Capital Consultants (HCC) and will be reviewed by another independent valuation company selected by HCA. The value assigned for the UCF brand, when evaluated in the context of this proposed hospital, is $16.2 million.

Additional valuation. HCC is also valuing the long term lease and other intangibles that will be contributed to the UCFAH-HCA joint venture and will be coordinating its final review with HCA's

independent valuation company. Based on that work, it appears that the final valuation will support UCFAH's anticipated 20% equity interest.

15. Coverage under HCA's national and major payor agreements. Provide a list of the HCA contracts that the joint venture hospital will be included under as of Day 1.

HCA's Managed Care Agreements (Commercial and Managed Government) provide for including any newly constructed HCA owned or managed hospital, which will apply to the new UCFAH-HCA Joint Venture Hospital as of the time it opens. Plans that will apply to the new hospital include the following and more:

Commercial
Aetna
AvMed
Cigna
Florida Blue
Humana
United

Managed Medicare
Freedom Health/Optimum
Humana
Molina
United
Wellcare

Managed Medicaid
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Freedom Health/Optimum
Humana
Molina
Prestige
United
Wellcare

UCF ACADEMIC HEALTH, INC

By
Jeanette C. Schreiber, JD, MSW
Associate Vice President for Medical Affairs and
Chief Legal Officer, UCF College of Medicine

Attachment 1

A RESOLUTON APPROVING A PUBLIC-PRIVATE PARTNERSHIP THROUGH WHICH UCF ACADEMIC HEALTH, INC. (UCFAH) WILL ESTABLISH A UCFAH-HCA JOINT VENTURE HOSPITAL ON THE UNIVERSITY OF CENTRAL FLORIDA HEALTH SCIENCES CAMPUS AT LAKE NONA

The duly acting and appointed Board of Governors of the State of Florida at a meeting duly held pursuant to notice and a quorum being present do hereby make the following resolution:

BE IT RESOLVED:

1. **Findings**. The Board of Governors hereby finds as follows:

   (A) Pursuant to Article IX, Section 7 of the Florida Constitution, the Board of Governors is vested with the power to operate, regulate, control, and manage the State University System of Florida. Pursuant to section 1013.171, Florida Statutes, a university board of trustees may negotiate and enter into agreements to lease land under its jurisdiction to corporations registered with the Secretary of State to do business in the state, for the purpose of erecting facilities necessary and desirable to serve the needs and purposes of the university, as determined by the system-wide strategic plan adopted by the Board of Governors.

   (B) The Board of Directors of UCF Academic Health, Inc. ("UCFAH"), a direct support organization (DSO) of the University of Central Florida ("UCF" or the "University "), with approval of the UCF Board of Trustees, has requested approval from the Board of Governors for UCFAH to enter into a Public-Private Partnership arrangement with Hospital Corporation of America ("HCA") for development and operation of a UCFAH-HCA Joint Venture Hospital on the UCF Health Sciences Campus at Lake Nona in Orlando, Florida (the "Project").

   (C) The Project will be carried out through a joint venture entity, Central Florida Health Services, LLC, which is owned 20% by UCFAH and 80% by HCA. UCFAH has 50% governance of the joint venture entity, with UCFAH and HCA each appointing 4 representatives to the Governing Body. The hospital will be located adjacent to the UCF College of Medicine in Lake Nona Medical City on 25.2 acres of land owned by the University (the "Land"). The Land will be leased by the University to UCFAH and subleased by UCFAH to the joint venture entity. If a Free Standing Emergency Department is developed in advance of the hospital, a portion of the Land will be subleased to HCA for such purpose. Development of the hospital is subject to certificate of need approval by the Florida Agency for Health Care Administration, which approval has been preliminarily granted, subject to a pending appeal.

(D) The Project involves no financing and requires no initial cash contribution, investment or borrowing by UCF, UCFAH or the State. HCA will fully fund in cash all costs for hospital development and start-up operations. UCFAH's equity interest will be based on a long-term lease of the Land and use of the UCF brand and other intangibles.

(E) Upon consideration of the Project, the Board of Governors declares that the Project is consistent with the mission of the University; has been properly analyzed by staffs of the Board of Governors, the University and the Division of Bond Finance for consistency with the Board of Governors Public-Private Partnership Guidelines; and will serve a public purpose by advancing the educational, research and clinical mission of the UCF College of Medicine and engaging the community with University activities.

(F) The Project is included for informational purposes in the 2015-2025 master plan of the University pursuant to an amendment adopted by its Board of Trustees on October 24, 2016.

2. **Approval of the Project**. The Project is approved by the Board of Governors as being consistent with the strategic plan of the University and the programs offered by the University and is consistent with the Public-Private Partnership Guidelines. The University and its DSO, UCFAH, are hereby authorized to enter into such leases, sub-leases, operating agreements, and any other contracts as may be required to consummate the Public-Private Partnership. The Approved Project shall consist of up to a 500-bed hospital including inpatient beds, emergency department, outpatient services and physician practice building, and parking. The Hospital will begin as a 100 bed facility with educational programs for medical students. It will add residencies and research programs as the hospital grows. Further approvals from the BOG must be sought when the expansion on the university's Land will exceed 500 beds or involve facilities not listed in this paragraph as part of the Approved Project, or if any university entity proposes to incur debt.

3. **Reporting.** UCFAH will provide the BOG with annual reports no later than 90 days following the close of the fiscal year that include metrics on hospital services, education of students, plans for development of residencies, and financial results.

4. **Repealing Clause**. All resolutions of the Board of Governors or parts thereof in conflict with the provisions herein contained, to the extent they conflict herewith, are, to the extent of such conflict, hereby superseded and repealed.

5. **Effective Date**. This resolution shall become effective immediately upon its adoption.

PASSED AND ADOPTED by the Board of Governors of the State of Florida at a public meeting duly called and held this _____ day of March, 2017.

Attachment 2

UCF / HCA HOSPITAL

Conceptual Site Plan Potential Future Expansion

Phase One

February 14, 2017

Attachment 2

UCF / HCA HOSPITAL

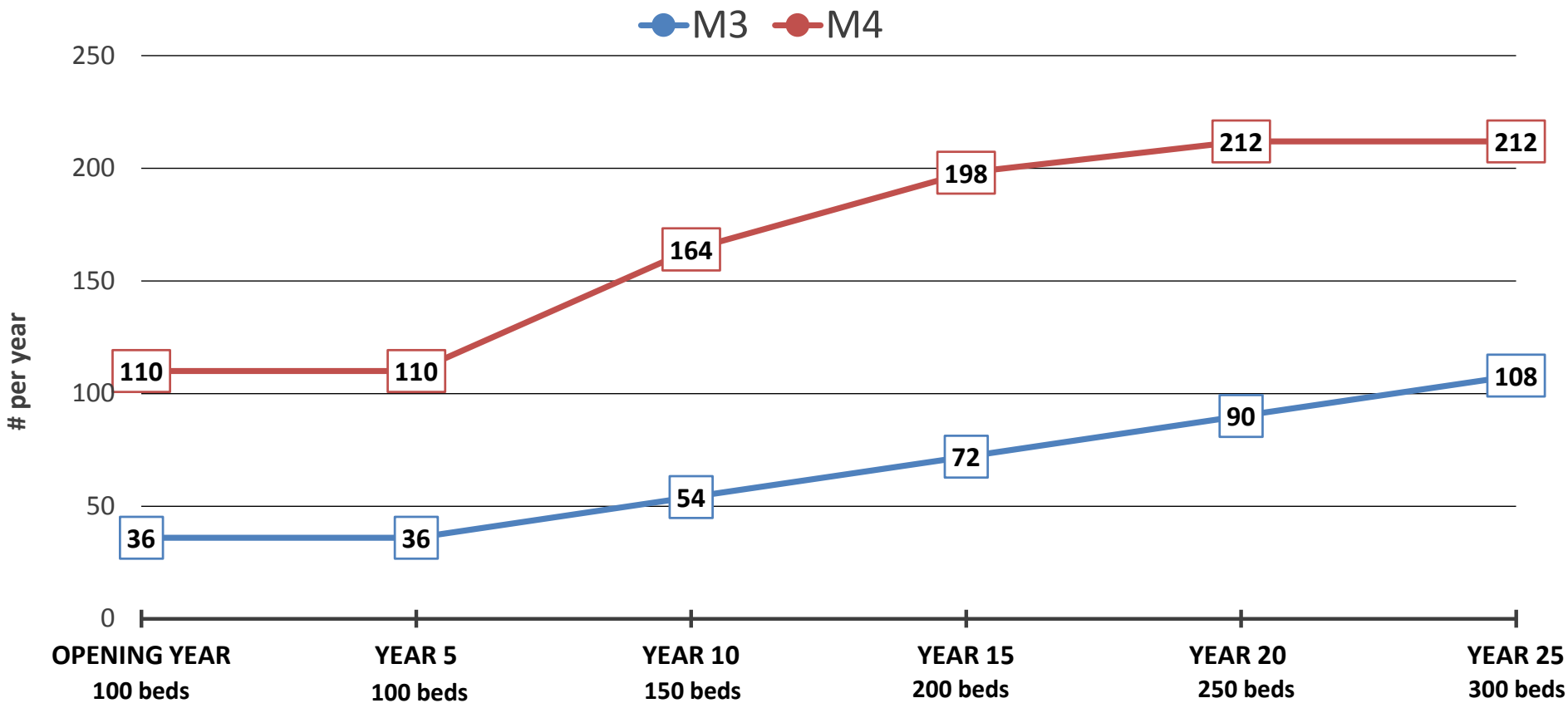
Conceptual Site Plan Potential Future Expansion

Phase Two

February 14, 2017

Attachment 3

UCF Academic Health – HCA Lake Nona Hospital
M3 Student Rotations and M4 Student Rotations



Number of medical students rotating in the M3 or M4 rotation per year

M3 rotations/year:
- Internal Medicine - 12
- Surgery - 12
- OB/GYN - 12

M4 rotations/year:
Advanced Internal Med - 33
- Radiology - 33
- Pathology - 22
- Emergency - 22

M3 rotations/year:
- Internal Medicine - 12
- Surgery - 12
- OB/GYN - 12

M4 rotations/year:
Advanced Internal Med - 33
- Radiology - 33
- Pathology - 22
- Emergency - 22

M3 rotations/year:
- Internal Medicine - 18
- Surgery – 18
- OB/GYN – 18

M4 rotations/year:
Advanced Internal Med - 49
- Radiology – 49
- Pathology – 33
- Emergency - 33

M3 rotations/year:
- Internal Medicine – 24
- Surgery – 24
- OB/GYN – 24

M4 rotations/year:
Advanced Internal Med – 66
- Radiology – 66
- Pathology – 33
- Emergency - 33

M3 rotations/year:
- Internal Medicine – 30
- Surgery – 30
- OB/GYN – 30

M4 rotations/year:
Advanced Internal Med – 80
- Radiology – 66
- Pathology – 33
- Emergency - 33

M3 rotations/year:
- Internal Medicine – 36
- Surgery – 36
- OB/GYN – 36

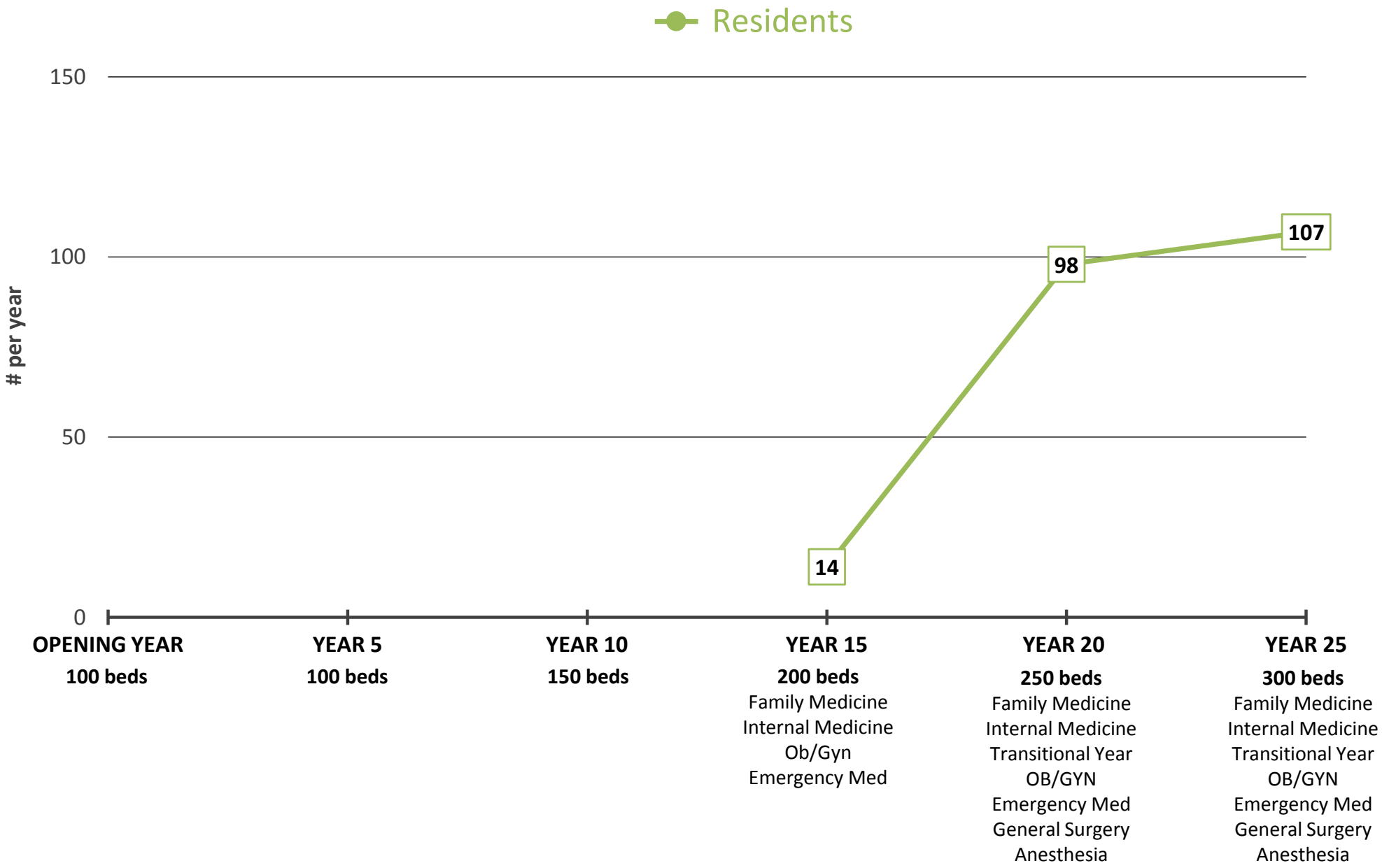
M4 rotations/year:
Advanced Internal Med – 80
- Radiology – 66
- Pathology – 33
- Emergency - 33

M3 – Third Year Medical Students
M4 – Fourth Year Medical Students

Attachment 4

UCF Academic Health – HCA Lake Nona Hospital

Number of Residents where cap-building begins in year 15



UCF Academic Health - HCA Lake Nona Hospital
Graduate Medical Education Pro Forma Where Residency Cap Building Begins in Year 15

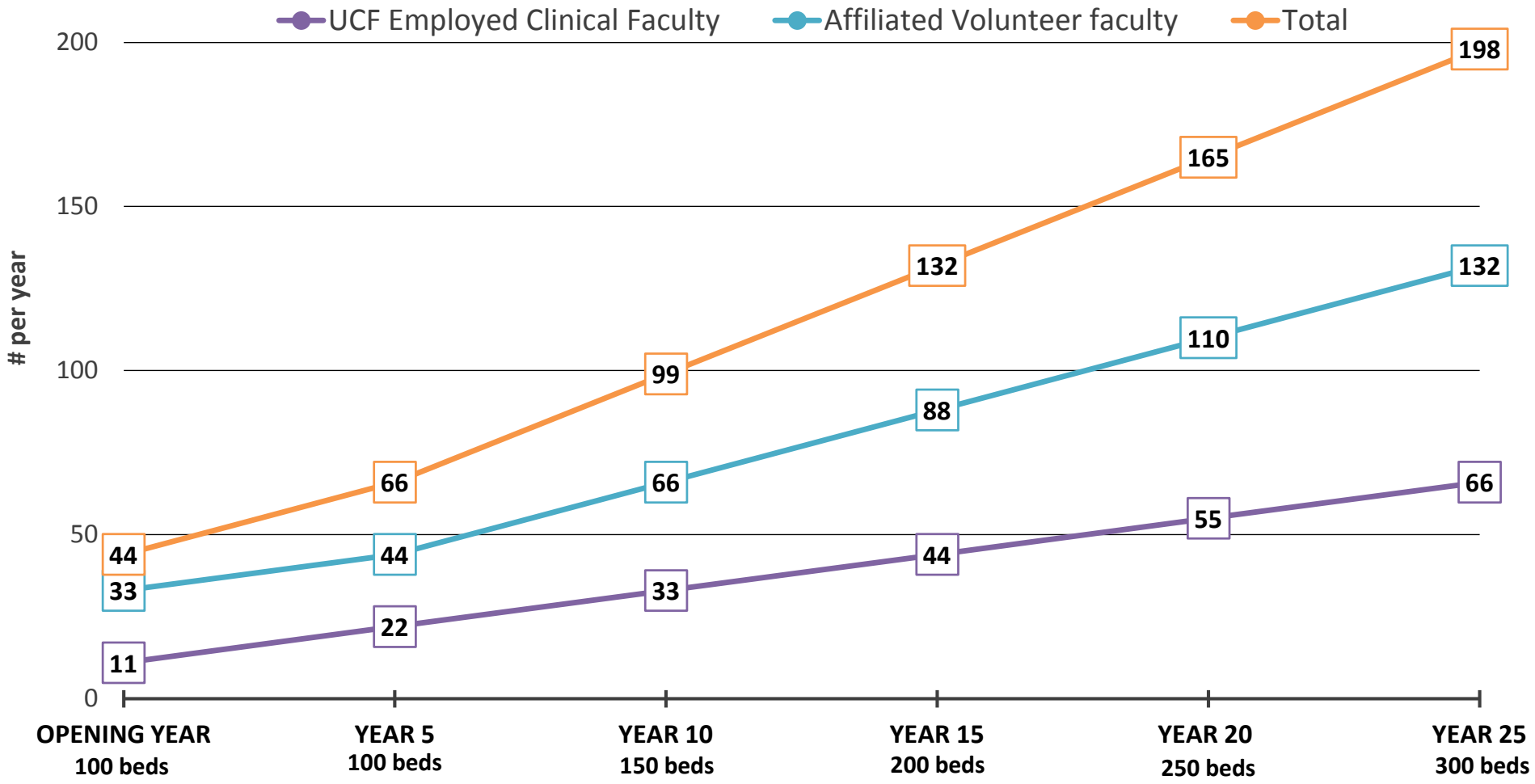
Hospital Year		**15**				**20**					**25**
										Total Residents	**107**
Totals for all Programs		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Total Revenue		**1,960,000**	**5,180,000**	**10,360,000**	**12,460,000**	**13,720,000**	**14,560,000**	**14,980,000**	**14,980,000**	**14,980,000**	**14,980,000**
Residents		840,000	2,220,000	4,440,000	5,340,000	5,880,000	6,240,000	6,420,000	6,420,000	6,420,000	6,420,000
Program Director		800,000	1,200,000	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000
Assistant Pgrm Director		100,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
Support Staff		200,000	400,000	600,000	700,000	700,000	700,000	700,000	700,000	700,000	700,000
Core Faculty		546,000	1,443,000	2,886,000	3,471,000	3,822,000	4,056,000	4,173,000	4,173,000	4,173,000	4,173,000
Other Expenses		280,000	740,000	1,480,000	1,780,000	1,960,000	2,080,000	2,140,000	2,140,000	2,140,000	2,140,000
Total Expenses		**2,766,000**	**6,253,000**	**11,056,000**	**12,941,000**	**14,012,000**	**14,726,000**	**15,083,000**	**15,083,000**	**15,083,000**	**15,083,000**
Margin		**(806,000)**	**(1,073,000)**	**(696,000)**	**(481,000)**	**(292,000)**	**(166,000)**	**(103,000)**	**(103,000)**	**(103,000)**	**(103,000)**
Family Medicine		4	8	12	12	12	12	12	12	12	12
	Start up year	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Revenue		560,000	1,120,000	1,680,000	1,680,000	1,680,000	1,680,000	1,680,000	1,680,000	1,680,000	1,680,000
Expenses											
Residents		240,000	480,000	720,000	720,000	720,000	720,000	720,000	720,000	720,000	720,000
Program Director	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
Assistant Pgrm Director											
Support Staff		100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Core Faculty		156,000	312,000	468,000	468,000	468,000	468,000	468,000	468,000	468,000	468,000
Other Expenses		80,000	160,000	240,000	240,000	240,000	240,000	240,000	240,000	240,000	240,000
Total Expenses		**776,000**	**1,252,000**	**1,728,000**	**1,728,000**	**1,728,000**	**1,728,000**	**1,728,000**	**1,728,000**	**1,728,000**	**1,728,000**
Internal Medicine		10	20	30	30	30	30	30	30	30	30
	Start up year	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Revenue		1,400,000	2,800,000	4,200,000	4,200,000	4,200,000	4,200,000	4,200,000	4,200,000	4,200,000	4,200,000
Expenses											
Residents		600,000	1,200,000	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000
Program Director	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
Assistant Pgrm Director		100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Support Staff		100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Core Faculty		390,000	780,000	1,170,000	1,170,000	1,170,000	1,170,000	1,170,000	1,170,000	1,170,000	1,170,000
Other Expenses		200,000	400,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000
Total Expenses		**1,590,000**	**2,780,000**	**3,970,000**	**3,970,000**	**3,970,000**	**3,970,000**	**3,970,000**	**3,970,000**	**3,970,000**	**3,970,000**
Transitional Year		0	0	8	8	8	8	8	8	8	8
	Start up year	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Revenue		-	-	1,120,000	1,120,000	1,120,000	1,120,000	1,120,000	1,120,000	1,120,000	1,120,000
Expenses											
Residents		-	-	480,000	480,000	480,000	480,000	480,000	480,000	480,000	480,000
Program Director	-	-	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
Assistant Pgrm Director											
Support Staff		-	-	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Core Faculty		-	-	312,000	312,000	312,000	312,000	312,000	312,000	312,000	312,000
Other Expenses		-	-	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000
Total Expenses		**-**	**200,000**	**1,252,000**	**1,252,000**	**1,252,000**	**1,252,000**	**1,252,000**	**1,252,000**	**1,252,000**	**1,252,000**

UCF Academic Health - HCA Lake Nona Hospital
Graduate Medical Education Pro Forma Where Residency Cap Building Begins in Year 15

Hospital Year		**15**				**20**					**25**
									Total Residents		**107**
OBGYN		0	3	6	9	12	12	12	12	12	12
	Start up year	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Revenue		-	420,000	840,000	1,260,000	1,680,000	1,680,000	1,680,000	1,680,000	1,680,000	1,680,000
Expenses											
Residents		-	180,000	360,000	540,000	720,000	720,000	720,000	720,000	720,000	720,000
Program Director	-	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
Assistant Pgrm Director											
Support Staff		-	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Core Faculty		-	117,000	234,000	351,000	468,000	468,000	468,000	468,000	468,000	468,000
Other Expenses		-	60,000	120,000	180,000	240,000	240,000	240,000	240,000	240,000	240,000
Total Expenses		**200,000**	**657,000**	**1,014,000**	**1,371,000**	**1,728,000**	**1,728,000**	**1,728,000**	**1,728,000**	**1,728,000**	**1,728,000**
Emergency Medicine		0	6	12	18	18	18	18	18	18	18
	Start up year	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Revenue		-	840,000	1,680,000	2,520,000	2,520,000	2,520,000	2,520,000	2,520,000	2,520,000	2,520,000
Expenses											
Residents		-	360,000	720,000	1,080,000	1,080,000	1,080,000	1,080,000	1,080,000	1,080,000	1,080,000
Program Director	-	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
Assistant Pgrm Director		-	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000
Support Staff		-	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Core Faculty		-	234,000	468,000	702,000	702,000	702,000	702,000	702,000	702,000	702,000
Other Expenses		-	120,000	240,000	360,000	360,000	360,000	360,000	360,000	360,000	360,000
Total Expenses		**200,000**	**1,164,000**	**1,878,000**	**2,592,000**	**2,592,000**	**2,592,000**	**2,592,000**	**2,592,000**	**2,592,000**	**2,592,000**
General Surgery		0	0	6	9	12	15	18	18	18	18
	Start up year	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Revenue		-	-	840,000	1,260,000	1,680,000	2,100,000	2,520,000	2,520,000	2,520,000	2,520,000
Expenses											
Residents		-	-	360,000	540,000	720,000	900,000	1,080,000	1,080,000	1,080,000	1,080,000
Program Director	-	-	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
Assistant Pgrm Director											
Support Staff		-	-	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Core Faculty		-	-	234,000	351,000	468,000	585,000	702,000	702,000	702,000	702,000
Other Expenses		-	-	120,000	180,000	240,000	300,000	360,000	360,000	360,000	360,000
Total Expenses		**-**	**200,000**	**1,014,000**	**1,371,000**	**1,728,000**	**2,085,000**	**2,442,000**	**2,442,000**	**2,442,000**	**2,442,000**
Anesthesia		0	0	0	3	6	9	9	9	9	9
	Start up year	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Revenue		-	-	-	420,000	840,000	1,260,000	1,260,000	1,260,000	1,260,000	1,260,000
Expenses											
Residents		-	-	-	180,000	360,000	540,000	540,000	540,000	540,000	540,000
Program Director	-	-	-	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
Assistant Pgrm Director											
Support Staff		-	-	-	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Core Faculty		-	-	-	117,000	234,000	351,000	351,000	351,000	351,000	351,000
Other Expenses		-	-	-	60,000	120,000	180,000	180,000	180,000	180,000	180,000
Total Expenses		**-**	**-**	**200,000**	**657,000**	**1,014,000**	**1,371,000**	**1,371,000**	**1,371,000**	**1,371,000**	**1,371,000**

Attachment 6

UCF Academic Health – HCA Lake Nona Hospital
Clinical Faculty



STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
Facilities Committee
March 29, 2017

SUBJECT: 2018-2019 Fixed Capital Outlay Legislative Budget Request Guidelines

PROPOSED COMMITTEE ACTION

Approve the 2018-2019 Legislative Budget Request (LBR) guidelines for the fixed capital outlay budget.

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution; Subsection 1001.706(4)(b), Florida Statutes

BACKGROUND INFORMATION

The 2018 legislative session is scheduled to start in January 2018, two months earlier than normal. In order to maintain the schedule for developing the LBR in a timely manner, the Board needs to approve a set of policy guidelines for the development of the 2018-2019 operating and fixed capital outlay budget request at the June Board meeting. The Board will then review and approve a 2018-2019 operating and fixed capital outlay LBR at the August 2017 meeting. The final budget request will then be forwarded to the Governor and Legislature. It is anticipated that the normal due of October 15 will be moved to September 15.

The guidelines are a living document, and the recommended changes from Board staff to the previous adopted LBR guidelines are as follows:

I. **Operating LBR -** These are the primary changes:
   a. Updates the timeline to reflect the start of the 2018 session in January, 2018.

II. **Fixed Capital Outlay LBR –** This is the primary change:
   a. Updates the timeline to reflect the start of the 2018 session in January, 2018.

Supporting Documentation Included: 2018-2019 LBR Guidelines

Facilitators/Presenters: Mr. Chris Kinsley

State University System of Florida
Board of Governors
2018-19 Legislative Budget Request Development
Policy Guidelines

Pursuant to Section 7, Article 9 of the Florida Constitution, the Board "…shall operate, regulate, control, and be fully responsible for the management of the whole university system." Included within this responsibility is the development of a Legislative Budget Request (LBR). In addition, Section 216.023(1), Florida Statutes, requires the submission of an LBR to the Legislature and Governor based on an independent judgment of needs.

The 2018-2019 LBR will provide flexibility for the Board of Governors (Board) and individual university boards of trustees to jointly manage the system to meet the critical needs of the state, achieve the statewide goals and objectives of the updated State University System (SUS) Strategic Plan and university work plans, and demonstrate accountability and transparency. The following goals of the SUS Strategic Plan will be addressed in the request:

1. Excellence
2. Productivity
3. Strategic Priorities for a Knowledge Economy

These System goals, as well as institutional goals and initiatives, should be incorporated into the following priorities, which will be reflected in the LBR:

Operating and Specialized Program Funds:

1. Continuing costs associated with existing programs – This policy addresses the funds needed to continue existing programs:

   a. Plant operations and maintenance for new and existing buildings –
      i. Funds will be requested for the annualized operations and maintenance costs for buildings completed and phased-in during 2017-2018;
      ii. Funds will be requested for the operating costs for new buildings to be completed and occupied in 2018-2019.

   b. Annual Fire Safety Inspection Fees –

i. Funds will be requested to cover the annual costs of the State Fire Marshal inspection of university facilities.

2. Performance Funding – Funding will be requested based on the Board's performance funding model.

3. Campus Health, Safety and Security – Consideration will be given to initiatives that support or enhance student health, ensure the safety of students, faculty and staff, and secures the campus to promote a safe learning environment.

4. Task Force Reports, Studies, and Strategic Plans – Consideration will be given to initiatives recommended in any reports, studies or strategic plans and endorsed by the Board.

5. Shared System Resources – Consideration will be given to initiatives that allow for greater efficiencies through shared system resources. System initiatives developed by the universities should be vetted by the appropriate SUS council before being recommended to the Board.

The following represents the timeline for submission of the SUS 2018-2019 LBR for operations:

- March 30: Board approves the LBR Policy Guidelines
- April: Chancellor provides guidance to the universities on the development of system and university LBR issues
- July 28: System issues are submitted by the appropriate SUS council
- August 31: Board approves the operating LBR
- Sept. 15.: Operating LBR is submitted to the Governor and Legislature
- Oct. 13: Budget and Finance Committee Workshop to discuss potential changes to the performance funding model
- Nov. 9: Board evaluates amendments to the LBR
- Dec. : Amended LBR is submitted to the Legislature and Governor after release of the Governor's budget recommendations

Fixed Capital Outlay Funds:

The university's approved Five Year Capital Improvement Plan (CIP) will be prioritized, in the first year, as indicated below. Please note that PECO funding to meet

critical maintenance needs has been assigned a higher priority than adding new facilities, with the intent to improve the condition of existing space and campus infrastructure. Written justification, noting any exceptions to the priorities provided by the guidelines, and explaining why a priority exception is in the best interest of the university should be included in the cover letter submitted with the CIP package. This will assist Board staff in comparative evaluation of university projects, and justification in terms of relative system ranking for placing in system priority order. Each university should submit one and only one prioritized, sequentially numbered list.

Funding will be requested for institutional survey recommended PECO projects in the following priority order[1]:

1. Maintenance Projects
    a. Funding for Remodeling/Renovation/Maintenance/Repair will be requested from PECO pursuant to formula as required by Section 1013.64(1)(a), Florida Statues.

2. System and Continuation Projects
    a. Projects funded by the legislature in the amount and in the year as last included on the Board adopted three year list.
    b. Projects funded by the Legislature, but not on the Board adopted three year list.
    c. Projects that require additional funding to complete.

3. Renovation Projects
    a. Utilities/infrastructure/capital renewal/roofs needs.
    b. Renovation and remodeling projects to meet current space needs, structural/mechanical repairs, replacement of existing facilities which have a survey recommendation. (Major named projects)

4. Strategic Projects
    a. Land or building acquisition in accordance with university board of trustees adopted master plans.

[1] Each university must incorporate utilization data as a factor in prioritization of university CIP funding requests to the Board. Programs with classroom and teaching lab space utilization below the current SUS standard will not be eligible for inclusion on the university CIP. General purpose classroom or teaching lab space (space not designated for a specific academic program or discipline) will not be eligible for inclusion if utilization was below the SUS standard for 2013-14. This standard applies both to the university as a whole and on a site-specific basis.

b. New facilities, as needed to meet instructional and support space needs.

5. Legislative Authorizations
   a. Required legislative authorizations will be requested for externally funded projects as proposed by the universities, in accordance with Section 1010.62 and 1013.78, Florida Statutes.

The following represents the timeline for submission of the SUS 2017-2018 Fixed Capital Outlay LBR:

- March 30: Board approves the LBR Policy Guidelines
- April 30: Chancellor provides draft technical instructions and requests universities to submit their five-year CIPs
- May – July: Board of Trustees approve CIPs
- Aug. 1: Universities submit five-year CIPs. Board staff will review CIPs with university designee(s), technical corrections will be made as required
- Aug. 31: Board approves the fixed capital outlay LBR
- Sept. 15: Fixed capital outlay LBR is submitted to the Governor and Legislature
- Oct. 3: Facilities Committee Workshop. The Committee will meet with university staff to review projects
- Nov. 9: Board evaluates amendments to the LBR
- Dec.: Amended LBR is submitted to the Legislature and Governor after release of the Governor's budget recommendations

STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
Facilities Committee
March 29, 2017

SUBJECT: Second Amendment to the 2017-2018 State University System Fixed Capital Outlay Legislative Budget Request

PROPOSED COMMITTEE ACTION

Review and amend the 2017-2018 SUS Fixed Capital Outlay Legislative Budget Request

Approval is recommended by the Chancellor

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution

BACKGROUND INFORMATION

The requested budget provides the State University System of Florida continued capital outlay support and has been prepared in accordance with statutory requirements and guidelines adopted by the Board of Governors. All university fixed capital outlay budget requests have been approved by the institutional boards of trustees.

This is the second amendment to the original budget request for 2017-2018, as approved by the Board on September 22, 2016, and amended on January 26, 2017:

Specific Fixed Capital Outlay Appropriation Requests

Legislative Authorization only - Authorization for State University System Fixed Capital Outlay projects requiring Debt Financing (S. 1010.62)

Supporting Documentation: Schedule D

Facilitators/Presenters: Mr. Chris Kinsley

Attachment D

STATE UNIVERSITY SYSTEM OF FLORIDA

BOARD OF GOVERNORS

Proposed Language for 2017-18 Projects Requiring Legislative Approval to be Constructed, Acquired and/or Financed by a University or a University Direct Support Organization (BOB-1)

March 29, 2017

SECTION ___. Pursuant to section 1010.62 and section 1013.171, Florida Statutes, and section 11(d) and (f), Art. VII of the State Constitution, the following fixed capital outlay projects may be constructed, acquired, and financed by a university or university direct support organization. Financing mechanisms include any form of approved debt or bonds authorized by the Board of Governors.

No state appropriation of funds will be associated with these projects. The Legislature has provided the Board of Governors general authority to consider debt financing for most classes of projects. However, certain athletic and commercial facilities require specific Legislative authorization as a prerequisite condition for these projects. Legislative authorization does not supersede any of the requirements for Board of Governors review and approval of all projects to be financed from debt.

University of South Florida – USF St. Petersburg Housing/Conference Space

University of Central Florida – Wayne Densch Sports Center Expansion

University of Central Florida – Baseball Stadium Expansion Phase II

~~University of Central Florida – Softball Stadium Expansion and Renovation~~

~~University of Central Florida – Bright House Networks Stadium Expansion and Improvements Phase I~~

University of Central Florida – Baseball Clubhouse Expansion and Renovation

~~University of Central Florida – Bright House Networks Stadium Expansion and Improvements Phase II~~

~~University of Central Florida – Football Building~~

Florida International University – Hotel/Conference/Alumni Center

University of Florida – UAA, Inc. New Football Facility, McKethan Stadium Renovation and Seashole Pressly Stadium Renovation

Florida A & M – Athletic Facility/Sports Complex

STATE UNIVERSITY SYSTEM
Fixed Capital Outlay Projects that may Require Legislative Authorization
(Debt and P3 projects)
BOB-1

Univ.	Project Title	GSF	Brief Description of Project	Project Location	Project Amount	Funding Source	Estimated Annual Amount For Operational & Maintenance Costs		
							BOG Approval Date	Amount	Source (O&M)
USF	USF St. Petersburg Housing/Conference Space	206,000	550 Bed-Residential Housing, Dining Space and Conference Center	USF St. Petersburg	$52,000,000	Public Private Partnership	TBD	TBD	
UCF	Wayne Densch Sports Center Expansion	40,000	Office Space, two small locker rooms, one meeting room	UCF, Orlando	$5,100,000	Donations	July	$540,000	DSO
UCF	Baseball Stadium Expansion Phase II		300 seat club, enhancements	UCF, Orlando	$3,060,000	Donations	July	$0	DSO
UCF	Baseball Clubhouse Expansion and Renovation		New playing field, chair backs, audio, and lighting upgrade	UCF, Orlando	$1,020,000	Donations	July	$0	DSO
FIU	Hotel/Conference/Alumni Center	9,250	A portion of the project will be used for Alumni Center offices, student meeting rooms, conference rooms and student study space.	MMC	$50,000,000	P3/DSO	Jun-17	$106,199	P3/DSO (a)
UF	Football Facility Construction	130,000	The University of Florida Athletic Association (UAA) intends on developing a standalone football team complex. Concepts for this facility show it as a tiered 3 story building at approximately 130,000 GSF that will include: Lobby, locker rooms, players lounge, training rooms, team meeting rooms, coaches offices, and many other essential support spaces. This building will also include a separate dining facility that will serve all student athletes.	UF, Gainesville	$59,961,700	Bonds	Jun-17	$713,598	UAA
UF	McKethan Stadium Renovation	30,975	The University of Florida Athletic Association (UAA) intends on expanding and renovating the Alfred A. McKethan Stadium. The primary goals of this renovation are to expand the UF player facilities, add premium eating/amenities, add a shade structure, and provide expanded fan amenities.The project will add approximately 30,975 GSF of new space while renovating about 30,600 GSF of existing.	UF, Gainesville	$28,650,000	Bonds	Jun-17	$166,300	UAA
UF	Seashole Pressly Softball Stadium	23,000	The University of Florida Athletic Association (UAA) intends on expanding and renovating the Katie Seashole Pressly Stadium. The primary goals of this renovation are to expand the UF player facilities, relocate the UF coaches facilities, replace the existing bench seating, add a shade structure, and provide expanded fan amenities. The project will add approximately 23,000 GSF of new space while renovating about 6,000 GSF of existing.	UF, Gainesville	$9,308,200	Bonds	Jun-17	$123,483	UAA
FAMU	Athletic Facility/Sports Complex	TBD	Construction of a 35,000 seat football stadium, which will also include Athletic/Health Facility, up to 300 additional parking spaces and retail space.	Main Campus	$98,000,000	Public Private Partnership	TBD	$6,584,733	

STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
Facilities Committee
March 29, 2017

SUBJECT: PECO Process Overview

PROPOSED COMMITTEE ACTION

For information

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution

BACKGROUND INFORMATION

Staff will provide an overview related the three major components of university capital planning, which are:

The University Master Plan
The Educational Plant Survey
The Five Year Capital Improvement Plan

Staff will describe these interrelated planning tools; as well as the role of both the Board of Trustees and Board of Governors; and how this ultimately results in the SUS PECO LBR.

Supporting Documentation Included: None

Facilitators/Presenters: Mr. Chris Kinsley

STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
Facilities Committee
March 29, 2017

SUBJECT: Public Private Partnership Guidelines Implementation

PROPOSED COMMITTEE ACTION

For information

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution

BACKGROUND INFORMATION

After input from the Division of Bond Finance and the universities, the initial Public-Private Partnerships Guidelines were approved by the Board on September 3, 2015. The Guidelines provide a conceptual framework intended to inform both the board of trustees as well as the Board of Governors with respect to key aspects of useful in evaluating proposals. The goal was to allow for limited flexibility by adopting a deliberately conservative approach in an area that is experiencing rapid change.

During the drafting of the guidelines and since the adoption, the Board has considered a number of diverse projects. Ms. Armstrong will brief the Board on the projects approved and any exceptions to the guidelines granted by the Board. She also review those projects which have evaluated under the Debt Management Guidelines. She will also brief the Board on possible guideline revisions to consider, and provide the Board with a preview of projects that may be before the Board at a future date.

Supporting Documentation Included: None

Facilitators/Presenters: Ms. Karen Armstrong

Public-Private Partnerships and Bonds - Potential Projects

P-3 Projects

University	Title	Description	Status
University of South Florida	USFSP Student Housing Development Project	The University of South Florida (USF) is planning a potential partnership to develop a mixed-use residential community at its St. Petersburg campus (USFSP). The project is expected to include approximately 500 beds, 15,000 sf of dining space, 25,000 sf of conference center space to support student life programming, community building, and integration of USFSP with the city of St. Petersburg.	USF is conducting an Invitation to Negotiate for a private partner.
Florida Agricultural and Mechanical University	School of Journalism and the Black Television News Channel	FAMU is developing a proposal for a private partner to renovate a building on campus. Part of the renovated building will be used by the private partner as a network studio. In return the private partner will offer rent and student related benefits such as internships.	FAMU is developing a P-3 request.
Florida Agricultural and Mechanical University	Student Housing and Mixed Use Town Center	The Florida Agricultural and Mechanical University (FAMU) is working on a proposal for a partner to develop, design, finance, and construct an on-campus living/learning community at its Tallahassee Campus. The residential component of the project is expected to replace up to 1800 of existing beds in two phases and will provide students the opportunity to reside and study on campus. The third phase will be the construction of an Athletic Facility, including up to a 35,000 seat football stadium, mixed use, up to 300 additional parking spaces, a hotel & conference center and a retail complex.	FAMU is conducting an Invitation to Negotiate for a private partner(s).
Florida International University	Conference Center/Hotel/Alumni Center/Parking	FIU issued an (FIU) an ITN for a Hotel and Conference Center with associated Parking. Additionally, it will include an Alumni Center, which will be funded by the FIU Foundation. FIU has been working with BOG and DBF.	Step 2 Proposals will be received 3/2/17
Florida State University	Panama City Student Housing	Florida State University(FSU) issued an Invitation to Negotiate (ITN) to FSU Panama City (FSUPC) to enter into an agreement with an expert or team of experts for the Panama City Campus Residential/Retail Project (The Development) to be located on the campuses of either FSUPC or Gulf Coast State College (GCSC), located in Panama City, FL, and serving both schools.	Unknown
Florida International University	Wolfsonian Annex	Florida International University (FIU) is seeking a private partner to renovate FIU property in South Beach, currently used for museum storage, for the construction and leasing of condominiums. With the revenue, FIU will construct or lease a new facility for storage on less expensive land.	FIU is preparing a P-3 request.
Florida International University	Skilled Nursing Facility	Florida International University (FIU) is considering an ITN that would provide for a skilled nursing facility on the MAM Campus providing that would provide research and academic collaboration with the Herbert Wertheim College of Medicine, the Nicole Wertheim College of Nursing, the Robert Stempel College of Public Health and Social Work and the College of Arts, Sciences and Education.	FIU is considering a P-3 request.

University of Florida	Coroner's Office	The University of Florida (UF) is planning a ground lease for a new building that is proposed for the use of the UF Medical Examiner in Gainesville. The University's College of Medicine performs the medical examiner function under contract for Alachua Co. and several surrounding counties. The land parcel will be acquired and owned by the Developer (picked via a procurement process), who will develop a building of approximately 9,000 – 10,000 square feet for the University's use.	BOG staff reviewed, determined that project did not fall within guidelines.

New College of Florida	Private Housing	A developer plans to renovate an existing off campus hotel, and make it available to local college students, including New College	Based on initial conversations with BOG staff, this did project did not fall within the guidelines.
Florida State University	Conference Center	Florida State University ("FSU") is seeking qualified Developer(s) to construct and operate various components of a new Arena District development ("The Development"). The Development site is located in the heart of Tallahassee, located between the Florida State Capitol Complex and the campuses of Florida State University ("FSU") and Florida A&M University ("FAMU")	Unknown
Florida Atlantic University	Conference Center	Florida Atlantic University (FAU) is considering the construction of a hotel/conference center on the school's Boca Raton campus.	Unknown

Bond Projects

University	Title	Description	Status
Florida Agricultural and Mechanical University	Student Housing with Department of Education loan	FAMU planned to make application to the US DOE HBCU Capital Financing Program to demolish the forty-one year old Palmetto North housing residence to construct a 600 bed (384 – 4 bedroom units and 216 – 3 bedroom units) with a living learning center. The anticipated amenities were inclusive of: dining, computer labs, classroom/study areas, student lounge, counseling areas and recreation halls.	Closed, loan requirements conflict with Florida law
Florida International University	Housing Bonds	Parkview Phase II using traditional Bonds. FIU BOT will consider the resolution authorizing the project, consisting of 656 beds, and the issuance of $60 million in tax-exempt bonds on 3/3/17.	Working with the Division of Bond Finance
University of Florida	Athletic Improvements	DSO Bonds	Working with the Division of Bond Finance. May bring to Board in June.
University of Central Florida	Campus Parking	UCF is planning the issuance of fixed rate revenue bonds to finance the construction of a parking garage (1,100 spaces).	Developing the proposal and will work with the Division of Bond Finance

STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
Facilities Committee
March 29, 2017

SUBJECT: Completed Facilities Projects

PROPOSED COMMITTEE ACTION

For information

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution

BACKGROUND INFORMATION

A summary of university projects over $2 million dollars completed during 2016 will be presented.

Supporting Documentation Included: None

Facilitators/Presenters: Mr. Chris Kinsley

STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
Facilities Committee
March 29, 2017

SUBJECT: A Resolution of the Board of Governors Approving the UCF Academic Health, Inc., a Direct Support Organization of the University of the Central Florida, to enter into a ground sublease and operating agreement with a vendor for the construction, financing, operation and maintenance of a hospital and associated facilities adjacent to the College of Medicine at Lake Nona.

PROPOSED COMMITTEE ACTION

Adoption of a resolution approving the UCF Academic Health, Inc. (UCFAH), a Direct Support Organization of the University of Central Florida ("UCF" or "University") entering into a ground sublease of 25.2 acres for the construction, financing, operation and maintenance of a medical complex with Columbia Park Healthcare System, Inc., (HCA Sub), a subsidiary of Hospital Corporation of America HCA. The sublease will be with Central Florida Health Services, LLC (the "Company') which has been formed as a joint venture between UCFAH and the HCA Sub. If approved, UCFAH will enter into a 50-year ground sublease with the Company that the Company has the option to extend for an additional 49 years.

Staff of the Board of Governors, State University System of Florida, and the Division of Bond Finance, State Board of Administration of Florida, have reviewed this resolution and all supporting documentation for compliance with Florida law and the Board of Governors Public Private Partnership Guidelines (P3 Guidelines). The proposal appears to be in compliance with applicable Florida law but does not comply with the P3 Guidelines in all respects.

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution; Section 1013.171, Florida Statutes.

BACKGROUND INFORMATION

UCFAH will enter into a ground sublease with UCF for the purpose of sub-leasing the property to the Company for 50 years (with Company's option for a 49 year extension) for the construction and operation of a medical center which will initially include a 100-bed hospital and emergency facilities (the "Project"). Future expansion may include increasing inpatient beds up to 500, outpatient care, physician practice buildings and

additional parking utilizing a public-private partnership arrangement. As proposed, any future expansion will not require Board approval unless debt financing will be used. The land is deed restricted and may only be used for UCF College of Medicine facilities.

A preliminary Certificate of Need (CON) was issued by the Agency for Health Care Administration (AHCA) for the Project. Florida Hospital filed a petition requesting AHCA to condition issuance of the Final CON on the hospital being operated as a joint venture between UCFAH and HCA Sub and ultimately becoming an academic teaching hospital; and to require UCFAH to have a meaningful role in the governance and operation of the hospital. Alternatively, Florida Hospital is requesting AHCA to deny the CON for failure of the proposed hospital to meet the criteria for issuance of a CON. The hearing on the petition is scheduled for October 23 through November 21, 2017, before the Division of Administrative Hearings.

The P3 Guidelines contemplate approving a lease for a defined facility and not for a continued development of a site over 99 years. This is inconsistent with the 40-year term limit specified in the P3 Guidelines.

Under the joint venture, HCA Sub will own 80% of the Company while UCFAH will own 20% and receive 20% of the net revenues from the hospital. HCA Sub will fund its 80% ownership interest by paying cash for the construction estimated at $150 million and contributing up to $25 million for start-up capital. UCFAH's contribution for its 20% ownership interest will come from the value of the land sublease and the UCF brand. There are several situations where UCFAH may terminate its relationship with HCA Sub by purchasing at fair market value HCA Sub's 80% ownership interest or by requiring HCA Sub to purchase UCFAH's 20% share. Operation and governance will be controlled by the Company board consisting of four UCFAH members and four HCA Sub members.

UCF seeks to develop the medical complex to advance its academic mission and to raise additional funding and has set forth certain metrics to measure its success including profits from operation of the hospital, increases to fund raising and research money, increasing faculty and creating additional medical student rotations.

UCF contends that it would be very difficult for the project to be profitable if it tried to develop it on its own. Accordingly, UCF maintains the P3 structure is the viable way to proceed.

Neither UCF nor UCFAH are legally obligated to provide any financial support for the operation or expansion of the medical complex. This does not, however, preclude the University or UCFAH from doing so in the future. The Board's resolution does contain

certain provisions designed to limit the type of financial support UCF and UCFAH may provide to the Project:

- UCFAH may provide non-debt funding for capital improvements related to the Project; however, capital improvements to be funded from legally available philanthropic sources by UFC or other DSOs require Board of Trustees' approval.

- UCF and its DSOs, other than UCFAH, will not provide funding to subsidize operations or any operating deficit of the hospital or the Company or provide any equipment, fixtures, buildings, space or facilities for the use or benefit of the hospital or the Company without prior Board of Governors' approval. Funds received as research grants for health or medically related research and philanthropic funds designated for the medical school or for the hospital may be used for UCF's benefit at the hospital without prior Board of Governors' approval.

- Board of Governors' approval is required if the University or any University entity proposes to incur debt or otherwise pledge or guaranty the repayment of any debt associated with the Project.

Further, the Resolution specifies that the Hospital is subject to Certificate of Need approval and must meet all applicable Certificate of Need requirements as determined by the Agency for Health Care Administration.

There was originally a question as to whether the initial 100-bed hospital is truly an academic hospital. UCF has proposed the name as the "UCF Lake Nona Medical Center" to describe the hospital and the Resolution contains a provision that restricts the use of the terms "Teaching Hospital", "Academic Medical Center" or similar phrases in describing the Project. UCFAH may request a name change, or removal of this naming restriction, from the Board no sooner than five years from the hospital opening date, or at any point thereafter.

Taken as a whole, approval of the Project is recommended by Board staff.

Supporting Documentation Included:	1. Requesting Resolution 2. Project Summary 3. Sources and Uses 4. Site Plans 5. Financial Projections
Facilitators/Presenters:	Mr. Chris Kinsley

A RESOLUTION APPROVING A PUBLIC-PRIVATE PARTNERSHIP BETWEEN UCF ACADEMIC HEALTH, INC., AND COLUMBIA PARK HEALTHCARE SYSTEM, INC., A SUBSIDIARY OF HOSPITAL CORPORATION OF AMERICA, TO ESTABLISH A JOINT-VENTURE HOSPITAL ADJACENT TO THE UNIVERSITY OF CENTRAL FLORIDA COLLEGE OF MEDICINE AT LAKE NONA.

The duly acting and appointed Board of Governors of the State of Florida at a meeting duly held pursuant to notice and a quorum being present do hereby make the following resolutions:

BE IT RESOLVED:

1. Findings. The Board of Governors hereby finds as follows:

(A) Pursuant to Article IX, Section 7 of the Florida Constitution, the Board of Governors is vested with the power to operate, regulate, control and manage the State University System of Florida. Pursuant to section 1013.171, Florida Statutes, a university board of trustees may negotiate and enter agreements to lease land under its jurisdiction to corporations registered with the Secretary of State to do business in the state, for the purpose of erecting facilities necessary and desirable to serve the needs and purposes of the university, as determined by the system-wide strategic plan adopted by the Board of Governors.

(B) UCF Academic Health, Inc., (UCFAH) was incorporated by the University of Central Florida Board of Trustees (the "University Board") to provide direct support to the University of Central Florida (the "University" or "UCF") and is designated as a "University Direct Support Organization"(DSO) by the University pursuant to section 1004.28, Florida Statutes.

(C) UCFAH has requested approval from the Board of Governors to enter into a 99-year sublease and a Public-Private Partnership arrangement with Columbia Park Healthcare System, Inc., a subsidiary of Hospital Corporation of America (HCA), to construct, finance, operate, and maintain a joint venture hospital (the "Project"). The Project shall initially include a 100-bed hospital and emergency facilities, and future expansions may include up to 500 hospital beds, outpatient care, physician practice buildings, and additional parking adjacent to UCF's College of Medicine at its Lake Nona campus.

(D) Construction of the Project is expected to be fully funded by HCA.

(E) The Project is not required to be part of the master plan of the University.

(F) The Project will be carried out through a joint venture entity, Central Florida Health Services, LLC (the "Company"), which is owned 20% by UCFAH and 80% by HCA. UCFAH has 50% governance of the Company, with UCFAH and HCA each appointing four representatives to its governing board. The hospital will be located adjacent to the UCF College of Medicine at Lake Nona on 25.2 acres of land owned by the University, which will be leased by the University to UCFAH and subleased to the Company. Development of the hospital is subject to certificate of need approval by the Florida Agency for Health Care Administration (AHCA), which approval has been preliminarily granted, subject to the completion of the pending petition challenging the award, and any further judicial review.

(G) Upon consideration of the Project, the Board of Governors declares that the Project is consistent with the mission of the University; has been properly analyzed by staffs of the Board of Governors and the Division of Bond Finance for consistency with the Board of Governors Public-Private Partnership Guidelines; and will serve a public purpose by advancing the educational, research and clinical mission of the UCF College of Medicine.

2. Approval of the Project. The Project is hereby approved and UCFAH may enter into a Public-Private Partnership arrangement with Columbia Park Healthcare System, Inc., subject to the following terms and conditions:

A. Expansions of the Project beyond a 500-bed hospital or facilities not described above require additional approval of the Board.
B. Further Board approval is required if the University or any University entity proposes to incur debt or otherwise pledge or guaranty the repayment of any debt associated with the Project.
C. UCFAH may provide non-debt funding for capital improvements related to the Project; however, capital improvements to be funded from legally available philanthropic sources by UCF or other DSOs require Board of Trustees approval.
D. UCF and its DSOs, other than UCFAH, will not provide funding to subsidize operations or any operating deficit of the hospital or the Company or provide any equipment, fixtures, buildings, space or facilities for the use, or benefit of the hospital or the Company without prior Board of Governors approval. Funds received as research grants for health or medically related research and philanthropic funds designated for the medical school or for the hospital may

be used for UCF's benefit at the hospital without prior Board of Governors' approval.

E. The Hospital is subject to Certificate of Need approval and must meet all applicable Certificate of Need requirements as determined by the Agency for Health Care Administration.
F. UCFAH will provide the Board with annual reports no later than 90 days following the close of the fiscal year that include metrics on hospital services, education of students, plans for development of residencies, financial results, and such other data as may be requested.
G. The Project will be operated under the name "UCF Lake Nona Medical Center", or such similar styled name or names, which may not include the phrases "Teaching Hospital", "Academic Medical Center" or similar phrases. UCFAH may request a name change, or removal of this naming restriction, from the Board no sooner than five years from the hospital opening date, or at any point thereafter.

4. Repealing Clause. All resolutions of the Board of Governors or parts thereof, in conflict with the provisions herein contained, to the extent they conflict herewith, are, to the extent of such conflict, hereby superseded and repealed.

5. Effective Date. This resolution shall become effective immediately upon adoption.

PASSED AND ADOPTED by the Board of Governors of the State of Florida at a public meeting duly called and held this ___ day of _____, 2017.

CERTIFICATE OF THE CORPORATE SECRETARY

The undersigned, Corporate Secretary of the Board of Governors, does hereby certify that the attached resolution relating to the approval of entry of agreements by the UCFAH with COLUMBIA PARK HEALTHCARE, INC., a subsidiary of HOSPITAL CORPORATION OF AMERICA for the construction, operation, and maintenance of a hospital is a true and accurate copy as adopted by the Board of Governors on _____, 2017, and said resolution has not been modified or rescinded and is in full force and effect on the date hereof.

BOARD OF GOVERNORS OF THE STATE UNIVERSITY SYSTEM OF FLORIDA

Dated: _____, 2017 By: _____
Corporate Secretary

STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
Project Summary
UCF Academic Health, Inc., a direct support organization of the University of Central Florida
Public-Private Partnership Hospital Project

Project Description:

University of Central Florida ("UCF" or "University") proposes to lease 25.2 acres to UCF Academic Health, Inc. (UCFAH), a direct support organization of UCF. UCFAH is requesting approval to sublease the land to Central Florida Health Services, LLC, (the "Company"), a joint venture formed by UCFAH and Columbia Park Healthcare System, Inc. (the "Owner" or "HCA Sub"), a subsidiary of Hospital Corporation of America (HCA), and for the approval of a 100-bed hospital and emergency services facility (the "Project") and continued development of a medical complex, the complete scope of which is not completely defined. The proposed lease term is 50 years, with an optional renewal for an additional 49 years.

The hospital is expected to be expanded up to 500 beds during the lease term and other facilities may be added over time. The attached Site Plans shows potential expansion currently under consideration. Such expansions and facilities to be built in the future will require Board approval only if UCF or UCFAH will incur debt or seek to provide funding to subsidize operations.

A preliminary Certificate of Need (CON) was obtained for the Project from the Agency for Healthcare Administration (AHCA) on December 2, 2016. Florida Hospital filed a petition requesting AHCA to condition issuance of the Final CON on the hospital being operated as a joint venture between UCFAH and HCA Sub and ultimately becoming an academic teaching hospital; and to require UCFAH to have a meaningful role in the governance and operation of the hospital. Alternatively, Florida Hospital is requesting AHCA to deny the CON for failure of the proposed hospital to meet the criteria for issuance of a CON. The hearing on the petition is scheduled for October 23 through November 21, 2017, before the Division of Administrative Hearings.

Project Site Location:

The Project will be located in the Lake Nona master planned community on 25.2 acres of land adjacent to UCF's College of Medicine. UCF purchased this land in 2012 for $15 million using non-appropriated and university auxiliary revenues for the express purpose of building an academic hospital.

The current market value of the property is $17.6 million. Also nearby are the VA Medical Center, Nemours Children's Hospital, the Sanford-Burnham-Prebys Research Institute, UF School of Pharmacy, and the Florida Blue Innovation Center.

Projected Start and Completion Dates:

Hospital construction is expected to commence within 18 months of issuance of the Final CON (following exhaustion of all judicial review or settlement), with completion expected within 40 months. AHCA's final approval is still pending resolution of the petition, but UCF expects that Board approval will resolve the petition. UCFAH has the right to terminate the lease, with notice and upon payment of the amount expended for the design, development, construction, equipping and start-up of the Project, if hospital operations do not begin with 40 months after the Final CON has been issued. In the event issuance of the Final CON is denied or delayed, UCF will seek separate Board authorization if the Company desires to move forward with construction of other facilities besides the hospital, which do not require CON approval.

Project Cost:

The total cost of the Project is estimated at $175 million, which includes start-up costs of up to $25 million and development and construction costs of approximately $150 million. The cost of future facilities has not been determined.

(See Estimated Sources and Uses of Funds)

Ownership and Operation of the Project:

UCFAH and HCA Sub executed an Operating Agreement on October 12, 2016, forming the Company to share ownership and governance of the Project and other future medical facilities.

Under the agreement, the HCA Sub owns 80% of the Project and UCFAH owns a 20% interest. UCFAH's 20% contribution to the

Company will be comprised of the value of the prepaid lease of the Project site and the use of the UCF brand. The HCA Sub will contribute the construction cost of the hospital. Under the Operating Agreement, UCFAH's equity position cannot be diluted without its consent. If UCFAH approves an expansion requiring a capital contribution, it plans to use revenues derived from philanthropy, from hospital operations, intangible contributions such as brand name, or a loan from the HCA Sub to the Company to be repaid with earnings of the joint venture to maintain its 20% equity interest. Capital improvements to be funded from legally available philanthropic sources by UCF or other DSOs require Board of Trustees' approval.

Under the Operating Agreement, Owner and UCFAH share governance of the Company, with each appointing four members to the Company's governing board (the "HCA Governors" and the "UCFAH Governors"). The Company's governing board sets the budget, while management of the day-to-day operations of the Company will be delegated to the Owner or an affiliate (the "Manager") pursuant to a management agreement. The Manager will be paid 1% of net revenues and reimbursed direct out-of-pocket expenses. Notwithstanding such delegation, certain defined Major Decisions require a vote of not less than a majority of the HCA Governors and not less than a majority of the UCFAH Governors. These Major Decisions include, among others, the Company's incurring capital expenditures in any one year in excess of 20% of the then fair market value (FMV) of the assets of the Company (as determined by the Manager); the admission of new members or the issuance of additional ownership interests in the Company to any such new member; the incurrence of any debt by the Company which requires UCFAH to provide a guaranty or aggregate debt by the Company in excess of 20% of the then FMV of Company assets (as determined by the Manager), and ratification of the consolidated capital and operating budget. The Operating Agreement has been revised to provide for quarterly distributions of excess cash, and the decision to fund less than the required quarterly distribution of excess cash now constitutes a Major Decision.

Major Decisions are reserved to the governing board, however, the majority approval requirements are not absolute. If the HCA Sub's accounting firm determines that the inclusion of one or more of the Major Decisions prevents HCA from consolidating the Company's assets and results of operations under HCA's consolidated financial statements, then the HCA Sub and UCFAH must amend, modify, or

eliminate the Major Decision. In the event the parties cannot reach agreement, then HCA's accounting firm, acting alone, can make the amendment. The Operating Agreement will be amended to provide that only changes to accounting policies in the future will give rise to this situation. In other words, current accounting policies will not give rise to any change in Major Decisions. UCFAH can also lose its protection of a required majority of UCFAH Governors' approval on Major Decisions if its ownership percentage in the Company falls below 15%. In the case of decisions coming before the board which are not Major Decisions, in the event of a tie vote between the UCFAH Governors and the HCA Governors, the HCA Governors have the right to resolve the deadlock.

Through the sublease and management agreement, the HCA Sub will be required to budget $800,000 per year, escalating at 2% a year, to provide for maintenance and capital renewal.

There are a number of situations where UCFAH's relationship in the Company can be terminated by purchase of the HCA Sub's share of the Company. At the end of the lease term, UCFAH has the right to purchase the Project at FMV. The lease term could end in 50 years, and upon receipt of 360 days' notice, UCFAH will have the option to purchase the Project.

In the event of default under the lease by the Owner, UCFAH's only remedy is to buy out the HCA Sub at Fair Market Value or sue for legal or equitable relief. Eviction is not an option under the lease. It is unclear what meaningful equitable relief would be available in the event of a default. If the HCA Sub files bankruptcy or fails to complete the Project on time under the development agreement, or if the HCA Sub materially violates any transfer of its ownership shares to a third party, UCFAH has the right to terminate the Operating Agreement and purchase the HCA Sub's share of the Company at FMV. Even if the transfer of shares is permitted, UCFAH has a right of first refusal to purchase the proposed transfer of shares at FMV.

The P3 Guidelines require a funding plan be described for any purchase option. UCF has stated its plan would be to find another partner to purchase the HCA Sub's share, raise the required funds through philanthropy or finance the purchase. While UCF is not required to provide any financing or funding for the Project, it will be located on UCF's campus and UCFAH's obligation to purchase the Project at FMV under various scenarios may create a situation where

UCF feels compelled to obtain funding for the purchase or to step in with financial assistance if the Project experiences distress.

In certain situations, UCFAH can terminate its ownership interest in the Company by requiring the HCA Sub to purchase its shares. In those cases, it would be paid the FMV of its investment. UCFAH can exercise its "put" options, by which UCFAH can require the HCA Sub to purchase its ownership interest, in the following circumstances: upon the annual release of the Company's financial statements; if the HCA Sub is transferring its interest to a third party; if the management agreement expires and is not renewed; if UCFAH reasonably determines that continuing will be adverse to UCF's reputation; and, at the end of the lease term. Exercising the put option extinguishes UCFAH's ownership interest in the Project, but the lease continues, leaving the HCA Sub as lessee of UCF property with no real oversight by UCFAH.

Benchmarks for Expansion:

As proposed, any future expansion of the hospital or other related facilities would not require Board approval. As shown on the Site Map, those potential projects include vertical expansion of the hospital, construction of an outpatient services and physician practice building, and additional parking. Growth in physical space will be driven by market conditions, with planned increases in inpatient beds being given consideration when they reach a consistent occupancy rate of 80% or more per year, to a maximum of 500 beds. Inpatient beds are planned to increase in blocks of 50. Other factors that will be considered before expansion are: when the emergency department receives 2,000 annual visits per emergency department bed; when an operating room is running 800 cases per year; and when parking capacity is constraining patient volume increases. No information has been provided about when expansion of medical offices would occur or what would drive those expansions.

P3 Justification:

UCFAH proposes to construct, finance, operate and maintain the Project utilizing a public-private partnership ("P3"). UCFAH asserts that a cost-benefit analysis provided by UCF shows a P3 approach generates more free cash flow when compared to UCFAH building the hospital using debt financing, as shown in the table below.

P3 Hospital Projected Net Revenues (In Millions)

Year	1	2	3	4	5	Total
P3 Free Cash Flow	$16.3	$17.2	$18.2	$19.3	$20.4	$91.0
Debt Financed	$11.2	$12.3	$13.4	$14.7	$16.1	$67.7
UCF Share	$3	$3	$3	$3	$4	$18.3
HCA Sub Share	$13	$13.7	$14.5	$15.4	$16.3	$72.9

The P3 model produces additional free cash flow; UCFAH would only receive its 20% share, or $18.3 million over 5 years, compared to the entire cash flow of $67.7 million if conventional financing was used.

UCF medical school personnel have explained that the above analysis with respect to the debt financed option was conservative and was developed to show a P3 approach generates more free cash flow. It was not intended to show which method would generate more cash for the medical school. They indicated the analysis does not take into account the significant risks associated with UCF operating any healthcare facility. UCF would likely face higher costs, less favorable managed care agreements, and lower revenues than those of a typical stand-alone hospital or one operated by HCA, which by virtue of being an industry leader can express a high level of confidence in achieving the pro forma targets. UCF states that a stand-alone hospital would struggle to achieve profitability. Furthermore, to build the hospital on its own, UCF or UCFAH would more than likely have to issue debt to finance construction and UCF has stated it is not willing to do so. Accordingly, UCF believes the P3 model being proposed provides the best opportunity for success of the hospital.

UCF contends that the partnership model will allow the integrated governance necessary for research and development without the need for an unacceptable level of financial investment, debt and risk. Neither UCF nor UCFAH will be required to provide any support for construction. However it is anticipated that UCFAH, as an equity partner, will provide operational support to the Project.

Quantitative Demand For Project and Quantitative Metrics:

A market feasibility study conducted by Sullivan Consulting Group, Inc., and Platt HMC, Inc., concluded that there is sufficient demand for a new 100-bed hospital to serve the rapidly growing area of

Orlando. The University's desire for the Project is its goal of obtaining additional funding for its College of Medicine, as well as support for its aspiration to become a national leader in education, research, and patient care and to advance its academic mission. Information provided shows UCF's College Of Medicine funding at one-tenth of the average of public medical schools or $68 million versus $639 million. Accordingly, UCF has set forth the following goals and metrics to measure the hospital's success:

A. Over a 5 year period, UCFAH is expected to net $18.3 million, and $40.6 million over the first 10-year period. The HCA Sub will net $73.1 million over 5 years and $162 million over 10 years. Based upon the cash outlay of the $15 million paid for the land, the Project generates an internal rate of return of 22% over 50 years (17% over 10 year pro forma period).

B. Faculty Practice. Eleven staff will be added to UCF Health faculty practice to start the hospital. This will grow to 22 in 5 years, and 44 in 10 years.

C. Medical student education. Creation of 146 medical student clerkships in the hospital in the first 10 years, then it will increase with any expansion.

D. Research. Double the medical school's research funding over the next five years from its current funding level of $6 to $9 million to $12 to $18 million within 5 years.

E. Additional Funding. Receive $4.3 million in Community Benefit funds for distribution by the UCFAH joint venture board members during the first ten years.

F. Philanthropy. Raise at least $2.2 million in additional pledges in the first five years of operations. Currently, there are $1 million in pledges.

While not tied directly to the hospital joint venture, UCF and HCA Sub have entered into a separate agreement whereby HCA Sub has committed to grow UCF Graduate Medical Education resident positions from a current 126 to 600 over five years.

Financing Structure: The Project will be funded with cash from the HCA Sub and not with project debt. No debt will be incurred by the University or UCFAH. The University is not obligated to provide any financial or operational

support for the Project. UCFAH's contribution is the sublease of the 25.2 acres valued at $25.3 million and the University's brand, which has been valued at $16.2 million (subject to final valuations).

While the financing structure does not involve the use of any debt, the Operating Agreement does permit the use of debt with approval of the Company board. The Company can incur debt, including through loans by HCA Sub at the lesser of the highest rate allowed by law or a FMV (taxable) lending rate established by a qualified lender. UCF contends that because any debt would be that of the Company and not of UCFAH or UCF, no further Board approval is required. The result is that debt can be issued without any oversight by the Board. UCF's expressed concern is that Board oversight will not allow the Company to quickly react to market conditions.

State and local taxes on the property estimated at $900,000 annually will be paid by the Company.

Procurement: UCFAH issued an Invitation to Negotiate (ITN), a public and competitive procurement method, to ensure the selection of a highly qualified vendor. The ITN was publicly posted and staff solicited participation from vendors believed capable of meeting the solicitation criteria. UCFAH received responses from all three major health systems in Central Florida and unanimously selected HCA Sub for its partner, primarily because of the proposed ownership structure.

Security/Lien Structure: The Company will receive a leasehold interest in the site, and the HCA Sub will own 80% of the Project. Upon expiration of the ground sublease, UCFAH has the right to purchase the Project at FMV or to require that the HCA Sub purchase UCFAH's interest at FMV. According to UCF, federal law prohibits the HCA Sub from transferring the facilities to UCFAH free and clear at the term end. UCFAH has also stated that a transfer of the facility without payment is a disincentive to the HCA Sub to make an ongoing investment in the growth and expansion of the hospital.

University Support of Project: UCFAH will contribute a long-term sublease of 25.2 acres and the value of the UCF brand.

Analysis and Conclusion: Staff of the Board of Governors and the Division of Bond Finance has reviewed the information provided by the University in support of its

request for Project approval. The Board of Governors has not directly authorized construction of a hospital facility since inception in 2003.

The Project would not impose additional costs on students and will provide opportunities for more research and training. UCF's desire to improve educational and research opportunities provides the demand for the Project, and a market feasibility study supports the community demand.

The Community Benefit payments as well as the 5 year guaranteed increase in residency slots from over 100 to over 600 by HCA Sub are significant positive indicators of HCA Sub's commitment to the partnership with UCFAH.

However, the Project does not meet all the criteria specified in the P3 Guidelines. The following addresses compliance with the P3 Guidelines or matters of concern that should be considered by the Board in rendering a decision:

The Board should consider if it wants to retain the right to approve the issuance of debt by the Company (as opposed to retaining the right to approve debt issued by UCF or UCFAH).

The initial scope of the Project is not completely defined. The P3 guidelines contemplate a defined facility, not the continued development of a project site over the course of 99 years. The initial Project is a 100-bed hospital and emergency room, but the future development and expansions broadly include "facilities and activities that implement or support the education, research or patient care activities of an academic medical center/health complex." These future expansions would be constructed without further Board approval, up to the 500 bed maximum size described, but with no constraints on additional facilities. UCF believes the HCA Sub will not agree to enter into a P3 relationship unless the Board authorizes the future development of the entire 25 acres in advance.

The sublease term with renewal option exceeds the 40 years provided by the P3 Guidelines. UCF's justification for exceeding the lease term is that the HCA Sub is unwilling to make the initial $175 million investment and continue investing in capital improvements in the Project without a "perpetual" agreement.

There are several situations where UCFAH can terminate its relationship with the HCA Sub through purchase of the HCA Sub's

80% position at FMV, such as if the HCA Sub files bankruptcy, at the end of the lease term or the HCA Sub defaults under the lease (eviction is not permitted). The P3 Guidelines address these types of events by requiring any purchase option to have a funding plan. UCFAH's financing plan for the purchase of the Project is to find another partner to purchase the HCA Sub's share, raise the required funds through philanthropy or finance the purchase. Finding another partner may be difficult, depending upon the circumstances, and an outright purchase by UCFAH would, more than likely, be cost prohibitive.

There are also situations where the relationship can be terminated by UCFAH requiring the Owner to purchase its 20% position at FMV. While this is an option, the result is that UCFAH is out of the joint venture but the Owner is still a tenant on university property.

Although the sublease is structured to run for 99 years, UCFAH intends the partnership to be perpetual. In practice, either UCFAH or HCA Sub can exit the joint venture whenever they desire. Under no circumstances will UCF be obligated to buy out HCA Sub, unless it chooses to do so.

While there is purportedly 50-50 governance, Major Decisions in certain cases will revert to the HCA Sub for a decision and deadlock on all minor decisions is broken by the HCA Sub.

UCF has ambitions for the Project to eventually be an academic medical center comparable in scope to those associated with other top national colleges of medicine. There will be a defined teaching component from day one, but achieving the goal of becoming an academic medical center by any measure versus a community hospital will take several years. UCF plans to start with 100 beds and increase its faculty, academic programs and research in proportion to the growth of the facility.

Recommendations: Board of Governor's staff recommends approval, subject to the following conditions:

The initial name of the facility should be specified by the Board in its Resolution, to clearly describe to the public the exact nature of the initial Project, and its capabilities. The UCFAH can return to the Board no sooner than 5 years from the Hospital opening date, if UCFAH desires to modify this designation.

Require an annual report be submitted to the Board regarding operations of the joint venture; including, but not limited to progress on performance metrics described herein.

UCFAH may provide non-debt funding for capital improvements related to the Project; however, capital improvements to be funded from legally available philanthropic sources by UCF or other DSOs require Board of Trustees approval.

UCF and its DSOs, other than UCFAH, will not provide funding to subsidize operations or any operating deficit of the hospital or the Company or provide any equipment, fixtures, buildings, space or facilities for the use or benefit of the hospital or the Company without prior Board of Governors' approval. Funds received as research grants for health or medically related research and philanthropic funds designated for the medical school or for the hospital may be used for UCF's benefit at the hospital without prior Board of Governors' approval.

The Board's resolution contains provisions that using any debt financing or guaranteeing any debt by UCF or any of its direct service organizations is not allowed without prior approval of this Board.

Make the Project subject to Certificate of Need approval and all applicable Certificate of Need requirements as determined by the Agency for Health Care Administration.

Specify a maximum level of development for expansion.

ATTACHMENT - SOURCES AND USES

STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
UNIVERSITY OF CENTRAL FLORIDA, UCFAH
Estimated Sources and Uses of Funds
UCFAH Hospital

Sources of Funds	**Cost Estimate Low Range**	**Cost Estimate High Range**	**Basis for Amounts**
Hospital Corporation of America	$ 136,390,000.00	$ 157,810,000	Based on estimated costs, expected to be within the stated range.
Total Sources of Funds	**$ 136,390,000**	**$ 157,810,000**	
Uses of Funds			
Development	$ 900,000	$ 1,070,000	
Site Work	$ 5,230,000	$ 6,080,000	
Construction	$ 73,140,000	$ 85,000,000	
Construction Misc.	$ 13,330,000	$ 15,490,000	
Equipment	$ 25,600,000	$ 29,750,000	
IT&S	$ 9,880,000	$ 11,480,000	
Interest	$ 8,310,000	$ 8,940,000	
	$ 136,390,000	**$ 157,810,000**	

UCF / HCA HOSPITAL

Conceptual Site Plan Potential Future Expansion

Phase One

February 14, 2017

UCF / HCA HOSPITAL

Conceptual Site Plan Potential Future Expansion

Phase Two

February 14, 2017

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State of Florida, Board of Governors
University of Central Florida
UCF Academic Health/HCA Hospital Joint Venture Revenues
Projected Revenues and Expenses (In thousands)[1]

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Operating Revenues[2]										
Patient Revenues	**$ 71,242**	**$ 75,229**	**$ 79,449**	**$ 83,954**	**$ 88,723**	**$ 91,385**	**$ 94,127**	**$ 96,951**	**$ 99,860**	**$ 102,856**
Total Operating Revenues	$ 71,242	$ 75,229	$ 79,449	$ 83,954	$ 88,723	$ 91,385	$ 94,127	$ 96,951	$ 99,860	$ 102,856
Current Expenses										
Salaries & Benefits	$ 20,449	$ 21,514	$ 22,579	$ 23,700	$ 24,874	$ 25,620	$ 26,389	$ 27,181	$ 27,996	$ 28,836
Supplies	$ 5,480	$ 5,769	$ 6,072	$ 6,392	$ 6,728	$ 6,930	$ 7,138	$ 7,352	$ 7,573	$ 7,800
Purchased Services	$ 8,407	$ 8,877	$ 9,375	$ 9,907	$ 10,469	$ 10,783	$ 11,106	$ 11,439	$ 11,782	$ 12,135
Other Operating Expenses	$ 10,627	$ 11,372	$ 12,174	$ 13,042	$ 13,976	$ 14,395	$ 14,827	$ 15,272	$ 15,730	$ 16,202
Non-Income Taxes	$ 3,527	$ 3,487	$ 3,450	$ 3,415	$ 3,437	$ 3,540	$ 3,646	$ 3,755	$ 3,868	$ 3,984
Federal & State Taxes	$ 6,429	$ 7,001	$ 7,595	$ 8,231	$ 8,822	$ 9,087	$ 9,360	$ 9,641	$ 9,930	$ 10,228
Total Current Expenses	$ 54,919	$ 58,020	$ 61,245	$ 64,687	$ 68,306	$ 70,355	$ 72,466	$ 74,640	$ 76,879	$ 79,185
Partner Share of Cash Flow										
HCA	$ 13,058	$ 13,767	$ 14,563	$ 15,414	$ 16,334	$ 16,824	$ 17,329	$ 17,849	$ 18,385	$ 18,937
UCFAH	3,265	3,442	3,641	3,853	4,083	4,206	4,332	4,462	4,596	4,734
Free Cash Flow[3]	$ 16,323	$ 17,209	$ 18,204	$ 19,267	$ 20,417	$ 21,030	$ 21,661	$ 22,311	$ 22,981	$ 23,671
Cumulative share of Cash Flow										
HCA	$ 13,058	$ 26,826	$ 41,389	$ 56,802	$ 73,136	$ 89,960	$ 107,289	$ 125,138	$ 143,522	$ 162,459
UCFAH	**3,265**	**$ 6,706**	**$ 10,347**	**$ 14,201**	**$ 18,284**	**$ 22,490**	**$ 26,822**	**$ 31,284**	**$ 35,881**	**$ 40,615**

[1] The financial information related to revenues and expenses was provided by the University of Central Florida

2 Cash basis - excludes depreciation

STATE UNIVERSITY SYSTEM of FLORIDA
Board of Governors

AGENDA
Select Committee on 2+2 Articulation
Grand Ballroom
H. Manning Efferson Student Union Building
Florida A&M University
1780 S. Martin Luther King, Jr. Boulevard
Tallahassee, Florida 32307
March 30, 2017
8:30 a.m. – 9:15 a.m.
or
Upon Adjournment of Previous Meetings

Chair: Mr. Alan Levine; Vice Chair: Ms. Wendy Link
Members: Huizenga, Lautenbach, Stewart, Tripp

1.	**Call to Order and Opening Remarks**	**Governor Alan Levine**
2.	**Minutes of Select Committee Meeting** Minutes, November 2, 2016	**Governor Levine**
3.	**2+2 Best Practice: Florida Atlantic University's Link Program**	**Dr. John Kelly** *President* *Florida Atlantic University* **Dr. J. David Armstrong** *President* *Broward College*
4.	**Improving 2+2 Articulation Implementation Plan**	**Dr. Christy England** *Associate Vice Chancellor* *for Academic Research and Policy*
5.	**Concluding Remarks and Adjournment**	**Governor Levine**

STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
Select Committee on 2+2 Articulation
March 30, 2017

SUBJECT: Minutes of Select Committee Meeting held November 2, 2016

PROPOSED COMMITTEE ACTION

Consider for approval the minutes of the Select Committee on 2+2 Articulation meeting held on November 2, 2016 at Florida Atlantic University.

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution

BACKGROUND INFORMATION

Committee members will review and consider for approval the minutes of the meeting held on November 2, 2016 at Florida Atlantic University.

Supporting Documentation Included: Minutes, November 2, 2016

Facilitators/Presenters: Governor Alan Levine

MINUTES
STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
SELECT COMMITTEE ON 2+2 ARTICULATION
FLORIDA ATLANTIC UNIVERSITY
BOCA RATON, FLORIDA
NOVEMBER 2, 2016

Video or audio archives of the meetings of the Board of Governors and its Committees are accessible at http://www.flbog.edu.

1. Call to Order and Opening Remarks

Chair Alan Levine convened the meeting on November 2, 2016 at 3:45 p.m. with the following members present and answering roll call: Governors Levine, Link, Lautenbach, Stewart, and Tripp. A quorum was established.

2. Strategies for Improving 2+2 Articulation

Chair Levine provided an overview of the Committee's progress since its first meeting in March. He noted that in March and June the Committee learned about the statewide articulation law and policies, the pipeline of AA students coming to us from the Florida College System, and the performance of AA students within our state universities. He also noted that in September, staff from the University of Central Florida and the University of South Florida described programs they have developed in partnership with institutions from the Florida College System in order to increase access, provide greater clarity regarding pathways to completing a bachelor's degree, increase degree completion, and meet local workforce needs. He also noted that the University of Florida has a unique undergraduate program and that many of the state university programs are designed around the unique circumstances at each university and the Florida College System institutions as well. He added that 90 percent of AA students only apply to one university and that there are geographic reasons for that.

Chair Levine summarized the Committee's key findings from the first three meetings, listed below.

- The Articulation Coordinating Committee has primary responsibility for monitoring the statewide articulation agreement.
- 2+2 promotes recognition and use of the Florida College System as a point of entry for postsecondary education, and the articulation agreement provides the pathway to upper division programs at the university and the college.
- Our state universities have developed entrepreneurial partnerships with the Florida colleges to facilitate transfer for AA graduates.

- The Florida College System is a regional and national leader in producing AA graduates.
    - Two-thirds of all AA graduates apply to at least one state university.
        - 85% of those who apply are admitted.
        - Of those who are admitted, 83% enroll and they represent approximately half of all AA graduates.
- AA graduates comprise a significant portion of SUS total enrollment.
    - 25% of all enrolled undergraduate students are AA graduates.
    - Approximately half of all juniors and seniors are AA transfer students from the Florida College System.
- 68% of AA transfer students graduate within 4 years of transferring, which is on par with the graduation rate of native students.

Chair Levine then remarked that the Committee was on schedule according to the work plan approved on June 23. Chair Levine noted that the purpose of the meeting was to review issues identified during previous meetings and potential solutions. He added that the issues to be discussed were organized around four themes: the academic transition, the admissions process, the cultural transition, and information on AA graduates. He then introduced Dr. Christy England, Associate Vice Chancellor for Academic Research and Policy, to present the issues and solutions.

Listing the four themes above, Dr. England went on to describe the issues in each category. Under the topic of academic transition, Dr. England noted three primary issues: 1) determining prerequisites can be confusing and time consuming for both students and advisors; 2) completing prerequisites for highly sequenced majors can be difficult for students to do in a timely manner; and 3) the statewide agreement only guarantees admission to at least one state university but it does not guarantee admission into specific programs. She then described four possible solutions that would address these issues. One solution is to provide clearer information about the specific course numbers and potential pathways students should consider at their Florida College System institution and desired state university. An example of this is the "transfer graduation paths" that the University of South Florida provides for the Florida College System institutions in the FUSE program. Another potential solution is to send state university advisors to the Florida College System campuses so they can provide students with specific guidance and information. A third solution is to provide formal training for the state university and Florida College System advisors. The fourth recommended solution is to encourage the state universities to develop joint programs that encourage concurrent enrollment in both institutions for areas that have highly sequenced courses, such as engineering and nursing.

Governor Morton suggested that the committee look at options for making it easier for Florida college students to know whether electives will be granted credit at a receiving state university. Governor Stewart suggested that high school dual enrollment might

be one way to improve student success through 2+2 if "Direct Connect-like" programs could be developed to ensure that students are taking appropriate courses. She added that conversations are already taking place about this issue between superintendents and Florida college presidents. Chair Levine agreed that dual enrollment should be a topic of discussion at the January workshop. Governor Tripp suggested the Committee consider a seamless advising system that starts in high school and continues into the Florida College System and the State University system. Chair Levine agreed to add a seamless advising system to the January workshop agenda.

Relative to the admissions process, Dr. England noted that the existing process requires students to complete an admissions application, submit transcripts, and pay an application fee for each state university. The primary issue with the admissions process is that it may be time consuming and costly for the students and the institutions. She then outlined three ways the admissions process could be improved. First, the state universities could review their existing admissions process for AA students to determine if the process could be made more efficient. Second, state universities could waive application fees for AA students. Finally, state universities could send advisors or other staff to the Florida College System institutions to assist AA students with the process.

Governor Tripp suggested that the Committee review the existing 2+2 enhancement programs to see if students in all areas of the state, and rural areas in particular, have access to these programs. Chair Levine agreed to add this topic to the workshop agenda. Chair Levine noted that some universities have already implemented some of the solutions and that going forward the solutions will need to be geographically-driven by the universities since the universities have such different characteristics. He also stated that many of the universities already have some programs and a system-level solution or requirement was not necessary. Chair Levine suggested that the Board focus on creating incentives for universities to expand 2+2 enhancement programs and implement proven best practices to improve 2+2 articulation for students.

Dr. England then reviewed the primary issues associated with the cultural transition that AA students face when they enter a state university. She noted that often there is a difference in the size of the campus and the classes as well as differences in administrative processes and procedures. She also stated that the organizational structure of the state university might make it more challenging for AA students to identify and access necessary campus services. As a result of these differences, some students may experience "culture shock." She also noted that AA students with jobs and/or family obligations may not have time to engage in activities or events that might help foster a sense of community, which would make the cultural transition that much more difficult. Dr. England described several possible solutions that would make the cultural transition less challenging for AA students. The solutions included directly involving prospective AA students in campus events and activities, hosting special

events for AA students on the state university campuses, hosting information sessions about the state universities on Florida college campuses, sending state university staff to Florida college campuses to serve as a resource for locating specific services, identifying a central point of service on state university campuses for AA transfer students, and providing scholarships for AA transfer students to offset the need to work extensive hours.

The Committee discussed the extent to which AA transfer students are well-prepared. Chair Levine stated that the data does not suggest any system problems and that the GPAs of the AA transfer students are not significantly different than the GPAs of native students.

In the area of information on AA transfer students, Dr. England noted that while a considerable amount of data and information are available there are still several unanswered questions. She noted that sometimes descriptive data cannot adequately describe all behaviors as students navigate the Florida College System and the State University System. She also stated some of the research questions are complex or require complex analyses that require more time and resources than either System office has available. Dr. England suggested that the most critical gaps in information be identified and addressed.

Chair Levine noted that more robust data are needed to respond to some questions, in particular questions about the AA graduates who do not apply to a state university.

Chair Levine stated that the Committee would have its workshop in January on a date yet to be determined.

Having no further business, Chair Levine adjourned the meeting at 4:29 p.m.

Christy England, Ph.D.
Associate Vice Chancellor, Academic and Student Affairs

Alan Levine, Chair

WORKSHOP SUMMARY
STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
SELECT COMMITTEE ON 2+2 ARTICULATION
FLORIDA POLYTECHNIC UNIVERSITY
LAKELAND, FLORIDA
JANUARY 25, 2017

Video or audio archives of the meetings of the Board of Governors and its Committees are accessible at http://www.flbog.edu.

Attendees

Committee Members: Alan Levine (Chair), Wendy Link (Vice-Chair), H. Wayne Huizenga, Jr., Ned Lautenbach, and Norman Tripp

Board Members: Richard A. Beard III, Patricia Frost, Jacob Hebert, Sydney Kitson, Thomas G. Kuntz, Edward A. Morton, and Gary S. Tyson

Invited Experts:

- Dr. Karen Borglum, Valencia College, Assistant Vice President, Curriculum and Assessment, member of the Articulation Coordination Committee
- Dr. Jennifer Buchanan, FSU, Associate Vice President for Faculty Development and Advancement, member of the Articulation Coordination Committee
- Mr. Todd Clark, Department of Education, Director of Articulation
- Dr. William Hudson, Jr., FAMU, Vice President for Student Affairs, member of the Articulation Coordination Committee
- Dr. Ian Neuhard, Florida State College-Jacksonville Campus President, South Campus
- Dr. Madeline Pumariega, Florida College System, Chancellor

Strategies for Improving 2+2 Articulation

Chair Levine provided a brief overview of the Committee's activities noting that since March 2016, the Committee has learned about the statewide articulation law and policies, the pipeline of AA students coming to the state universities from the Florida College System, and the performance of AA students within our state universities. In September 2016, staff from the University of Central Florida and the University of South Florida described 2+2 programs that have developed in partnership with institutions from the Florida College System in order to increase access, provide greater clarity regarding pathways to completing a bachelor's degree, increase degree completion, and

meet local workforce needs. At the November 2016 meeting, the Committee discussed various issues and solutions organized around four aspects of 2+2 articulation: the academic transition, the admissions process, the cultural transition, and information on AA graduates.

Chair Levine noted that Florida's statewide 2+2 articulation agreement is working exceptionally well and there is good collaboration between the state universities and the colleges. He further stated that the purpose of the workshop is to focus on identifying strategies and solutions that build on and strengthen the existing statewide agreement and the collaborative relationships. He also noted that the Committee wants to encourage the universities and colleges to continue being entrepreneurial and collaborative.

Following a brief review of the issues and solutions discussed in November 2016, the workshop participants discussed a variety of issues related to the academic transition, the admissions process, the cultural transition, and information on AA graduates. Many of the issues focused on the need to improve information and communication about potential pathways and course sequences, especially for high school students in dual enrollment programs. Participants suggested a central, comprehensive website as a potential solution. Participants noted that improving the availability and quality of 2+2 articulation information would address most of the issues that were raised during the workshop and previous committee meetings. Workshop participants also discussed the importance of providing services and mechanisms to help students make the cultural transition from a Florida college to a state university. In addition, the participants considered ways to provide incentives for the state universities to expand and enhance existing programs in collaboration with the Florida colleges. Participants also discussed the need for additional analyses that would help determine whether students in all areas of the state have access to a 2+2 enhancement program. Workshop participants then discussed the possibility of having the state universities identify key components of effective 2+2 enhancement programs and provide regular reports to the Board.

At the close of the workshop, the following solutions were selected for inclusion in the Committee's implementation plan.

1. Provide better advising on the appropriate sequence and timing of some courses (e.g., math) to make sure dual enrollment students understand the opportunities and expectations as well as the consequences of their choices.
2. Develop a common advising website that incorporates all potential pathways, from high school to a Florida college to a state university, and other relevant information about dual enrollment and the way credits transfer from one institution to another.
3. Develop structured pathways for dual enrollment students.
4. Identify and implement advising best practices across the system.

5. Encourage universities to enhance and expand geographic programs of access like Direct Connect and Fuse using entrepreneurial approaches while also meeting a set of standards to ensure program quality and effectiveness.
6. Improve the cultural integration of AA transfer students into the state university environment.
7. Conduct an analysis to determine whether there are sufficient 2+2 enhancement programs serving students in rural areas.
8. Identify where data can be improved or enhanced to better track student progress, including those who do not apply or do not enroll in a state university.

Next Steps

During the March 2+2 Committee Meeting, Board staff will present an implementation plan that incorporates the solutions identified during the workshop.

STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
Select Committee on 2+2 Articulation
March 30, 2017

SUBJECT: Florida Atlantic University's Link Program

PROPOSED COMMITTEE ACTION

For information

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution

BACKGROUND INFORMATION

The Presidents of Florida Atlantic University and Broward College will provide an overview of the Link 2+2 Program, which guarantees admission (consistent with university policy) for associate degree graduates from any of three partner state colleges. The program also provides priority admission and enriched advising. The presentation will highlight best practices from the program.

Supporting Documentation Included: None

Facilitators/Presenters: President John Kelly, FAU
President J. David Armstrong

STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
Select Committee on 2+2 Articulation
March 30, 2017

SUBJECT: **I**mproving 2+2 Articulation Implementation Plan

PROPOSED COMMITTEE ACTION

Approve three strategies for improving 2+2 articulation.

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution

BACKGROUND INFORMATION

Since March 2016, the Board of Governor's Select Committee on 2+2 Articulation has reviewed the statewide articulation law and policies, the pipeline of AA students coming to the State University System (SUS) from the Florida College System (FCS), and the performance of AA students within the SUS. At the Committee's September 2016 meeting, staff from the University of Central Florida and the University of South Florida described programs developed in partnership with institutions from FCS in order to increase access, provide greater clarity regarding pathways to completing a bachelor's degree, increase degree completion, and meet local workforce needs.

In November 2016, the Committee reviewed issues associated with four components of 2+2 articulation: the academic transition, the admissions process, the cultural transition, and information on AA graduates. In January 2017, the Committee held a workshop to discuss additional issues focused on the need to improve information about potential pathways and course sequences, especially for high school students in dual enrollment programs. The Committee also identified solutions that address the most critical issues for inclusion in the Committee's implementation plan.

According to the Committee work plan, approved on June 23, 2016, the Committee will review a plan for implementing the strategies identified during the Committee's January workshop.

Supporting Documentation Included: Improving 2+2 Articulation Implementation Plan

Facilitators/Presenters: Dr. Christy England

IMPROVING 2+2 ARTICULATION IMPLEMENTATION PLAN

March 2017

STATE UNIVERSITY SYSTEM *of* FLORIDA
Board of Governors

Introduction

Florida has been a national leader in statewide 2+2 articulation for many decades. In the late 1960s, the Statewide Course Numbering System (SCNS) was developed to facilitate the transfer of credit for equivalent courses among the state's colleges and universities. The SCNS is currently used at all public and selected nonpublic institutions of higher education in Florida. In 1971, the Florida Statewide Articulation Agreement was established to facilitate the seamless articulation of student credit across and among Florida's educational entities. The statewide 2+2 agreement remains the most comprehensive articulation agreement in the nation.

In January 2016, the incoming chair of the Board of Governors noted that "Florida's vaunted 2+2 articulation system is a national model of which we can be proud – but it is not a system that is built and then runs on auto-pilot." Chairman Tom Kuntz established the Select Committee on 2+2 Articulation and charged it with assessing how the 2+2 program is currently working across the System and identifying appropriate strategies for enhancing the program. The Committee spent the next year meeting with experts from the State University System (SUS), the Florida College System (FCS), and the Department of Education to review the current status of the system, identify critical areas for improvement, and select strategies for enhancing the state's 2+2 articulation agreement.

In November 2016, the Committee reviewed issues associated with four major components of 2+2 articulation: the academic transition, the admissions process, the cultural transition, and information on AA graduates. The Committee also discussed potential solutions and noted that in many instances, a single solution may address more than one issue.

In January 2017, the Committee held a workshop with invited experts (see Appendix A) to help identify a set of appropriate strategies to address the most critical issues. All of the strategies selected by the Committee during the workshop have been incorporated into three overarching strategies, described below. A corresponding implementation plan and a tentative timeline follows the description of each strategy.

Each strategy builds on the strong relationships between the SUS, the FCS, and the Department of Education. All of these partners will be involved in the implementation of the three improvement strategies.

Strategies for Improving 2+2 Articulation

Strategy 1: Develop a comprehensive and easily accessible web-based 2+2 advising toolkit. The website should contain information for secondary and postsecondary students, secondary and postsecondary advisors, and other key users.

Action Step	Key Partners	Estimated Timeline
1. Identify members of workgroup with representatives from state universities, FCS, & DOE Office of Articulation	BOG staff	Summer 2017
2. Workgroup to identify major components & requirements of website, including required elements, cost to update & maintain the website, & identification of the responsibilities of institutions & state entities to keep the website current	Workgroup	Fall 2017-Winter 2018
3. Workgroup submit website requirements to improve & maintain the website to BOG staff	Workgroup	Spring 2018

As the workgroup develops components and requirements for a more comprehensive and user-friendly website, the 2+2 Committee expects the following components will be considered for inclusion in the final recommendation.

- Available baccalaureate degree programs
- Available 2+2 enhancement programs
- Recommended program pathways and course sequences for dual enrollment students
- General education core information
- Common prerequisites for degree programs
- Common course prerequisites and sequences
- Program admission requirements
- Information about the transferability of courses
- Reference and training resources for advisors and other key staff
- Transfer regulations and policies

- Description of the procedures and responsibilities of each entity – institutions, the Florida College System, the State University System, and the Articulation Coordinating Committee – regarding revision and maintenance of the website so that it is current and accurate at all times

Strategy 2: Encourage the state universities to improve and expand existing local 2+2 enhancement programs and identify key components of effective programs in the four critical areas identified by the Committee (academic transition, admissions process, cultural transition, and information on AA graduates). Require the state universities to conduct regular reviews of enhancement programs and provide regular reports of those reviews to the Academic and Student Affairs Committee.

Action Step	Key Partners	Estimated Timeline
1. Identify members of workgroup with representatives from state universities, FCS, & DOE Office of Articulation	BOG staff	Spring 2017
2. Workgroup identify key components & best practices	Workgroup	Summer/Fall 2017
3. Workgroup submit key components & criteria to Board staff	Workgroup	Winter 2018
4. BOG staff disseminate key components to SUS institutions	BOG staff, SUS institutions	Spring 2018
5. SUS Institutions submit initial report to BOG staff	SUS Institutions	Fall 2018
6. BOG staff review, compile & present initial reports to Board	BOG staff, SUS Institutions	Winter/Spring 2019
7. SUS Institutions submit subsequent reports to BOG staff every 4 years	SUS Institutions	Fall 2022
8. BOG staff review, compile & present subsequent reports to Board every 4 years	BOG staff, SUS Institutions	Winter/Spring 2023

Strategy 3: Develop and implement a 2+2 data and information toolkit looking at both the institutional and System levels. The toolkit should include already existing data and analyses and new data and analyses as needed.

Action Step	Key Partners	Estimated Timeline
1. Identify members of workgroup with representatives from state universities, FCS, & DOE Office of Articulation	BOG staff	Spring 2017
2. Convene workgroup to develop requirements for a 2+2 data & information toolkit. The toolkit should identify essential descriptive data & critical research questions. Recommendations regarding data sources & methodologies may also be identified.	Workgroup	Summer 2017
3. Workgroup submit recommended toolkit requirements to Board staff.	Workgroup	Fall 2017
4. Board staff implement toolkit.	BOG staff	Winter 2018, ongoing

As the data team develops their recommendations for the data toolkit, the 2+2 Committee expects that they will consider including the following research questions.

- Why are one-third of AA graduates not applying to the SUS?
- Where do AA graduates go who are admitted to the SUS but do not enroll?
- Where do AA graduates go who do not transfer to the SUS?
- Do AA graduates transfer to the SUS without loss of credit?
- What are the SUS outcomes for the AA transfers by program of study?
- Why do 90% of transfer students apply to only one University?
- Are there sufficient 2+2 enhancement programs serving students in rural areas?

Conclusion

As previously noted, each strategy builds on the strong relationships between the SUS, the FCS, and the Department of Education. All of these partners will be involved in the implementation of the strategies as described above. In accordance with the Committee's work plan, as approved in June 2016, staff from the Board of Governor's office will keep the 2+2 Committee informed throughout the remainder of 2017. Updates will include accomplishments, necessary changes to the implementation plans and timelines, and challenges.

APPENDIX A
INVITED EXPERTS ATTENDING THE JANUARY 25, 2017 WORKSHOP

Dr. Karen Borglum, Assistant Vice President, Curriculum and Assessment, Valencia College and member of the Articulation Coordination Committee

Dr. Jennifer Buchanan, Associate Vice President for Faculty Development and Advancement, Florida State University and member of the Articulation Coordination Committee

Mr. Todd Clark, Director of Articulation, Florida Department of Education

Dr. William Hudson, Jr., Vice President for Student Affairs, Florida Agricultural and Mechanical University and member of the Articulation Coordination Committee

Dr. Ian Neuhard, President, South Campus, Florida State College-Jacksonville Campus

Dr. Madeline Pumariega, Chancellor, Florida College System

STATE UNIVERSITY SYSTEM of FLORIDA
Board of Governors

AGENDA
Academic and Student Affairs Committee
Grand Ballroom
H. Manning Efferson Student Union Building
Florida A&M University
1780 S. Martin Luther King, Jr. Boulevard
Tallahassee, Florida 32307
March 30, 2017
9:15 a.m. – 10:00 a.m.
or
Upon Adjournment of Previous Meetings

Chair: Mr. Norman Tripp; Vice Chair: Ms. Wendy Link
Members: Beard, Frost, Hebert, Jordan, Kitson, Morton, Stewart, Tyson, Valverde

1. **Call to Order and Opening Remarks** — **Governor Norman Tripp**

2. **Minutes of Committee Meeting** — **Governor Tripp**
   Minutes, January 25, 2017

3. **Vice Chancellor and Chief Academic Officer's Report** — **Dr. Jan Ignash**
   Vice Chancellor for Academic and Student Affairs

4. **Student Demand for Counselors Continues** — **Dr. Christy England**
   Associate Vice Chancellor for Academic and Student Affairs

5. **Academic and Student Affairs Updates**

   A. SUS Council of Academic Vice Presidents (CAVP) — **Dr. Gary Perry**
   Chair, CAVP

B. SUS Council for Student Affairs (CSA) — **Dr. Corey King**, *Chair, CSA*

C. Florida Student Association — **Governor Jacob Hebert**, *Chair, Student Government Association*

6. Concluding Remarks and Adjournment — **Governor Tripp**

STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
Academic and Student Affairs Committee
March 30, 2017

SUBJECT: Minutes of Committee Meeting held January 25, 2017

PROPOSED COMMITTEE ACTION

Consider for approval the minutes of the meeting held on January 25, 2017 at Florida Polytechnic University

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution

BACKGROUND INFORMATION

Committee members will review for approval the minutes of the meeting held on January 25, 2017 at Florida Polytechnic University.

Supporting Documentation Included: Minutes, January 25, 2017

Facilitators/Presenters: Governor Norman Tripp

MINUTES
STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
ACADEMIC AND STUDENT AFFAIRS COMMITTEE
Florida Polytechnic University
4700 Research Way
Lakeland, Florida 33805
January 25, 2017

Video or audio archives of the meetings of the Board of Governors and its Committees are accessible at http://www.flbog.edu.

1. Call to Order and Opening Remarks

Chair Tripp convened the meeting on January 25, 2017, at 2:32 pm with the following members present and answering roll call: Governors Link, Beard, Frost, Hebert, Kitson, Morton, Tyson, and Valverde. A quorum was established.

2. Minutes of Committee Meeting

Governor Tripp asked for a motion to approve the minutes from the November 3, 2016, committee meeting. Governor Tyson moved to approve the minutes, Governor Link seconded the motion, and the motion was approved.

3. Vice Chancellor and Chief Academic Officer's Report

Dr. Jan Ignash reported on the following activities of the Academic and Student Affairs (ASA) unit:

- The entire ASA unit has have been reviewing bills, submitting bill analyses, and responding to questions and data requests.
- Staff are working on the accountability report and will present it at the March Board meeting.
- Richard Stevens and Lynn Long in the ASA unit held a conference call with the Textbook and Instructional Materials Affordability Workgroup. The workgroup discussed and made recommendations for a system-wide methodology to determine wide cost variance for general education courses and setting high enrollment thresholds.
- ASA staff are reviewing academic program pre-proposals that will be discussed at the February 10th meeting of the Academic Coordination Workgroup.

- A small workgroup comprised of Vice Presidents of Research and General Counsels will meet on February 13th. The group will examine audit finding regarding sponsored research. The audit finding noted that the Board needed to provide more guidelines for university sponsored research.
- Vice Chancellor Ignash met with Adrienne Johnston, Bureau Chief for Labor Market Statistics at the Department of Economic Opportunity (DEO). They discussed ways to increase collaboration between the Board and DEO. Currently, the Board office is conducting a gap analysis in the STEM area and collaboration with DEO can help inform the work.
- Emily Sikes in the ASA unit has been working to set up a process to facilitate the exchange of information between the Board and businesses looking for talent. Information such as the number of recent graduates with work experience, new programs being implemented, and an estimate of the number of graduates that programs may be producing will be made available to businesses.
- Emily Sikes has been working with UCF and our representative in D.C., Brent Jaquet, to help coordinate an SBIR event with NASA this summer in Orlando.
- ASA staff have been working with Enterprise Florida to distribute SUS materials to businesses.
- ASA staff participated in three conference calls with the Physician Advisory Council regarding the graduate medical education LBR.
- ASA staff met provided feedback on the Florida Chamber 2030 report.

4. <u>The Impact of Counseling Services on the Academic Success of Students</u>

Chair Tripp introduced Dr. Christy England, Associate Vice Chancellor for Academic Research and Policy at the Board of Governors. Dr. England provided the Board with a presentation on the services offered by the SUS counseling centers. Data provided by the state universities show that students who take advantage of the services offered benefit from improved mental and behavioral health and they are more likely to do well academically and graduate. She also noted two system-wide efforts. One is a mutual aid agreement that allows SUS institutions to provide assistance and counseling services to each other in instances of significant campus emergency. Another system wide initiative that includes private institutions deals with suicide awareness and prevention programs.

The Committee discussed the critical need to meet student demand and how SUS counseling center staffing levels compare nationally. Dr. England commented that the challenge lies with the increases in the number of students demanding services and the campuses' inability to meet these needs in a timely fashion is being challenged. Dr. Corey King, chair of the Council for Student Affairs, noted that the universities also

have trouble hiring full-time therapists because they can't commit to longer term contracts due to lack of permanent funding. Dr. Ignash noted that data on counselor to student ratios shows that most of university counselors are serving more than the recommended maximum and that information about the ratios was provided in Form 1 of the LBR presented to Committee in September 2016.

Board Chair Kuntz commented that the presentation on mental health counseling showed positive progress and results and suggested that this presentation also include the data presented at the previous meetings that identified counseling as a critical need.

5. Academic and Student Affairs Updates

A. SUS Council of Academic Vice Presidents (CAVP)

Dr. Garry Perry, Chair of the CAVP, reported on the following CAVP activities:

- The Online Education Steering Committee members listened to a presentation from the Implementation Committee for the Online Strategic Plan. The recommendations will be discussed with the CAVP and the final recommendations will be provided to the Innovation and Online Committee at the March Board of Governors' meeting.
- The CAVP will discuss the Chancellor's request for universities to consider matching the contribution of the legislative request to build out the Florida Academic Repository.
- The CAVP has been reviewing academic programs and streamlining processes by facilitating access to pre-proposals and other information.
- The group will also discuss CAEP accreditation for the colleges of education.
- The CAVP discussed the issue of civics education. The group concluded that each state university has put in place programs and continues to build on civics instruction required by the k-12 standards. Institutions provide civics education through courses that satisfy general education requirements and extracurricular activities. Provost Perry noted that this topic will receive additional attention and that a sub-group of the CAVP will work to determine what other improvements can be made to build upon the K-12 standard.

Governor Levine voiced concerns in regards to the fact that there is no knowledge of what students know when they enter the university. He then asked what universities are doing to test for proficiency in civics since higher education institutions have no requirements for civics education courses. Dr. Perry stated the assessment data for particular programs can be reviewed and reported on; however, courses in which civics is covered are not necessarily required courses for all students.

Governor Levine commented that the national data is compelling regarding the lack of civic knowledge, and that he has not seen any Florida data to contradict the national data. Governor Levine stated he would like to know if students graduating from our universities are proficient in U.S. government, our economy, and civic engagement. Dr. Perry stated that the CAVP members can go back to our universities and look at program assessment data, and return with numbers to see how effective our programs are in testing that knowledge. Governor Levine suggested that universities collaborate and survey our recent graduates using the same rules and questions as national measurements for baseline data.

B. SUS Council for Student Affairs (CSA)

Dr. Corey King, Chair of the CSA, reported on:

- The software contract for the anti-hazing program will be ending in June. The CSA group is working on reviewing a proposal to expand the contract for 3 more years.
- The Anti-Hazing Summit is scheduled for May 19 at UCF.
- The annual joint summit for the Vice Presidents and Associate/Assistant Vice Presidents for Student Affairs will be in June at USF. (This is the second year in which the AVPs have participated in the annual meeting.)

C. Florida Student Association (FSA)

Governor Jacob Hebert, Chair of the FSA, reported on the following activities:

- The annual Rally in Tally is scheduled for March 22.
- The FSA is reviewing 4-year graduation rates relative to the excess credit hour surcharge. During the 2014-15 academic year, 1,916 (4%) students graduated within 4-years and had to pay excess hour surcharges. The FSA is working with legislators to align student and legislative priorities.

Governor Morton noted that some students with 120 credit hours could not graduate because they did not take any summer courses due to BOG policies. He suggested that the policy be jettisoned. Chair Tripp commented that this policy existed for broader reasons.

Chair Kuntz recommended that Governor Hebert discuss the block tuition proposal with students across the SUS to gain their perspective on this issue and share it with the Board.

6. Concluding Remarks and Adjournment

Having no further business, Chair Tripp adjourned the meeting at 3:48 p.m.

_____
Norman D. Tripp, Chairman

_____
Richard P. Stevens,
Assistant Vice Chancellor for Academic and Student Affairs

STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
Academic and Student Affairs Committee
March 30, 2017

SUBJECT: Vice Chancellor and Chief Academic Officer's Report

PROPOSED COMMITTEE ACTION

For information

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution

BACKGROUND INFORMATION

Dr. Jan Ignash, Vice Chancellor for Academic and Student Affairs, will provide an update regarding the activities of the Office of Academic and Student Affairs.

Supporting Documentation Included: None

Facilitators/Presenters: Dr. Jan Ignash

STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
Academic and Student Affairs Committee
March 30, 2017

SUBJECT: Student Demand for Counselors Continues

PROPOSED COMMITTEE ACTION

For information

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution

BACKGROUND INFORMATION

Since March 2015, the Board's Academic and Student Affairs Committee has repeatedly heard about the increasing demand for well-trained, professional counseling services to address the mental and behavioral health of university students. The Committee has also learned that students who are able to use counseling center services are more likely to remain enrolled in and graduate from college.

For the second consecutive year, the Board is requesting funds from the Legislature during the 2017 session to increase campus counseling services and expand student mental and behavioral health coverage across the system.

At this meeting, Board staff will provide updated data documenting the ongoing increases in demand for services and in the number of students in crisis. Staff will also provide a comprehensive compilation of available information on counseling center utilization and impact as well as information about students in crisis and counseling center staffing levels.

Supporting Documentation Included: March 2017 Information Brief

Facilitators/Presenters: Dr. Christy England

STATE UNIVERSITY SYSTEM of FLORIDA
Board of Governors

Information BRIEF

www.flbog.edu

Student Demand for Counselors Continues

March 2017

2015-16 HIGHLIGHTS

- More than 24,700 students received services from student counseling centers, approximately 55% more than the number served in 2008-09.
- More than 185,900 individual and group counseling sessions were provided, approximately 65% more than the number provided in 2008-09.
- There were more than 9,100 emergency and crisis visits and more than 440 Baker Act hospitalizations.
- More than 14,900 students were on psychiatric medication.
- More than 1,700 students reported having made a previous suicide attempt.
- Counseling centers served over 260 veterans.

Introduction

Since March 2015, the Board's Academic and Student Affairs Committee has repeatedly heard about the increasing demand for well-trained, professional counseling services to address the mental and behavioral health of students across the State University System (SUS). Numerous studies have shown that poor health – physical, mental, or behavioral – adversely affects all aspects of day-to-day life, including learning. The Committee has also learned that students with mental and behavioral health issues are more likely to remain enrolled in and graduate from college when they get the help they need.

However, the SUS counseling centers can no longer provide adequate levels of service for the increasing numbers of students with mental and behavioral health issues. SUS counseling centers have implemented numerous strategies in an attempt to manage not only the increasing demand but also the increasingly complex problems that students are experiencing. Some strategies include reducing the frequency of appointments for students with ongoing issues, reducing the length of appointments, implementing a maximum number of sessions per term or academic year, referring students to clinicians in the community, and using waiting lists. Others have hired temporary counselors due to a lack of permanent funds and some have hired less experienced or part-time counselors who put less strain on counseling center budgets. However, these strategies are only useful in the short-term. Over time, they will create additional problems

such as student dissatisfaction, declining academic success of students, staff burnout, and saturation of community resources.

In response to the increasing demand and insufficient staffing levels, for the second year in a row the Board is requesting funds from the Legislature during the 2017 session to increase campus counseling services and expand student mental and behavioral health coverage across the system. To support that effort, this information brief provides more current information documenting the ongoing increases in demand for services and the increasing numbers of students in crisis. The brief also includes a comprehensive compilation of available information on counseling center utilization and impact, as well as information about students in crisis and the staffing levels of the SUS counseling centers.

Demand Continues to Grow

Data from the 2015-16 academic year shows that the number of students seeking services has continued to grow. The SUS counseling centers reported that more than 24,700 students received services, representing 6% of the system wide student population. This is an increase of approximately 55% over the number served in 2008-09 and approximately 20% over the number served in 2014-15.

In 2015-16, more than 185,200 individual and group counseling sessions were provided. This represents approximately 60% more than the number provided in 2008-09 and approximately 14% more than the number provided during 2014-15.

Table A: SUS Counseling Center Utilization

	2008-09	2014-15	2015-16
# of Students Served[1]	more than 15,000	more than 20,500	more than 24,700
# of Individual/Group Sessions[2]	more than 112,500	more than 163,000	more than 185,900

Source: Data submitted by SUS institutions January 2015 & February 2017. Data from Florida Polytechnic University not available. Due to data system conversions and department reorganizations, the following numbers were estimated: the numbers of students served in 2008-09 for FAMU, UF, & USF; the numbers of sessions in 2008-09 for UF & USF; and the numbers of students served in 2014-15 for FAMU.

[1]Does not include students who received psychiatric treatment through the student health center but did not use the counseling center.

[2]Does not include psychiatric appointments in student health centers.

Of the students served by SUS counseling centers in 2015-16, more than 260 were veterans. Veterans currently comprise only 1% of the students served. However, counseling center directors report that veterans are less likely to seek services from the centers even though many of them would benefit from doing so. Veterans who do seek counseling services for mental or behavioral issues may also be more likely to contact a Veterans Health Administration facility.

There are also a significant number of students taking medication to help with their mental and behavioral health issues. Some of the psychiatrists treating these students are located within the counseling centers and some are located in student health services. The total number of students

receiving medication, regardless of where the psychiatrists are located on campus, exceeded 14,900 during the 2015-16 academic year.

Additional data on student demand for counseling center services is available in Appendix A.

Increasing Numbers of Students in Crisis

Not only have the numbers of students facing mental and behavioral health issues increased, but the numbers of students in crisis have also increased. In 2014-15, the number of visits classified as emergency or crisis visits was approximately 4,200. In just one year, that number more than doubled with more than 9,100 visits reported during 2015-16. These numbers understate the extent of the problem as they do not include emergency or crisis visits to psychiatrists located in the student health centers.

In addition to the increasing numbers of crisis and emergency visits, the number of students involuntarily hospitalized under Florida's Baker Act has also increased significantly. In 2013-14, just over 300 students were hospitalized. In 2015-16, the number of students hospitalized involuntarily was more than 440. These numbers also do not represent the full extent of the issue, as they do not include instances where students were hospitalized involuntarily by family members without the involvement of campus staff or the numbers of students who were voluntarily hospitalized.

Unfortunately, some students choose to commit suicide and are able to do so. In 2015-16, less than ten suicides occurred on a state university campus. However, an unknown number of suicides took place beyond campus boundaries. Campus officials are not always involved in these incidents since they take place off-campus. In addition, some off-campus student deaths are reported as accidents rather than suicides. Regardless of the actual numbers, the death of even one student due to suicide is tragic.

Additional data on students in crisis is available in Appendix A.

Students Face Serious Issues

Over time, the most common issues appear to remain constant. The five issues most reported by students who use counseling center services are anxiety, relationship issues, depression, suicide, and academic stress. Other issues reported include a fear of losing control and acting violently, thoughts of hurting others, alcohol and drug usage, and post-traumatic stress syndrome (PTSD). Less common during the 2015-16 academic year, but quite serious, are the more than 1,700 students who indicated that they had previously made one or more attempts to end their lives. The majority of the students seeking assistance from the counseling centers are facing very real and very serious problems that well-trained counselors can successfully address.

Counselors Make a Difference

The SUS counseling centers provide critical services to students facing a wide range of mental and behavioral issues. Students who use their services report high levels of satisfaction with the counselors and the services. The majority of students indicate that they would use the services again and would refer others to use them as well. Surveys at Florida Gulf Coast University since fall 2013 show that, on average, 95% of clients would recommend the counseling center to others. Students who receive services report reduced risk and distress levels after just a few appointments. For example, Florida Atlantic University reports that the majority of students (88% or more) who were at risk to themselves or others at their first counseling session in early fall 2016 were no longer a risk after five sessions.

Students who take advantage of the services offered benefit from improved mental and behavioral health, which impacts their academic success. University-based studies show that students who received support from the counseling centers performed as well as or better than students who did not use counseling center's services. Surveys from Florida State University show that approximately two-thirds of clients treated in the 2015-2016 academic year indicate that counseling center services helped them to do better academically and to remain enrolled.

For additional details on how counseling makes a positive impact on students, refer to the data tables in Appendix B and the January 2017 Information Brief titled "The Impact of Counseling Services on the Academic Success of Students" (available at www.flbog.edu).

Demand Outstrips Capacity

As of February 2017, all but four SUS institutions fall considerably below minimum staffing levels recommended by the International Association of Counseling Services (IACS) (see Table B below). IACS recommends colleges and universities provide 1 counselor for every 1,000 to 1,500 students enrolled. Only the University of North Florida (UNF), Florida Gulf Coast University (FGCU), New College of Florida, and Florida Polytechnic University meet the minimum staffing requirements. However, UNF and FGCU barely meet the minimum. When Florida Polytechnic University is enrolled at full capacity, its current staffing levels will not be sufficient.

New College of Florida, which also serves the University of South Florida Sarasota-Manatee campus (USF-SM), does meet recommended staffing levels primarily because the combined enrollment of New College and USF-SM is just under 3,000 students. However, the New College counseling center served 10% of its student population in 2008-09 and in 2015-16 it served 12%. Unlike New College, most state university counseling centers serve only 4 to 7% of their student populations. With only 2.5 FTE staff available, the New College counseling center is unable to increase the number of sessions or expand other services in order to adequately serve all student clients.

Student Demand for Counselors Continues

Table B: SUS Counselor : Student Ratio
2016-17

Florida Agricultural & Mechanical University	1:1,923
Florida Atlantic University	1:2,014
Florida Gulf Coast University	1:1,324
Florida International University	1:2,449
Florida Polytechnic University	1:618
Florida State University	1:1,908
New College of Florida[1]	1:1,182
University of Central Florida	1:1,828
University of Florida	1:1,660
University of North Florida	1:1,508
University of South Florida	1:2,044
University of South Florida - St. Petersburg	1:1,900
University of West Florida	1:1,625

Source: Data as submitted by SUS institutions (February 2017)

[1] New College also serves students enrolled at USF-Sarasota-Manatee

Summary

Given the surge in the numbers of students seeking counseling center services as well as the increasing severity and complexity of the mental health issues that students face, the SUS needs a substantial influx of resources in the short-term. The solutions implemented by the counseling centers in recent years cannot and should not take the place of sufficient staffing. A significant increase in the number of permanent counselors is needed in order for the SUS counseling centers to meet the staffing level recommended by IACS.

Students with more severe issues also need access to experienced counselors. The SUS counseling centers need additional resources in order to recruit and retain the best counselors. SUS counseling centers risk losing existing staff because of excessive workloads. Potential counselors may be deterred from working on an SUS campus if the salaries are too low and the workload too high. The SUS Mental Health Counseling Services Legislative Budget Request (LBR) is designed to increase campus counseling services in order to address the critical need for student mental and behavioral health coverage in a State University System that is steadily expanding in size, scope, and complexity.

Staff Contact

Dr. Christy England
Associate Vice Chancellor for Academic Research and Policy
Academic and Student Affairs
(850) 245-0466
christy.england@flbog.edu

APPENDIX A
SUPPLEMENTAL DATA TABLES

Student Demand

Table 1A: Students Served by SUS Counseling Centers 2014-15 and 2015-16

Table 1B: Table 1B: Number of Individual & Group Sessions Provided by SUS Counseling Centers 2014-15 and 2015-16

Table 1C: Number of Students on Medication & Number of Veterans Served by SUS Counseling Centers 2015-16

Students in Crisis

Table 2: Number of Emergency / Crisis Visits and Number of Baker Act Hospitalizations 2014-15 and 2015-16

Student Demand for Counselors Continues

APPENDIX A (continued)

Table 1B: Number of Individual & Group Sessions Provided by SUS Counseling Centers[1]
2014-15 and 2015-16

	# of Sessions 2014-15	# of Sessions 2015-16	% Increase from 2014-15 to 2015-16
Florida Agricultural & Mechanical University	2,704	2,531	-6%
Florida Atlantic University	11,631	11,205	-4%
Florida Gulf Coast University	13,689	14,424	5%
Florida International University	19,208	23,537	23%
Florida State University	15,669	19,249	23%
New College of Florida[2]	3,389	3,545	5%
University of Central Florida	23,945	28,455	19%
University of Florida	39,527	41,886	6%
University of North Florida	6,620	11,488	74%
University of South Florida	15,898	17,565	10%
University of South Florida - St. Petersburg	1,674	1,737	4%
University of West Florida	9,121	10,280	13%
System Total	163,075	185,902	14%

Source: Data as submitted by SUS institutions (January 2015 & February 2017)

[1] Does not include psychiatric appointments in student health centers

[2] Includes students enrolled at USF-Sarasota-Manatee served by New College

Table 1C: Number of Students on Medication[1] & Number of Veterans Served by SUS Counseling Centers
2015-16

	# Students on Medication 2015-16[1]	# of Veterans Served 2015-16
Florida Agricultural & Mechanical University	93	15
Florida Atlantic University	534	30
Florida Gulf Coast University	321	14
Florida International University	380	20
Florida State University	2,295	*
New College of Florida[2]	155	*
University of Central Florida	5,500	40
University of Florida	1,855	41
University of North Florida	397	20
University of South Florida	2,747	42
University of South Florida - St. Petersburg	59	*
University of West Florida	589	30
System Total	14,925	252

Source: Data as submitted by SUS institutions (January 2015 & February 2017)

[1] Includes students who were prescribed medication by psychiatrists in counseling and student health centers

[2] Includes students enrolled at USF-Sarasota-Manatee served by New College

Student Demand for Counselors Continues

APPENDIX A (continued)

Table 2: Number of Emergency / Crisis Visits[1] and Number of Baker Act Hospitalizations[2]
2014-15 and 2015-16

	# of Emergency Visits		# of Hospitalizations	
	2014-15	2015-16	2014-15	2015-16
Florida Agricultural & Mechanical University	n/a	16	0	*
Florida Atlantic University	222	317	22	29
Florida Gulf Coast University	104	179	*	*
Florida International University	41	245	25	26
Florida State University	1,021	1,105	70	101
New College of Florida[3]	42	43	16	*
University of Central Florida	1,636	2,598	40	139
University of Florida	220	3,135	57	62
University of North Florida	321	395	25	*
University of South Florida	392	891	22	51
University of South Florida - St. Petersburg	23	41	*	*
University of West Florida	176	232	11	12
System Total	4,198	9,197	304	446

Source: Data as submitted by SUS institutions (January 2015 & February 2017)

[1] Does not include emergency or crisis visits to student health center psychiatrists

[2] Does not include students who were voluntarily hospitalized or were involuntarily hospitalized without the involvement of university staff (i.e., by family member)

[3] Includes students enrolled at USF-Sarasota-Manatee served by New College

*Number of students less than 10 not reported to protect student privacy

Student Demand for Counselors Continues

APPENDIX B
SUS Counseling Center Effectiveness Supplemental Data

Table 1A provides average distress levels for students from institutions that use an assessment tool where higher scores indicate higher levels of distress, and lower scores indicate lower levels of distress. Therefore, the *negative* scores included in the "Change" column of Table 1A correspond to *improved* mental and behavioral health.

Table 1A: FAMU, FAU, FIU, FSU, NCF, UCF, UNF, USF-SP, & UWF
SUS Counseling Effectiveness Index:
Average Student Distress Levels Fall 2016

	First Appointment	Latest Appointment	Change (*negative* = *lower* distress)
Academic Distress	1.20	0.73	-0.47
Depression	0.95	0.29	-0.66
Distress Index	1.28	0.58	-0.70
Generalized Anxiety	1.12	0.51	-0.61
Hostility	1.25	0.37	-0.88

*Data from 2,036 clients treated at FAMU, FAU, FIU, FSU, NCF, UCF, UNF, USF-SP, & UWF between August 18, 2016 – November 18, 2016 for at least three sessions.

Table 1B includes results from three SUS counseling centers that use a different scale. High scores indicate lower distress and lower scores indicate higher distress levels. Table 1B shows that students benefited from counseling center services in all areas, especially the students dealing with suicide and anxiety. Therefore, the *positive* scores included in the "Change" column of Table 1B correspond to *improved* mental and behavioral health.

Table 1B: FGCU, UF, & USF
SUS Counseling Effectiveness Index:
Average Student Distress Levels Fall 2016

	First Appointment	Latest Appointment	Change (*positive* = *lower* distress)
Alcohol/Drugs	2.91	3.51	0.60
Anxiety	1.46	2.13	0.66
Depression	1.83	2.40	0.57
Global Mental Health	2.18	2.61	0.44
Life Functioning	1.80	2.17	0.38
Suicide	2.34	3.36	1.03
Symptoms	2.26	2.79	0.53
Well-Being	1.31	1.88	0.58

^Data from 1,211 clients treated at FGCU, UF, & USF between August 18, 2016 – November 18, 2016 for at least three sessions.

Student Demand for Counselors Continues

APPENDIX B (continued)

Table 2 below shows that researchers at the University of North Florida found that students who took advantage of the counseling center's services were more likely to be retained after the first year than those who did not. These students were also more likely to graduate and to graduate with fewer excess credit hours.

Table 2: UNF First-Year Retention and 6-Year Graduation Rates
Counseling Center Students and Non-Center Students
Academic Years 2006 - 2015

	First-Year Retention Rates[1]	6-Year Graduation Rates[2]
Center Students	93%	63%
Non-Center Students	79%	49%

[1]N=19,649; [2]N=18,334

Source: UNF Counseling Center Analysis of Student Usage and Metric-Related Correlations, November 30, 2016

COUNSELORS NEEDED

- Over 24,700 students served
- Over 185,900 sessions provided

More than 14,900 students on medicine

9,100+ emergency visits

Over 440 Baker Act Hospitalizations

Most Common Issues

Anxiety

Suicide

Depression

Academic Stress

Relationship Issues

Over 1,700 students reported previous suicide attempt

Based on 2015-16 data submitted by SUS institutions to Board staff (February 2017)

2016-17 Counselor : Student Ratios

- Staffing levels at all but four SUS institutions fall below minimum levels recommended by the International Association of Counseling Services (IACS).
  - IACS recommends 1 counselor for every 1,000 to 1,500 students enrolled.

Florida Agricultural & Mechanical University	1:1,923
Florida Atlantic University	1:2,014
Florida Gulf Coast University	1:1,324
Florida International University	1:2,449
Florida Polytechnic University	1:618
Florida State University	1:1,908
New College of Florida[1]	1:1,182
University of Central Florida	1:1,828
University of Florida	1:1,660
University of North Florida	1:1,508
University of South Florida	1:2,044
University of South Florida - St. Petersburg	1:1,900
University of West Florida	1:1,625

Source: Data as submitted by SUS institutions (February 2017)

[1] New College also serves students enrolled at USF-Sarasota-Manatee

- Of the four institutions that meet minimum staffing levels:
  - UNF and FGCU barely meet the minimum.
  - When FPU is at full capacity, current levels will not be sufficient.
  - New College, which also serves USF Sarasota-Manatee, meets recommended levels but they serve a higher proportion of their combined student bodies.

State University System of Florida Board of Governors
www.flbog.edu

STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
Academic and Student Affairs Committee
March 30, 2017

SUBJECT: State University System Council of Academic Vice Presidents (CAVP)

PROPOSED COMMITTEE ACTION

For information

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution

BACKGROUND INFORMATION

Dr. Gary Perry, chair of the State University System Council of Academic Vice Presidents (CAVP), will provide an update on current CAVP activities and issues.

Supporting Documentation Included: None

Facilitators/Presenters: Dr. Gary Perry

STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
Academic and Student Affairs Committee
March 30, 2017

SUBJECT: State University System Council for Student Affairs (CSA)

PROPOSED COMMITTEE ACTION

For information

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution

BACKGROUND INFORMATION

Dr. Corey King, Chair of the State University System Council for Student Affairs (CSA), will provide an update on recent activities of the CSA.

Supporting Documentation Included: None

Facilitators/Presenters: Dr. Corey King

STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
Academic and Student Affairs Committee
March 30, 2017

SUBJECT: Florida Student Association

PROPOSED COMMITTEE ACTION

For information

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution

BACKGROUND INFORMATION

Governor Jacob Hebert, President of the Florida Student Association, will update the Committee on recent Association activities.

Supporting Documentation Included: None

Facilitators / Presenters: Governor Jacob Hebert

AGENDA
Select Committee on Florida Polytechnic University
Grand Ballroom
H. Manning Efferson Student Union Building
Florida A&M University
1780 S. Martin Luther King, Jr. Boulevard
Tallahassee, Florida 33807
March 30, 2017
10:00 a.m. – 10:15 a.m.
or
Upon Adjournment of Previous Meeting

Chair: Ms. Wendy Link
Members: Doyle, Jordan, Morton, Valverde

1. **Call to Order and Opening Remarks** — **Governor Wendy Link**

2. **Minutes of Select Committee Meeting** — **Governor Link**
   Minutes, January 26, 2017

3. **Florida Polytechnic University Implementation Update** — **Dr. Randy K. Avent**
   President
   Florida Polytechnic University

4. **Concluding Remarks and Adjournment** — **Governor Link**

STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
Select Committee on Florida Polytechnic University
March 30, 2017

SUBJECT: Minutes of Select Committee on Florida Polytechnic University Meeting held on January 26, 2017

PROPOSED COMMITTEE ACTION

Consider for approval the meeting minutes of the Select Committee on Florida Polytechnic University held on January 26, 2017

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution

BACKGROUND INFORMATION

The Select Committee on Florida Polytechnic University will consider for approval the summary minutes of its January 26, 2017 meeting at Florida Polytechnic University.

Supporting Documentation Included: Minutes: January 26, 2017

Facilitators/Presenters: Governor Wendy Link

MINUTES
STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
SELECT COMMITTEE ON FLORIDA POLYTECHNIC UNIVERSITY
FLORIDA POLYTECHNIC UNIVERSITY
LAKELAND, FLORIDA
January 26, 2017

Video or audio archives of the meetings of the Board of Governors and its Committees are accessible at http://www.flbog.edu

1. Call to Order

Governor Wendy Link called the meeting to order at 9:54 a.m. January 26, 2017 with Committee members Doyle, Jordan, Morton, and Valverde present. A quorum was established. Other Board members in attendance were Governors Beard, Frost, Hebert, Huizenga, Kitson, Kuntz, Lautenbach, Levine, Tripp, and Tyson.

2. Approval of Select Committee Minutes, November 3, 2016

Governor Link called for a motion to approve the minutes of the Select Committee's November 3, 2016 meeting. A motion was made by Governor Doyle, seconded by Governor Morton, and the motion carried unanimously.

3. Florida Polytechnic University Implementation Status Report

Governor Link said that the Committee's next item was to receive Florida Polytechnic University's latest implementation status report from President Randy Avent.

President Avent indicated that the University has completed five of the six legislative implementation mandates and that the only remaining mandate is regional accreditation from the Southern Association of College and Schools (SACS). He said that Poly achieved candidacy status in June 2016 and that Compliance Certification documentation had been due to SACS at the beginning of January and that it was submitted as requested. He noted that SACS requested that Poly submit Compliance Certification documentation following the University's Fall 2016 semester. President Avent said that the president of Jacksonville State University has been assigned chairmanship of the SACS Accreditation Committee and that Poly representatives have had a number of conversations with him. He said that the Accreditation Committee is scheduled to visit Poly February 13-15, 2017. Dr. Avent said that everything appears to

be going very well for the site visit. He noted that the University conducted a mock site visit a few weeks ago with its consultant and that it went very well. He indicated that the University was thoroughly engaged in preparation and that everyone at Poly was looking forward to the February visit.

President Avent reminded the Select Committee that one condition of SACS accreditation is to have a graduating class. He said he was happy to report that the University graduated its first class on January 3rd, 2017. Dr. Avent said that 18 students graduated, 14 of whom were graduate students and 4 of whom earned baccalaureates.

President Avent said that he has been asked whether Poly graduates are having difficulty finding jobs because they graduated from an unaccredited institution. He said that only one Poly graduate did not yet have a job but that he has an offer in hand. President Avent said that the remaining graduates all have jobs with the exception of one who has been accepted into a doctoral program at the University of California Irvine. President Avent indicated that two Poly graduates have started companies of their own. He noted that the University did not yet have a great deal of data with regard to salaries but that Poly had conducted a survey of its graduates and nine responded, indicating that two undergraduates were making $40,000-$50,000, and that one master's-level graduate was making over $110,000.

President Avent then turned to the subject of Poly students transferring to other SUS institutions. President Avent thanked Jason Jones in the Chancellor's Office for providing assistance in gathering this data. He said that 194 students have left Poly since it opened its doors and that, of those, only 25 transferred to other SUS universities. President Avent indicated that, of the 25 transfers to other SUS institutions, 15 left for non-STEM majors and, therefore, that only ten transferred from Poly to other SUS institutions and remained in STEM disciplines. He indicated, further, that eight of those 10 students transferred into majors that Poly did not offer. He also noted that 25 students transferred from other SUS institutions to Poly.

Governor Link asked whether other students who left Poly had simply dropped out of college. President Avent said that it was possible that some of the students had transferred to Florida College System institutions. Governor Link noted that because Poly was both new and small, it would be beneficial for the University to follow-up with transfers in order to ascertain why they had left and what they were currently doing. President Avent indicated that the University was institutionalizing an exit interview process. He said that the process would require exiting students to meet with counselors in order to determine why they were leaving. Chair Link asked if transferring was related to the difficulty of Poly's curriculum. President Avent said that he believed that was clearly one reason. He indicated that many entering Poly students struggle with calculus before taking more rigorous math classes. President Avent

reminded the Committee that, at the Board's 2+2 Workshop, it was noted that students' grades on their most recent math class was one of the best predictors of future success.

President Avent then turned to recent University accomplishments. First, he noted that Poly had been advised by the U.S. Department of Education that it has been accepted to begin offering federal aid to students. The University was now working on packaging and dispersing federal Pell Grants. Secondly, Poly was the recipient of a $1.5M grant from the Florida Department of Transportation. Third, Poly was part of a winning team to establish a transportation communications infrastructure for interconnected vehicles. Fourth, the University is a member of a team comprised of several other institutions selected by the Federal Department of Transportation as one of 10 national proving grounds for autonomous connected vehicles. Finally, he noted that a Poly student was recently awarded a $12,000 grant from NASA to study radiation in space.

President Avent then thanked the Board for the opportunity to host the meeting. He said that he appreciated the opportunity to showcase Poly's main building. He noted that the building was on the cover of the 54th edition of *Landmarks of Humanities* which highlights global landmarks ranging from pre-civilization to 21st Century globalism.

Chair Link thanked President Avent for his presentation and asked if there were questions or observations. President Avent was asked what strategies the University had for ensuring that Poly graduates remained and took jobs in Florida. President Avent said that he believed that only one Poly graduate has taken a job outside of Florida. He said that Poly's next graduating class would be approximately 35 students, with more bachelor's degrees conferred than the first graduating class. When Poly's initial freshmen class graduates in 2018, there will be an even larger number of degrees conferred. Governor Valverde asked whether the University has any proactive programs that entice Poly graduates to remain in Florida and whether such programs connect industry with graduates. President Avent indicated that Poly had a great deal of career development infrastructure in place and that the University worked with business and industry to ensure that current students had internship opportunities and graduates had job offers. He said that Poly has more than 90 industry partners and that an entire University team develops relationships with business and industry. He said that Poly's project-based curriculum included internships and serving on industry advisory boards. President Avent indicated that the University's curriculum involved solving real-world problems as well as theory and fundamentals.

Chair Link then asked President Avent to confirm that, although there could be no promises, the University was on-track to achieve accreditation in December 2017 and that June 2017 was still a possibility. President Avent confirmed those dates. Board Chair Kuntz thanked President Avent for his presentation and said that he was pleased with the progress that Poly has made.

4. Closing Remarks and Adjournment

There being no further business to come before the Committee, Chair Link adjourned the Committee at 10:08 a.m.

_____
Wendy Link, Chair

_____
R.E. LeMon,
Associate Vice Chancellor,
Academic and Student Affairs

STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
Select Committee on Florida Polytechnic University
March 30, 2017

SUBJECT: Florida Polytechnic University Implementation Update and Progress Report

PROPOSED COMMITTEE ACTION

For information

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution

BACKGROUND INFORMATION

In 2012, the Florida Legislature created and Governor Scott signed legislation establishing Florida Polytechnic University. The Florida Legislature has stipulated that, by December 31, 2017, the University shall achieve accreditation from the Commission on Colleges of the Southern Association of Colleges and Schools; initiate new programs in STEM fields; seek discipline-specific accreditation for programs; attain a minimum FTE enrollment of 1,244 with at least 50 percent of that FTE in STEM fields and 20 percent in programs related to STEM fields; complete facilities and infrastructure; and have the ability to provide administration of financial aid, admissions, student support, information technology, and finance and accounting with an internal audit function. The University enrolled its first students in Fall 2014.

Representatives from Florida Polytechnic University will provide a status update and respond to any questions from the Select Committee concerning the institution's latest progress report, including accreditation, student enrollment, faculty recruitment, curriculum development, scholarship support, and budget and facilities.

Supporting Documentation Included: Latest University Progress Report

Facilitators/Presenters: President Randy K. Avent

FLORIDA POLYTECHNIC UNIVERSITY

Monthly Update to the Select Committee on Florida Polytechnic University

Implementation Tracking Report (February 2017)

Implementation Status Summary			
Criteria	**Directives**	**Completed**	**Good Progress**
A. STEM Academic Programs	5	5	✓
B. Student Enrollment	4	4	✓
C. Administrative Capability	2	2	✓
D. Accreditation	14	11	3 (3 dependent on SACSCOC)
E. Discipline Specific Accreditation	1	1	✓
F. Facilities & Construction	3	3	✓
TOTAL	**29**	**21**	**8**

Legend: ✓ Completed ● Good Progress ● Slow Progress ● Poor Progress

Criterion A – Initial Development of New STEM Programs		
Statutory Due Date: 12/31/2017 (per 2016 legislature)		**Progress Indicator**
A1 - New degree program proposals approved by the Florida Polytechnic university Board of Trustees	**January 2014: COMPLETED -** Program proposals were considered and approved by the Academic Affairs Committee of the Florida Polytechnic University Board of Trustees.	✓
A2 - New degree program proposals reviewed by BOG staff for inclusion in the SUS Academic Degree Program Inventory.	**February 2014: COMPLETED –** BOG has accepted the new degree program proposals and entered them into the SUS Academic Degree Program Inventory.	✓
A3 – Prerequisite courses approved by the Oversight Committee of the Articulation Coordinating Committee (ACC) and the ACC itself.	**July 2014:** The Oversight Committee voted to approve the University's prerequisite courses. The ACC approved the University's prerequisite courses on June 28, 2014.	✓
A4 – All college credit courses are entered into the Statewide Course Numbering System.	**July 2014:** All courses have been approved by the Statewide Course Numbering System. DOE has begun entering the University's courses in the Common Course Numbering System. **August 2014:** Courses continue to be input into the Common Course Numbering System. **September 2014:** Courses have been input into the Common Course Numbering System.	✓
A5 – Program faculty and general education faculty are in place.	**July 2014:** Sufficient program faculty are in place to develop curricula. We have hired 23 of 25 fulltime faculty[1]. Fifteen adjunct faculty have been selected and ten have been signed. **August 2014:** Ten of the 15 selected adjunct faculty have been signed. **September 2014: COMPLETED** All full-time and adjunct faculty have been hired (23 full-time and 18 adjunct). Additional faculty continue to be hired in preparation for additional students.	✓

[1]Florida Poly needs 25 instead of 30 fulltime faculty because of a higher than projected number of freshmen admitted.

Criterion B – Enrollment of 1,244 FTE			
Statutory Due Date: 12/31/2017 (per 2016 legislature)		**Progress Indicator**	**Board Staff Progress Indicator**
B1 – Total students enrolled	**Fall 2016 (Census): Total Students – 1,314** *Undergraduates* – 1,281 (97.5%) *Graduates* – 31 (2.4%) *Non-Degree Seeking* – 2 (0.2%) *New Students* – 534 (Undergraduates: 521, Graduates: 11, Non-degree seeking: 2) *Retention Rate (Fall 2015 to Fall 2016)* – 83% *Gender* – Male 87% Female 13% *Race/Ethnicity* – American Indian 0.5%; Asian 3.8%; Black or African American 4.6%; Hispanic 18.6%; Native Hawaiian 0.3%; Non-Resident Alien 1.9%; Two or More Races 2.6%; White 66.0%; Not Reported 1.7% *Residency* – In-State 95%; Out-of-State 3%; International 2% *Total Credit Hours* – 18,193 (Undergraduate: 17,744; Graduate: 223) *Average Credit Load* – 13.8 (Undergraduate: 14.0; Graduate: 7.2) ***2016-17 FTE: 1,256 (Actuals Summer 2016, Fall 2016, Spring 2017)***	✓	
B2 – Number of completed applications received	**February 2014:** 2,846 (exceeds the goal for applications) **July 2014:** 2,983 (as of July 30th, 2014; 119% of goal for number of applications) **Spring 2015**: 241 **Fall 2015** (as of July 30, 2015): 2,255	✓	
B3 – Number of students admitted	**February 2014:** 922 (90% of the goal to be admitted) **July 2014:** 1,029 (100% of the goal for the number of students expected to be admitted) **Spring 2015**: 58 (Goal Met) **Fall 2015** (as of July 30, 2015): 1,117	✓	
B4 –Actual enrollments in each degree program.	**Fall 2016 (Drop/Add):** Computer Engineering – 230 (17.5%) Electrical Engineering – 116 (8.9%) Mechanical Engineering – 280 (21.1%) Advanced Technology – 48 (3.6%) Computer Science & Information Technology – 559 (43.0%) Science & Technology Management – 16 (2.7%) Engineering (MS) – 16 (1.0%) Innovation & Technology (MS) – 3 (1.1%) Undeclared – 13 (1.0%) Non-Degree Seeking – 2 (0.1%)	✓	

Criterion C – Administrative Capability		
Statutory Due Date: 12/31/2017 (per 2016 legislature)		**Progress Indicator**
C1 – Capability to administer financial aid, admissions, and student support.	**Fall 2014:** Florida Polytechnic University has established offices for financial aid, admissions and student services.	✓
C2 – Capability to administer information technology, and finance & accounting with internal audit function.	**Fall 2014:** Florida Polytechnic University has a shared services agreement with UF and has hired an Executive Budget Director and a CIO.	✓

Criterion D – Accreditation					
Activity	**Necessary Action by SACSCOC or by University**	**Estimated Completion Date**	**Actual Completion Date**	**FPU Progress Indicator**	**Board Staff Progress Indicator**
D1 – Pre-Application Workshop (optional)	The institution attended an optional pre-application workshop.	December 2013	December 2013	✓	✓
D2 –Submit pre-application for regional accreditation	The institution engaged a technical advisor to assist with preparing the application for regional accreditation. The initial application was submitted to the regional accreditation agency. Additional assessment evidence was submitted to the regional accreditation agency as planned. The institution received a SACSCOC request for application updates with a turn-around by August 2015. Dr. Belle Wheelan president of SACSCOC, addressed the institution's BOT at its June 4, 2015 meeting. The institution submitted an updated application to SACSCOC.	December 2014	December 2014	✓	✓
D3 – Regional Accreditor Candidacy site visit	A SACSCOC Candidacy site visit was scheduled and conducted.	March 2016	March 2016	✓	✓
D4 – Candidacy Committee submits report to SACSCOC Board	The Candidacy Committee submitted its report to the SACSCOC Board.	March 2016	March 2016	✓	✓
D5 – Institution responds to Candidacy Report	The institution responded to the Candidacy Report.	This activity was waived by the University		✓	✓
D6 – SACSCOC Board makes candidacy determination	The SACSCOC Board will make a candidacy determination.	June 2016	June 2016	✓	✓ Critical date which, if not met, could have an effect on future dates, including other critical dates.
D7 – Institution submits Compliance Certification to SACSCOC	The institution will submit Compliance Certification to SACSCOC.	December 15, 2016*	January 3, 2017	✓	✓ Critical date which, if not met, could

					have an effect on future dates, including other critical dates.
D8 – SACSCOC Staff site visit	SACSCOC staff will conduct a site visit.	January 13, 2017	SACSCOC never contacted us	✓	**n/a**
** The Compliance Certification was submitted January 3, 2017 to allow for evidence from Fall 2016 to be included per SACSCOC.*					
D9 – Committee Chair site visit for Initial Accreditation	The Committee Chair will conduct a site visit for Initial Accreditation.	January 13, 2017	Committee Chair never contacted us	✓	**n/a**
D10 – Committee site visit for Initial Accreditation	A Committee will make a site visit for Initial Accreditation.	February 17, 2017	February 13-16, 2017	✓	✓ Critical date which, if not met, could have an effect on future dates, including other critical dates.
D11 – Committee report for Full Initial Accreditation sent to Institution & SACSCOC Committee on Compliance and Reports	A Committee report for Full Initial Accreditation will be sent to the institution and to the SACSCOC Committee on Compliance and Reports.	March 10, 2017	March 1, 2017	✓	✓
D12 – Institution responds to Full Initial Accreditation Committee Report	The institution will respond to the Full Initial Accreditation Committee Report.	August 10, 2017			Critical date which, if not met, could have an effect on future dates, including other critical dates.
D13 – Committee Report for Full Initial Accreditation, institution response, Committee Chair review of institution response sent to SACSCOC Board	The Committee Chair will review the institution's response. The Committee Chair's review of the institution's response will be sent to the SACSCOC Board.	October 11, 2017			
D14 – SACSCOC Board makes determination for Full Initial Accreditation	The SACSCOC Board will make a determination for Full Initial Accreditation.	December 15, 2017		●	Critical date which, if not met, results in lack of accreditation.

Criterion E – Seek Discipline Specific Accreditation

Statutory Due Date: 12/31/2017 (per 2016 legislature)		**Progress Indicator**
E1 – Contact discipline specific accrediting bodies.	**Spring 2015:** Although program (ABET) accreditation cannot be sought until regional accreditation is achieved, as regional accreditation requirements are being addressed these requirements also address ABET requirements. **March 2016**: Contacted ABET to discuss their accreditation process. We will continue to develop our programs to support ABET accreditation as we proceed through the SACSCOC accreditation process.	✓

Criterion F – Facilities and Infrastructure		
Statutory Due Date: 12/31/2017 (per 2016 legislature)		**Progress Indicator**
F1 – Complete the Innovation, Science and Technology Building for Fall 2014 start of classes.	**December 2014: COMPLETED**	✓
F2 – Complete the Residence Hall for 241 students.	**September 2014: COMPLETED** - Construction is complete and all 241 beds are occupied as of the target move-in date of August 20, 2014.	✓
F3 – Complete the Phase I of Wellness Center and other site facilities or infrastructure.	**Fall 2014: COMPLETED** - The Wellness Center, Phase I is complete and operating as of the target date of August 20, 2014. It includes cafeteria, bookstore, exercise equipment, student services offices.	✓

Facilities

Construction of Florida Poly's first building, the Innovation Science and Technology building (IST) is within budget and opened as planned for classes on August 25, 2014. The total appropriation for constructing the campus is $134 million with $60 million of that targeted for the IST.

Table 6: Facilities Construction Project Final Budgets, Costs, and Balances (June 2016) (In Millions)

Component	Progress	Budget (Feb. 2014)	Budget (Revised March 2014)	Final Funded Budget (June 2015)	Final Total Expenses / (Costs)	Balance (June 2015)
IST Building	Completed	$78.3	$60.0 [1]	$60.0	$59.7	$ 0.4
Site and Infrastructure Reimbursement by Donor	Completed	40.0	40.0	33.1[5]	33.1	0.0 10.0 [7]
Engineering, Design, Land, and other soft costs	Completed	-	22.0 [2]	20.8	20.7	0.1
Campus Control Center	Completed	3.5	3.9 [3]	3.9	3.9	0.0
Classroom and laboratory furniture, fixtures & equipment	Completed	7.0	- [4]	-	-	-
Contingency	NA	1.9	2.9	- [6]	-	-
Total Original Projects		**$134.4**	**$128.8**	**$117.88**	**$117.4**	**$10.4**
Admissions Center	Completed	-	1.3	1.3	1.3	0.0
Housing Utilities and Integration	Completed	-	1.2	1.2	1.2	0.0
Wellness Center – Phase 1	Completed	-	4.5	4.5	4.5	0.0
Perimeter Fencing	Completed	-	0.4	0.4	0.4	0.0
Total All Projects		**$134.4**	**$136.2**	**$125.2**	**$124.8**	**$10.4**

[1] Budget ($18.3 M) was moved to a separate budget line entitled Engineering, Design, Land and other soft costs.

[2] $3.7 M of land related costs were erroneously left out of initial report and is now included in the line for Engineering, Design, Land and other soft costs, bringing the total for this budget center to $22.0 M.

[3] BOT increased budget in 2014 so the University could place a cell phone signal amplification system at the Campus Control Center which enhanced the cell phone reception within each of the buildings on the main campus.

[4] $7 M was originally budgeted to be spent on classroom and laboratory furniture, fixtures & equipment. $1 M was moved back to the overall Contingency line item. Ultimately, $6 M of assets were purchased, and the funding came from the State of Florida's Consolidated Equipment Financing Program and the University's operating funds. No construction funds were used.

[5] BOT elected to not move forward with the certain infrastructure development (nor fund) on portions of the southern half of the main campus during the construction of the initial campus facilities, opting to defer development until a later date. This election reduced the budget and funding necessary to open the campus from $40.0 M down to $33.1 M. This is the budget which was ultimately funded.

[6] Contingency budget funding for main campus construction was deemed in 2014 to not be necessary, and therefore never became a funded budget line item. No construction funds were used.

[7] Pursuant to a 2010 agreement with Polk County, Florida Poly received reimbursement during 2014 of $10 M for the University's construction of the campus main road. The reimbursement came after the full required funding and construction of the main road, hence the $10 M was labeled "balance" for this final report. These funds are available to the University for other campus projects.

The University received in March 2015 approval from the Board of Governors for a 529 bed housing project to be developed on campus using a Public-Private Partnership. This second residence hall project is also being developed by Vestcor, the winner of the public solicitation process. Construction began in June of 2015 and the facility is scheduled to be open for the Fall of 2016 term.

STATE UNIVERSITY SYSTEM of FLORIDA
Board of Governors

AGENDA
Audit and Compliance Committee
Grand Ballroom
H. Manning Efferson Student Union Building
Florida A&M University
1780 S. Martin Luther King, Jr. Boulevard
Tallahassee, Florida 32307
March 30, 2017
10:30 a.m. – 11:00 a.m.
or
Upon Adjournment of Previous Meeting

Chair: Ms. Wendy Link; Vice Chair: Mr. Alan Levine
Members: Frost, Huizenga, Jordan, Lautenbach, Morton, Valverde

1.	**Call to Order and Opening Remarks**	**Governor Wendy Link**
2.	**Minutes of Committee Meeting** • Minutes, January 26, 2017	**Governor Link**
3.	**Performance-Based Funding Data Integrity Audit Results and Certifications Summary**	**Mr. Joseph Maleszewski,** *Inspector General and Director of Compliance*
4.	**SUS Compliance Program Status Summary**	**Mr. Maleszewski**
5.	**Concluding Remarks and Adjournment**	**Governor Link**

STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
Audit and Compliance Committee
March 30, 2017

SUBJECT: Minutes of Committee Meeting held January 26, 2017

PROPOSED COMMITTEE ACTION

Approval of the January 26, 2017, Committee meeting minutes

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution

BACKGROUND INFORMATION

Committee members will consider approval of the minutes of the January 26, 2017, Committee meeting.

Supporting Documentation Included: Minutes: January 26, 2017

Facilitators/Presenters: Governor Wendy Link

MINUTES
BOARD OF GOVERNORS
STATE UNIVERSITY SYSTEM OF FLORIDA
AUDIT AND COMPLIANCE COMMITTEE MEETING
FLORIDA POLYTECHNIC UNIVERSITY
LAKELAND, FLORIDA
JANUARY 26, 2017

Video or audio archives of the meetings of the Board of Governors and its Committees are accessible at http://www.flbog.edu/.

Chair Wendy Link convened the meeting of the Audit and Compliance Committee on January 26, 2017, at 9:06 a.m., at the Innovation, Science and Technology Building on the campus of Florida Polytechnic University in Lakeland, Florida. The meeting was adjourned at 9:36 a.m. on January 26. The following Audit and Compliance Committee members were present: Alan Levine, Patricia Frost, Wayne Huizenga, Darlene Jordan, Ned Lautenbach, Ed Morton, Fernando Valverde. The following members of the Board were also present: Richard Beard, Daniel Doyle, Jacob Hebert, Sydney Kitson, Tom Kuntz, Norman Tripp, and Gary Tyson.

1. Call to Order

Ms. Link called the meeting to order. She thanked Mr. Levine for his service as the former Audit and Compliance Committee Chair and for his continuing service as Vice Chair of the Committee. She also acknowledged the return of Ms. Frost to the Committee.

2. Approval of Minutes

Mr. Valverde motioned that the Committee approve the minutes of the Audit and Compliance Committee meeting held September 21 -22, 2016, as presented. Ms. Jordan seconded the motion. The minutes were approved.

3. Update on Approved Regulations for OIGC

Mr. Maleszewski, the Board of Governors Inspector General and Director of Compliance, provided the Committee with an update on state universities' implementation of the four audit, investigations, and compliance-related regulations the Board approved at its November 3, 2016, meeting. He said the four regulations aid in combined assurance, which requires communications between assurance providers (such as auditors and compliance officers) and leadership (such as university presidents and boards of trustees).

Of the four regulations passed in November, regulation 4.003, *SUS Compliance and Ethics Programs*, is the most challenging for our universities to implement. Mr. Maleszewski gave examples of some of these challenges and reminded Committee members that they are the result of the natural "growing pains" associated with the implementation of a new program such as compliance.

Mr. Maleszewski informed the Committee that he has developed a survey instrument to use in monitoring universities' implementation progress. He will use results of this survey to update the Committee every six months or so.

4. Update on Florida A&M University

Before asking Mr. Maleszewski to provide an update to the Committee on the progress Florida A&M University has made in their athletics deficit reduction, Ms. Link thanked FAMU President Robinson and Board of Trustees Chair Lawson for inviting her to participate in their monthly status consultations with Mr. Maleszewski and other University staff. She acknowledged and thanked them for their good progress on this concern.

Mr. Maleszewski explained that the monthly status consultations include Chair Lawson, President Robinson, Chief Financial Officer Wanda Ford, Athletics Director Milton Overton, and other University staff as needed. The monthly consultations assist in ensuring they are on track with incoming revenues and expenses month-by-month and year-by-year.

In his update, Mr. Maleszewski explained that the athletics cash deficit is a two-prong issue: one issue is to address the cumulative cash deficit, and the other is to address the annual operating budget. For the cumulative cash deficit, the University has identified the amounts to be repaid to auxiliary operations that had previously provided support to Athletics, contrary to Board of Governors regulations. The University has approved a 12-year plan that begins immediately and relies on support from the University's Foundation.

Regarding the annual operating budget, the University has implemented a number of corrective actions which include monitoring revenues and expenditures, holding weekly meetings with the athletics department and chief financial officer, fund-raising, and cost-savings in travel expenses, salaries, and equipment. Mr. Kuntz asked if the athletics department will continue to accrue new debt in their current operations, which would result in an even bigger deficit. Board of Trustees Chair Lawson said it is true that they are incurring new debt but that they have built it into their current budget-balancing.

Mr. Maleszewski said the deficit would continue to be a finding in the University's operational audits by the Florida Auditor General. The University is currently undergoing an operational audit, and this is expected to be the third (repeat) audit finding. As such, the Joint Legislative Audit Committee will be seeking additional information on the University's corrective actions.

Mr. Levine expressed his appreciation to Chair Lawson and President Robinson for their hard work and ownership to address the deficit. Chair Lawson commended University staff, Athletics Director Milton Overton in particular, for their dedication and team work in addressing the deficit. He said the monthly meetings are important for transparency in this process.

5. Update on Auditor General Operational Audit of Board of Governors Office – Result and Corrective Action Plan

Mr. Maleszewski provided a brief report on the Florida Auditor General's operational audit results of the Board of Governors office. In accordance with Florida Statutes, the Auditor General conducts operational audits of state agencies every three years. In November 2016, the Auditor General released its operational audit report of the Board Office, which covers the period of July 2014 through May 2016. Mr. Maleszewski said there were no adverse audit findings related to Board Office operations, but there was one finding related to guidance and oversight. The finding contained six subparts in the areas of remuneration of teaching faculty, sponsored research, anti-hazing, student code of conduct, and procurement. Mr. Maleszewksi explained each and described the corresponding corrective action plan for addressing them. The operational audit report, which includes the corrective action plan, is included in Board members' materials in Diligent Books under tab 6.5.2. Mr. Maleszewski added that in accordance with statutory requirements, his office will provide a six-month follow-up report in May on the status of corrective actions taken.

6. Update on Performance-based Funding Audits and Certifications

In June 2016, Mr. Kuntz notified university board chairs and presidents that an audit would again be required for Performance-based Funding data integrity. The audit and accompanying certification would be due in time for inclusion in the meeting materials for the March 2017 Board of Governors meeting.

Mr. Maleszewski explained that this is the third year for the required Performance-based Funding data integrity audits and certifications. He said he would provide the Committee with a summary of results at the March 2017 Board of Governors meeting.

For this year's audits and certifications, Mr. Maleszewski explained that university chief audit executives had asked if they could use their discretion to determine whether or

not to perform these audits. Mr. Kuntz considered the request but decided that audits should be done again this year. Chief audit executives were, however, provided flexibility in establishing their own scope based upon prior audit findings and known risks. Mr. Maleszewski said providing chief audit executives the discretion regarding whether to conduct the audit or not maybe requested again for next year.

Mr. Kuntz underscored the importance of this process, specifically for the boards of trustees chairs. Each of these audits is presented to the respective boards of trustees for their certification that the data collected and the calculations performed for Performance-based Funding metrics were done correctly. He reminded board chairs that this is a serious obligation and that they need to engage in detailed discussions regarding these audit reports and data accuracy. Ms. Link echoed the importance of holding detailed discussions as these audits are presented.

Mr. Huizenga encouraged each board of trustees to have an audit function for their board. Mr. Maleszewski confirmed that each university has an audit function and that each board of trustees has a committee that includes audits. There are a few universities, however, that combine audit and compliance with their budget or finance committees. Those universities are moving to separate audit and compliance as a stand-alone committee. Additionally, Mr. Maleszewski reminded the Committee that one of the regulations (4.003) passed in November 2016 requires universities to have an effective and centralized compliance and ethics program.

7. Summary of State University Audit Council and SUS Compliance Consortium Meetings

Mr. Maleszewski described the recent activities of the State University Audit Council, which is comprised of university chief audit executives. This group meets twice a year in person to collaborate and discuss topics relevant to the State University System as a whole. Among other topics, at the last meeting, they discussed and adopted a set of investigative standards in accordance with the newly approved Board of Governors Regulation 4.002 *State University System Chief Audit Executives*.

The SUS Compliance and Ethics Consortium is comprised of the chief compliance officers. The Consortium meets quarterly by conference call and, two years ago, began holding a two-day in-person meeting once a year. Mr. Maleszewski explained that the Consortium is newer and that not all universities participate on a routine basis. Nonetheless, it is an effective group in bringing together compliance professionals to share ideas and collaborate. Mr. Maleszewski encouraged participation by each university in this group.

8. Concluding Remarks and Adjournment

Ms. Link asked Board members for suggestions for other topics this Committee should consider. Hearing none, the Audit Committee was adjourned at 9:36 a.m.

_____
Wendy Link, Chair

_____
Lori Clark, Compliance and Audit Specialist

STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
Audit and Compliance Committee
March 30, 2017

SUBJECT: University Performance-Based Funding Data Integrity Audit Reports, Corrective Action Plans (if applicable), and Certifications

PROPOSED COMMITTEE ACTION

Discussion of University Performance-Based Funding Data Integrity Audit Reports, Corrective Action Plans (if applicable), and Certifications

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution

BACKGROUND INFORMATION

In his June 23, 2016, memorandum to university presidents and boards of trustees' chairs, Board of Governors Chair Tom Kuntz reiterated the importance of reliable, accurate, and complete data from each state university to the Board of Governors to use in assessing each institution's excellence and improvements in 10 key metrics.

Chair Kuntz directed each university president to request the university's chief audit executive to conduct an audit of the university's processes that ensure the completeness, accuracy, and timeliness of data submissions to the Board Office. University presidents should then use the audit results to affirm, or modify if necessary, the effectiveness of the university's processes.

Committee members will receive a summary of the Performance-Based Funding Data Integrity Certification process results and related chief audit executives' audits for their review and discussion.

Supporting Documentation Included:	University Performance-Based Funding Data Integrity Audit Reports and Corrective Action Plans (as applicable), and Certifications
Facilitators/Presenters:	Mr. Joseph Maleszewski

SUS Performance Based Funding Data Integrity Audits, Action Plans, and Certifications Summary
March 2017
Year 4

UNIV.	CONCLUSIONS	OBSERVED ISSUES	ACTION PLAN	CERTIFICATION
FAMU	• Controls Adequate • Basis for Certification	• Information Technology Access Controls • Timeliness of Submissions • Graduation and Degree Audit Controls	Completion Date: June - November 2017	Modified Certification – control deficiencies (with no significant impact) and late data submissions
FAU	• Controls Adequate • Basis for Certification	• Timeliness of Submissions	Completion Date: January 30, 2017	Modified Certification – late data submissions
FGCU	• Controls Adequate • Basis for Certification	• Timeliness of Submissions	Completion Date: January 23, 2017	Modified Certification – late data submissions
FIU	• Controls Adequate • Basis for Certification	• Information Technology Access Controls	Completion Date: March – April 2017	Unmodified Certification
FPU	N/A	N/A	N/A	N/A
FSU	• Controls Adequate • Basis for Certification	• No adverse findings	N/A	Unmodified Certification
NCF	• Controls Adequate • Basis for Certification	• No adverse findings	N/A	Unmodified Certification
UCF	• Controls Adequate • Basis for Certification	• No adverse findings	N/A	Unmodified Certification
UF	• Controls Adequate • Basis for Certification	• No adverse findings	N/A	Unmodified Certification
UNF	• Controls Adequate • Basis for Certification	• Policies and Procedures – Limited Written Procedures; Secondary Review of Data • Timeliness of Submissions	Completion Date: January 2018	Modified Certification – late data submissions
USF	• Controls Adequate • Basis for Certification	• Hours to Degree – Corrections and Resubmissions	N/A	Unmodified Certification
UWF	• Controls Adequate • Basis for Certification	• Access to Sensitive Data	Completion Date: April 28, 2017	Unmodified Certification

FLORIDA A&M UNIVERSITY
DIVISION OF AUDIT & COMPLIANCE

MEMORANDUM

To: **Dr. Larry Robinson, President**

From: **Richard E. Givens, CPA** RGW

Date: **February 20, 2017**

RE: **Performance Based Funding Data Integrity Audit 2017-1**

In accordance with the University's Internal Audit Plan for Fiscal Year 2016-17, and at the request of the Florida Board of Governors, we have conducted an audit of the processes and controls that Florida A & M University has in place related to data submissions in support of the BOG performance based funding metrics as of October 30, 2016. The report contained herein presents our scope and objectives and provides comments and conclusions resulting from procedures performed.

Please call me if you have any questions.

cc: University Provost
Vice Presidents
FAMU Board of Trustees
Inspector General, Florida Board of Governors
State Auditor General

FLORIDA AGRICULTURAL & MECHANICAL UNIVERSITY

Excellence with Caring

PERFORMANCE BASED FUNDING DATA INTEGRITY AUDIT 2017-1

February 20, 2017

Division of Audit and Compliance
Richard Givens, Vice-President

FLORIDA AGRICULTURAL & MECHANICAL UNIVERSITY
PERFORMANCE BASED FUNDING DATA INTEGRITY
AUDIT 2017-1

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EXECUTIVE SUMMARY

In accordance with the University's Internal Audit Plan for fiscal year 2016-17, and at the request of the Florida Board of Governors (BOG), we have conducted an audit of the University's processes and controls which support data submitted to the BOG for its performance based funding metrics. This audit was part of a system-wide examination based on data submitted as of October 30, 2016.

The primary objectives of this audit were to:

- Evaluate controls and processes to ensure completeness, accuracy and timeliness of data submitted to the BOG; and,

- Provide a reasonable basis of support for the Performance Based Funding Data Integrity Certification statement.

Audit procedures included, but were not limited to, the evaluation of internal controls as those controls relate to the accomplishment of the foregoing audit objectives, as well as compliance testing for a sample of data elements included in files submitted for various BOG performance based funding metrics.

Observations noted are as follows:

- Some inappropriate or unnecessary information technology (IT) access privileges existed within iRattler System, indicating a need for an improved review of access privileges.
- Data submissions were not submitted by the required due date.
- An inadequate separation of duties existed in that an employee could add a student to the graduation report and approve the student for graduation without any other review or approval.
- Degree audits are performed to verify that the student successfully passed all courses in the curriculum. Our review disclosed instances in which the degree audits were not signed by the preparer and reviewer. Degree Progress Course Exception Forms are completed for making an exception for a student to take a course in lieu of a required course in their program. Our review disclosed instances where the Forms were not signed by the preparer and reviewer. In one instance, the degree audit showed a required course was not completed.

Based on our observations and tests performed, we are of the opinion that the University's processes and internal controls for data compilation and reporting to the BOG are adequate. We consider the improvements identified in the Observations and Comments section of this report to be significant in helping to ensure the completeness and accuracy of data submitted for performance based metrics in future periods.

SCOPE AND OBJECTIVES

At the request of the Florida Board of Governors, we have conducted an audit of the University's processes in place to ensure the completeness, accuracy, and timeliness of data submissions to the BOG. The primary objectives of this audit were to:

- Evaluate controls and processes established by the Office of Institutional Research and primary data custodians to ensure completeness, accuracy and timeliness of data submitted to the BOG; and,

- Provide a reasonable basis of support for the Performance Based Funding Data Integrity Certification statement, which is required to be signed by the University President and Board of Trustees Chair.

METHODOLOGY

Data submitted to the BOG, upon which performance funding is based, and the methods and controls applied by management to ensure data integrity were subject to several key audit procedures. Specifically, detailed management narratives, as well as BOG publications related to data compilation were reviewed, and various samples of data reported to the BOG were verified to University source documents. Specific information describing the work conducted to address the audit objectives is included in Appendix A to this report.

Our audit was conducted in accordance with current International Standards for the Professional Practice of Internal Auditing as published by the Institute of Internal Auditors.

BACKGROUND

The Florida Board of Governors has broad governance responsibilities affecting administrative and budgetary matters for Florida's 12 public universities. Beginning in fiscal year 2013-14, the BOG instituted a performance funding program based on 10 performance metrics used to evaluate the institutions on a range of issues including graduation rates, job placement, cost per degree and retention rates, among other outcomes. According to information published by the BOG in May 2014, the following are key components of the funding model:

- Institutions will be evaluated on either Excellence or Improvement for each metric.
- Data is based on one-year data.
- The benchmarks for Excellence were based on the Board of Governors 2025 System Strategic Plan goals and analysis of relevant data trends, whereas the benchmarks for improvement were determined after reviewing data trends for each metric.

OBSERVATIONS AND COMMENTS

System Access Controls and User's Privileges

Some inappropriate or unnecessary information technology (IT) access privileges existed within iRattler that had not been corrected from the prior two audit years. The presence of the inappropriate or unnecessary IT access privileges indicate a need for an improved review of access privileges to ensure access is consistent with an employee's job duties. The existence of the inappropriate or unnecessary access privileges increased the risk of unauthorized disclosure, modification, or destruction of University data and IT resources. However, additional testing of performance funding file data provided assurance that the inappropriate access privileges did not have an impact on the accuracy of file data. Additionally, a user access review was not performed for seven departments who perform critical data functions as it relates to performance funding. Periodic reviews of access privileges are necessary to ensure that employees can only access IT resources that are necessary to perform their assigned job duties and that the assigned access privileges enforce an appropriate separation of incompatible duties.

Recommendation. A User access review should be performed to ensure access is consistent with an employee's job duties.

Corrective Action Plan

Management's corrective action plan states the following actions will be taken:

- Information Technology Services (ITS) subject matter experts (SME) and core users from the offices will work together to determine the access needed for each level of duty. A security matrix will be developed to include segregation of duties and enhanced descriptions for roles. In addition, ITS has hired a consultant, who will be assisting the department in updating the security matrix. The consultant began work in February 2017.

  Responsible Employees: Candace McCrary, Associate Director of iRattler Security
  Implementation date: June 2017.

- Complete an annual user role re-certification project to include 1) completion of a testing prototype application to ensure it conforms to specifications, 2) reviewing and updating descriptions of access roles with SMEs and departments, 3) executing annual re-certification test internally within ITS to discover and address any issues, 4) assigning a coordinator within each department who will assist in entering an organizational chart, 5) executing an annual test and generate reports.

  Responsible Employees: Candace McCrary, Associate Director of iRattler Security
  Implementation date: September 2017.

Data Submissions

Data submissions were not submitted by the required due date, contrary to Board of Governors Regulation 3.007(5)(b).

- The Student Instruction File (SIF) Summer 2016 and SIF Spring 2016 files were submitted 24 and 20 days late, respectively. The late submission was due to errors caused by the current file SQR. The errors affected facility id's and course information that had to be manually corrected.

- The Degrees Awarded File (SIFD) Summer 2016 and SIFD Spring 2016 files were submitted 14 and 26 days late, respectively. The late submission was because the SIFD could not be submitted until the SIF had been submitted and accepted.

Corrective Action Plan

Management's corrective action plan states the following actions will be taken: 1) Rewrite the SQR for building the SIF file to improve the field mapping between State University Database System (SUDS) and PeopleSoft, 2) Update the facility data in PeopleSoft, 3) Update the course section identification process through the implementation of Visual Schedule Builder and Ad Astra.

In addition, a Data Integrity Committee has been appointed to review and monitor the processes and procedures for the data collection, recording and submission process. The committee identified the re-write of the data extraction software as being critical to being able to file data timely. The university has received quotes from consultants to perform the re-write and will submit a proposal to the Title III program for funding.

Responsible Employee: Agatha Onwunli, Registrar; Ronald Henry, Interim Chief Information Officer
Implementation date: November 2017.

Separation of Duties

When students do not apply for graduation by the application deadline, or where the student meets the requirement for graduation but does not apply, they can be manually added to the graduation report. An employee in the Registrar's office has the access capability to manually add a student to the graduation report and approve the student for graduation. No review or approval is required by another employee within the Registrar's Office or the College/school to verify that the student meets the requirements for graduation. We were informed that the Registrar Office's procedure is to manually add to the graduation report only with written authorization from the school/college.

An adequate separation of duties requires that an employee not have the capability to authorize, record, and approve a transaction. If duties cannot be reasonably separated, adequate compensating controls are needed to provide reasonable assurance that errors or irregularities are timely identified and corrected. When one employee has the access to

authorize, add, and approve students to the graduation report without adequate compensating controls, the risk that an ineligible student could be awarded a degree is increased.

Recommendation. We requested a list of the manual additions to the graduation report by the employee in the Registrar's office. Our review indicated that the students who were manually added to the graduation report were approved by the colleges/schools. However, to improve internal controls, we recommend that the duties be properly separated or mitigating controls, such as an independent review of manual additions, be implemented.

Corrective Action Plan

A compensating control will be implemented immediately by development of a report for students who are manually added to the Graduation Report. This report will be sent to the academic departments to verify that the students meet the eligibility requirements and returned to the Registrar's Office to document approval of the college/school. Annual training will be provided to employees in both the Registrar's Office and the academic departments to emphasize the importance of verification of these students and to ensure they have the knowledge and skills needed to perform these duties.

The duties will be separated so that one employee does not have the capability to add a student to the graduation roster and approve the student for graduation.

Responsible Employee: Agatha Onwunli, Registrar; Ronald Henry, Interim Chief Information Officer
Implementation date: Summer 2017

Degree Audits

Our review disclosed that degree audits were to be performed to determine whether students met the requirements for graduation. The degree audits were to be performed by employees in the school/college to verify that the student successfully passed all courses in their program. Our review disclosed that degree audits were performed and that students generally met the requirements of the curriculum; however, we noted the following areas for improvement:

- Degree audits were not signed, in some instances
- Students are allowed an exception for taking a course in lieu of a required course in their program. The exceptions were allowed upon review and approval of the academic advisor and the department chair. A Degree Progress Course Exception Form was to be completed to document the class exception and provide information used to determine the reason for the exception. The completed Form was to be forwarded to the Registrar's Office to update the student's information in the academic advisor module. The academic advisor and department chair are to approve the class exception; however, our review of these forms disclosed instances where the required justification for a class exception was not documented on the form and the forms were not always signed. In one instance the student did not take a required course. Although requested, we were not provided documentation that the student took a course in lieu of the

required course; however, we consider this to be an isolated instance based on audit procedures performed.

Without justification of the class exceptions and/or the approval of the academic advisor and department chair, the class exceptions were not adequately documented.

Recommendation. We recommend that the class exception forms be completed to include adequate justification and approval of class substitutions. The Registrar's Office should not accept incomplete Degree Progress Course Exception Forms. We also recommend that degree audits be signed by staff who complete the degree audit.

Corrective Action Plan

Degree audits will be signed by staff who complete the degree audit. Incomplete Class Exception Forms will be returned to the school/college to obtain the information required for changing student information. In addition, the degree audit process and the process for completion of class exception forms will be reviewed and guidance and training provided to the colleges/schools in completion of these processes. The process for substitution of courses in lieu of required courses will be reviewed, including consideration of establishing a maximum number of course substitutions allowed.

Responsible Employee: Carl Goodman, Associate Vice President Academic Affairs, Agatha Onwunli, Registrar

Implementation Date: Summer 2017

CONCLUSION

Based on our audit, we have concluded that the controls and processes which Florida A & M University has in place to ensure the accuracy and completeness of data submitted to the Board of Governors in support of performance based funding is adequate. None of the observations and comments affected the integrity of the data submissions. In our opinion, we consider management's approach and suggestions to improve the integrity of the data, as cited in this report, to be reasonable and cost effective to implement. Further, we believe our audit can be relied upon by the University Board of Trustees and President as a basis for certifying the representations made to the Board of Governors related to integrity of data required for its performance based funding model.

AUTHORITY

Pursuant to the Division's Audit Charter, I have directed that this report be prepared to present the results of our audit.

Richard E. Givens

Richard E. Givens, CPA

February 20, 2017

APPENDIX A

OVERVIEW OF AUDIT PROCEDURES PERFORMED BY OBJECTIVE

A. Determine accuracy/reliability of the data reported for the University's Performance Funding Metrics report for the 2016-17 FY.

- **Performed** tests to determine if the data files submitted in SUDS was accurately extracted and converted from i-rattler.
- **Performed** tests to determine the accuracy of data in selected files submitted to the BOG.
- **Performed** tests regarding the degree certification process and degree approval process to ensure reliability for the Degrees Awarded file which is used in several metrics.
- **Reviewed** the University's overall process for building SUDS files, testing and reviewing SUDS files prior to submission, and the submission process for SUDS files.

B. Determine whether the appointment of the Data Administrator by the university president and duties related to these responsibilities are incorporated into the Data Administrator's official position description.

- **Reviewed** the Data Administrator appointment letter sent to the Board of Governors by President Mangum.
- **Reviewed** the position description for the Assistant Vice President of Academic Affairs for Institutional Reporting and Research.

C. Evaluate the processes used by the Data Administrator to ensure the completeness, accuracy and timely submission of data to the Board of Governors.

- **Reviewed** the State File Reporting Process documents for the steps taken to ensure the completeness of submissions to the Board of Governors.
- **Interviewed** Dr. Owusu regarding the performance funding submission process.
- **Reviewed** the Data Administrator responses to questions regarding changes from last year in the process he takes to ensure the completeness, accuracy and timeliness of submission to the Board of Governors.
- **Reviewed** Emails for examples of additional steps OIR takes to ensure accuracy of data.
- **Reviewed** the Board of Governors Data Requests Weekly Tracking/Monitoring List.

D. Evaluate any available documentation including policies, procedures, and desk manuals of appropriate staff and to assess their adequacy for ensuring data integrity for university data submissions to the Board of Governors.

- **Reviewed** any changes to the data file matrix, submission flowcharts, and business process for submitting the SIF, SIFD, HTD, IRD, RET, SFA, and EA files.
- **Reviewed** the policies and procedures data submission process performed by the Data Administrator for the overall performance funding file submission process.
- **Reviewed** any changes to the data entry procedures within i-rattler for the data used to build the SIF, SIFD, HTD, IRD, RET, SFA, and EA files.

- **Interviewed** data owners within OIR, Registrar's Office, Financial Aid, Admissions, Test Services Bureau, Academic Affairs and IT Services personnel regarding the policies and procedures for data file development and submission and data entry.

E. Review system access controls and user privileges to evaluate if they are properly assigned and periodically reviewed to ensure only those authorized to make data changes do so.

- **Performed** tests of user access privileges for all accounts on SUDS.
- Interviewed the ITS Associate Security Director to determine if any work had been performed to correct the inappropriate or unnecessary access privileges noted in the prior year audit or if any user access reviews had been conducted since the prior audit.

F. Test data accuracy through tracing sampled items to source documents.

- **Performed** tests of data accuracy for the SIFD, HTD, SIF, and SFA files.
- **Performed** tests of Personal Demo information included in the above files for data accuracy.
- **Performed** tests to ensure the process used to certify degrees within colleges and schools were being followed.
- **Performed** tests to review the Pell Grant process within iRattler.

G. Determine the veracity of the university Data Administrator's data submission statements that indicate, "I certify that this file/data represents the position of this University for the term being reported."

- **Interviewed** Dr. Owusu regarding the performance funding submission process and the validation statement.
- **Reviewed** the email from Joseph Maleszewski, BOG Inspector General, confirming that the Board of Governors had implemented an electronic certification process.

H. Evaluate consistency of data submissions with the data definitions and guidance provided by the Board of Governors through the Data Committee and communications from data workshops.

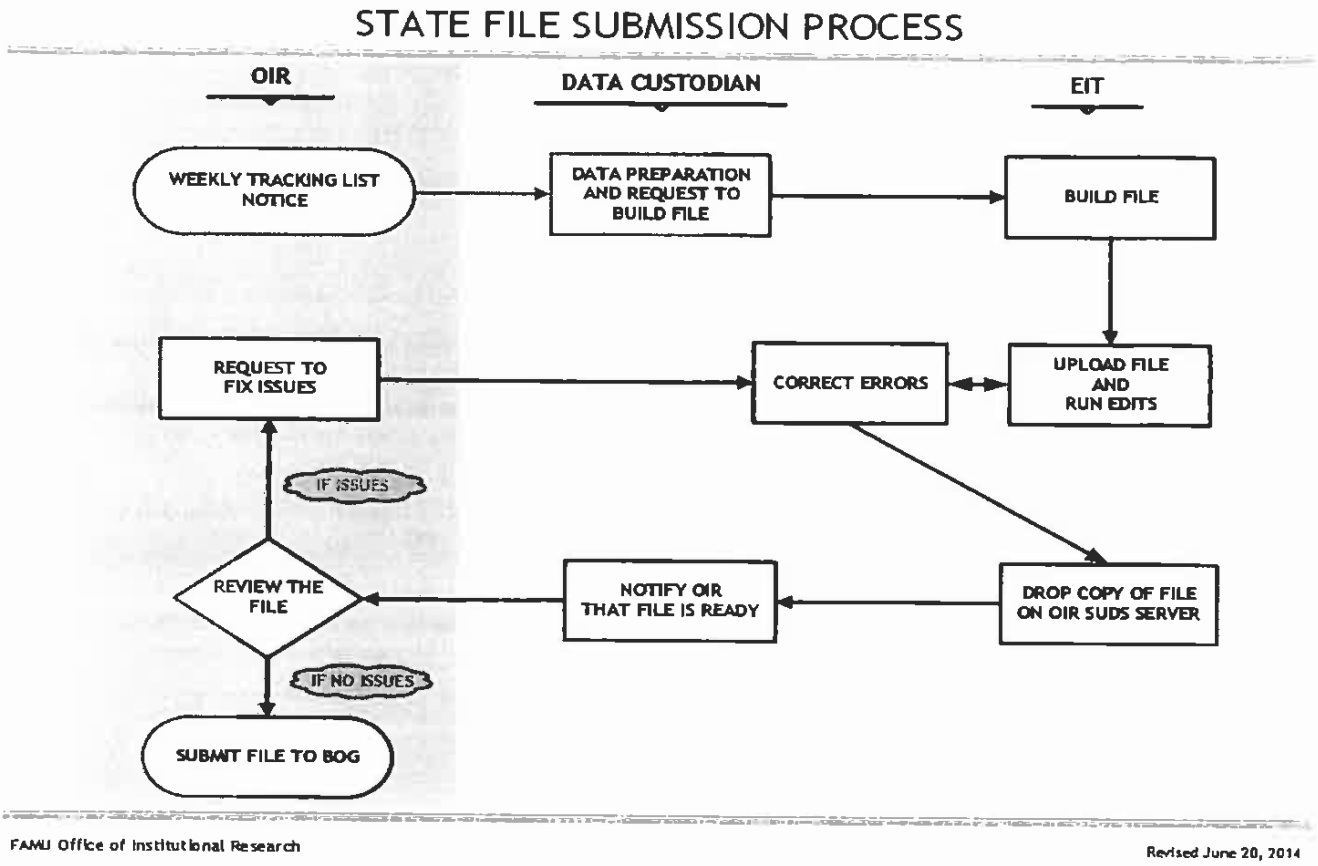
- **Reviewed** the Submission Matrix submitted by Dr. Owusu.
- **Interviewed** Dr. Owusu regarding the performance funding submission process and the validation statement.
- **Performed** additional testing of the file manual edit process for all files that had a high number of edits or issues with the SQR data extraction.

I. Review the university Data Administrator's data resubmissions to the Board of Governors with a view toward ensuring these resubmissions are both necessary and authorized. This review will also evaluate how to minimize the need for data resubmissions.

- **Reviewed** the Submission Matrix submitted by Dr. Owusu.
- **Interviewed** Dr. Owusu regarding the performance funding submission process and the validation statement.
- **Performed** a test of SUDS user access to ensure that access to submit files are limited to the appropriate personnel.

APPENDIX B

STATE FILE SUBMISSION PROCESS



The OIR is responsible for coordinating the submission of files to the Florida Board of Governors (FLBOG). The chart above illustrates the general workflow process involved in state data file submissions.

The OIR serves as the primary coordinator of file submissions to the FLBOG. Tracking of all state file submissions is done using the Florida Board of Governors Weekly Tracking List.

The State File Submission Process

The timely submission of any file to the FLBOG requires coordination and cooperation among a number of university stakeholders. To ensure the timeliness and accuracy of data, each responsible department must do its part.

As is noted in the immediately preceding subsection, state files and routine reports appear on the Weekly Tracking List a minimum of three months before they are required to be submitted

to the OIR. While the initiation dates for the various submissions may vary, the process for constructing and submitting files to the FLBOG and other stakeholders is carried out as follows:

1. Based on submission deadlines, the data custodian will request that a file be constructed. This may include data preparation and organization by the requesting department. Once this is complete, the data custodian will send a request to Enterprise Information Technology (EIT) staff to build the file.

2. The EIT will build the file based on the parameters outlined by BOG.

3. Once the file is built, the EIT will upload the file to the State University Data System (SUDS) server and run appropriate edits.

4. If errors are detected, the assigned EIT staff and data custodian(s) will work collaboratively to correct all errors identified.

5. Once the identified errors are corrected EIT staff uploads the file and rerun the edits again to ensure that the file is free of errors (repeat 2, 3 and 4 until the file is free of errors).

6. When the file is free of errors, the EIT staff sends a copy of the actual file to the shared OIR server.

7. The data custodian will then notify the OIR that the file is ready for review and submission.

8. Upon notification that the file is ready for review, the OIR will review the file and run its own edits to ensure data integrity and accuracy.

9. If the OIR determines that there are no errors, the file will be submitted to the Board of Governors. If, however, the OIR identifies errors or other potential problems with a file it will request that data custodian and the EIT make any necessary corrections (repeat steps 4, 5, 6 and 7 above until the file is clean and free of errors and deemed by the OIR to be ready for submission).

STATE UNIVERSITY SYSTEM of FLORIDA
Board of Governors

Performance Based Funding

March 2017 Data Integrity Certification

Name of University: Florida Agricultural & Mechanical University

INSTRUCTIONS: Please respond "Yes" or "No" for each representation below. Explain any "No" responses to ensure clarity of the representation you are making to the Board of Governors. Modify representations to reflect any noted audit findings.

Performance Based Funding Data Integrity Certification Representations			
Representations	**Yes**	**No**	**Comment / Reference**
1. I am responsible for establishing and maintaining, and have established and maintained, effective internal controls and monitoring over my university's collection and reporting of data submitted to the Board of Governors Office which will be used by the Board of Governors in Performance Based Funding decision-making.	☒	☐	Except as noted in the audit report. The control deficiencies noted in the audit report did not have a significant impact on the data submitted to the BOG.
2. These internal controls and monitoring activities include, but are not limited to, reliable processes, controls, and procedures designed to ensure that data required in reports filed with my Board of Trustees and the Board of Governors are recorded, processed, summarized, and reported in a manner which ensures its accuracy and completeness.	☒	☐	Except as noted in the audit report. The control deficiencies noted in the audit report did not have a significant impact on the data submitted to the BOG.
3. In accordance with Board of Governors Regulation 1.001(3), my Board of Trustees has required that I maintain an effective information system to provide accurate, timely, and cost-effective information about the university, and shall require that all data and reporting requirements of the Board of Governors are met.	☒	☐	
4. In accordance with Board of Governors Regulation 3.007, my university shall provide accurate data to the Board of Governors Office.	☒	☐	
5. In accordance with Board of Governors Regulation 3.007, I have appointed a Data Administrator to certify and manage the submission of data to the Board of Governors Office.	☒	☐	

Performance Based Funding
Data Integrity Certification

Performance Based Funding Data **Integrity Certification Representations**			
Representations	**Yes**	**No**	**Comment / Reference**
6. In accordance with Board of Governors Regulation 3.007, I have tasked my Data Administrator to ensure the data file (prior to submission) is consistent with the criteria established by the Board of Governors Data Committee. The due diligence includes performing tests on the file using applications/processes provided by the Board of Governors Information Resource Management (IRM) office.	☒	☐	
7. When critical errors have been identified, through the processes identified in item #6, a written explanation of the critical errors was included with the file submission.	☒	☐	
8. In accordance with Board of Governors Regulation 3.007, my Data Administrator has submitted data files to the Board of Governors Office in accordance with the specified schedule.	☒	☐	Except as noted in the audit report.
9. In accordance with Board of Governors Regulation 3.007, my Data Administrator electronically certifies data submissions in the State University Data System by acknowledging the following statement, "Ready to submit: Pressing **Submit for Approval** represents electronic certification of this data per Board of Governors Regulation 3.007."	☒	☐	
10. I am responsible for taking timely and appropriate preventive / corrective actions for deficiencies noted through reviews, audits, and investigations.	☒	☐	
11. I recognize that the Board's Performance Based Funding initiative will drive university policy on a wide range of university operations – from admissions through graduation. I certify that university policy changes and decisions impacting this initiative have been made to bring the university's operations and practices in line with State University System Strategic Plan goals and have not been made for the purposes of artificially inflating performance metrics.	☒	☐	

Performance Based Funding
Data Integrity Certification

Performance Based Funding Data Integrity Certification Representations			
Representations	**Yes**	**No**	**Comment / Reference**

I certify that all information provided as part of the Board of Governors Performance Based Funding Data Integrity Certification is true and correct to the best of my knowledge; and I understand that any unsubstantiated, false, misleading, or withheld information relating to these statements render this certification void. My signature below acknowledges that I have read and understand these statements. I certify that this information will be reported to the board of trustees and the Board of Governors.

Certification: Larry Robinson Date 3/2/17
President

I certify that this Board of Governors Performance Based Funding Data Integrity Certification has been approved by the university board of trustees and is true and correct to the best of my knowledge.

Certification: Debra Inman Date 3/7/17
Board of Trustees Chair

Report No. FAU 16/17-1
Report Issue Date: January 12, 2017

FLORIDA ATLANTIC UNIVERSITY™

Office of Inspector General

Audit Report: *Performance Based Funding Data Integrity*

As of October 31, 2016

Use of Report

We are employed by Florida Atlantic University. This report is intended solely for the internal use of the State University System and is not intended to be used for any other purpose. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

BOCA RATON • DANIA BEACH • DAVIE • FORT LAUDERDALE • JUPITER • PORT ST. LUCIE

REPORT ON THE AUDIT OF

PERFORMANCE BASED FUNDING DATA INTEGRITY

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Florida Board of Governors
Performance Funding Allocation, 2016-2017
June 23, 2016

	Points	Allocation of State Investment	Allocation of Institutional Investment[1]	Total Performance Funding Allocation
FAMU	65	$11,509,132	$14,066,717	$25,575,849
FAU	84	$25,346,748	$21,642,163	$46,988,911
FGCU	67	$8,010,396	$9,790,484	$17,800,880
FIU	76	$25,253,750	$30,865,695	$56,119,445
FSU	68	$35,574,608	$43,480,076	$79,054,684
NCF	59	$0	$2,740,857	$2,740,857
UCF	84	$39,301,181	$38,697,580	$77,998,761
UF	82	$47,695,822	$49,180,011	$96,875,833
UNF	56	$0	$12,914,790	$12,914,790
USF	79	$32,308,363	$39,488,000	$71,796,363
UWF	57	$0	$12,133,627	$12,133,627
Total		$225,000,000	$275,000,000	$500,000,000

FAU
FLORIDA ATLANTIC UNIVERSITY

MEMORANDUM

TO: Dr. John Kelly
President

FROM: Morley Barnett
Inspector General

DATE: January 12, 2017

SUBJ: PERFORMANCE BASED FUNDING DATA INTEGRITY AUDIT

In accordance with the University's Internal Audit Plan for fiscal year 2016-17, and at the request of the Florida Board of Governors (BOG), we have conducted an audit of the processes and controls that Florida Atlantic University has in place related to data submissions in support of the BOG performance based funding metrics as of October 31, 2016. The report contained herein presents our scope and objectives and provides comments and conclusions resulting from procedures performed.

We have made one recommendation to address our finding. We concur with the response of the auditee which has been incorporated into the report. In accordance with our established procedures, follow-up will be performed subsequent to the issuance of this report to determine effective implementation of the recommendation by management.

Please call me if you have any questions.

cc: University Provost
Vice Presidents
University Chief Information Officer
University Data Administrator
FAU Board of Trustees
Inspector General, Florida Board of Governors
Florida Auditor General

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Executive Summary

In accordance with the University's Internal Audit Plan for fiscal year 2016-17, and at the request of the Florida Board of Governors (BOG), we have conducted an audit of the University's processes and controls which support data submitted to the BOG for its performance based funding (PBF) metrics. This audit was part of a system-wide examination of data integrity based on data due to be submitted to the BOG as of October 31, 2016.

The primary objectives of this audit were to:

- Evaluate controls and processes established by the Office of Institutional Effectiveness and Analysis and primary data custodians to ensure completeness, accuracy and timeliness of data submitted to the BOG; and,

- Provide a reasonable basis of support for the Performance Based Funding Data Integrity Certification statement which is required to be signed by the University president and Board of Trustees chair.

Audit procedures included, but were not limited to, the evaluation of internal controls as those controls relate to the accomplishment of the foregoing audit objectives, as well as compliance testing of data elements comprising the *Degrees Awarded* file which is used in computations for seven of the ten performance based funding metrics.

Based on our observations and tests performed, we are of the opinion that the University's processes and internal controls for data compilation and reporting to the BOG are adequate. Similar to the previous year's audit, we noted delays in submission of some data files required to compute several of the metrics. The details of this finding and suggestion for corrective action, along with other results of tests performed, can be found in the Comments and Recommendations section of this report.

FAU
FLORIDA ATLANTIC UNIVERSITY

January 12, 2017

Dr. John Kelly
President
Florida Atlantic University
Boca Raton, Florida

Dear President Kelly:

SCOPE AND OBJECTIVES

At the request of the Florida Board of Governors, we have conducted an audit of the processes used by the University to ensure the completeness, accuracy, and timeliness of data submissions to the BOG. As part of this system-wide audit, we chose to focus on data elements supporting the *Degrees Awarded* file, used in computations for seven of the ten performance based funding metrics.

The primary objectives of this audit were to:

- Evaluate controls and processes established by the Office of Institutional Effectiveness and Analysis and primary data custodians to ensure completeness, accuracy and timeliness of data submitted to the BOG; and,

- Provide a reasonable basis of support for the Performance Based Funding Data Integrity Certification statement which is required to be signed by the University president and Board of Trustees chair.

Our audit covered data submissions to the BOG through October 31, 2016. Detailed testing of data submitted to the BOG was limited to information found in the SIFD - Degrees Awarded file. Other relevant information reviewed for the audit included BOG narratives on PBF metric derivations, data definitions, minutes of the University's data integrity committee, and documentation related to centralized and decentralized data validation, compilation and submission protocols.

Our audit was conducted in accordance with International Standards for the Professional Practice of Internal Auditing as published by the Institute of Internal Auditors.

BACKGROUND

The Florida Board of Governors has broad governance responsibilities affecting administrative and budgetary matters for Florida's 12 public universities. In January 2014, the BOG approved a performance funding model for the State University System of Florida (SUS) based on ten metrics, the first eight of which are common to all institutions and the last two reflecting the

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choices of the BOG and FAU's Board of Trustees respectively. Listed below are the 10 performance based funding metrics which are applicable to Florida Atlantic University:

1. **Percent of Bachelor's Graduates Employed Full-time in Florida or Continuing their Education in the U.S. One Year After Graduation**
2. **Median Wages of Bachelor's Graduates Employed Full-time in Florida One Year After Graduation**
3. **Net Tuition per Degree for Resident Undergraduates [120-hour Program] eff 12/1/2016 ***
4. **Six-Year Graduation Rate for First-time-in-College (FTIC)**
5. **Students Academic Progress Rate [Second Year Retention Rate with GPA Above 2.0]**
6. **Bachelor's Degrees Awarded within Programs of Strategic Emphasis [including STEM]**
7. **University Access Rate [Percent of undergraduates with a Pell grant]**
8. **Graduate Degrees Awarded within Programs of Strategic Emphasis [including STEM]**
9. **Baccalaureate Degrees Awarded Without Excess Hours**
10. **Percent of Baccalaureate Degrees Awarded to Minorities**

*Formerly, Metric 3 was the Average Cost per Undergraduate Degree to the Institution

The BOG performance funding model has four guiding principles: 1) use metrics that align with SUS Strategic Plan goals, 2) reward Excellence or Improvement, 3) have a few clear, simple metrics, and 4) acknowledge the unique mission of the different institutions.

Controls over Data Validation, Compilation, and Submission

The Florida Board of Governors maintains a student unit record database titled the State University Database System (SUDS). This database contains over 400 data elements about students, faculty and programs at SUS institutions. SUDS is part of a web-based portal developed by the BOG for the SUS to report data, and has centralized security protocols for access, data encryption and password controls. Initial input of data files supporting PBF metrics is the responsibility of primary data custodians, such as the Admissions Office, Office of the Registrar, and Student Financial Aid, and is scheduled to be uploaded to SUDS based on the BOG's *Due Date Master Calendar*. Data uploaded to SUDS by various departments are subject to edit checks to help ensure propriety, consistency with BOG-defined data elements, and accuracy of information submitted. Once satisfied that any edits errors have been fully addressed, official submission of data files to the BOG is controlled by the Office of Institutional Effectiveness and Analysis (IEA), a unit within the Office of Information Technology.

Each file submission by IEA is subject to an affirmation statement in SUDS which declares that data submitted for approval "represents electronic certification of this data per Board of Governors Regulation 3.007". The University also requires an internal certification by departments when they upload data to SUDS. The internal certification is an email notification to IEA from the departmental data custodian manager which states "I certify that the approved business process for submission of the data file(s) has been followed and that the data submission is free from any major errors and accurate to the best of my knowledge". Board of Governors acceptance of data submissions is a formal process which is documented in SUDS, and if a submission is rejected, it will be subject to resubmission protocols set by the BOG.

SIFD - *Degrees Awarded* submissions

The Degrees Awarded file is a crucial source of information submitted for each semester of the academic year for metrics 1, 2, 4, 5, 6, 8a and 10b. Similar to the structure of other data files, SIFD consists of tables which are comprised of various data elements.

For the current audit, elements of the university's SIFD submitted for the 2016 spring semester were tested for validation with source documents. (Details of the SIFD scope and structure are further explained in Appendix B of this report).

COMMENTS AND RECOMMENDATIONS

Current Findings and Recommendations

Based on our detailed testing of twenty data elements included in tables of the SIFD - *Degrees Awarded* file, we noted consistency between the submitted data and corresponding source documents. However, for overall metric-linked submissions due to the BOG during the past 12 months ended 10/31/16, we noted several instances of late data submissions based on the BOG's *Due Date Master Calendar* and IEA data as listed below.

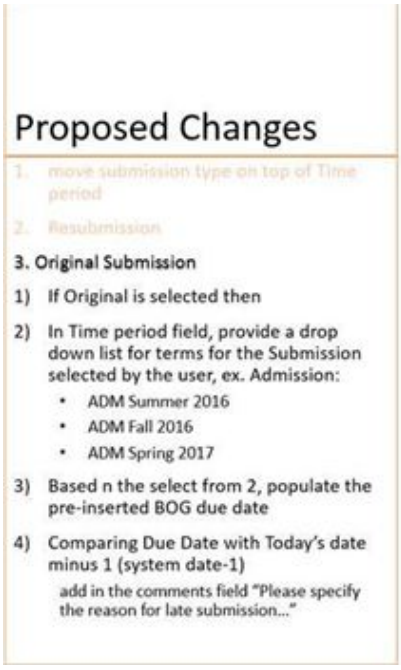
Data Submission	Reporting Period	Due Date	Per IEA - Date File Submitted	Number of Days Late	Primary Data Custodian
Student Instruction File					Registrar
	Summer 2015	09/28/15	10/12/15	14	
	Summer 2016	10/03/16	10/11/16	8	
Student Financial Aid					Financial Aid
	Annual 2014/15	10/09/15	10/16/15	7	
	Annual 2015/16	10/14/16	10/25/16	11	
Degrees Awarded					Registrar
	Summer 2015	10/09/15	11/10/15	32	
	Spring 2016	06/30/16	07/20/16	20	
Instruction & Research					I E A
	Annual 2014/15	10/06/15	10/20/15	14	
	Annual 2015/16	10/17/16	11/04/16	18	
Hours-to-Degree					Registrar
	Annual 2014/15	11/13/15	11/20/15	7	
Student Instruction - Prelim					Registrar
	Fall 2015	10/09/15	11/04/15	26	
	Fall 2016	10/21/16	10/27/16	6	
Retention					I E A
	Annual 2014/15	01/20/16	02/01/16	12	
Expenditure Analysis					Financial Affairs
	Annual 2015/16	10/21/16	11/04/16	14	

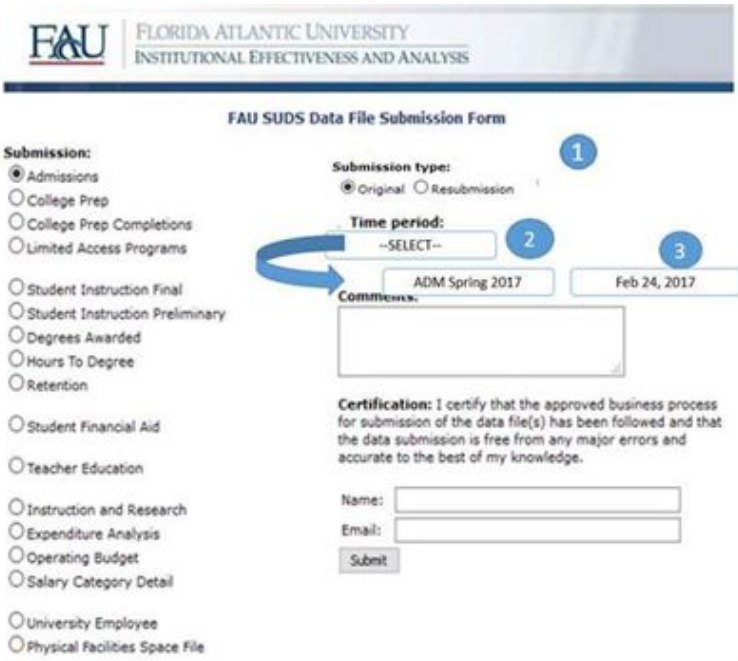
Similar to the observation in our prior audit (FAU15/16-1), IEA management has indicated that some instances of filing tardiness were due to the untimely identification and correction of data errors by university personnel, late processing of programming changes mandated by the BOG and the effect (interdependence) that one late submission may have on other filings. Additional reasons given for delays impacting the current year's submissions included the conversion to the Workday system effective 7/1/15, as well as Hurricane Matthew in October 2016.

Management's Response

Action Plan:

IEA is recommending changes to the submission form so that those who submit the files, will readily see the due date and explain any reasons for delays in submission. If they do a resubmission, the reason for having to ask for a resubmission is also included on the form. The hope is that this will bring to their attention the need to be timely and accurate. IEA will also run SQL (Structured Query Language) code to check for errors found in the past in addition to the BOG edits. IEA also runs frequency reports to check for any unusual differences in current versus prior reporting. IEA will continue to send out notifications of deadlines - we now ask the file owner in the email to specify the reason for any late submissions and re-submissions.





Implementation Date:

January 30, 2017

(IEA has sent out a notification of submission deadlines with a request that they specify any reasons for late submissions or resubmission during the spring 2017 semester. Each subsequent notification will include this language. We have already run SQL code and examined reports to check for prior errors with the SIF and salary category detail submissions for the spring 2017 semester and will continue to do so going forward).

Responsible Auditee:

Dr. Jeff E. Hoyt, University Data Administrator

Prior Audit Recommendations

Our examination generally includes a follow-up on findings and recommendations of prior internal audits, where the subjects of such findings are applicable to the scope of the current audit being performed. As discussed in the Comments and Recommendation section of this report, we noted several instances of late submissions of data required by the BOG for performance based funding metrics, as similarly reported in last year's audit.

CONCLUSION

Based on our audit, we have concluded that the controls and processes which Florida Atlantic University has in place to ensure the accuracy and completeness of data submitted to the Board of Governors in support of performance based funding are adequate. As noted in the Comments and Recommendations section of this report, we continue to re-emphasize the timely submission of data files to the BOG as part of the University's overall data integrity and accountability goals.

We believe our audit can be relied upon by the University Board of Trustees and president as a basis for certifying the representations made to the Board of Governors related to the integrity of data required for its performance based funding model.

****

We wish to thank the staffs of the Office of Institutional Effectiveness and Analysis, Office of the Registrar, and other primary data custodians for their cooperation and assistance which contributed to the successful completion of this audit.

Morley Barnett, CPA, CPE
Inspector General

Audit performed by: Mike Hewett, CIA, CGAP, CBA, CFSA
Morley Barnett, CPA, CFE

Performance Based Funding Data Integrity Audit
10/31/2016

LIST OF REPORT APPENDICES

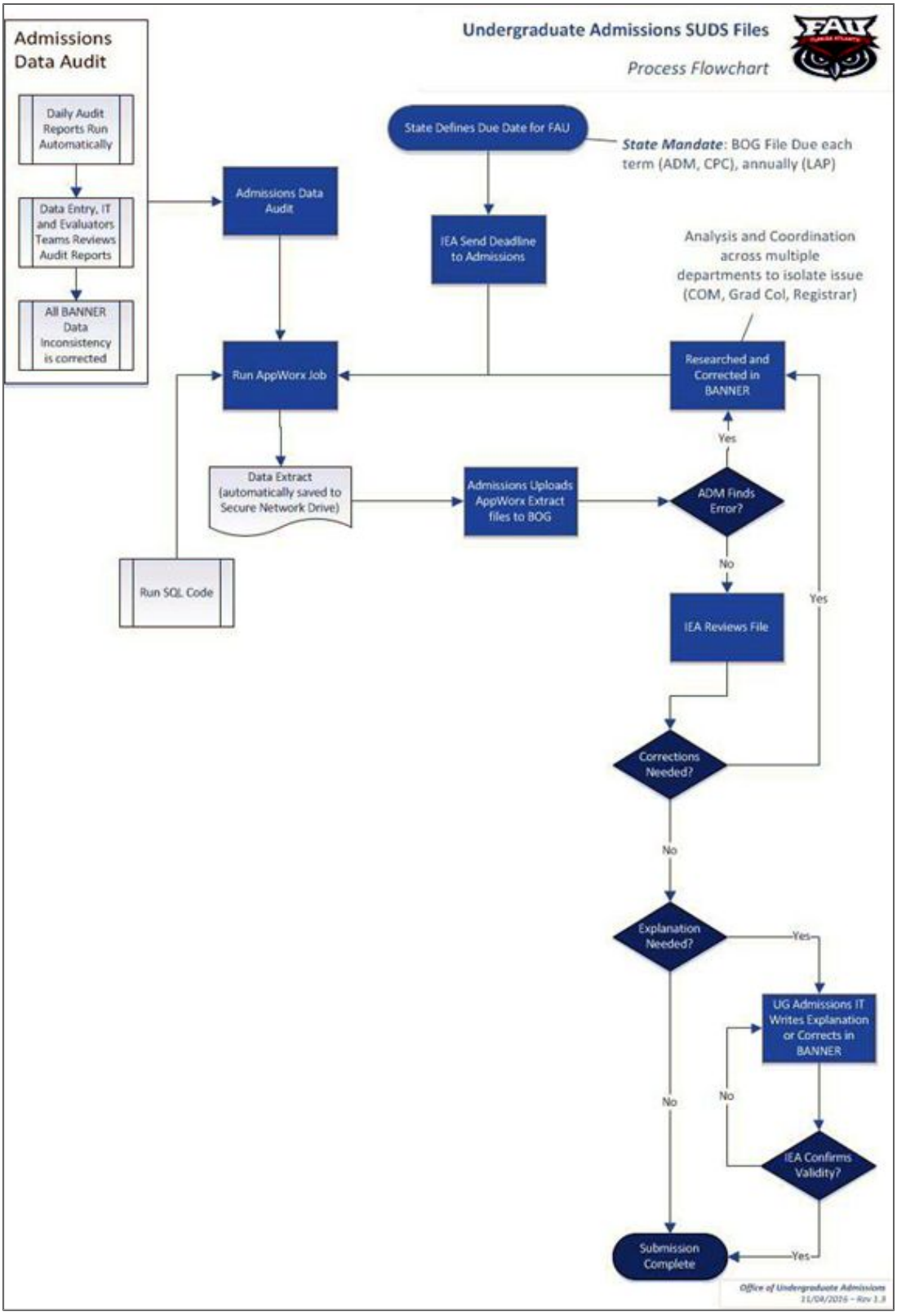
Appendix

- TYPICAL INTERNAL DATA PROCESS FLOW AND SUBMISSION TO BOG A
- SUMMARY OF *DEGREES AWARDED (SIFD)* FILE B
- DATA INTEGRITY CERTIFICATION STATEMENT REQUIRED BY BOG C

Appendix A

Typical Process Flow for Data Integrity and Submission to the Florida Board of Governors

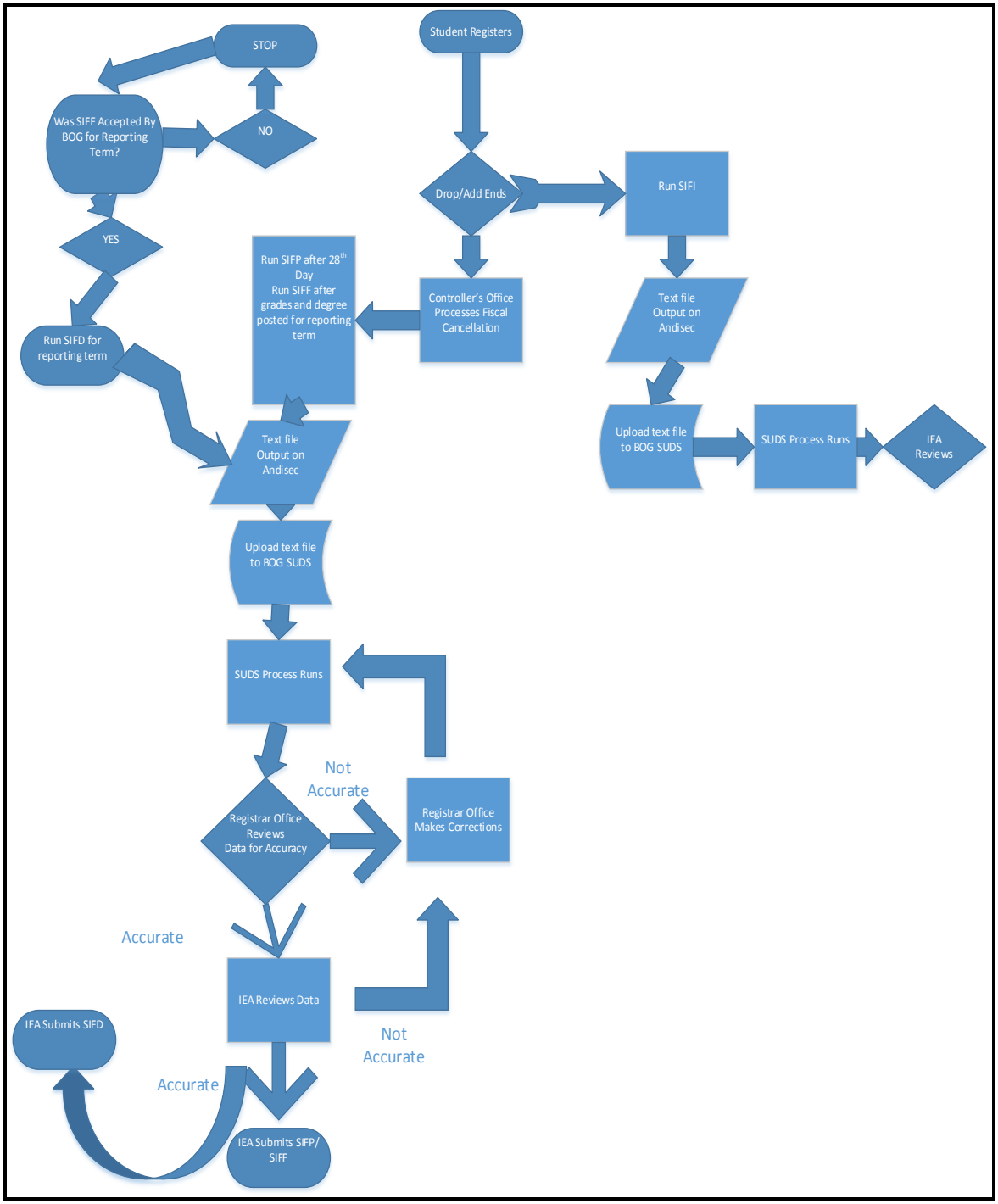
Office of Undergraduate Admissions



Appendix A

Typical Process Flow for Data Integrity and Submission to the Florida Board of Governors

Office of the Registrar



Appendix B

Performance Based Funding Data Integrity Audit
Fiscal Year 2016/17

***Degrees Awarded* (SIFD) Data submission**

	Column Name	Element Name	Element #	Basic explanation of elements (original data source)	Data Table	Related Metric
1	UNIV_ROW_ID	University Row Identifier	2002	Code used by the university to identify a particular row in a file submssion. Created using a four character report identifier (ie: 'D14S' for Degrees Awarded Spring 2014) concatenated with a four character alpha-numeric record counter	Degrees Awarded (Deg)	1, 2
2	REPT_TIME_FRAME	Reporting Time Frame	2001	Code indicating the time frame to which the data apply. Use current submission term date.	"	1, 2, 4, 5
3	REPT_INST	Reporting Institution	1045	The university within the SUS reporting this information -- code as 'FAU'	"	1, 2, 6, 8a, 10b
4	PERSON_ID	Person Identification Number	1029	A nine digit number assigned to an individual for identification purposes. Use the student's social security number if available. If unavailable, use the FAU ZNumber.	"	1, 2
5	FEE_CLASS_KIND	Fee Classification - Kind	1107	The classification of the type of registration fees (money charged by the university for instruction) and other payments made by the student to the university for educational purposes.	"	1, 2, 4, 5
6	TERM_DEG_GRANT	Term Degree Granted	1412	Code indicating the academic term in which a degree was granted to the student by the reporting institution. This date may or may not be equal to the value coded in Term Identifier (REPT_TIME_FRAME 02001).	"	1, 2, 6, 8a, 10b
7	DEG_LEVEL_GRANT	Degree - Level Granted	1081	The degree, certificate, or diploma awarded the student this term. Use the degree_level value from SHRDGMR	"	1, 2, 6, 8a, 10b
8	CIP_DEGREE	Degree Program Category	1082	The classification associated with the degree program in which the degree was awarded. Use the CIP code of the SHRDGMR major code	"	1, 2, 6, 8a, 10b
9	MAJOR_IND	Major_Indicator	2015	Sequence number. Count of major on degree. Code 1 for 1st program, 2 for 2nd program, etc.	"	1, 2, 6, 8a
10	TCHR_PREP_DOE_CD	State-Approved Teacher Prep Pgm - DOE Code	1425	Florida Dept of Education (FDOE) classification of State Approved Teacher Preparation Program.	"	1, 2
11	DEMO_TIME_FRAME	Demo Time Frame	2041	Demographic Time Frame. Use current submission term date	"	1, 2
12	DEMO_DATA_SOURCE	Demo_Data_Source	2019	Source of demographic information for the current record. USE 'SIFD' for Degrees Awarded file	"	1, 2
13	AWARD_SOURCE	Award_Source	2014	Source of the award contained in the current record. USE 'SIFD' for the Degrees Awarded file	"	1, 2
14	TCHR_PREP_DOE_LEVEL	State-Approved Teacher Prep Pgm - DOE Level	1423	This element identifies the levels of the Teacher Preparation Programs as approved by the Department of Education, Bureau of Educator Recruitment and Professional Development(ERPD). Set this value to '.' in all records	"	1, 2
15	TCHR_EDU_PGM_METHOD	Teacher Education Program Method	1436	A code indicating the method used to complete this State Approved Teacher Preparation Program	"	1, 2
16	CIP_FRAC_DEG	Degree Program Fraction of Degree Granted	1083	Portion of degree awarded in given program. This value is coded as 1 divided by the count of degree majors listed in SHRDGMR for the term	"	1, 2, 6, 8a, 10b
17	DOC_CLASS	Doctoral Classification	2039	IPEDS Reclassification of Doctorate and First-Professional Degrees. If the degree level in SHRDGMR is 'D', then if the CIP code in SHRDGMR is '513818' - code this data element with a value of 'P'. If other CIP codes - code this element with a value of 'R'. If the degree level in SHRDGMR is not 'D' - code this element with a value of '.'	"	1, 2
18	BE_CD	Budget Entity Code, SUS	1007	A code to indicate the budget entity in which the resource is administered or generated.	"	1, 2
19	U_RESV_1	University Filler Field 1	2003	University defined information. Created for Degrees Awarded file as follows: ZNumber || 'P' || pidm || '^' || degree sequence number in SHRDGMR || '^' || degree code in SHRDGMR ||'^' || college code in SHRDGMR || '^' || major code in SHRDGMR	"	1, 2
20	CAMPUS_CD_ADMIN	Administrative Campus Code	2050	Main campus or branch campus administratively responsible for the student. Set this value to '0001' in all records (for Boca Raton campus)	"	1, 2

Source: Florida Board of Governors

Appendix B

Performance Based Funding Data Integrity Audit
Fiscal Year 2016/17

***Degrees Awarded* (SIFD) Data submission**

	Column Name	Element Name	Element #	Basic explanation of elements (original data source)	Data Table	Related Metric
1	RACE_ETHNICITY	Racial/Ethnic Group	1044	Categories used to describe groups to which individuals belong, identify with, or belong in the eyes of the community. The categories do not denote scientific definitions of anthropological origins. A person may be counted in only one group. The manner of collection of the racial/ethnic information is left to the discretion of the institution provided that the system which is established results in reasonably accurate data, which may be replicated by others when the same documented system is utilized.	Person Demographics (DEMO)	10b
2	HISPANIC-FLG	Hispanic or Latino	1491	A person of Cuban, Mexican, Puerto Rican, South or Central American, or other Spanish culture or origin, regardless of race.	"	"
3	AM_IND_ALASKAN_FLG	Amercian Indian/Alaska Native	1492	A person having origins in any of the original peoples of North and South America (including Central America), and who maintains tribal affiliation or community attachment.	"	"
4	ASIAN_FLG	Asian	1493	A person having origins in any of the original peoples of the Far East, Southeast Asia, or the Indian subcontinent including, for example, Cambodia, China, India, Japan, Korea, Malaysia, Pakistan, the Philippine Islands, Thailand, and Vietnam.	"	"
5	BLACK_AFRICAN_AM_FLG	Black or African American	1494	A person having origins in any of the black racial groups of Africa.	"	"
6	NAT-HAWAII_PAC_IS_FLG	Native Hawaiian or Other Pacific Islander	1495	A person having origins in any of the original peoples of Hawaii, Guam, Samoa, or other Pacific Islands.	"	"
7	WHITE_FLG	White	1496	A person having origins in any of the original peoples of Europe, the Middle East, or North Africa.	"	"
8	NON_RES_ALIEN_FLG	Non-resident Alien Flag	2043	An indication that neither race nor ethnicity is available and that the individual has not been reported as a non-resident alien. When NO_RACE_REPORTED_FLG equals 'Y' all other Race/Ethnicity flags must equal 'N'.	"	"
9	NO_RACE_REPORT_FLG	No Race Reported	1497	Non-resident Alien Flag. When NON_RES_ALIEN_FLG equals 'Y' all Race/Ethnicity flags must equal 'N'.	"	"

Source: Florida Board of Governors

STATE UNIVERSITY SYSTEM of FLORIDA
Board of Governors

Performance Based Funding

March 2017 Data Integrity Certification

Appendix C

Name of University: _____

INSTRUCTIONS: Please respond "Yes" or "No" for each representation below. Explain any "No" responses to ensure clarity of the representation you are making to the Board of Governors. Modify representations to reflect any noted audit findings.

Performance Based Funding Data Integrity Certification Representations			
Representations	**Yes**	**No**	**Comment / Reference**
1. I am responsible for establishing and maintaining, and have established and maintained, effective internal controls and monitoring over my university's collection and reporting of data submitted to the Board of Governors Office which will be used by the Board of Governors in Performance Based Funding decision-making.	☐	☐	
2. These internal controls and monitoring activities include, but are not limited to, reliable processes, controls, and procedures designed to ensure that data required in reports filed with my Board of Trustees and the Board of Governors are recorded, processed, summarized, and reported in a manner which ensures its accuracy and completeness.	☐	☐	
3. In accordance with Board of Governors Regulation 1.001(3), my Board of Trustees has required that I maintain an effective information system to provide accurate, timely, and cost-effective information about the university, and shall require that all data and reporting requirements of the Board of Governors are met.	☐	☐	
4. In accordance with Board of Governors Regulation 3.007, my university shall provide accurate data to the Board of Governors Office.	☐	☐	
5. In accordance with Board of Governors Regulation 3.007, I have appointed a Data Administrator to certify and manage the submission of data to the Board of Governors Office.	☐	☐	

Performance Based Funding

Data Integrity Certification

Performance Based Funding Data Integrity Certification Representations			
Representations	**Yes**	**No**	**Comment / Reference**
6. In accordance with Board of Governors Regulation 3.007, I have tasked my Data Administrator to ensure the data file (prior to submission) is consistent with the criteria established by the Board of Governors Data Committee. The due diligence includes performing tests on the file using applications/processes provided by the Board of Governors Information Resource Management (IRM) office.	☐	☐	
7. When critical errors have been identified, through the processes identified in item #6, a written explanation of the critical errors was included with the file submission.	☐	☐	
8. In accordance with Board of Governors Regulation 3.007, my Data Administrator has submitted data files to the Board of Governors Office in accordance with the specified schedule.	☐	☐	Management is aware of several instances of late data submissions and is diligently working to ensure that these are minimized. Overall, the accuracy of data for late submissions was of paramount importance, and information was provided to the BOG in time for critical performance based funding determinations.
9. In accordance with Board of Governors Regulation 3.007, my Data Administrator electronically certifies data submissions in the State University Data System by acknowledging the following statement, "Ready to submit: Pressing **Submit for Approval** represents electronic certification of this data per Board of Governors Regulation 3.007."	☐	☐	
10. I am responsible for taking timely and appropriate preventive / corrective actions for deficiencies noted through reviews, audits, and investigations.	☐	☐	
11. I recognize that the Board's Performance Based Funding initiative will drive university policy on a wide range of university operations – from admissions through graduation. I certify that university policy changes and decisions impacting this initiative have been made to bring the university's operations and practices in line with State University System Strategic Plan goals and have not been made for the purposes of	☐	☐	

Performance Based Funding

Data Integrity Certification

Performance Based Funding Data Integrity Certification Representations			
Representations	**Yes**	**No**	**Comment / Reference**
artificially inflating performance metrics.			

I certify that all information provided as part of the Board of Governors Performance Based Funding Data Integrity Certification is true and correct to the best of my knowledge; and I understand that any unsubstantiated, false, misleading, or withheld information relating to these statements render this certification void. My signature below acknowledges that I have read and understand these statements. I certify that this information will be reported to the board of trustees and the Board of Governors.

Certification: _____ Date_____
President

I certify that this Board of Governors Performance Based Funding Data Integrity Certification has been approved by the university board of trustees and is true and correct to the best of my knowledge.

Certification: _____ Date_____
Board of Trustees Chair

STATE UNIVERSITY SYSTEM of FLORIDA
Board of Governors

Performance Based Funding

March 2017 Data Integrity Certification

Name of University: Florida Atlantic University

INSTRUCTIONS: Please respond "Yes" or "No" for each representation below. Explain any "No" responses to ensure clarity of the representation you are making to the Board of Governors. Modify representations to reflect any noted audit findings.

Performance Based Funding Data Integrity Certification Representations			
Representations	**Yes**	**No**	**Comment / Reference**
1. I am responsible for establishing and maintaining, and have established and maintained, effective internal controls and monitoring over my university's collection and reporting of data submitted to the Board of Governors Office which will be used by the Board of Governors in Performance Based Funding decision-making.	☑	☐	
2. These internal controls and monitoring activities include, but are not limited to, reliable processes, controls, and procedures designed to ensure that data required in reports filed with my Board of Trustees and the Board of Governors are recorded, processed, summarized, and reported in a manner which ensures its accuracy and completeness.	☑	☐	
3. In accordance with Board of Governors Regulation 1.001(3), my Board of Trustees has required that I maintain an effective information system to provide accurate, timely, and cost-effective information about the university, and shall require that all data and reporting requirements of the Board of Governors are met.	☑	☐	
4. In accordance with Board of Governors Regulation 3.007, my university shall provide accurate data to the Board of Governors Office.	☑	☐	
5. In accordance with Board of Governors Regulation 3.007, I have appointed a Data Administrator to certify and manage the submission of data to the Board of Governors Office.	☑	☐	

Performance Based Funding
Data Integrity Certification

Performance Based Funding Data Integrity Certification Representations			
Representations	**Yes**	**No**	**Comment / Reference**
6. In accordance with Board of Governors Regulation 3.007, I have tasked my Data Administrator to ensure the data file (prior to submission) is consistent with the criteria established by the Board of Governors Data Committee. The due diligence includes performing tests on the file using applications/processes provided by the Board of Governors Information Resource Management (IRM) office.	☑	☐	
7. When critical errors have been identified, through the processes identified in item #6, a written explanation of the critical errors was included with the file submission.	☑	☐	
8. In accordance with Board of Governors Regulation 3.007, my Data Administrator has submitted data files to the Board of Governors Office in accordance with the specified schedule.	☐	☑	Management is aware of several instances of late data submissions and is diligently working to ensure that these are minimized. Overall, the accuracy of data for late submissions was of paramount importance, and information was provided to the BOG in time for critical performance based funding determinations.
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11. I recognize that the Board's Performance Based Funding initiative will drive university policy on a wide range of university operations – from admissions through graduation. I certify that university policy changes and decisions impacting this initiative have been made to bring the university's operations and practices in line with State University System Strategic Plan goals and have not been made for the purposes of	☑	☐	

Performance Based Funding
Data Integrity Certification

Performance Based Funding Data Integrity Certification Representations			
Representations	**Yes**	**No**	**Comment / Reference**
artificially inflating performance metrics.	✓		

I certify that all information provided as part of the Board of Governors Performance Based Funding Data Integrity Certification is true and correct to the best of my knowledge; and I understand that any unsubstantiated, false, misleading, or withheld information relating to these statements render this certification void. My signature below acknowledges that I have read and understand these statements. I certify that this information will be reported to the board of trustees and the Board of Governors.

Certification: _____ Date 2/7/17
President

I certify that this Board of Governors Performance Based Funding Data Integrity Certification has been approved by the university board of trustees and is true and correct to the best of my knowledge.

Certification: _____ Date 2/7/17
Board of Trustees Chair

Performance Based Funding

Data Integrity Audit

Florida Gulf Coast University

January 23, 2017

William Foster, Interim Director, Internal Audit

Executive Summary

At the direction of the Florida Board of Governors (BOG), audit procedures were performed to determine whether Florida Gulf Coast University (University) has effective internal controls, processes and procedures in operation to ensure the completeness, accuracy, and timeliness of the data submissions to the BOG which support the University's Performance Funding Metrics. Certain procedures were applied to the data submitted during the period October 1, 2015 through September 30, 2016. The procedures were originally established jointly by the State University Internal Audit leaders to ensure that the audit guidelines provided by the BOG were fully addressed.

Specifically, responsible management and other personnel were interviewed, detailed narratives related to data compilation and submission were reviewed, and various samples of data reported to the BOG were verified. These procedures were performed by Mauldin & Jenkins, an independent audit firm, as an Agreed Upon Procedures Engagement performed in accordance with attestation standards established by the American Institute of Certified Public Accountants. The Mauldin & Jenkins report, which appears as Appendix A to this report, is intended solely for the information and use of Florida Gulf Coast University.

It is the University's responsibility to conclude on the completeness, accuracy, and timeliness of the data submissions based upon the procedures applied. The University was involved in the development of the appropriate audit procedures to be applied, in accordance with the Institute of Internal Auditors International Standards for the Professional Practice of Internal Auditing, and in the implementation of the agreed upon procedures. Internal Audit personnel acted as liaison between the Mauldin & Jenkins auditors and University management and staff. Our responsibilities included ensuring that accurate information was provided by University personnel to Mauldin & Jenkins and that any initial anomalies during testing were appropriately resolved.

Our audit, which incorporates the Mauldin & Jenkins Agreed Upon Procedures Report, was conducted in accordance with the Institute of Internal Auditors International Standards for the Professional Practice of Internal Auditing.

Background

The Florida Board of Governors (BOG) has broad governance responsibilities that affect administrative and budgetary matters for Florida's public universities. Beginning in fiscal year 2013 – 2014, the BOG instituted a performance funding program which is based on 10 performance metrics used to evaluate the institutions on a range of issues including percentage of bachelor's graduates employed and/or continuing their education further one year after graduation, average cost per undergraduate degree, six year graduation rate (full-time and part-time FTIC), academic progress rate (2nd year retention with GPA above 2.0) and bachelor degrees in strategic emphasis (including STEM), among other metrics.

According to information published by the BOG in March 2016, the following are key components of the funding model:

- Institutions are evaluated on either Excellence or Improvement for each metric.
- Data is based on one-year data.
- The benchmarks for Excellence are based on the Board of Governors 2025 System Strategic Plan goals and analysis of relevant data trends, whereas the benchmarks for Improvement were determined after reviewing data trends for each metric.
- The Florida Legislature and Governor determine the amount of new state funding and an amount of institutional funding that will come from each university's recurring state base appropriation.

The amount of the state investment appropriated by the Legislature and Governor for performance funding will be matched by an amount reallocated from the university system base budget. From a total possible 100 points, a university is required to earn more than 50 points in order to be eligible to receive any of the state investment funds.

A university must also have more than 50 points to have the university's institutional investment funding restored. A university scoring 50 points or less will have to submit an improvement plan to the BOG and show improvement according to that approved plan in order to have its institutional investment funding restored.

The Agreed Upon Procedures report included as part of this report discloses one observation regarding resubmissions as described below.

Observation

Although all files were originally submitted on or before their due dates, four file resubmissions were made to correct some information reported in the original files. Three of the file resubmissions were initiated by the Institutional Research and Analysis (IRA) department and the other resubmission was requested by the BOG after its review.

Submission	Term or Year	Due Date	Date Resubmitted	Business Days Late
1. Student Instruction Preliminary (SIFP)	Fall 2015 - 201508	10/9/2015	10/14/2015	3
2. Hours to Degree (HTD)	Annual 2015 - 20142015	11/13/2015	12/18/2015	27
3. Degrees Awarded (SIFD)	Spring 2016 - 201601	6/30/2016	10/18/2016	78*
4. Operating Budget (OB)	Annual 2016 - 20162017	8/15/2016	9/28/2016	34

**BOG resubmission request*

In my opinion, this observation did not affect the overall integrity of the data submissions. Management has created and applied the following corrective action plan to address the observation.

Corrective Management Action Plan

1. *Student Instruction Preliminary (SIFP)* New departmental software was implemented just prior to the due date for the data submission. Changes to the Banner data tables did not allow sufficient time to change the BOG data submission script timely.

   To ensure that future data submissions to the BOG are timely, University data stakeholders affected by new software are now participating in a project implementation committee in order to disclose their data needs and to take timely action to implement successfully. Action by management is strengthening data submission process documentation to ease future implementations.

2. *Hours to Degree (HTD)* This data submission has been generated from a manual process. The results of the degrees awarded review process were reevaluated by the Colleges and Academic Affairs to ensure the submitted information reflected the BOG required calculation for this and future submissions.

   University management is completing the implementation of Degree Works software which will provide accurate and timely reporting data.

3. *Degrees Awarded (SIFD)* The Degrees Awarded (SIFD) submission includes Classification of Instructional Programs (CIP) codes in addition to the degree name. Some of the CIP codes had not been updated to reflect BOG code changes during the academic year. There can be timing differences between the dates degrees are awarded and the BOG submission date. The Data Administrator added an additional step to the data review before submission to prevent future occurrences of this type.

4. *Operating Budget (OB)* The submission was created without the breakout of the excess hour surcharge fee data. The revenue was recorded as part of a miscellaneous revenue category. The Budget Director corrected the crosswalk between Banner data and the State's SAMAS/FLAIR financial statement line.

Corrective actions have been implemented by University management. As required by the FGCU Board of Trustees and by the BOG, compliance with the corrective action plans will be reviewed as part of Internal Audit's work plan.

Conclusion

In my opinion, based upon the work performed, the internal controls, processes and procedures Florida Gulf Coast University has in place to ensure the completeness, accuracy, and overall timeliness of data submissions to the BOG that affect performance based funding metrics are operating effectively.

Audit Report Prepared by William D. Foster, MBA, CPA, CIA, CGAP, CFE, CRMA, CCSA,
Interim Director, Internal Audit

APPENDIX A

FLORIDA GULF COAST UNIVERSITY
INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING
AGREED-UPON PROCEDURES

December 19, 2016

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES 1

Attachment I 10

MAULDIN & JENKINS

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Wilson G. Bradshaw, Ph. D.
Florida Gulf Coast University
Fort Myers, Florida 33965-6565

We have performed the procedures enumerated below, which were agreed to by the Board of Trustees of Florida Gulf Coast University (the "University"), solely to assist the University in determining whether the University has processes established to ensure the completeness, accuracy and timeliness of data submissions to the Board of Governors (BOG) which support the Performance Funding Metrics of the University as of September 30, 2016. The University's management is responsible for all processes and procedures for the complete, accurate and timely submission of data to the BOG. This agreed-upon procedures engagement was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings are as follows:

We reviewed all of the BOG submissions relating to the Performance Funding Metrics identified and published by the State University System of Florida specific to the certification. See Attachment I for a listing of the submissions tested as provided by the University to us.

a) *Verify the appointment of the Data Administrator by the University President and that duties related to these responsibilities are incorporated into the Data Administrator's official position description.*

1. Review the Data Administrator's position description; note details of the description, paying special attention to responsibilities related to coordinating the gathering of data from departmental sources, quality assurance procedures applied and other data integrity checks prior to submission to the BOG.
2. Determine if the Data Administrator was appointed by the President.
3. Conclude on whether the Institutional Data Administrator's responsibilities include the requirements identified in BOG Regulation 3.007, SUS Management Information System. (For example, verify the Data Administrator's data submission statements indicated, "I certify that this file/data represents the position of this University for the term being reported.").

Procedures Performed

- Reviewed the Position Description for the Director of Institutional Research and Analysis dated February 18, 2016. Verified description included the requirements identified in the BOG Regulation 3.007.
- Reviewed the original appointment for the Director of Institutional Research by the Provost dated April 23, 2004. Also, reviewed the re-affirmation appointment by the President dated September 8, 2014.
- Observed the SUDS submission screen and the "Submit for Approval" button that represents the University's certification of complying with BOG regulation 3.007.
- Reviewed current organizational chart as of January 2016, and the Institutional Performance Organizational Chart dated September 15, 2016.

Findings

No exceptions were identified as a result of applying these procedures.

b) *Review the processes used by the Data Administrator to ensure the completeness, accuracy and timely submission of data to the Board of Governors.*

1. Interview the Data Administrator and other key data managers to understand the internal processes in place to gather, test and ensure that only valid data, as defined by the BOG, is timely submitted to the BOG.
2. Identify and evaluate key processes over data input and submission. Consider evaluating the processes from the point of incoming information to the submission of the data file to the BOG.
3. Review internal records such as time management schedules and relevant correspondence which purport to demonstrate that complete and accurate data is timely submitted to the BOG. (See due dates addressed in the SUS data workshop). http://www.flbog.edu/resources/_doc/FHES-14/2014_Workshop_Proceedings.pdf
4. According to BOG Regulation 3.007, prior to submitting the file, the universities shall ensure the file is consistent with the criteria established in the specifications document by performing tests on the file using applications/processes provided by the BOG Information Resource Management (IRM) office. Review process for timely and accurately addressing data file error reports.
5. Evaluate the results and document your conclusion on the data administrator's processes.

Procedures Performed

- Interviewed the following people who are key in the data being reported and submitted to the BOG:

  - Director of Institutional Research and Analysis
  - Assistant Vice President, Business Technology Services
  - Asst. Director, Management Information Resources

- Director, University Budgets
- University Registrar
- Associate Vice President, Academic and Curriculum Support
- Associate Director, Undergraduate Admissions
- Director, Student Financial Services

- For those interviewed, we discussed key internal controls and processes in place over data input, Banner access, State University Database System (SUDS) access, validation tables, data submission procedures, error resolution, staff training, and other controls specific to the department and submission of accurate and timely data. Detailed review and evaluation of these processes is performed by the internal audit department during their normal internal audit reviews.
- Reviewed the metrics specific to each department to ensure controls are in place and a clear understanding exists to ensure only valid data is being submitted based on the data definitions.
- Reviewed weekly email communications (the HitList) from the Institutional Research and Analysis (IRA) department to department heads. These emails detail the upcoming submissions due in the next two months to the BOG and who is responsible for the data being submitted. Department heads review the data requests and are responsible to ensure the data is accurate and ready for timely submission.
- Reviewed submission schedule maintained by the IRA department.
- Verified submission files tested were submitted by the Due Date as published by the State University System of Florida (SUS) and identified on the SUDS website.
- Tested the submission file criteria definitions used by the University to ensure they meet the data definitions published by the SUDS.
- Obtained the data definition tables from the SUDS website and verified tables documented in the University processes agreed to the SUDS tables.
- Reviewed processes over testing and validating data submissions and procedures for the resolution of errors prior to the final submission.

Findings

No exceptions were identified as a result of applying these procedures.

c) *Evaluate any available documentation including policies, procedures, and desk manuals of appropriate staff; and assess their adequacy for ensuring data integrity for University data submissions to the Board of Governors.*

1. Request the Data Administrator provide its policies, procedures, minutes of meetings, and any other written documentation used as resources to ensure data integrity; note whether these documents are sufficiently detailed, up-to-date, and distributed to appropriate staff.
2. Evaluate the results and document your conclusion. If necessary, consider benchmarking with peer universities.

Procedures Performed

- Discussed key processes with those interviewed to ensure procedures are in place to ensure data accuracy for their department.
- Ensured each department, that is key to the submission process, had written policy and procedures regarding data they are responsible for.
- Reviewed the project meeting minutes for each meeting that was held in regards to the Performance Funding project and verified data integrity was a significant objective.
- We do not perform benchmarking as this is a process the University would perform.

Findings

No exceptions were identified as a result of applying these procedures.

d) *Review system access controls and user privileges to evaluate if they are properly assigned and periodically reviewed to ensure only those authorized to make data changes do so.*

1. Obtain a list of individuals that have access to the State University Database System (SUDS).
2. Obtain the definitions for the roles in the SUDS system. http://www.flbog.edu/resources/ditr/suds/_doc/userguide.pdf
3. Review the procedures to grant system access and/or initiate, monitor and cancel user privileges.
4. Perform a test of system access controls and/or user privileges to determine if only appropriate employees have access or need the privilege.
5. Consider other IT systems and related system access controls or user privileges that may impact the data elements used for each measure reviewed.
6. Evaluate the results and conclude on the reasonableness of procedures and practices in place for the setup and maintenance of system access, specifically addressing employees with SUDS access.

Procedures Performed

- Obtained a current listing of all those individuals who have access to the SUDS system from the BOG's application portal manager.
- Obtained the role definitions in the SUDS system for each type of user.
- Discussed procedures with the Director of Institutional Research and Analysis for granting access to the SUDS system and monitoring to ensure user privileges are cancelled in a timely manner. Reviewed currently listing of SUDS users and obtained reason for any new additions.
- Reviewed user listing and discussed with the Director of Institutional Research and Analysis to ensure only personnel that need access have access to the SUDS system and only a limited amount have the ability to submit data.

- Reviewed Banner access/termination procedures with each department listed in section *b.* and ensured procedures are in place for authorization of adding a new user and timeliness of terminating personnel access.
- Reviewed email sent to department heads informing them the Banner Security Class Reports have been created and stored on the common drive for them to review. Reports are created on a quarterly basis and we reviewed a sample of reports that were on drive for their review.
- Selected a sample of users who are significant to the submissions being tested and verified authorization was obtained for the new user, proper workorder was initiated by an authorized person and determined the class approved, agreed to their current Banner access privileges.
- Discussed procedures for terminating a Banner user with the Assistant Vice President, Business Technology Services.

Findings

No exceptions were identified as a result of applying these procedures.

e) *Testing of data accuracy.*

1. Identify and evaluate data validity controls to ensure that data extracted from the primary systems of record are accurate and complete. This may include review of controls over code used to create the data submission. Review each measure's definition and calculation for the consistency of data submissions with the data definitions and guidance provided by the BOG.
2. As appropriate, select samples from data the University has submitted to the BOG for its Performance Funding Model. Vouch selected data to original source documents (this will most likely include the University's student and financial systems used to capture relevant information).
3. Evaluate the results of the testing and conclude on the completeness and accuracy of the submissions examined.

Procedures Performed

For each submission file listed in Attachment I we performed the following procedures for the specific metrics identified in the Performance Funding Metrics published by the SUS:

- Obtained complete submission file for time period being tested.
- Selected a sample size of thirty (30) data items to test for each file submission and each metric specific to the performance funding testing.
- Verified data reported in the submission files specific to the metrics identified by the SUS agreed to the source system Banner.
- Verified the data reported for each metric agreed with the SUDS data dictionary.

To ensure completeness of the files being submitted we performed the following procedures:

- For each term and reported time frame, we obtained from the Business Technology Services department a file which was extracted from Banner and compared to submission files extracted by the Institutional Research and Analysis department. For each comparison we identified any person that was on the Banner report that was not in the file submission. We then selected a sample size based on the size of the file and errors returned and verified the student was properly omitted for the specific submission based on the current data definitions. Selected files and corresponding sample sizes are as follows:

    1. All students enrolled were compared to the Student Instruction (SIF) files submitted. One difference was identified and reconciled.
    2. All students who received Pell grants were compared to the Student Financial Aid (SFA) files submitted. No differences were identified.
    3. All students who had a degree awarded were compared to the Degrees Awarded (SIFD) files submitted. We selected ten variances and all were reconciled.
    4. All students admitted were compared to the Admissions (ADM) files submitted. We selected ten variances and all were reconciled.

Findings

No exceptions were identified as a result of applying these procedures.

f) *Evaluate the veracity of the University Data Administrator's data submission statements that indicate, "I certify that this file/data represents the position of this University for the term being reported."*

1. Interview the University data administrator to consider the reasonableness of the various coordination efforts with the data administrators staff, the other data custodians' staff, BOG IRM, and other knowledgeable individuals which form the basis for personal and professional satisfaction that data submitted to the BOG is complete, accurate and submitted timely.
2. Inquire how the Data Administrator knows the key controls are in place and operating effectively. If not already done, consider verifying these key controls are in place and adequate to support the Data Administrator's assertions.

Procedures Performed

- Interviewed personnel listed in section *b.* and verified communication with the Institutional Research and Analysis is on-going and clear to ensure accurate and timely data submission. Also verified controls are in place specific to the metrics being tested.
- Verified with the Director of Institutional Research and Analysis his communication with the BOG and IRM to ensure data being submitted meets the data definitions.

Florida Gulf Coast University
December 19, 2016

Findings

No exceptions were identified as a result of applying these procedures.

g) *Review the consistency of data submissions with the data definitions and guidance provided by the Board of Governors through the Data Committee and communications from data workshops.*

1. Evaluate the University's procedures for periodically obtaining and communicating definitions and due dates as provided by the BOG through the Data Committee and communications from data workshops.
2. Verify with the University Data Administrator that the most current data file definitions are used as a basis for preparation of data to be submitted to the BOG.
3. Review SUDS most recent cumulative release notes and workshop agendas. http://www.flbog.edu/resources/ditr/suds/
4. Request evidence of the most recent formal staff training/workshops, internal discussions or communications with other responsible employees and the BOG Data Committee necessary to ensure the overall integrity of data to be submitted to the BOG.
5. Conclude as to the consistency of the submissions.

Procedures Performed

- Reviewed weekly email communications (the HitList) from the Institutional Research and Analysis (IRA) department to department heads. These emails detail the upcoming submissions due in the next two months to the BOG and who is responsible for the data being submitted. Department heads review the data requests and are responsible to ensure the data is accurate and ready for timely submission.
- Obtained the most recent data definition tables on the SUDS website and verified data definitions outlined in the file processes agreed to the SUDS data tables.
- Verified process with the Institutional Research and Analysis department of their communication to department heads of the data definitions and communication of any new or changed metric.
- Obtained the SUDS release notes and workshop agendas during the testing period and verified any changes were properly incorporated into the data file submissions.
- Reviewed staff training with each personnel interviewed as listed in section *b.* in relation to both Banner and SUDS security and knowledge training.
- Our testing was performed on all file submissions from October 1, 2015 through September 30, 2016, for the specific metrics tested to review for consistency among data submissions.

Findings

No exceptions were identified as a result of applying these procedures.

Florida Gulf Coast University
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h) *Review the University Data Administrator's data resubmissions to the Board of Governors with a view toward ensuring these resubmissions are both necessary and authorized. This review should also evaluate how to minimize the need for data resubmissions.*

1. Interview the University data administrator about the types and quantity of recent data resubmissions and the level(s) of approvals necessary for corrective action.
2. Request and examine any correspondence between the University and the BOG IRM office related to data resubmissions that pertain to the performance metrics. Determine if these resubmission problems tend to be reoccurring and what, if any, actions management has taken or plans to take in order to reduce them.
3. Conclude as to the frequency, need and authorization of the resubmission process.

Procedures Performed

- Interviewed the Director of Institutional Research and Analysis about the resubmission process followed by his department.
- Reviewed data resubmission correspondence from the BOG and verified files were properly resubmitted with no outstanding errors.
- Reviewed resubmissions to identify if there are reoccurring submission problems.

Findings

During the testing period there were four file resubmissions made to correct information that was reported in the original file. Three of the files resubmitted were initiated by the IRA department and one request was made by the BOG. Procedures need to be reviewed and updated to ensure accurate data is submitted in the original file. All files were originally submitted in the proper reporting timeframe.

Due Date	Submission	Term or Year	Reporting Time Frame	Original Due Date	Date of Resubmission	Reason for Resubmission
10/9/2015	Student Instruction Preliminary (SIFP)	Fall 2015	201508	10/9/2015	10/14/2015	Undergraduate Admissions implemented the new Recruiter system just prior to the due date for this file. FGCU identified errors in the original IR scripts that were run and that Recruiter mandated changes for the data to be correctly mapped to the SUDS reporting system. Changes were made and file resubmitted.
11/13/2015	Hours to Degree (HTD)	Annual 2015	20142015	11/13/2015	12/18/2015	This submission is generated from a manual process. The results and the process were reevaluated to ensure the generated information appropriately reflected the correct process. Errors were identified in the accuracy of the information and therefore corrected and resubmitted.
6/30/2016	Degrees Awarded (SIFD)	Spring 2016	201601	6/30/2016	10/18/2016	SIFD file was submitted without updating one student's CIP code properly due to new CIP codes that had just gone into effect.The BOG requested FGCU to resubmit this file.
8/15/2016	Operating Budget (OB)	Annual 2016	20162017	8/15/2016	9/28/2016	The excess hour acorn code in the Banner Crosswalk table was not matched properly to its counterpart in the list of SAMAS/FLAIR object codes. This was corrected and the file resubmitted to reflect the revenues correctly.

Florida Gulf Coast University
December 19, 2016

i) *Provide an objective basis of support for the president and board of trustees chair to sign the representations made in the Performance Based Funding−Data Integrity Certification.*

1. Review the Performance Based Funding Data Integrity Certification statement to identify additional procedures that should be designed to support the representations. (For example, #11 requests a certification that University policy changes and decisions impacting the PBF initiative were not made for the purposes of artificially inflating performance measures).

Procedures Performed

- We reviewed the Data Integrity Certification and performed procedures agreed upon by Florida Gulf Coast University's Board of Trustees to meet the objectives of the certification.

Findings

Mauldin & Jenkins was engaged to perform procedures that were provided by you and were outlined in our engagement letter. Management has identified these procedures to meet the objectives of the certification. The Board of Trustees must conclude as to the adequacy of these procedures and findings in meeting their certification objectives.

We were not engaged to and did not perform an audit, the objective of which would be the expression of an opinion on the processes and procedures for the complete, accurate and timely submission of data to the BOG. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of Florida Gulf Coast University's Board of Trustee's and management and is not intended to be and should not be used by anyone other than these specified parties.

Mauldin & Jenkins, LLC

Bradenton, Florida
December 19, 2016

Florida Gulf Coast University
Metric Related Submissions
10/1/2015-9/30/2016

Attachment I

Submissions Tested			
Due Date	**Submission**	**Term or Year**	**Rept Time Frame**
10/5/2015	Student Financial Aid (SFA)	Annual 2014	20142015
10/6/2015	Degrees Awarded (SIFD)	Summer 2015	201505
10/6/2015	Instruction & Research (IRD)	Annual 2014	20142015
10/9/2015	Student Instruction Preliminary (SIFP)	Fall 2015	201508
11/13/2015	Hours to Degree (HTD)	Annual 2014	20142015
1/15/2016	Student Instruction (SIF)	Fall 2015	201508
1/29/2016	Retention	Annual 2014	20142015
2/5/2016	Degrees Awarded (SIFD)	Fall 2015	201508
2/26/2016	Admissions (ADM)	Spring 2016	201601
3/4/2016	Student Instruciton Preliminary (SIFP)	Spring 2016	201601
6/17/2016	Student Instruction (SIF)	Spring 2016	201601
6/30/2016	Degrees Awarded (SIFD)	Spring 2016	201601
8/15/2016	Operating Budget (OB)	Annual 2016	20162017
9/9/2016	Admissions (ADM)	Summer 2016	201605
9/23/2016	Admissions (ADM)	Fall 2016	201608
9/26/2016	Student Instruction (SIF)	Summer 2016	201605

STATE UNIVERSITY SYSTEM of FLORIDA
Board of Governors

Performance Based Funding

Data Integrity Certification

Name of University: Florida Gulf Coast University

Period Ending: 2015-2016 Academic Year

INSTRUCTIONS: Please respond "Yes," "No" or "N/A" in the blocks below for each representation. Explain any "No" or "N/A" responses to ensure clarity of the representation and include copies of supporting documentation as attachment(s).

Performance Based Funding Data Integrity Certification Representations				
Representations	**Yes**	**No**	**N/A**	**Comment / Reference**
1. I am responsible for establishing and maintaining, and have established and maintained, effective internal controls and monitoring over my university's collection and reporting of data submitted to the Board of Governors Office which will be used by the Board of Governors in Performance Based Funding decision-making.	☒	☐	☐	
2. These internal controls and monitoring activities include, but are not limited to, reliable processes, controls, and procedures designed to ensure that data required in reports filed with my Board of Trustees and the Board of Governors are recorded, processed, summarized and reported in a manner which ensures its accuracy and completeness.	☒	☐	☐	
3. In accordance with Board of Governors Regulation 1.001(3), my Board of Trustees has required that I maintain an effective information system to provide accurate, timely, and cost-effective information about the university, and shall require that all data and reporting requirements of the Board of Governors are met.	☒	☐	☐	
4. In accordance with Board of Governors Regulation 3.007, my university shall provide accurate data to the Board of Governors Office.	☒	☐	☐	

Performance Based Funding
Data Integrity Certification

Performance Based Funding Data Integrity Certification Representations				
Representations	**Yes**	**No**	**N/A**	**Comment / Reference**
5. In accordance with Board of Governors Regulation 3.007, I have appointed a Data Administrator to certify and manage the submission of data to the Board of Governors Office.	☒	☐	☐	
6. In accordance with Board of Governors Regulation 3.007, I have tasked my Data Administrator to ensure the data file (prior to submission) is consistent with the criteria established by the Board of Governors Data Committee. The due diligence includes performing tests on the file using applications/processes provided by the Board of Governors Information Resource Management (IRM) office.	☒	☐	☐	
7. When critical errors have been identified, through the processes identified in item #6, a written explanation of the critical errors was included with the file submission.	☒	☐	☐	
8. In accordance with Board of Governors Regulation 3.007, my Data Administrator has submitted data files to the Board of Governors Office in accordance with the specified schedule.	☐	☒	☐	There were 4 resubmissions.
9. In accordance with Board of Governors Regulation 3.007, my Data Administrator electronically certifies data submissions in the State University Data System by acknowledging the following statement, "Ready to submit: Pressing **Submit for Approval** represents electronic certification of this data per Board of Governors Regulation 3.007."	☒	☐	☐	
10. I am responsible for taking timely and appropriate preventive / corrective actions for deficiencies noted through reviews, audits, and investigations.	☒	☐	☐	
11. I recognize that the Board's Performance Based Funding initiative will drive university policy on a wide range of university operations – from admissions through graduation. I certify that university policy changes and decisions impacting this initiative have been made to bring the university's operations and practices in line with State	☒	☐	☐	

Performance Based Funding
Data Integrity Certification

Performance Based Funding Data Integrity Certification Representations				
Representations	**Yes**	**No**	**N/A**	**Comment / Reference**
University System Strategic Plan goals and have not been made for the purposes of artificially inflating performance metrics.				

I certify that all information provided as part of the Board of Governors Performance Based Funding Data Integrity Certification is true and correct to the best of my knowledge; and I understand that any unsubstantiated, false, misleading or withheld information relating to these statements render this certification void. My signature below acknowledges that I have read and understand these statements. I certify that this information will be reported to the board of trustees and the Board of Governors.

Certification: N. A. Bradshaw Date 2/3/17
President

I certify that this Board of Governors Performance Based Funding Data Integrity Certification has been approved by the university board of trustees and is true and correct to the best of my knowledge.

Certification: _____ Date 2/28/17
Board of Trustees Chair

FIU | FLORIDA INTERNATIONAL UNIVERSITY

Office of Internal Audit

Audit of the Performance Based Funding Metrics Data Integrity

Report No. 16/17-08

February 8, 2017

FIU | FLORIDA INTERNATIONAL UNIVERSITY

OFFICE OF INTERNAL AUDIT

Date: February 8, 2017

To: Kenneth G. Furton, Provost and Executive Vice President
Hiselgis Perez, Director of Institutional Research

From: Allen Vann, Chief Audit Executive

Subject: **Audit of the Performance Based Funding Metrics Data Integrity**
Report No. 16/17-08

Pursuant to a request by the State University System of Florida - Board of Governors (BOG), we have completed an audit relating to the University's performance based funding metrics. The primary objectives of our audit were to:

1) Determine whether the processes established by the University ensures the reliability, accuracy, and timeliness of data submissions to the BOG, which support the Performance Based Funding Metrics; and

2) Provide an objective basis of support for the University Board of Trustees Chair and President to sign the representations made in the *Performance Based Funding - Data Integrity Certification* which will be submitted to the Board of Trustees and filed with the BOG by March 1, 2017.

Overall, our audit disclosed that the University has good process controls for maintaining and reporting performance metrics data. In our opinion, the system in all material respects is functioning in a reliable manner. We made three recommendations to further reduce risk that management agreed to implement.

I would like to take this opportunity to express our appreciation for the cooperation and courtesies extended to us during this audit.

Attachment

C: FIU Board of Trustees
Mark B. Rosenberg, University President
Kenneth A. Jessell, Chief Financial Officer and Senior Vice President
Javier I. Marques, Chief of Staff – Office of the President
Carlos Castillo, General Counsel

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OBJECTIVES, SCOPE, AND METHODOLOGY

Pursuant to a request by the State University System of Florida - Board of Governors (BOG), we have completed an audit of the Data Integrity over the University's Performance Based Funding Metrics. The primary objectives of our audit were to:

(a) Determine whether the processes established by the University ensure the reliability, accuracy, and timeliness of data submissions to the BOG, which support the Performance Based Funding Metrics; and

(b) Provide an objective basis of support for the University Board of Trustees Chair and President to sign the representations made in the *Performance Based Funding - Data Integrity Certification,* which will be submitted to the Board of Trustees and filed with the BOG by March 1, 2017.

Our audit was conducted in accordance with *the International Standards for the Professional Practice of Internal Auditing*, and included tests of the supporting records and such other auditing procedures, as we considered necessary under the circumstances.

During the audit we:

1. Updated our understanding of the process flow of data for all of the relevant data files from the transactional level to their submission to the BOG;
2. Reviewed BOG data definitions, SUS Data workshop documentation, and meeting notes;
3. Interviewed key personnel including the University's Data Administrator, functional unit leads, and those responsible for developing and maintaining the information systems;
4. Observed current practices and processing techniques;
5. Followed-up on prior audit recommendations;
6. Tested the system access controls and user privileges within the State University Database System (SUDS) application, upload folders and production data; and
7. Tested the latest data files for four of the ten performance based funding metrics submitted to the BOG as of September 30, 2016. Sample sizes and transactions selected for testing were determined on a judgmental basis.

Audit fieldwork was conducted from October to December 2016. In 2015 we issued the Audit of Performance Based Funding Metrics Data Integrity (Report No. 15/16-03), dated October 27, 2015. During the current audit, we observed that some recommendations previously reported as implemented by management were not fully implemented. These instances are highlighted in applicable sections of this report.

BACKGROUND

The Florida Board of Governors (BOG) has broad governance responsibilities affecting administrative and budgetary matters for Florida's 12 public universities. Beginning in fiscal year 2013-2014, the BOG instituted a performance funding program, which is based on 10 performance metrics used to evaluate the institutions on a range of issues including graduation and retention rates, job placement, and cost per degree, among other things. Two of the 10 metrics are Choice metrics; one picked by the BOG and one by each University's Boards of Trustees. These metrics were chosen after reviewing over 40 metrics identified in the Universities' Work Plans.

The BOG model has four guiding principles:

1) Use metrics that align with SUS Strategic Plan goals;

2) Reward Excellence or Improvement;

3) Have a few clear, simple metrics; and

4) Acknowledge the unique mission of the different institutions.

The Performance Funding Program also has four key components:

1) Institutions are evaluated and receive a numeric score for either Excellence or Improvement relating to each metric;

2) Data is based on one-year data;

3) The benchmarks for Excellence were based on the Board of Governors 2025 System Strategic Plan goals and analysis of relevant data trends, whereas the benchmarks for Improvement were decided after reviewing data trends for each metric; and

4) The Florida Legislature and Governor determine the amount of new state funding and a proportional amount of institutional funding that would come from each university's recurring state base appropriation.

In 2016, the Florida Legislature passed and the Governor signed into law the Board of Governors' Performance-Based Funding Model, now codified into the Florida Statutes under Section 1001.66, *Florida College System Performance-Based Incentive*.

FIU's Performance Based Funding Metrics:

1. Percent of Bachelor's Graduates Employed and/or Continuing their Education Further One Year after Graduation;
2. Median Average Wages of Undergraduates Employed in Florida One Year after Graduation;
3. Average Cost per Undergraduate Degree;
4. Six Year Graduation Rate (Full-time and Part-time FTIC);
5. Academic Progress Rate (2nd Year Retention with GPA above 2.0);
6. Bachelor's Degrees Awarded in Areas of Strategic Emphasis (includes STEM);
7. University Access Rate (Percent of Undergraduates with a Pell-grant);
8. Graduate Degrees Awarded in Areas of Strategic Emphasis (includes STEM);
9. Board of Governor's Choice - Percentage of Bachelor Degrees Without Excess Hours; and
10. Board of Trustee's Choice - Bachelor's Degrees Awarded to Minorities.

The following table summarizes the performance funds allocated for the fiscal year 2016-2017 using the performance metrics results from 2014-2015, wherein FIU earned 76 points.

Florida Board of Governors Performance Funding Allocation, 2016-2017				
	Points *	**Allocation of State Investment**	**Allocation of Institutional Investment**	**Total Performance Funding Allocation**
UCF	84	$ 39,301,181	$ 38,697,580	$ 77,998,761
FAU	84	$ 25,346,748	$ 21,642,163	$ 46,988,911
UF	82	$ 47,695,822	$ 49,180,011	$ 96,875,833
USF	79	$ 32,308,363	$ 39,488,000	$ 71,796,363
FIU	**76**	**$ 25,253,750**	**$ 30,865,695**	**$ 56,119,445**
FSU	68	$ 35,574,608	$ 43,480,076	$ 79,054,684
FGCU	67	$ 8,010,396	$ 9,790,484	$ 17,800,880
FAMU	65	$ 11,509,132	$ 14,066,717	$ 25,575,849
NCF	59	-	$ 2,740,857	$ 2,740,857
UWF	57	-	$ 12,133,627	$ 12,133,627
UNF	26	-	$ 12,914,790	$ 12,914,790
Total		**$225,000,000**	**$275,000,000**	**$500,000,000**

* Institutions scoring 50 points or less or the three lowest scoring universities will not receive any State Investment. Any ties in scores are broken using the tiebreaker policy approved by the BOG.

It should be noted that on June 30, 2016 the Board of Governors reallocated the 2015-2016 allocation, which was presented in last year's audit, as a result of a programmatic error that impacted four universities, including FIU. The programmatic error lead to the overstatement of the Academic Progress Rate used in Metric 5 for the four universities. As a result, FIU which had been tied for third place in the final point rankings dropped to fourth, which resulted in FIU losing $2.5 million in funding allocation.

Also, at the November 3, 2016 Board of Governors Board Meeting, changes to the Performance Based Funding Model were approved, among them changing Metric 3, Average Cost per Undergraduate Degree. The new metric to be used in future years will be the Cost to the Student.

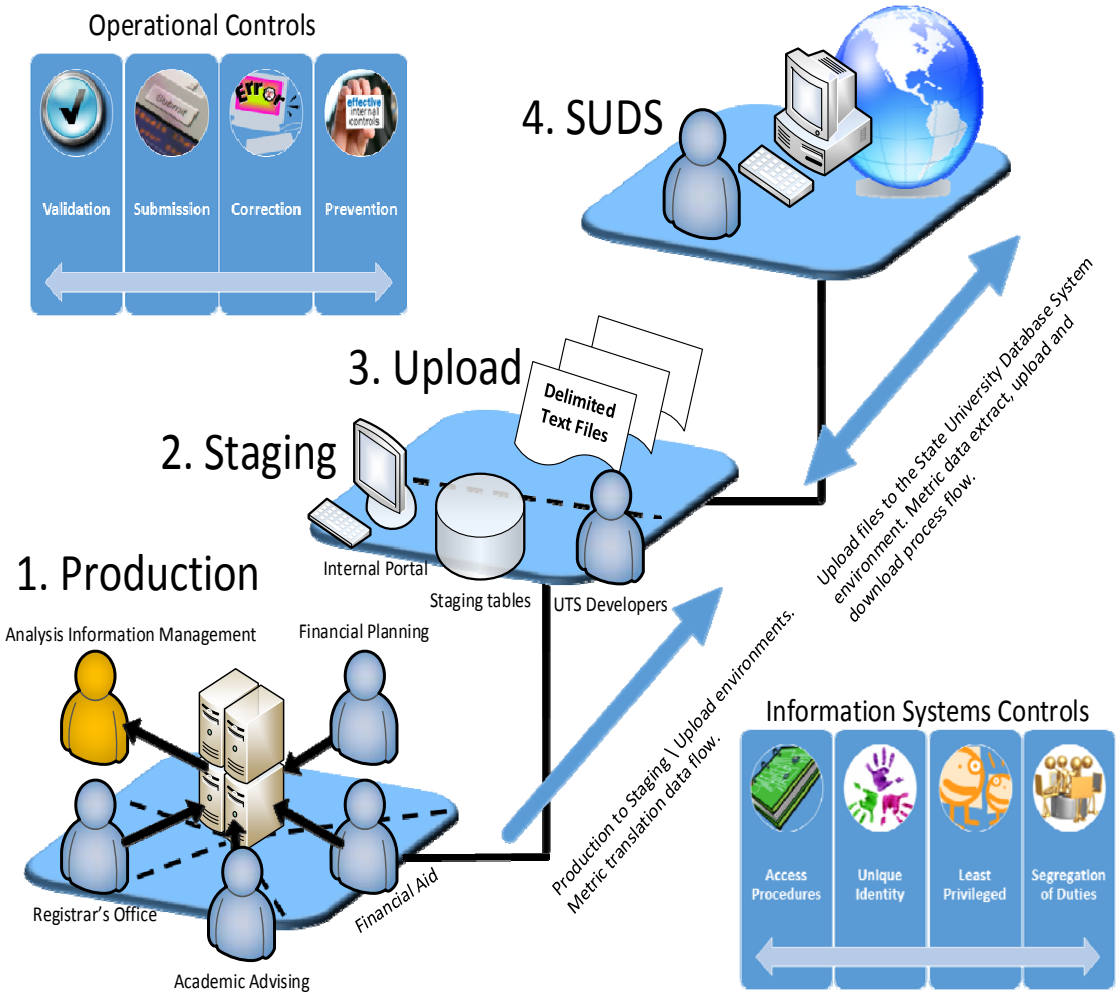
Organization

The Office of Analysis and Information Management (AIM) consists of Institutional Research (IR), and the Office of Retention & Graduation Success. One of the goals of AIM is to provide the University community with convenient and timely access to information needed for planning and data driven decision-making and to respond to data requests from external parties. IR is currently responsible for: Processing of Faculty Credentials; Assessment Support; Academic Programs; Faculty Assessment of Administrator System; Maintaining the FAIR system which is the online system used to credential faculty; Academic Program Inventory; and Assignment of CIP codes to courses. The Office of Retention & Graduation Success identifies barriers to student success and works to eliminate those barriers. This Office helps to carry out the Graduation Success Initiative (GSI), primarily by providing Major Maps and alerts for students and academic advisors, and information and analyses to departments and decision-makers.

IR has been the official source of FIU's statistics, providing statistical information to support decision-making processes within all academic and administrative units at FIU, preparing reports and files for submission to the BOG and other agencies. It is also responsible for data administration, enrollment planning, and strategic planning. The Director of Institutional Research/Data Administrator reported to the former Interim Vice Provost for AIM until her retirement on October 31, 2016. The Data Administrator now reports directly to the Provost and is responsible for gathering data from all applicable units, preparing the data to meet BOG data definitions and requirements, and submitting the data.

At FIU, the Performance Funding Metrics reporting process flow consists of four layers that range from the University Production environment to the State University Database System application, as follows: (1) The Production data originated at the functional units: the Registrar's Office, Academic Advising, Financial Aid, and Financial Planning departments is sent to (2) Staging tables (or directly to Upload folders). In the Staging environment, dedicated developers perform data element calculations that are based on BOG guidelines and are used to develop the Internal Portal. Once the calculations are completed, the data is formatted into text files and moved to an (3) Upload folder. Users then log into the (4) State University Database System (SUDS) and depending on their roles, they upload, validate, or submit the data.

The diagram below illustrates the operational controls and the information system access controls currently implemented in the overall data element process flow.



FINDINGS

Based on our audit, we concluded that there are no material weaknesses or significant deficiencies in the processes established by the University to report required data to the Board of Governors in support of their Performance Based Funding Metrics. While there is always room for improvement as outlined in the detailed findings and recommendations that follow, the system is functioning in a manner that can be relied upon to provide complete, accurate and relatively timely data.

Accordingly, in our opinion, this report provides an objective basis of support for the Board of Trustees Chair and the University President to sign the representations made in the BOG Performance Based Funding – Data Integrity Certification, which the BOG requested be filed with them by March 1, 2017. Our evaluation of FIU's operational and system access controls that fall within the scope of our audit is summarized in the following table:

INTERNAL CONTROLS RATING			
CRITERIA	**SATISFACTORY**	**FAIR**	**INADEQUATE**
Process Controls	**x**		
Policy & Procedures Compliance	**x**		
Effect	**x**		
Information Risk	**x**		
External Risk	**x**		
INTERNAL CONTROLS LEGEND			
CRITERIA	**SATISFACTORY**	**FAIR**	**INADEQUATE**
Process Controls	**Effective**	**Opportunities exist to improve effectiveness**	**Do not exist or are not reliable**
Policy & Procedures Compliance	**Non-compliance issues are minor**	**Non-compliance Issues may be systemic**	**Non-compliance issues are pervasive, significant, or have severe consequences**
Effect	**Not likely to impact operations or program outcomes**	**Impact on outcomes contained**	**Negative impact on outcomes**
Information Risk	**Information systems are reliable**	**Data systems are mostly accurate but can be improved**	**Systems produce incomplete or inaccurate data which may cause inappropriate financial and operational decisions**
External Risk	**None or low**	**Potential for damage**	**Severe risk of damage**

The result of the review of our objectives follows:

1. Review of Processes Flow of Data

During prior years' audits, the Data Administrator provided us with an understanding of how the University ensured the completeness, accuracy, and timely submission of data to the BOG. Based on updates provided to us by the Data Administrator and other key personnel, we determined that no significant changes have occurred to the process flow of data.

The AIM developed a tool within PeopleSoft that generates edit reports similar to the ones found in the State University Database System (SUDS). This tool allows functional unit users more time to work on their file(s) since the BOG edits are released closer to the submission deadline. The purpose of the review is for functional unit users to correct any problems concerning transactional errors before submitting the files. During the prior audit, we found the Registrar's Office, responsible for 5 of the 10 performance-based metrics, along with the Office of Financial Aid and the Graduation Office are using the tool. The Data Administrator's team routinely reviews the error reports and summary reports to identify and correct any data inconsistencies. According to the AIM, they plan to continue to extend the use of the tool to all appropriate users. Furthermore, for Metric 3 there are certain PantherSoft queries in place that users run to identify errors or bad data combinations.

In addition to the internal FIU reports, the BOG has built into the SUDS a data validation process through many diagnostic edits that flag errors by critical level. SUDS also provides summary reports and frequency counts that allows for trend analysis. The AIM team reviews the SUDS reports and spot checks records to verify the accuracy of the data. Once satisfied as to the validity of the data, the file is approved for submission.

As a result of a prior audit recommendation, the AIM developed the *OPIR-BOG Business Process Manual*. The Manual addresses BOG SUDS Portal Security, BOG SUDS File Submission Process, and details of the process for each file submitted to the BOG. It is also evident that the Manual has been continually updated since its implementation.

We also met with the Data Administrator to update our understanding of the processes in place to gather, test, and ensure that only valid data, as defined by the BOG, is timely submitted to the BOG. As explained, the Data Administrator's team is responsible for the day-to-day reporting and understands the functional process flow, while the functional units are responsible for their data and understand the technical process flow.

Steps	**BOG Files Submission Cycle**
1.	The PeopleSoft team and the Office of Financial Planning (Metric 3) extracts data from the PeopleSoft database. Data are formatted according to BOG data elements definitions and table layouts.
2.	The PeopleSoft team and the Office of Financial Planning (Metric 3) uploads data to SUDS and runs edits.
3.	SUDS edits the data for possible errors and generates dynamic reports.
4.	Functional unit users are notified that edits are ready to be reviewed.
5.	Functional unit users review the edits and make any required transactional corrections in the PeopleSoft database.
6.	AIM Lead/PS Team/Functional unit users communicate by email, phone or in person about any questions/issues related to the file.
7.	Steps 1-6 are repeated until the freeze date.
8.	On the freeze date, a final snapshot of the production data is taken.
9.	The file is finalized, making sure all Level-9 (critical) errors were corrected or can be explained.
10.	AIM Lead reviews SUDS reports, spots-checks data and contacts functional unit users if there are any pending questions.

In summary, the data is extracted from the PeopleSoft system and moved to a staging table where data calculation is performed for the elements required by the BOG. There are four layers within the data process flow that included Production, Staging, Upload and the SUDS application. The Production Data element is extracted from Financial Aid, Academic Advising, and the Registrar's Office. The AIM office in collaboration with the BOG team from the Division of IT translated the production data into separate staging database tables where the data elements were then programmatically calculated. Data was then extracted from the Staging tables, formatted into specific file formats, and then uploaded to the SUDS online application. Separately, the Office of Financial Planning extracts, translates and uploads the Operating Budget File data for Metric 3. The University's Division of IT assists the Office of Financial Planning in consolidating the data for the Expenditure Analysis File and loading it into SUDS for their review and validation.

2. Prior System Access Controls and User Privileges Follow-up

Access control testing included follow-up on prior audit recommendations and examination of user privileges within the State University Database System (SUDS) application, examination of audit log files and production data. In our prior audit, we recommended that the Office of Analysis and Information Management should work with the functional units and PeopleSoft Security Team to: a) review and deactivate the SUDS user accounts with expired passwords from 2014; b) limit access to production data as appropriate; and c) add audit logging capability to production fields, where appropriate, to reduce the data integrity risk to the SUDS. Management agreed with the recommendations and responded that they have developed an electronic request form using the PAWS system that will allow them to keep track of the requests, continue to communicate with all Vice Presidents and Director on an annual basis to review who should have access to production data, and implement an audit trail report to indicate whenever a change is made to any of the high-risk fields that were identified in the prior year's audit. The following were the results of our follow-up into these areas:

a. Review and Deactivate the State University Database System User Accounts

In our prior audit, we recommended that the user accounts with expired passwords from 2014 should be deactivated from SUDS. Management responded that they will conduct an annual review and will reach out to the supervisors of the users who have not accessed the system in an entire year. A current review revealed that most of the accounts from 2014 are still in an active status. We also found two user accounts' passwords that expired in 2015, averaging 429 days expired, that were still active. According to PantherSoft IT, the two users' roles should be changed from uploader to researcher. Over time, job duties may change as the user account sits dormant and can increase the risk of inappropriate access should they become reactivated.

The *BOG SUDS Security Access – Functional User Guide* requires that the functional unit lead create a PAWS ticket when requesting new user access or making changes to existing SUDS accounts. We found that 2 of the 3 on-boarded users tested had a corresponding PAWS ticket. Additionally, there was no documentation for the one user deactivated during the audit period. Furthermore, because AIM was not notified by PantherSoft IT, there was one terminated user still listed as active nine months after their termination date. Completed PAWS tickets should be used as a baseline for user access that AIM can review to further reduce the risk of inappropriate access. User on-boarding and off-boarding without corresponding PAWS tickets reduce the effectiveness of existing user access controls.

b. Limit Access to Production Data

Figure 1 – *Production Data Elements Process Flow* illustrates the four departments of Financial Planning, Financial Aid, Academic Advising and the Registrar's Office's data that feed into the production system available to the Office of Analysis and Information Management. Prior audit testing identified 17 individuals that had the ability to edit one or more of 20 performance based funding data fields in production. This year's testing was increased by an additional 58 users that were involved in the BOG data process, which included the Office of Admissions, Enrollment Operations, Office of Graduate and International Admissions, and the One Stop Shop Departments. This year's audit of write access in the production and stage environments included an additional 59 fields specific to Metrics 1, 2, 4, and 5. While there were some reduction in write access from prior audit findings, we did note areas that need improvement.

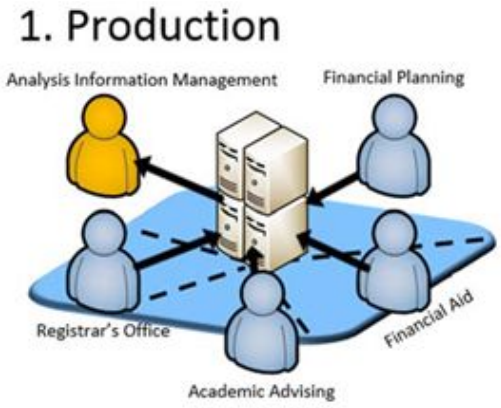
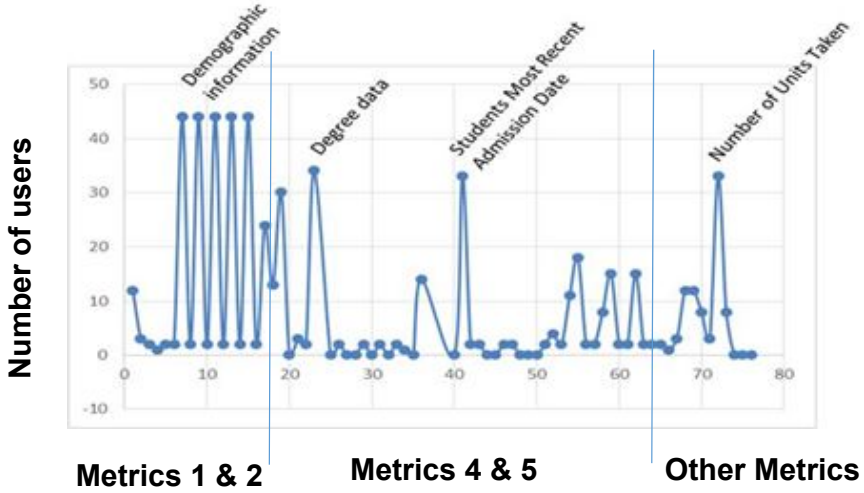


Figure 1 - Production Data Elements Process Flow

Specifically, the Data Administrator, who has the ability to submit data to the State University Database System, also has write access to certain production data fields that affect Metrics 4 and 5. It is a segregation of duties risk for users to have the ability to change production data and also submit that data to the SUDS. Also, of the 75 users tested we found areas with a high number of users with write access, including:

a) 44 that had the ability to modify Demographics information;
b) 34 that had the ability to modify Degree data;
c) 33 with the ability to modify Students Most Recent Admission Date; and
d) 33 that had the ability to modify the Number of Units Taken.



Additionally, two members of the Academic Advising Department have write access to the fields in the staging environment (see Figure 2 – Upload Process Flow). The stage environment, used for programming field calculations, is a high risk area as it is the final step before the data is uploaded to the State University Database System. Users with write access in staging can manipulate values that are not consistent with production data. An unauthorized data override increases the data integrity risk and may also impact the University's metrics. We also noted repeat concerns of department management that have write access to production fields, which is discussed further in the next section.

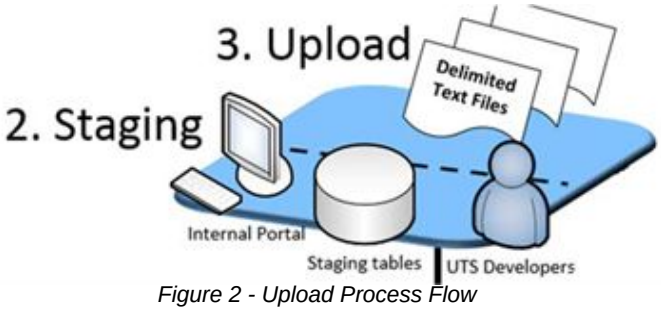


Figure 2 - Upload Process Flow

c. Add Audit Logging Capabilities to Production Fields

As expressed in prior audit reports we continue to have concerns on specific users' access. We recommended that audit logging capabilities should be added to the 20 in-scope production data fields, where appropriate, to mitigate the risk of an unauthorized data change. Management agreed and stated that the logs were implemented in April 2016. Upon examination, we found that only 3 of the 20 fields were active during the audit period. In September 2016, audit logs were created for an additional 10 production fields. Additionally, the Data Administrator had difficulty discerning data from the current reporting mechanism. On examination of the logs that were available, we were able to determine that 9 of 14 users involved in the BOG data submission process had write access but did not make any changes to the data. With a user-friendly, intuitive reporting mechanism in place, the Data Administrator could determine whether write access is appropriate.

Ultimately, it is the State University Database System Data Administrator that is accountable for the data provided to the BOG. Log reporting mechanisms are an effective detection control to help the Data Administrator mitigate least privileged and segregation of duties risks. The lack of log reports increase the integrity[1] risks to the data sent to the BOG.

Conclusion

The combination of system access control deficiencies noted above, while less severe than a material weakness in internal control, should nevertheless be promptly corrected or mitigated to reduce the likelihood that an unauthorized data change can be made and go undetected. Some of the access control deficiencies were noted in the prior year audit.

[1] COBIT 5.0 correlates Integrity to the information quality goals completeness and accuracy.

3. Review of Grade Change Process

Many of the performance-based funding metrics rely on student course grades. For example, the graduation and retention data files use student course grades to determine term and cumulative GPA, the earning of credit hours towards graduation, and ultimately the degrees awarded. Thus, this year we included a test of the grade change process as part of the audit.

During the spring 2016 semester we noted 2,408 students with 2,905 grade changes. To test the propriety of the grade change process, we selected a sample of students in their 4th, 5th and 6th years of study (as we determined these would be more pertinent and of a higher risk to the metrics) and whose grade was changed from a "D" or "F" to a higher grade during the spring 2016 semester.

We identified 69 - 4th, 5th, and 6th year students whose grades were changed from a "D" or "F" to a higher grade. We selected 26 of the 69 students and reviewed the effect of the grade change on their term and cumulative GPA. We determined that 9 of the 26 students reviewed would have dropped below the 2.0 cumulative GPA required if not for the grade change. Thus, we requested documentation for the grade change from the student's College. Review of the reasons for the change of grade provided by the Colleges for all 9 students showed the changes were appropriate.

Notwithstanding, during our review of grade changes, we observed that 71% of all grade changes were made using a generic user identification (ID). The user account was used to batch process student grade changes at the end of the semester. In addition, individual users were able to log onto the user account and perform grade changes. In the production database, the data/time stamp was stored in a log table when users log into the account.

We focused in on: (a) who can log into the generic user account; and (b) what controls were in place to identify individual user actions. Upon examination, we determined that 23 users could switch into the account. The users come from varied departments including: Administrator Systems and Data Support, the Registrar's Office, PantherSoft IT, Academic Advising Center, and Institutional Research. The users' job titles are varied and include IT support, Application Developer, Assistant Registrar, Academic Records Manager, Enrollment Processor, and Business Analyst.

Combining IT support and non-IT user accounts into a group user account increases segregation of duties risks. When grades are changed in this manner, only the generic user ID is stored in the audit log file. Current internal controls were not granular enough to adequately identify the user that logged into the generic account to make a modification. Assigning a unique ID to each individual that makes a grade change would ensure that each individual is uniquely accountable for their actions.

Conclusion

Although we did not find any inappropriate grade changes, the inability to track individual user actions increases the risk that an inappropriate grade change could go undetected.

4. Data Accuracy Testing and Follow-up

We identified the main data files and tables related to the calculations of the four performance based funding metrics under review, as follows:

- Degrees Awarded File;
- Person Demographic Table;
- Enrollments Table;
- Student Instruction File; and
- Retention File.

The BOG provided us with the in-scope data elements for each of the metrics under review (see Appendix A – In-scope BOG Data Elements).

Data accuracy for four of the ten metrics was tested by reviewing the corresponding data files, tables and elements, and by tracing them to the source document data in PeopleSoft. A number of reconciliations were also performed. Testing was limited to the PeopleSoft data itself as the objective of our testing was to corroborate that the data submitted was in fact unabridged from/identical to the data contained in the University's PeopleSoft system.

Metrics Testing

The four performance based funding metrics tested were as follows:

Common to All Universities:

- Metric 1 - Percent of Bachelor's Graduates Employed and/or Continuing their Education Further One Year after Graduation;
- Metric 2 - Median Average Wages of Undergraduates Employed in Florida One Year after Graduation;
- Metric 4 - Six Year Graduation Rate (Full-time and Part-time FTIC); and
- Metric 5 - Academic Progress Rate (2nd Year Retention with GPA above 2.0).

Metrics 1 and 2

The Degrees Awarded File is used for 5 of the 10 performance based funding metrics. During the prior year's audit, data accuracy testing was focused on Metric 6-Bachelor's Degree Awarded within Programs of Strategic Emphasis; Metric 8-Master's Degree Awarded within Program of Strategic Emphasis; and Metric 10-Bachelor's Degrees Awarded to Minorities. No exceptions were found in the data submitted. Accordingly, we focused on the remaining two metrics: Metric 1 (Percent of Bachelor's Graduates Employed and/or Continuing their Education Further One Year after Graduation); and Metric 2 (Median Average Wages of Undergraduates Employed in Florida One Year after Graduation). The BOG utilizes the Degrees Awarded File, Person Demographic Table from Admission File and other external data related to employment to calculate these two metrics. We excluded a review of the external data from the scope of this audit.

The most current submission file contiguous with our audit fieldwork was obtained. (The File is uploaded after every semester, thus, the spring 2016 file uploaded in June 2016 was the most current file as of September 30, 2016).

The Degrees Awarded File submitted in spring 2016 contained 4,724 students earning 4,788 degrees (4,450 students earned single degrees, 210 students earned 420 double-major degrees, 2 students earned a degree and a double major, and 62 students earned 124 dual degrees). The BOG rule allows for the multiple degrees, not double-majors, to be counted individually. Thus, double-majors are counted as half (.5).

Included in the 4,788 degrees were 36 out-of-term degrees. The out-of-term degrees were earned in spring, summer, and fall 2015, and excluded 17 spring 2016 degrees that posted late. Of the 17 degrees, 15 were reported in summer 2016 and 2 will be reported with fall 2016 degrees as they were processed in October and November 2016. The Office of the Registrar informed us that the late reporting was due to either the student submitting the completion form late or an academic department delay.

Our reconciliation of the Degrees Awarded File submitted to the BOG, and the file provided to us by the Office of the Registrar to test against, showed differences in the number of degrees reported due to timing differences in the posting of degrees. The Office of the Registrar file contained 17 students who earned their degrees in spring 2016 and 14 students who earned their certificate in spring 2016 but were processed late, after the Degrees Awarded File had been submitted to the BOG. (Certificates are not required to be reported to the BOG). The Degrees Awarded File reported to the BOG contained 36 out-of-term degrees, earned in spring, summer, and fall 2015 that had been previously processed late. We verified the degrees reported late were actually granted late by reviewing 5 of the 17 spring 2016 degrees and 6 of the 36 out-of-term 2015 degrees that were processed late. There were no exceptions found.

We also verified that the data elements for the two metrics tested were present in the Degrees Awarded File submitted to the BOG and the information contained in the Degrees Awarded File was the same as the information in the students' PantherSoft record.

Finally, 32 students' records were selected for testing. The students' records (as it relates to the applicable data elements for Performance Based Funding) in PeopleSoft were the same as reported to the BOG, and all 32 students graduated in spring 2016 and fulfilled their credit-hour requirements per the respective program of study. There were no exceptions as to the data provided to the BOG for these 32 students.

Conclusion

We determined that the data submitted to the BOG in the Degrees Awarded File and the Admissions File for Metrics 1 and 2 represents the data in the University's PantherSoft Campus Solutions system.

Metrics 4 and 5

The data for Metric 4 (Six Year Graduation Rate - Full-time and Part-time First Time in College (FTIC)) and Metric 5 (Academic Progress Rate - 2nd year retention with GPA above 2.0) are generated by the BOG from the Student Instruction File (SIF) and Degrees Awarded File (SIFD) submitted by the University.

The BOG builds the Retention File annually using the SIF and the SIFD files. The BOG then annually provides the retention data to the University. FIU's Office of Institutional Research (IR) reconciles the data with the files (SIF and SIFD) originally submitted to the BOG and investigates and resolves any differences. They work with BOG IRM (Information Resource Management) staff to make edits, if necessary, before the Data Administrator approves and submits the data to the BOG IRM. We reviewed IR's reconciliation process of retention data for cohort 2013-2014 and concluded that FIU's IR staff adequately performed the reconciliation of data provided by the BOG against FIU's data.

We also reviewed the retention data for cohort year 2013-2014 and determined that the cohort count of 4,524 students matched the data in the fall 2013, spring 2014 and summer 2014 SIF files. This was the first year for cohort 2013-2014. We reviewed the second year for cohort 2013-2014, which included the fall 2014, spring 2015 and summer 2015 SIF and determined that the number of students enrolled (3,799) and degrees earned, as reported in the Retention File and verified by the IR analysts to be accurate.

In addition, we verified without exception that 22 students from the 2013-2014 cohort graduated in 2014-2015, as reported in the SIFD, as follows: fall 2014 (3 students); spring 2015 (12 students); and summer 2015 (7 students).

Finally, to further verify that the SIF data submitted to the BOG was accurate, we selected a sample of 38 students from the summer 2010 SIF and verified that the data provided to the BOG was the same as the data contained in the University's PantherSoft Campus Solutions student records and found no differences. The summer 2010 SIF contained those students whom would have reached their sixth year during the most current submittal for inclusion in Metric 4.

Conclusion

The results of our review of the SIF data found no differences relating to the relevant elements for Metrics 4 and 5. IR performs the reconciliation and verifies that the data submitted by the BOG matches the data in FIU's system, as such, the data used to build the Retention File for Metrics 4 and 5 accurately reflects the data in the University's PeopleSoft system.

Prior Audit Follow-up

During a prior audit, we had found an exception resulting from one student's most recent admission date, which was 1 of the 5 tested elements. We determined that the student was admitted in fall 2011 as an undergraduate student and in spring 2014 as a certificate-seeking student. The student enrollment record in PeopleSoft had both of the admission dates for the student and his most recent admission was reported to the BOG. The AIM staff informed us last year that they were in discussions with the Registrar's Office to adjust for these occurrences. The prior recommendation was to, "Continue to work with the Office of the Registrar to resolve how to properly report those limited instances where there are multiple admission dates for individual students."

In our follow-up of this matter, the AIM staff informed us that they implemented a logic change effective spring 2016. The Data Administrator stated, "…we are not expecting to see this type of problem anymore." She added, "When we review a student we not only look at the student type we look at whole scenario and common elements such as the student type, admit term, degree highest held, transfer credits and any other element that may be slightly related to the issue we are looking at. We compile our questions and send to the functional units to review the case as well, answer the question and recommend how [the] student should be reported." As a result of this mitigating control, the previous control deficiency has been resolved.

5. Data File Submissions and Resubmissions

Timely Data File Submissions

To ensure the timely submission of data, AIM used the due date schedule provided by the BOG as part of the SUS data workshop to keep track of the files due for submittal and their due dates. AIM also maintains a schedule for each of the files to be submitted, which includes meeting dates with the functional unit leads, file freeze date, file due date, and actions (deliverables) for each date on the schedule. We used data received directly from the BOG-IRM Office in addition to data provided by AIM to review the timeliness of actual submittals.

The following table and related notes, where applicable, reflects the due dates and actual submittal dates of all relevant files submitted during our audit period:

File	File Submission	Period	Due Date	Submitted Date
SIFD	Degrees Awarded	Summer 2015	10/6/2015	10/7/2015[1]
IR	Instruction & Research	Annual 2014	10/6/2015	10/6/2015
SFA	Student Financial Aid	Annual 2014	10/9/2015	10/7/2015
SIFP	Student Instruction Preliminary	Fall 2015	10/9/2015	10/9/2015
EA	Expenditure Analysis	Annual 2014	10/20/2015	10/20/2015
HTD	Hours to Degree	Annual 2014	11/13/2015	11/13/2015
SIF	Student Instruction	Fall 2015	1/15/2016	1/27/2016[2]
RET	Retention	Annual 2014	1/29/2016	2/25/2016[3]
SIFD	Degrees Awarded	Fall 2015	2/5/2016	2/5/2016
ADM	Admissions	Spring 2016	2/26/2016	2/25/2016
SIFP	Student Instruction Preliminary	Spring 2016	3/4/2016	3/4/2016
SIF	Student Instruction	Spring 2016	6/17/2016	6/17/2016
SIFD	Degrees Awarded	Spring 2016	6/30/2016	7/12/2016[4]
OB	Operating Budget	Annual 2016	8/15/2016	8/15/2016
ADM	Admissions	Summer 2016	9/9/2016	9/9/2016
ADM	Admissions	Fall 2016	9/23/2016	9/28/2016[5]

[1] The summer 2015 Degrees Awarded File was submitted one day late due to the delay in accepting the SIF summer 2015. Degrees Awarded File (SIFD) cannot be submitted before SIF is accepted; SIF was accepted on October 7, 2015.

[2] The fall 2015 Student Instruction File (SIF) was submitted late due to a delay by the BOG in accepting the resubmission of the Admission File for fall 2015. SUDS does not allow submittal of the SIF prior to the Admission File being accepted. The resubmitted fall 2015 Admission File was accepted on January 27, 2016 and the SIF was submitted on the same date.

[3] Submittal of the Annual 2014 Retention File was delayed due to a delay by the BOG in reviewing/correcting the records of four students whose degrees were not counted in the

Retention File. The error was identified by FIU's Institutional Research (IR) team and the BOG staff was notified.

[4] The Degrees Awarded File for spring 2016 was delayed due to the BOG's delay in accepting the spring 2016 SIF. The BOG had questions on the submitted SIF which were addressed by FIU's IR team but the University had to wait for the SIF to be accepted prior to submitting the Degrees Awarded File for spring 2016.

[5] According to the Data Administrator, the fall 2016 Admissions File was submitted late due to FIU's IR staff resources being diverted as a result of changes in submittal dates by the BOG for other data files.

Data File Resubmissions

The list of resubmissions since the last audit was obtained from the BOG-IRM staff. The Data Administrator described the nature and frequency of these resubmissions and provided correspondence between the BOG and the University related to data resubmissions and examined them to identify lessons learned and determine if any future actions can be taken by the AIM that would reduce the need for resubmissions.

The Data Administrator has previously noted that "Resubmissions are needed in the case of data inconsistencies detected by us or the BOG staff after the file has been submitted. Of course, our goal is to prevent any resubmissions; however, there are some instances when this happens. A common reason for not detecting the error before submission is that there are some inconsistencies that only arise when the data is cross-validated among multiple files... We used the resubmission process as a learning tool to identify ways to prevent having the same problems in the future. When logic changes are implemented or added it is an additional edit in our internal tool."

In regards to the frequency of the resubmissions, a list was provided by the BOG-IRM of all relevant files submitted. For files with due dates between October 1, 2015 and September 30, 2016, the University submitted 16 files to the BOG. In addition, there were four relevant files resubmitted with original due dates prior to October 1, 2015 and after September 30, 2016.

The following table describes the four files resubmitted and the reasons for resubmission.

No.	Due Date	Resubmitted Date	File Submission	Term/Year	Reason for Resubmission
1	8/17/2015	10/20/2015	Operating Budget (OB)	Annual 2015	Error in Expenditure Analysis (EA) File which only could be corrected via OB. The error was due to the use of an incorrect code appropriation category, discovered at the time of the EA File submission.
2	10/07/2014	12/15/2015	Instruction & Research	Annual 2013	FIU had some changes in methodology with regard to how instruction and research activities were coded in the Instruction & Research (IRD) File between the 2013-2014 submissions. Per a BOG request, FIU needed to resubmit the IRD File to reflect this new methodology. The change in the IRD affected the EA File, thus, requiring a resubmission of this File as well.
3	10/28/2014	12/15/2015	Expenditure Analysis	Annual 2013	
4	10/03/2016	10/13/2016	Student Instruction	Fall 2016	Resubmittal requested by the BOG due to manual changes made by the BOG to correct student recent admission types.

Resubmission requests originated from both the BOG and FIU. The reasons for resubmissions varied, such as the BOG requesting edits/additional information when a file does not reconcile with other records, FIU discovering some errors after submission, or when a resubmission of a related file triggered correction and resubmission. In regards to the resubmissions being authorized, in all instances observed, the BOG staff authorized the resubmission by reopening the SUDS system for resubmission.

The four resubmissions were necessary and authorized, and as the Data Administrator explained previously, some of the reasons for the resubmission are the subject of discussions between FIU and the BOG on how the process could be improved.

Conclusion

Our review disclosed that the process used by the Data Administrator provides reasonable assurance that complete, accurate and for the most part timely submissions occurred. There were no discernable reasons for the few late filings. No material weaknesses were found. In addition, there were no reportable material weaknesses or significant control deficiencies that surfaced relating to data file resubmissions.

6. Review of University Initiatives

A listing of University initiatives that are meant to bring the University's operations and practices in line with SUS Strategic Plan goals were obtained. Below is a list of such initiatives:

- Implemented the learning assistant program
- Hired a student success manager
- Implemented Adjunct to Instructor conversions in Math and English to improve teaching
- Improved student financial aid support model (i.e., Noel Levitz)
- Implemented faculty incentives for new online and hybrid teaching
- Restructured the advising model
- Graduation Success Initiative
- STEM success, HHMI, HHMI2, STEM Transformation Institute
- Preparing students for the workforce through internships and private partnerships
- Added additional Math instructors to improve the pedagogy and student success in the math gateway courses

Conclusion

None of the initiatives provided appears to have been made for the purposes of artificially inflating performance goals.

RECOMMENDATIONS

The Office of Analysis and Information Management should:	
1.	Work with the functional units and PeopleSoft Security Team to: a) Review user accounts to ensure on-boarded and off-boarded users have an associated PAWS ticket and that existing users' access match their current job function; b) Review and reduce access privileges to production and stage environments to appropriately mitigate least privileged and segregation of duties risks; and c) Continue to create a log reporting mechanism for all metric data files, where appropriate, that is user-friendly to help ensure the integrity of the data sent to the BOG.

Management Response/Action Plan:

1. a) The Office of Analysis and Information Management will ensure that access privileges accurately portray each user's job responsibilities, and any changes in access are accurate, and consistently logged with PAWS tickets.

   Implementation date: March 2017

   b) The Office of Analysis and Information Management will work with IT to review access privileges of users in the PeopleSoft production and stage environments, and ensure that user security policies are enforced in a manner that portrays the necessities of job duties, including revoking or limiting access when appropriate.

   Implementation date: April 2017

   c) The Office of Analysis and Information Management will follow up with IT on a bi-weekly basis to ensure that they are making progress towards auditing all 20 high risk fields. Additionally, AIM will work with IT to create a user-friendly report that will enable AIM to continually monitor access privileges for these fields.

   Implementation date: April 2017

APPENDIX A

In-Scope BOG Data Elements			
No.	**Metric**	**Definition**	**Submission/Table/Element Information**
1	Percent of Bachelor's Graduates Employed Full-time in Florida or Continuing their Education in the U.S. One Year After Graduation	This metric is based on the percentage of a graduating class of bachelor's degree recipients who are employed full-time in Florida or continuing their education somewhere in the United States. Students who do not have valid social security numbers are excluded. Note: Board staff have been in discussions with the Department of Economic Opportunity staff about the possibility of adding non-Florida employment data (from Wage Record Interchange System (WRIS2) to this metric for future evaluation. **Sources:** State University Database System (SUDS), Florida Education & Training Placement Information Program (FETPIP), National Student Clearinghouse.	**Submission:** SIFD **Table:** Degrees Awarded **Elements:** 01081 – Degree – Level Granted 01412 – Term Degree Granted 01045 – Reporting Institution
2	Median Wages of Bachelor's Graduates Employed Full-time in Florida One Year After Graduation	This metric is based on annualized Unemployment Insurance (UI) wage data from the fourth fiscal quarter after graduation for bachelor's recipients. UI wage data does not include individuals who are self-employed, employed out of state, employed by the military or federal government, those without a valid social security number, or making less than minimum wage. *Sources: State University Database System (SUDS), Florida Education & Training Placement Information Program (FETPIP), National Student Clearinghouse.*	Same as No. 1 above.
4	Six Year FTIC Graduation Rate	This metric is based on the percentage of first-time-in-college (FTIC) students who started in the Fall (or summer continuing to Fall) term and had graduated from the same institution within six years. Students of degree programs longer than four years (e.g., PharmD) are included in the cohorts. Students who are active duty military are not included in the data. *Source: State University Database System (SUDS).*	**Submission:** SIFD **Table:** Degrees Awarded **Elements:** 02001 – Reporting Time Frame
			Submission: SIFP **Table:** Enrollments **Elements:** 01063 – Current Term Course Load 01067 – Last Institution Code 01068 – Type of Student at Date of Entry 01085 – Institutional Hours for GPA 01086 – Total Institutional Grade Points 01088 – Term Credit Hours for GPA 01089 – Term Credit Hours Earned 01090 – Term Grade Points Earned
			Submission: SIF **Table:** Enrollments **Elements:** 01060 – Student Classification Level 01112 – Degree Highest Held 01107 – Fee Classification Kind 01420 – Date of Most Recent Admission 01413 – Type of Student at Time of Most Recent Admission 01411 - Institution Granting Highest Degree 01801 – University GPA (CUM & TERM)
			Submission: Retention **Table:** Retention Cohort Changes **Elements:** 01429 – Cohort Type 01437 – Student-Right-to-Know (SRK) Flag 01442 – Cohort Adjustment Flag

In-Scope BOG Data Elements			
No.	**Metric**	**Definition**	**Submission/Table/Element Information**
5	Academic Progress Rate *2nd Year Retention with GPA Above 2.0*	This metric is based on the percentage of first-time-in-college (FTIC) students who started in the Fall (or summer continuing to Fall) term and were enrolled full-time in their first semester and were still enrolled in the same institution during the Fall term following their first year with had a grade point average (GPA) of at least 2.0 at the end of their first year (Fall, Spring, Summer). *Source: State University Database System (SUDS).*	Same as No. 4 above.

Definition Source: State University Database System (SUDS).

STATE UNIVERSITY SYSTEM of FLORIDA
Board of Governors

Performance Based Funding

March 2017 Data Integrity Certification

Name of University: Florida International University

INSTRUCTIONS: Please respond "Yes" or "No" for each representation below. Explain any "No" responses to ensure clarity of the representation you are making to the Board of Governors. Modify representations to reflect any noted audit findings.

Performance Based Funding Data Integrity Certification Representations			
Representations	**Yes**	**No**	**Comment / Reference**
1. I am responsible for establishing and maintaining, and have established and maintained, effective internal controls and monitoring over my university's collection and reporting of data submitted to the Board of Governors Office which will be used by the Board of Governors in Performance Based Funding decision-making.	☒	☐	
2. These internal controls and monitoring activities include, but are not limited to, reliable processes, controls, and procedures designed to ensure that data required in reports filed with my Board of Trustees and the Board of Governors are recorded, processed, summarized, and reported in a manner which ensures its accuracy and completeness.	☒	☐	
3. In accordance with Board of Governors Regulation 1.001(3), my Board of Trustees has required that I maintain an effective information system to provide accurate, timely, and cost-effective information about the university, and shall require that all data and reporting requirements of the Board of Governors are met.	☒	☐	
4. In accordance with Board of Governors Regulation 3.007, my university shall provide accurate data to the Board of Governors Office.	☒	☐	
5. In accordance with Board of Governors Regulation 3.007, I have appointed a Data Administrator to certify and manage the submission of data to the Board of Governors Office.	☒	☐	

Performance Based Funding
Data Integrity Certification

Performance Based Funding Data Integrity Certification Representations			
Representations	**Yes**	**No**	**Comment / Reference**
6. In accordance with Board of Governors Regulation 3.007, I have tasked my Data Administrator to ensure the data file (prior to submission) is consistent with the criteria established by the Board of Governors Data Committee. The due diligence includes performing tests on the file using applications/processes provided by the Board of Governors Information Resource Management (IRM) office.	☒	☐	
7. When critical errors have been identified, through the processes identified in item #6, a written explanation of the critical errors was included with the file submission.	☒	☐	
8. In accordance with Board of Governors Regulation 3.007, my Data Administrator has submitted data files to the Board of Governors Office in accordance with the specified schedule.	☒	☐	
9. In accordance with Board of Governors Regulation 3.007, my Data Administrator electronically certifies data submissions in the State University Data System by acknowledging the following statement, "Ready to submit: Pressing **Submit for Approval** represents electronic certification of this data per Board of Governors Regulation 3.007."	☒	☐	
10. I am responsible for taking timely and appropriate preventive / corrective actions for deficiencies noted through reviews, audits, and investigations.	☒	☐	
11. I recognize that the Board's Performance Based Funding initiative will drive university policy on a wide range of university operations – from admissions through graduation. I certify that university policy changes and decisions impacting this initiative have been made to bring the university's operations and practices in line with State University System Strategic Plan goals and have not been made for the purposes of artificially inflating performance metrics.	☒	☐	

Performance Based Funding
Data Integrity Certification

Performance Based Funding Data Integrity Certification Representations			
Representations	**Yes**	**No**	**Comment / Reference**
I certify that all information provided as part of the Board of Governors Performance Based Funding Data Integrity Certification is true and correct to the best of my knowledge; and I understand that any unsubstantiated, false, misleading, or withheld information relating to these statements render this certification void. My signature below acknowledges that I have read and understand these statements. I certify that this information will be reported to the board of trustees and the Board of Governors. Certification: _____ Date 2/14/17 President			
I certify that this Board of Governors Performance Based Funding Data Integrity Certification has been approved by the university board of trustees and is true and correct to the best of my knowledge. Certification: _____ Date 3/3/17 Board of Trustees Chair			

Audit Report

THE FLORIDA STATE UNIVERSITY

Office of Inspector General Services

Sam McCall, Ph.D., CPA, CGFM, CIA, CGAP, CIG
Chief Audit Officer

Performance-Based Funding Metrics
Data Integrity Certification Audit
Fiscal Year 2016-17

AR 17-03 ***February 3, 2017***

Summary

Overall, we concluded that the University has adequate processes for collecting and reporting Performance-Based Funding metrics data to the Board of Governors (BOG). In addition, we can provide an objective basis of support for the University's President and Board of Trustees Chair to sign the Performance-Based Funding – Data Integrity Certification, which the BOG requested to be filed with it by March 1, 2017.

Scope, Objectives, and Methodology

In his June 23, 2016, memorandum to University Boards of Trustees' Chairs, the Chair of the State University System (SUS) of Florida Board of Governors (BOG) directed the President of each University to complete a Performance-Based Funding (PBF) - Data Integrity Certification (attached).

> *When completing this certification, you should evaluate each of the prepared representations. If you are able to affirm the representation, do so. If you are not able to make the representation as prepared, provide an explanation or modification in the space provided. It is important that representations be modified to reflect audit findings. The certification document shall be signed by the President and board of trustees Chair after being approved by the board of trustees. The completed Data Integrity Certification shall be submitted to the Office of Inspector General and Director of Compliance.*[1]
>
> *To make such certifications meaningful, university boards of trustees shall direct the university Chief Audit Executive to perform, or cause to have performed by an independent audit firm, an audit of the university's processes that ensure the completeness, accuracy, and timeliness of data submissions. It is our intent that such audits include testing of data that supports*

[1] This is a reference to the BOG's Office of Inspector General and Director of Compliance.

performance funding metrics. Such testing is essential to determining if processes are in place and working as intended.

The scope and objectives of the audit should be set jointly between the Chair of the university board of trustees and the university Chief Audit Executive. The audit shall be performed in accordance with the current International Standards for the Professional Practice of Internal Auditing as published by the Institute of Internal Auditors, Inc.

The results of this audit shall be provided to the Board of Governors after being accepted by the university's board of trustees. The audit report shall include the university's corrective action plan designed to correct any audit findings. The audit results shall support the President's certification which shall include any noted audit findings. The completed Data Integrity Certification and audit report shall be submitted to the Office of Inspector General and Director of Compliance no later than March 1, 2017.

This is the third consecutive year the BOG has called for such an audit. Florida State University has decided upon the following scope and objectives for the audit.

Scope:

The overall purpose of the audit is to report on the controls and processes established by the University to ensure the completeness, accuracy, and timeliness of data submissions to the BOG that support the University's PBF Metrics, and to provide an objective basis of support for the University's President and Board of Trustees Chair to sign the representations included in the Performance-Based Funding – Data Integrity Certification, which will be submitted to the University's Board of Trustees and filed with the BOG by March 1, 2017. This audit will include an evaluation of the key controls that support these processes, as well as testing of the actual data upon which the University's 10 PBF Metrics are based.

The Performance-Based Funding 2016 Metrics (along with their definitions), as of April 8, 2016, published on the BOG website include the following:

1. Percent of Bachelor's Graduates Enrolled or Employed ($25,000+) in the U.S. One Year After Graduation
2. Median Wages of Bachelor's Graduates Employed Full-Time in Florida One Year After Graduation
3. Net Tuition and Fees per 120 Credit Hours[2]
4. Six-Year Graduation Rate for First-Time-in-College Students

[2] This Metric replaced the former Metric #3 -- Average Cost per Bachelor's Degree (Costs to the University) as a result of the November 3, 2016, BOG meeting; associated data will be included in the 2015-16 Accountability Report.

5. Academic Progress Rate (Second Year Retention Rate with Grade Point Average (GPA) Above 2.0)
6. Bachelor's Degrees Awarded within Programs of Strategic Emphasis (Science, Technology, Engineering, and Mathematics (STEM))
7. University Access Rate (Percent of Undergraduates with Pell Grants)
8. Graduate Degrees Awarded within Programs of Strategic Emphasis (STEM)
9. Faculty Awards (FSU's Choice of Board of Governors' Choice Metrics)
10. National Rank Higher than Predicted by the Financial Resources Ranking, Based on U.S. News and World Report (FSU's Board of Trustees Choice Metric).

This audit solely addresses the integrity of the University's data submissions to the BOG that support the University's Performance-Based Funding Metrics for the 2015-16 Annual Accountability Report. In the event certain of these data are not yet available when we conduct testing, we plan to use the most recent data for the pertinent metrics. The BOG extracts data from the files provided it by the University and performs additional calculations to derive the final PBF Metrics data published by the BOG. The University is not involved in these extractions or additional calculations by the BOG.

Objectives:

1. Determine if there were any changes since our conclusion in the 2015-16 PBF audit concerning the Data Administrator's appointment and the duties and responsibilities in his official position description that:

   Dr. Burnette has been officially appointed by the University President as the Data Administrator and his Position Description reflects this appointment and the related responsibility of preparing and submitting files as required by the BOG.

2. Determine the current status of processes used by the Data Administrator to ensure the completeness, accuracy, and timely submission of data to the BOG.

   In our 2015-16 PBF audit we concluded that:

   ...the processes used by the University Data Administrator and his staff in Institutional Research reasonably ensure the completeness and accuracy of data submitted to the BOG, including compliance with BOG criteria for the data.

   For this year of reporting on the University's PBF metrics' data integrity, the University's submissions of files to the BOG for Summer and Fall 2015 were late; however, there has been significant improvement. As part of last year's audit, University administrators indicated in their Action Plan that timely reporting would be addressed in the first instance of the 2015-16 reporting cycle. It is apparent that the University has made additional

efforts to submit data timely. ...there have been three submissions for Summer and Fall 2015, with the number of days late being 4, 10, and 6. For the file submitted 10 days late in October 2015, Institutional Research (IR) was waiting for BOG clarification on how to report waiver data. For the file submitted 6 days late in September 2015, the days late included a three-day holiday weekend. In comparison, ... prior to Summer 2015, submissions were on several occasions more than 20 days late, due to the University's implementation of its new Campus Solutions Student Information System, and the necessity for the University to develop reporting protocols to extract information for the PBF measures from the new system. The 2015-16 academic year will be the first full reporting cycle in which all University data file submissions to the BOG will be generated from the new Campus Solutions Student Information System. It is anticipated that IR staff will become more proficient at reporting files from the new environment now that they have the experience of generating all reports from Oracle Business Intelligence Enterprise Edition (OBIEE) at least once.

We recommended that:

University administrators continue to routinely monitor the timeliness of the University's file submissions to the BOG and take proactive measures to resolve any delays. It is anticipated that there will be a reduction in the number of days late for future file submissions. The ultimate goal is to submit all required files to the BOG on time.

The University's Management Action Plan included an action step to address this recommendation. We will follow up in this current PBF audit to determine if the action plan was followed.

3. Determine the current status of available documentation including policies, procedures, and desk manuals of appropriate staff and assess their adequacy for ensuring data integrity for University data submissions to the BOG.

   In our 2015-16 PBF audit we concluded that:

   Institutional Research's available documentation including policies, procedures, and desk manuals of appropriate staff were adequate for ensuring data integrity for University data submissions to the BOG.

4. Determine the current status since our conclusion in the 2015-16 PBF audit concerning system access controls and user privileges that:

   System access controls and user privileges for the University's Campus Solutions and BOG State University Data System (SUDS) systems are properly assigned and periodically reviewed to ensure only those authorized to make data changes can do so.

5. Determine the current status since our conclusion in the 2015-16 PBF audit concerning audit testing of data accuracy that:

   Based on our data accuracy testing for the University's 10 Performance-Based Funding metrics, we determined the University's data submitted to the BOG were complete and accurate, and in accordance with BOG guidance.

6. Determine the current status since our conclusion in the 2015-16 PBF audit concerning the consistency of data submissions with the data definitions and guidance provided by the BOG through the Data Committee and communications from data workshops.

   In the 2015-16 audit we concluded that:

   We found no evidence that the University's data submissions to the BOG, specifically those pertaining to data elements germane to this audit, were inconsistent with BOG reporting requirements for these data elements, and no files were resubmitted to correct or change data in these fields.

7. Determine the current status since our conclusion in the 2015-16 PBF audit concerning the University Data Administrator's data resubmissions to the BOG that:

   We determined that resubmissions by the University have been very rare, are both necessary and authorized, and have had minimal to no effect on the University's Performance-Based Funding metrics.

8. Provide an objective basis of support for the President and Board of Trustees chair to sign the representations made in the Performance-Based Funding - Data Integrity Certification.

Our detailed methodology for each of our eight objectives is included in the report section for each. In general, to complete the stated audit objectives, we conducted interviews and otherwise communicated with the Data Administrator and other key data managers, and analyzed supporting documentation related to the objectives. Such supporting documentation included available data and information related to:

- The Data Administrator's appointment and position duties and responsibilities;
- Processes, policies, procedures, and desk manuals concerning data input, error identification and correction, compliance with the BOG guidance, etc., to determine whether these are adequate to provide reasonably sufficient internal control over data;
- Data file submissions by the University to the BOG, to determine whether they were made in a timely manner and included any resubmissions and the reasons for these;
- SUDS and University systems access by individuals associated with the University, to determine if that access is appropriate;
- Written guidance from the BOG and the University's related training and communications, to demonstrate the University's efforts to attain agreement of its efforts with BOG expectations; and

- Latest data files submitted to the BOG that contained elements used in calculating Performance-Based Funding metrics, and the University's related source data, to ensure that data submitted to the BOG were consistent with University transactional data and the BOG requirements.

This audit was performed in conformance with the *International Standards for the Professional Practice of Internal Auditing*. Those standards require 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 the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Background

The Florida Board of Governors, created in 2002, is authorized in Article IX, Section 7(d), Florida Constitution to "operate, regulate, control, and be fully responsible for the management of the whole university system," which consists of the state's 12 public institutions.

Beginning in fiscal year 2013-14, the BOG instituted a Performance-Based Funding Program based on 10 performance metrics used to evaluate the institutions on a range of issues, including graduation rates, job placement, academic progress rate, etc. According to information published by the BOG in March 2016, the BOG funding model has four guiding principles:

1. Use metrics that align with State University System (SUS) Strategic Plan goals.
2. Reward excellence or improvement.
3. Have a few, clear, simple metrics.
4. Acknowledge the unique mission of the different SUS institutions.

The Performance-Based Funding Program also has four key components:

1. Institutions will be evaluated on either Excellence or Improvement for each metric.
2. Data are based on one year.
3. The benchmarks for Excellence were based on the BOG's 2025 System Strategic Plan goals and analysis of relevant data trends, whereas the benchmarks for Improvement were determined after reviewing data trends for each metric.
4. The Florida Legislature and Governor determine the amount of new state funding and a proportional amount of institutional funding that would come from each university's recurring state base appropriation.

To provide assurance that data submitted by the 12 state public universities to the BOG in support of their Performance-Based Funding metrics are reliable, accurate, and complete, the BOG developed a Data Integrity Certification process. This is the third consecutive year Florida State University's Office of Inspector General Services has completed a PBF Data Integrity Certification audit and certification for the University's President and Board of Trustees Chair to sign after being approved by the Board of Trustees. The audit and signed certification are both subsequently provided to the BOG.

Findings

Overall, we concluded that the University has adequate processes for collecting and reporting Performance-Based Funding metrics data to the BOG. In addition, we can provide an objective basis of support for the University's President and Board of Trustees Chair to sign the Performance-Based Funding – Data Integrity Certification, which the BOG requested to be filed with it by March 1, 2017.

Accordingly, in our opinion, this report provides an objective basis of support for the Board of Trustees Chair and the University President to sign the representations made in the BOG Performance-Based Funding – Data Integrity Certification, which the BOG requested to be filed with it upon approval by the Board of Trustees by March 1, 2017.

Objective #1: Determine if there were any changes since our conclusion in the 2015-16 PBF audit concerning the Data Administrator's appointment and the duties and responsibilities in his official position description that: "Dr. Burnette has been officially appointed by the University President as the Data Administrator and his Position Description reflects this appointment and the related responsibility of preparing and submitting files as required by the BOG."

Findings:

The University's current Data Administrator continues to be Richard R. (Rick) Burnette III, Ph.D. (Dr. Burnette), who is Associate Vice President for Academic Affairs. Dr. Burnette assumed University Data Administrator responsibilities effective May 13, 2013, following the retirement of the prior University Data Administrator/Associate Vice President for Budget/Planning and Financial Services. Dr. Burnette's appointment as University Data Administrator by the President was further and more officially documented on November 25, 2014, when President John Thrasher sent a letter to the BOG's Chancellor Marshall Criser listing Dr. Burnette as the University's Data Administrator in a list of University appointments.

We reviewed Dr. Burnette's current Position Description effective July 1, 2016, which listed among his responsibilities "Maintains the role of the University Data Administrator in accordance with Board of Governors Regulation 3.007, which states that the Data Administrator will ensure that the data file (prior to submission) is consistent with the criteria established by the Board of Governors Data Committee."

Conclusion for Objective #1:

Dr. Burnette has been officially appointed by the University President as the Data Administrator and his Position Description reflects this appointment and the related responsibility of preparing and submitting files as required by the BOG.

Recommendations:

We have no recommendations for Objective #1.

Objective #2: Determine the current status of processes used by the Data Administrator to ensure the completeness, accuracy, and timely submission of data to the BOG.

In our 2015-16 PBF audit we concluded that:

> The processes used by the University Data Administrator and his staff in Institutional Research reasonably ensure the completeness and accuracy of data submitted to the BOG, including compliance with BOG criteria for the data.
>
> For the 2015-2016 year of reporting on the University's PBF metrics' data integrity, the University's submissions of files to the BOG for Summer and Fall 2015 were late; however, there has been significant improvement. There were three submissions for Summer and Fall 2015, with the number of days late being 4, 10, and 6. For the file submitted 10 days late in October 2015, Institutional Research (IR) was waiting for BOG clarification on how to report waiver data. For the file submitted 6 days late in September 2015, the days late included a three-day holiday weekend.

We recommended that:

> *University administrators continue to routinely monitor the timeliness of the University's file submissions to the BOG and take proactive measures to resolve any delays. It is anticipated that there will be a reduction in the number of days late for future file submissions. The ultimate goal is to submit all required files to the BOG on time.*

Findings:

As we observed in our 2015-16 Performance-Based Funding Metrics Data Integrity Certification Audit, we continue to believe the processes used by the University Data Administrator and his staff in IR reasonably ensure the completeness and accuracy of data submitted to the BOG, including compliance with BOG criteria for the data.

To better understand the organization of the current reporting process, the present chain of custody continues to be as follows:

- Student information necessary for reporting is captured in the Campus Solutions/PeopleSoft transactional Student Information System.
- Data are captured in the data warehouse on a nightly basis. These data cannot be edited by individual users and as such are "read only." These transactional views are supplemented with an extract view that was created from external sources and parked in the data warehouse so it can be compared against warehoused transactional data.

- Over a month before the due date for a file, the reporting team consisting of IR, the functional office for the data, and the Campus Solutions reporting team begin extracting data and creating a draft file via OBIEE.
- OBIEE has data transformation logic in place to represent transactional data using BOG defined codes and to match BOG field names.
- In cases where external data must be merged with the file, the data are moved to Excel for the purpose of comparison.
- Once a file is sufficiently complete and formatted for submission, it is loaded to the BOG SUDS beta environment.
- After all files are added, the edits are run to generate the dynamic reports and frequency distributions.
- IR and functional users review the errors to determine whether there are simply translation errors or if data in the Student Information System are incorrect.
- Any necessary corrections are made to the transactional system so that the changes are permanent.
- The Data Administrator emails the BOG if there are any questions about interpretation that are not addressed in the online data dictionary, the SUDS release notes, or the Annual Data Administrators' Conference Proceedings.
- Corrected files are reloaded and the review process continues until all the errors have been cleaned up or explained.
- The final check is to compare data frequencies with those from the prior year using the Submission Summary feature on the SUDS submission page. Large differences are explained even if they do not generate any errors.
- The final data are pulled using OBIEE and the data warehouse team is instructed to make snapshots of those data at that point in time. Because data change over time, it is important to retain exact copies of source data for the BOG reports.
- Each file is loaded into production and edits are run one last time and checked for possible errors.
- The Data Administrator enters an explanation for all errors that the BOG has defined as Level 9 (critical) errors. There are circumstances where data nuances are explainable and this is where the BOG captures the explanations. The Data Administrator submits each file for BOG review.
- The BOG has three levels of review. BOG staff occasionally asks for clarification when frequencies differ and if they and the Data Administrator agree that data are in error or were interpreted in a way that was not consistent with BOG intent or other institutions, the file is reopened for a resubmission. Since the Institutional Research Office has had access to the prior year frequencies, the University should have few or no resubmissions due to frequency mismatches.

With the University's change to Campus Solutions as its Student Information System, the chosen methodology of reporting via OBIEE makes the processes used by the University to submit data to the BOG much more transparent than in the past, and it better assures consistency in the reporting protocol while making it relatively easy to audit source data mapping and definitions. The University now has published procedures for generating the referenced data files for the Performance-Based Funding data. (See Objective #3.) The Data Administrator has demonstrated that the processes for producing these files have planned redundancy with regards to the personnel

who are producing the files, sufficient and evolving documentation of the processes, clear data mapping, and collaborative planning. According to the Data Administrator, the University has now produced all the data environments necessary to generate these reports via OBIEE.

The University Data Administrator is aware of BOG Regulation 3.007, which states that, prior to submitting a file the universities shall ensure the file is consistent with the criteria established in the specifications document by performing tests on the file using applications/processes provided by the BOG Information Resource Management (IRM) Office. According to the Data Administrator, prior to the implementation of Campus Solutions, the Office of Institutional Research conducted a review of the edits and frequencies (compared to prior years) of files that were not generated by IR. Now, IR is partnering with all functional areas as active partners in the creation of the data files. The error and frequency checking still occurs, but the new process assures a transparent review and that contextual nuances are being learned by the IR staff that will help them to better detect and explain differences in data between submissions. While designing and documenting these new processes, the Office of Institutional Research has become familiar with additional BOG IRM resources that allow for easily comparing frequencies to prior years and the documentation of cumulative release notes that detail the ad hoc changes to the reporting requirements that did not occur at the Annual Data Administrators Workshops.

The Office of Institutional Research has created a SharePoint team site that tracks BOG requests. This site captures all incoming BOG requests, including the name of each request, type of request (i.e., routine or ad hoc), request date, due date, the primary University contact, and whether the contact has been notified.

To test the timeliness of the University's submission of required files to the BOG that relate to FSU's Performance-Based Funding metrics, we used Submission History information from the BOG SUDS system. The following BOG-required files relate to the University's Performance-Based Funding metrics. For each of these required files, we reviewed the University's current and historical submissions back to the fifth most recent submission. The listing below shows the time span of each file's submissions that we reviewed.

1. Admissions File (Summer 2015 through Fall 2016 Terms);
2. Student Instruction File (SIF) (Spring 2015 through Summer 2016 Terms);
3. Expenditure Analysis (EA) File (2011-12 through 2014-15) [3];
4. Hours to Degree (HTD) File (2015-16)[3];
5. Retention File (2010-11 through 2014-15);
6. Student Financial Aid (SFA) File (2011-12 through 2015-16); and
7. Student Instruction File Degrees Awarded (SIFD) (Spring 2015 through Summer 2016).

[3] The EA File was used in the analysis of Metric Three for the prior three allocations. The HTD, SFA, and SIF Files are now used in the analysis of a new Metric Three, beginning with the data from the 2015-16 academic year.

The table below shows the University's Student Information System from which each file we reviewed to test timeliness of submissions was obtained, and the reporting period covered.

File	Legacy—Reporting Period(s)	Campus Solutions—Reporting Period(s)
Admissions		Summer 2015 through Fall 2016
SIF		Spring 2015 through Summer 2016
EA[4]	2011-12 through Summer 2013[5]	2013-14 through 2014-15
HTD		2015-16
Retention	2010-11 through 2012-13	2013-14 through 2014-15
SFA	2011-12 through Summer 2013[6]	2013-14 through 2015-16
SIFD		Spring 2015 through Summer 2016

Since our previous audit accepted by the Board of Trustees on March 4, 2016, eight files were submitted to the BOG SUDS system. One file, the HTD file, was late by 2 days. Also, the Degrees Awarded file was submitted one day after the due date because of a BOG issue and we do not consider that to be a University late submission. For both files noted above, the information was obtained from the new Campus Solutions system. Please see the following table for the five most recent submissions of each of the six required files that relate to FSU's Performance-Based Funding metrics. There has been significant improvement in the timeliness of the University's data submissions from the previous audits.

[4] This file is derived by the BOG based on the University's Operating Budget and Instruction and Research Data File submissions.
[5] The EA 2013-14 File includes Summer 2013 through Spring 2014 data. The Summer 2013 data were obtained from the University's legacy system, while the Fall 2013 and Spring 2014 data were obtained from the University's new Campus Solutions system.
[6] The SFA 2013-14 File includes Summer 2013 through Spring 2014 data. The Summer 2013 data were obtained from the legacy system, while the Fall 2013 and Spring 2014 data were obtained from the Campus Solutions system.

	Most Recent Submission			
File	Term	SUDS Due Dates	Submission to BOG	Days Late
Admissions File	Fall 2016	9/23/2016	9/23/2016	N/A - On Time
Student Instruction File	Summer 2016	10/3/2016	10/3/2016	N/A - On Time
Hours to Degree[7]	Annual 2015	10/18/2016	10/20/2016	2 days
Retention File	Annual 2014	1/29/2016	1/29/2016	N/A - On Time
Student Financial Aid File	Annual 2015	10/14/2016	10/14/2016	N/A - On Time
Degrees Awarded File	Summer 2016	10/10/2016	10/11/2016	N/A – BOG Issue
	Second Most Recent Submission			
File	Term	SUDS Due Dates	Submission to BOG	Days Late
Admissions File	Summer 2016	9/9/2016	9/9/2016	N/A - On Time
Student Instruction File	Spring 2016	6/17/2016	6/17/2016	N/A - On Time
Expenditure Analysis File7	Annual 2014	10/20/2015	10/23/2015	3 days
Retention File	Annual 2013	1/21/2015	1/21/2015	N/A - On time
Student Financial Aid File	Annual 2014	10/5/2015	10/14/2015	9 days
Degrees Awarded File	Spring 2016	6/30/2016	6/30/2016	N/A - On Time
	Third Most Recent Submission			
File	Term	SUDS Due Dates	Submission to BOG	Days Late
Admissions File	Spring 2016	2/26/2016	2/26/2016	N/A - On time
Student Instruction File	Fall 2015	1/15/2016	1/15/2016	N/A - On time
Expenditure Analysis File7	Annual 2013	10/28/2014	11/18/2014	21 days
Retention File	Annual 2012	1/22/2014	1/22/2014	N/A - On time
Student Financial Aid File	Annual 2013	10/6/2014	11/3/2014	28 days
Degrees Awarded File	Fall 2015	2/5/2016	2/3/2016	N/A - Early
	Fourth Most Recent Submission			
File	Term	SUDS Due Dates	Submission to BOG	Days Late
Admissions File	Fall 2015	9/25/2015	9/29/2015	4 days
Student Instruction File	Summer 2015	9/28/2015	10/8/2015	10 days
Expenditure Analysis File7	Annual 2012	10/22/2013	10/22/2013	N/A – On time
Retention File	Annual 2011	4/10/2013	4/8/2013	N/A - Early
Student Financial Aid File	Annual 2012	10/7/2013	10/15/2013	8 days
Degrees Awarded File	Summer 2015	10/6/2015	10/13/2015	7 days
	Fifth Most Recent Submission			
File	Term	SUDS Due Dates	Submission to BOG	Days Late
Admissions File	Summer 2015	9/4/2015	9/10/2015	6 days
Student Instruction File	Spring 2015	6/11/2015	6/11/2015	N/A – On Time
Expenditure Analysis File7	Annual 2011	10/22/2012	10/18/2012	N/A - Early
Retention File	Annual 2010	4/13/2012	4/5/2012	N/A - Early
Student Financial Aid File	Annual 2011	10/5/2012	10/5/2012	N/A – On Time
Degrees Awarded File	Spring 2015	7/1/2015	7/2/2015	1 days

The University Data Administrator explained in more detail the reasons for the delays in submissions subsequent to our last report accepted by the Board of Trustees on March 4, 2016.

[7] The EA File was used in the analysis of Metric Three for the three prior PBF allocations. However, the HTD, SFA, and SIF Files are now used in the analysis of Metric Three, beginning with the data from the 2015-16 academic year.

Annual 2015 Hours to Degree File – 2 Days Late

The University Data Administrator was not on campus when IR staff loaded the HTD File in his absence. When the University Data Administrator proofed the file for submission off-site, he found that Advanced Placement, International Baccalaureate, and other advanced standing credits were coded as "P," signifying these credits were earned outside the University. Upon reviewing BOG notes, the University Data Administrator determined the BOG wanted these courses coded "N" instead, for native credit, even though the credits occurred outside the University. The file was very large and the University Data Administrator could not resolve the issue until he returned to the University. A second day was necessary for the Data Administrator to load, edit, review, and submit the file.

Summer 2016 Degrees Awarded File – Timely/BOG Issue

Before the Degrees Awarded File can be submitted, the BOG must first approve the SIF File. The SIF File was submitted on time, but the BOG did not approve it until eight days after it was submitted. The Degrees Awarded File was submitted within an hour of the BOG approving the SIF File.

The explanations above establish that two files were submitted after the due date and for one of those files the University's IR staff was waiting for the BOG to approve other file submissions that preceded them.

Since our previous audit accepted by the Board of Trustees on March 4, 2016, there have been eight submissions of which one submission was two days late as explained above. The University has improved its processes such that we can now conclude that the processes used by the University Data Administrator and his staff in Institutional Research reasonably ensure the timely submission of data to the BOG.

In summary, Office of Institutional Research staff was able to demonstrate their documentation of the scoping and data mapping necessary for the creation of various SUDS tables from the new Student Information System. Their intranet site had links to the BOG definition for each data element and a description of the data extraction and transformation process. A separate spreadsheet posted on the same site contained a list of action items, responsible parties, and suggested outcomes. The University Data Administrator not only described his collaborative approach to reporting from Campus Solutions via the data warehouse and OBIEE, but he also demonstrated the method was organized, planned, documented, and thorough. Documentation of these processes and procedures has been added to institutional Wikis in a medium that allows for fluid editing of still-evolving processes. (Please see Objective #3.)

Additionally, there was sufficient evidence of practices to conclude that the University Data Administrator and his staff were reviewing and comparing SUDS edits, errors, and reports prior to submission of the files. We determined the processes followed by IR staff were adequate to ensure the completeness and accuracy of data submitted to the BOG, including compliance with BOG criteria for the data. Further, and the most definitive, evidence of the effectiveness of IR's processes to ensure the completeness and accuracy of the University's data submitted to the BOG,

including criteria for the data, is presented in our positive conclusions pertaining to our Objective #5 concerning audit testing of PBF data accuracy and Objective #6 regarding the consistency of data submissions with the data definitions and guidance provided by the BOG.

Conclusion for Objective #2:

We concluded the processes used by the University Data Administrator and his staff in Institutional Research reasonably ensure the completeness, accuracy, and timely submission of data submitted to the BOG, including compliance with BOG criteria for the data.

Recommendations:

We have no recommendations for Objective #2.

Objective #3: Determine the current status of available documentation including policies, procedures, and desk manuals of appropriate staff and assess its adequacy for ensuring data integrity for University PBF data submissions to the BOG.

In our 2015-16 PBF audit we concluded that:

> *Institutional Research's available documentation including policies, procedures, and desk manuals of appropriate staff were adequate for ensuring data integrity for University data submissions to the BOG.*

Findings:

The Office of Institutional Research, the Office of Financial Aid, and Enterprise Resource Planning (ERP) have produced intranet-based policies and procedures manuals for the affected BOG files. IR has published a "BOG File Submission Policy" on its Wiki web application and shared the document with other offices in the University that help in the production of SUDS files. The documentation of the file build processes (i.e., desk manuals) is sufficient to allow an individual with appropriate context and knowledge of FSU systems to produce the referenced SUDS files. The documentation generally includes data mapping and references to historical file submissions and edits.

Conclusion for Objective #3:

We concluded that Institutional Research's available documentation including policies, procedures, and desk manuals of appropriate staff were adequate for ensuring data integrity for University PBF data submissions to the BOG.

Recommendations:

We have no recommendations for Objective #3.

Objective #4: Determine the current status since our conclusion in the 2015-16 PBF audit concerning system access controls and user privileges that: "System access controls and user privileges for the University's Campus Solutions and BOG SUDS systems are properly assigned and periodically reviewed to ensure only those authorized to make data changes can do so."

Findings:

There are system access controls throughout the BOG data submission process. Florida State University has role-based and application-based security on the prior legacy Student Information System and Campus Solutions/PeopleSoft. The PeopleSoft role management process is an integrated online workflow that, at a minimum, depending on the sensitivity of the role, requires an employee's direct supervisor and the functional owner of the application or module to approve each request. Additionally, there are sufficient automated safeguards to remove access when employees are terminated, and supervisors and subject-area owners are responsible for auditing access logs on at least a quarterly basis. This same role-based and reporting-subject-area based protocol is used for the OBIEE access to the data in the data warehouse. IR employees do not have security to change transactional data in Campus Solutions or the data warehouse (which is read only), therefore adding an additional layer of control.

The University Data Administrator and his BOG Analyst are the designated security managers for the SUDS database access. This system was designed with redundant fail-over protections to assure against inappropriate access. Access to SUDS is segregated by role, and each role has to be assigned online by one of the two security managers. Every time a user's access or password is modified, the security managers each receive an email indicating the change and the person who submitted it. SUDS passwords also must be changed every three months. From our review of SUDS access, we found no inappropriate access. Finally, the access does not allow for the manipulation of previously submitted data. To change data, the University Data Administrator would have to submit a request with justification to the BOG to reopen the file for resubmission. Only at that time could someone submit a new table. However, the SUDS system captures his/her identity, a timestamp, and the name of the source file in a way that is visible to any user.

Conclusion for Objective #4:

System access controls and user privileges for the University's Campus Solutions and BOG SUDS systems are properly assigned and periodically reviewed to ensure only those authorized to make data changes can do so.

Recommendations:

We have no recommendations for this Objective #4.

Objective #5: Determine the current status since our conclusion in the 2015-16 PBF audit concerning audit testing of data accuracy that: "Based on our data accuracy testing for the University's 10 Performance-Based Funding metrics, we

determined the University's data submitted to the BOG were complete and accurate, and in accordance with BOG guidance."

The University's 10 Performance-Based Funding metrics are as follows.

Key Metrics Common to All Universities:

1. Percent of Bachelor's Graduates Enrolled or Employed ($25,000+) in the U.S. One Year After Graduation
2. Median Wages of Bachelor's Graduates Employed Full-Time in Florida One Year After Graduation
3. Net Tuition and Fees per 120 Credit Hours
4. Six Year Graduation Rate for First-Time-in-College Students
5. Academic Progress Rate (Second Year Retention Rate with GPA Above 2.0)
6. Bachelor's Degrees Awarded within Programs of Strategic Emphasis (STEM)
7. University Access Rate (Percent of Undergraduates with Pell Grants)
8. Graduate Degrees Awarded within Programs of Strategic Emphasis (STEM)

Institution-Specific Metrics for Florida State University:

9. Faculty Awards (FSU's Choice of Board of Governors' Choice Metrics)
10. National Rank Higher than Predicted by the Financial Resources Ranking, Based on U.S. News and World Report (FSU's Board of Trustees Choice Metric)

The State University System of Florida Board of Governors maintains a student unit record database titled the SUDS. The database contains over 400 data elements about students, faculty, and programs at State University System institutions. The metrics are based on the data that universities submit to the BOG as part of various data tables and file submissions.

We interviewed the Data Administrator, IR staff, and key departmental Data Managers to determine the primary sources of data used for the calculations of the metrics. The University has transitioned from a legacy student information system to the new Campus Solutions system, a process that began in 2010-2011 and culminated with a "go-live" effective the Fall term, 2013 for all student, course, degree, and financial aid functions. Admissions more recently came online for the Spring 2015 semester. Subsequent modifications of Campus Solutions modules have been minor. Modifications are made when procedural or data issues are identified after each "go-live" event. These changes often improve the quality of data to be reported or the efficiency of reporting. These changes frequently require revisions to the reporting protocols for the BOG reports.

Findings:

Metric 1 - Percent of Bachelor's Graduates Employed Full-Time in Florida or Continuing Their Education in the U.S. One Year after Graduation. The calculation of this measure is completed as follows, according to BOG definitions:

This metric is based on the percentage of a graduating class of bachelor's degree recipients who are employed full-time or continuing their education somewhere in the United States. Students who do not have valid social security numbers and are not enrolled are excluded. Note: These data now include non-Florida employment data.
Sources: State University Database System (SUDS), Florida Education and Training Placement Information Program (FETPIP), analysis of Wage Record Interchange System (WRIS2) and Federal Unemployment Data Exchange (FEDES), and National Student Clearinghouse.

Metric 2 - Median Wages of Bachelor's Graduates Employed Full-Time in Florida One Year after Graduation. The calculation of this measure is to be done as follows, according to BOG definitions:

This metric is based on annualized Unemployment Insurance (UI) wage data from the fourth fiscal quarter after graduation for bachelor's recipients. UI wage data do not include individuals who are self-employed, employed out of state, employed by the military or federal government, do not have valid social security numbers, or make less than minimum wage.
Sources: State University Database System (SUDS), Florida Education and Training Placement Information Program (FETPIP), and National Student Clearinghouse.

For Metrics 1 and 2 above, in 2016 the BOG identified data files that should be tested for 2017 PBF audits. At the time of such BOG identification, we had already tested and reported on the identified data files for Metrics 1 and 2 in our 2016 PBF audit. As noted in our PBF Audit Report AR 16-04, page 32, we determined the University's data submitted to the BOG were complete and accurate, and in accordance with BOG guidance. Accordingly, no further audit work was done for these two metrics in 2017 as testing was performed and reported on in the 2016 PBF audit.

Metric 3 - Net Tuition and Fees per 120 Credit Hours. Metric 3 is the Net Tuition and Fees per 120 Credit Hours for Resident Undergraduates.

This is a change from the previous year's Metric 3, Average Cost per Bachelor's Degree (instructional costs to the University). This new metric was designed to curb future growth on fees, reward universities that graduate their students in four years, and encourage institutional financial aid. The metric has four entry points for the universities to impact: (1) although undergraduate tuition is set by the legislature, each university controls fees and will have an incentive to keep fees low; (2) the inclusion of textbooks is intended as an effort to reduce their cost and make them more affordable; (3) universities can increase institutional financial aid to lower a student's cost; and (4) universities will be incentivized to ensure that students take only the courses needed to obtain their baccalaureate degrees in 120 hours.

Data for this metric are based on the Florida Board of Governors' (BOG's) analysis of three different files: Hours to Degree (HTD) File, Student Instruction File (SIF), and Student Financial Aid (SFA) File. The HTD File provides the BOG with the number of credit hours each student completed towards his/her first baccalaureate degree for a 120-hour program. The SIF File provides the BOG with information on the student's residency (i.e., must be a Florida resident) for

tuition purposes, and any waivers the student received towards his/her tuition. The SFA File provides the BOG with information on any grants and/or scholarships that the student received.

Establishment of a Population of Students Who Were Awarded First Baccalaureate Degrees (Single Majors Only) During the Time Period under Review

The Hours to Degree (HTD) File contains information about students who are awarded first baccalaureate degrees with a single major within the academic year. For each student, this information is reported during the term his/her degree was awarded (Summer, Fall, or Spring). The course information for students reported on the file includes all post-secondary course work and their course work taken in high school and accepted as post-secondary credit after high school. To build the HTD File, IR sends a listing of students who were awarded their first baccalaureate degrees (single major only) during the reporting period (HTD population file) to staff within the University's Enterprise Resource Planning (ERP). (For purposes of this audit, the time period is Academic Year 2015-16 (Summer 2015, Fall 2015, Spring 2016).) ERP staff uses this listing to build the HTD Table and the Courses Taken Table for the HTD File submission to the BOG. From an IR business analyst, we obtained IR's HTD population file of students that was given to ERP, for our time period. After the population is submitted to ERP, IR staff may add and/or delete students based on staff's further analysis, prior to the file being submitted to the BOG.

Comparison of IR HTD Population File to the University's Campus Solutions System Records (Source Records) Based on Employee Identification (EMPLID). We compared the EMPLID records in the HTD population file (6,792 records) to the EMPLID records in our query results of degrees awarded during the Summer 2015, Fall 2015, and Spring 2016 terms (8,713 records), from the University's source Campus Solutions system. We determined that 6,786 of the 6,792 EMPLID records (99.9 percent) in the HTD population file matched such records in our Campus Solutions query results. The remaining six EMPLID records in the HTD population file did ***not*** match, but were correctly included in the final HTD Table submitted to the BOG, as the students received their first bachelors' degrees (single majors only) in the terms included in the 2015-16 HTD File. For the Campus Solutions EMPLID records that had ***no*** matches in the HTD population file (1,927 records), we took a sample of 22 student EMPLID numbers and searched for their degrees in Campus Solutions. Of these 22 student EMPLID numbers, four were correctly included in the HTD Table submitted to the BOG, 17 were correctly ***not*** included in the HTD Table because the students were awarded baccalaureate degrees with two majors, and one was correctly ***not*** included in the HTD Table because the student was awarded an Associate of Arts degree. Thus, IR's HTD population file supported the University's Campus Solutions records, in terms of validation of the students included in the HTD population file.

Comparison of IR HTD Population File to the HTD Table sent to the BOG Based on Student National Identification Number. We also compared the student national identification numbers in the HTD population file (6,792 records) to student national identification numbers in the HTD Table submitted to the BOG (6,918 records). We determined that 6,781 of the HTD population records (99.8 percent) had matching student national identification numbers in the HTD Table. The remaining 11 records were ***not*** included because the students had second baccalaureate degrees, based on our review of their Campus Solutions records. Conversely, we compared the student national identification numbers in the HTD Table records (6,918 records) to the HTD

population file. We determined that 137 HTD Table records did ***not*** have matching student national identification records in the HTD population file. These 137 records were correctly included in the HTD Table because it was the students' first baccalaureate degrees with a single major, based on our review of their degrees awarded in Campus Solutions.

Based on these two analyses, we can provide assurance that the HTD Table submitted to the BOG is complete and correctly includes the population of students who were awarded first baccalaureate degrees (single majors only) during the time period under review.

Testing of Students Included in the HTD Table Submitted to the BOG to Determine the Accuracy of Data Elements Used for Metric 3

Having established that our population in the HTD Table submitted to the BOG was correct, we then tested the accuracy of the following data elements used for Metric 3: 1) term in which the student completed his/her degree, 2) credit hours each student completed towards his/her first baccalaureate degree for a 120-hour program, 3) residency status (should be resident, for tuition purposes), 4) fee waivers, and 5) scholarships and/or grants awarded. For all of these five data elements, we took a random sample of 100 students from the HTD Table population.

Term in Which the Student Completed His/Her Degree. We confirmed that each of the 100 students in our sample received his/her baccalaureate degree in the term identified on the HTD Table (part of the HTD File submission to the BOG), and that this was the student's first baccalaureate degree (single major), based on our review of his/her Campus Solutions source documentation. We noted no exceptions.

Credit Hours Each Student Completed Towards His/Her First Baccalaureate Degree for a 120-Hour Program. We reviewed information on the Courses to Degree Table (part of the HTD File submission to the BOG) and noted that the column titled "Credit Hour Usage Indicator" identified whether or not a course was used towards the student's degree. There are various reasons why a course may not be used towards a degree. Some examples are if the student fails or withdraws from the class, if he/she repeats the class, or if the class is a remedial class. We reviewed our sample of 100 students and determined that none of the courses that were marked "D," meaning the course counted towards the student's degree, had non-passing grades, were remedial courses, or had an "R" listed under the Repeated Indicator column. No exceptions were noted.

We also performed an analysis for any course numbers in our sample that were marked "D" more than once per student. In some cases, this is permissible. A student's transcript may have more than one entry of the same course prefix and course number, but they are different courses and multiple occurrences are allowed. Examples are special topics, research topics, internships, and thesis courses. However, we identified six courses that were marked "D" twice for the related students and this was not proper. Five of these courses were repeated because specific minimal grades were required. In these instances, only one of each student's repeated courses counted towards his/her degree. Therefore, one of the "Ds" should have been marked as "N" (i.e., course not applied to degree), for each of these five courses. The one remaining problematic course that was marked "D" twice for the same student was a line item that was created from data merging of

two different courses. Together, these six course errors accounted for a total of 18 credit hours (out of the total 12,465 credit hours in the sample of 100) that were marked incorrectly as "D," which is immaterial.

Residency Status. The HTD Table submitted to the BOG included a total of 6,918 students, and we determined that 6,389 of these (92 percent) were considered resident students, for tuition purposes. For our sample of 100 students, we concluded that all had the correct residency classification (i.e., resident for tuition purposes), which information we obtained from the SIF Enrollment Table (part of the SIF File submission), based on our review of Campus Solutions source documentation. We noted no exceptions.

Fee Waivers. For the 100 students in our sample, we compared the amount of fee waivers awarded to them and reported on the Fee Waivers Table submitted to the BOG (part of the SIF File submission for the period of Summer 2015, Fall 2015, and Spring 2016), to their Campus Solutions source documentation. Two of the 100 sampled students did not have the correct amounts of fee waivers reported in the Fee Waivers Table. These two students received department billing waivers during the Fall 2015 and Spring 2016 terms, but the waivers were not included in the Table due to the addition of new accounting codes for billing waivers, which were not recognized for fee waiver reporting purposes. When we brought these omissions to the attention of Student Business Services staff, they conducted further analysis and noted additional fee waivers that were underreported due to new accounting codes that were added but were not considered for fee waiver reporting. Collectively, the amount of fee waivers underreported is immaterial to the total dollar amount of the fee waivers and also to the calculation of Metric 3. Student Business Services is developing a new reporting structure to ensure all new accounting codes are captured for reporting. The implementation of these changes is planned for the Fall 2016 SIF File.

Scholarships and/or Grants Awarded. Finally, for the students in our sample of 100, we compared the amounts of scholarships and grants awarded to them and reported on the Financial Aid Awards Table (part of the 2015-16 SFA File submission to the BOG), to the Campus Solutions source documentation. Two of the 100 students in our sample did not have the correct amounts of financial aid reported in the SFA Financial Aid Awards Table. These students received Pell Grant awards during the 2015-16 year, but the awards were not included in the report submitted to the BOG. When we brought these omissions to the attention of Office of Financial Aid staff, they conducted further analysis and noted a total of 99 Pell Grant awards that were underreported, including the two we initially identified. Eight of these students were admitted as undergraduates, took classes as undergraduates, and their disbursements were as undergraduates. After disbursement, their admissions were revoked, and the students became non-degree seeking undergraduates (a change in their "Career" status in Campus Solutions). Because of these changes, and the fact that the students remained eligible for their original Pell Grant awards, the students' Pell Grant awards were not associated with them and identified for SFA File reporting. The Office of Financial Aid determined these students will need to be identified annually and manually added to the SFA File. For the remaining 91 students who had underreported Pell Grant awards, these errors were automatically corrected once the Office of Financial Aid (OFA) identified the single cause and implemented a solution. We concluded that, in these identified cases of underreporting of Pell Grant awards, the amounts were immaterial to the total value of Pell Grant awards disbursed

by the University during the 2015-16 year, and also to the Metric 3 calculation. The Office of Financial Aid is updating its reporting processes to address the issues of underreporting of students awarded Pell Grant awards identified as a result of our data testing.

Based on our testing, the University's data submitted to the BOG for the Metric 3 Performance-Based Funding metric were materially complete and accurate, and in accordance with BOG guidance. For those minor exceptions noted above, we provided the details of such findings to the Data Administrator for his follow-up actions.

Metric 4 – Six Year Graduation Rate for First-Time-in-College (FTIC), Full- and Part-Time Students. According to the BOG definition for Metric 4, the calculation of this measure is performed as follows:

This metric is based on the percentage of first-time-in-college (FTIC) students who started in the Fall (or summer continuing to Fall) term and had graduated from the same institution within six years. Source: Accountability Report (Table 4D)

The BOG's Overview of Methodology and Procedures: Performance Funding Metrics – Retention and Graduation Rates indicates that this measure is based on the national standard graduation rate, which was created by the Student Right to Know Act of 1990. This Act established the graduation rate based on 150 percent of the normal time for completion of the program, which is six years for a four-year program.

The BOG creates annual Retention Files on student cohorts by year of entry to the University (from the Summer semester through the Spring semester). These cohorts are identified from cumulative University SIF File submissions and include data needed for the six-year graduation rate metric, including degree information from cumulative University SIFD submissions.

IR reviews the BOG-developed Retention File and provides any needed edits. To validate the data to be used for this metric, IR filters the cohort Retention File to identify FTIC students who were enrolled full time in their first semester and who are included in Student Right to Know Act reporting. The filtered data are reconciled to an independently developed IR database to identify any errors in the BOG's FTIC cohort population and graduation data, and any needed corrections are submitted. The final approved file is submitted to the BOG by IR when its validations have been completed.

IR also develops the Retention Adjustment File, which it submits to the BOG. This file identifies students in the cohort who have since died, entered military service, had total and permanent disabilities, or left to serve with a Foreign Aid Service of the federal government (e.g., Peace Corps) or on religious missions. The file also identifies students who matriculated abroad during their first semester and are excluded from Student Right to Know reporting. These adjustments are used by the BOG to exclude these individuals from the cohort. There were 54 adjustments to the University's 2009 FTIC cohort.

Retention File Testing

Verification of the 2009 FTIC Cohort. We reviewed the Retention File prepared by the BOG and downloaded from SUDS by IR staff, for validation. This file has records for each student enrolled during the 2009 academic-year, with degrees awarded for each included student through Summer 2015. These data were used by the BOG to calculate this metric for its 2016 Performance Funding Model. This file provided cumulative data on 9,822 individuals, including transfers, graduate students, and others who would not be included in the 2009 FTIC cohort. The student demographic information in these files is derived from the Summer 2009, Fall 2009, and Spring 2010 SIF Files. The Summer 2009 and Fall 2009 SIF File data provide the information needed to identify the 2009 FTIC cohort population for this PBF measure. Data from SIFD submissions from Fall 2009 through Summer 2015 are appended to individual student records in this data file and are used to identify students in the 2009 FTIC cohort who completed degrees within six years. The original 2009 FTIC cohort data were from the University's legacy system, which were subsequently converted into the University's new Campus Solutions system, which is now the University's system of record.

To validate the 2009 FTIC cohort used by the BOG for this measure, we first filtered the Retention File to include only those students who: (1) started in the Fall (or Summer continuing to Fall) term, (2) were initially enrolled at the University immediately after their high school graduation or enrolled in a first-time-in-college, degree-seeking status having earned less than 12 hours of transferable college credit after their high school graduation, (3) were identified as being included in Student Right to Know reporting, an analysis which returned 5,947 records. We used a query we developed in Campus Solutions and additional manual reconciliations and determined that the 5,947 records identified using BOG selection criteria for this measure agreed with corresponding University records.

Based on our analysis, we concluded that the 2009 FTIC cohort data used by the BOG from University SIF data relevant to this metric are correct.

Verification of Degree Earned. We further filtered the BOG 2009 FTIC cohort data to identify only those individuals in the cohort who earned degrees by the end of the 2015 Summer session. This filtering returned 4,708 records. We added degree information to our Campus Solutions query used to verify the 2009 FTIC cohort and identified 4,752 students who were reported to have earned degrees.

To validate the degree data used by the BOG for this measure, we reconciled the individual records in the BOG cohort file to our Campus Solutions query results. We determined that 4,652 of the 4,708 records in the BOG cohort file (99 percent) matched degree information we extracted from Campus Solutions. We reviewed the 56 BOG cohort file records that did not match Campus Solutions records and determined that all of these students had degrees and their inclusion in the BOG 2009 FTIC cohort was correct. Their absence in the Campus Solutions System was attributable to both changes in national identification numbers, which we were able to reconcile, and errors in conversion from the University's legacy files to Campus Solutions. Corrections were subsequently made to the Campus Solutions records to show these degrees as being earned. We also identified ten students included in our query results in Campus Solutions who earned degrees

that were posted late, but by the end of the Summer 2015 session; however, they did not have corresponding degree records in the BOG cohort file. These differences were due to the late timing of the degree postings and were not material to the metric calculation. University Institutional Research is developing a methodology to include identifiable late-posted degrees in future validated Retention File submissions to the BOG.

Based on our analyses, we concluded that the data used by the BOG to develop the Six-Year Graduation Rate for First-Time-in-College (FTIC), Full- and Part-Time Students are materially correct and can be relied upon.

Metric 5 – Academic Progress Rate (Second Year Retention Rate with GPA Above 2.0). According to the BOG definition for Metric 5, the calculation of this measure is performed as follows:

This metric is based on the percentage of first-time-in-college (FTIC students) who started in the Fall (or summer continuing to Fall) term and were enrolled full-time in their first semester and were still enrolled in the same institution during the Fall term following their first year with a grade point average (GPA) of at least 2.0 at the end of their first year (Fall, Spring, Summer).
Source: Accountability Report (Table 4B).

The calculation of this Performance-Based Funding metric in the 2016 Performance-Based Funding Model uses two sets of enrollment data from sequential Fall SIF Files. The first year's Fall SIF enrollment data are used to identify the first year cohort of full-time Fall (or Summer semester continuing to Fall) FTIC students. The second year's Fall SIF File enrollment data are used to determine whether those individuals continued to be enrolled one year later and had cumulative GPAs of at least 2.0.

We evaluated the most recent two years of Fall SIF File enrollment data submitted to the BOG, which were for Fall 2014 and Fall 2015. We filtered the University's Fall 2014 SIF File submitted to the BOG to identify the University's FTIC students who started in the Fall 2014 (or Summer continuing to Fall 2014) term and were enrolled full time. The filtered Fall 2014 SIF File contained 6,077 records of students who comprised the Fall 2014 FTIC cohort. To compare these data to the University's source data, we developed a query in the University's Campus Solutions system following the BOG's criteria for this metric, which returned 6,145 unique student identification numbers. We reconciled the filtered Fall 2014 SIF File records to those in our Campus Solutions query results and determined that each SIF record had a corresponding record in Campus Solutions. There were 68 students in the Campus Solutions query results who did not appear in the SIF File FTIC cohort; 61 of these were not enrolled full-time in Fall 2014, six withdrew for medical reasons or due to a death in the family, and one was not formally admitted. These records were correctly excluded from the filtered SIF File FTIC cohort.

We compared student records in the Fall 2014 SIF File FTIC cohort to the 2015 unfiltered SIF File to determine the number of SIF File FTIC cohort students who continued their enrollment into a second year. We identified 5,565 of the 6,077 students (92 percent) from the Fall 2014 SIF File

FTIC cohort who continued their enrollment in Fall 2015 and had a GPA of at least 2.0 when entering the Fall 2015 semester.

We compared all 5,565 students who were retained in 2015 to the results of a Campus Solutions query we developed that identified the 2015 Student Group to determine whether the data in the Fall 2015 SIF File that were used in the BOG's GPA calculation were in agreement with corresponding information in the University's Campus Solutions system. There were 16 students whose grade points and/or hours in the SIF File FTIC Cohort differed from the information in Campus Solution. In each of these cases, there had been a subsequent grade change and the student retained a GPA above 2.0. There were no exceptions.

Based on our analyses, we concluded that the data used by the BOG to develop the University's one-year retention rate are materially correct and can be relied upon.

> **Metric 6 - Bachelor's Degrees within Programs of Strategic Emphasis (includes STEM).** The calculation of this measure is to be done as follows, according to BOG definitions:
>
> *This metric is based on the number of baccalaureate degrees awarded within the programs designated by the BOG as 'Programs of Strategic Emphasis.' A student who has multiple majors in the subset of targeted Classification of Instruction Program codes will be counted twice (i.e., double-majors are included).*
> *Source: Accountability Report (Table 4H).*

According to the BOG in its Overview of Methodology and Procedures: Performance Funding Metrics Methodology and Procedures - Percentage of Degrees Awarded in Programs of Strategic Emphasis document, the purpose of Metric 6 is to promote the alignment of the SUS degree program offerings with the economic development and workforce needs of the state. The list was originally created by an advisory group in 2001, and has been updated several times—most recently by the BOG in November 2013.

University SIFD data are used to identify the graduating cohort. The graduation year for this measure begins with the Summer semester and continues with Fall and Spring terms.

SIFD File Testing

The SIFD File is used to identify the cohort of students who received degrees during a given semester and is submitted at the end of each semester. This file is used by the BOG in calculating both the post-graduation outcome and degrees awarded in programs of strategic emphasis measures. In the metrics related to degrees awarded in areas of strategic emphasis, final degree program information is also used.

For our testing, the data used for the SIFD File submissions to the BOG resided in the University's data warehouse, with reporting produced using OBIEE. Our testing population consisted of SIFD File submissions data for Summer 2015 (3,303 records), Fall 2015 (2,817 records), and Spring 2016 (7,122) terms, for a total of 13,242 records.

To determine the validity of the SIFD File submissions data, we developed queries in the University's Campus Solutions system, which is now the system of record, to produce degrees awarded data for academic years 2014-15 and 2015-16. We included degrees awarded in the 2014-15 academic year because we determined that 2015-16 SIFD File submissions data contained late degree records (degrees awarded in one term but reported in a later term). We then used Microsoft Excel and TeamMate Analytics to reconcile the SIFD File data from OBIEE to the degrees awarded data from the Campus Solutions system, to determine if the data submitted to the BOG were complete and valid.

Of the 13,242 degrees awarded records submitted to the BOG for Summer 2015, Fall 2015, and Spring 2016, all 13,242 degrees awarded records based on the student identification numbers were readily reconcilable to our query results using Campus Solutions source data.

Classification of Instructional Programs (CIP) Testing

The Board of Governors maintains an inventory of State University System Academic Degree Programs which identifies approved degree programs for each university within the SUS. The programs are listed based on the Classification of Instructional Programs (CIP) taxonomy.

To validate CIP codes in areas of strategic emphasis submitted to the BOG we used the Inventory of Programs of Strategic Emphasis by CIP from the BOG web site and the compared the listing to the FSU Degree Program file from IR. We determined that CIP codes in the University's file agreed with CIP codes in the BOG file.

We added CIP code data to the degrees awarded query in the University's Campus Solutions System and used this data as source data to validate individual degrees awarded in submissions to the BOG. While we identified differences between the two files, we determined that the differences were primarily due to changes in CIP codes approved by the BOG and implemented by the University after SIFD submissions and concluded that records in the SIFD data were consistent with codes in effect at the time of submission. As we validated individually awarded degrees in the SIFD data, we can conclude that the CIP codes in programs of strategic emphasis included in the SIFD data were correct.

Undergraduate Degrees Awarded Testing

To validate the level of degree reported to the BOG, we disaggregated undergraduate degrees included in the SIFD files and our Campus Solutions system query and compared the two listings. We determined that all degrees at the undergraduate award level in the SIFD submissions were accurately reported and that all degrees at the undergraduate award level in Campus Solutions had been included in the SIFD submission.

Based on the results of our analysis of the University's SIFD File submissions for Summer 2015, Fall 2015, and Spring 2016, we determined the data elements provided by the University for use in calculating Metric 6 to be complete and accurate and in accordance with BOG guidance. We found no significant differences between degrees awarded data submitted by the University to the

BOG and source data in the University's system of record. We concluded that the data provided to the BOG to be used in calculating the percentage of undergraduate degrees in programs of strategic emphasis is materially correct and can be relied upon.

Metric 7 - University Access Rate (Percent of Undergraduates with Pell Grants).
The calculation of this measure is to be done as follows, according to BOG definitions:

This metric is based on the number of undergraduates, enrolled during the fall term, who received a Pell-grant during the fall term. Unclassified students, who are not eligible for Pell-grants, were excluded from this metric.
Source: Accountability Report (Table 3E).

According to the BOG's Overview of Methodology and Procedures for the Performance Funding Metrics: University Access Rate (Percent of Undergraduates with a Pell Grant) publication:

The U.S. Department of Education (USDOE) reports data for the 'Percent of Undergraduate Students Receiving Pell Grants' online at the Integrated Postsecondary Education Data System (IPEDS) website. However, Board staff decided not to use the IPEDS data for this metric...

In its stated reasoning for this decision, the BOG expressed that:

Since there is funding attached to the data, Board staff felt it was preferable to calculate the percentage of undergraduates receiving Pell grants using the student level data that is available in SUDS rather than using the data that universities report to IPEDS.

Furthermore, Board staff had concerns regarding the methodology used by IPEDS to generate the percentage of undergraduates who receive Pell grants:

In IPEDS, the numerator is based on the number of students who received a Pell grant anytime during a particular academic year. Alternatively, the denominator is only based on the students enrolled during the Fall term—including unclassified students who are not seeking a degree and therefore are not eligible for financial aid. Furthermore, the IPEDS Financial Aid survey imports the total headcount denominator from their Fall Enrollment survey. Due to the IPEDS schedule for data submissions, the State University System of Florida institutions use the preliminary Student Instruction File (SIFP) data when reporting the total Fall enrollment counts on the Fall Enrollment survey, so the denominator that IPEDS uses to calculate the percentage of undergraduates who received a Pell grant is based on preliminary data.

BOG staff, in contrast, queries the Financial Aid Awards table within SUDS to identify all students who received Pell grants during the Fall term to establish the numerator for this Metric 7. For the denominator, Board staff identifies all degree-seeking undergraduate (both lower and upper division) students enrolled in the Fall term based on the SIF File. Unclassified students and post-baccalaureate students who are coded as upper-division undergraduates are removed from the denominator because they are not eligible for Pell grants. In addition, non-resident aliens are excluded from both the numerator and denominator for this metric because only a limited number

of these students are eligible to receive Pell grants and SUDS does not collect information that would allow Board staff to determine the Pell eligibility for non-resident aliens.

To validate the University's processes for submitting the data that underlie this measure, we reviewed the 2015 Fall SIF File and the 2015-16 SFA File.

SIF File Testing

Metric 7 uses specific fields in the SIF File to identify students meeting the criteria to be included in the Fall term undergraduate cohort.

We were provided a copy of the University's Fall 2015 SIF File that was submitted by IR staff to the BOG. The file contained a total of 41,427 uniquely identified student records. We filtered this data to identify undergraduates who met the criteria used by the BOG when calculating Metric 7. There were 32,144 records corresponding to undergraduate students enrolled in the Fall 2015 semester who were ***not*** unclassified, second-bachelor's degree or non-resident alien students. This number represents the denominator for Metric 7, (i.e., all degree-seeking undergraduate (both lower and upper division) students enrolled in the Fall term based on the SIF—excluding students who are not eligible for Pell grants).

We developed a query in Campus Solutions to identify undergraduate students enrolled during the Fall 2015 semester and used the results to validate the SIF Fall enrollment file submitted to the BOG by IR. We were able to determine that the SIF 2015 Fall enrollment file was accurate and complete.

SFA File Testing

The SFA File submitted to the BOG is generated by Office of Financial Aid (OFA) staff, in partnership with IR and Information Technology Services.

We were provided a copy of the 2015-16 SFA File that was submitted to the BOG, which includes a line for each type of financial aid award—by student and by semester—for all semesters during the academic year, for a total of 150,212 records. We filtered this data to identify Pell awards made in the Fall 2015 semester, which is the criterion for inclusion in the numerator of Metric 7. There were 8,801 awards meeting this criterion.

We developed a query in Campus Solutions to identify all students who received Pell grants during the Fall 2015 semester and used the results to validate the 2015-16 SFA file that was submitted to the BOG by IR. We determined that awards reported in the 2015-16 SFA file were materially correct.

Based on the SFA file provided to the BOG, we determined that 8,769 of the 32,144 undergraduates, excluding unclassified students, identified in the Fall 2015 SIF File (27 percent), had Pell Grant records in the SFA file during the 2015-16 period.[8]

We concluded that, based on our testing, the University's data submitted to the BOG for Performance-Based Funding Metric 7 met the criteria for inclusion in the measure.

> **Metric 8 - Graduate Degrees within Programs of Strategic Emphasis (includes STEM).** The calculation of this measure is to be done as follows, according to BOG definitions:
>
> *This metric is based on the number of graduate degrees awarded within the programs designated by the BOG as 'Programs of Strategic Emphasis.' A student who has multiple majors in the subset of targeted Classification of Instruction Program codes will be counted twice (i.e., double majors are included).*
> *Source: Accountability Report (Table 5C).*

According to the BOG in its Overview of Methodology and Procedures: Performance Funding Metrics Methodology and Procedures - Percentage of Degrees Awarded in Programs of Strategic Emphasis document, the purpose of Metric 8 is to promote the alignment of the SUS degree program offerings with the economic development and workforce needs of the state. The list was originally created by an advisory group in 2001, and has been updated several times—most recently by the BOG in November 2013.

University SIFD data are used to identify the graduating cohort. The graduation year for this measure begins with the Summer semester and continues with Fall and Spring terms.

SIFD File Testing

The SIFD File is used to identify the cohort of students who received degrees during a given semester and is submitted at the end of each semester. This file is used by the BOG in calculating both the post-graduation outcome and degrees awarded in programs of strategic emphasis measures. In the metrics related to degrees awarded in areas of strategic emphasis, final degree program information is also used.

For our testing, the data used for the SIFD File submissions to the BOG resided in the University's data warehouse, with reporting produced using OBIEE. Our testing population consisted of SIFD File submissions data for Summer 2015 (3,303 records), Fall 2015 (2,817 records), and Spring 2016 (7,122) terms, for a total of 13,242 records.

To determine the validity of the SIFD File submissions data, we developed queries in the University's Campus Solutions system, which is now the system of record, to produce degrees

[8] The 2015-16 SFA file had 8,801 undergraduates receiving Pell Grants, yet only 8,769 of these individuals were in the Fall 2015 SIF File. We researched the 32 exceptions and found satisfactory explanations (e.g., withdrawals) for all but 4 of them.

awarded data for academic years 2014-15 and 2015-16. We included degrees awarded in the 2014-15 academic year because we determined that 2015-16 SIFD File submissions data contained late degree records (degrees awarded in one term but reported in a later term). We then used Microsoft Excel and TeamMate Analytics to reconcile the SIFD File data from OBIEE to the degrees awarded data from the Campus Solutions system, to determine if the data submitted to the BOG were complete and valid.

Of the 13,242 degrees awarded records submitted to the BOG for Summer 2015, Fall 2015, and Spring 2016, all 13,242 degrees awarded records based on the student identification numbers were readily reconcilable to our query results using Campus Solutions source data.

Classification of Instructional Programs (CIP) Testing

The Board of Governors maintains an inventory of State University System Academic Degree Programs which identifies approved degree programs for each university within the State University System. The programs are listed based on the Classification of Instructional Programs (CIP) taxonomy.

To validate CIP codes in areas of strategic emphasis submitted to the BOG we used the Inventory of Programs of Strategic Emphasis by CIP from the BOG web site and the compared the listing to the FSU Degree Program file from IR. We determined that CIP codes in the University's file agreed with CIP codes in the BOG file.

We added CIP code data to the degrees awarded query in Campus Solutions and used this data as source data to validate individual degrees awarded in the submissions to the BOG. While we identified differences between the two files, we determined that the differences were primarily due to changes in CIP codes approved by the BOG and implemented by the University after SIFD submissions and concluded that records in the SIFD data were consistent with codes in effect at the time of submission. As we validated individually awarded degrees in the SIFD data, we can conclude that the CIP codes in programs of strategic emphasis included in the SIFD data were accurate.

Graduate Degrees Awarded Testing

To validate the level of degree reported to the BOG we disaggregated graduate, medical, and law degrees included in the SIFD files and Campus Solutions system's query and compared the two listings. We determined that all degrees at the graduate award level in the SIFD submissions were accurately reported and that all degrees at the graduate award level in Campus Solutions had been included in the SIFD submission.

Based on the results of our analysis of the University's SIFD File submissions for Summer 2015, Fall 2015, and Spring 2016, we determined the data elements provided by the University for use in calculating Metric 8, to be complete and accurate and in accordance with BOG guidance. We found no significant differences between data submitted by the University to the BOG and source data in the University's system of record. We concluded that the data provided to the BOG to be

used in calculating the percentage of graduate degrees in programs of strategic emphasis is materially correct and can be relied upon.

Metric 9 - Faculty Awards (FSU's Choice of Board of Governors' Choice Metrics). Metric 9 is the number of awards faculty have earned in the arts, humanities, science, engineering, and health fields as reported in the Top American Research Universities (TARU) Annual Report. Twenty-three of the most prominent awards are considered, including those from the: John Simon Guggenheim Memorial Fund, National Endowment for the Humanities, National Science Foundation, and the J. William Fulbright Foreign Scholarship Board, to name a few.

The Center for Measuring University Performance (CMUP), a "research enterprise focused on the competitive national context for major research universities," publishes the TARU Annual Report. The CMUP determines the Top American Research Universities by ranking nine different measures: Total Research, Federal Research, Endowment Assets, Annual Giving, National Academy Members, Faculty Awards, Doctoral Degrees, Postdoctoral Appointees, and Median SAT scores.

The TARU report is the source used by the BOG to determine and report the number of faculty awards achieved for Metric 9. Faculty Awards are one of two institution-specific choice measures and are the Board of Governors' Choice Metric for Florida State University and the University of Florida.

The audit objective for this metric was to determine whether the number of faculty awards shown in the TARU Annual Report agrees with the number of awards reported in the Board of Governors' System Accountability Report. We determined the number of Florida State University faculty awards shown in the TARU Annual Report issued by the CMUP agrees with the number of awards most recently reported by the BOG in its Annual System Accountability Reports, as follows:

	BOG 2013-14 System Accountability Report Revised March 2015	**TARU 2013 Annual Report**	**BOG 2014-15 System Accountability Report March 2016**	**TARU 2014 Annual Report**
Applicable Fiscal Year for Awards	2012	2012	2013	2013
Number of Awards Reported	7	7	2	2

The BOG 2015-16 System Accountability report had not been issued as of the date of this review. However, the TARU Annual Report for 2015 was available and shows FSU increased faculty awards from two (2) in 2013 to seven (7) in 2014. Through contact with TARU staff, we determined the number of faculty awards that should be reported for 2014 is six (6), rather than seven (7). Six awards will be reported for 2014 when the 2016 TARU Annual Report is issued.

While the number of awards for the 2014 fiscal year has not been publicly reported by the BOG, the number is important for the BOG's and the University Board of Trustees' information and consideration. We expect faculty awards identified by the CMUP for 2014 to be subsequently reported by the BOG in its Annual Accountability Reports for our verification.

In summary, we concluded the numbers of faculty awards reported by the Center for Measuring University Performance in the Top American Research Universities Annual Reports are in agreement with faculty awards reported to the BOG to date for this Performance-Based Funding metric in the Board of Governors' Annual System Accountability Reports.

Metric 10 - National Rank Higher than Predicted by the Financial Resources Ranking Based on U.S. News and World Report. Metric 10 is based on rankings reported by the U.S. News and World Report (U.S. News), a multi-platform publisher of news and information, which includes www.usnews.com and www.rankingsandreviews.com. The U.S. News publishes annual print and e-book versions of its authoritative rankings of Best Colleges and Best Graduate Schools.

Metric 10 is one of two institution-specific choice measures and this metric is the FSU Board of Trustees' Choice Metric. According to the BOG's 2015 Performance-Based Funding Model Final Data Publication, Metric 10 is defined as "the difference between the Financial Resources rank and the overall University rank. U.S. News measures financial resources by using a two-year average spending per student on instruction, research, student services, and related educational expenditures – spending on sports, dorms and hospitals doesn't count."

The table below shows, from U.S. News Best Colleges Ranking Reports, data on Financial Resources Rankings versus National Universities Rankings for Florida State University, and the differences between these rankings (i.e., values for this Metric 10), for the last six years.

Magazine Edition	Survey Year	Fall Statistics for:	Financial Resources Rank	National Universities Rank	Metric 10 Value
2012	2011	2010	208	101	107
2013	2012	2011	212	97	115
2014	2013	2012	211	91	120
2015	2014	2013	214	95	119
2016	**2015**	**2014**	**210**	**96**	**114**
2017	**2016**	**2015**	**212**	**92**	**120**

The U.S. News 2017 edition (publication year) shows the University's Financial Resources Rank as 212. When the National Universities Rank of 92 is subtracted from that number, the difference

of 120 is significant. This difference, which is the Metric 10 value, measures the University in terms of its resources received as compared to its national ranking. A large difference represents an efficient university.

To help place this metric in perspective, the University's Data Administrator provided additional tables and graphs that show that the 120-point difference between the University's Financial Resources Rank of 212 and the National Universities Rank of 92 for 2017 places the University in the 99th percentile. This is 60 points above the 90th percentile and 95 points above the 75th percentile. The Metric 10 values shown above for the last six years show stability, which should remain as long as efficiency data continue to be reported. U.S. News has published additional data on the top-ranked colleges, according to its Best Colleges Rankings, that operate most efficiently. It defines operating efficiency as a college's fiscal year financial resources per student divided by its overall scale score, which is made up of several categorical rankings.

The table below shows U.S. News Efficiency Rankings for Florida State University for the last four years.

U.S. News Reporting Year	Fiscal Year Fall Statistics for:	U.S. News National Universities Rank	U.S. News Overall Scale Score	U.S. News Financial Resources Rank	U.S. News Expenditures per Student	Spending per Student for Each Point in the U.S. News Overall Scale Score	National Rank for Efficiency
2014	2012	91	50	211	$17,748	$355.32	1st
2015	2013	95	47	214	$18,113	$392.77	2nd
2016	2014	96	45	210	$19,429	$431.76	2nd
2017	2015	92	50	212	$20,575	$411.50	2nd

U.S. News reported that its national ranking for efficiency indicates a school's ability to produce the highest education quality while also spending relatively less on education programs to achieve that quality. Also, to be ranked schools had to be numerically ranked in the top half of the U.S. News ranking category in the Best Colleges annual rankings. Based on this calculation, the University received a ranking for efficiency of 1st, 2nd, 2nd, and 2nd nationally for 2014, 2015, 2016 and 2017, respectively.

The purpose of the above table is to show that, as currently calculated, U.S. News views the University as very efficient. U.S. News has not published spending per student for each point in the overall scale score for the last two years. Spending shown above for 2016-2017 was provided by the University Data Administrator via screen capture from the U.S. News database. There is evidence, based upon the above two tables, that the University continues to be among the most efficient in the nation.

In summary for Metric 10, we reviewed copies of the U.S. News and World Report Best Colleges Rankings Reports and U.S. News Historical Rankings for Florida State University, provided by the FSU Institutional Research Office. Using these sources for the most recent data, the 2017 Metric 10 (National Rank Higher than Predicted by the Financial Resources Ranking Based on

U.S. News and World Report) value is 120, which will be reported by the University and subsequently by the BOG in its 2015-16 System Accountability Report.

Conclusion for Objective #5:

Based on our data accuracy testing for the University's 10 Performance-Based Funding metrics, we determined the University's data submitted to the BOG were complete and accurate, and in accordance with BOG guidance.

Recommendations:

We have no recommendations for this Objective #5, which addresses the completeness and accuracy of data file submissions to the BOG for Performance-Based Funding Metrics 1 through 10.

Objective #6: Determine the current status since our conclusion in the 2015-16 PBF audit concerning the consistency of data submissions with the data definitions and guidance provided by the BOG through the Data Committee and communications from data workshops.

In the 2015-16 audit we concluded that:

> *We found no evidence that the University's data submissions to the BOG, specifically those pertaining to data elements germane to this audit, were inconsistent with BOG reporting requirements for these data elements, and no files were resubmitted to correct or change data in these fields.*

Findings:

University Data Administrator certifications to the BOG regarding University file submissions were executed as memos prior to the tenure of the current Data Administrator. With the introduction of SUDS, each electronic submission of a file (wherein the user id for the submitter and a timestamp were captured in the SUDS interface) was considered sufficient evidence of certification of the file. Effective January 15, 2015, the BOG IRM staff updated the SUDS interface to include a statement that submitting the file "represents electronic certification of this data per Board of Governors Regulation 3.007."

We determined there is ample evidence that University data are being mapped to the current BOG data elements as defined in the SUS Data Dictionary https://prod.flbog.net:4445/pls/apex/f?p=112:20:3927762986410::NO:::. The University Data Administrator demonstrated that sufficient personnel have been consistently attending the Annual Data Administrators' Workshops. The new scoping and reporting methodology developed by the Office of Institutional Research has led to an institutional review of all the data elements from Campus Solutions that are required by the BOG for its reports. The scoping and mapping exercises usually involved more than one person from each of the key constituencies: IR, the data warehouse and reporting team, and the Campus Solutions technical and functional teams. These discussions

frequently involved validating output data from sample cases with live transactional data. At all times, there was someone available in the room or via electronic media who was able to define the context and constraints of the data for each data element. Questions about BOG interpretations were discussed with the BOG staff and with IR directors at other SUS institutions.

The University Data Administrator has previously provided evidence of requests sent to the BOG for clarification of BOG SUDS data elements and of requests sent to FSU subject-matter experts to reinforce BOG interpretations. He has indicated that process still continues and that he has been instrumental in coordinating the Council of University Data Administrators – an alliance to allow data administrators to work together to assure agreement on interpretation of BOG guidance and as a lever to engage the BOG to clarify data definitions when they are incomplete. FSU's University Data Administrator has also demonstrated a largely automated online (SharePoint) tracking tool for data submissions and resubmissions. Using that information source, concerning data elements that are germane to this audit there was no evidence of inconsistency with BOG requirements in the reporting of these and no files were resubmitted to correct or change data materially in these fields, as discussed in Objective #7, to follow. Finally, our testing of data accuracy for Objective #5 included certain tests of the University's adherence to BOG guidance for the data, and we noted no inconsistencies.

Conclusion for Objective #6:

We found no evidence that the University's data submissions to the BOG, specifically those pertaining to data elements germane to this audit, were inconsistent with BOG reporting requirements for these data elements, and no files were resubmitted to correct or change data in these fields.

Recommendations:

We have no recommendations for this Objective #6.

Objective #7: Determine the current status since our conclusion in the 2015-16 PBF audit concerning the University Data Administrator's data resubmissions to the BOG that: "We determined that resubmissions by the University have been very rare, are both necessary and authorized, and have had minimal to no effect on the University's Performance-Based Funding metrics."

Findings:

According to the University Data Administrator, there are three triggers for resubmissions: 1) the BOG staff determines that the way the institution is interpreting or reporting data is either incorrect or inconsistent with the way most of the other institutions are interpreting the requirements; 2) University staff determines there are inconsistencies with data in a current file that have to be cross-validated with data on an earlier submission of a different file (e.g., SFA File cohort must match SIF File cohort for the same term), requiring resubmission of the earlier file; 3) University staff finds new ways to improve on the granularity of data being submitted and they choose to apply the new understanding or method to a previously submitted file. Near the end of 2015, the

BOG began requiring that a SUDS Data Resubmission Form be completed and submitted to the BOG for every resubmission, unless the resubmission was required for changes initiated because of agreed-upon system-wide criteria changes, or BOG programmatic changes. This form details the reason for the resubmission, indicates whether the resubmission impacts Performance-Based Funding metrics, and is signed by the University Data Administrator.

From the BOG's SUDS system, we searched for files with due dates between July 1, 2015 and June 30, 2016, and found that the University submitted 29 files to the BOG and resubmitted only four of these files. The first resubmitted file was the Summer 2015 Admissions File. Upon loading the file to the University's data warehouse, IR realized that the high school graduation data values had all moved down one row. The file was resubmitted two working days later and did not have an effect on the University's Performance-Based Funding metrics, as the resubmission was made in a timely manner, prior to the BOG's need for the data for its PBF metrics calculations. The second resubmitted file was the 2014-15 Teacher Education Information File. The resubmission was necessary due to a duplicate record being submitted. This resubmission did not pertain to the University's Performance-Based Funding metrics. The third resubmitted file was the 2014-15 Hours to Degree File. The BOG provided a pivot table of the University's data that exposed an error in the native vs. non-native coding and dual-enrollment coding. The file with errors was never accepted by the BOG, so it did not impact any of the University's Performance-Based Funding Metrics. The fourth resubmitted file was the Fall 2015 Student Instruction File. After submitting the SIF file, IR determined it needed to add a code to identify people who were seeking a second Bachelor's degree. The file was resubmitted five working days later and did not have an effect on the University's Performance-Based Funding metrics, as the resubmission was made in a timely manner, prior to the BOG's need for the data for its PBF metrics calculations. For a more in-depth analysis of more current file resubmissions and reasons for these, also using the SUDS system, we noted the University submitted five files from July 1, 2016 through September 30, 2016, and none of these resulted in a resubmission.

Conclusion for Objective #7:

We determined that resubmissions by the University have been very rare, are both necessary and authorized, and have had no effect on the University's Performance-Based Funding metrics.

Recommendations:

We have no recommendations for this Objective #7.

Objective #8: Provide an objective basis of support for the University's President and Board of Trustees Chair to sign the representations made in the Performance-Based Funding - Data Integrity Certification.

Findings/Conclusion for Objective #8:

Overall, we concluded that the University has adequate processes for collecting and reporting Performance-Based Funding metrics data to the Board of Governors. In addition, we can provide an objective basis of support for the University's President and Board of Trustees Chair to sign the Performance-Based Funding – Data Integrity Certification which the BOG requested to be filed with it by March 1, 2017.

Recommendations:

We have no recommendations for this Objective #8.

Acknowledgements

We would like to acknowledge the full and complete cooperation and support of all involved University faculty and staff, and especially the assistance of Dr. Richard Burnette III, the Florida State University Data Administrator.

Respectfully submitted,

Sam M. McCall

Sam M. McCall, Ph.D., CPA, CGFM, CIA, CGAP, CIG
Chief Audit Officer

President's Response

I would like to thank the staff of the Office of Inspector General Services for their hard work on this audit. I am very pleased that no issues requiring corrective action were identified in this audit, and I am comfortable that Chairman Burr and I can rely on these results and sign the Data Integrity Certification without reservation.

John Thrasher, President

Audit conducted by:	Kitty Aggelis, CIA, CGAP, CRMA, CIG Janice Foley, MBA, CPA, CISA, CFE, CRMA, CIG Heather Harrell, CPA Sam M. McCall, Ph.D., CPA, CGFM, CIA, CGAP, CIG Carolyn Williams-Lawyer, CISA, CIGA
Audit reviewed by:	Kitty Aggelis Janice Foley
With assistance from:	Rachel Glaser (OIGS Intern)

Definitions for Acronyms

BOG	Board of Governors
BOT	Board of Trustees
CIP	Classification of Instructional Programs
CMUP	Center for Measuring University Performance
CS	Campus Solutions
EA	Expenditure Analysis
EMPLID	Employee Identification
ERP	Enterprise Resource Planning
FEDES	Federal Unemployment Data Exchange
FETPIP	Florida Education and Training Placement Information Program
FSU	Florida State University
FTIC	First Time in College
GPA	Grade Point Average
HTD	Hours to Degree
IPEDS	Integrated Postsecondary Education Data Systems
IR	Institutional Research
IRM	Information Resource Management
OBIEE	Oracle Business Intelligence Enterprise Edition
OFA	Office of Financial Aid
PBF	Performance-Based Funding
SFA	Student Financial Aid
SIF	Student Instruction File
SIFD	Student Instruction File Data
SIFP	Student Instruction File Preliminary
STEM	Science, Technology, Engineering, and Mathematics
SUDS	State University Data System
SUS	State University System
TARU	Top American Research Universities
UI	Unemployment Insurance
USDOE	U.S. Department of Education
WRIS2	Wage Record Interchange System

STATE UNIVERSITY SYSTEM of FLORIDA
Board of Governors

Performance Based Funding

March 2017 Data Integrity Certification

Name of University: Florida State University

INSTRUCTIONS: Please respond "Yes" or "No" for each representation below. Explain any "No" responses to ensure clarity of the representation you are making to the Board of Governors. Modify representations to reflect any noted audit findings.

Performance Based Funding Data Integrity Certification Representations			
Representations	**Yes**	**No**	**Comment / Reference**
1. I am responsible for establishing and maintaining, and have established and maintained, effective internal controls and monitoring over my university's collection and reporting of data submitted to the Board of Governors Office which will be used by the Board of Governors in Performance Based Funding decision-making.	☒	☐	
2. These internal controls and monitoring activities include, but are not limited to, reliable processes, controls, and procedures designed to ensure that data required in reports filed with my Board of Trustees and the Board of Governors are recorded, processed, summarized, and reported in a manner which ensures its accuracy and completeness.	☒	☐	
3. In accordance with Board of Governors Regulation 1.001(3), my Board of Trustees has required that I maintain an effective information system to provide accurate, timely, and cost-effective information about the university, and shall require that all data and reporting requirements of the Board of Governors are met.	☒	☐	
4. In accordance with Board of Governors Regulation 3.007, my university shall provide accurate data to the Board of Governors Office.	☒	☐	
5. In accordance with Board of Governors Regulation 3.007, I have appointed a Data Administrator to certify and manage the submission of data to the Board of Governors Office.	☒	☐	

Performance Based Funding
Data Integrity Certification

Performance Based Funding Data Integrity Certification Representations			
Representations	**Yes**	**No**	**Comment / Reference**
6. In accordance with Board of Governors Regulation 3.007, I have tasked my Data Administrator to ensure the data file (prior to submission) is consistent with the criteria established by the Board of Governors Data Committee. The due diligence includes performing tests on the file using applications/processes provided by the Board of Governors Information Resource Management (IRM) office.	☒	☐	
7. When critical errors have been identified, through the processes identified in item #6, a written explanation of the critical errors was included with the file submission.	☒	☐	
8. In accordance with Board of Governors Regulation 3.007, my Data Administrator has submitted data files to the Board of Governors Office in accordance with the specified schedule.	☒	☐	
9. In accordance with Board of Governors Regulation 3.007, my Data Administrator electronically certifies data submissions in the State University Data System by acknowledging the following statement, "Ready to submit: Pressing **Submit for Approval** represents electronic certification of this data per Board of Governors Regulation 3.007."	☒	☐	
10. I am responsible for taking timely and appropriate preventive / corrective actions for deficiencies noted through reviews, audits, and investigations.	☒	☐	
11. I recognize that the Board's Performance Based Funding initiative will drive university policy on a wide range of university operations - from admissions through graduation. I certify that university policy changes and decisions impacting this initiative have been made to bring the university's operations and practices in line with State University System Strategic Plan goals and have not been made for the purposes of artificially inflating performance metrics.	☒	☐	

Performance Based Funding
Data Integrity Certification

Performance Based Funding Data Integrity Certification Representations			
Representations	**Yes**	**No**	**Comment / Reference**
I certify that all information provided as part of the Board of Governors Performance Based Funding Data Integrity Certification is true and correct to the best of my knowledge; and I understand that any unsubstantiated, false, misleading, or withheld information relating to these statements render this certification void. My signature below acknowledges that I have read and understand these statements. I certify that this information will be reported to the board of trustees and the Board of Governors.			
Certification: _____ President Date February 22, 2017			
I certify that this Board of Governors Performance Based Funding Data Integrity Certification has been approved by the university board of trustees and is true and correct to the best of my knowledge.			
Certification: _____ Board of Trustees Chair Date February 22, 2017			

New College
THE HONORS COLLEGE of Florida

Office of the Vice President
Finance & Administration

MEMORANDUM

Date: February 23, 2017

To: New College of Florida Board of Trustees
President O'Shea

From: John Martin
Barbara Stier

Subject: Summary of new College of Florida's Performance Based Funding Data Integrity Agreed-Upon Procedures Audit

The Integrity of data provided to the Board of Governors by each SUS institution is critical to the performance based funding decision-making process. In accordance with June 23, 2016 correspondence received from Board of Governors' Chairman Tom Kuntz, President O'Shea and Chairman Schulaner directed that a Data Integrity Audit be conducted by the College's independent audit firm, Mauldin & Jenkins, to:

1) Determine whether the processes established by the College ensure the completeness, accuracy and timeliness of data submissions to the Board of Governors that support performance funding metrics; and,

2) Provide an objective basis of support for the College's President and Board of Trustees' Chairman to sign the representations made in the Performance Based Funding – Data Integrity Certification to be submitted to the Board of Governors by in early March 15, 2017.

Chairman Kuntz's correspondence directed the Chair of the Board of Trustee and the Chief Audit Executive to set the scope and objectives. It was decided to retain the scope and objectives established in the previous year.

Key Audit Findings

There were no key audit findings.

Conclusion

In our opinion, based upon the work performed, the internal controls, processes and procedures in all material respects are functioning in a reliable manner to ensure completeness, accuracy, and timeliness of data submissions and meet Board of Governors' certification objectives.

Enclosure: Performance Based Funding Data Integrity Agreed-Upon Procedures Audit issued February 10, 2017
Performance Based Funding Data Integrity Certification Form
Florida Board of Governors' Letter dated June 23, 2016

NEW COLLEGE OF FLORIDA
INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING
AGREED-UPON PROCEDURES

SEPTEMBER 30, 2016

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MAULDIN & JENKINS

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Board of Trustees
New College of Florida
Sarasota, Florida 34243

We have performed the procedures enumerated below, which were agreed to by the Board of Trustees of New College of Florida (the "College"), solely to assist the College in determining whether the College has processes established to ensure the completeness, accuracy and timeliness of data submissions to the Board of Governors (the "BOG") which support the Performance Funding Metrics of the College as of September 30, 2016. The College is responsible for all processes and procedures related to the complete, accurate and timely submission of data to the BOG. This agreed-upon procedures engagement was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings were as follows:

We reviewed all of the BOG submissions relating to the Performance Funding Metrics identified and published by the State University System of Florida (the "SUS") specific to the certification. See Attachment I for a listing of the submissions tested as provided by the College to us.

a) *Verify the appointment of the Data Administrator by the College President and that duties related to these responsibilities are incorporated into the Data Administrator's official position description.*

1. Review the Data Administrator's position description; note details of the description, paying special attention to responsibilities related to coordinating the gathering of data from departmental sources, quality assurance procedures applied and other data integrity checks prior to submission to the BOG.
2. Determine if the Data Administrator was appointed by the President.
3. Conclude on whether the Institutional Data Administrator's responsibilities include the requirements identified in BOG Regulation 3.007, SUS Management Information System. (For example, verify the Data Administrator's data submission statements indicated, "I certify that this file/data represents the position of this College for the term being reported.").

New College of Florida
February 10, 2017

Procedures Performed

- Reviewed the Position Description for the Director of Institutional Research and Assessment effective February 14, 2007. Verified description included the requirements identified in the BOG Regulation 3.007.
- Reviewed the original appointment for the Director of Institutional Research by the President dated July 11, 2003.
- Observed the State University Database System (the "SUDS") submission screen and the "Submit for Approval" button that represents the College's certification of complying with BOG regulation 3.007.
- Reviewed current organizational chart available via the President's office, and discussed the Institutional Research and Assessment structure with the Director.

Findings

No exceptions were identified as a result of applying these procedures.

b) *Review the processes used by the Data Administrator to ensure the completeness, accuracy and timely submission of data to the Board of Governors.*

1. Interview the Data Administrator and other key data managers to understand the internal processes in place to gather, test and ensure that only valid data, as defined by the BOG, is timely submitted to the BOG.
2. Identify and evaluate key processes over data input and submission. Consider evaluating the processes from the point of incoming information to the submission of the data file to the BOG.
3. Review internal records such as time management schedules and relevant correspondence which purport to demonstrate that complete and accurate data is timely submitted to the BOG. (See due dates addressed in the SUS data workshop).
4. According to BOG Regulation 3.007, prior to submitting the file, the universities shall ensure the file is consistent with the criteria established in the specifications document by performing tests on the file using applications/processes provided by the BOG Information Resource Management (IRM) office. Review process for timely and accurately addressing data file error reports.
5. Evaluate the results and document your conclusion on the data administrator's processes.

Procedures Performed

- Interviewed the following people who have significant responsibility for the data being reported and submitted to the BOG:

    - Director of Institutional Research and Assessment, Office of Institutional Research and Assessment
    - Director of Information Technology, Office of Information Technology
    - Director of Administrative Computing, Office of Information Technology

- Controller, Business Office
- Associate Controller, Business Office
- Registrar, Office of the Registrar
- Acting Director of Operations, Office of Admissions and Financial Aid
- Director of Financial Aid, Office of Admissions and Financial Aid
- Director of Human Resources, Human Resources Department

- For those interviewed, we discussed key internal controls and processes in place over data input, Banner access, SLATE (the Admission Department's recruitment software) access (when applicable), State University Database System (SUDS) access, validation tables, data submission procedures, error resolution, staff training, and other controls specific to the department and submission of accurate and timely data. Reviewed the metrics specific to each department to ensure controls are in place and a clear understanding exists to ensure only valid data is being submitted based on the data definitions.
- Reviewed the Recurring Reporting Calendar created by the Office of Information Technology and maintained by the Institutional Research and Assessment Department (IRA) which is sent to department heads annually when the BOG submission schedule is produced. These calendar events detail the upcoming submissions due during the year to the BOG and who is responsible for the data being submitted. Department heads review the data requests and are responsible to ensure the data is accurate and ready for timely submission.
- Reviewed submission schedule maintained by the IRA department.
- Verified submission files tested were submitted by the Due Date as published by the State University System of Florida (SUS) and identified on the SUDS website.
- Tested the submission file criteria definitions used by the College to ensure they meet the data definitions published by the SUS.
- Obtained the data definition tables from the SUDS website and verified tables documented in the College processes agreed to the SUDS tables.
- Reviewed processes over testing and validating data submissions and procedures for the resolution of errors prior to the final submission.

Findings

No exceptions were identified as a result of applying these procedures.

c) *Evaluate any available documentation including policies, procedures and desk manuals of appropriate staff; and assess their adequacy for ensuring data integrity for College data submissions to the Board of Governors.*

1. Request the Data Administrator provide its policies, procedures, minutes of meetings, and any other written documentation used as resources to ensure data integrity; note whether these documents are sufficiently detailed, up-to-date and distributed to appropriate staff.
2. Evaluate the results and document your conclusion. If necessary, consider benchmarking with peer universities.

Procedures Performed

- Discussed key processes with those interviewed to ensure procedures are in place to ensure data accuracy for their department.
- Ensured each department, that is key to the submission process, had written policy and procedures regarding data they are responsible for.
- We do not perform benchmarking as this is a process the College would perform.

Findings

No exceptions were identified as a result of applying these procedures.

d) *Review system access controls and user privileges to evaluate if they are properly assigned and periodically reviewed to ensure only those authorized to make data changes do so.*

1. Obtain a list of individuals that have access to SUDS.
2. Obtain the definitions for the roles in the SUDS system. http://www.flbog.edu/resources/ditr/suds/_doc/userguide.pdf
3. Review the procedures to grant system access and/or initiate, monitor and cancel user privileges.
4. Perform a test of system access controls and/or user privileges to determine if only appropriate employees have access or need the privilege.
5. Consider other IT systems and related system access controls or user privileges that may impact the data elements used for each measure reviewed.
6. Evaluate the results and conclude on the reasonableness of procedures and practices in place for the setup and maintenance of system access, specifically addressing employees with SUDS access.

Procedures Performed

- Obtained a current listing of all those individuals who have access to the SUDS system from the BOG's application portal manager.
- Obtained the role definitions in the SUDS system for each type of user.
- Discussed procedures with the Director of Institutional Research and Assessment for granting access to the SUDS system and monitoring to ensure user privileges are terminated in a timely manner. Verified only she has administrative authority to change users in the system.
- Reviewed user listing and discussed with the Director of Institutional Research and Assessment to ensure only personnel that need access have access to the SUDS system and only a limited number have the ability to submit data.
- Reviewed Banner access/termination procedures with each department listed in section *b.* and ensured procedures are in place for authorization of adding a new user and timeliness of terminating personnel access.
- Verified email is sent to Data Custodians on a semi-annual basis requesting them to review Banner Users for their department to ensure access is proper and needed.
- Selected a sample four of users from those departments who are significant to the submissions being tested and verified authorization was obtained for the new user, proper workorder was initiated by an authorized person and determined class approved agreed to current Banner access privileges. These users were selected subsequent to our internal audit testing we performed as of March 31, 2016.
- Reviewed SLATE access/termination procedures with the Associate Dean of Enrollment Services and Director of Admissions in the Office of Admissions and Financial Aid and ensured procedures are in place for authorization of adding a new user and timeliness of terminating personnel access.
- Reviewed the October 2016 SLATE user listing.
- Verified that only the Acting Director of Operations has access to add new users.
- Selected a sample of four users to verify proper authorization was obtained for the user to be added to SLATE and verified employee requires access for their job duties.

Findings

No exceptions were identified as a result of applying these procedures.

e) *Testing of data accuracy.*

1. Identify and evaluate data validity controls to ensure that data extracted from the primary systems of record are accurate and complete. This may include review of controls over code used to create the data submission. Review each measure's definition and calculation for the consistency of data submissions with the data definitions and guidance provided by the BOG.

2. As appropriate, select samples from data the College has submitted to the BOG for its Performance Funding Model. Vouch selected data to original source documents (this will most likely include the College's student and financial systems used to capture relevant information).
3. Evaluate the results of the testing and conclude on the completeness and accuracy of the submissions examined.

Procedures Performed

For each submission file listed in Attachment I, we performed the following procedures for the specific metrics identified in the Performance Funding Metrics published by the SUS:

- Obtained complete submission file for time period being tested.
- Selected a sample size of thirty (30) data items to test for each file submission and each metric specific to the performance funding testing.
- Verified data reported in the submission files specific to the metrics identified by the SUS agreed to the source system Banner.
- Verified the data reported for each metric agreed with the SUDS data dictionary.

To determine the completeness of the files being submitted, we performed the following procedures:

- For each term and reported time frame, we obtained which was extracted from Banner and compared to submission files extracted by the Institutional Research and Analysis department. For each comparison we identified any person that was on the Banner report that was not in the file submission. We then selected a sample size based on the size of the file and errors returned and verified the student was properly omitted for the specific submission based on the current data definitions. Selected files and corresponding sample sizes are as follows:

    1. All students enrolled were compared to the Student Instruction (SIF) files submitted. Nineteen difference were identified and reconciled.
    2. All students who received Pell grants were compared to the Student Financial Aid (SFA) files submitted. No differences were identified.
    3. All students who had a degree awarded were compared to the Degrees Awarded (SIFD) files submitted. No differences were identified.
    4. All students admitted were compared to the Admissions (ADM) files submitted. Eleven differences were identified and reconciled.

Findings

No exceptions were identified as a result of applying these procedures.

New College of Florida
February 10, 2017

f) *Evaluate the veracity of the College Data Administrator's data submission statements that indicate, "I certify that this file/data represents the position of this College for the term being reported."*

1. Interview the College data administrator to consider the reasonableness of the various coordination efforts with the data administrators staff, the other data custodians' staff, BOG IRM, and other knowledgeable individuals which form the basis for personal and professional satisfaction that data submitted to the BOG is complete, accurate and submitted timely.
2. Inquire how the Data Administrator knows the key controls are in place and operating effectively. If not already done, consider verifying these key controls are in place and adequate to support the Data Administrator's assertions.

Procedures Performed

- Interviewed personnel listed in section *b.* and verified communication with the Institutional Research and Assessment department is on-going and clear to ensure accurate and timely data submission. Also verified Data Administrator understands the key controls specific to the metrics being tested and that they are functioning.
- Verified with the Director of Institutional Research and Assessment her communication with the BOG and IRM to ensure data being submitted meets the data definitions.

Findings

No exceptions were identified as a result of applying these procedures.

g) *Review the consistency of data submissions with the data definitions and guidance provided by the Board of Governors through the Data Committee and communications from data workshops.*

1. Evaluate the College's procedures for periodically obtaining and communicating definitions and due dates as provided by the BOG through the Data Committee and communications from data workshops.
2. Verify with the College Data Administrator that the most current data file definitions are used as a basis for preparation of data to be submitted to the BOG.
3. Review SUDS most recent cumulative release notes and workshop agendas. http://www.flbog.edu/resources/ditr/suds/
4. Request evidence of the most recent formal staff training/workshops, internal discussions or communications with other responsible employees and the BOG Data Committee necessary to ensure the overall integrity of data to be submitted to the BOG.
5. Conclude as to the consistency of the submissions.

Procedures Performed

- Reviewed the Recurring Reporting Calendar created by the Office of Information Technology and maintained by the IRA department sent to department heads. These calendar events detail the upcoming submissions due in the next year to the BOG and who is responsible for the data being submitted. Department heads review the data requests and are responsible to ensure the data is accurate and ready for timely submission.
- Obtained the most recent data definition tables on the SUDS website and verified data definitions outlined in the file processes agreed to the SUDS data tables.
- Verified the Institutional Research and Assessment Department's process of communication to department heads of the data definitions and any new or changed metric.
- Obtained the SUDS release notes and workshop agenda's during the testing period and verified any changes were properly incorporated into the data file submissions.
- Reviewed staff training with each personnel interviewed as listed in section *b.* in relation to both Banner and SUDS security and knowledge training.
- Our testing was performed on all file submissions with due dates from October 1, 2015 through September 30, 2016, for the specific metrics tested to review for consistency among data submissions.

Findings

No exceptions were identified as a result of applying these procedures.

h) *Review the College Data Administrator's data resubmissions to the Board of Governors with a view toward ensuring these resubmissions are both necessary and authorized. This review should also evaluate how to minimize the need for data resubmissions.*

1. Interview the College data administrator about the types and quantity of recent data resubmissions and the level(s) of approvals necessary for corrective action.
2. Request and examine any correspondence between the College and the BOG IRM office related to data resubmissions that pertain to the performance metrics. Determine if these resubmissions problems tend to be reoccurring and what, if any, actions management has taken or plans to take in order to reduce them.
3. Conclude as to the frequency, need and authorization of the resubmission process.

Procedures Performed

- Interviewed the Director of Institutional Research and Assessment about the resubmission procedures.
- During the testing period there was two file resubmissions. One was requested by the BOG due to a control totals that did not agree and one resubmission was initiated by New College in regards to the expenditure analysis.

- Reviewed data resubmission correspondence from the BOG and verified the files were properly resubmitted with no outstanding errors.
- Reviewed resubmissions to identify if there are recurring submission problems.

Findings

No exceptions were identified as a result of applying these procedures.

i) *Provide an objective basis of support for the president and board of trustees chair to sign the representations made in the Performance Based Funding−Data Integrity Certification.*

1. Review The Performance Based Funding (the "PBF") Data Integrity Certification statement to identify additional procedures that should be designed to support the representations. (For example, #11 requests a certification that College policy changes and decisions impacting the PBF initiative were not made for the purposes of artificially inflating performance measures).

Procedures Performed

- We reviewed the Data Integrity Certification and performed procedures agreed upon by the College to meet the objectives of the certification.

Findings

2016-01 Mauldin & Jenkins was engaged to perform procedures that were provided by you and were outlined in our engagement letter, that management has identified to meet the objectives of the certification. The College must conclude as to the adequacy of these procedures and findings in meeting their certification objectives.

We were not engaged to and did not perform an audit, the objective of which would be the expression of an opinion on the processes and procedures for the complete, accurate and timely submission of data to the BOG. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to management.

This report is intended solely for the information and use of New College of Florida's Board of Trustees and management and is not intended to be and should not be used by anyone other than these specified parties.

Mauldin & Jenkins, LLC

Bradenton, Florida
February 10, 2017

New College of Florida
Metric Related Submissions
October 1, 2015 through September 30, 2016

Attachment I

Submissions Tested				
Due Date	**Submission**	**Term or Year**	**Rept Time Frame**	**Sample Tested**
10/5/2015	SFA - Student Financial Aid File	Annual 2014	20142015	30
10/6/2015	IRD - Instruction & Research File [1]	Annual 2014	20142015	60
10/9/2015	SIFP - Student Instruction File Preliminary	Fall 2015	201508	30
1/20/2016	RET - Retention File [2]	Annual 2014	20142015	3
1/22/2016	SIF - Student Instruction File	Fall 2015	201508	30
2/19/2016	ADM - Admissions File	Spring 2016	201601	30
3/5/2016	SIFP - Student Instruction File Preliminary	Spring 2016	201601	30
6/16/2016	SIF - Student Instruction File	Spring 2016	201601	30
7/5/2016	SIFD - Degrees Awarded [3]	Spring 2016	201601	30
8/15/2016	OB - Operating Budget	Annual 2016	20162017	30
9/23/2016	ADM - Admissions File	Fall 2016	201608	30

Additional Data Submissions tested for New College specific metrics				
Metric	**Submitted Data**	**Term or Year**	**Rept Time Frame**	**Sample Tested**
Metric #6	STEM Data	Annual 2015	20152016	30
Metric #8b	ADM - Admissions File	Fall 2015	201508	30
Metric #9c	Common Data Set	Annual 2014	20142015	30

[1] Two (2) tables were tested from the IRD - Instruction & Research submitted file; therefore the sample size tested is 60. The tables tested were Workload Activities and Workload Person Funding.

[2] There were 3 changes to prior BOG data files and reports.

[3] The sample tested was additionally used to test Metric 10(d) specific to New College of Florida.

STATE UNIVERSITY SYSTEM of FLORIDA
Board of Governors

Performance Based Funding

March 2017 Data Integrity Certification

Name of University: **New College of Florida**

INSTRUCTIONS: Please respond "Yes" or "No" for each representation below. Explain any "No" responses to ensure clarity of the representation you are making to the Board of Governors. Modify representations to reflect any noted audit findings.

Performance Based Funding Data Integrity Certification Representations			
Representations	**Yes**	**No**	**Comment / Reference**
1. I am responsible for establishing and maintaining, and have established and maintained, effective internal controls and monitoring over my university's collection and reporting of data submitted to the Board of Governors Office which will be used by the Board of Governors in Performance Based Funding decision-making.	☒	☐	
2. These internal controls and monitoring activities include, but are not limited to, reliable processes, controls, and procedures designed to ensure that data required in reports filed with my Board of Trustees and the Board of Governors are recorded, processed, summarized, and reported in a manner which ensures its accuracy and completeness.	☒	☐	
3. In accordance with Board of Governors Regulation 1.001(3), my Board of Trustees has required that I maintain an effective information system to provide accurate, timely, and cost-effective information about the university, and shall require that all data and reporting requirements of the Board of Governors are met.	☒	☐	
4. In accordance with Board of Governors Regulation 3.007, my university shall provide accurate data to the Board of Governors Office.	☒	☐	
5. In accordance with Board of Governors Regulation 3.007, I have appointed a Data Administrator to certify and manage the submission of data to the Board of Governors Office.	☒	☐	
6. In accordance with Board of Governors Regulation 3.007, I have tasked	☒	☐	

Performance Based Funding

Data Integrity Certification

Performance Based Funding Data Integrity Certification Representations			
Representations	**Yes**	**No**	**Comment / Reference**
my Data Administrator to ensure the data file (prior to submission) is consistent with the criteria established by the Board of Governors Data Committee. The due diligence includes performing tests on the file using applications/processes provided by the Board of Governors Information Resource Management (IRM) office.			
7. When critical errors have been identified, through the processes identified in item #6, a written explanation of the critical errors was included with the file submission.	☒	☐	
8. In accordance with Board of Governors Regulation 3.007, my Data Administrator has submitted data files to the Board of Governors Office in accordance with the specified schedule.	☒	☐	
9. In accordance with Board of Governors Regulation 3.007, my Data Administrator electronically certifies data submissions in the State University Data System by acknowledging the following statement, "Ready to submit: Pressing **Submit for Approval** represents electronic certification of this data per Board of Governors Regulation 3.007."	☒	☐	
10. I am responsible for taking timely and appropriate preventive / corrective actions for deficiencies noted through reviews, audits, and investigations.	☒	☐	
11. I recognize that the Board's Performance Based Funding initiative will drive university policy on a wide range of university operations – from admissions through graduation. I certify that university policy changes and decisions impacting this initiative have been made to bring the university's operations and practices in line with State University System Strategic Plan goals and have not been made for the purposes of artificially inflating performance metrics.	☒	☐	

Performance Based Funding
Data Integrity Certification

Performance Based Funding Data Integrity Certification Representations			
Representations	**Yes**	**No**	**Comment / Reference**
I certify that all information provided as part of the Board of Governors Performance Based Funding Data Integrity Certification is true and correct to the best of my knowledge; and I understand that any unsubstantiated, false, misleading, or withheld information relating to these statements render this certification void. My signature below acknowledges that I have read and understand these statements. I certify that this information will be reported to the board of trustees and the Board of Governors.			
Certification: _____ Date 3/11/17 President			
I certify that this Board of Governors Performance Based Funding Data Integrity Certification has been approved by the university board of trustees and is true and correct to the best of my knowledge.			
Certification: _____ Date 3/11/17 Board of Trustees Chair			

UNIVERSITY AUDIT

AUDIT 338

NOVEMBER 14, 2016

PERFORMANCE BASED FUNDING DATA INTEGRITY

AUDIT OF INTERNAL CONTROLS AND COMPLIANCE

AS OF SEPTEMBER 30, 2016

UNIVERSITY OF CENTRAL FLORIDA

This work product was prepared in accordance with the International Standards for the Professional Practice of Internal Auditing, as published by the Institute of Internal Auditors, Inc.

University of Central Florida

University Audit

MEMORANDUM

TO: John C. Hitt
President

FROM: Robert J. Taft
Chief Audit Executive

DATE: November 14, 2016

SUBJECT: Audit of Performance Based Funding Data Integrity

The enclosed report represents the results of our performance based funding data integrity audit.

We appreciate the cooperation and assistance of the Institutional Knowledge Management staff.

cc: Dale Whittaker
M. Paige Borden
Linda Sullivan
Joel Hartman
Board of Trustees Audit, Operations Review, Compliance, and Ethics Committee
Rick Schell

Millican Hall • Orlando, FL 32816-0080 • 407-823-2889 • Fax: 407-823-6330
An Equal Opportunity and Affirmative Action Institution

Background and Performance Objectives

Beginning in 2013-14, the Florida Board of Governors (BOG) implemented a performance based funding model which utilizes 10 performance metrics to evaluate the institutions on a range of issues, including graduation rates, job placement, cost per degree, and retention rates. According to information published by the BOG in May 2014, the following are key components of the funding model.

- For each metric, institutions are evaluated on either Excellence (a raw score) or Improvement (the percentage change from the prior year).
- Performance is based on data from one academic year.
- The benchmarks for Excellence are based on the BOG 2025 System Strategic Plan goals and analysis of relevant data trends, whereas the benchmarks for Improvement are determined by the BOG after reviewing data trends for each metric.
- The Florida Legislature and Governor determine the amount of new state funding and a proportional amount of institutional funding that would come from each university's recurring state base appropriation.

For 2016-17 funding, each university was evaluated on seven metrics common to all universities. The eighth metric applied to all institutions except New College, which had an alternate metric more appropriate to its mission. The ninth metric was chosen by the BOG, focusing on areas of improvement and the distinct missions of each university. The tenth metric was chosen by each university's Board of Trustees from the remaining metrics in the University Work Plan. UCF's metrics were:

1. percent of bachelor's graduates employed full-time (with a salary greater than $25,000) or continuing their education within the U.S. one year after graduation
2. median wages of bachelor's graduates employed full-time in Florida one year after graduation
3. average cost per bachelor's degree (instructional costs to UCF, not tuition costs to students)
4. six-year graduate rate (full-time and part-time, first time in college students)
5. academic progress rate (second year retention with a GPA greater than 2.0)
6. university access rate (percent of fall undergraduates with a Pell-grant)
7. bachelor's degrees awarded within programs of strategic emphasis
8. graduate degrees awarded within programs of strategic emphasis
9. percent of bachelor's degrees without excess hours
10. number of bachelor's degrees awarded annually

Audit Objectives and Scope

At the request of the Florida Board of Governors, we have conducted an audit of the university's processes to ensure the completeness, accuracy, and timeliness of data submissions to the BOG and testing of underlying data that support performance funding metrics. Data submitted to the BOG and the methods and controls applied by university management necessary to ensure the integrity of the process were subject to several key audit procedures.

Specifically, the objectives of the audit were to review and test:

- the appointment of the data administrator by the university president and the duties listed in the data administrator's official position description
- the processes used by the data administrator to ensure the completeness, accuracy, and timely submission of data to the BOG
- documentation, including policies, procedures, and desk manuals, to assess whether they are adequate to ensure integrity of the university's data submissions to the BOG
- system access controls and user privileges to determine whether they are properly assigned and periodically reviewed to ensure data changes are made by authorized personnel
- data accuracy through independently recreating and verifying the completeness and accuracy of selected file submissions
- the veracity of the university data administrator's data submission statements that indicate, "Ready to submit: Pressing **Submit for Approval** represents electronic certification of this data per Board of Governors Regulation 3.007"
- the consistency of data submissions with the data definitions and guidance provided by the BOG through the data committee and communication at data workshops
- the university data administrator's data resubmissions to the BOG with a view toward ensuring these resubmissions are necessary, authorized, and appropriately limited

Our approach is to audit files related to four of the ten measures each year so that all measures are tested twice within a five year cycle. This year's testing including data files related to:

- percentage of bachelor's graduates enrolled or employed within the U.S. one year after graduation
- median wage of bachelor's graduates employed full-time in Florida one-year after graduation
- cost of bachelor's degrees
- bachelor's degrees awarded annually

Overview of Results

Based on our audit, we have concluded that UCF's controls and processes are adequate to ensure the accuracy and completeness of data submitted to the BOG in support of performance based funding.

Further, we believe that our audit can be relied upon by the UCF Board of Trustees and president as a basis for certifying the representations made to the BOG related to the integrity of data required for the BOG performance based funding model.

STATE UNIVERSITY SYSTEM of FLORIDA
Board of Governors

Performance Based Funding

March 2017 Data Integrity Certification

Name of University: University of Central Florida

INSTRUCTIONS: Please respond "Yes" or "No" for each representation below. Explain any "No" responses to ensure clarity of the representation you are making to the Board of Governors. Modify representations to reflect any noted audit findings.

Performance Based Funding Data Integrity Certification Representations			
Representations	**Yes**	**No**	**Comment / Reference**
1. I am responsible for establishing and maintaining, and have established and maintained, effective internal controls and monitoring over my university's collection and reporting of data submitted to the Board of Governors Office which will be used by the Board of Governors in Performance Based Funding decision-making.	☒	☐	
2. These internal controls and monitoring activities include, but are not limited to, reliable processes, controls, and procedures designed to ensure that data required in reports filed with my Board of Trustees and the Board of Governors are recorded, processed, summarized, and reported in a manner which ensures its accuracy and completeness.	☒	☐	
3. In accordance with Board of Governors Regulation 1.001(3), my Board of Trustees has required that I maintain an effective information system to provide accurate, timely, and cost-effective information about the university, and shall require that all data and reporting requirements of the Board of Governors are met.	☒	☐	
4. In accordance with Board of Governors Regulation 3.007, my university shall provide accurate data to the Board of Governors Office.	☒	☐	
5. In accordance with Board of Governors Regulation 3.007, I have appointed a Data Administrator to certify and manage the submission of data to the Board of Governors Office.	☒	☐	

Performance Based Funding
Data Integrity Certification

Performance Based Funding Data Integrity Certification Representations			
Representations	**Yes**	**No**	**Comment / Reference**
6. In accordance with Board of Governors Regulation 3.007, I have tasked my Data Administrator to ensure the data file (prior to submission) is consistent with the criteria established by the Board of Governors Data Committee. The due diligence includes performing tests on the file using applications/processes provided by the Board of Governors Information Resource Management (IRM) office.	☒	☐	
7. When critical errors have been identified, through the processes identified in item #6, a written explanation of the critical errors was included with the file submission.	☒	☐	
8. In accordance with Board of Governors Regulation 3.007, my Data Administrator has submitted data files to the Board of Governors Office in accordance with the specified schedule.	☒	☐	
9. In accordance with Board of Governors Regulation 3.007, my Data Administrator electronically certifies data submissions in the State University Data System by acknowledging the following statement, "Ready to submit: Pressing **Submit for Approval** represents electronic certification of this data per Board of Governors Regulation 3.007."	☒	☐	
10. I am responsible for taking timely and appropriate preventive / corrective actions for deficiencies noted through reviews, audits, and investigations.	☒	☐	
11. I recognize that the Board's Performance Based Funding initiative will drive university policy on a wide range of university operations – from admissions through graduation. I certify that university policy changes and decisions impacting this initiative have been made to bring the university's operations and practices in line with State University System Strategic Plan goals and have not been made for the purposes of artificially inflating performance metrics.	☒	☐	

Performance Based Funding
Data Integrity Certification

I certify that all information provided as part of the Board of Governors Performance Based Funding Data Integrity Certification is true and correct to the best of my knowledge; and I understand that any unsubstantiated, false, misleading, or withheld information relating to these statements render this certification void. My signature below acknowledges that I have read and understand these statements. I certify that this information will be reported to the board of trustees and the Board of Governors.

Certification: _____ Date January 13, 2017
President

I certify that this Board of Governors Performance Based Funding Data Integrity Certification has been approved by the university board of trustees and is true and correct to the best of my knowledge.

Certification: _____ Date January 13, 2017
Board of Trustees Chair

UNIVERSITY OF FLORIDA

OFFICE OF INTERNAL AUDIT

Audit of: University of Florida
Performance Based Funding – Data Integrity

Period of Audit: As of September 30, 2016

Report Issue Date: November 2, 2016

Report Number: UF-17-689-07

UF UNIVERSITY of FLORIDA

Office of the President
Office of Internal Audit

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November 2, 2016

MEMORANDUM

TO: UF Board of Trustees Audit and Operations Review Committee

FROM: Brian D. Mikell, CPA
Chief Audit Executive

SUBJECT: Performance Based Funding – Data Integrity audit

We audited the University of Florida's data submission process related to data metrics used for the BOG's performance based funding initiative, as of September 30, 2016. The attached report defines the scope of our audit and contains analysis and comments.

Please call me if you have any questions regarding the contents of the audit report.

BDM:dh

cc: President Fuchs
Provost and Sr. Vice President
Sr. Vice President and COO
Assistant Provost and Director, Institutional Planning and Research
Auditor General

UNIVERSITY OF FLORIDA

PERFORMANCE BASED FUNDING – DATA INTEGRITY

As of September 30, 2016

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PERFORMANCE BASED FUNDING – DATA INTEGRITY

EXECUTIVE SUMMARY

The Florida Legislature has called upon the State University System (SUS) of Florida to reach new levels of efficiency, academic quality and accountability. Pursuant to Section 1001.92, Florida Statutes, the Board of Governors (BOG) implemented a performance based funding (PBF) model, which is intended to build upon the BOG's strategic plans and goals and annual accountability reports. This model seeks to further elevate the SUS while acknowledging each university's distinct mission.

The integrity of the data provided to the BOG by the universities is critical to the PBF decision-making process. Therefore, the BOG developed a Performance Based Funding Data Integrity Certification to provide assurances that the data is reliable, accurate, and complete. This certification form is to be executed by the university president, affirmatively certifying each representation and/or providing an explanation as to why the representation cannot be made as written. The certification form is also to be approved by the university Board of Trustees (BOT) and certified by the BOT chair.

On June 23, 2016, the chairman of the BOG instructed each university BOT to "direct the university chief audit executive to perform, or cause to have performed by an independent audit firm, an audit of the university's processes that ensure the completeness, accuracy and timeliness of data submissions" to the BOG. This audit will provide an objective basis of support for the president and BOT chair to certify the required representations.

The Office of Internal Audit conducted an audit of the university's data submission process, related to data metrics used for the BOG's performance based funding initiative, as of September 30, 2016. The primary objective of this audit was to determine the adequacy of university controls in place to promote the completeness, accuracy, and timeliness of these data submissions to the BOG.

Based on the results of our audit procedures, we concluded that controls over the university's data submission process were adequate to promote the completeness, accuracy, and timeliness of submitted data relative to the BOG's PBF initiative. Our conclusion of "adequate" indicates that controls were in place and functioning as designed.

PERFORMANCE BASED FUNDING – DATA INTEGRITY

AUDIT REPORT

Scope and Objectives

On June 23, 2016, the chairman of the Board of Governors (BOG), instructed each university board of trustees to "direct the university chief audit executive to perform, or cause to have performed by an independent audit firm, an audit of the university's processes that ensure the completeness, accuracy and timeliness of data submissions" to the BOG.

We have completed an audit, as of September 30, 2016, of the university's data submission process related to data metrics used for the BOG's performance based funding initiative. The primary objective of this audit was to determine the adequacy of university controls in place to promote the completeness, accuracy, and timeliness of these data submissions to the BOG.

Because of the inherent limitation in the application of such controls, errors or irregularities may, nevertheless, occur and not be detected. Also, assurances regarding the adequacy of internal controls cannot be projected to future periods due to the risk that procedures may become inadequate because of changes in conditions or compliance with procedures may deteriorate.

We conducted the audit in accordance with the International Standards for the Professional Practice of Internal Auditing as promulgated by the Institute of Internal Auditors. The audit fieldwork was conducted from August 26, 2016 through October 25, 2016 in accordance with the 2016-2017 audit work plan, and pursuant to the BOG directive to the University of Florida Board of Trustees (BOT).

Background

The Florida Legislature has called upon the State University System (SUS) of Florida to reach new levels of efficiency, academic quality and accountability. Pursuant to Section 1001.92, Florida Statutes, the BOG implemented a performance based funding (PBF) model, which is intended to build upon the BOG's strategic plans and goals and annual accountability reports. This model seeks to further elevate the SUS while acknowledging each university's distinct mission.

The integrity of the data provided to the BOG by the universities is considered critical to the performance based funding decision-making process. Therefore, the BOG developed a Performance Based Funding Data Integrity Certification to provide assurances that the data submitted to the BOG for PBF decision-making is reliable, accurate, and complete. This certification form is to be executed by the university president, affirmatively certifying each

representation and/or providing an explanation as to why the representation cannot be made as written. The certification form is also to be approved by the BOT and certified by the BOT chair. This audit is intended to provide an objective basis of support for the President and BOT chair to certify the required representations (See Attachment A).

According to BOG Regulation 5.001, the PBF model has four stated guiding principles:

- Align with SUS Strategic Plan goals
- Reward excellence or improvement
- Have a few clear, simple metrics
- Acknowledge the unique mission of the different institutions

The PBF Model includes ten metrics that evaluate the institutions on a range of issues:

- Eight of the ten metrics are common to all institutions. These include metrics on employment after graduation, cost of degree, graduation rates, academic progress, programs of strategic emphasis, and access to the university.
- One metric focuses on areas of improvement and distinct missions of each university. For the University of Florida, this metric is the number of awards that faculty have earned.
- The final metric is chosen by each university BOT from the remaining metrics in the University Work Plans that are applicable to their mission. The University of Florida BOT selected total research expenditures.

  Attachment B provides a list of the BOG Performance Based Funding Metric Definitions

  Attachment C identifies the University of Florida's final scores for the past three allocation years and the 2016-2017 benchmarks

The BOG Regulation 3.007, State University System (SUS) Management Information System, states the SUS universities shall provide accurate data to a management information system established and maintained by the BOG Office. The BOG has created a web-based State University Data System (SUDS) Master File Submission Subsystem for the SUS to report their data.

The number of files the university uploads is dependent on the submission type. Once all required files and any desired optional files for the submission are uploaded, the user checks the submission based on edit and standard reports provided by SUDS. The SUDS system will identify errors which may cause the file to be rejected. These errors should be corrected on the source file and uploaded to the system to be checked again. This process is iterated until the submission is free of all significant errors and/or the errors are explained. Once that is accomplished, the university is ready to 'officially' submit the data to the BOG for approval. The electronic submission certifies that the file/data represents the position of the university for the term reported.

Once submitted, BOG staff reviews the results, error explanations, and standard reports. The submission will either be accepted or rejected. If rejected, then the reason will be posted to the

user and a resubmission requested. If accepted, the submitted data will be promoted to the production database.

Organizational Responsibilities

The Office of Institutional Planning and Research (OIPR) is responsible for providing university management with information that supports institutional planning, policy formation and decision making; coordinating responses to inquiries for university-related information**;** serving as a comprehensive source for information about the institution; and for administering the BOG data collection/reporting system on campus.

The OIPR consists of a Data Administrator (DA), appointed to certify and manage the submission of data and ten other staff responsible for completing the BOG requests as well as requests from other external institutions. The OIPR receives approximately 740 data requests annually of which 25% were from the BOG.

The data owners at the university consist of the core offices responsible for the extraction and compilation of the information that support the PBF metrics and other data requests. The core offices capture and generate the data and are responsible for reviewing and correcting information in the data systems prior to the submission through SUDS. The following offices/units were responsible for compiling the data files for the PBF metrics and were included within the scope of this audit:

- **Office of University Registrar (OUR)**: Responsible for student information data used to create the student information files (SIF, SIFP, and SIFD). This data was used in multiple metrics involving graduation, retention, academic progress, and strategic emphasis.
- **Student Financial Affairs (SFA)**: Responsible for the financial aid award data used to create the SFA file. This data was used in Metric 7 – University Access Rate.
- **Chief Financial Officer (CFO)**: Responsible for the operating budget data which was used to create the Operating Budget (OB) file. The information in the OB file and the Instructional and Research Data (IRD) file was used by the BOG to create the Expenditure Analysis (EA). This information was used in Metric 3 – Average Cost per Bachelor's Degree.
- **OIPR**: Responsible for compiling information into the IRD file for the BOG to create the EA file. Extensive IT support was used to extract information from the Effort Reporting System for faculty workload and Classification of Instruction (CIP) code. This information was used in Metrics 3, 6, and 8a.
- **Cost Analysis**: This office was responsible for compiling the cost of research expenditures reported in the National Science Foundation Higher Education Research and Development Survey (HERD). This information is used by the BOG for Metric 10f – Total Research Expenditures.
- **Enterprise Systems (ES)**: This unit provided information technology (IT) support to the various other units and was directly responsible for maintaining certain systems as

well as compiling data and generating reports from those systems for the other core offices.

- **Center for Measuring University Performance**: The center is an independent organization which currently resides at Arizona State University and the University of Massachusetts Amherst with support from the University of Florida Foundation and the University at Buffalo. The staff and advisors from various universities, including the University of Florida, are responsible for compiling and publishing data for universities through their Annual Report of Top American Research Universities (TARU). The data for Metric 9b – Number of Faculty Awards was compiled by the BOG from the TARU.

After the upload by the data owners, the SUDS edit check summaries require further review for exceptions and necessary comments. This was an iterative process between the data owners, IT and the OIPR to address any significant exceptions in the summaries and formalize comments for the noted exceptions. The OIPR then performed a final review to evaluate the data accuracy prior to submission to the BOG for their approval. If the BOG accepted the file, then no further procedures were necessary for that submission. If the BOG rejected the file, then the data needed to be researched and corrected for reload and resubmission into SUDS until it received BOG approval.

Attachment D is a flowchart summarizing the data and process flows from extraction through the BOG approval.

Prior Audit Comments

An internal control audit of Performance Based Funding – Data Integrity was performed as of September 30, 2015, with audit report UF-16-674-11 issued November 9, 2015. The audit results included no comments in regards to the university's data submission process.

Overall Conclusion

To identify and evaluate the controls in place relative to the university's data submissions in support of the PBF metrics, we conducted employee interviews, performed analytical reviews, evaluated risks related to each metric, reviewed program codes, performed process walkthroughs, and tested reported values to source data.

Based on the results of our audit procedures, we concluded that controls over the university's data submission process were adequate to promote the completeness, accuracy, and timeliness of submitted data relative to the BOG's PBF initiative.

A management letter was issued in concurrence with the audit report to communicate other comments and observations that did not warrant inclusion in the report due to lack of significance or relation to the scope of the audit.

DATA ADMINISTRATOR (DA)

BOG Regulation 3.007(2) states that each university president shall appoint an institutional DA to certify and manage the submission of data to the SUS management information system. The director of the OIPR has been officially designated as the DA for the university. We observed a letter of formal appointment by the president which identified the director's role as DA for the university since 2006. The director's job description clearly defined her role as the DA. The DA and her staff were responsible for ensuring that the university provided accurate data to the management information system established and maintained by the BOG Office.

Specific responsibilities included:

- Ensuring the data was complete and in the correct format, and met the specifications and criteria established by the BOG Data Committee.
- Prior to submission, test the file's consistency with established criteria using application/processes provided by the BOG Information Resource Management (IRM) Office. Submission must include a written explanation of critical errors.
- Timely submission of the file to the director of IRM, or designee, pursuant to the established schedule.
- Certify that the file/data represented the position of the university for the term being reported.
- Preparation and timely submission of a revised data file when the BOG rejected the original file.

OIPR Review and Edit Procedures

BOG Regulation 3.007(5)(a) required that the DA shall prepare and submit the data file to the director of IRM, or the director's designee, pursuant to the schedule set forth in the submissions section of the specification for each file. The BOG developed a calendar of due dates for each submission and provided this information in the annual Higher Education Summit/SUS Data Workshops and on the SUDS submission screens.

Extensive procedures were performed by the data owners during their data extraction and review, and by the OIPR during their data review and submission. Consistent communication between the OIPR and the data owners was critical to coordinate these procedures to meet the required deadlines. A Data Request System (DRS) was developed by the OIPR to facilitate communication, documentation and monitoring of data requests.

The OIPR has implemented a Data Owner Certification Statement whereby each Data Owner summarized the work performed, verified support was maintained, and certified the file was ready for submission. A Review Status Form identified review steps performed by OIPR staff and captured staff sign-off that the review had been completed, including documentation of concerns if needed. In addition, the OIPR provided an annual letter to the president summarizing their due diligence to promote assurance the submissions were timely, accurate and complete. The OIPR created a cloud based drive (President's Portal) to enhance

documentation of review procedures and correspondence concerning the submission of files related to the BOG Performance Funding Metrics.

We noted that comprehensive written procedures were in place to document the OIPR's submission process including work initiation, work in progress, quality control and data release procedures.

We performed walk-throughs of the documented quality control processes for the SIF, SIFD, OB, IRD and EA files by reviewing supporting documentation contained within the President's Portal, and emails between the OIPR, data owners and the BOG. We noted certifications, checklists and the president's letter were in place for these submissions during our audit period.

We tested the timeliness of all 10 submissions related to PBF from October 1, 2015 through September 30, 2016.

Generally, all submissions were timely, submitted by the appropriate staff, included explanations of any errors, and were accepted by the BOG. We did note that two submissions were late, made three and seven calendar days after the scheduled due date. One submission was resubmitted twice due to minor exceptions. None of these exceptions had a material effect on the data. We observed that all submissions had a Certification Statement from the data owner and a Review Status Form completed by the OIPR.

Based on the results of our review, we concluded that the OIPR employed adequate review and edit processes, including appropriate documentation of their procedures.

DATA OWNERS

To understand the requirements for complete and accurate submissions, we reviewed the SUDS Data Dictionary, documentation from SUS data workshops, and BOG methodology and procedures applicable to the PBF submissions. The BOG-issued annual notices communicating updates for institutional reporting of certain data based on the results of SUS data workshops. Depending on the required changes, the university may need to modify program code. An example of a BOG change might be that budget carryforward was required to be included in the calculations where it was not included in previous years.

After gaining an understanding of the submission requirements, we reviewed key procedures for each data owner related to the extraction, compilation, and review of their data to ensure completeness and accuracy of the submission. We performed a risk analysis of the applicable metrics, taking into consideration changes in internal procedures for extraction, review, and submission processes. We also considered staffing changes, the significant changes in reporting requirements between years, variances in the data reported, and points received. The university had initiated a large-scale multi-year project to implement a new student information system. We conducted a progress review of the system implementation to ensure that key

offices were aware of and involved in the project and the BOG reporting requirements would be adequately addressed.

The following is a summary of our review and conclusions for each data owner.

Office of University Registrar (OUR)

The Student Records System is the authoritative system of record (master data) for the SIF, SIFP, and SIFD. Metric submissions generated from these records involve graduation, retention, academic progress, and information regarding the programs of strategic emphasis (STEM programs).

The OUR had developed automated quality control checks that determined whether the data was within the BOG-expected parameters and allowed them to review the student data on a daily basis and make corrections, as necessary, prior to the SUDS submission. Data from the Student Records System was provided to the OIPR nightly. The OIPR used this data to develop a daily enrollment tracking system used by administrators across campus, which provided the ability for daily review and communication of student information so that corrections could be identified and made in a timely manner.

We reviewed the OURs documented procedures for data extraction, review and upload, noting no significant changes since the prior audit in staffing, procedures, or BOG reporting requirements. The written procedures specifically addressed change management controls, processing and review of ad hoc reports, production jobs, and uploads.

The documented procedures indicated that controls for program change management were in place for both production scheduled jobs and the ad hoc generated reports. Access to production libraries were limited to personnel who were authorized to make changes. The SUDS submissions log identified the initiator for each upload and submission. This compensating control limited the risk of an improper submission and maintained accountability for changes and submissions.

The core office employed automated continuous monitoring procedures as well as separate layering of reviews to help assure the student data was accurate. We observed conscientious staff performing adequate quality control procedures prior to the final review by the DA.

We tested a random sample of 100 student records from the SIF and SIFD Spring 2016 submissions by tracing them to the system of record to verify the accuracy of key elements identified in the BOG Methodology and Procedures. We found no exceptions for the sampled data elements.

Based on the results of our review, we concluded that the OUR’s processes were adequate for extraction, review and upload of student data to the SUDS.

Student Financial Affairs (SFA)

The primary role of SFA is to provide financial resources to students who would otherwise be unable to receive post-secondary education. The PBF Metric 7, University Access Rate, was defined as the percent of undergraduates with a Pell grant. Student Financial Affairs was responsible for compiling information used in this file submission.

We reviewed SFA's documented procedures for data extraction, review and upload, noting no significant changes since the prior audit in staffing, procedures, or BOG reporting requirements. Based on the results of our review, we concluded that SFA employed adequate processes to ensure data accuracy, completeness, and timely creation of the load file.

Chief Financial Officer (CFO)

The PBF Metric 3, Average Cost per Bachelor's Degree (institutional costs), was based on direct and indirect instructional expenditures. The BOG calculated the average cost from the data included in the IRD, EA and OB files.

The director of budgets, under the assistant vice president of budget and analysis who reports to the CFO, was responsible for compiling the OB file. The director, with the assistance of Enterprise Systems (ES), creates the OB file by running programs that combine files and information from the general ledger. Prior to the build of the submission file, the director runs queries from *myUFL* to better categorize benefit plan expenditures, risk management insurance, and financial aid to meet the BOG's requirements.

During our prior year's audit, we reviewed controls at the IT and data owner level including edit processes, error correction, data extraction and upload processes. We observed that control procedures were in place to verify the data accuracy, program change management, and reporting consistency. Collectively, those controls helped to ensure data accuracy and completeness, as well as timely operation for creating the load files. We noted no changes in the current year processes.

The risk management, student financial aid, and fringe benefit expenses impact the average cost of a bachelor's degree. We reviewed the director's procedures for preparing the risk management, student financial aid, and fringe benefits expenses submitted in the 2016-2017 OB file due on August 15, 2016. We verified that the Budget Office used the new SUDS OB error report to ensure that the OB file aligned with the SUDS data. We also observed that the OIPR performed their review and maintained email documentation with the director of specific review items. The director provided the certification attesting the accuracy of the data provided.

We concluded that the director's procedures and IT controls employed to compile the OB file were adequate to provide complete, accurate data for the OB submission. However, we did observe that submission was seven days after the scheduled due date. The delay was due to retirement of a long-term director. While comprehensive written procedures were prepared to

facilitate the transition to the new director, a few elements were not adequately documented resulting in minor errors/omissions in the initial compilation of the OB file. We do not believe this will be a problem in future OB file compilations.

Office of Institutional Planning and Research (OIPR)

The OIPR was also directly involved with PBF Metric 3, Average Cost per Bachelor's Degree and Metrics 6 and 8a involving degrees within programs of strategic emphasis. Metric 3 included information derived from the Effort Reporting System. Metrics 6 and 8a included information from Classification and Instruction tables (CIP Codes). The OIPR had a role in assigning CIP codes, in collaboration with other academic administrators, through the academic approval process, and acted as a data owner because they were responsible for compiling and adding this information to the IRD and the EA file submissions.

The IRD files were created by programs developed by ES. The OIPR's role was to ensure that the Effort Reporting System data was complete prior to the IRD file creation. For example, the Effort Reporting System has edits to ensure that faculty time percentages equal 100. If this requirement was not met, there was an error message that had to be researched and resolved. We noted that the process to compile the IRD file had not changed from the previous year.

The SUDS system generates an EA file from the OB and IRD data. The EA file is downloaded and additional programming was used to add the CIP codes to the records on the file. We noted that the process to compile the EA file had not changed from the previous year.

Adequate IT controls were identified in the documented procedures used to create the EA file. Control procedures were in place to verify the accuracy of data, program change management, and data extraction repeatability and consistency. Collectively, those controls helped to ensure data accuracy, completeness, as well as timely operation for creating the load files.

We also reviewed the OIPR's quality control procedures documented by emails in their Data Request System and the President's Portal and samples of other supporting documentation. We noted the Certification Statements and Review Status Forms were completed for the OB, IRD and EA files to document the performance of the review and status of each quality control step. The OIPR reviewed the completeness of the course sections used for the effort reporting. The university also required certification by individuals of the reported amounts for time spent on course instruction, which helped to validate the accuracy of reported instructional effort.

We concluded that adequate processes were in place for the extraction and compilation of the data in the EA, IRD and OB files.

Cost Analysis

The PBF Metric 10, Total Research Expenditures, was an institutional specific metric selected by the University of Florida BOT. The BOG obtains this information directly from the National Science Foundation's annual Higher Education Research and Development Survey (HERD).

Cost Analysis was responsible for responding to the NSF HERD survey and had developed queries using general ledger data to identify all university research-related expenses. Tables between the general ledger and the research award system were combined to identify funds, program codes, expense accounts and award codes. Award codes were assigned by the Office of Research when recording the award. Cost Analysis ran a query that pulled the award codes from the award system and matched the award data to the general ledger queries through Access programs to identify research expenditures for the year reported. Prior to running the queries, Cost Analysis staff reviewed the HERD instructions for any changes as well as the university's system for new data sources, funds, or program codes. They also met with the Office of Research to discuss the current year reporting.

Specific procedures regarding queries used to generate the research related expenditures and review and submission of the HERD survey was documented. We reviewed written procedures with core office staff to determine any significant changes in staffing, extraction and review processes and noted no changes from the previous year. Based on our review, we concluded that adequate processes were in place to report amounts in the HERD survey.

Center for Measuring University Performance

The Center for Measuring University Performance (the Center) is an independent organization which currently resides at Arizona State University and the University of Massachusetts Amherst, with support from the University of Florida Foundation and the University at Buffalo. The staff and advisors from various universities, including UF, are responsible for compiling and publishing data for universities through their Annual Report of Top American Research Universities (TARU). The data for Metric 9b, Number of Faculty Awards, was compiled by the BOG from the TARU to calculate the metric.

We interviewed the UF staff member who served as a volunteer of the center and was responsible for compiling some data used in the TARU. Based on this interview and information provided by the Center, the number of faculty awards was compiled by utilizing web-based directories of awarding institutions and agencies. The volunteer was responsible for gathering and compiling the award information from some of the grant and fellowship programs including National Institute of Health MERIT (NIH), National Science Foundation CAREER awards, and the Presidential Early Career Awards for Scientists and Engineers (PECASE). We noted that the process to compile the data had not changed from the previous year.

To verify the accuracy of the awards reported we traced the supporting documentation to the web-based directories of the awarding institutions. The number of awards identified in the

support was in agreement with the reporting institution. The data collected was placed by the volunteer in a shared drive and compiled by the research director and staff at the University of Buffalo. The remaining processes performed to create the TARU was considered an independent report with objective data for which we determined no further work was necessary.

OTHER COMMENTS

Resubmissions

BOG Regulation 3.007(5)(c) requires that the DA shall prepare and submit a revised data file within the time period specified by the SUS DA, in the event of a rejection of a data file. Resubmissions are typically an iterative process between the BOG, the DA and the data owners to correct data errors identified by the SUDS edit process. Resubmissions may also be necessary in the event the university finds errors in its reporting system or the BOG does not agree with the comments on errors identified in the SUDS review process.

We reviewed the DA's data resubmissions to the BOG to ensure these resubmissions were both necessary, authorized, and were not indicative of any inherent problems in the submission process. The DA provided all resubmissions for the past year and we evaluated all resubmissions that pertained to the PBF metrics through the SUDS system.

Based on the results of our review, resubmissions initiated by the BOG were limited to the IRD and the OB Supplemental Data Form II. The IRD Annual 2014-2015 was resubmitted twice due to minor differences. Resubmissions were both within one day of the request. The OB Data Forms had minor differences between the summary for student services and was resubmitted seven days after the request. The need for the resubmissions at the university did not appear to be a systematic problem and generally consisted of individual data changes that would have no impact on the PBF metrics.

SUDS System Access Control

Data upload and submissions to the BOG were performed through a secure website. The DA was assigned the role of Data Administrator for the SUDS System by the BOG System Administrator. The DA's role was the highest level assignable at the institution and was assigned to only one individual at each SUS institution.

As of September 2016, there were 46 people with SUDS role access. The DA and four other OIPR staff were the only individuals authorized to process submissions. In addition, the DA and two OIPR staff were the only individuals with the Security Manager role that provided the ability to create end-user roles and grant access to those that will process their data.

Procedures required a formal written request for access signed by the supervisor of the requestor. The DA reviews the request and performs the approval in SUDS. Monitoring was performed monthly by comparing changes in university personnel records to the list of users.

We reviewed the August 2016 monitoring report and correspondence between the OIPR staff over the approval and monitoring process. Based on our review, we concluded that adequate controls were in place over authorization and monitoring of SUDS assess.

General Comment

We wish to express our appreciation to the management and staff of the Office of Institutional Planning and Research, the Office of the Vice President and Chief Financial Officer, Enterprise Systems, the Office of the University Registrar, the Office for Student Financial Affairs and Cost Analysis for the courtesy and cooperation extended to us during this review.

Audit Supervised by: Joe Cannella

Audit Conducted by: Craig Reed
Jeff Capehart
Lily Reinhart
Choi Choi

Attachment A

STATE UNIVERSITY SYSTEM of FLORIDA
Board of Governors

Performance Based Funding

March 2017 Data Integrity Certification

Name of University: _____

INSTRUCTIONS: Please respond "Yes" or "No" for each representation below. Explain any "No" responses to ensure clarity of the representation you are making to the Board of Governors. Modify representations to reflect any noted audit findings.

Performance Based Funding Data Integrity Certification Representations			
Representations	**Yes**	**No**	**Comment / Reference**
1. I am responsible for establishing and maintaining, and have established and maintained, effective internal controls and monitoring over my university's collection and reporting of data submitted to the Board of Governors Office which will be used by the Board of Governors in Performance Based Funding decision-making.	☐	☐	
2. These internal controls and monitoring activities include, but are not limited to, reliable processes, controls, and procedures designed to ensure that data required in reports filed with my Board of Trustees and the Board of Governors are recorded, processed, summarized, and reported in a manner which ensures its accuracy and completeness.	☐	☐	
3. In accordance with Board of Governors Regulation 1.001(3), my Board of Trustees has required that I maintain an effective information system to provide accurate, timely, and cost-effective information about the university, and shall require that all data and reporting requirements of the Board of Governors are met.	☐	☐	
4. In accordance with Board of Governors Regulation 3.007, my university shall provide accurate data to the Board of Governors Office.	☐	☐	
5. In accordance with Board of Governors Regulation 3.007, I have appointed a Data Administrator to certify and manage the submission of data to the Board of Governors Office.	☐	☐	

Attachment A

Performance Based Funding

Data Integrity Certification

Performance Based Funding Data Integrity Certification Representations			
Representations	**Yes**	**No**	**Comment / Reference**
6. In accordance with Board of Governors Regulation 3.007, I have tasked my Data Administrator to ensure the data file (prior to submission) is consistent with the criteria established by the Board of Governors Data Committee. The due diligence includes performing tests on the file using applications/processes provided by the Board of Governors Information Resource Management (IRM) office.	☐	☐	
7. When critical errors have been identified, through the processes identified in item #6, a written explanation of the critical errors was included with the file submission.	☐	☐	
8. In accordance with Board of Governors Regulation 3.007, my Data Administrator has submitted data files to the Board of Governors Office in accordance with the specified schedule.	☐	☐	
9. In accordance with Board of Governors Regulation 3.007, my Data Administrator electronically certifies data submissions in the State University Data System by acknowledging the following statement, "Ready to submit: Pressing **Submit for Approval** represents electronic certification of this data per Board of Governors Regulation 3.007."	☐	☐	
10. I am responsible for taking timely and appropriate preventive / corrective actions for deficiencies noted through reviews, audits, and investigations.	☐	☐	
11. I recognize that the Board's Performance Based Funding initiative will drive university policy on a wide range of university operations – from admissions through graduation. I certify that university policy changes and decisions impacting this initiative have been made to bring the university's operations and practices in line with State University System Strategic Plan goals and have not been made for the purposes of artificially inflating performance metrics.	☐	☐	

Attachment A

Performance Based Funding

Data Integrity Certification

Performance Based Funding Data Integrity Certification Representations			
Representations	**Yes**	**No**	**Comment / Reference**
I certify that all information provided as part of the Board of Governors Performance Based Funding Data Integrity Certification is true and correct to the best of my knowledge; and I understand that any unsubstantiated, false, misleading, or withheld information relating to these statements render this certification void. My signature below acknowledges that I have read and understand these statements. I certify that this information will be reported to the board of trustees and the Board of Governors. Certification: _____ Date_____ President			
I certify that this Board of Governors Performance Based Funding Data Integrity Certification has been approved by the university board of trustees and is true and correct to the best of my knowledge. Certification: _____ Date_____ Board of Trustees Chair			

PERFORMANCE BASED FUNDING
2016 METRIC DEFINITIONS

Attachment B

1. Percent of Bachelor's Graduates Enrolled or Employed ($25,000+) in the U.S. One Year After Graduation	This metric is based on the percentage of a graduating class of bachelor's degree recipients who are enrolled or employed (earning at least $25,000) somewhere in the United States. Students who do not have valid social security numbers and are not found enrolled are excluded. Note: This data now includes non-Florida employment data. Sources: Accountability Report (Table 4O). State University Database System (SUDS), Florida Education & Training Placement Information Program (FETPIP) analysis of Wage Record Interchange System (WRIS2) and Federal Employment Data Exchange (FEDES), and National Student Clearinghouse (NSC).
2. Median Wages of Bachelor's Graduates Employed Full-time in Florida One Year After Graduation	This metric is based on annualized Unemployment Insurance (UI) wage data from the fourth fiscal quarter after graduation for bachelor's recipients. UI wage data does not include individuals who are self-employed, employed out of state, employed by the military or federal government, those without a valid social security number, or making less than minimum wage. Sources: Accountability Report (Table 4O). State University Database System (SUDS), Florida Education & Training Placement Information Program (FETPIP), National Student Clearinghouse.
3. Average Cost per Bachelor's Degree *Costs to the university*	For each of the last four years of data, the annual undergraduate total full expenditures (includes direct and indirect expenditures) were divided by the total fundable student credit hours to create a cost per credit hour for each year. This cost per credit hour was then multiplied by 30 credit hours to derive an average annual cost. The average annual cost for each of the four years was summed to provide an average cost per degree for a baccalaureate degree that requires 120 credit hours. Sources: State University Database System (SUDS), Expenditure Analysis: Report IV.
4. Six Year FTIC Graduation Rate	This metric is based on the percentage of first-time-in-college (FTIC) students who started in the Fall (or summer continuing to Fall) term and had graduated from the same institution within six years. Source: Accountability Report (Table 4D).
5. Academic Progress Rate *2nd Year Retention with GPA Above 2.0*	This metric is based on the percentage of first-time-in-college (FTIC) students who started in the Fall (or summer continuing to Fall) term and were enrolled full-time in their first semester and were still enrolled in the same institution during the Fall term following their first year with had a grade point average (GPA) of at least 2.0 at the end of their first year (Fall, Spring, Summer). Source: Accountability Report (Table 4B).
6. Bachelor's Degrees within Programs of Strategic Emphasis	This metric is based on the number of baccalaureate degrees awarded within the programs designated by the Board of Governors as 'Programs of Strategic Emphasis'. A student who has multiple majors in the subset of targeted Classification of Instruction Program codes will be counted twice (i.e., double-majors are included). Source: Accountability Report (Table 4H).
7. University Access Rate *Percent of Undergraduates with a Pell-grant*	This metric is based the number of undergraduates, enrolled during the fall term, who received a Pell-grant during the fall term. Unclassified students, who are not eligible for Pell-grants, were excluded from this metric. Source: Accountability Report (Table 3E).
8a. Graduate Degrees within Programs of Strategic Emphasis	This metric is based on the number of graduate degrees awarded within the programs designated by the Board of Governors as 'Programs of Strategic Emphasis'. A student who has multiple majors in the subset of targeted Classification of Instruction Program codes will be counted twice (i.e., double-majors are included). Source: Accountability Report (Table 5C).
8b. Freshmen in Top 10% of High School Class NCF	Percent of all degree-seeking, first-time, first-year (freshman) students who had high school class rank within the top 10% of their graduating high school class. Source: New College of Florida as reported to the Common Data Set (C10).

PERFORMANCE BASED FUNDING METRIC DEFINITIONS

Attachment B

BOG Choice Metrics

9a. Percent of Bachelor's Degrees Without Excess Hours FAMU, FAU, FGCU, FIU, UCF, UNF, USF, UWF	This metric is based on the percentage of baccalaureate degrees awarded within 110% of the credit hours required for a degree based on the Board of Governors Academic Program Inventory. Source: Accountability Report (Table 4J). Note: It is important to note that the statutory provisions of the "Excess Hour Surcharge" (1009.286, FS) have been modified several times by the Florida Legislature, resulting in a phased-in approach that has created three different cohorts of students with different requirements. The performance funding metric data is based on the latest statutory requirements that mandates 110% of required hours as the threshold. In accordance with statute, this metric excludes the following types of student credits (eg, accelerated mechanisms, remedial coursework, non-native credit hours that are not used toward the degree, non-native credit hours from failed, incomplete, withdrawn, or repeated courses, credit hours from internship programs, credit hours up to 10 foreign language credit hours, and credit hours earned in military science courses that are part of the Reserve Officers' Training Corps (ROTC) program). Source: State University Database System (SUDS).
9b. Number of Faculty Awards FSU, UF	This metric is based on the number of awards that faculty have earned in the arts, humanities, science, engineering and health fields as reported in the annual 'Top American Research Universities' report. Twenty-three of the most prominent awards are considered, including: Getty Scholars in Residence, Guggenheim Fellows, Howard Hughes Medical Institute Investigators, MacArthur Foundation Fellows, National Endowment for the Humanities (NEH) Fellows, National Medal of Science and National Medal of Technology, Robert Wood Johnson Policy Fellows, Sloan Research Fellows, Woodrow Wilson Fellows, to name a few awards. Source: Center for Measuring University Performance, Annual Report of the Top American Research Universities (TARU).
9c. National Ranking for University NCF	This metric is based on the number of Top 50 university rankings that NCF earned from the following list of publications: Princeton Review: Top 50 Colleges That Pay You Back, Fiske Guide, QS World University Ranking, Times Higher Education World University Ranking, Academic Ranking of World University, US News and World Report National University, US News and World Report National Public University, US News and World Report Liberal Arts Colleges, Forbes, Kiplinger, Washington Monthly Liberal Arts Colleges, Washington Monthly National University, and Center for Measuring University Performance. Source: Board of Governors staff review.

PERFORMANCE BASED FUNDING METRIC DEFINITIONS

Attachment B

BOT Choice Metrics

10a. Percent of R&D Expenditures Funded from External Sources FAMU	This metric reports the amount of research expenditures that was funded from federal, private industry and other (non-state and non-institutional) sources. Source: National Science Foundation annual survey of Higher Education Research and Development (HERD).
10b. Bachelor's Degrees Awarded to Minorities FAU, FGCU, FIU	This metric is the number, or percentage, of baccalaureate degrees granted in an academic year to Non-Hispanic Black and Hispanic students. This metric does not include students classified as Non-Resident Alien or students with a missing race code. Source: State University Database System (SUDS).
10c. National Rank Higher than Predicted by the Financial Resources Ranking Based on U.S. and World News FSU	This metric is based on the difference between the Financial Resources rank and the overall University rank. U.S. News measures financial resources by using a two-year average spending per student on instruction, research, student services and related educational expenditures - spending on sports, dorms and hospitals doesn't count. Source: US News and World Report's annual National University rankings.
10d. Percent of Undergraduate Seniors Participating in a Research Course NCF	This metric is based on the percentage of undergraduate seniors who participate in a research course during their senior year. Source: New College of Florida.
10e. Number of Bachelor Degrees Awarded Annually UCF	This metric is the number of baccalaureate degrees granted in an academic year. Students who earned two distinct degrees in the same academic year were counted twice; students who completed multiple majors or tracks were only counted once. Source: State University Database System (SUDS).
10f. Total Research Expenditures UF	This metric is the total expenditures (includes non-science & engineering fields) for research & development activities within a given fiscal year. Source: National Science Foundation annual survey of Higher Education Research and Development (HERD).
10g. Percent of Course Sections Offered via Distance and Blended Learning UNF	This metric is based on the percentage of course sections classified as having at least 50% of the instruction delivered using some form of technology, when the student and instructor are separated by time or space, or both. Source: State University Database System (SUDS).
10h. Number of Postdoctoral Appointees USF	This metric is based on the number of post-doctoral appointees at the beginning of the academic year. A postdoctoral researcher has recently earned a doctoral (or foreign equivalent) degree and has a temporary paid appointment to focus on specialized research/scholarship under the supervision of a senior scholar. Source: National Science Foundation/National Institutes of Health annual Survey of Graduate Students and Postdoctorates in Science and Engineering (GSS).
10i. Percentage of Adult Undergraduates Enrolled UWF	This metric is based on the percentage of undergraduates (enrolled during the fall term) who are at least 25 years old at the time of enrollment. This includes undergraduates who are not degree-seeking, or unclassified. Source: State University Database System (SUDS).

Attachment C

Performance Funding Model 2014-2015
University of Florida

	Excellence		Improvement		Final Score
Key Metrics Common to All Universities Plus 2 Institution Specific Metrics	**Data**	**Points**	**Data**	**Points**	
Percent of Bachelor's Graduates Employed and/or Continuing their Education Further 1 Yr after Graduation	63%	2	0%	0	2
Median Average Full-time Wages of Undergraduates Employed in Florida 1 Yr after Graduation	$33,100	3	6%	5	5
Average Cost per Undergraduate Degree to the Institution	$24,940	3	0%	0	3
Six Year Graduation Rate *Full-time and Part-time FTIC*	86%	5	1%	1	5
Academic Progress Rate 2nd Year Retention with GPA Above 2.0	96%	5	1%	1	5
Bachelor's Degrees Awarded in Areas of Strategic Emphasis *(includes STEM)*	47%	4	1%	1	4
University Access Rate Percent of Undergraduates with a Pell-grant	32%	5	0%	0	5
Graduate Degrees Awarded in Areas of Strategic Emphasis *(includes STEM)*	59%	5	2%	2	5
Institution-Specific Metrics					
Faculty Awards	18	3	-4	0	3
Total Research Expenditures	$697 Million	5	-$43 Million	0	5
TOTAL					42

Attachment C

Performance Funding Model 2015-2016
University of Florida

	Excellence		Improvement		Final Score
Key Metrics Common to All Universities Plus 2 Institution Specific Metrics	**Data**	**Points**	**Data**	**Points**	
Percent of Bachelor's Graduates Employed and/or Continuing their Education (1 Yr after Graduation)	72%	3	5%	5	5
Median Wages of Bachelor's Graduates Employed Full-Time in Florida (1 Yr after Graduation)	$34,800	3	5%	5	5
Average Cost per Bachelor's Degree	$25,450	3	2%	0	3
Six Year Graduation Rate *Full-time and Part-time FTIC*	87%	5	1%	1	5
Academic Progress Rate 2nd Year Retention with GPA Above 2.0	95%	5	-1%	0	5
Bachelor's Degrees Awarded in Areas of Strategic Emphasis	55%	5	3%	3	5
University Access Rate Percent of Undergraduates with a Pell-grant	32%	5	-1%	0	5
Graduate Degrees Awarded in Areas of Strategic Emphasis	70%	5	1%	1	5
Institution-Specific Metrics					
Faculty Awards	20	3	2	2	3
Total Research Expenditures	$695 Million	3	-$2 Million	0	3
TOTAL					44

Attachment C

Performance Funding Model 2016-17
University of Florida

	Excellence		Improvement		Final Score
Key Metrics Common to All Universities Plus 2 Institution Specific Metrics	**Data**	**Points**	**Data**	**Points**	
Percent of Bachelor's Graduates Employed and/or Continuing their Education (1 Yr after Graduation)	72.1%	6	-0.8%	0	6
Median Wages of Bachelor's Graduates Employed Full-Time in Florida (1 Yr after Graduation)	$35,200	8	1.1%	2	8
Average Cost per Bachelor's Degree	$26,450	6	3.9%	0	6
Six Year Graduation Rate *Full-time and Part-time FTIC*	86.5%	10	-1.0%	0	10
Academic Progress Rate 2nd Year Retention with GPA Above 2.0	94.6%	10	-0.6%	0	10
Bachelor's Degrees Awarded in Areas of Strategic Emphasis	56.1%	10	1.5%	3	10
University Access Rate Percent of Undergraduates with a Pell-grant	31.6%	10	-0.8%	0	10
Graduate Degrees Awarded in Areas of Strategic Emphasis	69.2%	10	-0.6%	0	10
Institution-Specific Metrics					
Faculty Awards	15	5	-5	0	5
Total Research Expenditures	24	7	1.9%	3	7
TOTAL					82

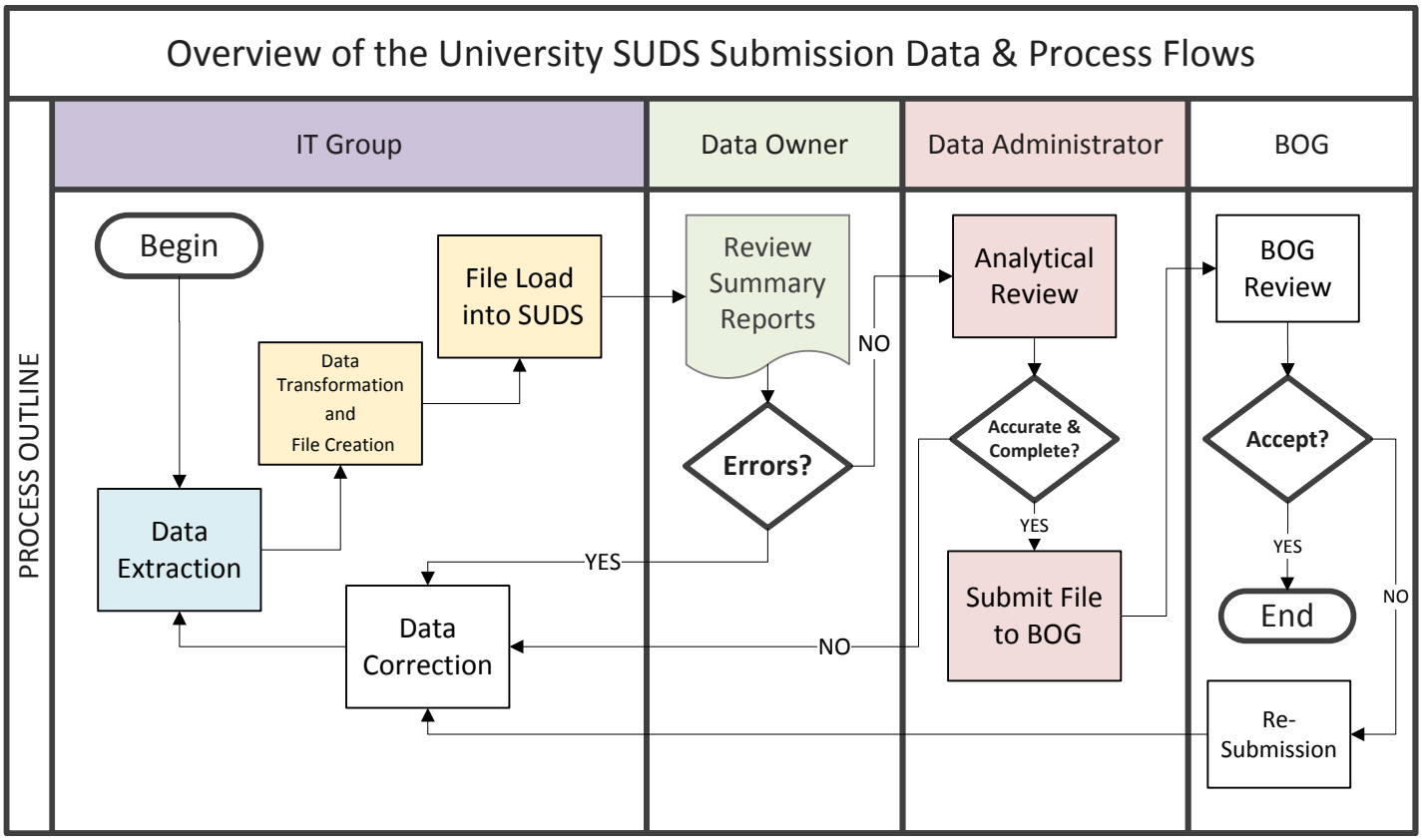
Attachment C

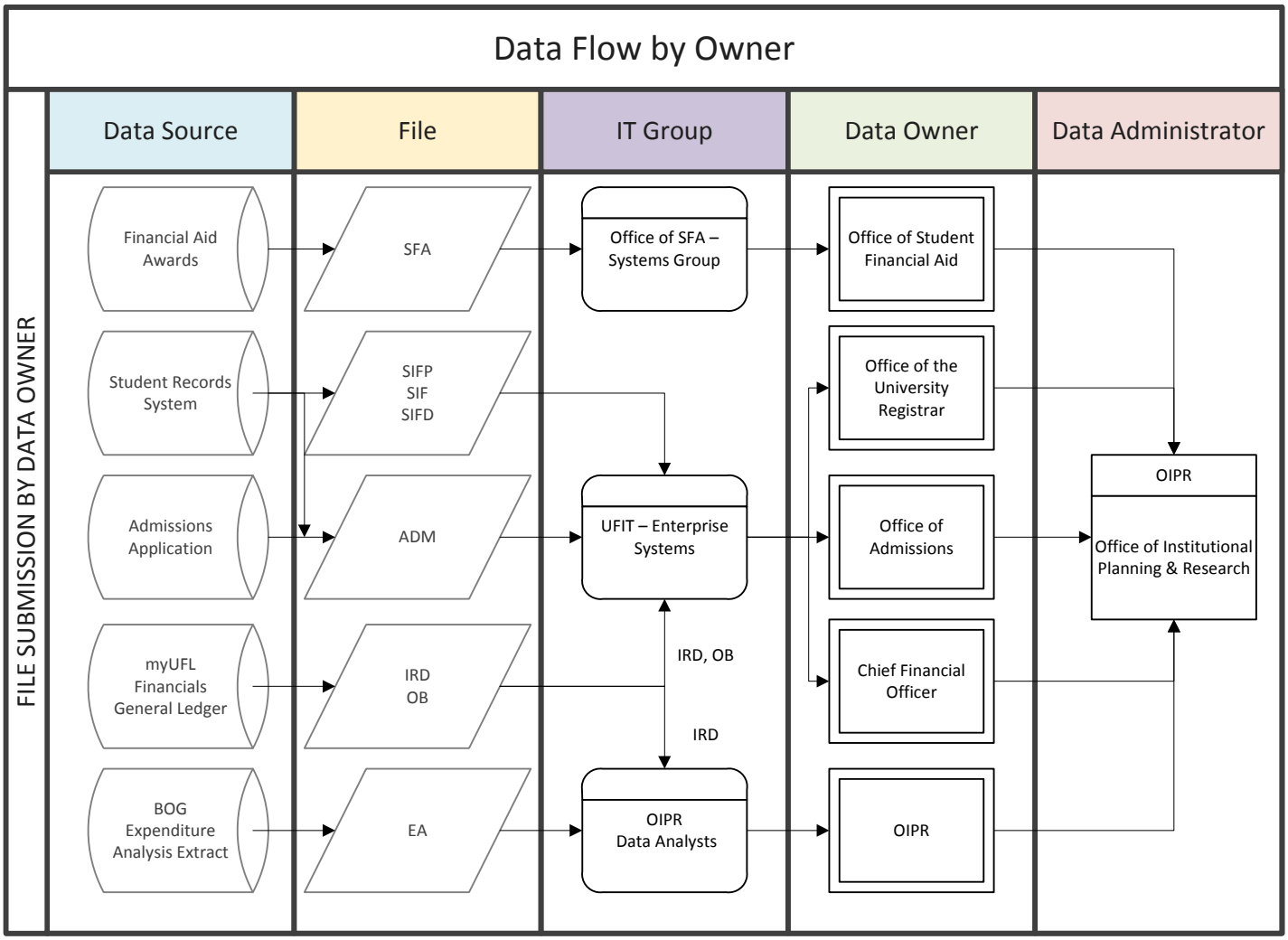
Performance Based Funding Model 2016-17

		EXCELLENCE *(Achieving System Goals)*									
	Points	**10**	**9**	**8**	**7**	**6**	**5**	**4**	**3**	**2**	**1**
Key Metrics Common to All Universities											
1	**Percent of Bachelor's Graduates Employed and/or Continuing their Education Further 1 Yr after Graduation**	80%	77.5%	75%	72.5%	70%	67.5%	65%	62.5%	60%	57.5%
2	**Median Average Full-time Wages of Undergraduates Employed in Florida 1 Yr after Graduation**	$40,000	$37,500	$35,000	$32,500	$30,000	$27,500	$25,000	$22,500	$20,000	$17,500
3	**Average Cost per Undergraduate Degree to the Institution**	$21,589	$22,939	$24,287	$25,637	$26,986	$28,336	$29,685	$31,034	$32,383	$33,733
4	**Six Year Graduation Rate** *Full-time and Part-time FTIC*	70%	68.8%	67.5%	66.3%	65%	63.8%	62.5%	61.3%	60%	58.8%
5	**Academic Progress Rate** *2nd Year Retention with GPA Above 2.0*	90%	88.8%	87.5%	86.3%	85%	83.8%	82.5%	81.3%	80%	78.8%
6	**Bachelor's Degree's Awarded in Areas of Strategic Emphasis** *(includes STEM)*	50%	47.5%	45%	42.5%	40%	37.5%	35%	32.5%	30%	27.5%
7	**University Access Rate** *Percent of Undergraduates with a Pell- grant*	30%	28.8%	27.5%	26.3%	25%	23.8%	22.5%	21.3%	20%	18.8%
8.A	**Graduate Degrees Awarded in Areas of Strategic Emphasis** *(includes STEM)*	60%	57.5%	55%	52.5%	50%	47.5%	45%	42.5%	40%	37.5%
9.B	**Faculty Awards -- FSU**	25	20	15	13	11	9	7	5	4	2
9.B	**Faculty Awards -- UF**	31	27	23	21	18	15	12	8	5	3
		IMPROVEMENT									
	% Improvement	**5.0%**	**4.5%**	**4.0%**	**3.5%**	**3.0%**	**2.5%**	**2.0%**	**1.5%**	**1.0%**	**0.5%**
	Points	**10**	**9**	**8**	**7**	**6**	**5**	**4**	**3**	**2**	**1**

10.F	**UF - Total Research Expenditures**	1st-6th	7th-12th	13th-18th	19th-24th	25th-30th	31st-36th	37th-42nd	43rd-48th	49th-54th	55th-60th

Attachment D





UF UNIVERSITY of FLORIDA

Office of the Provost and Senior Vice President

235 Tigert Hall
PO Box 113175
Gainesville, FL 32611-3175

October 31, 2016

Audit Committee
University of Florida Board of Trustees
903 W. University Avenue, Room 217
CAMPUS

Dear BOT Audit Committee Members:

I am writing to indicate my concurrence with the *Performance Based Funding – Data Integrity* audit report as of September 30, 2016. I have reviewed the substance of that report in a meeting with Brian Mikell and the audit staff in an exit meeting on October 28.

I would like to thank Brian and his staff for the substantial amount of work they put into this audit review in support of the university's Performance Funding effort.

Sincerely yours,

Joseph Glover
Provost and Senior Vice President for Academic Affairs

JG/rjh

STATE UNIVERSITY SYSTEM of FLORIDA
Board of Governors

Performance Based Funding

March 2017 Data Integrity Certification

Name of University: University of Florida

INSTRUCTIONS: Please respond "Yes" or "No" for each representation below. Explain any "No" responses to ensure clarity of the representation you are making to the Board of Governors. Modify representations to reflect any noted audit findings.

Performance Based Funding Data Integrity Certification Representations			
Representations	**Yes**	**No**	**Comment / Reference**
1. I am responsible for establishing and maintaining, and have established and maintained, effective internal controls and monitoring over my university's collection and reporting of data submitted to the Board of Governors Office which will be used by the Board of Governors in Performance Based Funding decision-making.	☒	☐	
2. These internal controls and monitoring activities include, but are not limited to, reliable processes, controls, and procedures designed to ensure that data required in reports filed with my Board of Trustees and the Board of Governors are recorded, processed, summarized, and reported in a manner which ensures its accuracy and completeness.	☒	☐	
3. In accordance with Board of Governors Regulation 1.001(3), my Board of Trustees has required that I maintain an effective information system to provide accurate, timely, and cost-effective information about the university, and shall require that all data and reporting requirements of the Board of Governors are met.	☒	☐	
4. In accordance with Board of Governors Regulation 3.007, my university shall provide accurate data to the Board of Governors Office.	☒	☐	
5. In accordance with Board of Governors Regulation 3.007, I have appointed a Data Administrator to certify and manage the submission of data to the Board of Governors Office.	☒	☐	

Performance Based Funding

Data Integrity Certification

Performance Based Funding Data Integrity Certification Representations			
Representations	**Yes**	**No**	**Comment / Reference**
6. In accordance with Board of Governors Regulation 3.007, I have tasked my Data Administrator to ensure the data file (prior to submission) is consistent with the criteria established by the Board of Governors Data Committee. The due diligence includes performing tests on the file using applications/processes provided by the Board of Governors Information Resource Management (IRM) office.	☒	☐	
7. When critical errors have been identified, through the processes identified in item #6, a written explanation of the critical errors was included with the file submission.	☒	☐	
8. In accordance with Board of Governors Regulation 3.007, my Data Administrator has submitted data files to the Board of Governors Office in accordance with the specified schedule.	☒	☐	
9. In accordance with Board of Governors Regulation 3.007, my Data Administrator electronically certifies data submissions in the State University Data System by acknowledging the following statement, "Ready to submit: Pressing **Submit for Approval** represents electronic certification of this data per Board of Governors Regulation 3.007."	☒	☐	
10. I am responsible for taking timely and appropriate preventive / corrective actions for deficiencies noted through reviews, audits, and investigations.	☒	☐	
11. I recognize that the Board's Performance Based Funding initiative will drive university policy on a wide range of university operations – from admissions through graduation. I certify that university policy changes and decisions impacting this initiative have been made to bring the university's operations and practices in line with State University System Strategic Plan goals and have not been made for the purposes of artificially inflating performance metrics.	☒	☐	

Performance Based Funding
Data Integrity Certification

Performance Based Funding Data Integrity Certification Representations			
Representations	**Yes**	**No**	**Comment / Reference**
I certify that all information provided as part of the Board of Governors Performance Based Funding Data Integrity Certification is true and correct to the best of my knowledge; and I understand that any unsubstantiated, false, misleading, or withheld information relating to these statements render this certification void. My signature below acknowledges that I have read and understand these statements. I certify that this information will be reported to the board of trustees and the Board of Governors. Certification: _____ Date Oct. 30, 2016 President			
I certify that this Board of Governors Performance Based Funding Data Integrity Certification has been approved by the university board of trustees and is true and correct to the best of my knowledge. Certification: _____ Date Dec. 9, 2016 Board of Trustees Chair			

Final
Internal Audit Report 2017.03
Performance Based Funding Data Integrity
February 14, 2017

Distributed to:
Board of Trustees, Audit and Compliance Committee
Office of the President
Office of Academic Affairs
Office of Institutional Research

Issued by:
Julia Hann, Director
Office of Internal Auditing

Auditors:
Khareem Gordon, IT Auditor
Robb Hartman, Sr. Internal Auditor

UNF UNIVERSITY of NORTH FLORIDA

OFFICE OF THE PRESIDENT
Office of Internal Auditing

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OFFICE OF THE PRESIDENT
Office of Internal Auditing

UNF UNIVERSITY of NORTH FLORIDA

The Swoop

Executive Summary

The University of North Florida (UNF), established in 1972, has gained national recognition for its quality, service and signature emphasis on *Transformational Learning Experiences* for students. The student population has grown to over 16,000, and the University has six colleges: Education and Human Services, Business, Health, Arts & Sciences, Honors, and Computing, Engineering, and Construction. The Office of Internal Auditing's (OIA) mission is to provide an independent objective assurance and consulting activity that adds value and helps improve operations.

The Office of Institutional Research (IR) reports to the Division of Academic Affairs. They have key internal controls in place to adequately protect the data integrity of files submitted to the State University System of Florida Board of Governors (BOG). The BOG monitors Florida State University System (SUS) schools' activity, and awards funding using the results of the 10 performance based funding (PBF) metrics. The PBF metrics' calculations are derived by the BOG, partially from data submitted by the universities and partially from other sources. The BOG requests that each university perform an audit of the processes to ensure the completeness, accuracy, and timeliness of data submissions.

Internal audit would like to note that the staff who took part in this audit were knowledgeable of their area, responded quickly to questions, and showed patience throughout the review. Their cooperation was greatly appreciated.

Summary of Recommendations

This audit offers **three** (3) recommendations to further enhance the control structure and the integrity of data used in PBF calculations. The following is a summary of the recommendations resulting from the audit engagement. All observations are rated as "*Osprey Opportunities*" to address ***minor*** risks within the area and process. These "*Osprey Opportunities*" will add best practices to further strengthen the control structure. OIA defines a *minor* risk rating as a nominal violation to policies and/or procedures that may warrant additional controls to decrease risks. The rating scale is described in more detail in Appendix II. These items are discussed in detail in the "***Observations and Recommendations***" section of the report.

1. **Departmental Policies and Procedures [Minor].** We recommend that IR develop written departmental procedures. Within those procedures, consider a code peer review process to ensure major changes have a secondary review.
2. **Formalize Data Governance and Data Stewards [Minor]**. We recommend that IR partner with others on campus to formalize the data governance structure with written roles and responsibilities for data stewards, specifically for data stewards who manage data for performance based funding.
3. **Reviews by Data Stewards [Minor].** We recommend that IR add a secondary review by data stewards of files prior to submission.

UNF UNIVERSITY of NORTH FLORIDA

Background, Objectives, and Scope

The audit for the Performance Based Funding Data Integrity was part of the fiscal year 2017-2018 risk-based audit plan approved by the University president and the UNF Board of Trustees, and was requested by the BOG. The purpose of the audit was to assess the effectiveness of processes designed to ensure the completeness, accuracy, and timeliness of data submissions to the BOG. The data submissions support the University's PBF metrics. The BOG uses data from files the University's IR provides and performs additional calculations. The University is not involved in the additional calculations made by the BOG. Therefore, those additional calculations are not included in the scope of this audit.

The scope of this audit included interviews with Institutional Research, Academic Affairs, Information Technology Services, and Enrollment Services. The audit period emphasis was for fiscal year 2016. In addition, detailed information from a select sample of file submissions were reviewed to gain assurances on data submission procedures. The principal audit objectives were to:

- ✓ Determine whether the University has adequate controls in place to ensure the completeness, accuracy and timeliness of data submissions to the BOG, which support the Performance Based Funding Metrics.
- ✓ Provide an objective basis of support for the president and Board of Trustees chair to sign the required representations in the Performance Based Funding - Data Integrity Certification which will be filed with the BOG on or before March 15, 2017.
- ✓ Follow-up on implementation of corrective action plans reported in the prior audit.

The Office of Institutional Research was the primary point of contact for this audit. IR has the responsibility for meeting data file submission deadlines to the BOG. IR is staffed with six employees including the recently hired director. The director for IR started on December 5, 2016. Further the office has an assistant director, three coordinators, and an office manager. The assistant director served as interim director during the audit period and was appointed as the data administrator contact by the University president.

Over the last year, IR's primary emphasis was to meet the demands of BOG file submission deadlines while limited on staff. ***Figure A***, in Appendix I, shows approximately 30 files which IR must submit to the BOG in the course of a fiscal year. ***Figure A*** also displays the month which the file was due and the file description. The BOG uses these data files' submissions to perform further calculations and determinations for the 10 metrics. Not all data files submitted will be used by the BOG for PBF calculations. Therefore, Internal Audit's emphasis was to test data files used in the metrics' calculations. We randomly selected three of these data files (SIF, SIFD, Retention File) and traced to UNF's system of record, Banner.

Within the scope of this audit, we also reviewed the University's process for data governance and the responsibilities that functional users, also referred to as data stewards, share with IR to ensure the completeness, accuracy, and timeliness of data inputted into Banner. Noted in ***Figure B***, we identified the 10 PBF metrics and the corresponding file that contains the data used for the metric calculation. Enrollment Services has a critical role to ensure that data is inputted accurately and completely. During our testing procedures, we worked with Enrollment Services to learn more of their role as data stewards to certify the

UNF UNIVERSITY of NORTH FLORIDA

integrity of such data. We found that they have job descriptions that reflect operational roles for inputting data and ad hoc procedures to review user access to data.

The following section of this report, titled "***Observations and Recommendations,***" discusses in greater detail the recommendations resulting from this audit engagement.

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Observations and Recommendations

Osprey Opportunity #1: Departmental Procedures

Minor Risk

Observation:

Internal Audit noted that IR had limited written departmental procedures. The department maintains SQL code for file submissions, however, written operational steps were not available. Written procedures are important due to the complexities of data submissions, small staff size, and tight deadlines the office maintains for file submissions to the BOG. As written procedures are prioritized, we encourage the office to also develop within its practice a code peer review process. It is important to note, it is often one person developing code to run a file submission. Therefore, by developing a secondary review process, it will help ensure consistency and cross training. This is a repeat issue from the prior year's audit.

Criteria:

Sound business practices suggest the establishment of written procedures to ensure consistent communication and practices so that decisions taken will be in accordance to University policies, state, and other applicable guidelines.

Cause:

The director stated that detailed written procedures were delayed while there was significant turnover in senior level positions and limited staff, but a process had begun to cross train.

Risk/Effect:

Failure to ensure written procedures could lead to miscommunication and uncertainty for departmental expectations. Further, without written procedures, the institution may be susceptible to increased risks of untimely decisions and follow-up.

Recommendation:

We recommend that IR develop written departmental procedures. Within those procedures, consider a code peer review process to ensure major changes have a secondary review.

Management Response:

We concur. Due to significant turnover in senior level positions procedures were delayed. The new director has implemented a cross-training calendar to ensure that for all scheduled submissions to the Board of Governors there are a minimum of two IR staff who are able to extract the required data, run the local processes to align the data with the BOG standards, and then submit the data files. The cross-training process began in December 2016 and will take a full year for to cycle through all required submissions. Institutional Research will continue to document the processes for running the code within the SQL as instructional text preceding the relevant sections. Additionally, any changes made to the code whether those changes are directed by the BOG or those changes are necessary due to changes in local data processes will also be documented in the SQL as text with documentation.

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Osprey Opportunity #2: Data Governance Standards

Minor Risk

Observation:

The University has identified persons to oversee access and integrity of data in the critical areas, such as financial aid, student records, and personnel. These persons are referred to as the data stewards, or keepers of the data. Roles and responsibilities for the data stewards have not been formally identified. Planning is underway for a data governance structure which is to include a committee that identifies the strategic priorities and policies for data stewards. The data governance committee had not been implemented due to the turnover in the IR director position. While the current practices provide an unwritten standard for data stewards to ensure completeness and integrity of data which is in their purview, it would be beneficial for the University to formalize its data governance structure with an emphasis to the data stewards' roles and responsibilities. For example, currently, there are no guidelines set for the frequency of data stewards to review and retain an audit trail of user access reviews. During this audit, we noted access reviews are performed ad hoc by the data stewards.

Criteria:

Sound business practices suggest that a data governance structure be established with data stewards and responsibilities identified. EDUCAUSE, a nonprofit association for the purpose of advancing IT in Higher Education, states that "data stewards' responsibilities can be grouped into four main areas: operational oversight; data quality; privacy, security, and risk management; and policies and procedures."

Cause:

Due to the turnover in the IR director position, the University's planning for a data governance committee which would help lead the policies and guidelines for data stewards, was delayed.

Risk/Effect:

Failure to formalize the roles and responsibilities of data stewards may increase risks of poor data quality and security. Formalizing minimum guidelines for data stewards will improve controls for integrity and security of data submitted to the BOG and used in the PBF metrics.

Recommendation:

We recommend that IR partner with others on campus to formalize the data governance structure with written roles and responsibilities for data stewards, specifically for data stewards who manage data for performance based funding.

Management Response:

We agree with this observation. The director of Institutional Research will work with the associate provost for academic affairs, the chief information officer, and the associate vice president for Enrollment Services to continue the work that was started under the direction of the former director to formalize the data governance structure and standards for the University. As part of this process, the data trustees, stewards, custodians, and users will be

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identified. The initial plan had an anticipated timeline of three years. With interruptions to the work caused by the vacancy in the director of Institutional Research position, the timeline will need to be revisited by the collective group.

Osprey Opportunity #3: Functional Level Reviews

Minor Risk

Observation:

We noted that IR did not include functional level reviews by the data stewards prior to the BOG submission. Specifically, data stewards, such as the registrar, financial aid director, or chief budget officer, did not acknowledge their certification and integrity of the data, prior to the BOG submission. We randomly selected three data files (SIF, SIFD, Retention File) and traced selected fields to UNF's system of record, Banner. The data fields selected from the submission files agreed to the data contained in Banner except for one scenario. In the SIFD file, while doctoral degrees conferred were submitted to the BOG accurately, three instances left a secondary classification for doctoral degrees blank. Corrective action was immediately taken by IR to update the code. This did not require a resubmission.

Criteria:

Sound business practices and proper separation of duties recommend secondary reviews to enhance the control structure. This will allow data stewards the opportunity to certify, acknowledge, and/or test the integrity of the data prior to BOG submissions.

Cause:

The assistant director stated that a data steward review was not incorporated in the past due to the tight timelines but was something they could implement moving forward.

Risk/Effect:

Failure to provide data stewards the opportunity to review files prior to submission may increase risks that data errors go unnoticed.

Recommendation:

We recommend that IR add a secondary file review by data stewards prior to their BOG submission.

Management Response:

We concur. Following the implementation of cross-training for the Board of Governors submissions, responsibility for submissions will be spread out more widely among the staff. At that point, those staff members with primary responsibility for an individual submission will have more time to start the submission process earlier with the ultimate goal of allowing data stewards a minimum of two business days for review prior to submission. As the cross-training process began in December 2016 and will take a full year for to cycle through all required submissions, we anticipate accomplishing this goal by January 2018.

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Appendix I

Figure A: Data File Submissions to BOG

	Month/Year	File	Submission
1	July 2016	LAP	Limited Access Programs
2	August 2016	SCD	Salary Category Detail
3		OB	Operating Budget
4	September 2016	ADM	Admissions
5		SPA	Physical Facilities Space
6		ADM	Admissions
7	October 2016	SIF	Student Instruction
8		TEI	Teacher Education Information
9		SIFD	Degrees Awarded
10		SFA	Student Financial Aid
11		IRD	Instruction & Research
12		CPC	College Prep Completions
13		EA	Expenditure Analysis
14		HTD	Hours to Degree
15		SIFP	Student Instruction Preliminary
16	November 2016	EMPL	University Employee/OPS
17	January 2017	SCD	Salary Category Detail
18		SPA	Physical Facilities Space
19		SIF	Student Instruction
20		CPC	College Prep Completions
21		RET	Retention
22	February 2017	SIFD	Degrees Awarded
23		ADM	Admissions
24	March 2017	SIFP	Student Instruction Preliminary
25	April 2017	EMPL	University Employee/OPS
26	June 2017	SPA	Physical Facilities Space
27		CPC	College Prep Completions
28		SIF	Student Instruction
29		SIFD	Degrees Awarded
30		SCD	Salary Category Detail

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Figure B: Metric Sources

Metric	Description	Submitted File	Data Used/Created by BOG	Functional Data User
1	Percent of Bachelor's Graduates Employed Full-Time in Florida or Continuing Education in U.S. one year after Graduation	SIFP, SIF, SIFD	National Student Clearinghouse (NSC), Florida Education and Training Placement Information Program (FETPIP), Federal Employment Data Exchange (FEDES), Accountability Report	Registrar
2	Median Wages of Bachelor's Graduates Employed Full-Time in Florida one year after Graduation	SIFP, SIF, SIFD	Unemployment Insurance Wage data, Accountability Report, NSC, FETPIP	Registrar
3	Average Cost Per Bachelor's Degree (*Note: change to net tuition and fees per 120 credit hrs.)	OB, IRD, EA	Expenditure Analysis Report IV	Budget
4	Six Year FTIC (first time in college) Graduation Rate	SIF, SIFP, SIFD, RET	BOG Created Retention file, Accountability Report	Registrar
5	Academic Progress Rate	SIF, RET	Accountability Report	Registrar
6	Bachelor's Degrees Awarded within Programs of Strategic Emphasis (includes STEM)	SIFD	Accountability Report	Registrar
7	University Access Rate	SFA, SIF	Accountability Report	Financial Aid, Registrar
8	Graduate Degrees Awarded within Programs of Strategic Emphasis (includes Stem)	SIFD	Accountability Report	Registrar
9	Percent of Bachelor's Degrees Without Excess Hours	HTD	Accountability Report	Registrar
10	Percent of Course Sections Offered via Distance and Blended Learning	SIF	Accountability Report	Registrar

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Appendix II

Reportable Item Ranking Scale

- **Minor Risk [*Osprey Opportunity*]**
  - Observation reportable to address a nominal risk.
  - Recommendations provide opportunities for improvement.
  - Minor violations of procedures, rules, or regulations.
  - Routine administration attention requested.
  - Corrective action strongly recommended to improve quality or processes of area being audited.

- **Notable Risk**
  - Significant observation reportable to address an increased risk.
  - Multiple violations of policies and procedures, and/or weak internal controls.
  - Important opportunity to improve effectiveness and efficiency.
  - Corrective action required.

- **Critical Risk**
  - Major observation reportable due to a critical risk to the university.
  - Material violation of policies/procedures/laws, and/or unacceptable internal controls, and/or high risk for fraud/waste/abuse, and/or major opportunity to improve effectiveness and efficiency.
  - Material risk identified.
  - Immediate corrective action required.

STATE UNIVERSITY SYSTEM of FLORIDA
Board of Governors

Performance Based Funding

March 2017 Data Integrity Certification

Name of University: **_University of North Florida**_____

INSTRUCTIONS: Please respond "Yes" or "No" for each representation below. Explain any "No" responses to ensure clarity of the representation you are making to the Board of Governors. Modify representations to reflect any noted audit findings.

Performance Based Funding Data Integrity Certification Representations			
Representations	**Yes**	**No**	**Comment / Reference**
1. I am responsible for establishing and maintaining, and have established and maintained, effective internal controls and monitoring over my university's collection and reporting of data submitted to the Board of Governors Office which will be used by the Board of Governors in Performance Based Funding decision-making.	☒	☐	
2. These internal controls and monitoring activities include, but are not limited to, reliable processes, controls, and procedures designed to ensure that data required in reports filed with my Board of Trustees and the Board of Governors are recorded, processed, summarized, and reported in a manner which ensures its accuracy and completeness.	☒	☐	
3. In accordance with Board of Governors Regulation 1.001(3), my Board of Trustees has required that I maintain an effective information system to provide accurate, timely, and cost-effective information about the university, and shall require that all data and reporting requirements of the Board of Governors are met.	☒	☐	
4. In accordance with Board of Governors Regulation 3.007, my university shall provide accurate data to the Board of Governors Office.	☒	☐	
5. In accordance with Board of Governors Regulation 3.007, I have appointed a Data Administrator to certify and manage the submission of data to the Board of Governors Office.	☒	☐	

Performance Based Funding
Data Integrity Certification

Performance Based Funding Data Integrity Certification Representations			
Representations	**Yes**	**No**	**Comment / Reference**
6. In accordance with Board of Governors Regulation 3.007, I have tasked my Data Administrator to ensure the data file (prior to submission) is consistent with the criteria established by the Board of Governors Data Committee. The due diligence includes performing tests on the file using applications/processes provided by the Board of Governors Information Resource Management (IRM) office.	☒	☐	
7. When critical errors have been identified, through the processes identified in item #6, a written explanation of the critical errors was included with the file submission.	☒	☐	
8. In accordance with Board of Governors Regulation 3.007, my Data Administrator has submitted data files to the Board of Governors Office in accordance with the specified schedule.	☐	☒	Some data files were submitted late. With significant turnover in senior positions, the department wanted to ensure accuracy before submissions. Positions are filled and cross training was implemented.
9. In accordance with Board of Governors Regulation 3.007, my Data Administrator electronically certifies data submissions in the State University Data System by acknowledging the following statement, "Ready to submit: Pressing **Submit for Approval** represents electronic certification of this data per Board of Governors Regulation 3.007."	☒	☐	
10. I am responsible for taking timely and appropriate preventive / corrective actions for deficiencies noted through reviews, audits, and investigations.	☒	☐	
11. I recognize that the Board's Performance Based Funding initiative will drive university policy on a wide range of university operations – from admissions through graduation. I certify that university policy changes and decisions impacting this initiative have been made to bring the university's operations and practices in line with State University System Strategic Plan goals and have not been made for the purposes of artificially inflating performance metrics.	☒	☐	

Performance Based Funding
Data Integrity Certification

Performance Based Funding Data Integrity Certification Representations			
Representations	**Yes**	**No**	**Comment / Reference**
I certify that all information provided as part of the Board of Governors Performance Based Funding Data Integrity Certification is true and correct to the best of my knowledge; and I understand that any unsubstantiated, false, misleading, or withheld information relating to these statements render this certification void. My signature below acknowledges that I have read and understand these statements. I certify that this information will be reported to the board of trustees and the Board of Governors.			
Certification: _____ President Date 3/13/17			
I certify that this Board of Governors Performance Based Funding Data Integrity Certification has been approved by the university board of trustees and is true and correct to the best of my knowledge.			
Certification: _____ Board of Trustees Chair Date 3/14/17			

MEMORANDUM

TO: Dr. Ralph Wilcox, Provost & Executive Vice President of Academic Affairs
Dr. Terry Chisolm, Vice Provost for Strategic Planning, Performance & Accountability

FROM: Kate M. Head, CPA, CFE, CISA
Interim Executive Director

DATE: February 26, 2017

SUBJECT: 17-010 Performance-Based Funding Data Integrity Audit

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University Audit and Compliance performed an audit of the university's processes and internal controls that ensure the completeness, accuracy, and timeliness of data submissions to the Board of Governors (BOG). These data submissions are relied upon by the board in preparing the measures used in the performance-based funding process. This audit will also provide an objective basis of support for the President and Board of Trustees Chair to sign the representations included in the Performance-Based Funding Data Integrity Certification to be filed with the BOG on March 9, 2017. This project is part of the approved UAC 2016-2017 Work Plan.

Measures One through Nine were based on data submitted through the State University Database System (SUDS) utilizing a state-wide data submission process for BOG files.

Measure Ten was based on data submitted to the National Science Foundation/National Institutes of Health through their annual survey of Graduate Students and Postdoctorates in Science and Engineering (GSS). This data is published annually by The National Center for Science and Engineering Statistics.

UAC's overall conclusion was that there was an adequate system of internal controls in place to meet our audit objectives, assuming corrective actions are taken timely to address the two medium-priority risks communicated separately in our management letter. **As of the date of this report, the two issues have been resolved.**

One of the two risks identified had a direct impact on the achievement score of the USF System for Measure Nine: Percent of Bachelor's Degrees without Excess Hours. **No other measure within the Board of Governors performance-based funding model was impacted**. Had this issue been identified and corrected earlier, it would likely have increased the USF System performance score in 2013-2014 and 2014-2015 for Measure Nine.

UNIVERSITY AUDIT AND COMPLIANCE
3702 Spectrum Blvd. Suite 180 • Tampa, FL 33612-9444
(813) 974-2705 • FAX (813) 974-3735

OVERALL CONCLUSION		
☐	Adequate System of Internal Control	Findings indicate that, as a whole, controls are adequate. Identified risks, if any, were low-priority requiring timely management attention within 90 days.
☒	Adequate System of Internal Control – with reservations	Medium-priority risks are present requiring urgent management attention within 60 days.
☐	Inadequate System of Internal Control	High-priority risks are present requiring immediate management attention within 30 days.

We received outstanding cooperation throughout this audit. Please contact us at 974-2705 if you have any questions.

cc: President Judy Genshaft, USF System
Chair Brian D. Lamb, USF Board of Trustees
John Long, Senior Vice President, Business and Finance and Chief Operating Officer
Dr. Charles Lockwood, Senior Vice President, USF Health
Dr. Paul Sanberg, Senior Vice President, Research, Innovation & Economic Development
Dr. Sophia Wisniewska, Regional Chancellor, USF St. Petersburg
Dr. Sandra Stone, Regional Chancellor, USF Sarasota-Manatee
Nick Trivunovich, Vice President, Business and Finance and CFO
Sidney Fernandes, Vice President & CIO, Information Technology

SCOPE AND OBJECTIVES

Our audit focused on the processes and internal controls established by the University of South Florida System as of September 30, 2016, to ensure the completeness, accuracy, and timeliness of data submissions to the BOG, which support the Performance-Based Funding (PBF) measures.

The primary objectives of our audit were to:

- Determine whether the processes and internal controls established by the university ensure the completeness, accuracy, and timeliness of data submissions to the BOG which support the PBF measures.

- Provide an objective basis of support for the President and Board of Trustees Chair to sign the representations included in the Performance-Based Funding Data Integrity Certification, which will be submitted to the Board of Trustees and filed with the BOG on March 9, 2017.

The scope and objectives of the audit were set jointly by the Chair of the University of South Florida Board of Trustees, the Audit & Compliance Committee via its Audit Liaison, and the university's Chief Audit Executive. UAC followed its standard risk assessment, audit program, and reporting protocols.

PROCEDURES PERFORMED

We followed a disciplined, systematic approach using the *International Standards for the Professional Practice of Internal Auditing*. The information system components of the audit were performed in accordance with the *ISACA (Information Systems Audit and Control Association) Standards and Guidelines*. The COSO and COBIT Control Frameworks were used to assess control structure effectiveness.

Testing of the control processes was performed on the most recent data file submissions as of September 30, 2016, unless a more recent submission was more representative of the control structure in place on September 30, 2016. Our testing focused on the tables and data elements in the files which are utilized by the BOG to compute the performance measure. The BOG provided specific mapping of data submissions to the PBF measures. (See Appendix A.)

UAC performed a comprehensive review of the controls and processes established by the university to ensure the completeness, accuracy, and timeliness of data submissions to the BOG which supported the Performance-Based Funding (PBF) metrics during our audit in FY 2014-2015. In addition, we reviewed any changes to the controls and processes in our audit in FY 2015-2016. As a result, the scope of the PBF audit this year was to identify and evaluate any material changes to the controls and processes which were in place during the prior audit period.

The following procedures were performed:

1. Identified and evaluated any changes to key processes used by the data administrator and data owners/custodians to ensure the completeness, accuracy, and timely submission of data to the BOG. This included verification of the new controls put into place to resolve

deficiencies identified in the prior year and review of the appointment of a new Data Administrator by the President.
2. Reviewed 2016 BOG SUDS workshop proceedings to identify any changes to data definitions used for the BOG PBF metrics.
3. Reviewed all User Service Requests (USRs) to modify data elements and/or file submission processes to ensure they followed the standard change management process and are consistent with BOG expectations.
4. Reviewed the Data Administrator's data resubmissions to the BOG since January 1, 2016, to ensure these resubmissions were both necessary and authorized, and evaluated that controls were in place to minimize the need for data resubmissions and were functioning as designed.
5. Updated the prior year Risk Assessment and Fraud Risk Assessment to reflect changes identified.
6. Reviewed the new application manager process implemented in Fall 2015 for the January 2016 Retention File submission.
7. Verified that data submitted to the BOG for Measure Nine - Percent of Bachelor's Degrees without Excess Hours, via the Hours to Degree file, is accurate, complete, and consistent with BOG expectations.

PRIOR UAC PROJECTS

UAC performed an audit during FY 2015-2016 of the controls and processes established by the university to ensure the completeness, accuracy, and timeliness of data submissions to the BOG which supported the Performance-Based Funding (PBF) metrics (UAC 16-010, issued February 29, 2016). The one recommendation was reported as implemented by management as of February 29, 2016.

During this year's audit, UAC verified that the new documentation procedures implemented in Spring 2015 for Measure Ten had been implemented and was effectively mitigating the risks identified. The recommendation for Measure Ten listed in UAC 16-010 was implemented in Spring 2016. These procedures were in effect for the Fall 2015 reporting period, which will be reported by the NSF in Spring 2017. As a result, the new procedures cannot be verified until next year.

BACKGROUND

USF SUB-CERTIFICATION/EXECUTIVE REVIEW PROCESS

- ✓ **A formal Sub-certification and Executive Review process is in place to ensure that institutional data submitted to the BOG accurately reflects the data contained in the primary systems of record. Data Stewards, Sub-certifiers and Executive Reviewers who had operational and/or administrative responsibility for the institutional data are assigned key roles and responsibilities.**

KEY ROLES AND RESPONSIBILITIES

Key Role	Performed By	Appointed By	Responsibilities
Institutional Data Administrator (DA)	Associate Vice President of Resource Management & Analysis (RMA)	President	Responsible for certifying and managing the submission of data to the Board of Governors (BOG). Appointed by the President.
Back-Up Data Administrator	Assistant Director of RMA	President	Responsible for managing and supporting BOG state reporting activities. The activities include, but are not limited to, file generation, certification, and executive review meeting oversight, submission, and resubmission for mandatory reports of the BOG.
Executive Reviewer	Executive level administrator	Data Administrator, with approval of the Provost and Chief Operating Officer	Responsible for reviewing and approving the file submission prior to requesting that the Data Administrator submit the file to the BOG. Role is assigned based on the area of responsibility in relationship to the data source.
Sub-certifier	A senior-level employee, responsible for the institutional data contained in a submission.	Executive Reviewer	Oversees the definition, management, control, integrity, and maintenance of institutional data. Responsible for coordinating the data collection process, monitoring the data to ensure current processing procedures are effective, and certifying the data represents facts based on accurate data from programs and offices.
Data Steward[1]	An employee, who has administrative and/or operational responsibility over institutional data.	Sub-certifier	Responsible for ensuring that the data has been collected systematically, entered accurately, and reviewed by the Sub-certifier; controlling data definitions to ensure consistent definitions over the life of the data, and resolving discrepancies in information. Collaborates with other offices and programs responsible for producing data and information impacting the submission.

[1]An enterprise application may have teams of Data Stewards, each responsible for varying functions.

In 2008, USF put a formal review process in place for all BOG file submissions which is managed by Resource Management & Analysis (RMA). This process ensures that each submission has been assigned to at least one Sub-certifier who is responsible for the data contained in the submission and who must certify the data accurately reflects the data contained in the related primary system(s) of record. If a file has multiple systems of record, then multiple Sub-certifiers may be assigned to the file. Sub-certifiers are assisted by Data Stewards who have administrative and/or operational responsibility for the institutional data used in the submission. Data Stewards are responsible for ensuring that the data has been collected systematically, entered accurately, and monitored for referential integrity within the primary systems of record.

✓ **USF has developed several tools to assist the Sub-certifiers and Data Stewards in fulfilling these obligations:**

- DocMart. The USF Documentation Mart (DocMart) portal is maintained as a central repository to manage and maintain detailed information regarding data elements for each BOG SUDS file, called data derivations. In addition, data steward groups are set up in the DocMart to facilitate communication among the Data Stewards assigned to a BOG submission. Changes to data derivations are managed and approved through DocMart.
- State Reporting Portal. The USF BOG State Reporting Portal houses important information and resource links for Data Stewards and Sub-certifiers and others involved with state reporting. User guides, policies and procedures, work activities documentation, and executive review documentation are located in the reporting portal.
- HubMart. The BOG schema contains a series of tables and database views that are designed to exactly mirror the BOG's desired reporting formats. The HubMart is a view-only tool, created by Information Technology, to allow Data Stewards and Sub-certifiers read-only access to the BOG submission table content to assist with data validation. A BOG data request schedule for USF is also maintained in HubMart.

✓ **There are controls integrated within our operational processes to ensure the integrity of the data.**

Ensuring the validity of the data in the BOG submissions begins with ensuring the validity of data in the primary systems of record. Data Stewards are responsible for ensuring that the data has been collected systematically, entered accurately, and monitored for referential integrity within the various modules contained in the student information system (OASIS), human resources system (GEMS), and financial system (FAST). Data quality reports are generated throughout the year to identify data inconsistencies and correct errors as they are identified. As data from these systems are fed into the Faculty Academic Information Reporting system (FAIR), data completeness reconciliations are performed. Since these systems are paramount to the operation of the USF System, there are numerous individuals who review the data daily and would be in a position to identify and report discrepancies.

BOG SUBMISSIONS AND USF FILE GENERATION PROCESSES

Submission	System of Record	File Generation Process	Table	Measures Impacted	Term Reviewed
Operating Budget (OB)	FAST	Application Manager	Operating Budget	3	2015-2016[1]
Hours to Degree (HTD)	OASIS, Degree Works	Application Manager	Hours to Degree	9	2015-2016[1]
			Courses to Degree	9	2015-2016[1]
Student Financial Aid (SFA)	OASIS	Application Manager	Financial Aid Awards	7	2015-2016[1]
Student Instructional File - Degree (SIFD)	OASIS	Application Manager	Degrees Awarded	1, 2, 4, 6, 8	Spring 2016
Student Instructional File (SIF)	OASIS, GEMS	Application Manager	Person Demographics	1, 2	Spring 2016
			Enrollments	4, 5, 7	Spring 2016
Student Instructional File - Preliminary (SIFP)	OASIS, GEMS	Application Manager	Person Demographics	1, 2	Fall 2016
			Enrollments	4	Fall 2016
Expenditure Analysis (EA)	BOG[2]	Application Manager	Expenditure Analysis Extract	3	2015-2016[1]
Retention File (RET)	BOG[3]	SQL Script	Retention Cohort Change	4	2014-2015[3]
Instructional & Research Database (IRD)	FAIR	Application Manager	Workload Activities	3	2015-2016[1]

[1]Since these files were produced annually, UAC chose to use the October 2016 submissions, which were more representative of the control structure in place as of September 30, 2016.
[2]The Budget Extract file is generated by the BOG annually based on data in the OB and IRD files. USF generates the Expenditure Analysis file based on the BOG Budget Extract file.
[3]The Retention File is generated by the BOG annually from the SIF, SIFP, and SIFD. USF generates the Retention Cohort Change file based on the BOG Retention file. The 2014-2015 file generated in January 2016 was the latest available file.

FILE GENERATION PROCESSES

Application Manager Process

USF utilizes an automated process, Application Manager, to extract data files from the original system of record and to reformat and redefine data to meet the BOG data definition standards. This process was initiated in 2008 in order to provide a consistent and secure method for generating the BOG submission files.

The only data derivation used by the PBF model, not generated by the Application Manager process, is "person years" used by the IRD file. The FAIR system computes "person-years" from the data

input by faculty and instructional personnel. The IRD files are then generated based on views of data extracted from the FAIR workload activity module. All other processing occurs within the Application Manager process.

- ✓ **The Application Manager jobs can be launched by authorized Data Stewards; however, individuals responsible for the collection and validation of the data have no ability to modify the Application Manager jobs.**

- ✓ **The Retention File and Expenditure Analysis File are generated by the BOG and are download from the BOG SUDS portal by RMA to the HubMart. The Data Stewards and Sub-certifiers cannot change the files.**

BOG File Creation

Each BOG file submission has two Application Manager jobs associated with it:

- Hub Load Job. The Hub Load job is used to extract data from the original system of record based on the BOG file submission table requirements. A historic file of all data extracted is maintained in Hub tables stored in the Data Warehouse. Access to these tables is restricted and is read-only. Data quality reports are generated by the Application Manager jobs which are automatically emailed to the Data Steward groups defined in the DocMart. These reports mimic many of the BOG SUDS edit checks and are used to clean data prior to the data being loaded into SUDS.

- ✓ **All corrections are made to the original system(s) of record and the Hub Load job is rerun until the file is free of material errors. The only data files that can be impacted outside of the Application Manager process is the Hours to Degree submission.**

- BOG-OUT Job. The BOG_OUT job populates BOG target tables in the Data Warehouse under the BOG schema from the Hub tables. Access to these tables is restricted. The BOG_OUT job also produces statistical reports used to verify that the record counts for the Hub table and BOG table match. The BOG_OUT job also extracts the data from the BOG schema and saves the data in a read-only flat file on a server maintained by IT. The file is then transferred by the Application Manager job to the transfer server for upload by RMA via the SUDS portal. **Individuals with access to these files cannot modify them**.

There are two areas where Application Manager jobs can impact data integrity:

- Required data derivations occur within the Application Manager jobs. These data derivations include: (1) general reformatting of the original source data to meet BOG data consistency standards among state institutions, (2) populating static fields, which include data such as reporting institution, reporting term, and data source, and (3) creating a limited number of calculated fields. Data derivations are only changed at the request of the BOG Information Resource Management (IRM).
- Application Manager jobs are also used to filter out any excluded populations per the BOG reporting requirements. For example, individuals receiving their second bachelor's degree are excluded from the Hours to Degree (HTD) file.

- ✓ **Any changes to the data derivations, data elements, or table layouts in the Application Manager jobs are tightly controlled by RMA and Information Technology utilizing a formal change management process.**

This process includes the development of business system requirement documentation, which includes documentation to demonstrate that the change is consistent with the BOG data definitions, approval of the User Service Request (USR) by Sub-certifiers, and user acceptance testing by Data Stewards. Sub-certifiers must approve the Application Manager job changes prior to implementation.

There are IT controls designed to ensure that changes to the Application Manager jobs are approved via the standard USF change management process and that access to BOG submission-related data at rest or in transit is appropriately controlled.

Hours to Degree Verification Process

The Hours to Degree file submission has two primary tables: 1) Hours to Degree (HTD) that contains information regarding the students and the degree issued and 2) Course to Degree (CTD) that includes information regarding the courses taken and utilization of the courses to degree.

Data in the HTD and CTD files comes from USF's student records system (Banner) and degree certification and advising system (DegreeWorks) that utilizes student information obtained from Banner. DegreeWorks does not contain a specific data element that indicates whether the courses are "used to degree" or "not used to degree". The CTD file element 01489 – Credit Hour Usage Indicator must be derived from DegreeWorks scribe "blocks" and course utilization logic.

The Office of the Registrar utilizes custom Banner forms to refine the HTD population and to manually verify and correct attributes that are derived from elements in Banner and DegreeWorks in the CTD file.

- ✓ **Only the Data Steward and two Data Custodians in the Office of the Registrar can change data utilizing the custom Banner forms.**

BOG File Upload and Verification Process

Once all data integrity steps are performed and the file has been loaded into the SUDS portal, additional edit reports are run to ensure the file will pass the BOG IRM data validity checks.

- **Only RMA and IT server administrators have access to the transfer server. Only RMA staff can upload a file from the transfer server to SUDS, edit submissions, generate available reports, or generate reports with re-editing.**

RMA logs onto the transfer server using Windows Remote Desktop and opens an internet browser which is locked down to only access the SUDS portal. RMA uploads BOG_OUT job files into SUDS through the SUDS portal, then notifies the Data Steward and Sub-certifier that the file has been uploaded and that edits have been requested.

Any underlying errors identified during that process which cannot be explained must also be corrected at the primary system of record, and the same Application Manager process is used to regenerate the file for upload to the SUDS portal. No changes can be made to SUDS file loads via the SUDS portal. Once all errors are corrected or explained and the Data Steward and Sub-certifier are ready to request approval to submit the file to the BOG, the Executive Review process is initiated.

Prior to holding an Executive Review meeting, the Data Steward and Sub-certifier must prepare and approve an Executive Review form. The Executive Review form is designed to provide information regarding the file's purpose, explainable errors, historical trends, recent submission issues, as well as assurance that the data has validity. Data Stewards and Sub-certifiers are expected to provide a summary of the key data elements, including a comparison of data for at least three to five previous reporting periods. The Sub-certifier(s) and Data Steward(s) present the results to the Executive Reviewer and the Data Administrator or Backup Data Administrator present at an Executive Review Committee meeting.

- **The file will not be submitted to the BOG by the Data Administrator until the meeting is held and the Executive Reviewer(s) approve the file.**

Measure Ten – Number of Postdoctoral Appointees

The BOG developed a ten-metric Performance Funding Model of which one metric is chosen by the university Board of Trustees. The list of metrics from which the Board of Trustees can select is associated with the accountability reports submitted annually by each SUS institution. At the October 23, 2013 board meeting, the Number of Postdoctoral Appointees was selected as the chosen metric. This metric was held to be representative of resources focused on the university's research mission and is generally representative of the maturity of that mission. The source of the data is the annual NSF/NIH GSS Survey.

Survey Background

The Graduate Students and Postdoctorates in Science and Engineering (GSS) survey is an annual census of all U.S. academic institutions granting research-based master's degrees or doctorates in science, engineering, and selected health (SEH) fields as of Fall of the survey year. The survey, sponsored by the National Science Foundation and the National Institutes of Health, collects the total number of graduate students, postdoctoral appointees, and doctorate-level non-faculty researchers by demographic and other characteristics, such as source of financial support.

Data is collected separately for each SEH unit (academic departments, programs, research centers, or health care facilities) within an institution. In addition, Morsani College of Medicine's SEH units are reported in a separate survey than other SEH disciplines. A web survey is the primary mode of data submission. Respondents report aggregate counts on graduate students, postdocs, and doctorate-holding non-faculty researchers in each eligible unit, as of the Fall term of the academic year.

The SEH units submit rosters of reported postdocs to the primary Data Steward for verification.

Our audit was based on the most recent survey results published in April, 2016. The survey is completed in the Spring of each year based on data from the previous Fall term. Survey results are not published until the following Spring. As a result, the results published in April 2016 were from Fall 2014 data.

Definition of a Postdoctoral Appointment

The GSS survey instructs respondents to utilize their institutional definition when reporting postdoctoral appointments.

The Office of Postdoctoral Affairs (OPA) publishes an annual Postdoctoral Scholar Handbook which contains a uniform definition of a postdoctoral scholar. The handbook in place at the time the Fall 2014 data was compiled states:

> "A postdoctoral scholar is an individual holding a doctoral degree who is engaged in a temporary period of mentored research and/or scholarly training for the purpose of acquiring the professional skills needed to pursue a career path of his or her choosing. Postdoctoral appointees can pursue basic clinical or translational projects so long as their primary effort is devoted toward their own scholarship. Postdocs are essential to the scholarly mission of the mentor and host institution, and thus are expected to have the freedom to publish the results of their scholarship."

In Fall 2014, USF utilized three postdoctoral job codes (9180, 9194, and 9195) in GEMS with a benefit-earning salary plan (08) and an uncompensated salary plan (98) to permit tracking of visiting scholars and other externally-funded postdoctoral appointments. Postdoctoral research appointments are limited to three to five years.

USF Reporting Structure

The Office of Postdoctoral Affairs serves as the institutional coordinator for the USF System. SEH units are given the choice to either complete the survey using the web application or to submit a written copy of the survey to the Office of Postdoctoral Affairs who enters the data on their behalf. The individual responders from each SEH unit were responsible for the completeness and accuracy of the data they submitted in the survey.

The Division of Research, Innovation, and Economic Development provides the Office of Postdoctoral Affairs with data on externally-funded postdoctoral scholars affiliated with USF research who are employed by tenants of the USF Research Park.

The USF Morsani College of Medicine has an affiliation with the Moffitt Cancer Center in which Moffitt-ranked faculty are concurrently appointed in non-compensated positions at USF. The postdoctoral scholars appointed by Moffitt are often mentored by these dual-appointed faculty. As a result, Moffitt assisted with the reporting of postdoctorates appointed by Moffitt but affiliated with the USF Morsani College of Medicine.

Data Verification

The primary Data Steward in OPA verifies the accuracy and completeness of the SEH-prepared rosters. If errors are identified by the primary Data Steward, the SEH Unit Coordinator (Data Steward) is requested to change the survey data online. There may be cases where the primary Data Steward may make changes to the unit submitted data or report a unit's data if there is no department coordinator available. All of these changes must be approved by the Sub-certifier. In these cases, the primary Data Steward will provide justification for the change using the roster form for that department. A copy of the completed roster will be given to departments to update their records.

Prior to final submission of the GSS survey, the data goes through a Sub-certifier review process. The Data Steward will provide a master roster of reported postdocs, along with a report of the aggregated data contained in the GSS system. The Sub-certifier will verify that the roster data conforms to the criteria for postdoctoral appointees listed in the Guidelines for Reporting Postdocs and Non-Faculty Researchers.

Measure Ten utilizes the same Executive Review process as the other nine measures.

Beginning in FY 2015-2016, new procedures were implemented to enhance oversight and monitoring of the GSS survey responses from affiliates. These procedures were in effect for the Fall 2015 reporting period, which will be reported by the NSF in Spring 2017.

APPENDIX A

PERFORMANCE MEASURES DATA SOURCES

Measure	Description	University Provided Data Source	Data Used/Created by the BOG
One	Percent of bachelor's graduates employed full-time in Florida or continuing their education in the U.S. one year after graduation	BOG submission: SIFP, SIF, SIFD	National Student Clearing house, Florida Education and Training Placement Information Program
Two	Median wages of bachelor's graduates employed full-time in Florida one year after graduation	BOG submission: SIFP, SIF, SIFD	Unemployment Insurance wage data
Three	Average cost per bachelor's degree	BOG submission: OB, IRD, EA	BOG created Budget Extract File
Four	Six year FTIC graduation rate	BOG submission: SIF, SIFP, SIFD, Retention Cohort Change File	BOG created Retention File
Five	Academic progress rate	BOG submission: SIF	
Six	Bachelor's degrees awarded within programs of strategic emphasis (includes STEM)	BOG submission: SIFD	
Seven	University access rate	BOG submission: SFA, SIF	
Eight	Graduate degrees awarded within programs of strategic emphasis	BOG submission: SIFD	
Nine	Percent of bachelor's degrees without excess hours	BOG submission: HTD	
Ten	Number of postdoctoral appointments in science and engineering	NSF/NIH survey data completion	NSF/NIH Survey of Graduate Students and Postdoctorates in Science and Engineering

MEMORANDUM

TO: Dr. Ralph Wilcox, Provost & Executive Vice President of Academic Affairs
Dr. Terry Chisolm, Vice Provost for Strategic Planning, Performance & Accountability

FROM: Kate M. Head, CPA, CFE, CISA
Interim Executive Director

DATE: February 26, 2017

SUBJECT: 17-010 Management Letter – Performance-Based Funding Data Integrity Audit

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University Audit and Compliance performed an audit of the university's processes and internal controls that ensure the completeness, accuracy, and timeliness of data submissions to the Board of Governors (BOG). These data submissions are relied upon by the board in preparing the measures used in the performance based funding process.

UAC's overall conclusion was that there was an adequate system of internal controls in place to meet our audit objectives, assuming corrective actions are taken timely to address the two medium-priority risks appearing in this Management Letter. As UAC audit reports are focused only on high-priority risks, these medium-priority risks were not addressed in our audit report.

The two medium risk issues identified for management attention related to Performance Measure Nine: Percent of Bachelor's Degrees without Excess Hours. Issue One was not considered high risk because the issue was resolved in time to resubmit the 2015-2016 Hours to Degree file. The resubmitted file was accepted by the BOG on February 21, 2017. Had this issue been identified and corrected earlier, it would likely have increased the USF System performance score in 2013-2014 and 2014-2015 for Measure Nine.

The risks identified had no impact on the awarding of degrees or the excess hours surcharge, as the error occurred outside the DegreeWorks system.

As of the date of this report, both issues have been resolved.

Please contact us at 974-2705 if you have any questions.

UNIVERSITY AUDIT AND COMPLIANCE
3702 Spectrum Blvd. Suite 180 • Tampa, FL 33612-9444
(813) 974-2705 • FAX (813) 974-3735

cc: President Judy Genshaft, USF System
Chair Hal Mullis, USF Board of Trustees
John Long, Senior Vice President, Business and Finance and Chief Operating Officer
Dr. Charles Lockwood, Senior Vice President, USF Health
Dr. Paul Sanberg, Senior Vice President, Research, Innovation & Economic Development
Dr. Sophia Wisniewska, Regional Chancellor, USF St. Petersburg
Dr. Sandra Stone, Regional Chancellor, USF Sarasota-Manatee
Nick Trivunovich, Vice President, Business and Finance and CFO
Sidney Fernandes, Vice President & CIO, Information Technology

MEDIUM PRIORITY RISKS	RESOLVED
1. The script used to populate the derived field, "Credit Hour Usage Indicator", contained logic flaws. The Hours to Degree file submission has two primary tables: 1) Hours to Degree (HTD) that contains information regarding the students and the degree issued and 2) Courses to Degree (CTD) that includes information regarding the courses taken and utilization of the courses to degree. While most of the data comes from Banner, one field in the Courses to Degree (CTD) table is derived from data contained in DegreeWorks, the university's degree certification and advising system. The CTD file element "Credit Hour Usage Indicator" (#01489) is derived from DegreeWorks scribe "blocks" and course utilization logic. The script was written to produce the 2011-2012 HTD file, following the implementation of DegreeWorks. The HTD file was not used to support a performance measure until 2013-2014. The intent of the script logic was to review courses in the DegreeWorks blocks and determine if the course work was "used toward degree" or "not used toward degree". UAC selected a random sample of 134 transfer students for testing. UAC focused on transfer students in order to validate a new process, designed to better optimize coursework in DegreeWorks, which would not impact the integrity of the HTD file submission. We compared the DegreeWorks degree audit to the CTD file to ensure consistency between the system of record and the CTD file submission. During this review, we identified the logic flaw in the script which affected both transfer and non-transfer students. The logic error identified only affected the "Credit Hour Usage Indicator" field. More information on the logic errors identified is located in Appendix A. There have been no major changes to the primary logic used by the algorithm to set the "Credit Hour Usage Indicator" to "D" or "N" since inception. The script errors identified likely have been occurring since 2011-2012. **Recommendation: The Office of Undergraduate Studies should work with Information Technology to correct the logic errors contained in the script and resubmit the Hours to Degree file.** **Management Attention Required:** ☐ Immediate ☒ Urgent ☐ Timely **Resources/Effort Required:** ☒ Significant ☐ Moderate ☐ Minimal **Management's Response:** The HTD algorithm's programming logic was rewritten to include the prefix, course number, and the term to prevent an insufficient or repeated course from being unintentionally selected. Programming corrections were also made to ensure that block comparisons accurately flagged courses identified in blocks flagged as "Used". The resubmitted file was accepted by the BOG on February 21, 2017. **UAC has verified that all errors identified in our testing have been resolved.**	**Yes**

MEDIUM PRIORITY RISKS	RESOLVED
2. Audit logging needs to be enhanced to ensure all critical fields are captured.	**Yes**

Changes to critical data fields must be captured and monitored for accountability.

An Application Manager job is used to identify the HTD population. The systematically-identified population is loaded into a custom Banner table for validation (SWBHGRP). The Data Steward authorizes corrections to the initial population via a Banner form (SWAHGRP), which allows students to be added to the HTD population or removed from the HTD population as needed.

An Application Manager job is also used to generate the Courses to Degree file, which includes all student coursework for the HTD population. The CTD file is loaded into a second custom Banner table (SWRHCTD) for validation. The course data is accessed through two separate Banner forms: SWAHCTD and SWAHPBF. The Data Custodian, and authorized Data Stewards, use the forms to add missing courses, and to update derived data elements such as course system code, course grouping codes, credit hour usage indicator, course section type, excess hours exclusion, and repeat indicator. No changes are made to the data in the primary data tables in Banner; this only affects derivations in the CTD file.

Only the Data Stewards and two Data Custodians in the Office of the Registrar can add or remove students from the HTD population or make changes to the attributes in the CTD table. Our review determined that less than 0.4% of the HTD population and CTD course records were manually changed.

- The SWAHGRP form tracks additions and removals from the HTD population, but does not track the individual who made the change. No audit logging is occurring at the SWBHGRP table level.

- The SWAHCTD and/or SWAHPBF form does not track the specific change made, but does indicate a manual change has occurred. No audit logging has been established to track changes to the SWRHCTD table.

Recommendation: **The Office of Undergraduate Studies should work with Information Technology to enhance audit logging on the SWBHGRP and SWRHCTD tables. At a minimum, the log should track what attribute was changed, the date and time of the change, and who made the change.**

Management Attention Required: ☐ Immediate ☒ Urgent ☐ Timely

Resources/Effort Required: ☐ Significant ☒ Moderate ☐ Minimal

Management's Response: Adequate audit logging has been implemented.

APPENDIX A

ALGORITHM LOGIC ISSUES

DegreeWorks does not contain a specific data element which indicates whether the courses are "used toward degree" or "not used toward degree". The CTD file element 01489 – "Credit Hour Usage Indicator" must be derived from DegreeWorks scribe "blocks" and course utilization logic.

DegreeWorks utilizes "blocks" to track specific degree requirements. Ellucian consultants originally scribed the DegreeWorks blocks. As the years progressed, new degrees and degree blocks were scribed. DegreeWorks blocks were used for degree certification requirements as well as other purposes (such as tracking courses used in various GPA calculations), which has made it more difficult to clearly identify specific courses required for the degree. Blocks required for degree are referred to as "used" blocks. All other DegreeWorks blocks are referred to as "designated" blocks since the algorithm designates them as either "used toward degree" or "not used toward degree".

"Used" blocks include state mandated, degree, major, concentration, specializations, college, or major-based core or support coursework, and general education requirements for students who did not transfer in with a Florida associates degree[1]. "Used" blocks are reflected in the CTD file with a "Credit Hour Usage Indicator" of "D" (used toward degree).

Assignment of Insufficient Coursework

The "Insufficient" block in DegreeWorks stores failed or incomplete coursework, as well as the repeated coursework for courses which can only be used once toward a degree. When a course is in the DegreeWorks "Insufficient" block, the algorithm logic is designed to set the "Credit Hour Usage Indicator" to "N" (not used toward degree).

The script logic identified a course by prefix and course number, but did not consider the course term. As a result, all instances of a course were set to "N" (not used toward degree). This resulted in the course the student took to replace the insufficient course being reported as "not used toward degree". When the repeated course was in a "Used" block, the algorithm logic incorrectly set the "Credit Hour Usage Indicator" to "N" (not used toward degree).

Assignment of Coursework to meet Maximum Catalog Hours (Electives)

When a student's total credit hours in the DegreeWorks "Used" blocks was less than 100% of the "maximum catalog hours"[2], the algorithm's logic was designed to review all remaining courses to determine if the courses were needed to meet the degree's required total credit hours.

This step applies to elective courses for First Time in College (FTIC) students and for students transferring in without a Florida associates degree[1]. This step is also used to apply lower level course work for students who transferred to USF with a Florida associates degree[1] since DegreeWorks does not automatically scribe these courses into the general education "Used" blocks[3].

---

[1]Florida college system or Florida university associate's degree.
[2]As set by the BOG.
[3]Students who complete an associate's degree at one of the USF System institutions and who are accepted into a degree program at another USF System institution are treated as transfer students.

When a course is selected by the algorithm logic to be "used toward degree", the "Credit Hour Usage Indicator" is changed to "D".

The logic identified a course by prefix and course number, but did not consider the course term. As a result, all instances of the course where a passing grade had been obtained were set to "D" (used toward degree). If the course selected by the algorithm logic was a repeated course, this resulted in multiple instances of the same course being applied to the degree when only one instance of the course was eligible.

Assignment of Coursework in both "Used" and "Designated" Blocks

A course may meet the requirements of multiple DegreeWorks blocks. In some instances, a course may be associated with a "Used" block and a "Designated" block. The logic did not do a block comparison of all uses of the course and may not have properly associated the course with the "Used" block it was assigned to.

STATE UNIVERSITY SYSTEM of FLORIDA
Board of Governors

Performance Based Funding

March 2017 Data Integrity Certification

Name of University: University of South Florida

INSTRUCTIONS: Please respond "Yes" or "No" for each representation below. Explain any "No" responses to ensure clarity of the representation you are making to the Board of Governors. Modify representations to reflect any noted audit findings.

Performance Based Funding Data Integrity Certification Representations			
Representations	**Yes**	**No**	**Comment / Reference**
1. I am responsible for establishing and maintaining, and have established and maintained, effective internal controls and monitoring over my university's collection and reporting of data submitted to the Board of Governors Office which will be used by the Board of Governors in Performance Based Funding decision-making.	☒	☐	
2. These internal controls and monitoring activities include, but are not limited to, reliable processes, controls, and procedures designed to ensure that data required in reports filed with my Board of Trustees and the Board of Governors are recorded, processed, summarized, and reported in a manner which ensures its accuracy and completeness.	☒	☐	
3. In accordance with Board of Governors Regulation 1.001(3), my Board of Trustees has required that I maintain an effective information system to provide accurate, timely, and cost-effective information about the university, and shall require that all data and reporting requirements of the Board of Governors are met.	☒	☐	
4. In accordance with Board of Governors Regulation 3.007, my university shall provide accurate data to the Board of Governors Office.	☒	☐	
5. In accordance with Board of Governors Regulation 3.007, I have appointed a Data Administrator to certify and manage the submission of data to the Board of Governors Office.	☒	☐	

Performance Based Funding
Data Integrity Certification

Performance Based Funding Data Integrity Certification Representations			
Representations	**Yes**	**No**	**Comment / Reference**
6. In accordance with Board of Governors Regulation 3.007, I have tasked my Data Administrator to ensure the data file (prior to submission) is consistent with the criteria established by the Board of Governors Data Committee. The due diligence includes performing tests on the file using applications/processes provided by the Board of Governors Information Resource Management (IRM) office.	☒	☐	
7. When critical errors have been identified, through the processes identified in item #6, a written explanation of the critical errors was included with the file submission.	☒	☐	
8. In accordance with Board of Governors Regulation 3.007, my Data Administrator has submitted data files to the Board of Governors Office in accordance with the specified schedule.	☒	☐	
9. In accordance with Board of Governors Regulation 3.007, my Data Administrator electronically certifies data submissions in the State University Data System by acknowledging the following statement, "Ready to submit: Pressing **Submit for Approval** represents electronic certification of this data per Board of Governors Regulation 3.007."	☒	☐	
10. I am responsible for taking timely and appropriate preventive / corrective actions for deficiencies noted through reviews, audits, and investigations.	☒	☐	
11. I recognize that the Board's Performance Based Funding initiative will drive university policy on a wide range of university operations – from admissions through graduation. I certify that university policy changes and decisions impacting this initiative have been made to bring the university's operations and practices in line with State University System Strategic Plan goals and have not been made for the purposes of artificially inflating performance metrics.	☒	☐	

Performance Based Funding
Data Integrity Certification

Performance Based Funding Data Integrity Certification Representations			
Representations	**Yes**	**No**	**Comment / Reference**
I certify that all information provided as part of the Board of Governors Performance Based Funding Data Integrity Certification is true and correct to the best of my knowledge; and I understand that any unsubstantiated, false, misleading, or withheld information relating to these statements render this certification void. My signature below acknowledges that I have read and understand these statements. I certify that this information will be reported to the board of trustees and the Board of Governors.			
I certify that this Board of Governors Performance Based Funding Data Integrity Certification has been approved by the university board of trustees and is true and correct to the best of my knowledge.			

Certification: _____ Date 3/10/2017
President

Certification: _____ Date 3/9/17
Board of Trustees Chair

Note: The Performance Based Funding Audit identified an algorithm that was being applied incorrectly in the creation of the data file that contributes to the determination of Degrees Without Excess Hours (Metric #9). Once identified, corrections were made and the corrected information was submitted to the Board of Governors. It should be noted that while the correction yielded improved performance, the University of South Florida was already at the highest level of points allowed for this metric.

Internal Auditing & Compliance
Audit: Performance Funding Data Integrity - 2016
Report #: UWF16-17_002
Date: January 24, 2017

EXECUTIVE SUMMARY

We audited Performance Funding Metrics as of October 31, 2016. This audit is included in our 2016/17 audit work plan, as determined by our annual risk assessment. Our objectives were to:

- Verify the appointment of the Data Administrator by the UWF President.
- Evaluate the processes used by the Data Administrator and data custodians to ensure the completeness, and accuracy of submission of data to the Board of Governors (BOG).
- Verify timely submissions of data files to the Florida Board of Governors.
- Evaluate system access controls and user privileges to ensure they are properly assigned and periodically reviewed.
- Assess the consistency of data submissions with the data definitions and guidance provided by the BOG.
- Evaluate the accuracy of the data collected and data files submitted.
- Confirm the report and explanation to the BOG of all critical data errors.

Audit fieldwork began on August 8, 2016, and ended on January 9, 2017. Our audit was conducted in accordance with the Institute of Internal Auditors International Standards for the Professional Practice of Internal Auditing and generally accepted auditing principles.

BACKGROUND

The Florida Board of Governors (BOG) has broad governance responsibilities affecting administrative and budgetary matters for Florida's 12 public universities. Beginning in fiscal year 2013-14, the BOG instituted a performance funding program that is based on 10 performance metrics. These metrics are used to evaluate the institutions on a range of issues including graduation rates, job placement, cost per degree, and retention rates, among other things.

On April 14, 2016, the Governor of Florida signed a new 100-point BOG performance-based funding model into law. The same metrics are in place, but the scoring of the metrics has been revised.

Since the model was first introduced in 2014, student graduation and retention rates have been on the rise, with Florida boasting the highest graduation rates of the 10 largest states. The number of undergraduate STEM degrees is also up by 30 percent in the past five years, and the number of graduate STEM degrees is up 17 percent.

PRIOR AUDIT

An audit of the University Performance Metrics was performed in 2015 with the report issued on December 14, 2015. This audit found two opportunities for improvement:

1. The GPA calculation reported on the BOG metrics data file was inaccurate.
2. Two data file resubmissions to the BOG occurred during our audit as a result of misinterpretation and miscommunication.
   - The Student Instruction File was found to be in error for three reporting periods.
   - The expenses for the Florida Virtual Campus (FLVC) were miscoded in the Operating Budget file used to compute the Cost to Degree.

All findings have been fully rectified.

NOTABLE STRENGTHS

The UWF Data Administrator (DA) in coordination with other State of Florida University data administrators formed a Council of Data Administrators (CODA), in which the UWF DA is the chairperson. CODA's Vision Statement asserts: CODA exists to promote and ensure that reliable and consistent data are used and reported by State University System of Florida (SUS) institutions for current and future information-based decisions.

It is especially valuable for UWF to have the DA in a leadership role is the group. This keeps the University

Internal Auditing & Compliance
Audit: Performance Funding Data Integrity - 2016
Report #: UWF16-17_002
Date: January 24, 2017

better informed of any issues and changes to metric data reporting.

KEY OBSERVATIONS

Overall, internal controls over the completeness, accuracy, and timeliness of data submissions to the BOG appear sound. The audit revealed one opportunity for improvement:

> The number of Banner[1] users who have access to view and change student Social Security Numbers (SSNs) is unreasonably high.

SUGGESTED MANAGEMENT ACTIONS

Department Security Managers should review Banner authorizations to ensure that only staff members with duties that require the ability to view and edit SSNs have this ability.

CONCLUSION

Based on our audit, we have concluded that the controls and processes UWF has in place to ensure the completeness, accuracy and timely submission of data to the BOG in support of performance based funding are adequate. Further, we believe that our audit can be relied upon by the University Board of Trustees and President as a basis for certifying the representations made to the BOG related to the integrity of data required for its performance based funding model.

We appreciate the cooperation, professionalism and responsiveness of the staff who were involved in the audit.

Respectfully submitted,

Betsy Bowers, CIA, CFE, CGFM, CICA, CRMA
Associate Vice President
Internal Auditing & Compliance

Audit performed by: Dan Bevil, CICA

[1] Banner is UWF's Enterprise Resource Planning application.

Internal Auditing & Compliance
Audit: Performance Funding Data Integrity - 2016
Report #: UWF16-17_002
Date: January 24, 2017

REPORT PROVIDED TO THE FOLLOWING:

Dr. Martha Saunders, President
Dr. George Ellenberg, Interim Provost/Vice President of Academic Affairs
Dr. Joffery Gaymon, Associate Vice President, Enrollment Affairs
Dr. Steven Cunningham, Vice President Finance and Administration Division/CFO
Dr. Michael White, Director Institutional Effectiveness, ASPIRE
Mort O'Sullivan, Chair BOT
Richard Baker, Chair BOT Audit & Compliance Committee
Bob Jones, BOT Audit & Compliance Committee
Greg Britton, BOT Audit & Compliance Committee
James Felder, Interim General Counsel
Keith King, Associate Director of Institutional Research
Melanie Haveard, Executive Director and CTO, Information Technology Services
Shelly Blake, Director of Budgets, Academic Affairs
Christine Dillard, Assistant Director, Human Resources
Jim Stultz, Manager, FL Auditor General
Ken Danley, Supervisor, FL Auditor General
Jaime Hoelscher, Audit Supervisor, FL Auditor General
Joe Maleszewski, BOG Chief Inspector General
Lori Clark, BOG Compliance and Audit Specialist
Rebecca Luntsford, BOT Liaison

Internal Auditing & Compliance
Audit: Performance Funding Data Integrity - 2016
Report #: UWF16-17_002
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OBSERVATIONS WITH MANAGEMENT'S RESPONSES

Performance Funding Data Integrity-2016

UWF 16-17_002

Internal Auditing & Compliance
Audit: Performance Funding Data Integrity - 2016
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OBSERVATION WITH MANAGEMENT RESPONSE

What We Found	Forty-three (43) staff members have made changes to SSNs since the implementation of Banner in the fall of 2004, eighty (80) people currently have access to do so, including one Federal Work Study student. An unreasonable amount of Banner users have access to see and change SSNs.
Why the Issue is Important	Limiting access to sensitive data can reduce the risk of stolen private information and provides the basis for segregation of duties. According to UWF procedures set forth in Confluence regarding Reviewing, Verifying and Affirming Banner Access Privileges, this periodic review "*is necessary to ensure that employees have Banner access appropriate to their job functions, and that this access is kept current as employee roles and job responsibilities change. It is also necessary that employees maintain a reasonable separation of duties to prevent situations which create a conflict of interest.*"
What is Causing the Issue	Staff members are typically provided with the default access to Banner that requires intervention to remove this access in accordance with the user's job duties.
What is Expected or Required	Banner users should have access to data based on the "least privilege" principle.
What We Suggest	Access should be reviewed and updated according to the needs of the department and staff.
Responsible Auditees	Dr. George Ellenberg, Interim Provost, VP, Academic Affairs Dr. Steve Cunningham, Vice President, Finance and Administration
Action Management Commits To	The Office of Enrollment Affairs acknowledges that more regular and formal review should be performed in regards to faculty, staff and student employees that have been granted access to the Banner General Person Identification form[2]. Each office was provided with a list of staff members with access to update the SSN field. Because of internal protocols within each office, many staff members with

[2] This General Person Identification form within Banner is called SPAIDEN.

Internal Auditing & Compliance
Audit: Performance Funding Data Integrity - 2016
Report #: UWF16-17_002
Date: January 24, 2017

access do not appear to have touched the SSN field. Of the 80 staff members, 29 no longer need the same level access. Based on job functionality, 51 staff members are appropriately assigned access.

The Office of the Registrar will work with ITS to have a Banner Tableau report requested that shows changes made to the SSN field in SPAIDEN to include user names and date change made. The Office of the Registrar and Office of Undergraduate Admissions (the two primary offices that grant access to this form) will review the user names and changes to ensure that only appropriate/approved staff are making updates. Both Admissions and Registrar Banner security roles that grant access to SPAIDEN and the SSN field, will also be reviewed to ensure they are appropriately assigned based on job functions. The new report and review process will be fully implemented by April 28, 2017. The report will be reconciled and saved on a quarterly basis.

Implementation Date	April 28, 2017

STATE UNIVERSITY SYSTEM of FLORIDA
Board of Governors

Performance Based Funding

March 2017 Data Integrity Certification

Name of University: ____University of West Florida_____

INSTRUCTIONS: Please respond "Yes" or "No" for each representation below. Explain any "No" responses to ensure clarity of the representation you are making to the Board of Governors. Modify representations to reflect any noted audit findings.

Performance Based Funding Data Integrity Certification Representations			
Representations	**Yes**	**No**	**Comment / Reference**
1. I am responsible for establishing and maintaining, and have established and maintained, effective internal controls and monitoring over my university's collection and reporting of data submitted to the Board of Governors Office which will be used by the Board of Governors in Performance Based Funding decision-making.	☒	☐	
2. These internal controls and monitoring activities include, but are not limited to, reliable processes, controls, and procedures designed to ensure that data required in reports filed with my Board of Trustees and the Board of Governors are recorded, processed, summarized, and reported in a manner which ensures its accuracy and completeness.	☒	☐	
3. In accordance with Board of Governors Regulation 1.001(3), my Board of Trustees has required that I maintain an effective information system to provide accurate, timely, and cost-effective information about the university, and shall require that all data and reporting requirements of the Board of Governors are met.	☒	☐	
4. In accordance with Board of Governors Regulation 3.007, my university shall provide accurate data to the Board of Governors Office.	☒	☐	
5. In accordance with Board of Governors Regulation 3.007, I have appointed a Data Administrator to certify and manage the submission of data to the Board of Governors Office.	☒	☐	
6. In accordance with Board of Governors Regulation 3.007, I have tasked	☒	☐	

Performance Based Funding
Data Integrity Certification

Performance Based Funding Data Integrity Certification Representations			
Representations	**Yes**	**No**	**Comment / Reference**
my Data Administrator to ensure the data file (prior to submission) is consistent with the criteria established by the Board of Governors Data Committee. The due diligence includes performing tests on the file using applications/processes provided by the Board of Governors Information Resource Management (IRM) office.			
7. When critical errors have been identified, through the processes identified in item #6, a written explanation of the critical errors was included with the file submission.	☒	☐	
8. In accordance with Board of Governors Regulation 3.007, my Data Administrator has submitted data files to the Board of Governors Office in accordance with the specified schedule.	☒	☐	
9. In accordance with Board of Governors Regulation 3.007, my Data Administrator electronically certifies data submissions in the State University Data System by acknowledging the following statement, "Ready to submit: Pressing **Submit for Approval** represents electronic certification of this data per Board of Governors Regulation 3.007."	☒	☐	
10. I am responsible for taking timely and appropriate preventive / corrective actions for deficiencies noted through reviews, audits, and investigations.	☒	☐	
11. I recognize that the Board's Performance Based Funding initiative will drive university policy on a wide range of university operations – from admissions through graduation. I certify that university policy changes and decisions impacting this initiative have been made to bring the university's operations and practices in line with State University System Strategic Plan goals and have not been made for the purposes of artificially inflating performance metrics.	☒	☐	

Performance Based Funding
Data Integrity Certification

Performance Based Funding Data Integrity Certification Representations			
Representations	**Yes**	**No**	**Comment / Reference**
I certify that all information provided as part of the Board of Governors Performance Based Funding Data Integrity Certification is true and correct to the best of my knowledge; and I understand that any unsubstantiated, false, misleading, or withheld information relating to these statements render this certification void. My signature below acknowledges that I have read and understand these statements. I certify that this information will be reported to the board of trustees and the Board of Governors.			
Certification: _____ Date 2/21/17 President, Dr. Martha D. Saunders			
I certify that this Board of Governors Performance Based Funding Data Integrity Certification has been approved by the university board of trustees and is true and correct to the best of my knowledge.			
Certification: _____ Date 2/21/17 Board of Trustees Chair, Mort O'Sullivan			

STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
Audit and Compliance Committee
March 30, 2017

SUBJECT: SUS Compliance Programs Status Summary

PROPOSED COMMITTEE ACTION

Discussion of State University System of Florida institutions' compliance with Board of Governors Regulation 4.003, *State University System Compliance and Ethics Programs*.

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution

BACKGROUND INFORMATION

At its November 3, 2016, meeting, the Board of Governors approved Regulation 4.003, *State University System Compliance and Ethics Programs*, which requires each institution to implement a university-wide compliance and ethics program as a point for coordination of and responsibility for activities that promote ethical conduct and maximize compliance with applicable laws, regulations, rules, policies, and procedures.

To aid in monitoring each university's progress in their compliance program implementation, and in coordination with the SUS Compliance and Ethics Consortium, the Board's Inspector General and Director of Compliance, Joseph Maleszewski, developed an *SUS Compliance Program Status Checklist*. It lists the regulation requirements for implementing an effective compliance program and was sent to university presidents and boards of trustees chairs in January 2017. The summary provided to the Committee today will serve as a diagnostic tool for charting universities' progress over time. Mr. Maleszewski will provide the Committee with a summary of the results from the January 2017 SUS Compliance Program Status Checklist.

Supporting Documentation Included: Summary Table from the January 2017 SUS Compliance Program Status Checklist Results

Facilitators/Presenters: Mr. Joseph Maleszewski

SUS Compliance Program Status Checklist Summary					
Univ.	**University-Wide Compliance Program**	**Program Plan**	**BOT Committee**	**Chief Compliance Officer**	**External 5-Year Program Review**
FAMU	● ● N/B N/B	N/B N/B ● ✓ N/B	● ● N/B N/B	● ● ● N/B N/B	-
FAU	● ✓ ● ✓	● ● ● ✓ ●	● ● ● ●	✓ ✓ ● ✓ ●	-
FGCU	● ● ● ●	● ● ● ✓ N/B	● N/B ● ✓	✓ ● ● ✓ ✓	-
FIU	✓ ✓ ● ✓	● ● ✓ ✓ ●	✓ ● ✓ ✓	● ✓ ● ✓ ✓	-
FPU	● ● ● ●	● ● ● ● ●	● ● ● ●	● ● ● ● ●	-
FSU	● N/B ● ●	N/B ● N/B ● N/B	N/B N/B N/B N/B	N/B N/B N/B N/B N/B	-
NCF	● N/B ✓ ●	● ● ● ● N/B	● ● N/B N/B	● ● ● ● ●	-
UCF	✓ ✓ ✓ ✓	● ● ✓ ✓ ✓	✓ ✓ ✓ ✓	✓ ✓ ✓ ✓ ✓	-
UF	● ● ● ●	● ● ● ✓ ●	● ● ● ●	● ● ● ● ●	-
UNF	● ✓ ● ✓	● ● N/B ● N/B	✓ ✓ ✓ ✓	✓ ✓ ● ✓ ●	-
USF	✓ ✓ ✓ ✓	● ● ● ✓ ✓	✓ ● ✓ ●	✓ ● ● ✓ ✓	-
UWF	● ● ✓ ✓	● ● ● ● ●	✓ ✓ ✓ ●	● ● ✓ ● ●	-

✓	Indicates that the university president and board chair assert that the regulation components making up this area are fully implemented in accordance with Board of Governors Regulation 4.003.
●	Indicates that the university president and board chair anticipate regulation components making up this area to be completed by November 3, 2017.
●	Indicates that the university president and board chair anticipate regulation components making up this area to be completed by November 3, 2018 (completion of items beyond this date constitute non-compliance with Board of Governors Regulation 4.003).
●	Indicates that the university president and board chair anticipate regulation components making up this area to be completed by May 3, 2019 (six months beyond the period established in Board of Governors Regulation 4.003).
N/B	Indicates that the university president and board chair acknowledge that the university has not begun implementing the regulation components making up this area. The "N/B" indicator should be used in conjunction with one of the green/amber/red light indicators to communicate anticipated completion periods for items not yet begun.

STATE UNIVERSITY SYSTEM of FLORIDA
Board of Governors

FAMU

SUS Compliance Program Status Checklist

Instructions: For the four area tables below, please complete the Description and Progress Indicator columns for each Regulation Component, which align with Board of Governors Regulation 4.003 (effective November 3, 2016). Then complete the Program Status Summary table immediately below.

Return completed checklists to BOGInspectorGeneral@flbog.edu.

For assistance, please contact the Board of Governors Office of Inspector General and Director of Compliance at joseph.maleszewski@flbog.edu or 850-245-9247.

Program Status Summary (January 2017)						
		Completed	In Process			Not Begun
Area	Regulation Components	✓	Good Progress ●	Slow Progress ●	Poor Progress ●	N/B
A – University-wide Compliance Program	5	0	3	0	0	2
B – Program Plan	5	1	1	0	0	3
C – BOT Committee	4	0	2	0	0	2
D – Chief Compliance Officer	5	0	3	0	0	2
TOTAL	**19**	**1**	**9**	**0**	**0**	**9**

Legend:

✓ Indicates that the university president and board chair assert that the regulation components making up this area are fully implemented in accordance with Board of Governors Regulation 4.003.

● Indicates that the university president and board chair anticipate regulation components making up this area to be completed by November 3, 2017.

● Indicates that the university president and board chair anticipate regulation components making up this area to be completed by November 3, 2018 (completion of items beyond this date constitute non-compliance with Board of Governors Regulation 4.003).

● Indicates that the university president and board chair anticipate regulation components making up this area to be completed by May 3, 2019 (six months beyond the period established in Board of Governors Regulation 4.003).

N/B Indicates that the university president and board chair acknowledge that the university has not begun implementing the regulation components making up this area. The "N/B" indicator should be used in conjunction with one of the green/amber/red light indicators to communicate anticipated completion periods for items not yet begun.

Area A – University-wide Compliance Program		
Regulation Component	**Description**	**Progress Indicator**
A1 – University-wide Compliance Program implemented consistent with Code of Ethics for Public Officers and Employees (Part III, Chapter 112, F.S.) and the Federal Sentencing Guidelines Manual, Chapter 8, Part B [4.003(1) & (2)(b)]	**January 2017:** The provisions will be included in the audit committee's charter to be presented to the audit committee at its March 2017 meeting. The program will be developed and implemented to be consistent with the provisions of the Regulation. ●	✓ ● ● ● N/B
A2 – CCO reports to the BOT at least annually on Program effectiveness (copy to BOG) [4.003(7)(g) 8.]	**January 2017:** This provision will be included in the Compliance charter which is expected to be presented to the audit committee at its March 28, 2017 meeting. ●	✓ ● ● ● N/B
A3 – External Program design and effectiveness review every 5-years (copy to BOG) [4.003(7)(c)]	**January 2017:** This provision will be included in the Compliance charter which is expected to be presented to the audit committee at its March 28, 2017 meeting. ●	✓ ● ● ● N/B
A4 – Process established for detecting and preventing non-compliance, unethical behavior, or criminal conduct [4.003(7)(h)]	**January 2017:** The process will be included in the Program to be developed by December 2017. ● (N/B)	✓ ● ● ● N/B
A5 – Due diligence steps for not including individuals who have engaged in conduct not consistent with an effective Program [4.003(8)]	**January 2017:** The University will consult with its Human Resources Office to establish a process to provide reasonable efforts to not include individuals who have engaged in conduct not consistent with an effective program. ● (N/B)	✓ ● ● ● N/B

Area B – Program Plan		
Regulation Component	**Description**	**Progress Indicator**
B1 – Compliance and Ethics Program Plan approved by BOT (copy to BOG) [4.003(7)(a)]	**January 2017:** The program will be presented to the BOT for approval when it is developed. The target date is December 2017. ● (N/B)	✓ ● ● ● N/B

B2 – Plan provides for compliance training for university employees and BOT members [4.003(7)(b)]	**January 2017:** The program will be developed to include these provisions. The target date is December 2017. • (N/B)	✓ ● ● ● N/B
B3 – Designated compliance officers (e.g., Title IX, Athletics, Research, etc.) as either direct reports or dotted-line reports (specify which) [4.003(7)(d)]	**January 2017:** Determination of reporting structures will be determined. The audit committee is to consider the reporting structure at its March 2017 meeting with approval at its June 2017 meeting. ●	✓ ● ● ● N/B
B4 – Reporting mechanism (e.g., Hotline) for potential/actual violations and provides protection for reporting individuals from retaliation [4.003(7)(e) & (f)]	**January 2017:** The University has a hotline administered by a third-party. The third-party administrator forwards complaints to the Division of Audit & Compliance for review and handling. Complaints can be made anonymous. ✓	✓ ● ● ● N/B
B5 – Promoting and enforcing the Program through incentives and disciplinary measures [4.003(7)(g)9.]	**January 2017:** Incentives will be developed. The program is expected to be approved by December 2017. • (N/B)	✓ ● ● ● N/B

Area C – BOT Committee		
Regulation Component	**Description**	**Progress Indicator**
C1 – BOT Committee provides oversight to Compliance and Ethics Program [4.003(3)]	**January 2017:** The Audit & Compliance Committee established a compliance function to which it provides oversight. The Audit Committee's charter will be revised as necessary to conform with provisions of the new regulation. ●	✓ ● ● ● N/B
C2 – BOT Audit and Compliance Committee Charter [4.003(3)]	**January 2017:** This provision will be included in the Compliance charter which is expected to be presented to the audit committee at its March 28, 2017 meeting. The charter is expected to be approved at its June 2017 meeting. ●	✓ ● ● ● N/B
C3 – Routine CCO meetings with BOT Committee – please describe the nature and frequency of meetings	**January 2017:** This will be determined in development of the program by December 2017. • (N/B)	✓ ● ●

(e.g., semi-annually, quarterly, monthly, etc.) [4.003(7)(a) & 7(g)(3)]		● N/B
C4 – Routine CCO meetings with President – please describe nature and frequency of meetings (e.g., semi-annually, quarterly, monthly, etc.) or whether the CCO participates in other regularly held direct reports or leadership meetings [4.003(7)(a) & 7(g)(3)]	**January 2017:** This will be determined in development of the program by December 2017. ● (N/B)	✓ ● ● ● N/B

Area D – Chief Compliance Officer		
Regulation Component	**Description**	**Progress Indicator**
D1 – Appointed Chief Compliance Officer (CCO) [4.003(4)]	**January 2017:** The University will immediately begin a search for a new compliance officer. The target date for hiring is June 2017. ●	✓ ● ● ● N/B
D2 – CCO reports functionally to the Board and administratively to the President [4.003(5)]	**January 2017:** This provision will be included in the Compliance charter which is expected to be presented to the audit committee at its March 28, 2017 meeting. ●	✓ ● ● ● N/B
D3 – Compliance Office Charter [4.003(6)]	**January 2017:** The charter is being developed and will be presented to the audit committee at its March 2017 meeting. ●	✓ ● ● ● N/B
D4 – CCO independence, objectivity, and access, (provide details of resolution of barriers [4.003(7)(g)5 & (7)(g)7]	**January 2017:** These provisions will be incorporated in development of the program by December 2017. ● (N/B)	✓ ● ● ● N/B
D5- CCO authority and resources (provide details of both staffing and budget) [4.003(7)(g)(2)]	**January 2017:** Staffing and budget will be determined in development of the program by December 2017. ● (N/B)	✓ ● ● ● N/B

I certify that all information provided is true and correct to the best of my knowledge.

Certification: Larry Rabinson Date 2/21/17
President

I certify that all information provided is true and correct to the best of my knowledge.

Certification: _____ Date 2/20/17
Board of Trustees Chair

STATE UNIVERSITY SYSTEM of FLORIDA
Board of Governors

FAU

SUS Compliance Program Status Checklist

Instructions: For the four area tables below, please complete the Description and Progress Indicator columns for each Regulation Component, which align with Board of Governors Regulation 4.003 (effective November 3, 2016). Then complete the Program Status Summary table immediately below.

Return completed checklists to BOGInspectorGeneral@flbog.edu.

For assistance, please contact the Board of Governors Office of Inspector General and Director of Compliance at joseph.maleszewski@flbog.edu or 850-245-9247.

Program Status Summary (January 2017)						
		Completed	In Process			Not Begun
Area	Regulation Components	✓	Good Progress ●	Slow Progress ●	Poor Progress ●	N/B
A – University-wide Compliance Program	5	0	0	0	0	0
B – Program Plan	5	0	0	0	0	0
C – BOT Committee	4	0	0	0	0	0
D – Chief Compliance Officer	5	0	0	0	0	0
TOTAL	**19**	**0**	**0**	**0**	**0**	**0**

Legend:

✓ Indicates that the university president and board chair assert that the regulation components making up this area are fully implemented in accordance with Board of Governors Regulation 4.003.

● Indicates that the university president and board chair anticipate regulation components making up this area to be completed by November 3, 2017.

● Indicates that the university president and board chair anticipate regulation components making up this area to be completed by November 3, 2018 (completion of items beyond this date constitute non-compliance with Board of Governors Regulation 4.003).

● Indicates that the university president and board chair anticipate regulation components making up this area to be completed by May 3, 2019 (six months beyond the period established in Board of Governors Regulation 4.003).

N/B Indicates that the university president and board chair acknowledge that the university has not begun implementing the regulation components making up this area. The "N/B" indicator should be used in conjunction with one of the green/amber/red light indicators to communicate anticipated completion periods for items not yet begun.

Area A – University-wide Compliance Program		
Regulation Component	**Description**	**Progress Indicator**
A1 – University-wide Compliance Program implemented consistent with Code of Ethics for Public Officers and Employees (Part III, Chapter 112, F.S.) and the Federal Sentencing Guidelines Manual, Chapter 8, Part B [4.003(1) & (2)(b)]	**January 2017:** FAU has begun working on developing an effective Compliance and Ethics program consistent with the Code of Ethics for Public Officers and Employees and the Federal Sentencing Guidelines and fully expects to meet the November 3, 2017 timeframe.	●
A2 – CCO reports to the BOT at least annually on Program effectiveness (copy to BOG) [4.003(7)(g) 8.]	**January 2017:** CCO participates in BOT meetings; most recent BOT meeting occurred on 01/24/2017.	✓
A3 – External Program design and effectiveness review every 5-years (copy to BOG) [4.003(7)(c)]	**January 2017:** On track for an external review to take place before November 2021	●
A4 – Process established for detecting and preventing non-compliance, unethical behavior, or criminal conduct [4.003(7)(h)]	**January 2017:** In addition to regular risk assessments and audits conducted by the OIG and other entities, FAU distributes annual stewardship documents where each operational area certifies that they are in compliance with their responsibilities and duties. Other processes will be explored, examined and integrated (as appropriate) in a finalized Compliance & Ethics Program	●
A5 – Due diligence steps for not including individuals who have engaged in conduct not consistent with an effective Program [4.003(8)]	**January 2017:** FAU conducts background and financial checks to screen for those that have engaged in conduct inconsistent with an effective Compliance & Ethics Program	✓

Area B – Program Plan		
Regulation Component	**Description**	**Progress Indicator**
B1 – Compliance and Ethics Program Plan approved by BOT (copy to BOG) [4.003(7)(a)]	**January 2017:** FAU has begun working on developing an effective Compliance & Ethics program consistent with the Code of Ethics for Public Officers and Employees and the Federal Sentencing Guidelines and fully expects that the BOT approve the Plan by the November 3, 2017 timeframe.	●

B2 – Plan provides for compliance training for university employees and BOT members [4.003(7)(b)]	**January 2017:** [BOT training under development; will be provided to BOT at September 2017 retreat]	●
B3 – Designated compliance officers (e.g., Title IX, Athletics, Research, etc.) as either direct reports or dotted-line reports (specify which) [4.003(7)(d)]	**January 2017:** EIC reports to CCO (solid line). Working with various areas on campus.	●
B4 – Reporting mechanism (e.g., Hotline) for potential/actual violations and provides protection for reporting individuals from retaliation [4.003(7)(e) & (f)]	**January 2017:** The FAU community has been able to report potential/actual violations through the OIG website and reporting individuals are provided protection from retaliation.	✓
B5 – Promoting and enforcing the Program through incentives and disciplinary measures [4.003(7)(g)9.]	**January 2017:** Through a close working relationship with the Office of Human Resources, Compliance has been able to promote and enforce incentives and disciplinary measures and expects to continue to do so in a more formalized manner once the Compliance & Ethics Program is fully implemented.	●

Area C – BOT Committee		
Regulation Component	**Description**	**Progress Indicator**
C1 – BOT Committee provides oversight to Compliance and Ethics Program [4.003(3)]	**January 2017:** It is intended that a newly formed Audit & Compliance Committee will provide oversight to the Compliance & Ethics Program.	●
C2 – BOT Audit and Compliance Committee Charter [4.003(3)]	**January 2017:** Draft charter will be submitted for review and will be finalized soon.	●
C3 – Routine CCO meetings with BOT Committee – please describe the nature and frequency of meetings (e.g., semi-annually, quarterly, monthly, etc.) [4.003(7)(a) & 7(g)(3)]	**January 2017:** Starting in 2017, the CCO will meet at least quarterly with the BOT Committee on establishing the Compliance & Ethics Program and discuss related issues.	●
C4 – Routine CCO meetings with President – please describe nature and frequency of meetings (e.g., semi-annually, quarterly, monthly, etc.) or whether the CCO participates in other	**January 2017:** CCO will meet quarterly with the President	●

regularly held direct reports or leadership meetings [4.003(7)(a) & 7(g)(3)]		

Area D – Chief Compliance Officer		
Regulation Component	**Description**	**Progress Indicator**
D1 – Appointed Chief Compliance Officer (CCO) [4.003(4)]	**January 2017:** CCO hired in August 2015	✓
D2 – CCO reports functionally to the Board and administratively to the President [4.003(5)]	**January 2017:** President announced compliance reorganization/restructuring at 01/24/2017 BOT meeting. CCO will report functionally to the Board and administratively to the President effective 02/01/2017.	✓
D3 – Compliance Office Charter [4.003(6)]	**January 2017:** Compliance Office Charter is in draft form, and it is expected to be presented after the Audit & Compliance Committee is formed and presented to them soon after their first meeting.	●
D4 – CCO independence, objectivity, and access, (provide details of resolution of barriers [4.003(7)(g)5 & (7)(g)7]	**January 2017:** President notified BOT of administrative reorganization of compliance functions, CCO independence and access to information.	✓
D5- CCO authority and resources (provide details of both staffing and budget) [4.003(7)(g)(2)]	**January 2017:** CCO is a budget line through the Office of the President administered through the VP of Administrative Affairs	●

I certify that all information provided is true and correct to the best of my knowledge.

Certification: _____ Date 4/23/17
President

I certify that all information provided is true and correct to the best of my knowledge.

Certificatio Anthony K. G. Barbe _____ Date _____
es Chair 2/23/17

STATE UNIVERSITY SYSTEM of FLORIDA
Board of Governors

FGCU

SUS Compliance Program Status Checklist

Instructions: For the four area tables below, please complete the Description and Progress Indicator columns for each Regulation Component, which align with Board of Governors Regulation 4.003 (effective November 3, 2016). Then complete the Program Status Summary table immediately below.

The completed program status checklist for the period ending January 31, 2017, is due to the BOG IG no later than February 17, 2017.

Return completed checklists to BOGInspectorGeneral@flbog.edu.

For assistance, please contact the Board of Governors Office of Inspector General and Director of Compliance at joseph.maleszewski@flbog.edu or 850-245-9247.

Program Status Summary (January 2017)						
		Completed	In Process			Not Begun
Area	Regulation Components	✓	Good Progress ●	Slow Progress ●	Poor Progress ●	N/B
A – University-wide Compliance Program	5	0	2	2	1	0
B – Program Plan	5	1	3	1	0	0
C – BOT Committee	4	1	3	0	0	0
D – Chief Compliance Officer	5	3	2	0	0	0
TOTAL	19	5	10	3	1	0

Legend:

✓ Indicates that the university president and board chair assert that the regulation components making up this area are fully implemented in accordance with Board of Governors Regulation 4.003.

● Indicates that the university president and board chair anticipate regulation components making up this area to be completed by November 3, 2017.

● Indicates that the university president and board chair anticipate regulation components making up this area to be completed by November 3, 2018 (completion of items beyond this date constitute non-compliance with Board of Governors Regulation 4.003).

● Indicates that the university president and board chair anticipate regulation components making up this area to be completed by May 3, 2019 (six months beyond the period established in Board of Governors Regulation 4.003).

N/B Indicates that the university president and board chair acknowledge that the university has not begun implementing the regulation components making up this area. The "N/B" indicator should be used in conjunction with one of the green/amber/red light indicators to communicate anticipated completion periods for items not yet begun.

Area A – University-wide Compliance Program		
Regulation Component	**Description**	**Progress Indicator**
A1 – University-wide Compliance Program implemented consistent with Code of Ethics for Public Officers and Employees (Part III, Chapter 112, F.S.) and the Federal Sentencing Guidelines Manual, Chapter 8, Part B [4.003(1) & (2)(b)]	**January 2017:** CCO hired October 2016; CCO in process of preparing Charter and Compliance Plan for Office and a Code of Conduct for the University, and assisting Director of Internal Audit with preparing a proposed Audit and Compliance Charter for the Audit and Compliance Committee of FGCU's BOT. Charters, Compliance Plan, and Code of Conduct will be prepared in accordance with best business practices, Code of Ethics for Public Officers and Employees as contained in Florida Statute, and the Federal Sentencing Guidelines Manual.	Code
A2 – CCO reports to the BOT at least annually on Program effectiveness (copy to BOG) [4.003(7)(g) 8.]	**January 2017:** CCO will prepare an annual report for the period October 24, 2016 to June 30, 2017 for submission to and approval by FGCU's BOT by September 30, 2017. Thereafter, the CCO will prepare an annual report of activities for the fiscal year ending June 30 by September 30 of each year. The annual report will be submitted to and approved by the FGCU BOT, and a copy of the approved report will be provided to the BOG.	
A3 – External Program design and effectiveness review every 5-years (copy to BOG) [4.003(7)(c)]	**January 2017:** In accordance with BOG Regulation 4.003, the initial external review of FGCU's C&E program must be initiated by November 2021, with a subsequent review to occur every five years thereafter. To comply with this measure, FGCU will contract with either a peer institution or an external firm no later than January 2021 for an initial review of the program with anticipated completion by November 2021.	N/B
A4 – Process established for detecting and preventing non-compliance, unethical behavior, or criminal conduct [4.003(7)(h)]	**January 2017:** When noncompliance, unethical behavior, or criminal conduct has been detected, the CCO will ensure that the following corrective actions are taken: ▪ Prompt restitution to FGCU, as necessary ▪ Notification to an appropriate grantor agency, as necessary ▪ Review of current FGCU policies and regulations to determine if clarification is needed ▪ System modifications, as necessary ▪ Staff training, as necessary ▪ Referral to BOG IG, as necessary ▪ Disciplinary action of involved employee(s), as necessary	✓Hotline

	FGCU implemented a Hotline in September 2016 to provide university members and the public a mechanism to bring forward good-faith concerns of wrongdoing and to seek advice and assistance on any ethics-related matter. The CCO has met with the President, Cabinet, and compliance liaisons throughout FGCU and is in the process of establishing the following two committees: ▪ Compliance Liaison Committee: This committee will meet on a quarterly basis and be comprised of FGCU employees with compliance responsibilities, such as employees responsible for: institutional equity and compliance, NCAA compliance, Clery Act, finance, procurement, financial aid, research misconduct, and academic integrity, for example. The Committee will proactively review compliance efforts to ensure that university practices reflect current requirements, to discuss pending legislation that may impact university policy/regulation, and to make adjustments to improve program operations, as necessary. The first meeting is tentatively scheduled for March or April 2017. ▪ Investigations Working Group (IWG): The IWG will meet on a quarterly basis and be comprised of the Director of Internal Audit, Director of Institutional Equity and Compliance, Director of HR, FGCU Chief of Police and the CCO. The IWG will discuss Hotline concerns and matters brought forward directly to these individuals in order to establish a consistent and appropriate university response to substantiated concerns of wrongdoing. The first meeting is tentatively scheduled for April or May 2017. These matters will be included and discussed in further detail in the Compliance Plan (in process).	
A5 – Due diligence steps for not including individuals who have engaged in conduct not consistent with an effective Program [4.003(8)]	**January 2017:** In November 2016, the CCO met with the HR Director to discuss integrity continuity and other matters; the HR Director resigned from FGCU on February 3, 2017; the CCO will take up this matter when a new HR Director is hired. The CCO will encourage FGCU to incorporate integrity continuity into its strategic management process by: ▪ Incorporating compliance with FGCU's Code of Conduct into position descriptions ▪ Tying integrity conduct to performance evaluations ▪ Demonstrating senior executive commitment to integrity	

	▪ Ensuring supportive climate of ethical conduct ▪ Including questions about character and integrity in the interview reference check process ▪ Training employees to recognize and make ethical decisions ▪ Responding immediately to misconduct and ethical lapses in judgment ▪ Abiding by and enforcing disciplinary action for offenders ▪ Taking steps to strengthen employee performance when a deficiency is found	

Area B – Program Plan		
Regulation Component	**Description**	**Progress Indicator**
B1 – Compliance and Ethics Program Plan approved by BOT (copy to BOG) **[4.003(7)(a)]**	**January 2017:** A draft Compliance Plan is in process and will include the following: ▪ Code of Conduct - Implements written standards in the form of a Code of Conduct to promote FGCU's commitment to compliance with applicable laws and regulations. ▪ Program Governance – Establishes an administrative governance framework for conducting an effective and diligent compliance program. ▪ Education/Training - Outlines a commitment to educate university personnel regarding ethics initiatives and compliance requirements. ▪ Communication and Anonymous Reporting – Develops effective lines of communication and explains FGCU's Hotline, including its anonymous reporting capability. ▪ Auditing and Monitoring - Implements a review process to measure the effectiveness of the compliance program and to receive and address deficiencies and breaches in an efficient and timely manner. ▪ Incentives, Enforcement, and Discipline - Outlines performance incentives and disciplinary measures to promote and enforce the compliance program. ▪ Corrective Action Initiatives - Implements a risk assessment process to periodically assess the risk of improper conduct within the University and to take appropriate steps to reduce the risk of improper or unethical behavior. The CCO anticipates completing the Compliance Plan by November 2017 and the Code of Conduct by March 2018. A	● Plan ● Code

	large segment of university members will review and vet the Code. The BOT will not approve the Compliance Plan until completion of the Code of the Conduct; this action will occur no later than November 2018.	
B2 – Plan provides for compliance training for university employees and BOT members [4.003(7)(b)]	**January 2017:** The Compliance Plan will outline an annual training requirement for the BOT, President, Cabinet, faculty, and staff. The Plan will also outline initial ethics training for new hires.	●
B3 – Designated compliance officers (e.g., Title IX, Athletics, Research, etc.) as either direct reports or dotted-line reports (specify which) [4.003(7)(d)]	**January 2017:** FGCU compliance liaisons will have a dotted line reporting relationship with the CCO. The compliance liaisons will report matters of substantial import to the CCO and will participate in a quarterly Compliance Liaison Committee chaired by the CCO.	●
B4 – Reporting mechanism (e.g., Hotline) for potential/actual violations and provides protection for reporting individuals from retaliation [4.003(7)(e) & (f)]	**January 2017:** In September 2016, FGCU implemented a Hotline through third party provider EthicsPoint. The Hotline allows for anonymous reporting. FGCU has a zero tolerance for retaliation policy for university members who bring forward good-faith allegations of wrongdoing. The CCO will incorporate into the Code of Conduct a process to review and discipline, as necessary, a university member who abuses the Hotline or any other reporting system to intentionally harm or impugn the character or integrity of another member.	✓
B5 – Promoting and enforcing the Program through incentives and disciplinary measures [4.003(7)(g)9.]	**January 2017:** The CCO will work with a new HR Director to verbalize FGCU's commitment to compliance. The CCO will provide education training to President and Cabinet on promoting incentives and enforcing discipline to positively impact culture at FGCU. Incentives ▪ Incorporate compliance with the Code of Conduct into employee job descriptions ▪ Inclusion of compliance and ethics in employee evaluations ▪ Consider compliance and ethics behavior for promotions ▪ Supervisors encourage subordinates to openly raise difficult questions ▪ Recognize in the performance appraisal process, supervisors who use the Code of Conduct, complete ethics training, and ensure that subordinate staff complete ethics training ▪ Recognize in the performance appraisal process, employees and managers who demonstrate compliance and ethics leadership	● N/B

	Discipline: ▪ Take appropriate action any time a deficiency is found and take steps to strengthen employee performance ▪ Avoid promoting an employee who has engaged in conduct inconsistent with an effective compliance and ethics program.	

Area C – BOT Committee		
Regulation Component	**Description**	**Progress Indicator**
C1 – BOT Committee provides oversight to Compliance and Ethics Program [4.003(3)]	**January 2017:** The Audit and Compliance Committee of the FGCU BOT will provide oversight to CCO. The CCO briefed the Chairperson of the FGCU BOT in February 2017 and will individually brief the other members of the BOT in March, and April 2017. The Audit and Compliance Committee of the FGCU BOT will: ▪ Approve the Compliance Charter ▪ Approve the Compliance Plan ▪ Ensure CCO is free from interference in determining work scope and communicating results	●
C2 – BOT Audit and Compliance Committee Charter [4.003(3)]	**January 2017:** The CCO will work with the Director of Internal Audit to draft the FGCU BOT Audit and Compliance Committee Charter.	● N/B
C3 – Routine CCO meetings with BOT Committee – please describe the nature and frequency of meetings (e.g., semi-annually, quarterly, monthly, etc.) [4.003(7)(a) & 7(g)(3)]	**January 2017:** The FGCU BOT operates as a committee of the whole and generally meets on a quarterly basis. CCO provides an individual briefing on compliance and ethics activities to each BOT member prior to a Board meeting. The CCO will inform the Chairperson of the FGCU BOT of any matters of substantial import and will inform the other members, as necessary.	●
C4 – Routine CCO meetings with President – please describe nature and frequency of meetings (e.g., semi-annually, quarterly, monthly, etc.) or whether the CCO participates in other regularly held direct reports	**January 2017:** The CCO meets on a bi-weekly basis with the President in order to provide status updates on Charter, Plan, Code of Conduct, Hotline, and other matters. The CCO participates in President Cabinet meetings, as appropriate.	✓

or leadership meetings [4.003(7)(a) & 7(g)(3)]		

Area D – Chief Compliance Officer		
Regulation Component	Description	Progress Indicator
D1 – Appointed Chief Compliance Officer (CCO) [4.003(4)]	January 2017: FGCU hired a CCO effective October 24, 2016.	✓
D2 – CCO reports functionally to the Board and administratively to the President [4.003(5)]	January 2017: The CCO will discuss the reporting structure with the President, FGCU Board Chair, and the members of the FGCU BOT to achieve a common understanding.	•
D3 – Compliance Office Charter [4.003(6)]	January 2017: The CCO anticipates placing the Compliance Charter on the Agenda for the April 2017 FGCU BOT meeting.	•
D4 – CCO independence, objectivity, and access, (provide details of resolution of barriers [4.003(7)(g)5 & (7)(g)7]	January 2017: The CCO has experienced no impairments with respect to independence or objectivity, or access to records, personnel, or the Hotline. Since October 2016, the CCO has met with the President, Cabinet, FGCU compliance liaisons, and various groups within the university, such as Staff Advisory Counsel, Faculty Senate, and Student Government. The CCO is the chief administrator for the Hotline.	✓
D5- CCO authority and resources (provide details of both staffing and budget) [4.003(7)(g)(2)]	January 2017: The CCO has appropriate authority to implement an effective compliance and ethics program at FGCU and has been provided adequate resources for the CCO and an administrative assistant position, equipment and supplies for the office, workspace, and continuing professional education.	✓

I certify that all information provided is true and correct to the best of my knowledge.

Certification: _____ Date 2/16/17
President

I certify that all information provided is true and correct to the best of my knowledge.

Certification: _____ Date 2/16/17
Board of Trustees Chair

STATE UNIVERSITY SYSTEM of FLORIDA
Board of Governors

FIU

SUS Compliance Program Status Checklist

Instructions: For the four area tables below, please complete the Description and Progress Indicator columns for each Regulation Component, which align with Board of Governors Regulation 4.003 (effective November 3, 2016). Then complete the Program Status Summary table immediately below.

Return completed checklists to BOGInspectorGeneral@flbog.edu.

For assistance, please contact the Board of Governors Office of Inspector General and Director of Compliance at joseph.maleszewski@flbog.edu or 850-245-9247.

Program Status Summary (January 2017)						
		Completed	In Process			Not Begun
Area	Regulation Components	✓	Good Progress ●	Slow Progress ●	Poor Progress ●	N/B
A – University-wide Compliance Program	5	3	1	1	0	1
B – Program Plan	5	2	3	0	0	0
C – BOT Committee	4	3	1	0	0	0
D – Chief Compliance Officer	5	3	2	0	0	0
TOTAL	**19**	**11**	**7**	**1**	**0**	**1**

Legend:

✓ Indicates that the university president and board chair assert that the regulation components making up this area are fully implemented in accordance with Board of Governors Regulation 4.003.

● Indicates that the university president and board chair anticipate regulation components making up this area to be completed by November 3, 2017.

● Indicates that the university president and board chair anticipate regulation components making up this area to be completed by November 3, 2018 (completion of items beyond this date constitute non-compliance with Board of Governors Regulation 4.003).

● Indicates that the university president and board chair anticipate regulation components making up this area to be completed by May 3, 2019 (six months beyond the period established in Board of Governors Regulation 4.003).

N/B Indicates that the university president and board chair acknowledge that the university has not begun implementing the regulation components making up this area. The "N/B" indicator should be used in conjunction with one of the green/amber/red light indicators to communicate anticipated completion periods for items not yet begun.

Area A – University-wide Compliance Program		
Regulation Component	**Description**	**Progress Indicator**
A1 – University-wide Compliance Program implemented consistent with Code of Ethics for Public Officers and Employees (Part III, Chapter 112, F.S.) and the Federal Sentencing Guidelines Manual, Chapter 8, Part B [4.003(1) & (2)(b)]	**January 2017:** • The university-wide compliance and ethics program ("Program") provides strategic guidance and support for activities that promote ethical conduct and maximize compliance with applicable laws, regulations, rules and policies. • The Program is designed and implemented consistent with the Code of Ethics for Public Officers and Employees ("Code of Ethics") and the Federal Sentencing Guidelines Manual, Chapter 8, Part B ("FSG") and BOG Regulation 4.003(1) & (2)(b). • The Office of University Compliance and Integrity ("Compliance Office") manages the Program by supporting the dissemination and review of effective university-wide policies and procedures, education and training, monitoring, communication, risk assessment, and response to reported issues as required by the Code of Ethics, FSG and BOG Regulation 4.003.	✓
A2 – CCO reports to the BOT at least annually on Program effectiveness (copy to BOG) [4.003(7)(g) 8.]	**January 2017:** • The FIU Board of Trustees ("Board") assigned responsibility for providing governance oversight of the Program to the Audit and Compliance Committee ("Committee"). • The Chief Compliance Officer provides a written quarterly update to the Board through the Committee. • Program effectiveness is reported to the Board annually. The 2016-2017 Annual Compliance Report will be presented to the Board during the September 2017 meeting.	✓
A3 – External Program design and effectiveness review every 5-years (copy to BOG) [4.003(7)(c)]	**January 2017:** An external review of the design and effectiveness of the Program is tentatively scheduled for 2018 – 2019. The Board will approve the assessment and a copy will be provided to the Board of Governors.	N/B
A4 – Process established for detecting and preventing non-compliance, unethical behavior, or criminal conduct [4.003(7)(h)]	**January 2017:** • Non-compliance, unethical behavior, or criminal conduct may be reported directly to a manager, to the Ethical Panther reporting line or various other mechanisms. • The Chief Compliance collaborates with Program partners to verify that reasonable steps have been	

	taken to prevent further similar behavior; including developing compliance monitoring plans to improve detection efforts and monitoring efforts.	
A5 – Due diligence steps for not including individuals who have engaged in conduct not consistent with an effective Program [4.003(8)]	**January 2017:** FIU has a background check policy and procedure that applies to the following faculty, staff and administrators: • New hires • rehired after ***a break in service,*** • volunteers, and; • current ***administrative*** or ***staff*** employee promoted or transferred into a position with required background checks, unless the employee has successfully passed the position-related background checks within the past five (5) years. At a minimum, new hires receive a level 1 criminal background investigation. Level II criminal background investigations and other due diligence steps may be conducted, depending on the position. Periodic re-screening may be conducted depending on whether the employee has access to minors, or has responsibility for a merchant account. The University also checks the "Excluded Individuals and Entities List" maintained by the Office of the Inspector General, and conducts motor vehicle record checks every two (2) years or when a report is made that an employee is not operating a university vehicle safely.	✓

Area B – Program Plan		
Regulation Component	**Description**	**Progress Indicator**
B1 – Compliance and Ethics Program Plan approved by BOT (copy to BOG) [4.003(7)(a)]	**January 2017:** • The President and the Board receive information about the Program and exercises oversight with respect to implementation and effectiveness. • The 2016-2017 Compliance Work Plan ("Program Plan") was approved by the FIU Board during the June 2016 Board meeting. • The 2017-2018 Program Plan is scheduled to be submitted for approval to the Board during the June 2017 Board meeting.	●
B2 – Plan provides for compliance training for university employees and BOT members [4.003(7)(b)]	**January 2017:** • University faculty, staff and administrators receive training regarding their responsibility and accountability for ethical conduct and compliance with	●

	applicable laws, regulations, rules policies and procedures. • The 2016-2017 Program Plan addressed the number of policies and relevant information regarding the distribution of compliance trainings. • During the new Board of Trustee orientation, the Chief Compliance Officer meets with new Board members to provide information regarding the Program and the oversight role of the Board. Compliance trainings were previously incorporated into compliance presentations presented to the Finance and Audit Committee.	
B3 – Designated compliance officers (e.g., Title IX, Athletics, Research, etc.) as either direct reports or dotted-line reports (specify which) [4.003(7)(d)]	Compliance Officers and Compliance Liaisons provide support to the Chief Compliance Officer on university-wide compliance initiatives. The following is a list of designated Compliance Officers and Compliance Liaisons with a direct or dotted-line reporting relationship to the Chief Compliance Officer. The job description for each of the individuals listed, includes requirements regarding their role in supporting the Program. **Direct reporting relationships** • Jessica Reo - Sr. Associate Athletics Director/Compliance Officer/Special Projects • Nelson Perez - Compliance Specialist and Export Control Administrator • Mark Green - Compliance Manager **Dotted line reporting relationships** • Tonja Moore – Associate Vice President of Research and Economic Development • Alicia Robles De La Lama – Health Care Network Compliance and Privacy Officer • Helvtiella Longoria, Interim Chief Information Security Officer • Wilifredo Alvarez – Assistant Director of Environmental Health and Safety • Alexis Fernandez – Standard Compliance Coordinator • Shirlyon McWhorter – Director of Equal Opportunity Programs • Yolande Flores – Director of Finance and Administration, Advancement	✓
B4 – Reporting mechanism (e.g., Hotline) for potential/actual violations and provides protection for reporting individuals from retaliation [4.003(7)(e) & (f)]	**January 2017:** • The Program maintains, promotes visibility and publicizes the Ethical Panther reporting hotline. The hotline is available for the anonymous reporting of potential or actual misconduct and violations of University policy, regulations or law. • Hotline complaint data is reviewed with Human	✓

	Resources staff, to look for signs that the reporter may have been retaliated against.	
B5 – Promoting and enforcing the Program through incentives and disciplinary measures [4.003(7)(g)9.]	**January 2017:** • The Program recently completed the first University ethics and compliance culture survey. The results of the survey will be used to develop a strategy that supports our culture of ethics and compliance. • The Chief Compliance Officer is currently working with the President to identify Program incentives and appropriate discipline; including a notification escalation plan that outlines how significant and material compliance failures are escalated and addressed.	●

Area C – BOT Committee		
Regulation Component	**Description**	**Progress Indicator**
C1 – BOT Committee provides oversight to Compliance and Ethics Program [4.003(3)]	**January 2017:** • The Board adopted an Audit and Compliance Committee Charter ("A&C Charter") in December 2016. • Responsibility for providing governance oversight of the Program was delegated by the Board to the Audit and Compliance Committee ("Committee") in the A&C Charter.	✓
C2 – BOT Audit and Compliance Committee Charter [4.003(3)]	**January 2017:** • The A&C Charter defines the role of the Committee to review the independence, qualifications, activities, resources and the Plan. • The A&C Charter specifies that the Compliance Officer is to provides regular updates to the Committee regarding monitoring of compliance with university policies, significant compliance findings that may have a material impact on the university's financial statements or compliance policies, recommendations implemented, program effectiveness, and training elements. • A copy of the approved A&C Charter will be provided to the Board of Governors on or	●

	before June 1, 2017.	
C3 – Routine CCO meetings with BOT Committee – please describe the nature and frequency of meetings (e.g., semi-annually, quarterly, monthly, etc.) [4.003(7)(a) & 7(g)(3)]	**January 2017:** • The Chief Compliance Officer provides a written quarterly compliance report to the Board, and meets quarterly with the Committee. • The Chief Compliance Officer participates in the Board of Trustee orientation for new Board members.	✓
C4 – Routine CCO meetings with President – please describe nature and frequency of meetings (e.g., semi-annually, quarterly, monthly, etc.) or whether the CCO participates in other regularly held direct reports or leadership meetings [4.003(7)(a) & 7(g)(3)]	**January 2017:** • The President and the Chief Compliance Officer meets monthly to discuss compliance matters. • The Chief Compliance Officer attends the monthly Deans Advisory Counsel and Operations team meetings. • The President receives a written compliance report from the Chief Compliance Officer on a monthly basis.	✓

Area D – Chief Compliance Officer		
Regulation Component	**Description**	**Progress Indicator**
D1 – Appointed Chief Compliance Officer (CCO) [4.003(4)]	**January 2017:** • The University has a senior-level administrator as the Chief Compliance Officer. The appointment is expressed in the Compliance Office Charter. • The Compliance Office Charter is scheduled to be submitted to the Board for approval in March 2017.	●
D2 – CCO reports functionally to the Board and administratively to the President [4.003(5)]	**January 2017:** The Chief Compliance Officer reports functionally to the Board and Administratively to the President of the University.	✓
D3 – Compliance Office Charter [4.003(6)]	**January 2017:** The Compliance Office Charter will be submitted to the Board for review and approval during the March 2017 Board meeting. The Compliance Charter will be reviewed at least every (3) years for consistency with applicable regulations, professional standards and best practices. The proposed Compliance Office Charter	●

	specifies that the Chief Compliance Officer is expected to: • Collaborate with senior leadership and compliance liaisons. • Have a functional reporting relationship to the Board and an administrative reporting relationship to the president. • Maintain appropriate resources to support compliance activities. • Coordinate efforts to create or verify that compliance policies are distributed and compliance trainings are conducted. • Provide compliance status updates and assessments regarding Program effectiveness. • Publicize and promote an anonymous hotline. • Enforce the Program through appropriate incentives and disciplinary measure to encourage a culture of compliance and ethics. • Provide assurances regarding the effectiveness of internal processes for determining risk exposure from non-compliance with laws and regulations.	
D4 – CCO independence, objectivity, and access, (provide details of resolution of barriers [4.003(7)(g)5 & (7)(g)7]	**January 2017:** • The Chief Compliance Officer has the independence and objectivity to perform the responsibilities of the Chief Compliance Officer function, conduct and report on compliance and ethics activities and inquires free of actual or perceived impairment to the independence of the Chief Compliance Officer. • The independence of the Chief Compliance Officer role is expressed in the Compliance Office Charter. There are no barriers to access and reporting.	✓
D5- CCO authority and resources (provide details of both staffing and budget) [4.003(7)(g)(2)]	**January 2017:** • The Chief Compliance Officer manages direct reports and maintains dotted line reporting relationships as set forth in regulation component B3. • Dotted line reporting relationship expectations are outlined in the job descriptions of each dotted line report. Responsibilities include: o Attending monthly compliance liaison meetings o Supporting Program communication and risk assessment efforts o Providing compliance data, and participating in Compliance Week activities. • The 2016-2017 Compliance Office budget is	✓

	approximately $70,000.00. A strategic investment request has been submitted. If approved, the funds will be used to support the Enterprise Risk Management program, distribution of a code of conduct, training and the external Program effectiveness review in accordance with 4.003(7)(c).	

I certify that all information provided is true and correct to the best of my knowledge.

Certification: _____ Date 2-16-17
President

I certify that all information provided is true and correct to the best of my knowledge.

Certification: _____ Date 2/16/17
Board Chair

STATE UNIVERSITY SYSTEM of FLORIDA
Board of Governors

FPU

SUS Compliance Program Status Checklist

Instructions: For the four area tables below, please complete the Description and Progress Indicator columns for each Regulation Component, which align with Board of Governors Regulation 4.003 (effective November 3, 2016). Then complete the Program Status Summary table immediately below.

Return completed checklists to BOGInspectorGeneral@flbog.edu.

For assistance, please contact the Board of Governors Office of Inspector General and Director of Compliance at joseph.maleszewski@flbog.edu or 850-245-9247.

Program Status Summary (January 2017)						
		Completed	In Process			Not Begun
Area	Regulation Components	☐	Good Progress ●	Slow Progress ●	Poor Progress ●	N/B
A – University-wide Compliance Program	5	0	1	4	0	0
B – Program Plan	5	0	0	5	0	0
C – BOT Committee	4	0	0	4	0	0
D – Chief Compliance Officer	5	0	0	5	0	0
TOTAL	**19**	**0**	**1**	**18**	**0**	**0**

Legend:

☐ Indicates that the university president and board chair assert that the regulation components making up this area are fully implemented in accordance with Board of Governors Regulation 4.003.

● Indicates that the university president and board chair anticipate regulation components making up this area to be completed by November 3, 2017.

● Indicates that the university president and board chair anticipate regulation components making up this area to be completed by November 3, 2018 (completion of items beyond this date constitute non-compliance with Board of Governors Regulation 4.003).

● Indicates that the university president and board chair anticipate regulation components making up this area to be completed by May 3, 2019 (six months beyond the period established in Board of Governors Regulation 4.003).

N/B Indicates that the university president and board chair acknowledge that the university has not begun implementing the regulation components making up this area. The "N/B" indicator should be used in conjunction with one of the green/amber/red light indicators to communicate anticipated completion periods for items not yet begun.

Area A – University-wide Compliance Program		
Regulation Component	**Description**	**Progress Indicator**
A1 – University-wide Compliance Program implemented consistent with Code of Ethics for Public Officers and Employees (Part III, Chapter 112, F.S.) and the Federal Sentencing Guidelines Manual, Chapter 8, Part B [4.003(1) & (2)(b)]	**January 2017:** Description in narrative format *The University currently has in effect an ethics policy and an Audit & Compliance Committee of the Board of Trustees. We have not yet hired a Chief Compliance Officer to implement the program and administer it. We need to review the existing ethics policy and Audit & Compliance Committee Charter to ensure that these documents comply and are consistent with Regulation 4.003(1) & (2)(b).* *We presently adhere to the following policies governing ethics:* • Board of Trustees Ethics Policy: https://floridapolytechnic.org/wp-content/uploads/Ethics-Policy-9.16.14.pdf • U regulation FPU-6.002 Personnel Code of Conduct and Ethics: https://floridapolytechnic.org/wp-content/uploads/FPU-6.002-Personnel-Code-of-Conduct-and-Ethics-12.11.14.pdf • U regulation 6.011 Employee Criminal Background Checks: https://floridapolytechnic.org/wp-content/uploads/FPU-6.011-Employee-Criminal-Background-Checks-5.15.14.pdf • U regulation FPU-6.008 Outside Employment and Outside Activities: https://floridapolytechnic.org/wp-content/uploads/FPU-6.008-Outside-Employment-Outside-Activity-Regulation-7.29.14.pdf • U regulation FPU-6.009 Employment of Relatives: https://floridapolytechnic.org/wp-content/uploads/FPU-6.009-Employment-of-Relatives-2.21.141.pdf • U policy FPU-1.0125P Fraud Prevention and Detection: https://floridapolytechnic.org/wp-content/uploads/FPU-1.0125P-Fraud-Prevention-and-Detection-9.22.14.pdf • U policy FPU-12.0014P Financial Conflict of Interest and Disclosure: https://floridapolytechnic.org/wp-content/uploads/FPU-12.0014AP-Financial-Conflict-of-Interest-and-Disclosure-2.13.17.pdf • [*NOTICED/PENDING*] U regulation FPU-1.015 Allegations of Waste, Fraud, Financial Mismanagement, Misconduct, and Other Abuses: https://floridapolytechnic.org/wp-content/uploads/FPU-1.015-Allegations-of-Waste-Fraud-Financial-and-Other-Abuses-NOTICE-2.14.17.pdf	

A2 – CCO reports to the BOT at least annually on Program effectiveness (copy to BOG) [4.003(7)(g) 8.]	**January 2017:** Description in narrative format *We have not yet hired a CCO nor have we yet defined his/her roles and responsibilities. We plan to do so during 2017. We will also amend the Charter for the Audit & Compliance Committee of the Board of Trustees to comply with Regulation 4.003(7)(g)8. The proposed amendment will be presented to the Committee at it March 15, 2017 regular meeting.*	
A3 – External Program design and effectiveness review every 5-years (copy to BOG) [4.003(7)(c)]	**January 2017:** Description in narrative format *We expect to design such a program when we hire a CCO in 2017 and we will amend the Charter for the Audit & Compliance Committee of the Board of Trustees to comply with Regulation 4.003(7)(c).*	
A4 – Process established for detecting and preventing non-compliance, unethical behavior, or criminal conduct [4.003(7)(h)]	**January 2017:** Description in narrative format *We expect to design such a program when we hire a CCO in 2017 and we will amend the Charter for the Audit & Compliance Committee of the Board of Trustees to comply with Regulation 4.003(7)(h)* *We presently adhere to the following policies:* • *Board of Trustees Ethics Policy: https://floridapolytechnic.org/wp-content/uploads/Ethics-Policy-9.16.14.pdf* • *U policy FPU-1.0125P Fraud Prevention and Detection: https://floridapolytechnic.org/wp-content/uploads/FPU-1.0125P-Fraud-Prevention-and-Detection-9.22.14.pdf* • *U regulation 6.011 Employee Criminal Background Checks: https://floridapolytechnic.org/wp-content/uploads/FPU-6.011-Employee-Criminal-Background-Checks-5.15.14.pdf* • *U regulation FPU-6.002 Personnel Code of Conduct and Ethics: https://floridapolytechnic.org/wp-content/uploads/FPU-6.002-Personnel-Code-of-Conduct-and-Ethics-12.11.14.pdf* • *U regulation FPU-6.008 Outside Employment and Outside Activities: https://floridapolytechnic.org/wp-content/uploads/FPU-6.008-Outside-Employment-Outside-Activity-Regulation-7.29.14.pdf* • *U policy FPU-12.0014P Financial Conflict of Interest and Disclosure: https://floridapolytechnic.org/wp-content/uploads/FPU-12.0014AP-Financial-Conflict-of-Interest-and-Disclosure-2.13.17.pdf* • *[NOTICED/PENDING] U regulation FPU-1.015 Allegations of Waste, Fraud, Financial Mismanagement, Misconduct, and Other Abuses: https://floridapolytechnic.org/wp-content/uploads/FPU-1.015-Allegations-of-Waste-Fraud-Financial-and-Other-Abuses-NOTICE-2.14.17.pdf*	

A5 – Due diligence steps for not including individuals who have engaged in conduct not consistent with an effective Program [4.003(8)]	**January 2017:** Description in narrative format *We currently perform reference checks and criminal background checks on all personnel employed by the University and its affiliates. We also perform due diligence on all vendors who supply goods and services to the University.* *We presently adhere to the following policies:* • *U regulation 6.011 Employee Criminal Background Checks: https://floridapolytechnic.org/wp-content/uploads/FPU-6.011-Employee-Criminal-Background-Checks-5.15.14.pdf;* • *U regulation 8.001 Purchasing: http://floridapolytechnic.org/wp-content/uploads/FPU-8.001-Purchasing-8.28.13.pdf* • *U regulation 8.003 Authority to Suspend or Debar Contractor/Vendors: https://floridapolytechnic.org/wp-content/uploads/FPU-8.003-Authority-to-Suspend-or-Debar-Contractors-Vendors-1.14.141.pdf* • *U policy FPU-8.0011P Purchasing Good or Services: https://floridapolytechnic.org/wp-content/uploads/FPU-8.0011P-Purchasing-of-Goods-and-Services-Policy-10.15.14-Date1.pdf*	

Area B – Program Plan		
Regulation Component	**Description**	**Progress Indicator**
B1 – Compliance and Ethics Program Plan approved by BOT (copy to BOG) [4.003(7)(a)]	**January 2017:** Description in narrative format *We expect to design such a program when we hire a CCO in 2017 and we will amend the Charter for the Audit & Compliance Committee of the Board of Trustees to require and approve the Program prior to its submission to the BOG in order to comply with Regulation 4.003(7)(a)*	
B2 – Plan provides for compliance training for university employees and BOT members [4.003(7)(b)]	**January 2017:** Description in narrative format *We expect to design such a program when we hire a CCO during 2017.*	

B3 – Designated compliance officers (e.g., Title IX, Athletics, Research, etc.) as either direct reports or dotted-line reports (specify which) [4.003(7)(d)]	**January 2017:** Description in narrative format *We will design the program during 2017 to designate certain compliance officers in accordance with 4.003(7)(d). We presently have a part-time Title IX coordinator and we are recruiting for a full time position. We also use outside counsel to assist with investigatory functions while we continue our search to recruit a full-time Title IX Coordinator. Once hired, the full time Title IX Coordinator will report directly to the president with a dotted line report to the CCO.*	●
B4 – Reporting mechanism (e.g., Hotline) for potential/actual violations and provides protection for reporting individuals from retaliation [4.003(7)(e) & (f)]	**January 2017:** Description in narrative format *We will include reporting mechanisms in our planned program in accordance with 4.003(7)(e) & (f). We plan to have the Hotline mechanism in place by November 2017.*	●
B5 – Promoting and enforcing the Program through incentives and disciplinary measures [4.003(7)(g)9.]	**January 2017:** Description in narrative format *We will include incentives and disciplinary measures in our planned program in accordance with 4.003(7)(g)9*	●

Area C – BOT Committee		
Regulation Component	**Description**	**Progress Indicator**
C1 – BOT Committee provides oversight to Compliance and Ethics Program [4.003(3)]	**January 2017:** Description in narrative format *Our BOT Audit & Compliance Committee presently provides oversight to Compliance and Ethics. We have met with the Committee and we have scheduled additional meeting with the Committee to review with them in detail the changes required by 4.003(3)*	●
C2 – BOT Audit and Compliance Committee Charter [4.003(3)]	**January 2017:** Description in narrative format *We will amend the current Charter for the Audit & Compliance Committee of the Board of Trustees to comply with Regulation 4.003. The proposed amendments will be presented to the Committee at the March 15, 2017 meeting*	●

C3 – Routine CCO meetings with BOT Committee – please describe the nature and frequency of meetings (e.g., semi-annually, quarterly, monthly, etc.) [4.003(7)(a) & 7(g)(3)]	**January 2017:** Description in narrative format *The Committee meets quarterly; the planned amendments to its Charter will provide for inclusion of the CCO in those meetings.*	●
C4 – Routine CCO meetings with President – please describe nature and frequency of meetings (e.g., semi-annually, quarterly, monthly, etc.) or whether the CCO participates in other regularly held direct reports or leadership meetings [4.003(7)(a) & 7(g)(3)]	**January 2017:** Description in narrative format *Once a CCO is hired and a program is developed, the President will establish the nature and frequency of such meetings.*	●

Area D – Chief Compliance Officer		
Regulation Component	**Description**	**Progress Indicator**
D1 – Appointed Chief Compliance Officer (CCO) [4.003(4)]	**January 2017:** Description in narrative format *We intend to recruit and hire and experienced CCO during 2017*	●
D2 – CCO reports functionally to the Board and administratively to the President [4.003(5)]	**January 2017:** Description in narrative format *We propose to amend the BOT Audit & Compliance Committee Charter to provide that the CCO report functionally to the Board and administratively to the President in accordance with 4.003(5)*	●
D3 – Compliance Office Charter [4.003(6)]	**January 2017:** Description in narrative format *We will propose a Compliance Officer Charter to the BOT Audit & Compliance Committee for their approval during 2017.*	●
D4 – CCO independence, objectivity, and access, (provide details of resolution of barriers [4.003(7)(g)5 & (7)(g)7]	**January 2017:** Description in narrative format *The proposed Compliance Officer Charter that will be presented for BOT Committee approval in 2017 will provide CCO independence, objectivity, and access in a accordance with 4.003(7)(g)5 & (7)(g)7*	●

D5- CCO authority and resources (provide details of both staffing and budget) [4.003(7)(g)(2)]	**January 2017:** Description in narrative format *The proposed Compliance Officer Charter that will be presented for BOT Committee approval in 2017 will provide that the CCO have adequate resources and appropriate authority;*	0

I certify that all information provided is true and correct to the best of my knowledge.

Certification: _____ Date 2/16/17
Randy Avent, President

I certify that all information provided is true and correct to the best of my knowledge.

Certification: _____ Date 2-16-2017
Frank T, Martin, Board of Trustees Chair

STATE UNIVERSITY SYSTEM of FLORIDA
Board of Governors

FSU

SUS Compliance Program Status Checklist

Instructions: For the four area tables below, please complete the Description and Progress Indicator columns for each Regulation Component, which align with Board of Governors Regulation 4.003 (effective November 3, 2016). Then complete the Program Status Summary table immediately below.

Return completed checklists to BOGInspectorGeneral@flbog.edu.

For assistance, please contact the Board of Governors Office of Inspector General and Director of Compliance at joseph.maleszewski@flbog.edu or 850-245-9247.

Program Status Summary (January 2017)						
		Completed	In Process			Not Begun
Area	Regulation Components	✓	Good Progress ●	Slow Progress ●	Poor Progress ●	N/B
A – University-wide Compliance Program	5	0	0	0	0	0
B – Program Plan	5	0	0	0	0	0
C – BOT Committee	4	0	0	0	0	0
D – Chief Compliance Officer	5	0	0	0	0	0
TOTAL	19	0	0	0	0	0

Legend:

✓ Indicates that the university president and board chair assert that the regulation components making up this area are fully implemented in accordance with Board of Governors Regulation 4.003.

● Indicates that the university president and board chair anticipate regulation components making up this area to be completed by November 3, 2017.

● Indicates that the university president and board chair anticipate regulation components making up this area to be completed by November 3, 2018 (completion of items beyond this date constitute non-compliance with Board of Governors Regulation 4.003).

● Indicates that the university president and board chair anticipate regulation components making up this area to be completed by May 3, 2019 (six months beyond the period established in Board of Governors Regulation 4.003).

N/B Indicates that the university president and board chair acknowledge that the university has not begun implementing the regulation components making up this area. The "N/B" indicator should be used in conjunction with one of the green/amber/red light indicators to communicate anticipated completion periods for items not yet begun.

Area A – University-wide Compliance Program		
Regulation Component	**Description**	**Progress Indicator**
A1 – University-wide Compliance Program implemented consistent with Code of Ethics for Public Officers and Employees (Part III, Chapter 112, F.S.) and the Federal Sentencing Guidelines Manual, Chapter 8, Part B [4.003(1) & (2)(b)]	January 2017: Individual compliance programs currently exist and they are functioning in an acceptable manner. The University does not at this time have a coordinated University-wide compliance program as envisioned by BOG Regulation 4.003. The Chief Audit Officer (CAO) is designated by the President as the Ethics Officer for purposes of Federal Sentencing Guidelines.	Applicable Federal Sentencing Guideline responsibilities will transitioned from the CAO to the CCO.
A2 – CCO reports to the BOT at least annually on Program effectiveness (copy to BOG) [4.003(7)(g) 8.]	January 2017: The University has not established the position of Chief Compliance Officer. When established, the CCO will follow BOG Regulation 4.003.	N/B
A3 – External Program design and effectiveness review every 5-years (copy to BOG) [4.003(7)(c)]	January 2017: The CCO position has not been established. Therefore, no effectiveness review has been performed. This is new regulation requirement and such review is to be performed within five years of the effective date of Regulation 4.003 (by November 3, 2021).	N/A – Not Applicable
A4 – Process established for detecting and preventing non-compliance, unethical behavior, or criminal conduct [4.003(7)(h)]	January 2017: The CCO position has not been established. Note: The OIGS is required by audit standards to detect any fraud or abuse "material" to audit objectives. The OIGS and HR share a hotline (Ethics Point) that promotes the reporting of unethical or criminal conduct. The university also has excellent policies relating to fraud, abuse, and internal control.	Applicable responsibilities will transitioned from the CAO to the CCO when the position is established.
A5 – Due diligence steps for not including individuals who have engaged in conduct not consistent with an effective Program [4.003(8)]	January 2017: The CCO position has not been established. The University has excellent policies on fraud, abuse, and internal control. In addition, the university conducts background checks on all new faculty and staff.	Applicable responsibilities will be transitioned from the CAO to the CCO when the position is established.

Area B – Program Plan		
Regulation Component	**Description**	**Progress Indicator**
B1 – Compliance and Ethics Program Plan approved by BOT (copy to BOG) [4.003(7)(a)]	January 2017: No University-wide compliance and ethics program plan currently exist for the BOT to approve.	N/B
B2 – Plan provides for compliance training for university employees and BOT members [4.003(7)(b)]	January 2017: As there is no University CCO, no compliance training program managed by that Office currently exist. Note: the CAO currently provides at least four times per year a three-hour training program on fraud, abuse, and internal controls for university employees. Compliance with various laws and policies are discussed. The training also addresses ethics.	Applicable responsibilities will be transitioned from the CAO to the CCO when the position is established.
B3 – Designated compliance officers (e.g., Title IX, Athletics, Research, etc.) as either direct reports or dotted-line reports (specify which) [4.003(7)(d)]	January 2017: No University-wide CCO position currently exist. When the office is established, a decision will be made on whether the CCO will be perform a directing (managing) versus coordinating role. Such decision will be affected by available funding.	N/B
B4 – Reporting mechanism (e.g., Hotline) for potential/actual violations and provides protection for reporting individuals from retaliation [4.003(7)(e) & (f)]	January 2017: Currently, the OIGS and Human Resources cooperatively operate the Ethics Point Hotline. This Regulation requirement has potential for overlap. HR currently addresses employment issues and the OIGS addresses fraud and abuse issues. Neither would likely be in favor of transferring their responsibility and there would therefore need to be a process established (a protocol) on how to decide which entity will be the lead for each issue reported. Note: The CAO currently decides whether complaints meet the definition of a whistle-blower.	Applicable responsibilities will be decided when the position is established.
B5 – Promoting and enforcing the Program through incentives and disciplinary measures [4.003(7)(g)9.]	January 2017: A University-wide CCO position does not currently exist. Note: This requirement is consistent with current functions performed by the CAO and HR.	N/B Applicable responsibilities will be decided when the position is established.

Area C – BOT Committee		
Regulation Component	Description	Progress Indicator
C1 – BOT Committee provides oversight to Compliance and Ethics Program [4.003(3)]	January 2017: A University-wide CCO position does not currently exist.	N/B ●
C2 – BOT Audit and Compliance Committee Charter [4.003(3)]	January 2017: There currently exist a Finance, Business, and Audit Committee Charter. The current Charter does not address the CCO position as the position does not currently exist. Committee name and responsibilities will be addressed.	N/B ●
C3 – Routine CCO meetings with BOT Committee – please describe the nature and frequency of meetings (e.g., semi-annually, quarterly, monthly, etc.) [4.003(7)(a) & 7(g)(3)]	January 2017: A University-wide CCO position does not currently exist.	N/B ●
C4 – Routine CCO meetings with President – please describe nature and frequency of meetings (e.g., semi-annually, quarterly, monthly, etc.) or whether the CCO participates in other regularly held direct reports or leadership meetings [4.003(7)(a) & 7(g)(3)]	January 2017: A University-wide CCO position does not currently exist.	N/B ●

Area D – Chief Compliance Officer		
Regulation Component	Description	Progress Indicator
D1 – Appointed Chief Compliance Officer (CCO) [4.003(4)]	January 2017: A University-wide CCO position does not currently exist. There have been discussions among high level management about implementation of BOG Regulation 4.003.	N/B ●
D2 – CCO reports functionally to the Board and administratively to the President [4.003(5)]	January 2017: A University-wide CCO position does not currently exist.	N/B ●
D3 – Compliance Office Charter [4.003(6)]	January 2017: A University-wide CCO position does not currently exist.	N/B ●
D4 – CCO independence, objectivity, and access, (provide details of resolution of barriers [4.003(7)(g)5 & (7)(g)7]	January 2017: A University-wide CCO position does not currently exist.	N/B ●

D5- CCO authority and resources (provide details of both staffing and budget) [4.003(7)(g)(2)]	**January 2017: A University-wide CCO position does not currently exist.**	**N/B**

I certify that all information provided is true and correct to the best of my knowledge.

Certification: _____ Date 2/17/17
President

I certify that all information provided is true and correct to the best of my knowledge.

Certification: _____ Date 2/22/17
Board of Trustees Chair

STATE UNIVERSITY SYSTEM of FLORIDA
Board of Governors

SUS Compliance Program Status Checklist

Instructions: For the four area tables below, please complete the Description and Progress Indicator columns for each Regulation Component, which align with Board of Governors Regulation 4.003 (effective November 3, 2016). Then complete the Program Status Summary table immediately below.

Return completed checklists to BOGInspectorGeneral@flbog.edu.

For assistance, please contact the Board of Governors Office of Inspector General and Director of Compliance at joseph.maleszewski@flbog.edu or 850-245-9247.

Program Status Summary (January 2017)						
		Completed	In Process			Not Begun
Area	Regulation Components	✓	Good Progress ●	Slow Progress ●	Poor Progress ●	N/B
A – University-wide Compliance Program	5	1	0	3	1	2
B – Program Plan	5	0	0	5	0	1
C – BOT Committee	4	0	2	2	0	2
D – Chief Compliance Officer	5	0	0	5	0	0
TOTAL	**19**	**1**	**2**	**15**	**1**	**5**

Legend:

✓ Indicates that the university president and board chair assert that the regulation components making up this area are fully implemented in accordance with Board of Governors Regulation 4.003.

● Indicates that the university president and board chair anticipate regulation components making up this area to be completed by November 3, 2017.

● Indicates that the university president and board chair anticipate regulation components making up this area to be completed by November 3, 2018 (completion of items beyond this date constitute non-compliance with Board of Governors Regulation 4.003).

● Indicates that the university president and board chair anticipate regulation components making up this area to be completed by May 3, 2019 (six months beyond the period established in Board of Governors Regulation 4.003).

N/B Indicates that the university president and board chair acknowledge that the university has not begun implementing the regulation components making up this area. The "N/B" indicator should be used in conjunction with one of the green/amber/red light indicators to communicate anticipated completion periods for items not yet begun.

Area A – University-wide Compliance Program		
Regulation Component	**Description**	**Progress Indicator**
A1 – University-wide Compliance Program implemented consistent with Code of Ethics for Public Officers and Employees (Part III, Chapter 112, F.S.) and the Federal Sentencing Guidelines Manual, Chapter 8, Part B [4.003(1) & (2)(b)]	**January 2017:** At this time, New College has not consolidated Compliance and Ethics into one comprehensive program. Rather, the College has utilized a decentralized approach. The Office of the General Counsel provides guidance and education relating to Ethics for Public Employees under Florida Statute, while compliance efforts are driven by the heads of the divisions responsible for implementing specific laws, rules, and regulations. The General Counsel and Assistant VP of Finance and Administration are currently working to consolidate employee training, compliance reporting, and compliance and ethics investigations into a single program pursuant to BOG Regulation. As soon as the personnel requirements stated in other sections of the BOG Regulation are met, this process will near completion. New College will not have any foreseeable difficulty in meeting the November 3, 2018 implementation deadline.	
A2 – CCO reports to the BOT at least annually on Program effectiveness (copy to BOG) [4.003(7)(g) 8.]	**January 2017:** At this time, compliance reports are made to the New College BOT as needed. Such reports are submitted through the Finance and Administration Committee, and are presented as issues arise. As such, official reports have not been presented to the BOT because the Program has not yet been finalized (as described above), and the committee structure has not yet been altered. The first report to the BOT will be made as soon as the Program and committee structure have been formalized.	N/B
A3 – External Program design and effectiveness review every 5-years (copy to BOG) [4.003(7)(c)]	**January 2017:** The Compliance and Ethics Program has not been reviewed by an external authority. While New College anticipates that the Program will be implemented by the November 3, 2018 deadline, the first external review will likely occur after that time. In making plans for the formal Program, the College may decide to engage in external review in the first year of the Program's implementation, but at this time, such review has not been scheduled.	N/B
A4 – Process established for	**January 2017:**	

detecting and preventing non-compliance, unethical behavior, or criminal conduct [4.003(7)(h)]	New College has adopted a mechanism for detecting and reporting alleged misconduct, noncompliance, and unethical behavior. The campus community has access to a central Compliance informational resource through the online faculty, staff, and student portal system. Additionally, New College has developed an online system for filing anonymous complaints and initiating whistle-blower actions through a centralized complaints page. These features will continue to be developed along with the Compliance Program Plan.	✓
A5 – Due diligence steps for not including individuals who have engaged in conduct not consistent with an effective Program [4.003(8)]	**January 2017:** New College currently employs several due diligence measures to promote a safe and ethical community culture. As part of the hiring process, each employee submits to an extensive background check through the state's DCF database. Employees are also required to file Conflict of Interest and Outside Employment affirmations, allowing the College to detect possible compliance and ethics issues. Further, each member of the BOT submits annual certifications disclosing any possible conflict of interest, and the BOT by-laws require immediate disclosure of a conflict of interest when it becomes known or apparent. As the formal Compliance and Ethics Program is implemented, these due diligence practices will be consolidated and reviewed along with that Program. These measures will be implemented with the formal program by the November 3, 2018 deadline.	

Area B – Program Plan		
Regulation Component	**Description**	**Progress Indicator**
B1 – Compliance and Ethics Program Plan approved by BOT (copy to BOG) [4.003(7)(a)]	**January 2017:** The Compliance and Ethics Program Plan is currently in draft form, allowing for continued development as the Program is finalized. The Plan will track directly with the requirements of the BOG Regulations and the Federal Sentencing Guidelines. The Plan will be submitted to the New College BOT in advance of the November 3, 2018 deadline, and then submitted to the BOG in final form by the November 3, 2018 deadline.	
B2 – Plan provides for compliance training for	**January 2017:**	

university employees and BOT members [4.003(7)(b)]	During the Fall 2016 semester, the New College divisions collaborated to formalize a schedule of required training modules for faculty, staff, and students. This training schedule is designed to address the requirements of federal and state law, as well as any audit findings, formal or informal, that have been submitted to the College. The final Program Plan will incorporate this schedule of training, and it will be submitted by the November 3, 2018 deadline.	
B3 – Designated compliance officers (e.g., Title IX, Athletics, Research, etc.) as either direct reports or dotted-line reports (specify which) [4.003(7)(d)]	**January 2017:** Compliance officers are currently situated in several divisions, each reporting to an upper level administrator at the Dean or VP level. It is unlikely that the officers' positions will be reclassified and re-structured to report, directly or indirectly, to the CCO or CAE. However, the CCO will have independence and oversight of the Compliance Program, and will coordinate and communicate with compliance officers, pursuant to BOG Regulation 4.003(7)(d). This relationship will be outlined in the final Program Plan and will be implemented by the November 3, 2018 deadline.	
B4 – Reporting mechanism (e.g., Hotline) for potential/actual violations and provides protection for reporting individuals from retaliation [4.003(7)(e) & (f)]	**January 2017:** New College has developed a hotline and online complaint submittal forum. The process for submitting a complaint has been designed to ensure anonymity. Internal policies currently protect reporters from retaliation, but a formal statement of non-retaliation has not been published in regulation. A formal statement of non-retaliation will be included in the formal Program, as well as the BOT Regulations that are enacted to implement the Program. Such statements and regulations will be completed by the November 3, 2018 deadline.	
B5 – Promoting and enforcing the Program through incentives and disciplinary measures [4.003(7)(g)9.]	**January 2017:** The Current schedule of compliance training requires participation by faculty, staff, and students. Penalties for non-completion exist, but are vested in the division heads and direct supervisors of the employees. A formal program of incentives and discipline has not been developed; rather, these measures are handled division by division. A more formal program will be developed along with the Program Plan, and will be submitted by the November 3, 2018 deadline.	N/B

Area C – BOT Committee		
Regulation Component	**Description**	**Progress Indicator**
C1 – BOT Committee provides oversight to Compliance and Ethics Program [4.003(3)]	**January 2017:** Oversight of compliance and ethics functions are currently managed by the Finance and Administration Committee and the Audit Committee of the BOT. By November 3, 2017, these functions will be centralized in the newly reorganized Audit and Compliance Committee, as outlined below.	
C2 – BOT Audit and Compliance Committee Charter [4.003(3)]	**January 2017:** The New College Audit and Compliance Committee Charter is currently in draft form. The Assistant VP of Finance and Administration is working closely with senior leadership and BOT members to finalize the charter, and it is likely to be ratified this summer. We are reasonably certain that it will be submitted to the BOT for a vote by the November 3, 2017 deadline.	
C3 – Routine CCO meetings with BOT Committee – please describe the nature and frequency of meetings (e.g., semi-annually, quarterly, monthly, etc.) [4.003(7)(a) & 7(g)(3)]	**January 2017:** As described in Area D below, New College senior leadership is working to define the role of the Chief Compliance Officer, and the structure of that office. As soon as personnel issues are finalized, regular reports to the BOT will be schedule. It is likely that in its final form, the Plan will require at least annual reports at the BOT annual meeting in June. However, based on a detailed review of the Program Plan, reports may be made more frequently. This plan of reporting will be finalized in the Program Plan and submitted by the November 3, 2018 deadline.	N/B
C4 – Routine CCO meetings with President – please describe nature and frequency of meetings (e.g., semi-annually, quarterly, monthly, etc.) or whether the CCO participates in other regularly held direct reports or leadership meetings [4.003(7)(a) & 7(g)(3)]	**January 2017:** The newly appointed CCO will report directly to the President, and will regularly meet with the President one-on-one, as outlined in the New College Audit and Compliance charter. The details of such meetings are still in draft form, but will be finalized and submitted by the November 3, 2018 deadline. As a note, the President currently meets with his Direct Reports on a weekly basis. This group meeting consists of senior leadership at the Dean and VP level, as well as the General Counsel. However, it is unlikely that the CCO will participate in these meetings in order to	N/B

	maintain the independence of the office.	

Area D – Chief Compliance Officer		
Regulation Component	**Description**	**Progress Indicator**
D1 – Appointed Chief Compliance Officer (CCO) [4.003(4)]	**January 2017:** In response to the draft BOG Regulations in early 2016, the New College General Counsel was appointed as the CCO in June 2016. However, since that time, additional guidance has been provided from the BOG and other SUS institutions. The conflict of interest presented by this dual role would be difficult to mitigate. Senior leadership is currently finalizing a personnel adjustment that would create a combined office, consisting of the CAE and the CCO. This combined position is mentioned and allowed in BOG Regulation 4.003(4). The personnel issues will likely be finalized this year, and will be submitted with the Regulation, Charter, and Program Plan by the November 3, 2018 deadline.	
D2 – CCO reports functionally to the Board and administratively to the President [4.003(5)]	**January 2017:** The CCO, it its dual capacity as General Counsel, currently reports functionally to the Board and administratively to the President. As stated in D1 above, changes will be made to consolidate the office of the CAE and the CCO. When this change is made, the reporting function will transfer to that new office. This structure will be finalized by the November 3, 2018 deadline.	
D3 – Compliance Office Charter [4.003(6)]	**January 2017:** The Audit and Compliance charter is currently in draft form and will be submitted to the BOT upon completion of the Program description and the Program Plan. The charter will be submitted by the November 3, 2018 deadline.	
D4 – CCO independence, objectivity, and access, (provide details of resolution of barriers [4.003(7)(g)5 & (7)(g)7]	**January 2017:** The current CCO has broad access to documents and information relating to College operations, including instances of noncompliance, unethical behavior, and misconduct. The CCO also has access to all complaints that are filed through the online submittal forum.	

	The newly appointed CCO will work closely with the compliance officers in each division. With full support from senior leadership, the CCO will have access to all documents and information required for effective discharge of duties. This includes access to information required for internal audit purposes. Additionally, any reports of noncompliance, unethical behavior, and misconduct that is reported through the internal complaints will be sent directly to the CCO. This structure will be finalized in the Program Plan and submitted by the November 3, 2018 deadline.	
D5- CCO authority and resources (provide details of both staffing and budget) [4.003(7)(g)(2)]	**January 2017:** The newly appointed CCO will be a member of senior leadership and will directly report to the President. Upon appointment, the College community will be notified of the CCO's role, duties, and responsibilities. Senior leadership will convey their full support in campus communications. Given budget constraints and limited staffing, it is likely that the CCO will not have any direct reports or support staff. However, the employees currently serving as compliance officers in the several divisions will assist in Program implementation. Additionally, the General Counsel will serve as a resource, especially as it relates to ethical conduct, statutory interpretation, and conflict mitigation. It is likely that the Compliance Program will be funded through the VP of Finance and Administration's budget. The details of resources and budget will be finalized in the Program Plan and submitted by the November 3, 2018 deadline.	

I certify that all information provided is true and correct to the best of my knowledge.

Certification: _____ Date 2-25-17
President

I certify that all information provided is true and correct to the best of my knowledge.

February 25, 2017

Certification: _____ Date _____
Board of Trustees Chair

STATE UNIVERSITY SYSTEM of FLORIDA
Board of Governors

UCF

SUS Compliance Program Status Checklist

Instructions: For the four area tables below, please complete the Description and Progress Indicator columns for each Regulation Component, which align with Board of Governors Regulation 4.003 (effective November 3, 2016). Then complete the Program Status Summary table immediately below.

Return completed checklists to BOGInspectorGeneral@flbog.edu.

For assistance, please contact the Board of Governors Office of Inspector General and Director of Compliance at joseph.maleszewski@flbog.edu or 850-245-9247.

Program Status Summary (January 2017)						
		Completed	In Process			Not Begun
Area	Regulation Components	✓	Good Progress ●	Slow Progress ●	Poor Progress ●	N/B
A – University-wide Compliance Program	5	4	1	0	0	0
B – Program Plan	5	3	2	0	0	0
C – BOT Committee	4	4	0	0	0	0
D – Chief Compliance Officer	5	5	0	0	0	0
TOTAL	19	16	3	0	0	0

Legend:

✓ Indicates that the university president and board chair assert that the regulation components making up this area are fully implemented in accordance with Board of Governors Regulation 4.003.

● Indicates that the university president and board chair anticipate regulation components making up this area to be completed by November 3, 2017.

● Indicates that the university president and board chair anticipate regulation components making up this area to be completed by November 3, 2018 (completion of items beyond this date constitute non-compliance with Board of Governors Regulation 4.003).

● Indicates that the university president and board chair anticipate regulation components making up this area to be completed by May 3, 2019 (six months beyond the period established in Board of Governors Regulation 4.003).

N/B Indicates that the university president and board chair acknowledge that the university has not begun implementing the regulation components making up this area. The "N/B" indicator should be used in conjunction with one of the green/amber/red light indicators to communicate anticipated completion periods for items not yet begun.

Area A – University-wide Compliance Program		
Regulation Component	**Description**	**Progress Indicator**
A1 – University-wide Compliance Program implemented consistent with Code of Ethics for Public Officers and Employees (Part III, Chapter 112, F.S.) and the Federal Sentencing Guidelines Manual, Chapter 8, Part B [4.003(1) & (2)(b)]	**January 2017:** Description in narrative format **The University Compliance, Ethics, and Risk program (Program) is fully implemented and based on Chapter 8 of the Federal Sentencing Guidelines and includes a focus on compliance and ethics. The elements for an effective program are used in the Compliance, Ethics, and Risk Office's (Office) charter, annual work plan, and annual compliance partner reporting. Additionally, the Chief Compliance Officer (CCO) has oversight for ethics programs at the university and for compliance with the state's Code of Ethics for Public Officers and Employees.**	✓
A2 – CCO reports to the BOT at least annually on Program effectiveness (copy to BOG) [4.003(7)(g) 8.]	**January 2017:** Description in narrative format **The Office annually requires reporting from compliance partners based on the elements for an effective program. This data is reviewed and compiled with the Office's data and provided in a report to the president and BOT Audit and Compliance Committee (Committee). In addition, the Committee receives an update on the status of the annual work plan and compliance partner updates at each meeting during the year. Data on the effectiveness of the Program is also collected through a culture survey performed every two years and through an assessment of statistics from the anonymous reporting hotline performed annually. These reports are provided to the Committee. The annual report will be provided to the BOG for FY 17 as required by the new regulation.**	✓
A3 – External Program design and effectiveness review every 5-years (copy to BOG) [4.003(7)(c)]	**January 2017:** Description in narrative format **We are currently evaluating the timing of the first Program review and understand we have five years from the effective date of the regulation to complete. An updated charter for the Office was approved on January 13, 2017. The revised charter includes a requirement for the CCO to obtain a review of the Program's design and effectiveness at least every five years, to make any appropriate changes to the Program plan, and to provide the report to the president, BOT, and the BOG.**	•
A4 – Process established for detecting and preventing non-compliance, unethical behavior, or criminal conduct [4.003(7)(h)]	**January 2017:** Description in narrative format **The Program includes a university policy for reporting misconduct and protection from retaliation that provides for local and central office reporting options, as well as an anonymous hotline. The Office conducts ongoing monitoring and trend analysis of the anonymous hotline,**	✓

	the university-wide conflict of interest and commitment processes, and the issues and requests made to the Office. The Office conducts investigations, recommends appropriate corrective actions, internal controls, and disciplinary action. Additionally, compliance partner programs include monitoring for noncompliance.	
A5 – Due diligence steps for not including individuals who have engaged in conduct not consistent with an effective Program [4.003(8)]	January 2017: Description in narrative format Background checks are required for all new employees and for certain employees promoted or transferred into sensitive positions. The Office reviews award and promotion requests for faculty members, and provides recommendations for appropriate disciplinary action up to and including termination for faculty and staff members following substantiated cases of employee misconduct or noncompliance. Supervisors and compliance partners are educated on hiring and promoting individuals who uphold the university's value of integrity.	✓

Area B – Program Plan		
Regulation Component	Description	Progress Indicator
B1 – Compliance and Ethics Program Plan approved by BOT (copy to BOG) [4.003(7)(a)]	January 2017: Description in narrative format The Program plan is under development and will be based on the Federal Sentencing Guidelines' elements of an effective program. The Program plan is scheduled for submission to the Committee in April 2017 and to the BOT in May 2017.	•
B2 – Plan provides for compliance training for university employees and BOT members [4.003(7)(b)]	January 2017: Description in narrative format The Program plan will provide expectations for training university employees and BOT members.	•
B3 – Designated compliance officers (e.g., Title IX, Athletics, Research, etc.) as either direct reports or dotted-line reports (specify which) [4.003(7)(d)]	January 2017: Description in narrative format The Athletics Compliance Office reports directly to the CCO. Other compliance partners identified through the Program's compliance accountability matrix, are dotted-line reports and are included on the Office's organizational chart.	✓
B4 – Reporting mechanism (e.g., Hotline) for potential/actual violations and provides protection for reporting individuals from retaliation [4.003(7)(e) & (f)]	January 2017: Description in narrative format The university's anonymous hotline known as the UCF IntegrityLine was launched in September 2015 and is administered by the CCO. In addition, the CCO administers UCF Policy 2-700 Reporting Misconduct and Protection from Retaliation.	✓

B5 – Promoting and enforcing the Program through incentives and disciplinary measures [4.003(7)(g)9.]	**January 2017:** Description in narrative format **The Program includes multiple incentives for compliant and ethical conduct including recognizing employees in the *IntegrityStar* newsletter and incentives provided during the annual celebration of Compliance and Ethics Week. The Office provides guidance on appropriate disciplinary action following misconduct or investigations and assists compliance partners on appropriate corrective actions, education, and training to enforce compliance requirements.**	✓

Area C – BOT Committee		
Regulation Component	**Description**	**Progress Indicator**
C1 – BOT Committee provides oversight to Compliance and Ethics Program [4.003(3)]	**January 2017:** Description in narrative format **The Committee is assigned oversight of the university's Program. This requirement is set forth in the Committee's charter.**	✓
C2 – BOT Audit and Compliance Committee Charter [4.003(3)]	**January 2017:** Description in narrative format **The Committee charter was updated to reflect the requirements of the new BOG Regulation 4.003 and was approved by the BOT at the January 2017 meeting. The approved charter was provided to the BOG Inspector General as required.**	✓
C3 – Routine CCO meetings with BOT Committee – please describe the nature and frequency of meetings (e.g., semi-annually, quarterly, monthly, etc.) [4.003(7)(a) & 7(g)(3)]	**January 2017:** Description in narrative format **The CCO meets monthly with the Committee's chairwoman and as required by the Committee's charter, meets at a minimum of three times per year with the full Committee. The CCO also attends BOT meetings and provides guidance or support on compliance or ethics related matters as requested by the BOT chairman or members.**	✓
C4 – Routine CCO meetings with President – please describe nature and frequency of meetings (e.g., semi-annually, quarterly, monthly, etc.) or whether the CCO participates in other regularly held direct reports or leadership meetings [4.003(7)(a) & 7(g)(3)]	**January 2017:** Description in narrative format **The CCO meets quarterly with the president and as needed to update the president on sensitive issues or risks to the university. The CCO is provided unfettered access to the president. Additionally, the CCO serves as a member of the President's Advisory Staff that meets monthly. The staff meetings are chaired by the president and includes the vice presidents and select other university senior leadership.**	✓

Area D – Chief Compliance Officer

Regulation Component	Description	Implemented
D1 – Appointed Chief Compliance Officer (CCO) [4.003(4)]	**January 2017:** Description in narrative format **The CCO was appointed in May 2011.**	✓
D2 – CCO reports functionally to the Board and administratively to the President [4.003(5)]	**January 2017:** Description in narrative format **The CCO reports functionally to the BOT and administratively to the president. This reporting relationship is included in the Office's charter and reflected on the Office's organizational chart.**	✓
D3 – Compliance Office Charter [4.003(6)]	**January 2017:** Description in narrative format **The Office's charter was updated to reflect all requirements of the new BOG Regulation 4.003 and approved by the BOT on January 13, 2017, and submitted to the BOG Inspector General as required.**	✓
D4 – CCO independence, objectivity, and access, (provide details of resolution of barriers [4.003(7)(g)5 & (7)(g)7]	**January 2017:** Description in narrative format **Requirements for the CCO's independence, objectivity, and access is contained in the Committee's charter and in the Program's charter.**	✓
D5- CCO authority and resources (provide details of both staffing and budget) [4.003(7)(g)(2)]	**January 2017:** Description in narrative format **The CCO has oversight for all compliance and ethics related programs and activities at the university. The Office is staffed with three full time employees and one full time support person. The annual budget for the compliance program, excluding the athletics compliance program, is $642,000.**	✓

I certify that all information provided is true and correct to the best of my knowledge.

Certification: John C. Hitt Date 2/9/17
President

I certify that all information provided is true and correct to the best of my knowledge.

Certification: _____ Date 2/13/17
Board of Trustees Chair

STATE UNIVERSITY SYSTEM of FLORIDA
Board of Governors

UF

SUS Compliance Program Status Checklist

Instructions: For the four area tables below, please complete the Description and Progress Indicator columns for each Regulation Component, which align with Board of Governors Regulation 4.003 (effective November 3, 2016). Then complete the Program Status Summary table immediately below.

Return completed checklists to BOGInspectorGeneral@flbog.edu.

For assistance, please contact the Board of Governors Office of Inspector General and Director of Compliance at joseph.maleszewski@flbog.edu or 850-245-9247.

Program Status Summary (January 2017)						
		Completed	In Process			Not Begun
Area	Regulation Components	✓	Good Progress ●	Slow Progress ●	Poor Progress ●	N/B
A – University-wide Compliance Program	5	0	0	0	0	0
B – Program Plan	5	0	0	0	0	0
C – BOT Committee	4	0	0	0	0	0
D – Chief Compliance Officer	5	0	0	0	0	0
TOTAL	19	0	0	0	0	0

Legend:

✓ Indicates that the university president and board chair assert that the regulation components making up this area are fully implemented in accordance with Board of Governors Regulation 4.003.

● Indicates that the university president and board chair anticipate regulation components making up this area to be completed by November 3, 2017.

● Indicates that the university president and board chair anticipate regulation components making up this area to be completed by November 3, 2018 (completion of items beyond this date constitute non-compliance with Board of Governors Regulation 4.003).

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N/B Indicates that the university president and board chair acknowledge that the university has not begun implementing the regulation components making up this area. The "N/B" indicator should be used in conjunction with one of the green/amber/red light indicators to communicate anticipated completion periods for items not yet begun.

Area A – University-wide Compliance Program		
Regulation Component	Description	Progress Indicator
A1 – University-wide Compliance Program implemented consistent with Code of Ethics for Public Officers and Employees (Part III, Chapter 112, F.S.) and the Federal Sentencing Guidelines Manual, Chapter 8, Part B [4.003(1) & (2)(b)]	**January 2017:** The University of Florida (UF) currently has a decentralized compliance function comprised of personnel in various offices. The newly appointed Chief Compliance Officer (CCO) will be working with these individuals to document the compliance programs and compliance plan at UF. We believe this will be done by November 2017, but will update our projection at the next reporting time if additional assessment indicates that any aspect of the University-wide plan may require some work in 2018.	
A2 – CCO reports to the BOT at least annually on Program effectiveness (copy to BOG) [4.003(7)(g) 8.]	**January 2017:** The CCO was introduced at the December 2016 Audit and Operations Review Committee of the Board of Trustees meeting and will participate and present at this committee in 2017.	
A3 – External Program design and effectiveness review every 5-years (copy to BOG) [4.003(7)(c)]	**January 2017:** UF will begin assessing the available review entities in 2017, and will be making its selection in early 2018.	
A4 – Process established for detecting and preventing non-compliance, unethical behavior, or criminal conduct [4.003(7)(h)]	**January 2017:** As noted above, UF currently has a decentralized compliance function with multiple parties/offices participating in continuous process improvement activity geared toward detecting and preventing non-compliance, unethical and/or criminal behavior. As concerns arise, corrective action is undertaken to not only address the concern, but to also redesign any program deficiencies.	
A5 – Due diligence steps for not including individuals who have engaged in conduct not consistent with an effective Program [4.003(8)]	**January 2017:** UF and its affiliates engage in robust screening of employees, screens for "excluded" individuals and vendors, and appropriate oversight over faculty, students, staff, etc. UF will continue its review of the current processes and make adjustments as necessary.	

Area B – Program Plan		
Regulation Component	Description	Progress Indicator
B1 – Compliance and Ethics Program Plan approved by BOT (copy to BOG) [4.003(7)(a)]	**January 2017:** The UF CCO will present the UF Compliance and Ethics plan to the UF Board prior to November 2017 (or at the Board's end of year meeting in late November or early December). The UF CCO is currently conducting a risk assessment and confers with UF leadership on an on-going basis to validate	

	the suggested approach/plan. The UF CCO will work with the UF Vice President and General Counsel, who is UF's Chief Ethics Officer, on components of the plan covering UF ethics regulations and State ethics law requirements. The UF Board approved an updated Ethics Policy including process requirements in December 2016 and will adopt it as a regulation at the March 2017 Board meeting.	
B2 – Plan provides for compliance training for university employees and BOT members [4.003(7)(b)]	**January 2017:** UF and its affiliates have multiple subject matter specific training modules that employees are required to complete periodically. UF provides all Trustees upon appointment with a resource book and in-person orientation, both of which include training in important compliance obligations. UF's Ethics Policy requires Trustees to consult with the UF General Counsel/Chief Ethics Officer if any ethics compliance question arises. UF continues to enhance the functionality and expand the scope of its electronic training system to improve training content and tracking/reporting of completed training. Training modules will be revised, enhanced and expanded to emphasize compliance risk areas, to include any priority content needed, and to provide Trustee-specific training.	
B3 – Designated compliance officers (e.g., Title IX, Athletics, Research, etc.) as either direct reports or dotted-line reports (specify which) [4.003(7)(d)]	**January 2017:** UF intends to continue its current model which is comprised of a decentralized compliance program; as such, dotted-line reports will be established for each program area by November 2017. The CCO will coordinate among the heads of the various programs.	
B4 – Reporting mechanism (e.g., Hotline) for potential/actual violations and provides protection for reporting individuals from retaliation [4.003(7)(e) & (f)]	**January 2017:** UF and its affiliates have multiple hotlines available for intake of confidential reports of concerns. All reported calls are reviewed, investigated and appropriate action is taken in response to concerns raised by the caller.	✓
B5 – Promoting and enforcing the Program through incentives and disciplinary measures [4.003(7)(g)9.]	**January 2017:** UF has multiple offices that promote and enforce compliance activity in a variety of manners. Moreover, incentives for ensuring compliant activity are provided for some areas; and, counseling or disciplinary action (as appropriate) is taken against individuals when non-compliant, unethical or illegal activities are identified. UF will continue its review of incentives, counseling, and disciplinary measure and if appropriate, make recommendations for adjustments by November 2017.	

Area C – BOT Committee		
Regulation Component	Description	Progress Indicator

C1 – BOT Committee provides oversight to Compliance and Ethics Program [4.003(3)]	**January 2017:** The BOT Audit and Operations Review Committee Charter will be revised to more robustly include the compliance function. This committee already addresses many compliance areas and is the appropriate committee to provide board-level oversight to the Compliance and Ethics program.	●
C2 – BOT Audit and Compliance Committee Charter [4.003(3)]	**January 2017:** Revisions to the Audit and Operations Review Committee Charter are in the process of being drafted. The Audit and Operations Review Committee and the Governance Committee, which must approve all committee charter changes, will review and (UF anticipates) approve the revised Charter by the Board's end-of-year meeting in late November or early December, 2017.	●
C3 – Routine CCO meetings with BOT Committee – please describe the nature and frequency of meetings (e.g., semi-annually, quarterly, monthly, etc.) [4.003(7)(a) & 7(g)(3)]	**January 2017:** The UF CCO will meet with the Audit (and Compliance) Committee at the regularly scheduled meetings at least three times a year, and will meet with its Chair at that time as well. The CCO was introduced to the Audit and Operations Review Committee in December of 2016. The COO will communicate whenever needed with the Chair of the Committee and can meet with the Committee at a specially scheduled time if warranted.	●
C4 – Routine CCO meetings with President – please describe nature and frequency of meetings (e.g., semi-annually, quarterly, monthly, etc.) or whether the CCO participates in other regularly held direct reports or leadership meetings [4.003(7)(a) & 7(g)(3)]	**January 2017:** The CCO has met with the President to review and discuss the Privacy function at UF. The CCO will meet with the President at least twice a year for overall updates and assessments, as well as when needed for particular purposes. Bi-weekly (generally two per month) meetings are currently held with the SVP & COO, Dr. Lane. Also, the CCO participates in Dr. Lane's executive staff meeting on a monthly basis. The CCO meets quarterly with the Vice President and General Counsel as well. Additional meetings with leadership will be scheduled.	●

Area D – Chief Compliance Officer		
Regulation Component	**Description**	**Progress Indicator**
D1 – Appointed Chief Compliance Officer (CCO) [4.003(4)]	**January 2017:** The CCO was introduced to the Audit and Operations	●

	Review Committee of the BOT in December of 2017. The CCO's current job description will be revised to more clearly reflect the CCO role/function, although it presently includes a compliance coordination function.	
D2 – CCO reports functionally to the Board and administratively to the President [4.003(5)]	**January 2017:** The CCO's current job description will be revised to more clearly reflect the CCO role/function and reporting structure.	•
D3 – Compliance Office Charter [4.003(6)]	**January 2017:** The Compliance Office Charter is in draft form and will be finalized by November 2017 (and adopted by the Board's end-of-year meeting in late November 2017 or early December 2017).	•
D4 – CCO independence, objectivity, and access, (provide details of resolution of barriers [4.003(7)(g)5 & (7)(g)7]	**January 2017:** The CCO's current job description will be revised to more clearly reflect the CCO role/function, reporting structure, etc. Verbiage related to resolution of barriers will be incorporated into appropriate documents that will be presented for approval by the UF Board and/or the Audit and Compliance Committee by the Board's end-of-year meeting in late November or early December, 2017.	•
D5- CCO authority and resources (provide details of both staffing and budget) [4.003(7)(g)(2)]	**January 2017:** The CCO's authority will be established in charters, job descriptions, etc., by November 2017. Resources, staffing, and budget needs will be assessed and will be funded during established budget cycles.	•

I certify that all information provided is true and correct to the best of my knowledge.

Certification: _____ Date 2/17/17
President

I certify that all information provided is true and correct to the best of my knowledge.

Certification: _____ Date 2/17/17
Board of Trustees Chair

STATE UNIVERSITY SYSTEM of FLORIDA
Board of Governors

UNF

SUS Compliance Program Status Checklist

Instructions: For the four area tables below, please complete the Description and Progress Indicator columns for each Regulation Component, which align with Board of Governors Regulation 4.003 (effective November 3, 2016). Then complete the Program Status Summary table immediately below.

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Program Status Summary (January 2017)						
		Completed	In Process			Not Begun
Area	Regulation Components	✓	Good Progress ●	Slow Progress ◎	Poor Progress ●	N/B
A – University-wide Compliance Program	5	2	2	0	0	1
B – Program Plan	5	0	3	0	0	2
C – BOT Committee	4	4	0	0	0	0
D – Chief Compliance Officer	5	3	2	0	0	0
TOTAL	19	9	7	0	0	3

Legend:

✓ Indicates that the university president and board chair assert that the regulation components making up this area are fully implemented in accordance with Board of Governors Regulation 4.003.

● Indicates that the university president and board chair anticipate regulation components making up this area to be completed by November 3, 2017.

◎ Indicates that the university president and board chair anticipate regulation components making up this area to be completed by November 3, 2018 (completion of items beyond this date constitute non-compliance with Board of Governors Regulation 4.003).

● Indicates that the university president and board chair anticipate regulation components making up this area to be completed by May 3, 2019 (six months beyond the period established in Board of Governors Regulation 4.003).

N/B Indicates that the university president and board chair acknowledge that the university has not begun implementing the regulation components making up this area. The "N/B" indicator should be used in conjunction with one of the green/amber/red light indicators to communicate anticipated completion periods for items not yet begun.

Area A – University-wide Compliance Program		
Regulation Component	Description	Progress Indicator
A1 – University-wide Compliance Program implemented consistent with Code of Ethics for Public Officers and Employees (Part III, Chapter 112, F.S.) and the Federal Sentencing Guidelines Manual, Chapter 8, Part B [4.003(1) & (2)(b)]	**January 2017:** Good Progress - The UNF Compliance and Ethics Program (C&EP) is currently being drafted. Members of the BOT Governance and Audit and Compliance Committees discussed the BOG requirements at their January meetings and are enthusiastic to move the Program forward. Tentative plans are to present the C&EP plan, and other related documents, for example, the Compliance Office Charter, to the BOT for discussion and approval at its first meeting in the Fall.	✓ ● ◎ ● **N/B**
A2 – CCO reports to the BOT at least annually on Program effectiveness (copy to BOG) [4.003(7)(g) 8.]	**January 2017:** Completed – Since the Spring of 2015, the Chief Compliance Officer has provided regular quarterly updates on compliance issues and initiatives to the BOT Audit and Finance Committee, now the Audit and Compliance Committee. With the adoption of the BOG regulation, these updates now include a status report on the progress in meeting BOG requirements.	✓ ● ◎ ● **N/B**
A3 – External Program design and effectiveness review every 5-years (copy to BOG) [4.003(7)(c)]	**January 2017:** Not Begun, but expect Good Progress – the draft C&EP will address the requirement for an external program review. This review will be completed no later than 5 year after adoption of the CPP by the BOT.	✓ ● ◎ ● **N/B**
A4 – Process established for detecting and preventing non-compliance, unethical behavior, or criminal conduct [4.003(7)(h)]	**January 2017:** Good Progress – There are multiple policies, procedures, and processes in place to encourage faculty, staff, and students to bring issues of perceived illegal, unethical or inappropriate behavior/actions to the attention of management, for example the Fraud and Other Wrongful Acts policy and the Non-discrimination policy. The Chief Compliance Officer, in collaboration with the Director of Internal Audits, attorneys in the Office of the General Counsel, the Director of Employee Labor Relations, and others, are in the process of identifying current policies and procedures (P&P) which provide guidance on how and to whom to raise these concerns. Recommendations for changes to and/or new policies are part of the University's efforts at continuous improvement. Additionally, the UNF Hotline allows faculty, staff and others to raise concerns about any issue anonymously. Finally, compliance audits	✓ ● ◎ ● **N/B**

	completed by the Office of Internal Audits also advise management of areas of lax or non-compliance.	
A5 – Due diligence steps for not including individuals who have engaged in conduct not consistent with an effective Program [4.003(8)]	**January 2017:** Completed – The University has a rigorous search and screen process which includes level 2 (fingerprint) background checks and reference checks for all candidates for vacant positions. A level 2 background check is also required for all positions of trust, including internal promotional opportunities. Candidates for positions of trust also undergo a credit check. Additionally, UNF rules and policies, for example the Fraud and Other Wrongful Acts policy, address disciplinary	✓ ● ○ ● **N/B**

Area B – Program Plan		
Regulation Component	**Description**	**Progress Indicator**
B1 – Compliance and Ethics Program Plan approved by BOT (copy to BOG) [4.003(7)(a)]	**January 2017:** Good Progress – as noted above, the UNF Compliance Program is currently being drafted. Tentative plans are to engage the BOT in discussion and approval of the plan at their first meeting in the Fall.	✓ ● ○ ● **N/B**
B2 – Plan provides for compliance training for university employees and BOT members [4.003(7)(b)]	**January 2017:** Good Progress – At the January meeting of the BOT, both the Audit and Compliance Committee and the Governance Committee discussed the requirements and options for BOT compliance and ethics training. The Chief Compliance Officer and the VP/General Counsel are coordinating on gathering information on training options, with tentative plans to engage the Board in such training annually beginning this Fall. Additionally, the Chief Compliance Officer, the VP for Human Resources and her staff, and the Senior Counsel in the Office of the General Counsel have begun discussions on enhancing the current compliance and ethics training for faculty and staff. Training requirements and issues will be addressed in the C&EP.	✓ ● ○ ● **N/B**
B3 – Designated compliance officers (e.g., Title IX, Athletics, Research, etc.) as either direct reports or dotted-line reports (specify which) [4.003(7)(d)]	**January 2017:** Not Begun, but expect Good Progress over the coming months. Initial efforts to meet BOG requirements have focused on other requirements, specifically those related to the BOT governance. Discussions regarding the appropriate reporting structure for the UNF departmental/designated compliance officers vis-à-vis the Chief Compliance Officer	✓ ● ○ ● **N/B**

	will be held in the coming months. The reporting structure, direct reports or dotted-line reports, will be addressed in the C&EP.	
B4 – Reporting mechanism (e.g., Hotline) for potential/actual violations and provides protection for reporting individuals from retaliation [4.003(7)(e) & (f)]	**January 2017:** Good Progress – a contract has been signed with Lighthouse, our vendor for the UNF Hotline, and funds have been allocated to market the Hotline through a variety of means. Additional reporting mechanisms, for example, a compliance e-mail address, are also under consideration. All such mechanisms will be addressed in the C&EP.	✓ ● ◎ ● N/B
B5 – Promoting and enforcing the Program through incentives and disciplinary measures [4.003(7)(g)9.]	**January 2017:** Not Begun but expect Good Progress over the coming months. Initial efforts to meet BOG requirements focused on other requirements, specifically those related to BOT governance. The Compliance Officer will engage colleagues in the Office of Human Resources, the Office of the General Counsel, and others to identify appropriate incentives and disciplinary measures and will address those measures in the C&EP.	✓ ● ◎ ● N/B

Area C – BOT Committee		
Regulation Component	**Description**	**Progress Indication**
C1 – BOT Committee provides oversight to Compliance and Ethics Program [4.003(3)]	**January 2017:** Completed – the Audit and Finance Committee of the BOT transitioned to the Audit and Compliance Committee effective October 2016.	✓ ● ◎ ● N/B
C2 – BOT Audit and Compliance Committee Charter [4.003(3)]	**January 2017:** Completed – the Audit and Compliance Committee charter was approved at the October 2016 BOT meeting.	✓ ● ◎ ● N/B
C3 – Routine CCO meetings with BOT Committee – please describe the nature and frequency of meetings (e.g., semi-annually, quarterly, monthly, etc.) [4.003(7)(a) & 7(g)(3)]	**January 2017:** Completed – The Chief Compliance Officer has a regular place on BOT Audit and Compliance Committee meeting agendas to update members on compliance issues and initiatives and specifically, to provide a status report on the progress in meeting BOG requirements.	✓ ● ◎ ● N/B
C4 – Routine CCO meetings with President – please describe nature and frequency of meetings (e.g., semi-annually, quarterly,	**January 2017:** Completed – The Chief Compliance Officer meets monthly with the President to review compliance issues and initiatives and our progress in meeting BOG requirements. Ad hoc meetings are also held to address	✓ ● ◎ ● N/B

monthly, etc.) or whether the CCO participates in other regularly held direct reports or leadership meetings [4.003(7)(a) & 7(g)(3)]	pressing compliance matters. Additionally, the Chief Compliance Officer meets regularly with the VP, Administration and Finance, to keep her abreast of these issues. Finally, the opportunity to bring issues to President's staff meetings is available to the Chief Compliance Officer should the need arise.	

Area D – Chief Compliance Officer		
Regulation Component	**Description**	**Progress Indication**
D1 – Appointed Chief Compliance Officer (CCO) [4.003(4)]	**January 2017:** Completed – the Chief Compliance Officer has been appointed.	✓ ● ○ ● **N/B**
D2 – CCO reports functionally to the Board and administratively to the President [4.003(5)]	**January 2017:** Completed – the Chief Compliance Officer's position description and organizational charts have been updated to reflect the required reporting relationships.	✓ ● ○ ● **N/B**
D3 – Compliance Office Charter [4.003(6)]	**January 2017:** Good Progress – The Compliance Office Charter is being drafted and tentative plans are to submit the Charter along with C&EP plan to the BOT at their first meeting in the Fall.	✓ ● ○ ● **N/B**
D4 – CCO independence, objectivity, and access, (provide details of resolution of barriers [4.003(7)(g)5 & (7)(g)7]	**January 2017:** Completed – The CCO has the support of the BOT and the President to engage in her duties and responsibilities with independence and objectivity. The BOT and President have also affirmed the requirement for full access to them by the CCO. No barriers to engaging compliance issues in meaningful and effective ways exist.	✓ ● ○ ● **N/B**
D5- CCO authority and resources (provide details of both staffing and budget) [4.003(7)(g)(2)]	**January 2017:** Good Progress - The Compliance Office is staffed by a Chief Compliance Officer with secretarial/ administrative support provided through the Office of the Vice President of Administration and Finance. The Compliance Office expense budget is $6,000, which is used to support general operating expenses including phone, office supplies, professional development opportunities, and travel. As the C&EP evolves it is	✓ ● ○ ● **N/B**

	likely that additional funds for Program marketing, education/training programs, and other special initiatives will be required. Requests for additional funding will be submitted through the established budget request process.	

I certify that all information provided is true and correct to the best of my knowledge.

Certification: _____ Date_____
President

I certify that all information provided is true and correct to the best of my knowledge.

Certification: _____ Date_____
Board of Trustees Chair

USF

STATE UNIVERSITY SYSTEM of FLORIDA
Board of Governors

SUS Compliance Program Status Checklist

Instructions: For the four area tables below, please complete the Description and Progress Indicator columns for each Regulation Component, which align with Board of Governors Regulation 4.003 (effective November 3, 2016). Then complete the Program Status Summary table immediately below.

Return completed checklists to BOGInspectorGeneral@flbog.edu.

For assistance, please contact the Board of Governors Office of Inspector General and Director of Compliance at joseph.maleszewski@flbog.edu or 850-245-9247.

Program Status Summary (January 2017)		Completed	In Process			Not Begun
Area	Regulation Components	✓	Good Progress ●	Slow Progress ●	Poor Progress ●	N/B
A – University-wide Compliance Program	5	4	1	0	0	0
B – Program Plan	5	2	3	0	0	0
C – BOT Committee	4	2	2	0	0	0
D – Chief Compliance Officer	5	3	2	0	0	0
TOTAL	19	11	8	0	0	0

Legend:

✓ Indicates that the university president and board chair assert that the regulation components making up this area are fully implemented in accordance with Board of Governors Regulation 4.003.

● Indicates that the university president and board chair anticipate regulation components making up this area to be completed by November 3, 2017.

● Indicates that the university president and board chair anticipate regulation components making up this area to be completed by November 3, 2018 (completion of items beyond this date constitute non-compliance with Board of Governors Regulation 4.003).

● Indicates that the university president and board chair anticipate regulation components making up this area to be completed by May 3, 2019 (six months beyond the period established in Board of Governors Regulation 4.003).

N/B Indicates that the university president and board chair acknowledge that the university has not begun implementing the regulation components making up this area. The "N/B" indicator should be used in conjunction with one of the green/amber/red light indicators to communicate anticipated completion periods for items not yet begun.

Area A – University-wide Compliance Program		
A1 – University-wide Compliance Program implemented consistent with Code of Ethics for Public Officers and Employees (Part III, Chapter 112, F.S.) and the Federal Sentencing Guidelines Manual, Chapter 8, Part B [4.003(1) & (2)(b)]	**January 2017:** The USF System implemented a Compliance & Ethics Program (CEP) in 2007 that is consistent with the Code of Ethics for Public Officers and Employees (Part III, Chapter 112, F.S.) and the Federal Sentencing Guidelines Manual, Chapter 8, Part B [4.003(1) & (2)(b)].	✓ ● ● ● N/B
A2 – CCO reports to the BOT at least annually on Program effectiveness (copy to BOG) [4.003(7)(g) 8.]	**January 2017:** Since the inception of the USF System Compliance & Ethics Program in 2007, the Chief Compliance Officer has reported at least annually on program effectiveness to the Board of Trustees (BOT) as part of its annual report. A provision for an annual report will also be included in the Program Charter, expected to be approved by the BOT at its June 2017 meeting	✓ ● ● ● N/B
A3 – External Program design and effectiveness review every 5-years (copy to BOG) [4.003(7)(c)]	**January 2017:** A provision for an external review within 5 years will be included in the Program Charter, expected to be approved by the BOT at its June 2017 meeting	✓ ● ● ● N/B
A4 – Process established for detecting and preventing non-compliance, unethical behavior, or criminal conduct [4.003(7)(h)]	**January 2017:** The USF System has established processes for detecting and preventing noncompliance, unethical behavior, and criminal conduct via the following: • USF System Policy 0-024: Fraud Prevention & Detection • EthicsPoint, our anonymous reporting hotline • *eDisclose*, our web-based training and disclosure system for employee Florida Code of Ethics (FCOE) nepotism, and outside activity disclosure and review.	✓ ● ● ● N/B

A5 – Due diligence steps for not including individuals who have engaged in conduct not consistent with an effective Program [4.003(8)]	**January 2017:** Criminal history background checks are conducted upon prospective and current employees pursuant to USF System Policy 0-615. The USF System has an anonymous reporting hotline, EthicsPoint, for reporting allegations of fraud, abuse, and other violations of law, regulation, and policy.	✓ ● ● ● N/B

Area B – Program Plan		
B1 – Compliance and Ethics Program Plan approved by BOT (copy to BOG) [4.003(7)(a)]	**January 2017:** A provision for a CEP Program Plan will be included in the CEP Charter, expected to be approved by the BOT at its June 2017 meeting. It is also expected that the Program Plan will be completed and approved at that time.	✓ ● ● ● N/B
B2 – Plan provides for compliance training for university employees and BOT members [4.003(7)(b)]	**January 2017:** USF System employees and BOT members currently receive compliance training, and the approved CEP Program Plan will include this requirement.	✓ ● ● ● N/B
B3 – Designated compliance officers (e.g., Title IX, Athletics, Research, etc.) as either direct reports or dotted-line reports (specify which) [4.003(7)(d)]	**January 2017:** The President, in consultation with the BOT, is currently revising the organizational structure of the CEP. This reorganization will delineate which compliance officers are designated and their reporting relationship to the CCO.	✓ ● ● ● N/B
B4 – Reporting mechanism (e.g., Hotline) for potential/actual violations and provides protection for reporting individuals from retaliation [4.003(7)(e) & (f)]	**January 2017:** The USF System has established a mechanism for anonymous reporting of potential or actual violations of USF System Policy via the EthicsPoint hotline. Reporting individuals are protected from retaliation, retribution, or reprisals under USF System Policy 0-020.	✓ ● ● ● N/B
B5 – Promoting and enforcing the Program through incentives and disciplinary measures [4.003(7)(g)9.]	**January 2017:** The USF System may take just cause disciplinary action against faculty members and any other USF System employee for incompetence or misconduct under USF System Regulation 10.112 and USF System Regulation 10.212, respectively.	✓ ● ● ● N/B

Area C – BOT Committee		
C1 – BOT Committee provides oversight to Compliance and Ethics Program [4.003(3)]	**January 2017:** The USF System Board of Trustees has assigned responsibility for providing governance oversight of the Compliance & Ethics Program to the Board of Trustees (BOT) Audit & Compliance Committee.	✓ ● ● ● N/B
C2 – BOT Audit and Compliance Committee Charter [4.003(3)]	**January 2017:** The BOT Audit & Compliance Committee is currently developing its charter. The revised charter will address governance oversight of the CEP. The BOT Audit & Compliance Committee anticipates their revised charter to be approved by June 2017.	✓ ● ● ● N/B
C3 – Routine CCO meetings with BOT Committee – please describe the nature and frequency of meetings (e.g., semi-annually, quarterly, monthly, etc.) [4.003(7)(a) & 7(g)(3)]	**January 2017:** The BOT Audit & Compliance Committee meets monthly or in accordance with the USF System Board of Trustees meeting schedule. The CCO meets with the BOT Audit & Compliance Committee during these meetings to keep the committee apprised of Program activities.	✓ ● ● ● N/B
C4 – Routine CCO meetings with President – please describe nature and frequency of meetings (e.g., semi-annually, quarterly, monthly, etc.) or whether the CCO participates in other regularly held direct reports or leadership meetings [4.003(7)(a) & 7(g)(3)]	**January 2017:** Once the CEP Charter has been approved by the BOT, details such as frequency of scheduled meetings with the President will be determined. The CCO has met recently with the President on two occasions to discuss compliance-related issues.	✓ ● ● ● N/B

Area D – Chief Compliance Officer		
D1 – Appointed Chief Compliance Officer (CCO) [4.003(4)]	**January 2017:** The USF System designated a senior-level administrator to serve as Chief Compliance Officer in June 2007.	✓ ● ● ● N/B

D2 – CCO reports functionally to the Board and administratively to the President [4.003(5)]	**January 2017:** Upon completion of the CEP Charter and the revisions to the BOT Audit & Compliance Committee Charter, the job description of the CCO will be updated to reflect reporting of the CCO to the Board of Trustees and administratively to the USF System President.	✓ N/B
D3 – Compliance Office Charter [4.003(6)]	**January 2017:** Anticipated date of approval and implementation of the CEP Charter is June 2017.	✓ N/B
D4 – CCO independence, objectivity, and access, (provide details of resolution of barriers [4.003(7)(g)5 & (7)(g)7]	**January 2017:** These program requirements are provided for in the current USF System Audit & Compliance Charter. The new CEP Charter will also address CCO independence, objectivity, and access. Anticipated date of approval and implementation of the CEP Charter is June 2017.	✓ N/B
D5- CCO authority and resources (provide details of both staffing and budget) [4.003(7)(g)(2)]	**January 2017:** CCO authority is addressed in the current USF System Audit & Compliance Charter. CCO authority and resources will also be addressed in the new CEP Charter. Current CEP staffing is two full-time professional positions (CCO and Associate Compliance Officer) and a shared staff assistant position. The program budget is approximately $350,000 per year.	✓ N/B

I certify that all information provided is true and correct to the best of my knowledge.

Certification: Judy L Genshaft Date 1/30/17

Judy L. Genshaft, President

I certify that all information provided is true and correct to the best of my knowledge.

Certification: Date 1/31/17

Brian D. Lamb, Board of Trustees Chair

STATE UNIVERSITY SYSTEM of FLORIDA
Board of Governors

UWF

SUS Compliance Program Status Checklist—UWF Response

Instructions: For the four area tables below, please complete the Description and Progress Indicator columns for each Regulation Component, which align with Board of Governors Regulation 4.003 (effective November 3, 2016). Then complete the Program Status Summary table immediately below.

Return completed checklists to BOGInspectorGeneral@flbog.edu.

For assistance, please contact the Board of Governors Office of Inspector General and Director of Compliance at joseph.maleszewski@flbog.edu or 850-245-9247.

Program Status Summary (January 2017)						
		Completed	In Process			Not Begun
Area	Regulation Components	✓	Good Progress ●	Slow Progress ●	Poor Progress ●	N/B
A – University-wide Compliance Program	5	2	2	0	0	1
B – Program Plan	5	0	5	0	0	0
C – BOT Committee	4	3	1	0	0	0
D – Chief Compliance Officer	5	1	3	1	0	0
TOTAL	19	6	11	1	0	1

Legend:

✓ Indicates that the university president and board chair assert that the regulation components making up this area are fully implemented in accordance with Board of Governors Regulation 4.003.

● Indicates that the university president and board chair anticipate regulation components making up this area to be completed by November 3, 2017.

● Indicates that the university president and board chair anticipate regulation components making up this area to be completed by November 3, 2018 (completion of items beyond this date constitute non-compliance with Board of Governors Regulation 4.003).

● Indicates that the university president and board chair anticipate regulation components making up this area to be completed by May 3, 2019 (six months beyond the period established in Board of Governors Regulation 4.003).

N/B Indicates that the university president and board chair acknowledge that the university has not begun implementing the regulation components making up this area. The "N/B" indicator should be used in conjunction with one of the green/amber/red light indicators to communicate anticipated completion periods for items not yet begun.

Area A – University-wide Compliance Program		
Regulation Component	**Description**	**Progress Indicator**
A1 – University-wide Compliance Program implemented consistent with Code of Ethics for Public Officers and Employees (Part III, Chapter 112, F.S.) and the Federal Sentencing Guidelines Manual, Chapter 8, Part B [4.003(1) & (2)(b)]	**January 2017:** In March 2016 UWF formally created a Compliance Office as part of the Internal Auditing & Compliance function. A compliance database has been created and is being deployed across campus to key compliance partners in FY 2016/17. UWF has in place key policies related to compliance, ethics and code of conduct as follows: • AC 11.02 Conflicts of Interest • BOT 06.02-08/14 Conflict of Interest • BOT 07.01-03/08 Code of Conduct • BOT 13.01-09/15 Identity Theft Prevention • EO-03.00-12/01 Consensual Relations • FP-01.03-05/14 Professional Services Selection Process • HR 15.02-05/16 Employee Code of Conduct • HR 22.00-2004/07 Standards of Conduct • IT-04.01-03/16 UWF Information Security and Privacy • P-04.03-11/15 Authority to Sign Contracts and Other Documents • P-10.00-10/04 Policy Against Fraudulent or Wrongful Acts *(being updated to reflect BOG regulation terminology)* • P-13.07-06/16 Prohibition of Discrimination, Harassment and Retaliation • P-14.02-02/15 Sexual Misconduct, Sexual Violence, Gender-Based Discrimination and Retaliation • P-16.03-12/16 Lobbying Policy • SA-33.02-08/13 Review and Reporting of NCAA Violations • SR-01.02-01/15 Misconduct in Research The United Faculty of Florida Collective Bargaining Agreement outlines specific responsibilities related to faculty as follow: • Article 6 Nondiscrimination • Article 17 Disciplinary Action • Article 18 Job Abandonment • Article 21 Conflict of Interest/Outside Activity • Article 22 Grievance Procedure and Arbitration	●
A2 – CCO reports to the BOT at least annually on Program effectiveness (copy to BOG) [4.003(7)(g) 8.]	**January 2017:** Quarterly updates are provided to the UWF BOT Audit & Compliance Committee.	●
A3 – External Program design and effectiveness review every 5-years (copy to BOG) [4.003(7)(c)]	**January 2017:** The UWF Compliance Office is less than one year old; the external program review will occur in 2021 (5 years out).	N/B

Area A – University-wide Compliance Program		
Regulation Component	Description	Progress Indicator
A4 – Process established for detecting and preventing non-compliance, unethical behavior, or criminal conduct [4.003(7)(h)]	**January 2017:** UWF has in place several mechanisms. Employee background screening occurs prior to hiring. Level 2 background checks are performed on individuals placed in sensitive or special trust positions. Training occurs bringing awareness to the campus regarding identity theft, red flags of fraud, PCI compliance and new employee orientation. Additionally, UWF Campus Police have the Silent Witness program on their webpage to permit anonymous reporting. UWF is in the process of implementing a third party hotline which is expected to be deployed April 2017. (See more on question B4).	✓
A5 – Due diligence steps for not including individuals who have engaged in conduct not consistent with an effective Program [4.003(8)]	**January 2017:** UWF performs background screening prior to hiring employees. For those in positions of sensitive or special trust, level 2 background checks (more thorough) are conducted.	✓

Area B – Program Plan		
Regulation Component	Description	Progress Indicator
B1 – Compliance and Ethics Program Plan approved by BOT (copy to BOG) [4.003(7)(a)]	**January 2017:** A *Compliance Plan* has been prepared and is to be presented to the UWF BOT Audit & Compliance Committee meeting in February 2017.	●
B2 – Plan provides for compliance training for university employees and BOT members [4.003(7)(b)]	**January 2017:** Training has been developed for online instruction and in-person training. Courses include: • Tools for and Ethical Workplace • Clery Act Basics • Red Flags of Identity Theft • Building a Supportive Community (Title IX/Campus SAVE Act) • Data Security and Privacy • PCI DSS: Payment Card Industry Data Security Standard • FERPA Basics • Harassment Prevention Training Furthermore, the Compliance Officer is working with the Office of Human Resources (OHR) to incorporate compliance and ethics training as part of the New Employee Orientation and stand-alone courses. OHR maintains individual training records which readily show the courses employees have completed. BOT orientation includes an overview of the Compliance function and the Trustee's responsibilities. Enhancements will be made to the Compliance facet going forward.	●
B3 – Designated compliance officers (e.g., Title IX, Athletics, Research, etc.) as either direct reports or dotted-	**January 2017:** Compliance partners have been identified and the Compliance Officer is working with each to ensure ongoing communication, enhancements to the compliance database and any external	●

Area B – Program Plan		
Regulation Component	**Description**	**Progress Indicator**
line reports (specify which) [4.003(7)(d)]	reporting required of the various compliance partners. The compliance partners identified to date are as follow: • Athletic Compliance Officer • Enrollment Services Registrar • Environmental Health & Safety Director • Financial Aid Director • Financial Services Associate Controller • General Counsel • Human Resources Associate Director • IT Security Officer • Research Director • Title IX Coordinator • University Police Chief • Executive Director, WUWF • Dean of Libraries • ADA Coordinator • SUS Data Administrator • Interim Vice Provost, Academic Affairs • Sr. Associate Vice President, Student Affairs • Associate Vice President of Advancement/CFO Job descriptions for these compliance partners will need to be updated to reflect a dotted line relationship to the Compliance Officer.	
B4 – Reporting mechanism (e.g., Hotline) for potential/actual violations and provides protection for reporting individuals from retaliation [4.003(7)(e) & (f)]	**January 2017:** UWF recently entered into a contract with a third party hotline provider, Navex Global. Configuration and implementation of the hotline, named *UWF Integrity Helpline*, is expected to be launched by April 2017. [See answer A-4 for additional information.]	●
B5 – Promoting and enforcing the Program through incentives and disciplinary measures [4.003(7)(g)9.]	**January 2017:** UWF has a progressive discipline program for employees. UWF key policies related to dealing with non-compliance, ethical issues are: • BOT 07.01-03/08 Code of Conduct • HR-13.00-2004/07 Changes in Duties, Reassignment, Demotion, and Transfer • HR 15.02-05/16 Employee Code of Conduct • HR-21.00-2004/07 Separations from Employment • HR 22.00-2004/07 Standards of Conduct United Faculty of Florida Collective Bargaining Agreement includes specific provisions related to faculty issues as follow • Article 1 Recognition • Article 17 Disciplinary Action • Article 21 Conflict of Interest/Outside Activity • Article 22 Grievance Procedure and Arbitration Other than the Employee Recognition Program (HR-16.00-2004/07) and UFF Article 1 Recognition, specific incentives for reporting unethical behavior have not been introduced as of this time. We anticipate the UWF Integrity Helpline will be a positive venue for reporting concerns.	●

Area C – BOT Committee		
Regulation Component	Description	Progress Indicator
C1 – BOT Committee provides oversight to Compliance and Ethics Program [4.003(3)]	January 2017: At the March 2016 meeting the BOT Audit & Compliance Committee adopted its charter which outlines its responsibilities for providing oversight to the Compliance/Ethics program. Also at this meeting, the departmental charter for the Office of Internal Auditing & Compliance was approved. As the Compliance Office is less than one year old, plans to separate Compliance from Audit will occur within the 5-year timeframe as outlined by the BOG Audit Committee at the June 2016 meeting in Orlando.	✓
C2 – BOT Audit and Compliance Committee Charter [4.003(3)]	January 2017: At the March 2016 meeting the BOT Audit & Compliance Committee adopted its charter which outlines its responsibilities for providing oversight to the Compliance/Ethics program. Also at this meeting, the departmental charter for the Office of Internal Auditing & Compliance was approved.	✓
C3 – Routine CCO meetings with BOT Committee – please describe the nature and frequency of meetings (e.g., semi-annually, quarterly, monthly, etc.) [4.003(7)(a) & 7(g)(3)]	January 2017: Quarterly meetings are held with the UWF BOT Audit & Compliance Committee where updates regarding the Compliance function is shared with the Committee.	✓
C4 – Routine CCO meetings with President – please describe nature and frequency of meetings (e.g., semi-annually, quarterly, monthly, etc.) or whether the CCO participates in other regularly held direct reports or leadership meetings [4.003(7)(a) & 7(g)(3)]	January 2017: Presently the Associate Vice President, Internal Auditing & Compliance meets monthly with the President. During these meetings updates regarding auditing and compliance are discussed. These meetings will continue to occur and the Compliance Officer will be taken at least quarterly to meet with the President. When the Compliance Office is separated from Internal Auditing (within the next 4 years), one-on-one meetings will be scheduled between the President and the Compliance Officer. The Compliance Officer will be added to the Extended Cabinet, which meets quarterly with the President and senior leadership. This will occur prior to June 30, 2017.	●

Area D – Chief Compliance Officer		
Regulation Component	Description	Progress Indicator
D1 – Appointed Chief Compliance Officer (CCO) [4.003(4)]	January 2017: Until the Compliance Office is separated from the Internal Auditing function, the AVP serves as the Chief Compliance Officer. However, UWF will name the Compliance Officer as the Chief Compliance Officer when the Compliance function separates from the internal auditing function. At the present time and since the Compliance function is less than one year old, the AVP for Internal Auditing & Compliance is mentoring the Compliance Officer and helping groom this individual to become the CCO to lead the Compliance department.	●
D2 – CCO reports functionally to the Board and administratively to the President [4.003(5)]	January 2017: This will occur formally when the Compliance function is separated from Internal Auditing. Until then, the AVP for Internal Auditing & Compliance is serving as CCO and does have this reporting relationship (functionally to BOT and administratively to the President).	●
D3 – Compliance Office Charter [4.003(6)]	January 2017: At the March 2016 meeting the BOT Audit & Compliance Committee adopted its charter which outlines its responsibilities for providing oversight to the Compliance/Ethics program. Also at this meeting, the departmental charter for the Office of Internal Auditing & Compliance was approved. When Compliance breaks apart from Internal Auditing, a separate charter will be developed and presented to the BOT Audit & Compliance Committee.	✓
D4 – CCO independence, objectivity, and access, (provide details of resolution of barriers [4.003(7)(g)5 & (7)(g)7]	January 2017: The present Internal Auditing & Compliance charter outlines direct and unrestricted access to the University personnel, documents and records. When Compliance breaks apart from Internal Auditing, a separate charter will be developed which will include the facets of independence, objectivity and access. This new charter will be presented to the BOT Audit & Compliance Committee for approval.	●

Area D – Chief Compliance Officer		
Regulation Component	**Description**	**Progress Indicator**
D5- CCO authority and resources (provide details of both staffing and budget) [4.003(7)(g)(2)]	**January 2017:** The present Internal Auditing & Compliance charter outlines authority and resources. When Compliance breaks apart from Internal Auditing, a separate charter will be developed which will include the facets authority. This new charter will be presented to the BOT Audit & Compliance Committee for approval. There is a separate budget for the Compliance function at UWF. Index 1270, has a total budget of $100,000 and is as follows: • Salary $ 45,000 • Salary Fringes 14,546 • Expense (includes travel and CPE) 40,454 $100,000	●

I certify that all information provided is true and correct to the best of my knowledge.

Certification: Martha Saunders Date 1-27-17
President

I certify that all information provided is true and correct to the best of my knowledge.

Certification: [signature] Date 1-27-17
Board of Trustees Chair

AGENDA
Strategic Planning Committee
Grand Ballroom
H. Manning Efferson Student Union Building
Florida A&M University
1780 S. Martin Luther King, Jr. Boulevard
Tallahassee, Florida 32307
March 30, 2017
11:00 a.m. – 12:00 p.m.
or
Upon Adjournment of Previous Meetings

Chair: Mr. Edward Morton; Vice Chair: Darlene Jordan
Members: Beard, Doyle, Frost, Lautenbach, Levine, Link, Tyson

1. **Call to Order and Opening Remarks** — **Governor Edward Morton**

2. **Minutes of Committee Meeting** — **Governor Morton**
   - January 26, 2017

3. **State University System 2015-2016 Annual Accountability Report** — **Dr. Jan Ignash**, *Vice Chancellor, Academic and Student Affairs*

4. **Closing Remarks and Adjournment** — **Governor Morton**

STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
Strategic Planning Committee
March 30, 2017

SUBJECT: Minutes of Committee Meeting held January 26, 2017

PROPOSED COMMITTEE ACTION

Consider for approval the minutes of the Strategic Planning Committee's January 26, 2017 meeting.

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution

BACKGROUND INFORMATION

The Strategic Planning Committee will consider for approval the minutes of its January 26, 2017 meeting at Florida Polytechnic University.

Supporting Documentation Included: Minutes: January 26, 2017

Facilitators/Presenters: Governor Edward Morton

MINUTES
STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
STRATEGIC PLANNING COMMITTEE
FLORIDA POLYTECHNIC UNIVERSITY
LAKELAND, FLORIDA
January 26, 2017

Video or audio archives of the meetings of the Board of Governors and its committees are accessible at http://www.flbog.edu/.

1. Call to Order

Governor Morton convened the meeting of the Strategic Planning Committee at 9:36 a.m. on January 26, 2017 with the following members present: Governors Jordan, Beard, Doyle, Frost, Lautenbach, Link, and Tyson. A quorum was established. Other Board members in attendance were Governors Kuntz, Hebert, Huizenga, Kitson, Tripp, and Valverde.

2. Approval of November 3, 2016 Committee Meeting Minutes

Governor Morton called for a motion to approve the minutes from the Committee's November 3, 2016 meeting. A motion was made by Governor Jordan, seconded by Governor Doyle, and the motion carried unanimously.

3. Steering by Intention: An Overview of the Work of the Strategic Planning Committee

Chair Morton said that the next agenda item was to receive an overview from Vice Chancellor Jan Ignash as to the work and responsibilities of the Strategic Planning Committee. Governor Morton said that he asked Dr. Ignash to touch upon the Committee's annual responsibilities and special initiatives that the Committee conducts. He hoped the overview would prove particularly useful for new Committee members.

Dr. Ignash began by indicating that the Strategic Planning Committee is very active in terms of its charge and the variety of projects that it undertakes. She said that her presentation today would focus on two areas. The first was an overview of the high-level tools available to the Committee that are supported by thousands of data points. Secondly, she stated that she would provide the Committee with examples of discrete projects that have been recently undertaken to demonstrate breadth and scope of the

Committee's work. Prior to discussing tools and project examples, however, she wanted to provide some general comments as to how the Board of Governors is steering higher education in the direction of Florida's highest priorities.

Dr. Ignash said that state-level coordinating and governing boards typically serve as both buffers and, more often, as bridges: explaining, and defending their institutions while also representing public expectations. She said that Boards function to provide resources, advocate, regulate, and steer, noting that these are not mutually exclusive. A Board's decision to engage in one role over others is dependent upon its history, the development of its higher education system, its geography and demographics, and changes within the external environment. She pointed out that the Florida Board of Governors fulfills its regulatory function by means of its 110 regulations, some of which fall under the purview of the Strategic Planning Committee.

Vice Chancellor Ignash stressed that very few boards fully engage in a steering function to produce outcomes consistent with governmental priorities. She said that she has seen the Board of Governors grown in its steering role such that it has earned national accolades. In 2013 and 2015 reports prepared by the American Council of Trustees and Alumni Association, the organization characterized Florida as having active system boards and chancellors as well as engaged boards of trustees at individual institutions that were spearheading important policies and associated actions.

Vice Chancellor Ignash then pointed to the three typical structures of state higher education boards: advisory, coordinating, or governing. She said that advisory boards provide data and research to inform state-level conversations about higher education but have little formal authority. Most states, however, are split between coordinating and governing boards. She noted that while most state-level boards, irrespective of their structure, attempt to coordinate activities of their institutions in order to build on strengths and create efficiencies by virtue of magnitudes of scale, the distinction between a board that merely coordinates and one that governs is significant.

Vice Chancellor Ignash went on to say that she had seen the Board grow into its governing role since her arrival in 2012. Excellent strategic planning tools have been developed, data and information collection has expanded, and the Board has evolved into a true governing board. Dr. Ignash noted in particular that implementing a performance-based funding model has aligned state-level strategic planning efforts with institutional decisions. In addition, this alignment has not been at the expense of the universities, but has provided opportunities such as participating in the TEAm Initiative, increasing visibility of the State University System's (SUS) research/economic development function, and validating the need for certain new degree offerings.

Dr. Ignash next took the Committee through its responsibilities as stipulated in the Board's Operating Procedures. These responsibilities include providing leadership for

the development of the System Strategic Plan and the subsequent monitoring of progress toward System goals, reviewing and approving institutional strategic plans, reviewing University Work Plans, reviewing and approving SUS Annual Accountability Reports, recommending the promulgation of regulations, and addressing other topics related to strategic planning and performance monitoring.

Next Vice Chancellor Ignash listed the Committee's three major tools for strategic planning, collectively known as the Board's "Three Great Books:" the *2025 Strategic Plan*, the *Annual Accountability Report*, and the annual University Work Plans. She stressed that using these tools defines the Board of Governors as truly steering the SUS by design in the direction of Florida's highest needs rather than simply acting as a provider of resources or as a regulatory agency. Vice Chancellor Ignash emphasized that the Board's creation and strong reliance on its Three Great Books is acknowledged as a national model for accountability and strategic planning. She added that performance-based funding would not have been possible without these tools.

Turning first to the Board's *2025 Strategic Plan*, Vice Chancellor Ignash said that it sets prospective goals for the future. She stressed that this forward-looking tool is a living, breathing document and represents the heart of the Board's strategic planning efforts. Dr. Ignash said that the *Plan* identifies performance indicators for nine overarching goals for the System. These goals were created by means of a matrix overlaying excellence, productivity, and strategic priorities onto a university's historical and fundamental tripartite mission: teaching, research, and service. Dr. Ignash indicated that the dozens of specific performance indicators residing under the nine goals are updated every four or five years so that their trajectory can be affirmed or, if necessary, amended due to changes in the environment.

The second major planning document, the SUS *Annual Accountability Report* measures the actual performance by SUS institutions on *2025 Strategic Plan* goals. Dr. Ignash noted that the Report is presented to the Strategic Planning Committee each March and contains retrospective data to document how each institution and the System are performing. The *System Summary Report* contains more than 22,000 data points including enrollment, retention, graduation rates, degrees awarded, degrees in Areas of Strategic Emphasis, student/faculty ratios, licensure/certification exam pass rates, post-graduation metrics, research and development expenditures, and other measures.

Vice Chancellor Ignash then focused on University Work Plans. She said that these yearly dialogues between the Board and each institution regarding performance indicators, plans for enrollment and new degrees, key priorities, and other issues are the "missing link" in many states' strategic planning efforts. The Work Plans have enabled university boards of trustees to communicate with the Board of Governors perhaps better than anywhere in the country, creating a give-and-take between the Board and individual universities and aligning university aspirations with Board goals.

Vice Chancellor Ignash next discussed the Strategic Planning Committee's interaction with other Board committees. As one example, Committee recommendations with fiscal implications are forwarded to the Board's Budget and Finance Committee for further consideration. Dr. Ignash said that the Strategic Planning Committee's relationship with the Board's Academic and Student Affairs Committee is particularly strong and important, as the Strategic Planning Committee identifies strategic initiatives while the Academic and Student Affairs Committee oversees their implementation.

As an example of other regular studies that the Strategic Planning Committee uses to steer the System, Vice Chancellor Ignash next pointed to the Board's baccalaureate follow-up studies one year after graduation. The report provides information as to whether graduates find jobs, continue their education, do both, and the salaries they earn. This report, repeated every year after a class graduates, will be complemented by additional studies tracking graduates five and nine years after the baccalaureate, to determine salary increases and the value of additional degrees earned over time.

In addition to the regular studies she just described, Vice Chancellor Ignash noted that the Strategic Planning Committee also conducts periodic and ad hoc reviews. A good example is the Committee's supply and demand gap analysis for graduates in high-demand occupations to better understand whether the SUS is producing enough graduates and, if not, in what areas the universities needed to concentrate. Dr. Ignash noted that the gap analysis resulted in a $15M legislative appropriation for the TEAm Grant Initiative to produce more engineers and information technology graduates.

Next, Dr. Ignash noted that, from this meeting forward, the work of the Health Initiatives Committee is being folded into the Strategic Planning Committee. The Committee would provide leadership for the development of system-level policy regarding health-related education, health care delivery impacted by the academic experience, and health-related research. In 2014, the Health Initiatives Committee completed an environmental scan of Florida's health-related landscape and conducted a gap analysis showing that nurses and physicians were the occupations most likely under-supplied in Florida, with a sufficient current supply of dentists, physical therapists, pharmacists, and veterinarians due to in-migration from other states. This work resulted in two Legislative Budget Requests by the Board this year, targeting the need to increase the supply of nurses and provide more medical residencies for doctors.

Vice Chancellor Ignash then turned to the Committee's working with partners such as the Florida Chamber of Commerce and the Florida Council of 100 in identifying Programs of Strategic Emphasis (PSE) important to Florida's future. Dr. Ignash identified the five PSE areas as STEM programs, health-related programs, certain education programs, programs that enhance Florida's globalization efforts, and programs identified in the Strategic Planning Committee's supply and demand gap

analysis. She noted that two of the 10 metrics in the Board's performance-based funding model are devoted to improving the number of degrees awarded in PSE. As a consequence, the curriculum has shifted and 49% of all baccalaureates and 60% of all graduate degrees conferred in the SUS now fall within PSE.

As yet another ad hoc issue of importance to the System, Vice Chancellor Ignash pointed to the Committee's careful review of the vitality of university branch campuses as determined by enrollment trends, program offerings, and the extent to which they provide a physical presence for distance learning students. She added that this was one more example of the way in which the Board was steering higher education in Florida.

Among other decisions that come to the Strategic Planning Committee, Dr. Ignash listed the approval of new branch campuses, plans for growing existing campuses, and closing campuses to strategically manage growth. As two recent examples, the Committee recommended to the full Board that New College of Florida be allowed to change its mission to offer master's-level programs and to increase New College's enrollment to 1,200 students, which has led to a Legislative Budget Request.

Chair Morton thanked Vice Chancellor Ignash for her presentation and said that it provided insight into the Committee's future agenda.

4. Closing Remarks and Adjournment

There being no further business to come before the Committee, the meeting was adjourned at 9:54 a.m.

_____

Edward Morton, Chair

_____

R.E. LeMon, Associate Vice Chancellor

STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
Strategic Planning Committee
March 30, 2017

SUBJECT: State University System 2015-2016 Annual Accountability Report

PROPOSED COMMITTEE ACTION

Approve the State University System 2015-2016 Annual Accountability Report.

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution; Board Regulation 2.002

BACKGROUND INFORMATION

The 2015-2016 Annual Accountability Report contains narrative and metrics on the progress made toward Board of Governors Strategic Plan goals. Among other information, the Report contains examples of key achievements, as well as information and metrics regarding enrollments, degrees awarded, retention and graduation, distance learning, degree productivity in key discipline areas, academic program quality, research and commercialization, funding and expenditures, and other efficiency metrics and activities.

The System Report's Executive Summary and individual university reports are available at: http://www.flbog.edu/resources/accountability/2015-16_accountability.php.

Vice Chancellor Ignash will make a presentation with regard to key metrics in the 2015-2016 Annual Accountability Report.

Supporting Documentation Included: State University System 2015-2016 Annual Accountability Report

Facilitators/Presenters: Dr. Jan Ignash

2015-16

System Accountability Report

PENDING BOG APPROVAL
03/23/2017

State University System *of* Florida
Board of Governors

University of West Florida
UNF
UNIVERSITY of NORTH FLORIDA
UCF
UF UNIVERSITY of FLORIDA
USF UNIVERSITY OF SOUTH FLORIDA
FLORIDA POLYTECHNIC UNIVERSITY
New College of Florida
FAU
FLORIDA ATLANTIC UNIVERSITY
FLORIDA GULF COAST UNIVERSITY
FIU
FLORIDA INTERNATIONAL UNIVERSITY

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Highlights

The State University System (SUS) of Florida is committed to excellence in teaching, research and public service—the traditional mission of universities. This is achieved through a coordinated system of institutions, each having a distinct mission and each dedicated to meeting the needs of a diverse state and nation. This past year, the System has experienced myriad accomplishments and has identified a number of opportunities for improvement:

- At the System level, six of the eight Performance-Based Funding (PBF) metrics that are common to all universities show improvement over last year's data. (See pages 7-8 for more information.)
- The Board's new Cost to the Student affordability metric shows that the average cost of earning a bachelor's degree is less than $15,000 after financial aid (grants, scholarships and waivers) is included. And the costs for 8 of the 11 universities show a decreasing trend. (See page 7.)
- The State University System's 6-year graduation rate for First-Time-in-College Students is the second highest among the ten largest states. (See page 15.)
- The State University System of Florida produces more degrees in Business and Health Professions at both the bachelor's and graduate levels than any other discipline. (See page 13.)
- STEM (science, technology, engineering, and mathematics) degree production increased more than non-STEM degree production during the past four years for both baccalaureate degrees and graduate degrees. (See page 14.)
  - In the last five years at the baccalaureate level, STEM degrees have grown 31% and Health degrees have grown by 52%, compared to the -1% trend in non-STEM/Health disciplines.
  - Graduate STEM degrees grew 17% and Health grew 24%, compared to a decline of -7% for non-STEM/Health graduate degrees.
- The State University System of Florida expended $2.1 Billion dollars in FY2015-16 and was ranked 4th among states in terms of public university R&D activity. (See pages 19-22.)
  - Collectively, SUS institutions earn more utility patents in Florida than any other entity in Florida. (See page 21.)
  - The SUS has 532 institutes and centers conducting research with an average $4.34 return on investment (ROI) for every state dollar invested. Further, the SUS has 11 Centers of Excellence with an average $7.64 return on investment (ROI) for every state dollar invested.
- The State University System of Florida ranked 2nd in the Nation in the total number of students who took at least one Distance Learning course. (See pages 11-12.)
  - 47% of students enrolled in at least one 100% Distance Learning course during Fall 2015.
  - 61% of students enrolled in at least one 80+% Distance Learning course during AY2015-16.
  - 24% of all instructional activity occurred via Distance Learning during AY2015-16.
- Universities terminated 34 degree programs during the 2015-16 academic year. In addition, some other new programs that were identified on the University Work Plans as being considered for implementation in AY2015-16 have not been implemented as a result of a robust and ongoing review process by the Council of Academic Vice Presidents.

Dashboard

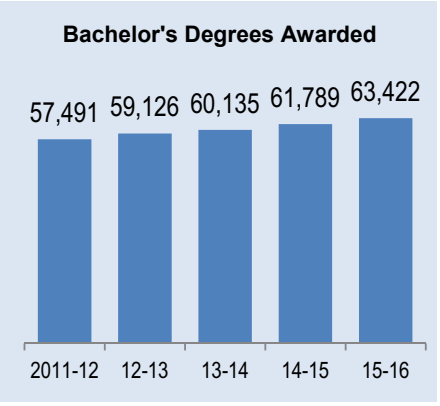
Enrollments	Fall 2015	% Total	1 Year % Chg
TOTAL	**345,672**	**100%**	**1%**
White	164,322	48%	-1%
Hispanic	86,419	25%	4%
Black	43,287	13%	-1%
Other	51,644	15%	7%
Full-Time	243,204	70%	1%
Part-Time	102,468	30%	1%
Undergraduate	267,083	77%	2%
Graduate	62,982	18%	2%
Unclassified	15,607	5%	-5%

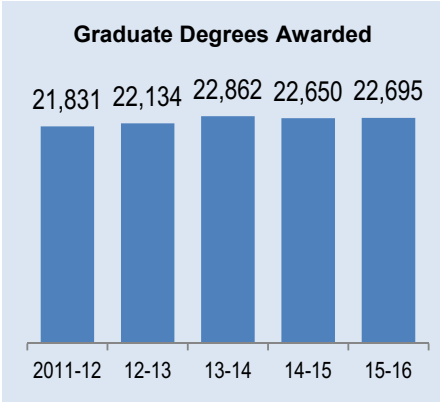
Degree Programs Offered	
TOTAL *(as of Spring 2016)*	**1,740**
Baccalaureate	732
Master's & *Specialist's*	700
Research Doctorate	275
Professional Doctorate	33

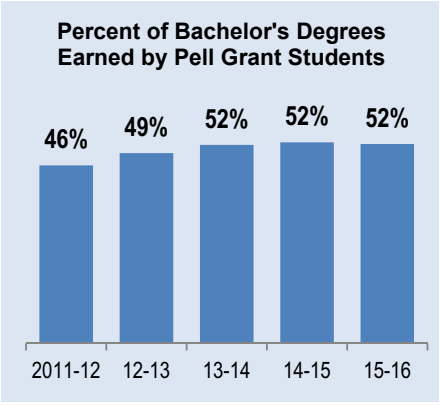
Faculty (Fall 2015)	Full-Time	Part-Time
TOTAL	**13,634**	**3,185**
Tenure & Ten. Track	7,768	204
Non-Tenured Faculty	5,866	2,981

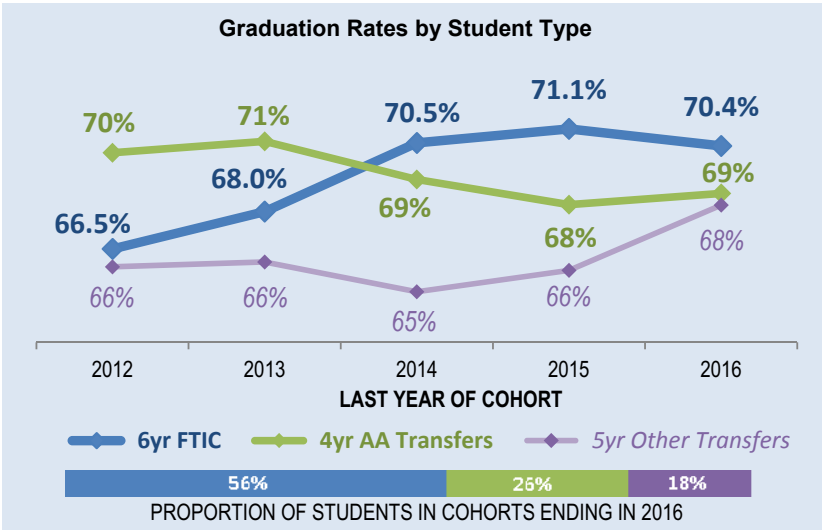
Basic Carnegie Classifications (as of 2015)	
Research Universities (Highest Research Activity)	FIU, FSU, UCF, UF, USF
Research Universities (Higher Research Activity)	FAU, FAMU
Doctoral Universities (Moderate Research Activity)	UWF
Master's Colleges and Univ. (Larger Programs)	FGCU, UNF
Arts & Sciences Focus, (No Graduate)	NCF

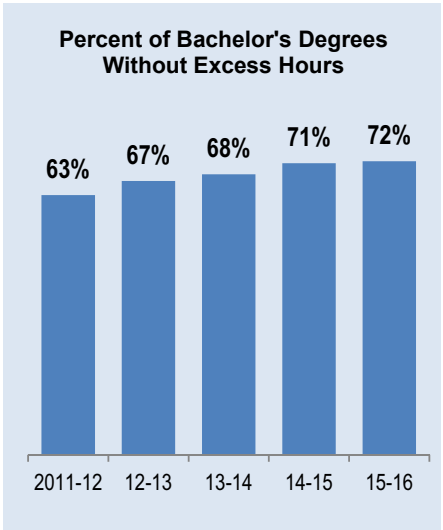
DEGREE PRODUCTIVITY AND PROGRAM EFFICIENCY





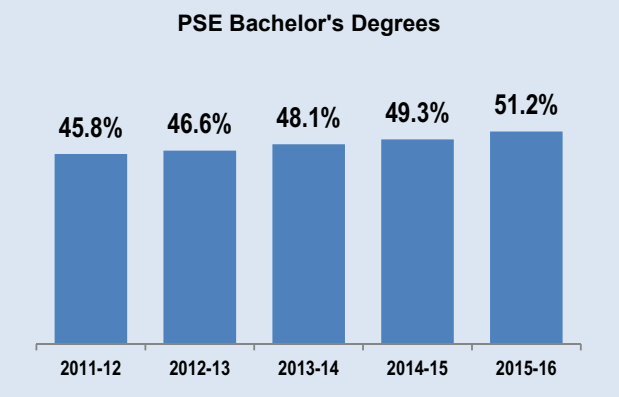


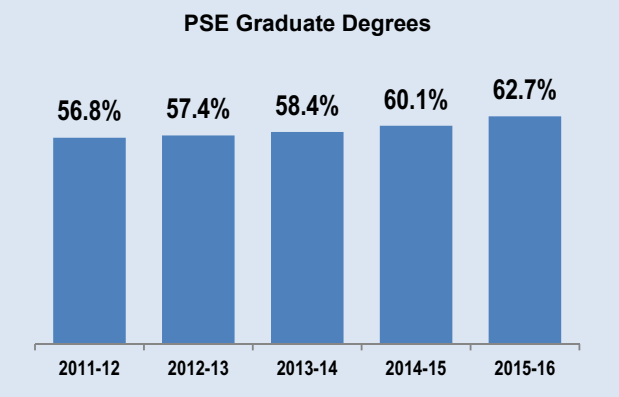




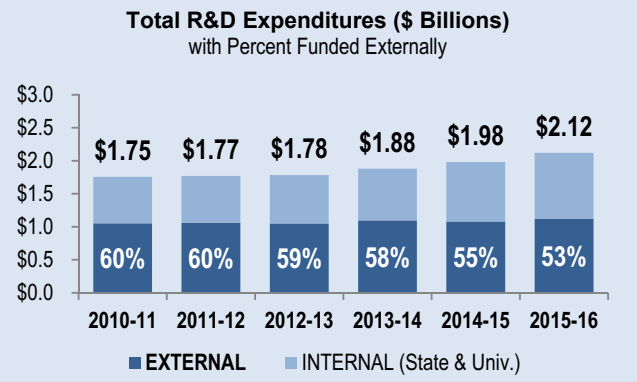
Dashboard

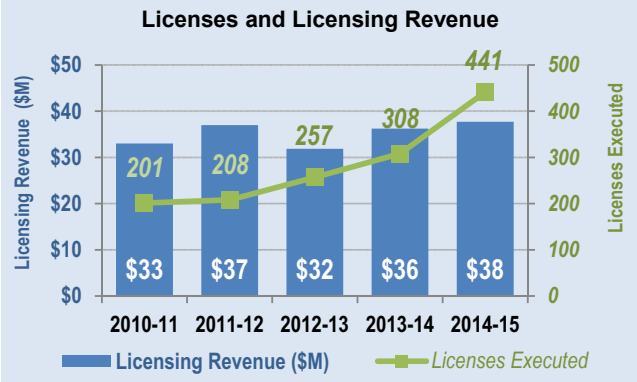
DEGREES AWARDED IN PROGRAMS OF STRATEGIC EMPHASIS (PSE)



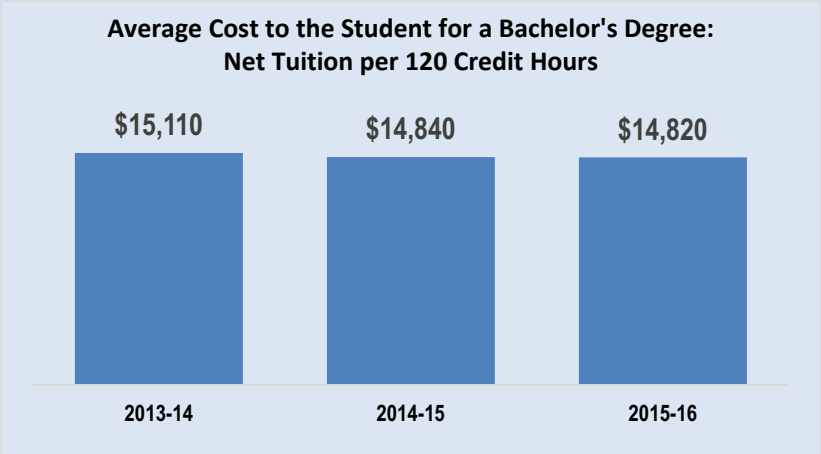


RESEARCH AND COMMERCIALIZATION ACTIVITY





AFFORDABILITY

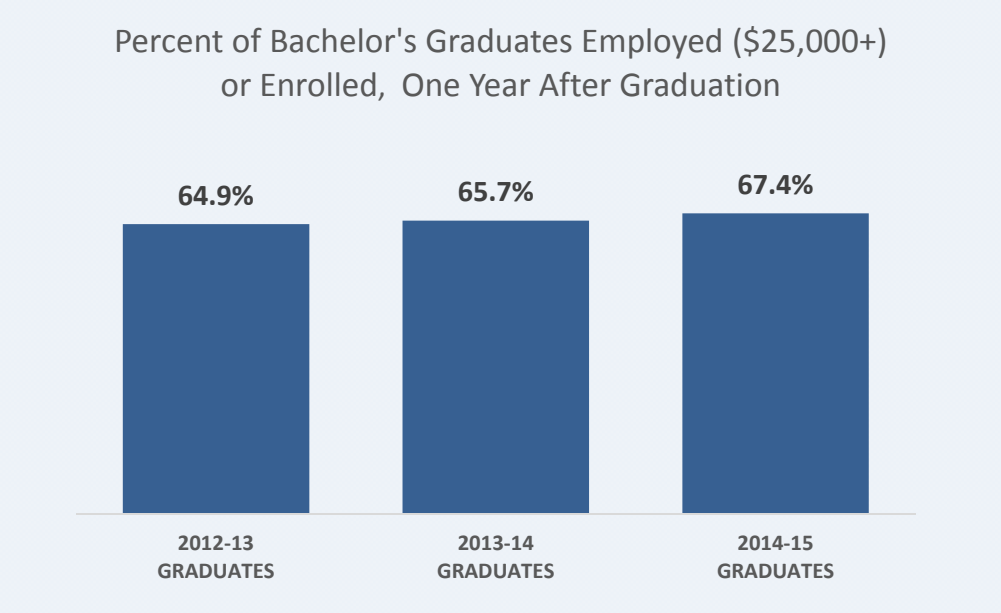


Notes: This metric represents the average tuition and fees paid, after considering gift aid (e.g., grants, scholarships, waivers), by resident undergraduate FTICs who graduate from a program that requires 120 credit hours. This data currently includes an approximation for the cost of books. For more information about how this metric is calculated please see the methodology document at the Board's webpage, at: http://www.flbog.edu/about/budget/performance_funding.php.

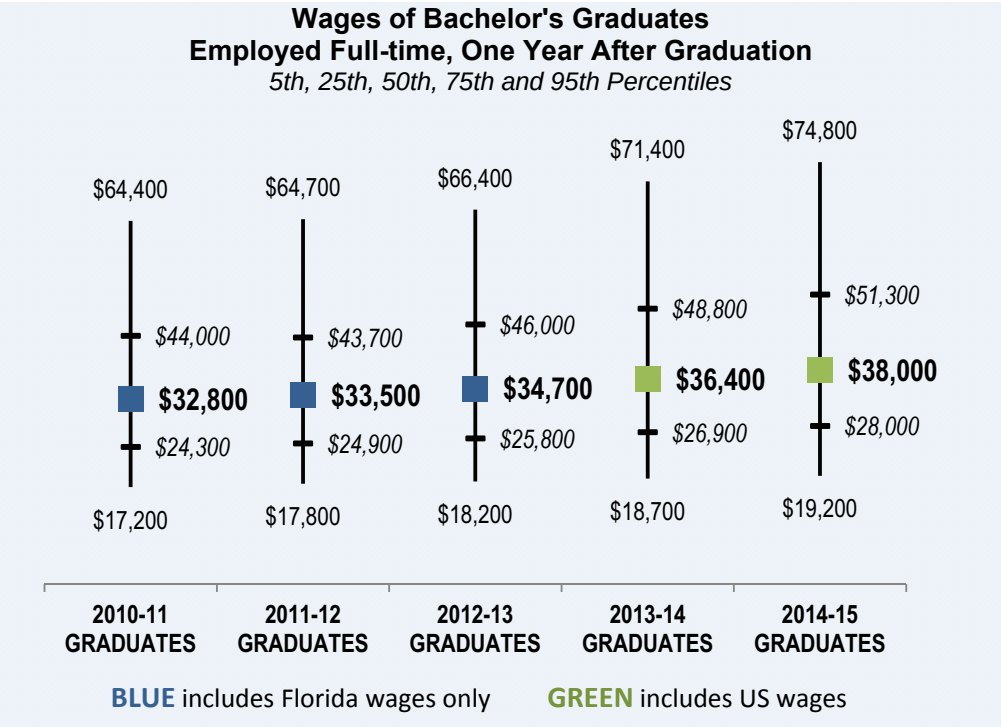
This data is not adjusted for inflation.

Dashboard

POST-GRADUATION METRICS



Notes: Percentages are based on the number of recent baccalaureate graduates who are either employed, and earning at least $25,000, or continuing their education in the U.S. (based on the National Student Clearinghouse data). Due to limitations in the data, the continuing enrollment data includes any enrollment the following year regardless of whether the enrollment was post-baccalaureate or not. It is important to note that BOG staff 'found' 92% of the total graduating class for 2014-15.



Notes: Wage data is based on annualized Unemployment Insurance (UI) wage data for those graduates who earned more than a full-time employee making minimum wage in the fiscal quarter a full year after graduation. This UI wage data does not include individuals who are self-employed, employed out of state, employed by the military or federal government, or those without a valid social security number. These data account for 56% of the total 2014-15 graduating class. This wage data includes graduates who were employed full-time (regardless of their continuing enrollment). Wages are provided for 5th, 25th, 50th, 75th and 95th percentiles. **Median wages are identified by bolded values.** The interquartile range (shown in italics) represents 50% of the wage data. Wages have been rounded to the nearest hundreds digit.

Performance Based Funding Metrics

The Performance Based Funding (PBF) Model includes 10 metrics that evaluate the institutions on a range of issues. The first eight metrics are the same for each institution, and the last two are institution-specific (one is chosen by the Board of Governors and one by each university Board of Trustees). For more information about the Performance Based Funding Model and the methodology used to calculate the data, see: http://www.flbog.edu/about/budget/performance_funding.php.

METRICS COMMON TO ALL UNIVERSITIES

1. Percent of Bachelor's Graduates Employed (Earning $25,000+) or Enrolled [1Yr After Graduation]

	FAMU	FAU	FGCU	FIU	FSU	NCF	UCF	UF	UNF	USF	UWF	SUS
2012-13	59.2	66.8	65.6	70.9	60.3	42.1	64.3	66.2	66.1	65.3	57.7	**64.9**
2013-14	61.8	68.4	64.3	68.6	60.8	43.8	65.1	67.6	66.5	67.2	61.0	**65.7**
2014-15	64.6	67.5	65.8	69.0	63.7	41.8	66.2	69.4	68.7	69.6	67.6	**67.4**
1Yr %Δ	*2.8*	*-1.0*	*1.5*	*0.3*	*2.9*	*-1.9*	*1.1*	*1.8*	*2.2*	*2.5*	*6.5*	***1.6***

2. Median Wages of Bachelor's Graduates Employed Full-time [1Yr After Graduation]

	FAMU	FAU	FGCU	FIU	FSU	NCF	UCF	UF	UNF	USF	UWF	SUS
2012-13	28,800	36,000	35,300	36,200	31,600	26,300	34,900	34,800	34,700	35,200	32,900	**34,700**
2013-14	32,000	36,800	35,200	37,400	34,200	25,000	37,000	38,400	36,100	36,700	35,400	**36,400**
2014-15	32,700	38,700	36,300	38,800	35,700	26,500	38,600	40,700	37,000	38,000	36,700	**38,000**
1Yr %Δ	*2.2*	*5.2*	*3.1*	*3.7*	*4.4*	*6.0*	*4.3*	*6.0*	*2.5*	*3.5*	*3.7*	***4.4***

3. Average Cost to the Student [Net Tuition per 120 Credit Hours]

	FAMU	FAU	FGCU	FIU	FSU	NCF	UCF	UF	UNF	USF	UWF	SUS
2013-14	14,350	17,260	18,300	17,550	14,140	8,190	16,260	9,950	17,060	14,490	15,120	**15,110**
2014-15	13,830	16,920	18,690	17,760	14,980	8,190	15,330	10,060	17,290	13,540	15,460	**14,840**
2015-16	12,640	16,540	18,790	17,180	14,930	5,920	15,280	10,660	17,260	13,170	16,340	**14,820**
1Yr %Δ	*-8.6*	*-2.2*	*0.5*	*-3.3*	*-0.3*	*-27.7*	*-0.3*	*6.0*	*-0.2*	*-2.7*	*5.7*	***-0.1***

4. Six-Year Graduation Rate for First-time-in-College (FTIC) Students [Full- and Part-time]

	FAMU	FAU	FGCU	FIU	FSU	NCF	UCF	UF	UNF	USF	UWF	SUS SAME	SUS ANY
2005-11	39.7	41.2	43.8	41.5	73.7	67.9	62.1	83.5	48.8	51.7	46.4	**60.2**	**65.1**
2006-12	39.5	40.4	43.9	47.2	74.9	69.1	64.6	84.9	46.9	56.5	43.6	**61.8**	**66.5**
2007-13	40.8	40.1	43.2	49.8	76.7	65.8	66.6	86.3	48.6	63.2	41.9	**63.5**	**68.0**
2008-14	39.3	45.0	48.8	53.1	79.0	69.4	69.2	87.5	54.8	66.1	50.5	**65.9**	**70.5**
2009-15	38.6	48.9	43.0	56.8	79.4	70.5	70.1	86.5	54.0	67.8	46.7	**66.2**	**71.0**
2010-16	40.7	49.2	45.5	54.8	80.0	63.4	68.3	87.2	53.0	66.3	48.3	**65.5**	**70.4**
5Yr Change	*1.0*	*8.0*	*1.7*	*13.3*	*6.3*	*-4.5*	*6.2*	*3.7*	*4.2*	*14.6*	*1.9*	***5.3***	***5.3***
1Yr Change	*2.0*	*0.4*	*2.5*	*-2.0*	*0.7*	*-7.1*	*-1.9*	*0.7*	*-1.0*	*-1.5*	*1.6*	***-0.7***	***-0.6***

5. Academic Progress Rate [Second Year Retention Rate with At Least a 2.0 GPA]

	FAMU	FAU	FGCU	FIU	FPU	FSU	NCF	UCF	UF	UNF	USF	UWF	SUS ANY
2010-11	54.0	70.4	66.5	73.3	.	90.2	86.3	84.5	94.3	74.5	81.3	68.3	**81.5**
2011-12	63.3	71.4	68.3	72.7	.	88.8	82.7	85.0	94.0	77.5	83.8	62.4	**82.5**
2012-13	69.0	67.7	69.6	75.5	.	89.4	81.2	84.9	95.7	76.1	84.5	61.0	**83.3**
2013-14	70.1	65.9	71.7	76.9	.	90.5	80.2	85.0	95.2	77.8	85.3	64.6	**84.0**
2014-15	75.4	72.2	73.5	80.4	73.0	91.0	81.3	86.6	94.6	74.6	85.1	64.8	**85.1**
2015-16	74.6	74.7	72.9	80.8	76.8	90.4	84.3	86.5	95.5	75.4	86.1	70.1	**85.9**
5Yr Change	*20.6*	*4.3*	*6.4*	*7.5*	*.*	*0.2*	*-2.0*	*2.0*	*1.2*	*0.9*	*4.8*	*1.8*	***3.4***
1Yr Change	*-0.8*	*2.5*	*-0.6*	*0.4*	*3.8*	*-0.6*	*3.0*	*-0.1*	*0.9*	*0.8*	*1.1*	*5.2*	***0.8***

6. Percentage of Bachelor's Degrees Awarded within Programs of Strategic Emphasis

	FAMU	FAU	FGCU	FIU	FSU	NCF	UCF	UF	UNF	USF	UWF	SUS
2010-11	50.2	49.9	45.2	48.7	38.2	40.1	45.5	50.1	48.1	45.8	47.8	**46.1**
2011-12	48.5	51.3	42.4	46.0	36.7	33.5	44.7	52.9	45.4	48.3	40.8	**45.8**
2012-13	50.3	52.9	43.8	45.5	38.3	41.9	46.2	52.2	44.6	49.5	45.0	**46.6**
2013-14	51.1	55.1	45.2	46.1	37.5	42.4	48.9	54.7	44.8	51.0	50.1	**48.1**
2014-15	49.7	54.2	44.7	46.9	39.1	39.5	49.7	56.1	44.7	54.6	51.1	**49.3**
2015-16	48.0	52.7	47.9	47.7	42.8	45.9	52.0	56.9	48.7	59.0	49.5	**51.2**
5Yr Change	*-2.2*	*2.8*	*2.7*	*1.0*	*4.6*	*5.8*	*6.5*	*6.8*	*0.6*	*13.2*	*1.7*	***5.1***
1Yr Change	*-1.7*	*-1.4*	*3.2*	*0.8*	*3.8*	*6.3*	*2.3*	*0.8*	*4.0*	*4.4*	*-1.7*	***1.9***

7. University Access Rate [Percent of Undergraduates with a Pell grant]

	FAMU	FAU	FGCU	FIU	FSU	NCF	UCF	UF	UNF	USF	UWF	SUS
Fall 2010	67.7	36.8	30.3	46.2	29.7	28.9	32.2	30.9	32.6	38.9	35.3	**36.6**
Fall 2011	68.5	42.0	34.0	51.5	30.0	30.1	36.2	33.2	36.7	42.1	38.3	**39.9**
Fall 2012	65.8	41.5	35.4	49.6	30.6	28.8	38.0	32.8	36.2	42.0	39.9	**39.8**
Fall 2013	61.6	41.2	35.0	51.0	30.0	28.6	38.4	32.4	33.5	42.1	40.5	**39.6**
Fall 2014	64.8	42.3	34.2	51.1	28.4	30.0	39.4	31.6	32.6	43.0	41.6	**39.7**
Fall 2015	65.4	41.8	31.9	51.4	27.7	28.3	39.8	29.7	32.1	41.2	41.3	**39.0**
5Yr Change	*-2.3*	*5.0*	*1.6*	*5.2*	*-2.0*	*-0.6*	*7.6*	*-1.2*	*-0.5*	*2.3*	*6.0*	***2.4***
1Yr Change	*0.7*	*-0.5*	*-2.3*	*0.3*	*-0.7*	*-1.6*	*0.4*	*-1.9*	*-0.5*	*-1.8*	*-0.3*	***-0.7***

8a. Percentage of Graduate Degrees Awarded within Programs of Strategic Emphasis

	FAMU	FAU	FGCU	FIU	FSU	NCF	UCF	UF	UNF	USF	UWF	SUS
2010-11	45.3	52.7	58.9	53.6	39.2	.	59.7	66.3	48.2	67.7	48.5	**57.3**
2011-12	48.8	54.5	52.9	49.0	38.0	.	61.7	67.0	49.0	67.4	42.1	**56.8**
2012-13	43.5	51.3	66.2	49.3	38.1	.	61.2	69.0	51.2	69.1	43.4	**57.4**
2013-14	43.3	55.5	63.6	52.4	38.5	.	57.4	69.8	50.2	69.0	46.6	**58.4**
2014-15	51.5	61.2	60.2	54.1	42.0	.	61.7	69.2	50.0	72.7	38.8	**60.1**
2014-15	58.2	59.4	65.3	58.7	46.0	.	63.4	70.3	48.9	74.6	44.0	**62.7**
5Yr Change	*12.9*	*6.7*	*6.4*	*5.1*	*6.8*	*.*	*3.7*	*4.0*	*0.7*	*6.9*	*-4.5*	***5.4***
1Yr Change	*6.7*	*-1.8*	*5.2*	*4.6*	*4.0*	*.*	*1.7*	*1.1*	*-1.1*	*1.9*	*5.1*	***2.6***

8b. Freshmen in Top 10% of High School Graduating Class – for NCF only

UNIV	Fall 2011	Fall 2011	Fall 2012	Fall 2013	Fall 2014	Fall 2015	1YR CHANGE
NCF	50%	43%	35%	41%	45%	43%	-2% pts

INSTITUTION SPECIFIC METRICS

Board of Governors Choice Metrics

9a. Percent of Baccalaureate Degrees Awarded Without Excess Hours

	FAMU	FAU	FGCU	FIU	FSU*	NCF*	UCF	UF*	UNF	USF	UWF	SUS
2012-13	31.4	71.3	71.9	65.5	*75.1*	.	67.0	*74.4*	69.4	58.2	65.2	**66.8**
2013-14	34.0	72.9	72.3	67.6	*73.9*	*19*	66.9	*77.3*	71.1	63.9	72.8	**68.5**
2014-15	29.0	74.6	75.9	68.9	*78.2*	*35*	69.2	*79.8*	71.9	65.8	75.8	**71.2**
2015-16	28.3	73.2	75.6	69.1	*78.7*	*76.9*	66.3	*80.3*	71.7	75.6	80.5	**71.6**
1YR Change	*-0.7*	*-1.3*	*-0.4*	*0.1*	*0.5*	*42*	*-2.9*	*0.5*	*-0.2*	*9.8*	*4.7*	***0.6***

Note*: FSU, NCF, and UF data are only provided for context. The Board of Governors selected a different Institution-Specific metric for these institutions – see these below.

9b. Number of Faculty Awards

UNIV	2011	2012	2013	2014	1YR CHANGE
FSU	11	7	2	7	5
UF	18	20	15	21	6

9c. National Ranking (top 50)

UNIV	2014	2015	2016	2017	1YR CHANGE
NCF	5	5	5	5	0

Board of Trustee Choice Metrics

UNIV	METRIC	PRIOR	CURRENT	1YR CHANGE
FAMU	10a. Percent of R&D Expenditures Funded from External Sources	81.0%	80.0%	-1.0% pts
FAU	10b. Percent of Baccalaureate Degrees Awarded to Minorities	45.2%	45.6%	0.4% pts
FGCU	10b. Number of Baccalaureate Degrees Awarded to Minorities	504	549	8.9%
FIU	10b. Percent of Baccalaureate Degrees Awarded to Minorities	85.3%	84.2%	-1.1% pts
FSU	10c. National Rank Higher than Financial Resources Ranking	114	120	5.3%
NCF	10d. Percent of Undergraduate Seniors in a Research Course	100%	100%	-
UCF	10e. Bachelor's Degrees Awarded Annually	12,629	12,832	1.6%
UF	10f. Licenses/Options Executed Annually (AAU Rank)	147 (5th)	261 (3rd)	-
UNF	10g. Undergraduate FTE Enrollments in Online Courses	14.0%	16.2%	2.2% pts
USF	10h. Number of post-doctoral appointees	321	300	-6.5% pts
UWF	10i. Percent of Adult (Aged 25+) Undergraduates Enrolled	30.9%	31.7%	0.9% pts

ENROLLMENT

With 345,672 students enrolled during the Fall 2015 semester, the State University System of Florida had the second-largest enrollment among public four-year institutions, behind the California State University System. During the last ten years, the State University System's Fall headcount enrollment has grown by more than 58,000 students – representing 20% growth. If the entire academic year is considered, instead of just the traditional view of Fall-only enrollment, there were 405,193 students enrolled in the System during 2015-16.

Fall Headcount Enrollment Trend

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	10 YR %Δ
Unclassified	14,120	13,181	13,137	11,871	12,576	12,903	13,886	14,762	15,435	16,422	15,607	11%
Undergraduate	221,599	227,896	232,520	233,511	239,854	247,171	254,062	257,876	260,350	262,656	267,083	21%
FTIC	*135,202*	*140,741*	*142,328*	*141,963*	*142,902*	*144,807*	*146,420*	*146,666*	*147,266*	*148,716*	*150,268*	*11%*
AA Transfers	*44,416*	*45,806*	*49,337*	*51,659*	*55,568*	*61,523*	*66,207*	*68,782*	*69,817*	*70,195*	*71,033*	*60%*
Other	*41,981*	*41,349*	*40,855*	*39,889*	*41,384*	*40,841*	*41,435*	*42,428*	*43,267*	*43,745*	*45,782*	*9%*
Master's	31,486	32,337	34,196	35,693	37,751	38,840	38,963	39,028	38,252	37,966	38,919	24%
Doctoral	20,131	20,602	21,283	21,438	22,078	22,589	22,826	23,323	23,728	24,000	24,063	20%
TOTAL	**287,336**	**294,016**	**301,136**	**302,513**	**312,259**	**321,503**	**329,737**	**334,989**	**337,750**	**341,044**	**345,672**	**20%**

Another important dimension to enrollment is the amount of credit hours that students earn. Full-time Equivalent (FTE) enrollment is a measure of student instructional activity that essentially translates the number of credit hours earned into an equivalent count of full-time students.

Academic Year Full-Time Equivalent (FTE) Enrollment Trend

	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
Undergraduate										
State Fundable	204,140	209,889	214,508	213,670	220,010	227,747	234,059	234,358	234,285	235,341
Not Fundable	4,280	4,424	4,892	5,298	5,667	6,209	6,600	6,776	6,950	7,192
Subtotal	**208,420**	**214,312**	**219,400**	**218,968**	**225,677**	**233,956**	**240,658**	**241,134**	**241,235**	**242,533**
Master's										
State Fundable	32,578	34,290	35,466	36,465	31,912	30,082	29,069	27,973	26,940	26,175
Not Fundable	2,502	2,548	2,995	3,314	3,001	3,720	4,582	5,572	6,186	7,038
Subtotal	**35,080**	**36,839**	**38,461**	**39,778**	**34,913**	**33,802**	**33,651**	**33,544**	**33,127**	**33,213**
Doctoral										
State Fundable	8,742	9,211	9,553	9,836	16,126	18,541	18,646	18,634	18,513	18,365
Not Fundable	318	310	278	311	846	780	696	689	642	666
Subtotal	**9,059**	**9,521**	**9,830**	**10,148**	**16,972**	**19,320**	**19,342**	**19,323**	**19,155**	**19,031**

Note: These data are based on the national definition of full-time, which divides undergraduate credit hours by 30 and graduate credit hours by 24. Student credit hours for which the University receives funding by the state are called State Fundable Student Credit Hours (SFSCH). Not all credit hours are fundable (i.e.,, credits that are awarded by exam, or for students repeating a course, or for auditing a course). The two largest, and fastest growing, components of non-fundable credits are: 'Funded from Non-University Sources' where a sponsoring agency pays all direct costs, and 'Student Funded' where students pay all of the costs of student instruction. This data does not include medical (Grad III) instructional activity.

DISTANCE LEARNING

The following tables provide several different views of Distance Learning education within the State University System. In 2015-16, 14% of all the course sections taught in the System were offered via Distance Learning. In terms of the overall instructional effort (measured in student credit hours), 24% of all activity occurred via Distance Learning. In comparison with other states, Florida ranks 2nd in the total number of students who took at least one Distance Learning course and first, among the ten largest states, with 47% of students having some Distance Learning experience.

Percentage of Course Sections Offered via Distance Learning (All Levels)

	FAMU	FAU	FGCU	FIU	FSU	NCF	UCF	UF	UNF	USF	UWF	SYSTEM
2011-12	1	9	12	12	4	0	14	11	5	11	23	**10**
2012-13	2	10	12	12	5	0	15	14	7	12	29	**11**
2013-14	2	11	13	15	5	0	15	16	9	12	30	**12**
2014-15	2	12	15	17	5	0	16	18	11	14	27	**13**
2015-16	2	12	17	19	6	0	15	19	13	14	30	**14**

Note: Distance Learning is a course in which at least 80 percent of the direct instruction of the course is delivered using some form of technology, when the student and instructor are separated by time or space, or both (per 1009.24(17), F.S.).

Percentage of Full-Time Equivalent (FTE) Students in Distance Learning Courses

	FAMU	FAU	FGCU	FIU	FPU	FSU	NCF	UCF	UF	UNF	USF	UWF	SYSTEM
UNDERGRAD													
2012-13	1	9	15	21	.	6	0	27	20	8	23	29	**18**
2013-14	1	10	16	24	.	9	0	28	26	11	23	30	**20**
2014-15	2	11	18	25	0	11	0	30	27	14	26	29	**22**
2015-16	2	19	21	27	0	13	0	31	31	16	28	30	**24**
MASTERS													
2012-13	12	28	27	23	.	15	.	34	31	14	28	65	**28**
2013-14	8	29	26	24	.	20	.	33	33	16	28	70	**29**
2014-15	9	30	28	24	0	22	.	33	37	19	30	70	**31**
2015-16	7	33	36	26	0	26	0	34	38	20	30	75	**33**
DOCTORAL													
2012-13	0	10	17	2	.	1	.	13	17	5	4	40	**9**
2013-14	0	12	21	2	.	2	.	13	20	7	5	48	**11**
2014-15	0	14	24	2	0	2	.	12	21	17	6	58	**12**
2015-16	0	12	32	2	0	3	.	12	18	26	7	79	**11**
TOTAL													
2012-13	1	11	16	20	.	6	0	27	21	9	23	34	**18**
2013-14	1	12	17	23	.	9	0	28	26	11	23	36	**20**
2014-15	2	14	19	24	0	11	0	29	28	14	26	35	**22**
2015-16	2	20	22	26	0	13	0	31	30	17	27	37	**24**

Note: Full-time Equivalent (FTE) student is a measure of instructional activity that is based on the number of credit hours that students enroll. FTE is based on the standard national definition, which divides undergraduate credit hours by 30 and graduate credit hours by 24. Distance Learning is a course in which at least 80 percent of the direct instruction of the course is delivered using some form of technology, when the student and instructor are separated by time or space, or both (per 1009.24(17), F.S.). This data includes all activity regardless of funding category.

Percent of Headcounts Enrolled Only in Distance Learning Courses

	FAMU	FAU	FGCU	FIU	FPU	FSU	NCF	UCF	UF	UNF	USF	UWF	SYSTEM
UNDERGRAD													
FALL 2012	0	3	3	8	.	1	0	10	3	2	7	14	**6**
FALL 2013	0	4	3	9	.	2	0	10	4	2	8	15	**7**
FALL 2014	0	4	3	11	0	2	0	12	5	3	8	14	**7**
FALL 2015	0	6	4	12	0	2	0	14	8	4	9	17	**9**
MASTERS													
FALL 2012	10	16	16	18	.	15	0	27	27	7	21	58	**22**
FALL 2013	7	18	18	18	.	15	0	28	29	7	20	62	**23**
FALL 2014	7	18	23	19	0	19	0	28	32	11	22	63	**25**
FALL 2015	6	23	33	22	0	24	0	27	33	12	23	70	**27**
DOCTORAL													
FALL 2012	0	2	1	1	.	0	0	6	5	2	1	19	**3**
FALL 2013	0	3	0	1	.	0	0	5	5	5	1	34	**3**
FALL 2014	0	2	6	1	0	0	0	5	5	8	2	44	**3**
FALL 2015	0	2	38	1	0	1	0	5	5	21	3	66	**4**
TOTAL													
FALL 2012	1	5	5	8	.	3	0	12	9	2	10	23	**8**
FALL 2013	1	6	5	9	.	3	0	12	10	3	10	25	**9**
FALL 2014	1	6	5	10	0	4	0	13	11	4	11	24	**10**
FALL 2015	1	8	6	12	0	5	0	15	14	5	11	28	**11**

Note: Distance Learning is a course in which at least 80 percent of the direct instruction of the course is delivered using some form of technology, when the student and instructor are separated by time or space, or both (per 1009.24(17), F.S.). Student level is based on the degree sought – non-degree seekers are included in the totals. Significant percentage gains can occur at the doctoral level when total headcounts, which serve as the denominator, are less than 350 students and when an institution (see FGCU, UNF and UWF) increases their online course offerings.

Top Ten States for Distance Learning Enrollment in Fall 2015

[for All Levels Among Public 4-Year, Primarily Baccalaureate-granting Institutions]

	STATE	NUMBER OF INSTITUTIONS	DL STUDENT HEADCOUNT	DISTANCE LEARNING ONLY	SOME DISTANCE LEARNING	COMBINED TOTAL
1	TEXAS	41	196,586	10%	20%	30%
2	**FLORIDA**	**14**	**158,014**	**11%**	**35%**	**47%**
3	CALIFORNIA	32	120,438	1%	16%	17%
4	OHIO	17	82,207	8%	20%	28%
5	ARIZONA	7	74,195	17%	28%	46%
6	MARYLAND	13	67,898	26%	13%	39%
7	NORTH CAROLINA	16	64,135	10%	19%	29%
8	PENNSYLVANIA	37	63,477	8%	15%	24%
9	GEORGIA	19	60,154	7%	16%	23%
10	INDIANA	14	56,906	8%	17%	26%

Source: Board of Governors staff analysis of US Dept. of Education's National Center for Education Statistics (NCES) available at the Integrated Postsecondary Education Data System (IPEDS) website (data extracted 2/16/2017). Notes: IPEDS defines Distance Learning as instructional content that is delivered exclusively (100%) via distance education – Florida statute defines Distance Learning as at least 80%. It is important to note that the percent of students enrolled in at least one DL course for the entire 2015-16 academic year jumps to 61%, because the expanded time period provides more opportunities for a student to take a DL course. Note *: This table shows Florida with 14 public 4yr institutions because USF campuses report separately to IPEDS.

Degree Productivity and Program Efficiency

DEGREES AWARDED

The Board of Governors' 2025 System Strategic Plan set a goal of 90,000 bachelor's and 35,000 graduate degrees awarded by 2025. The table below shows a fairly stable trend of bachelor's degree growth that is slightly behind the pace for the 2025 goal. Degree production at the graduate level has slowed in recent years, and is now well-off the pace for the 2025 goal.

	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
Bachelor's	44,956	47,212	49,747	51,446	53,391	54,614	57,491	59,126	60,135	61,791	63,423
1Yr %Δ	*3.8*	*5.0*	*5.4*	*3.4*	*3.8*	*2.3*	*5.3*	*2.8*	*1.7*	*2.8*	*2.6*
Master's	12,894	13,770	14,612	15,166	15,956	16,876	17,435	17,686	18,176	17,803	17,812
1Yr %Δ	*-3.5*	*6.8*	*6.1*	*3.8*	*5.2*	*5.8*	*3.3*	*1.4*	*2.8*	*-2.1*	*0.1*
Doctoral	3,290	3,666	4,034	4,007	4,231	4,531	4,396	4,448	4,686	4,847	4,883
1Yr %Δ	*6.1*	*11.4*	*10.0*	*-0.7*	*5.6*	*7.1*	*-3.0*	*1.2*	*5.4*	*3.4*	*0.7*
TOTAL	**61,140**	**64,648**	**68,393**	**70,619**	**73,578**	**76,021**	**79,322**	**81,260**	**82,997**	**84,441**	**86,118**
1Yr %Δ	*2.3*	*5.7*	*5.8*	*3.3*	*4.2*	*3.3*	*4.3*	*2.4*	*2.1*	*1.7*	*2.0*

Note: This table reports the number of first-major degrees awarded by academic year. First Majors include the most common scenario of one student earning one degree in one Classification of Instructional Programs (CIP) code. In those cases where a student earns a baccalaureate degree under two different degree CIPs, a distinction is made between "dual degrees" and "dual majors." Also included in first majors are "dual degrees" which are counted as separate degrees (e.g., counted twice). In these cases, both degree CIPs receive a "degree fraction" of 1.0.

Ten Most Popular Degrees by Academic Discipline in 2015-16

	Academic Discipline	Bachelor's	Academic Discipline	Master's	PhD	Prof.	Graduate Total
1	Business and Management	13,329	Health Professions	2,883	140	2013	5,036
2	Health Professions	7,443	Business and Management	4,108	46	.	4,154
3	Social Sciences	6,416	Education	2,723	365	35	3,123
4	Psychology	5,308	Engineering	1,645	383	.	2,028
5	Biological/Biomedical Sciences	4,848	Public Administration	922	31	.	953
6	Engineering	4,054	Law	133	.	785	918
7	Mass Communications	3,696	Computer and Info. Science	831	34	.	865
8	Education	3,201	Biological/Biomed. Sciences	631	210	.	841
9	Homeland Security, Enforcement, Emergency	2,682	Social Sciences	396	120	.	516
10	Visual and Performing Arts	2,005	Visual and Performing Arts	407	38	.	445

Notes: To accurately count the number of graduates with specific skills, degree counts by discipline include first and second majors. PhD (above) refers to "research doctoral" degree programs. "Professional doctorates" include 11 programs, including: audiology, curriculum & instruction, dentistry, law, medicine, nursing anesthetist, nursing practice, pharmacy, physical therapist, plant medicine and veterinary medicine.

PROGRAMS OF STRATEGIC EMPHASIS

To promote the alignment of the State University System degree program offerings and the economic development and workforce needs of the State, the Board of Governors maintains a list of Programs of Strategic Emphasis that are classified into the following categories: Science, Technology, Engineering, and Mathematics (128 disciplines), Health Professions (51 disciplines), Global Competitiveness (24 disciplines), Education (38 disciplines), and Gap Analysis (10 disciplines). For additional details about the programs, please visit the Board's website at: http://www.flbog.edu/pressroom/strategic_emphasis/. The categories associated with the programs of strategic emphasis were updated by the Board during its November 2013 meeting.

The Board of Governors' 2025 System Strategic Plan calls for 50%of Bachelor's degrees and 60% of Graduate degrees to be awarded within these Programs of Strategic Emphasis, and the Board included these two metrics within its Performance Based Funding Model.

Percentage of 2015-16 Degrees Awarded within Programs of Strategic Emphasis

BACHELOR'S	FAMU	FAU	FGCU	FIU	FSU	NCF*	UCF	UF	UNF	USF	UWF	SUS
STEM	17	26	23	18	21	37	18	36	15	24	18	**22**
Health	24	8	9	6	3	0	16	7	18	18	21	**11**
Global	0	2	0	8	5	9	1	3	3	3	2	**3**
Education	2	6	8	4	3	0	8	2	5	5	4	**5**
Gap Analysis	5	11	7	11	11	0	9	9	7	9	4	**9**
TOTAL	**48**	**53**	**48**	**48**	**43**	**46**	**52**	**57**	**49**	**59**	**49**	**51**

GRADUATE	FAMU	FAU	FGCU	FIU	FSU	NCF	UCF	UF	UNF	USF	UWF	SUS
STEM	11	14	9	18	20	.	29	33	6	30	13	**24**
Health	45	28	27	16	9	.	18	27	27	31	6	**22**
Global	0	1	0	8	2	.	0	1	0	1	0	**2**
Education	2	7	23	7	9	.	13	8	12	11	23	**10**
Gap Analysis	0	9	6	9	6	.	4	2	3	3	2	**5**
TOTAL	**58**	**59**	**65**	**59**	**46**	.	**63**	**70**	**49**	**75**	**44**	**63**

Notes: The calculation for the percentage of degrees awarded within the Programs of Strategic Emphasis includes first and second majors. Programs of Strategic Emphasis degree data for New College of Florida is provided by NCF staff, as they do not use the standard taxonomy of disciplines that would allow Board of Governors staff to make these calculations. For more information about how this metric is calculated, see: http://www.flbog.edu/about/budget/docs/performance_funding/PBF__Strategic_Emphasis_Degrees_Methodology_2014-09-24.pdf.

GRADUATION RATES

The Board of Governors' 2025 System Strategic Plan calls for a 50% four-year FTIC graduation rate and a 70% six-year graduation rate. The trend of four-year graduation rates are provided below and is ahead of pace for meeting the 50% goal by 2025. The six-year trend is reported on page 7 (as part of the Performance Based Funding metrics).

First-Time in College (FTIC) Four-Year Graduation Rates [full-time students only]

The four-year graduation rates below provide additional context to the standard six-year rate. Currently, the methodology for the four-year rate is not as robust as the methodology for calculating the six-year rate that was enacted by Congress in the Student Right to Know Act of 1990. It is important to note that there are several issues that impact the accuracy of calculating four-year graduation rates if those rates are to be compared to other institutions. For example, the four-year graduation rate methodology does not account for the following: (1) differences in program length (18% of SUS programs require more than 120 credits hours); (2) the university differences of students with dual majors (ranges by university from 0% to 15% of the cohort); (3) university differences in the number of students who pursue advanced graduated degrees (e.g., 3+2 programs).

	FAMU	FAU	FGCU	FIU	FSU	NCF	UCF	UF	UNF	USF	UWF	SUS SAME	SUS ANY
2008-12	12	17	24	24	61	57	40	68	26	38	27	**41**	**43**
2009-13	11	20	21	28	62	63	40	66	26	42	27	**43**	**44**
2010-14	12	19	20	25	61	54	40	67	26	43	27	**41**	**43**
2011-15	13	24	21	27	62	57	40	68	30	48	22	**43**	**45**
2012-16	18	25	22	28	65	52	44	67	33	51	22	**45**	**47**

National Comparison of Six-Year Graduation Rates Among Ten Largest States

(For Full-time, FTICs in public, 4-year universities)

The State University System's 6-year graduation rates for First-Time-in-College Students is the second highest among the 10 largest states. Among all states, Florida is ranked 8th with Delaware having the highest six-year rate, at 75%.

RANK	STATE	2004-10	2005-11	2006-12	2007-13	2008-14	2009-15
1	California	65.1	64.1	64.6	64.0	65.9	68.0
2	**Florida**	**61.4**	**61.4**	**62.6**	**64.4**	**66.3**	**66.4**
3	Pennsylvania	62.6	63.4	63.3	62.7	64.5	64.3
4	North Carolina	59.1	59.5	60.3	61.2	63.1	62.9
5	Michigan	60.7	60.8	61.5	62.0	61.5	62.1
6	New York	58.2	59.3	60.1	60.1	60.7	61.6
7	Indiana	52.6	52.8	54.9	55.2	56.4	56.2
8	Ohio	55.6	56.2	57.0	57.0	56.8	56.0
9	Georgia	54.1	54.5	55.9	55.0	54.2	51.5
10	Texas	49.1	50.0	50.3	51.7	52.0	51.4

Source: Board of Governors staff analysis of IPEDS, 2017-02-28. Data is based on rates for each university and excludes students who transferred to another institution within the same state. The data above combines institutions that are not always governed by the same Board. For example, California combines the UC System and the CSU System into one graduation rate.

EXCESS HOURS

In 2009, the Florida Legislature established an "Excess Credit Hour Surcharge" to encourage students to complete their baccalaureate degrees as quickly as possible. This law created an additional fee for each credit hour in excess of the total hours required for a degree. The Board of Governors' 2025 System Strategic Plan calls for 80%of all bachelor's degrees to be awarded without any excess hours. The Board included this metric as one of its university-specific metrics in the Performance Based Funding Model.

Percentage of 2015-16 Bachelor's Degrees Awarded Without Excess Hours

	FAMU	FAU	FGCU	FIU	FSU	NCF*	UCF	UF	UNF	USF	UWF	SUS
FTIC	23	60	70	52	80	.	68	78	69	70	71	68
AA Transfers	48	83	87	78	77	.	66	86	74	84	87	76
Other Transfers	38	77	81	74	78	.	58	84	72	72	84	72
TOTAL	**28**	**73**	**76**	**69**	**79**	**77**	**66**	**80**	**72**	**76**	**81**	**72**

Note: The statutory provisions of the "Excess Hour Surcharge" have been modified several times by the Florida Legislature, resulting in a phased-in approach that has created three different cohorts of students with different requirements. The data above is based on the latest statutory requirements, which mandates 110% of required hours as the threshold; however, **this data does not attempt to report how many students have actually paid the surcharge at this time**. Note*: New College of Florida staff provide their own Excess Hour calculations because they do not report credit hours to the Board. For more details about the methodology see: http://www.flbog.edu/about/budget/docs/performance_funding/PBF--EXCESS_HRS--Methodology_2015-11-21.pdf.

The table below provides a look at the distribution of baccalaureate graduates by how many credit hours they attempted during their programs of study, which provides a more detailed picture of the graduating class than simply aggregating everyone above or below a threshold.

2015-16 Excess Hours: Grouped by Net Credit Hours Attempted After Exemptions

[Only for graduates of 120 credit hour programs]

STUDENT TYPE	NUMBER OF GRADUATES	WITHOUT EXCESS HOURS GROUPED BY NET CREDIT HRS			WITH EXCESS HOURS GROUPED BY NET CREDIT HRS		
		<120	120	120-132	132-140	140-150	150+
FTIC	21,649	38%	3%	28%	11%	8%	12%
AA Transfers	18,657	29%	6%	41%	11%	7%	6%
Other Transfers	8,085	28%	5%	40%	11%	7%	10%
TOTAL	**48,391**	**33%**	**5%**	**35%**	**11%**	**8%**	**9%**

Note*: This table provides the total native hours and only the non-native hours (or, transfer hours) that are used toward the degree. This data uses the same exemptions (credits earned via dual enrollment, credit by exam, foreign language credits, internship credits, credit for life experience, credit for military training, and graduate rollover credit) that are used in calculating the excess hour metric, which is why students can have less than 120 credits.

Scholarship, Research and Innovation

Academic Program Quality

All institutions maintain regional accreditation through the Southern Association of Colleges and Schools. In addition, Board regulation (3.006) encourages institutions to seek national or specialized accreditation from professional organizations for its colleges, schools and academic programs for which there are established standards.

Specialized Accreditation

Seventy-five percent (75%) of State University System's academic programs for which specialized accreditation was available, received or maintained the accreditation during academic year 2016-17. Another 4% are in the planning stages of seeking such accreditation, which may take several years to achieve due to the considerable time and resources demanded of programs to indicate that quality assurance standards established by the accrediting body are adequately addressed. To supplement specialized accreditation reviews and ensure that programs without such accreditation receive sufficient attention, the Board requires the review of all academic degree programs at minimum every seven years.

Percentage of Programs with Specialized Accreditation [across all degree levels]

STATUS	FAMU	FAU	FGCU	FIU	FSU	UCF	UF	UNF	USF Tampa	USF St.Pete	USF Sar-Man	UWF	SUS
Received Specialized Accreditation	83	76	80	74	72	65	81	77	80	95	87	56	**75**
Planning	3	5	9	2	1	12	1	6	1	0	13	11	**4**

Source: BOG staff analysis of 2015 State University System Accreditation Survey. The 2015 Accreditation Survey was changed to align with Regulation 3.006 Accreditation which was amended 1/22/2015. Note: Programs suspended for new enrollments are included in these counts. Programs indicating a status of 'Not Seeking' or 'Not Renewing' cited resource constraints as a common reason for not seeking or renewing specialized accreditation.

Student Learning Outcomes Assessment

Academic Learning Compacts were established in 2004 to convey expected core student learning outcomes for each baccalaureate program in the State University System. These compacts identify what students are expected to know by the time they graduate and how that learning will be assessed. On an annual basis, programs also report whether the results yielded from the assessment process have been used to guide improvement. As of 2015-2016 nearly all of the undergraduate programs across the System have identified core student learning outcomes, adopted or developed assessment instruments, and used the results to guide improvement.

	FAMU	FAU	FGCU	FIU	FSU	NCF	UCF	UF	UNF	USF System	USF Tampa	USF St.Pete	USF Sar-Man	UWF	SUS
Core Learning Outcomes Available to Students	100	100	100	100	100	100	100	100	100	100	100	100	100	100	**100**
Process in Place to Evaluate Learning Outcomes	100	100	100	100	100	100	100	100	100	100	100	100	100	100	**100**
Uses Program Review Information to Improve Learning Outcomes and Program Effectiveness	100	100	100	99	100	100	100	100	100	100	100	100	100	100	**100**

Source: 2015-2016 Academic Learning Compact Status Report. Note: Student Learning Outcomes Assessment elements were amended in 2015-2016. Does not include suspended programs and/or new programs for which results are not yet available.

2015-16 ACADEMIC PROGRAM CHANGES

Pursuant to Section 1004.03(1) F.S., the Board of Governors is required to submit an annual report to the President of the Senate, the Speaker of the House of Representatives and the Governor listing new degree program reviews conducted within the preceding year and the results of each review. During the 2015-16 academic year, 40 new programs were approved and 34 were terminated. Another 46 programs are temporarily suspended for new enrollments.

	FAMU	FAU	FGCU	FIU	FPU	FSU	NCF	UCF	UF	UNF	USF TAMPA	USF SP	USF SM	UWF	SUS
New	1	5	1	5	0	5	4	3	3	5	5	0	0	3	**40**
Terminated	8	0	0	1	0	8	0	0	2	2	10	1	2	0	**34**
Suspended*	0	3	5	4	0	12	0	3	5	3	3	0	0	8	**46**

Note: This table does not include new majors or concentrations added under an existing degree program. Note*: Programs included in this list may have been suspended for new enrollments in the past and have continued to be suspended at least one term of the 2015-16 academic year. Tables 4A and 5A in the System appendix, and each university report, provide more details.

PROFESSIONAL LICENSURE/CERTIFICATION EXAMS

Professional licensure and certification exam passage rates for graduates of State University System programs are useful indicators of program quality and effectiveness, albeit narrowly focused on a few disciplines. It is important to note that the ultimate pass rates, regardless of the number of attempts, are typically near 100%. In 2015-16, 75% (33 of 44) of university first-time pass rates were above the state and/or national averages.

Percentage of First-time Examinee Pass Rates in 2015-16

	FAMU	FAU	FGCU	FIU	FSU	UCF	UF	UNF	USF	UWF	BENCHMARKS
Nursing	78	81	96	88	95	97	93	94	90	94	**87**
Law	54	.	.	87	78	.	77	.	.	.	**66***
Medicine (2nd Yr)	.	97	.	99	97	100	95	.	94	.	**96**
Medicine (4th Yr-CK)	.	100	.	94	94	100	99	.	99	.	**96**
Medicine (4th Yr -CS)	.	100	.	98	99	99	99	.	96	.	**97**
Veterinary	.	.	.	.	.	.	98	.	.	.	**95**
Pharmacy	85	.	.	.	.	.	95	.	.	.	**93**
Dentistry (Part 1)	.	.	.	.	.	.	100	.	.	.	**96**
Dentistry (Part 2)	.	.	.	.	.	.	99	.	.	.	**92**
Physical Therapy[1]	58	.	90	81	.	98	96	96	95	.	**91**
Number of Exams	4	4	2	6	5	5	10	2	5	1	
# At or Above Benchmark	0	3	1	4	4	5	9	2	3	1	
Occupational Therapy[2]	65	.	93	94	.	.	100	.	.	.	*n/a*

Note*: All benchmarks are based on national averages (from accredited US institutions), except the Law exam average is based on the Florida average (excludes non-Florida examinees). **Note1:** We have chosen to compute a three-year average pass rate for first-time examinees on the National Physical Therapy Examinations by exam year, rather than report the annual averages, because of the relatively small cohort sizes **Note 2:** Due to changes in accreditation policy, the National Board for Certification in Occupational Therapy (OTR) Examinations no longer report first-time pass rates. The pass rates are now 'New Graduates' pass rates and represent the ultimate pass rate, or the percentage of students who passed regardless of how many times the exam was taken.

RESEARCH, DEVELOPMENT, AND COMMERCIALIZATION

Through its research successes, the State University System plays a critical role in Florida's economy, helping it achieve a national and global reputation for innovation. The System provides a highly educated workforce for high-skill, high-wage jobs and companies; employs researchers who tackle some of the most significant challenges facing Florida, the nation, and the world; produces intellectual property that can be commercialized through licenses and patents; establishes partnerships with local and regional industries; promotes the creation of start-up and spin-off companies; and attracts new employers to Florida.

Total Research Expenditures [Dollars in Millions]

	FAMU	FAU	FGCU	FIU	FSU	NCF	UCF	UF	UNF	USF	UWF	SUS
2011-12	52	65*	14	118	225	0.9	122	697	7	451	16	**1,769**
2012-13	51	24	15	128	251	1.3	127	695	4	467	19	**1,783**
2013-14	46	23	10	133	253	0.9	186	709	4	497	20	**1,879**
2014-15	47	21	9	163	256	0.9	216	740	4	494	31	**1,981**
2015-16	47	27	7	171	268	1.1	242	791	9	515	41	**2,120**

Note: FAU revised their methodology in 2012-13.

Percent of Research Expenditures Funded from External Sources

	FAMU	FAU	FGCU	FIU	FSU	NCF	UCF	UF	UNF	USF	UWF	SUS
2011-12	86	35*	89	63	66	84	75	53	61	62	85	**60**
2012-13	80	79	87	62	64	89	69	51	40	59	76	**59**
2013-14	81	84	72	64	66	80	46	54	44	60	69	**58**
2014-15	81	79	74	52	60	68	50	52	50	55	43	**55**
2015-16	80	80	77	49	55	69	49	52	62	55	30	**53**

Note: External excludes State and University funds. FAU revised their methodology in 2012-13.

Utility Patents Issued by Calendar Year [based on the United States Patent Office]

	FAMU	FAU	FGCU	FIU	FSU	NCF	UCF	UF	UNF	USF	UWF	SUS
2011	1	5	0	3	24	0	74	60	0	89	0	**256**
2012	6	4	0	1	32	0	79	75	0	84	0	**281**
2013	4	4	0	2	47	0	52	97	0	98	0	**304**
2014	7	7	2	3	30	0	67	91	0	110	0	**317**
2015	3	2	0	4	24	0	55	115	0	90	0	**293**

Licenses/Options Executed

	FAMU	FAU	FGCU	FIU	FSU	NCF	UCF	UF	UNF	USF	UWF	SUS
2010-11	0	5	0	0	10	0	14	131	0	36	5	**201**
2011-12	0	2	0	0	13	0	11	129	0	52	1	**208**
2012-13	0	6	1	3	15	0	17	140	0	75	0	**257**
2013-14	0	17	0	3	25	0	23	147	0	91	2	**308**
2014-15	0	4	0	2	16	0	38	261	1	119	0	**441**

Top 10 States for Public University Research Expenditures *(Dollars in Billions)*

During the 2014-15 fiscal year, the State University System of Florida jumped Pennsylvania and moved into 4th place in university research expenditures among public institutions. Unfortunately, the percent of funding received from external (non-state or institutional sources) dropped to 55% - the lowest among the top ten states.

RANK	STATE	FY2010-11	FY2011-12	FY2012-13	FY2013-14	FY2014-15	FY2014-15 % EXTERNAL
1	California	$5.80	$5.97	$5.90	$5.88	$6.07	*73%*
2	Texas	$4.03	$4.01	$4.11	$4.19	$4.34	*58%*
3	Michigan	$2.14	$2.21	$2.25	$2.23	$2.28	*61%*
4	**Florida**	**$1.76**	**$1.77**	**$1.78**	**$1.88**	**$1.98**	***55%***
5	Pennsylvania	$1.85	$1.82	$1.95	$1.89	$1.89	*77%*
6	Ohio	$1.69	$1.61	$1.66	$1.65	$1.65	*70%*
7	North Carolina	$1.43	$1.46	$1.56	$1.60	$1.60	*67%*
8	Washington	$1.49	$1.47	$1.56	$1.53	$1.54	*83%*
9	Maryland	$1.27	$1.26	$1.31	$1.33	$1.44	*71%*
10	Georgia	$1.34	$1.36	$1.48	$1.48	$1.48	*67%*

Source: Source: National Science Foundation (NSF) Survey of R&D Expenditures at Universities and Colleges for Total Academic R&D Expenditures (via Webcaspar), extracted 2016-12-05. Note: This data includes R&D expenditures in Science & Engineering and non-Science & Engineering fields (i.e., Education, Law, Humanities, Business & Management, Communication, Journalism, and Library Science, Social Work, Visual & Performing Arts, and others) for public universities only.

Patents and licenses are good indicators of the System's contributions to Florida's economic development and knowledge economy. The State University System is the number one organization in Florida for the number of patents awarded to organizations in Florida during the past five years. For the last five years, the SUS represents 12% of the all of patents awarded to Florida's organizations.

Utility Patents Awarded to Organizations in Florida (2011-2015)

RANK	FIRST NAMED ASSIGNEE	2011	2012	2013	2014	2015	Total
	ALL PATENTS AWARDED TO ORGANIZATIONS	1,579	2,051	2,098	2,216	2,023	9,967
1	**STATE UNIVERSITY SYSTEM**	**214**	**238**	**260**	**284**	**247**	**1,243**
2	SIEMENS ENERGY, INC.	89	109	86	80	92	456
3	**UNIVERSITY OF SOUTH FLORIDA**	**74**	**66**	**85**	**99**	**82**	**406**
4	HARRIS CORP.	59	64	80	83	97	383
5	**UNIVERSITY OF FLORIDA**	**47**	**65**	**74**	**77**	**89**	**352**
6	FLORIDA TURBINE TECHNOLOGIES, INC.	111	80	75	47	8	321
7	INTERNATIONAL BUSINESS MACHINES CORP.	72	74	47	52	51	296
8	**UNIVERSITY OF CENTRAL FLORIDA**	**63**	**64**	**46**	**65**	**47**	**285**
9	THE NIELSEN COMPANY	18	30	38	64	64	214
10	LOCKHEED MARTIN CORPORATION	33	42	45	25	34	179

Source: U.S. PATENT AND TRADEMARK OFFICE, Electronic Information Products Division, Patent Technology Monitoring Team (PTMT): Patenting By Geographic Region (State and Country), Breakout By Organization, Count of 2011 - 2015 Utility Patent Grants by Calendar Year of Grant. Available at: http://www.uspto.gov/web/offices/ac/ido/oeip/taf/stcasg/fl_stcorg.htm.

UNIVERSITY CENTERS AND INSTITUTES

In fiscal year 2015-16, there were 532 active University Centers and Institutes engaged in a wide range of activities related to scientific research, education, law and other community-service. In total, these centers and institutes accounted for $664 million dollars in research activities – with 81% of these activities funded from non-state sources. Despite including many centers that are not focused on research, these centers and institutes generated a $4.34 Return on Investment (ROI) for every dollar of State funds invested. For more information about these Institutes and Centers, visit the Florida ExpertNet website at: http://expertnet.org.

	Number of CENTERS	2015-16 EXPENDITURES FROM STATE E&G FUNDS $M	2015-16 EXPENDITURES FROM EXTERNAL (NON-STATE) FUNDS			2015-16 TOTAL EXPENDITURES $M	RETURN ON INVESTMENT $
			CONTRACTS & GRANTS $M	FEES FOR SERVICE $M	PRIVATE $M		
FAMU	20	3.8	8.5	0.0	0.0	12.3	$2.22
FAU	33	3.2	7.7	2.8	1.2	14.9	$3.66
FGCU	9	0.7	2.1	0.0	0.3	3.3	$3.37
FIU	42	8.4	50.5	6.4	7.7	73.0	$7.72
FSU	108	11.4	58.7	5.4	7.7	83.1	$6.29
UCF	18	24.7	54.6	6.3	3.3	88.9	$2.59
UF	183	41.0	106.6	16.1	32.9	196.6	$3.80
UNF	18	2.1	3.8	0.5	0.3	6.8	$2.20
USF	89	20.9	126.3	2.5	17.7	167.4	$7.02
UWF	12	8.0	9.1	0.2	0.3	17.6	$1.19
SYSTEM	**532**	**$124.3 M**	**$427.9 M**	**$40.3 M**	**$71.3 M**	**$663.7 M**	**$4.34**

Note: These data do not include any Centers of Excellence activities – see next page for the Centers of Excellence data.

Top 10 University Centers and Institutes by 2015-16 Expenditures

RANK	UNIV	NAME OF CENTER/INSTITUTE	TOTAL $Millions
1	USF	University of South Florida Health Informatics Institute	$66.1
2	UCF	Center for Research and Education in Optics and Lasers (CREOL)	$26.2
3	UCF	Institute for Simulation and Training	$18.5
4	UF	Institute for Child Health Policy	$18.3
5	FSU	Learning Systems Institute	$16.3
6	USF	Center for Urban Transportation Research	$14.6
7	UF	Clinical and Translational Science Institute	$14.3
8	UF	Lastinger Center for Learning	$13.6
9	UF	Institute on Aging	$12.5
10	UCF	Florida Space Institute (FSI)	$12.4

STATE UNIVERSITY SYSTEM CENTERS OF EXCELLENCE

Florida's investment in creating 11 Centers of Excellence is providing a substantial return on investment. Overall, the State has invested a total of $78.4 million, and the Centers have returned $599 million in competitive grant awards, private funds and licensing income - for a $7.64 Return-on-Investment (ROI) for every state dollar invested.

UNIV	NAME OF CENTER	YEAR CREATED	STATE FUNDS $M	GRANT FUNDING $M	RETURN ON INVESTMENT
FAU	Center for Biomedical and Marine Biotechnology	2002-03	10.0	28.9	$2.89
UCF	Florida Photonics Center of Excellence	2002-03	10.0	70.7	$7.07
UF	Regenerative Health Biotechnology	2002-03	10.0	57.4	$5.74
FAU	Southeast National Marine Renewable Energy Center	2006-07	5.0	20.2	$4.05
FSU	High-Performance Materials Institute *also known as the* Center of Excellence in Advanced Materials	2006-07	4.0	30.0	$7.49
UCF	Townes Laser Institute	2006-07	4.5	49.3	$10.96
UF	Center for Nano-Bio Sensors	2006-07	4.0	24.1	$6.03
UF	FISE Energy Technology Incubator	2006-07	4.5	185.4	$41.20
USF	Center for Drug Discovery and Innovation	2006-07	8.0	52.0	$6.50
FIU	COE for Hurricane Damage Mitigation and Product Development	2007-08	7.5*	16.9	$2.25
FSU	Florida Center for Advanced Aero-Propulsion	2007-08	10.9*	64.2	$5.89
	TOTAL		**$78.4 M**	**$599 M**	**$7.64**

Note*: The two (FIU and FSU) centers created in 2007-08 had their initial awards (of $10M and $14.5M, respectively) reduced in January 2009 during special Legislative Session A. Summary reports for each Center of Excellence are included in the university-specific sections of the Accountability Report – and each center name, in the table above, is hyperlinked to their website.

Meeting Community Needs and Fulfilling Unique Institutional Responsibilities

The role of each university in achieving System goals is determined by that institution's distinctive mission. The Board of Governors asked each institution to include in its annual report information regarding the unique aspects of its mission, as well as its responsibility for meeting specific community and regional needs.

Many of the individual university annual reports speak to the positive economic impact the institutions have on their regions. Public-private partnerships are referenced throughout the reports. Outreach in the PreK-12 schools represents a critical aspect of the System's public service activity. The institutions play a major role in the cultural life of the communities in which they reside. The land-grant institutions offer critical assistance to Florida because of their cooperative extension programs. Students, faculty and staff provide thousands of hours in service to their communities, both through service-learning activities and through general volunteer activities. Many of the universities' clinics provide services to members of their communities free of charge or at reduced costs.

The Carnegie Foundation for the Advancement of Teaching created an elective Classification for Community Engagement that focuses on the "collaboration between institutions of higher education and their larger communities (local, regional/state, national, global) for the mutually beneficial exchange of knowledge and resources in a context of partnership and reciprocity."

COMMUNITY ENGAGEMENT CLASSIFICATION

Currently, eight campuses have achieved the Carnegie Foundation's community engagement classification for Curricular Engagement and Outreach and Partnerships. The Board's 2025 Strategic Plan calls for all institutions in the System to achieve the Community Engagement Carnegie Classification.

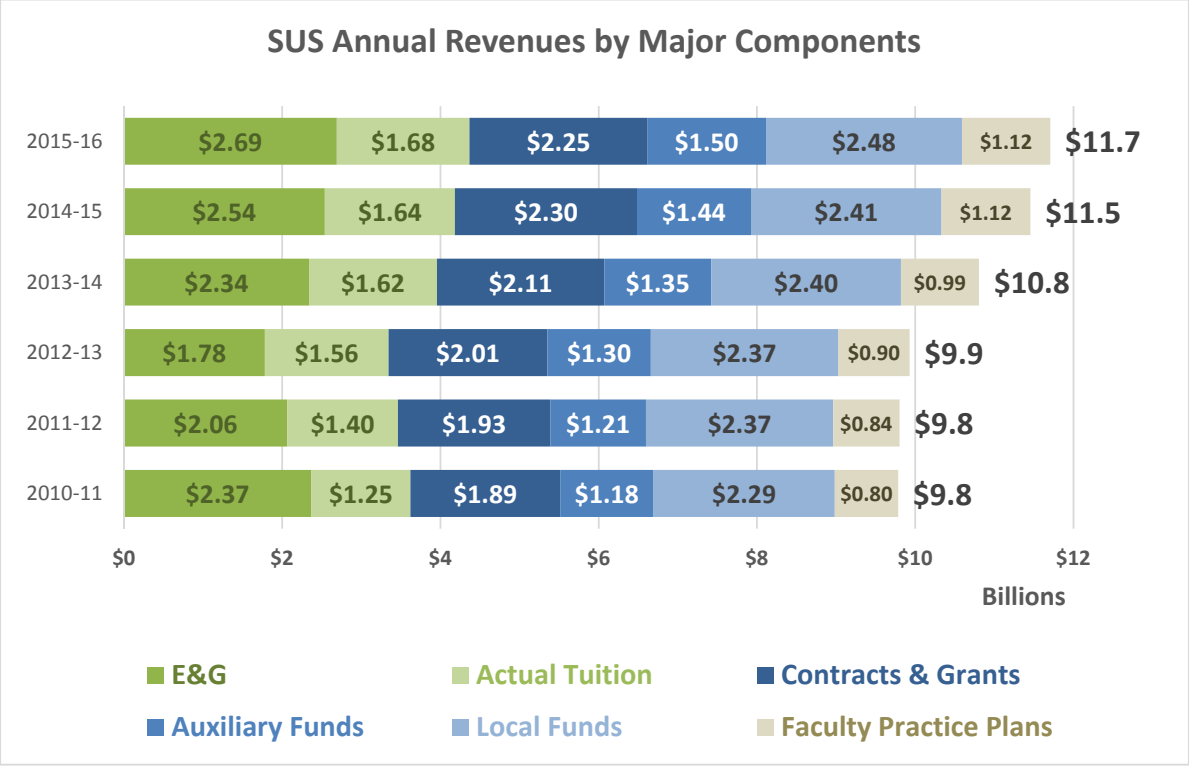
FAMU	FAU	FGCU	FIU	FSU	NCF	UCF	UF	UNF	USF	UWF
•	•	Yes	Yes	Yes	•	Yes	•	Yes	Tampa & St. Pete	Yes

Fiscal Summary

REVENUES

In 2015-16, the State University System reported $11.7 billion in revenues, which are divided into the following five major components that support university operations in a manner restricted by the definition of the funding categories:

- **Education and General** (E&G) includes state and tuition funds which are the primary sources of funding for instructional activities.
- **Contracts and Grants** are primarily federal grants restricted to the purpose of the grant.
- **Auxiliary Services** are ancillary self-supported units such as housing, transportation, food services, bookstores, parking services, and health centers.
- **Local Funds** are associated with student activity (supported by the student activity fee), and include student financial aid, concessions, intercollegiate athletics, technology fee, green fee, and student life & services fee.
- **Faculty Practice Plans** revenue is generated from patient services associated with health science center clinics.



Note: University Endowments that are managed by University Foundations are not included in these revenue data.

EXPENDITURES [Dollars in Millions]

Education & General (includes Main Operations, Health Science Centers, and IFAS)

	FAMU	FAU	FGCU	FIU	FPU	FSU	NCF	UCF	UF	UNF	USF	UWF	SUS
2012-13	156.6	245.5	93.2	424.8	4.6	480.5	21.0	490.9	838.1	133.1	509.2	100.3	**3,499**
2013-14	169.2	256.1	101.5	449.7	13.4	499.4	22.3	498.7	919.5	141.1	512.5	106.6	**3,691**
2014-15	169.7	277.4	121.1	470.8	26.4	547.8	24.1	551.7	973.7	154.3	575.1	141.7	**4,035**
2015-16	167.0	287.9	126.5	483.1	30.3	555.1	25.1	615.5	1,015	156.7	609.3	150.4	**4,284**

Contracts & Grants

	FAMU	FAU	FGCU	FIU	FPU	FSU	NCF	UCF	UF	UNF	USF	UWF	SUS
2012-13	46.9	46.9	17.8	102.6	.	203.7	2.1	138.7	1,093	10.0	309.5	21.1	**1,992**
2013-14	44.9	47.5	13.3	125.8	.	219.0	2.2	132.8	1,129	8.3	322.7	22.6	**2,068**
2014-15	46.6	47.7	12.2	129.4	0.7	208.3	2.6	150.1	1,200	10.0	335.7	23.1	**2,166**
2015-16	45.8	53.2	13.1	126.5	1.5	190.7	2.9	142.1	1,320	9.4	367.0	21.2	**2,293**

Auxiliary

	FAMU	FAU	FGCU	FIU	FPU	FSU	NCF	UCF	UF	UNF	USF	UWF	SUS
2012-13	23.9	71.9	25.0	166.6	0.3	200.5	5.8	138.7	332.6	36.5	145.9	18.2	**1,166**
2013-14	31.5	79.6	27.0	183.7	0.1	223.8	6.0	165.1	351.5	41.6	155.4	22.0	**1,287**
2014-15	33.7	85.9	29.0	193.1	1.0	229.4	8.8	169.3	357.4	49.9	174.3	23.8	**1,356**
2015-16	25.1	92.1	26.4	203.3	2.7	216.2	6.2	187.9	362.6	46.6	179.3	23.2	**1,372**

Local Funds

	FAMU	FAU	FGCU	FIU	FPU	FSU	NCF	UCF	UF	UNF	USF	UWF	SUS
2012-13	63.1	218.1	34.8	184.7	.	212.3	4.6	515.5	561.8	59.6	451.4	96.4	**2,402**
2013-14	56.4	225.6	39.2	195.6	.	222.1	4.4	518.4	558.3	58.2	456.0	96.8	**2,431**
2014-15	60.0	215.0	42.0	202.8	3.1	217.8	4.6	537.0	600.7	57.9	435.1	90.5	**2,466**
2015-16	58.3	224.6	40.5	208.5	-0.5	235.8	4.7	549.4	586.0	55.4	436.5	93.3	**2,493**

Faculty Practice

	FAMU	FAU	FGCU	FIU	FPU	FSU	NCF	UCF	UF	UNF	USF	UWF	SUS
2012-13	.	0.3	.	3.1	.	9.1	.	3.4	690.7	.	198.1	.	**905**
2013-14	.	0.6	.	7.2	.	9.7	.	2.4	737.4	.	126.2	.	**883**
2014-15	.	0.7	.	10.2	.	8.8	.	4.5	845.7	.	229.7	.	**1,099**
2015-16	.	1.1	.	5.2	.	6.5	.	5.2	830.1	.	246.1	.	**1,094**

Note: These expenditures include carry-forward expenditures; therefore, these data are not comparable to the current-year revenues. Faculty Practice Plan expenditures include all expenditures relating to the faculty practice plans, including transfers between other funds and/or entities. Therefore, totaling these expenditures across categories would result in double counting.

VOLUNTARY SUPPORT FOR HIGHER EDUCATION

The three measures of Alumni Support reported below serve as barometers of how well institutions have served their graduates. When colleges deliver on the promise of providing academic excellence and creating a positive campus atmosphere, they produce successful and happy graduates with an affinity for their alma mater that often results in donations. Alumni relations are a crucial part of any institution's on-going advancement activities.

Endowment ($Millions)

	FAMU	FAU	FGCU	FIU	FPU	FSU	NCF	UCF	UF	UNF	USF	UWF	SUS
FY2011-12	107.7	172.3	55.6	132.6	.	497.7	27.2	122.6	1,263	74.9	334.1	47.7	**2,837**
FY2012-13	115.3	189.3	63.0	149.4	.	548.1	32.0	135.5	1,360	83.6	363.9	53.7	**3,093**
FY2013-14	127.2	208.5	75.7	176.5	0.1	624.6	36.4	154.6	1,520	94.9	417.3	61.8	**3,497**
FY2014-15	120.7	204.8	74.9	178.8	0.1	605.3	37.9	150.7	1,556	98.3	417.4	60.2	**3,505**
FY2015-16	115.6	257.0	72.9	174.1	0.7	584.5	37.8	146.4	1,468	96.5	295.3	60.0	**3,308**

Gifts Received ($Millions)

	FAMU	FAU	FGCU	FIU	FPU	FSU	NCF	UCF	UF	UNF	USF	UWF	SUS
FY2011-12	3.2	9.4	5.3	15.3	.	55.9	2.1	14.9	173.4	10.2	43.6	3.1	**336**
FY2012-13	3.2	11.9	6.8	24.7	.	61.3	1.9	38.8	211.0	10.2	36.5	2.9	**409**
FY2013-14	3.3	10.7	17.4	21.3	7.0	55.7	2.0	23.1	215.2	9.9	37.4	4.2	**400**
FY2014-15	5.8	15.9	8.3	23.5	2.9	68.6	3.9	36.8	215.6	10.4	59.9	4.0	**453**
FY2015-16	6.4	44.9	12.3	27.8	4.3	75.4	2.6	22.4	243.7	17.6	45.6	11.2	**510**

Percentage of Alumni Donors

	FAMU	FAU	FGCU	FIU	FPU	FSU	NCF	UCF	UF	UNF	USF	UWF	SUS
FY2011-12	5.8	1.4	3.0	7.3	.	15.7	20.7	5.7	13.2	4.2	9.9	3.3	**9.6**
FY2012-13	4.4	2.1	2.8	8.6	.	17.8	14.8	6.1	12.9	4.5	9.4	4.1	**10.2**
FY2013-14	3.3	3.0	3.7	6.3	.	16.7	14.9	2.8	12.3	3.7	8.9	3.9	**9.0**
FY2014-15	8.9	3.1	4.6	4.7	.	17.2	12.8	1.5	11.8	3.2	8.6	4.4	**8.6**
FY2015-16	6.4	3.2	2.9	4.9	.	16.6	14.0	2.6	10.9	4.7	11.3	4.6	**8.7**

Note: **Endowment value** at the end of the fiscal year, as reported in the annual NACUBO Endowment Study. **Gifts Received** as reported in the Council for Aid to Education's Voluntary Support of Education (VSE) survey in the section entitled "Gift Income Summary," this is the sum of the present value of all gifts (including outright and deferred gifts) received for any purpose and from all sources during the fiscal year, excluding pledges and bequests. (There's a deferred gift calculator at www.cae.org/vse.) The present value of non-cash gifts is defined as the tax deduction to the donor as allowed by the IRS. **Percentage of Alumni Donors** as reported in the Council for Aid to Education's Voluntary Support of Education (VSE) survey in the section entitled "Additional Details," this is the number of alumni donors divided by the total number of alumni, as of the end of the fiscal year. "Alumni," as defined in this survey, include those holding a degree from the institution as well as those who attended the institution but did not earn a degree. *This data is not adjusted for inflation.*

2015-16

SYSTEM ACCOUNTABILITY REPORT

APPENDIX: DATA TABLES

PENDING BOG APPROVAL 03/23/2017

STATE UNIVERSITY SYSTEM *of* FLORIDA
Board of Governors

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Section 1 – Financial Resources

TABLE 1A. University Education and General Revenues

	2012-13 Actual	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Estimates
MAIN OPERATIONS					
Recurring State Funds	$1,530,773,793	$1,771,265,072	$2,004,246,997	$1,977,317,433	$2,035,836,134
Non-Recurring State Funds	-$223,286,969	$64,987,064	$36,180,332	$169,650,000	$250,410,328
Tuition	$1,209,505,656	$1,240,932,746	$1,262,176,193	$1,282,977,051	$1,322,726,587
Tuition Differential Fee	$233,002,947	$242,297,684	$244,791,204	$248,705,385	$251,863,431
Misc. Fees & Fines	$35,005,671	$25,828,833	$26,602,644	$41,779,797	$42,533,897
Phosphate/Other TF	$5,022,319	$5,060,505	$5,071,736	$1,801,487	$3,062,084
SUBTOTAL	**$2,790,023,417**	**$3,350,371,904**	**$3,579,069,106**	**$3,722,231,153**	**$3,906,432,461**
HEALTH SCIENCE CENTER / MEDICAL SCHOOL					
Recurring State Funds	$256,136,544	$282,063,842	$286,570,895	$288,789,417	$295,777,479
Non-Recurring State Funds	$0	$4,534,888	$4,650,000	$3,300,000	$1,600,000
Tuition	$116,845,291	$130,121,782	$133,429,608	$141,199,940	$152,981,746
Tuition Differential Fee	$2,956,633	$3,248,580	$3,339,071	$3,282,304	$3,288,193
Misc. Fees & Fines	$447,294	$426,995	-$26,829,312	$989,650	$795,608
Phosphate/Other TF	$23,304,902	$23,958,755	$27,453,651	$30,090,135	$32,812,783
SUBTOTAL	**$399,690,664**	**$444,354,842**	**$428,613,913**	**$467,651,446**	**$487,255,809**
INSTITUTE OF FOOD & AGRICULTURAL SCIENCES (IFAS)					
Recurring State Funds	$136,741,897	$144,581,365	$147,053,333	$156,184,692	$168,596,377
Non-Recurring State Funds	$1,117,000	$310,726	$5,985,878	$1,701,388	$3,581,286
Tuition	$0	$0	$0	$0	$0
Tuition Differential Fee	$0	$0	$0	$0	$0
Misc. Fees & Fines	$0	$0	$0	$0	$0
Phosphate/Other TF	$16,526,296	$16,906,873	$22,567,202	$19,011,567	$27,748,666
SUBTOTAL	**$154,385,193**	**$161,798,964**	**$175,606,413**	**$176,897,647**	**$199,926,329**
TOTAL	**$3,344,099,274**	**$3,956,525,710**	**$4,183,289,432**	**$4,366,780,246**	**$4,593,614,599**

Recurring State Funds: include general revenue and lottery education & general (E&G) appropriations and any administered funds provided by the state, including annual adjustments of risk management insurance premiums for the estimated year. This does not include technical adjustments or transfers made by universities after the appropriation. Please note: 2013-14 revenues include the non-recurring $300M system budget reduction. *Sources: SUS Final Amendment Packages were used for actual years; and, the latest SUS University Conference Report and various workpapers were used for the estimated year.* **Non-Recurring State Funds:** include general revenue and lottery education & general appropriations and any administered funds provided by the state. This does not include technical adjustments or transfers made by Universities after the appropriation. *Source: non-recurring appropriations section of the annual Allocation Summary and Workpapers that include all other non-recurring budget amendments allocated later in the fiscal year.* **Note on Performance Funding**: the State investment piece of performance funding is reported in the 'Non-Recurring State Funds' and the Institutional investment piece is reported within 'Recurring State Funds'. **Tuition**: Actual resident & non-resident tuition revenues collected from students, net of fee waivers. *Source: Operating Budget, Report 625 – Schedule I-A.* **Tuition Differential Fee**: Actual tuition differential revenues collected from undergraduate students. *Source: Operating Budget, Report 625 – Schedule I-A.* **Miscellaneous Fees & Fines**: Other revenue collections include items such as application fees, late registration fees, library fines, miscellaneous revenues. This is the total revenue from Report 625 minus tuition and tuition differential fee revenues. This does not include local fees. *Source: Operating Budget, Report 625 – Schedule I-A.* **Phosphate/Other Trust Fund**: State appropriation for the Florida Industrial and Phosphate Research Institute at the University of South Florida (for history years through 2012-13); beginning 2013-14 the Phosphate Research Trust Fund is appropriated through Florida Polytechnic University. Other Operating Trust Funds. For UF-IFAS and UF-HSC, actual revenues from the Incidental Trust Funds and Operations & Maintenance Trust Fund are provided by the University of Florida. *Source: Final Amendment Package. This data is not adjusted for inflation.*

Section 1 – Financial Resources *(continued)*

TABLE 1B. University Education and General Expenditures

MAIN OPERATIONS	2011-12*	2012-13	2013-14	2014-15	2015-16
Instruction/Research	$1,701,264,605	$1,900,522,117	$2,004,409,859	$2,143,255,271	$2,231,645,177
Administration and Support	$276,463,976	$318,238,227	$340,265,192	$388,246,775	$476,130,854
PO&M	$267,866,481	$328,885,479	$326,698,400	$339,463,456	$380,306,291
Student Services	$194,813,969	$238,306,894	$254,684,231	$286,492,976	$293,460,649
Library/Audio Visual	$109,547,014	$110,593,531	$119,513,968	$134,600,295	$123,973,713
Other	$60,273,258	$59,654,837	$62,370,802	$107,472,077	$116,757,223
SUBTOTAL	**$2,610,229,303**	**$2,956,201,085**	**$3,107,942,452**	**$3,399,530,850**	**$3,622,273,907**
HEALTH SCIENCE CENTER / MEDICAL SCHOOL					
Instruction/Research	$256,759,086	$280,883,879	$307,639,534	$338,908,166	$344,533,822
Administration and Support	$22,527,976	$29,796,651	$31,406,644	$30,771,812	$31,025,179
PO&M	$30,587,096	$43,255,640	$39,931,775	$46,947,730	$43,675,385
Library/Audio Visual	$8,732,805	$10,191,485	$11,261,955	$12,352,171	$12,939,888
Teaching Hospital & Clinics	$18,811,107	$18,222,133	$18,300,431	$20,213,152	$22,613,852
Student Services, and Other	$0	$16,798,949	$17,454,827	$20,428,178	$27,898,982
SUBTOTAL	**$337,418,070**	**$399,148,737**	**$425,995,166**	**$469,621,209**	**$482,687,108**
IFAS					
Instruction/Research	$0	$0	$0	$0	$0
Administration and Support	$7,185,500	$10,856,182	$14,928,593	$13,725,318	$14,735,578
PO&M	$14,289,202	$15,905,754	$17,769,832	$18,635,302	$20,881,096
Student Services	$0	$0	$0	$0	$0
Agricultural Extension	$41,409,931	$41,783,184	$46,018,498	$49,221,975	$54,233,752
Institutes & Centers, Other	$73,235,066	$74,878,235	$78,554,232	$83,989,383	$89,116,714
SUBTOTAL	**$136,119,699**	**$143,423,355**	**$157,271,155**	**$165,571,978**	**$178,967,140**
TOTAL	**$3,083,767,072**	**$3,498,773,177**	**$3,691,208,773**	**$4,034,724,037**	**$4,283,928,155**

The table reports actual expenditures from revenues appropriated by the legislature for each fiscal year. The expenditures are classified by Program Component (e.g., Instruction/Research, PO&M, Administration, etc...) for activities directly related to instruction, research and public service. The table does not include expenditures classified as non-operating expenditures (e.g., to service asset-related debts), and therefore excludes a small portion of the amount appropriated each year by the legislature. Note*: FY 2012-2013 reflects a change in reporting expenditures from prior years due to the new carry-forward reporting requirement as reflected in the 2013-2014 SUS Operating Budget Reports. Since these expenditures will now include carry-forward expenditures, these data are no longer comparable to the current-year revenues reported in table 1A, or prior year expenditures in table 1B. *This data is not adjusted for inflation.*

Instruction & Research: Includes expenditures for state services related to the instructional delivery system for advanced and professional education. Includes functions such as; all activities related to credit instruction that may be applied toward a postsecondary degree or certificate; non-project research and service performed to maintain professional effectives; individual or project research; academic computing support; academic source or curriculum development. Source: Operating Budget Summary - Expenditures by Program Activity (or Report 645). **Administration & Support Services:** Expenditures related to the executive direction and leadership for university operations and those internal management services which assist and support the delivery of academic programs. Source: Operating Budget Summary - Expenditures by Program Activity (or Report 645). **PO&M:** Plant Operations & Maintenance expenditures related to the cleaning and maintenance of existing grounds, the providing of utility services, and the planning and design of future plant expansion and modification. **Student Services:** Includes resources related to physical, psychological, and social well-being of the student. Includes student service administration, social and cultural development, counseling and career guidance, financial aid, and student admissions and records. **Other**: includes Institutes and Research Centers, Radio/TV, Museums and Galleries, Intercollegiate Athletics, Academic Infrastructure Support Organizations. Source: Operating Budget Summary - Expenditures by Program Activity (or Report 645).

Section 1 – Financial Resources *(continued)*

TABLE 1C. Funding per Full-Time Equivalent (FTE) Student

	2011-12	2012-13	2013-14	2014-15	2015-16
State Appropriation *(GR & Lottery)*	$5,759	$4,737	$6,694	$7,425	$7,713
Tuition & Fees *(State-funded Aid)*	$1,105	$1,072	$1,068	$980	$925
Tuition & Fees *(from Student)*	$3,721	$4,280	$4,432	$4,600	$4,726
Other Trust Funds	$26	$18	$18	$18	$18
TOTAL	**$10,612**	**$10,108**	**$12,213**	**$13,024**	**$13,382**

Notes: **State Appropriations** includes General Revenues and Lottery funds that are directly appropriated to the university as reported in Final Amendment Package. This does not include appropriations for special units (e.g., IFAS, Health Science Centers, and Medical Schools). **Tuition and Fee** revenues include tuition and tuition differential fee and E&G fees (e.g., application, late registration, and library fees/fines) as reported on the from the Operating Budget 625 reports. Other local fees that do not support E&G activities are not included here (see Board of Governors Regulation 7.003). To more accurately report the full contribution from the State, this table reports the state-funded financial aid separately from the tuition and fee payments universities receive from students (which may include federal financial aid dollars). The state-funded gift aid includes grants and scholarships as reported by universities to Board during the academic year in the State University Database (SUDS). **Other Trust funds** (e.g., Federal Stimulus for 2009-10 and 2010-11 only) as reported in Final Amendment Package. **Full-time Equivalent enrollment** is based on actual FTE, not funded FTE; and, does not include Health-Science Center funds or FTE. This data is based on the standard IPEDS definition of FTE, equal to 30 credit hours for undergraduates and 24 for graduates. *This data is not adjusted for inflation.*

TABLE 1D. Cost per Bachelor's Degree

	2008-12	2009-13	2010-14	2011-15	2012-16
Cost to the Institution	.	$26,400	$27,200	$28,500	$30,360

[NEW]	2011-12	2012-13	2013-14	2014-15	2015-16
Cost to the Student: Net Tuition & Fees per 120 Credit Hours	.	.	$15,110	$14,840	$14,820

Notes: **Cost to the Institution** reports the Full expenditures include direct instructional, research and public service expenditures and the undergraduate portion of indirect expenditures (e.g., academic administration, academic advising, student services, libraries, university support, and Plant Operations and Maintenance). For each year, the full expenditures were divided by undergraduate fundable student credit hours to calculate the full expenditures per credit hour, and then multiplied by 30 credit hours to represent the annual undergraduate expenditures. The annual undergraduate expenditures for each of the four years was summed to provide an average undergraduate expenditures per (120 credit) degree. **Source**: State University Database System (SUDS), Expenditure Analysis: Report IV. **Net Tuition & Fees per 120 Credit Hours** represents the average tuition and fees paid, after considering gift aid (e.g., grants, scholarships, waivers), by resident undergraduate FTICs who graduate from a program that requires 120 credit hours. This data includes an approximation for the cost of books. For more information about how this metric is calculated please see the methodology document at the Board's webpage, at: http://www.flbog.edu/about/budget/performance_funding.php. *This data is not adjusted for inflation.*

Section 1 – Financial Resources *(continued)*

TABLE 1E. University Other Budget Entities

	2011-12	2012-13	2013-14	2014-15	2015-16
Auxiliary Enterprises					
Revenues	$1,205,035,583	$1,304,841,616	$1,351,883,195	$1,440,705,902	$1,495,517,811
Expenditures	$1,095,124,336	$1,165,929,389	$1,287,282,293	$1,355,555,354	$1,371,921,236
Contracts & Grants					
Revenues	$1,927,998,352	$2,009,158,972	$2,114,543,972	$2,301,106,140	$2,251,346,650
Expenditures	$1,962,379,325	$1,991,915,932	$2,067,910,207	$2,165,873,644	$2,293,121,982
Local Funds					
Revenues	$2,367,301,351	$2,371,276,152	$2,396,231,839	$2,406,696,558	$2,476,879,650
Expenditures	$2,336,057,023	$2,402,223,683	$2,430,978,898	$2,466,378,242	$2,492,521,495
Faculty Practice Plans					
Revenues	$837,213,310	$898,769,765	$985,799,409	$1,123,537,594	$1,115,870,738
Expenditures	$848,135,676	$904,297,973	$882,903,719	$1,098,815,501	$1,094,032,785

Notes: Revenues do not include transfers. Expenditures do not include non-operating expenditures. **Auxiliary Enterprises** are self-supported through fees, payments and charges. Examples include housing, food services, bookstores, parking services, health centers. **Contract & Grants** resources are received from federal, state or private sources for the purposes of conducting research and public service activities. **Local Funds** are associated with student activity (supported by the student activity fee), student financial aid, concessions, intercollegiate athletics, technology fee, green fee, and student life & services fee. **Faculty Practice Plan** revenues/receipts are funds generated from faculty practice plan activities. Faculty Practice Plan expenditures include all expenditures relating to the faculty practice plans, including transfers between other funds and/or entities. This may result in double counting in information presented within the annual report. Source: Operating Budget, Report 615. *This data is not adjusted for inflation.*

TABLE 1F. Voluntary Support of Higher Education

	2011-12	2012-13	2013-14	2014-15	2015-16
Endowment Value ($1000s)	$2,837	$3,093	$3,497	$3,505	$3,308
Gifts Received ($1000s)	$341	$409	$400	$453	$510
Percentage of Alumni Donors	9%	10.2%	9.0%	8.6%	8.7%

Notes: **Endowment value** at the end of the fiscal year, as reported in the annual NACUBO Endowment Study. **Gifts Received** as reported in the Council for Aid to Education's Voluntary Support of Education (VSE) survey in the section entitled "Gift Income Summary," this is the sum of the present value of all gifts (including outright and deferred gifts) received for any purpose and from all sources during the fiscal year, excluding pledges and bequests. (There's a deferred gift calculator at www.cae.org/vse.) The present value of non-cash gifts is defined as the tax deduction to the donor as allowed by the IRS. **Percentage of Alumni Donors** as reported in the Council for Aid to Education's Voluntary Support of Education (VSE) survey in the section entitled "Additional Details," this is the number of alumni donors divided by the total number of alumni, as of the end of the fiscal year. "Alumni," as defined in this survey, include those holding a degree from the institution as well as those who attended the institution but did not earn a degree. *This data is not adjusted for inflation.*

Section 2 – Personnel

TABLE 2A. Personnel Headcount *(in Fall term only)*

	2011	2012	2013	2014	2015
Full-time Employees					
Tenured Faculty	5,531	5,528	5,570	5,558	5,626
Tenure-track Faculty	2,185	2,113	2,014	2,054	2,142
Non-Tenure Track Faculty	4,900	5,333	5,785	5,668	5,903
Instructors Without Faculty Status	87	43	38	37	43
Graduate Assistants/Associates	0	0	0	0	0
Non-Instructional Employees	28,777	29,105	30,622	31,725	32,609
FULL-TIME SUBTOTAL	**41,480**	**42,122**	**44,029**	**45,042**	**46,323**
Part-time Employees					
Tenured Faculty	201	149	134	145	170
Tenure-track Faculty	46	44	27	35	34
Non-Tenure Track Faculty	2,426	2,816	2,848	2,945	2,981
Instructors Without Faculty Status	2,240	2,263	2,320	2,439	2,357
Graduate Assistants/Associates	13,858	13,586	13,418	13,315	13,480
Non-Instructional Employees	675	1,611	905	1,043	914
PART-TIME SUBTOTAL	**19,446**	**20,469**	**19,652**	**19,922**	**19,936**
TOTAL	**60,926**	**62,591**	**63,681**	**64,964**	**66,259**

Note: This table is based on the annual IPEDS Human Resources Survey, and provides full- and part-time medical and non-medical staff by faculty status and primary function/occupational activity. **Tenured and Tenure-Track Faculty** include those categorized within instruction, research, or public service. **Non-Tenure Track Faculty** includes adjunct faculty (on annual and less than annual contracts) and faculty on multi-year contracts categorized within instruction, research, or public service. **Instructors Without Faculty Status** includes postdoctoral research associates, and individuals hired as a staff member primarily to do research on a 3-year contract without tenure eligibility categorized within instruction, research, or public service. **Non-Instructional Employees** includes all executive, administrative and managerial positions regardless of faculty status; as well as, other support and service positions regardless of faculty status. Note: The universities vary on how they classify adjuncts (some include them as non-tenure track faculty while others do not consider them faculty and report them as instructors without faculty status) and part-time non-instructional employees.

Section 3 – Enrollment

TABLE 3A. Headcount Enrollment by Student Type and Level

	Fall 2011	Fall 2012	Fall 2013	Fall 2014	Fall 2015
TOTAL	**329,737**	**334,989**	**337,765**	**341,044**	**345,672**
UNDERGRADUATE					
FTIC (Regular Admit)	138,292	139,315	140,925	143,092	145,285
FTIC (Profile Admit)	8,128	7,351	6,341	5,624	4,983
FCS AA Transfers	66,207	68,782	69,817	70,195	71,033
Other AA Transfers	4,927	4,967	5,059	4,980	5,021
Post-Baccalaureates	0	0	0	3,319	4,993
Other Undergraduates	36,508	37,461	38,208	35,446	35,768
Subtotal	**254,062**	**257,876**	**260,350**	**262,656**	**267,083**
GRADUATE					
Master's	38,963	39,028	38,252	37,966	38,919
Research Doctoral	13,633	13,606	13,520	13,487	13,576
Professional Doctoral	9,193	9,717	10,208	10,513	10,487
Dentistry	*331*	*327*	*341*	*348*	*360*
Law	*2,968*	*2,824*	*2,659*	*2,542*	*2,495*
Medicine	*1,934*	*2,255*	*2,549*	*2,802*	*2,931*
Nursing Practice	*432*	*487*	*553*	*656*	*768*
Pharmacy	*2,301*	*2,280*	*2,382*	*2,437*	*2,412*
Physical Therapist	*647*	*890*	*1,084*	*1,062*	*868*
Veterinary Medicine	*371*	*402*	*426*	*439*	*450*
Other	*209*	*252*	*214*	*227*	*203*
Subtotal	**61,789**	**62,351**	**61,980**	**61,966**	**62,982**
UNCLASSIFIED					
HS Dual Enrolled	4,098	5,500	6,328	7,111	5,842
Other	9,788	9,262	9,107	9,311	9,765
Subtotal	**13,886**	**14,762**	**15,435**	**16,422**	**15,607**

Note: This table reports the number of students enrolled at the university by student type categories. The student type for undergraduates is based on the Type of Student at Time of Most Recent Admission. The student type for graduates is based on the degree that is sought and the student CIP code. Unclassified refers to a student who has not yet been formally admitted into a degree program but is enrolled. The methodology for this table was revised at the June 2016 Data Administrator Workshop. The change improves how post-baccalaureate undergraduate students are counted. FGCU provided HS dual enrolled numbers that do not match with SUDS data on degree level sought element. The system numbers for "other undergraduates" and "HS dual enrolled" reflect the manual change to FGCU's table.

Section 3 – Enrollment *(continued)*

TABLE 3B. Full-Time Equivalent (FTE) Enrollment

	2011-12	2012-13	2013-14	2014-15	2015-16
RESIDENT FUNDABLE					
LOWER	92,913	91,797	90,562	89,898	90,500
UPPER	131,219	132,219	132,247	132,158	132,867
MASTERS (GRAD I)	24,171	22,693	21,508	20,521	20,177
DOCTORAL (GRAD II)	12,994	12,918	12,766	12,480	12,112
TOTAL	**261,297**	**259,627**	**257,083**	**255,057**	**255,656**
NON-RESIDENT FUNDABLE					
LOWER	4,856	4,990	5,573	6,594	7,844
UPPER	5,076	5,357	5,906	6,695	7,552
MASTERS (GRAD I)	4,904	5,284	5,433	5,660	6,182
DOCTORAL (GRAD II)	5,654	5,717	5,747	5,886	6,147
TOTAL	**20,490**	**21,348**	**22,660**	**24,834**	**27,723**
TOTAL FUNDABLE					
LOWER	97,769	96,786	96,136	96,492	98,343
UPPER	136,295	137,576	138,153	138,853	140,418
MASTERS (GRAD I)	29,075	27,977	26,941	26,181	26,359
DOCTORAL (GRAD II)	18,648	18,635	18,513	18,366	18,259
TOTAL	**281,787**	**280,975**	**279,742**	**279,892**	**283,380**
TOTAL NON-FUNDABLE					
LOWER	3,066	3,095	3,125	3,258	3,651
UPPER	3,530	3,678	3,823	3,931	4,060
MASTERS (GRAD I)	4,577	5,568	6,186	7,033	7,654
DOCTORAL (GRAD II)	695	688	642	665	743
TOTAL	**11,869**	**13,029**	**13,776**	**14,887**	**16,108**
TOTAL					
LOWER	100,835	99,882	99,261	99,750	101,994
UPPER	139,825	141,254	141,976	142,784	144,478
MASTERS (GRAD I)	33,652	33,545	33,127	33,214	34,013
DOCTORAL (GRAD II)	19,343	19,323	19,155	19,031	19,002
TOTAL	**293,656**	**294,004**	**293,518**	**294,779**	**299,487**

Notes: Full-time Equivalent (FTE) student is a measure of instructional activity that is based on the number of credit hours that students enroll by course level. Note about Revision: This table now reports FTE based on the US definition, which divides undergraduate credit hours by 30 and graduate credit hours by 24. Courses are reported by Universities to the Board of Governors in the Student Instruction File (SIF) as either fundable or non-fundable. In general, student credit hours are considered 'fundable' if they can be applied to a degree, and the associated faculty was paid from State appropriations. Totals are actual and may not equal the sum of reported student levels due to rounding of student level FTE.

Section 3 – Enrollment *(continued)*

TABLE 3C. Full-Time Equivalent (FTE) Enrollment by Instructional Method

	2011-12	2012-13	2013-14	2014-15	2015-16
TRADITIONAL					
LOWER	87,490	83,849	81,321	80,194	79,877
UPPER	108,507	106,391	103,049	101,095	98,594
MASTERS (GRAD I)	24,274	22,853	22,222	21,830	22,014
DOCTORAL (GRAD II)	17,901	16,852	16,589	16,368	16,438
TOTAL	**238,173**	**229,945**	**223,181**	**219,486**	**216,922**
DISTANCE LEARNING					
LOWER	10,726	12,414	13,905	15,802	18,505
UPPER	26,810	30,468	34,339	36,816	40,866
MASTERS (GRAD I)	7,851	9,257	9,561	10,216	11,057
DOCTORAL (GRAD II)	898	1,824	2,122	2,243	2,167
TOTAL	**46,284**	**53,962**	**59,927**	**65,078**	**72,595**
HYBRID					
LOWER	2,619	3,619	4,035	3,754	3,611
UPPER	4,506	4,395	4,587	4,872	5,017
MASTERS (GRAD I)	1,526	1,434	1,344	1,167	941
DOCTORAL (GRAD II)	542	647	443	420	398
TOTAL	**9,194**	**10,094**	**10,409**	**10,213**	**9,967**
TOTAL					
LOWER	100,835	99,882	99,261	99,750	101,993
UPPER	139,823	141,253	141,974	142,783	144,477
MASTERS (GRAD I)	33,651	33,544	33,127	33,213	34,011
DOCTORAL (GRAD II)	19,342	19,323	19,155	19,031	19,002
TOTAL	**293,652**	**294,001**	**293,516**	**294,777**	**299,484**

Note: Full-time Equivalent (FTE) student is a measure of instructional effort (and student activity) that is based on the number of credit hours that students enroll by course level. Note about Revision: FTE is now based on the standard national definition, which divides undergraduate credit hours by 30 and graduate credit hours by 24. This data includes all instructional activity regardless of funding category. **Traditional** refers to instruction that occurs primarily in the classroom. This designation is defined as 'less than 50% of the direct instruction of the course is delivered using some form of technology when the student and instructor are separated by time, space or both. This designation can include activities that do not occur in a classroom (e.g., labs, internships, practica, clinicals, labs, etc) - per SUDS data element 2052. **Distance Learning** is a course in which at least 80 percent of the direct instruction of the course is delivered using some form of technology when the student and instructor are separated by time or space, or both (per 1009.24(17), *F.S.*). In the future, this table will be able to split these FTE into two subgroups: 100% DL and 80-99% DL. **Hybrid** is a course where 50% to 79% of the instruction is delivered using some form of technology, when the student and instructor are separated by time or space, or both (per SUDS data element 2052). Totals are actual and may not equal sum of reported student levels due to rounding of student level FTE.

Section 3 – Enrollment *(continued)*

TABLE 3D. Headcount Enrollment by Military Status and Student Level

	Fall 2011	Fall 2012	Fall 2013	Fall 2014	Fall 2015
MILITARY					
Unclassified	163	166	163	134	110
Undergraduate	4,806	4,904	4,574	4,232	4,614
Master's (GRAD 1)	1,086	1,161	1,126	1,023	1,170
Doctoral (GRAD 2)	143	164	142	139	150
Subtotal	**6,198**	**6,395**	**6,005**	**5,528**	**6,044**
DEPENDENTS					
Unclassified	8	22	30	30	35
Undergraduate	1,428	1,871	2,896	3,000	3,105
Master's (GRAD 1)	143	183	282	288	287
Doctoral (GRAD 2)	29	34	46	44	45
Subtotal	**1,608**	**2,110**	**3,254**	**3,362**	**3,472**
NON-MILITARY					
Unclassified	13,679	14,535	15,207	16,228	15,425
Undergraduate	248,118	251,389	253,164	255,726	259,645
Master's (GRAD 1)	46,190	45,573	45,184	44,731	45,626
Doctoral (GRAD 2)	13,944	14,987	14,936	15,469	15,460
Subtotal	**321,931**	**326,484**	**328,491**	**332,154**	**336,156**
TOTAL	**329,737**	**334,989**	**337,750**	**341,044**	**345,672**

Note: This table provides trend data on the number of students enrolled based on their military status. **Military** includes students who were classified as Active Duty, Veterans, National Guard, or Reservist.. **Eligible Dependents** includes students who were classified as eligible dependents (dependents who received veteran's benefits). **Non-Military** includes all other students.

TABLE 3E. University Access Rate: Undergraduate Enrollment with Pell Grant

	Fall 2011	Fall 2012	Fall 2013	Fall 2014	Fall 2015
Pell Grant Recipients	99,602	100,895	101,013	100,308	99,389
Percent with Pell Grant	40%	40%	40%	39.7%	39.0%

Note: This table reports the University's Access Rate, which is a measure of the percentage of undergraduate students who have received a federal Pell grant award during a given Fall term. The top row reports the number of students who received a Pell Grant award. The bottom row provides the percentage of eligible students that received a Pell Grant award. This metric is included in the Board of Governors Performance Based Funding Model – for more information see: http://www.flbog.edu/about/budget/performance_funding.php.

Section 4 – Undergraduate Education

TABLE 4A. Baccalaureate Degree Program Changes in AY 2015-16

Program Title (2-digit CIP)	New Programs	Temporarily Suspended Programs	Terminated Programs
AGRICULTURE (1)	0	1	0
NATURAL RESOURCES AND CONSERVATION (03)	2	0	1
ARCHITECTURE (04)	0	2	0
ETHNIC, CULTURAL, GENDER STUDIES (05)	1	1	2
COMPUTER SCIENCE (11)	0	0	1
EDUCATION (13)	2	6	10
ENGINEERING (14)	2	0	0
FOREIGN LANGUAGES (16)	3	3	6
BIOLOGICAL AND BIOMEDICAL SCIENCES (26)	2	0	0
INTERDISCIPLINARY STUDIES (30)	3	1	0
HOMELAND SECURITY, LAW ENFORCEMENT, ETC. (43)	1	0	0
SOCIAL SCIENCES (45)	0	1	0
VISUAL AND PERFORMING ARTS (50)	1	3	0
HEALTH PROFESSIONS (51)	4	1	1
BUSINESS MANAGEMENT (52)	0	3	0
TOTAL	**21**	**22**	**21**

Note: This table does not include new majors or concentrations added under an existing degree program CIP Code. This table reports the new and terminated program changes based on Board action dates between May 5, 2015 and May 4, 2016.

New Programs are proposed new degree programs that have been completely through the approval process at the university and, if appropriate, the Board of Governors. Does not include new majors or concentrations added under an existing degree program CIP Code.
Terminated Programs are degree programs for which the entire CIP Code has been terminated and removed from the university's inventory of degree programs. Does not include majors or concentrations terminated under an existing degree program CIP Code if the code is to remain active on the academic degree inventory.
Programs Suspended for New Enrollments are degree programs for which enrollments have been temporarily suspended for the entire CIP Code, but the program CIP Code has not been terminated. Does not include majors or concentrations suspended under an existing degree program CIP Code if the code is to remain active on the academic degree inventory and new enrollments in any active major will be reported. Programs included in this list may have been suspended for new enrollments sometime in the past and have continued to be suspended at least one term of this academic year.
New Programs Considered by University But Not Approved includes any programs considered by the university board of trustees, or any committee of the board, but not approved for implementation. Also include any programs that were returned prior to board consideration by the university administration for additional development, significant revisions, or re-conceptualization; regardless of whether the proposal was eventually taken to the university board for approval. Count the returns once per program, not multiple times the proposal was returned for revisions, unless there is a total re-conceptualization that brings forward a substantially different program in a different CIP Code.

Section 4 – Undergraduate Education *(continued)*

TABLE 4B. Full-time, First-Time-in-College (FTIC) Retention Rates

Retained in the Second Fall Term at Same University

	2011-12	2012-13	2013-14	2014-15	2015-16
Cohort Size	37,915	37,220	37,448	38,063	39,007
% Retained at same university *with Any GPA*	86%	86%	87%	87%	88%
% Retained-any SUS institution *with Any GPA*	88%	88%	89%	89%	90%
% Retained at same university *with GPA 2.0 or higher*	81.1%	81.7%	82.5%	83.9%	84.6%
% Retained—any SUS institution *with GPA 2.0 or higher*	82.5%	83.2%	84.0%	85.1%	85.9%

Notes: **Cohorts** are based on undergraduate students who enter the institution in the Fall term (or Summer term and continue into the Fall term). **Percent Retained with Any GPA** is based on student enrollment in the Fall term following their first year. **Percent Retained with GPA Above 2.0** is based on student enrollment in the Fall term following their first years for those students with a GPA of 2.0 or higher at the end of their first year (Fall, Spring, Summer). The most recent year of Retention data is based on preliminary data (SIFP file) that is comparable to the final data (SIF file) but may be revised in the following years based on changes in student cohorts. The 'Percent Retained with GPA Above 2.0' is also known as the 'Academic Progress Rate' and is included in the Board of Governors Performance Based Funding Model – for more information see: http://www.flbog.edu/about/budget/performance_funding.php.

TABLE 4C. Full-time, First-Time-in-College (FTIC) Six-Year Graduation Rates

Term of Entry	2006-12	2007-13	2008-14	2009-15	2010-16
Cohort Size	35,855	35,186	34,222	35,687	35,642
% Graduated	68%	69%	71%	72%	70%
% Still Enrolled	*8%*	*7%*	*7%*	*6%*	*6%*
% Success Rate	*76%*	*77%*	*78%*	*78%*	*76%*

Notes: **Cohorts** are based on FTIC undergraduate students who enter the institution in the Fall term (or Summer term and continue into the Fall term). **Percent Graduated** reports the percent of FTICs who graduated from the same institution within six years. This metric does not include students who enrolled as part-time students (in their first year), or who transfer into the institution. This metric complies with the requirements of the federal Student Right to Know Act that requires institutions to report the completion status at 150% of normal time (or six years). **Success Rate** measures the percentage of an initial cohort of students who have either graduated or are still enrolled at the same university. This data should match the IPEDS Graduation Rate Survey data that is due in late February.

Section 4 – Undergraduate Education *(continued)*

TABLE 4D. Graduation Rates *for* First-Time-in-College (FTIC) Students

4 – Year Rates (Full-time only)	2008-12	2009-13	2010-14	2011-15	2012-16
Cohort Size	34,280	35,739	37,813	37,877	37,216
Same University	41%	42%	41%	43%	45%
Other University in SUS	2%	2%	2%	2%	2%
Total from System	43%	44%	43%	45%	47%

6 – Year Rates (Full- & Part-time)	2006-12	2007-13	2008-14	2009-15	2010-16
Cohort Size	37,665	36,826	35,417	36,642	38,570
Same University	61.8%	63.5%	65.9%	66.2%	65.5%
Other University in SUS	5%	4%	5%	5%	5%
Total from System	66.5%	68.0%	70.5%	71.1%	70.4%

Notes: **Cohorts** are based on undergraduate students who enter the institution in the Fall term (or Summer term and continue into the Fall term). First-time-in-college (FTIC) cohort is defined as undergraduates entering in fall term (or summer continuing to fall) with fewer than 12 hours earned after high school graduation. The initial cohorts can be revised to remove students, who have allowable exclusions as defined by IPEDS, from the cohort. FTIC students who are enrolled in advanced graduate degree programs that do not award a Bachelor's degree are removed from the cohorts.
Graduates are students in the cohort who have graduated by the summer term in their fourth or sixth year. Degree data often includes 'late degrees' which are degrees that were awarded in a previous term, but reported to SUDS later; so, the most recent year of data in this table only provides preliminary graduation rate data that may change with the addition of "late degrees". Late degrees reported in conjunction with the IPEDS Graduation Rate Survey due in mid-February will be reflected in the following year.
Same University provides graduation rates for students in the cohort who graduated from the same institution.
Other University in SUS provides graduation rates for students in the cohort who graduated from a different State University System of Florida institution. These data do not report students in the cohort who did not graduate from the SUS, but did graduate from another institution outside the State University System of Florida.

The six-year graduation rate from the same university is included in the Board of Governors Performance Based Funding Model – for more information see:
http://www.flbog.edu/about/budget/performance_funding.php.

Section 4 – Undergraduate Education *(continued)*

TABLE 4E. Graduation Rates *for* AA Transfer Students from Florida College System

Two – Year Rates	2010-12	2011-13	2012-14	2013-15	2014-16
Cohort Size	18,049	18,971	18,815	18,732	18,330
Same University	30%	28%	27%	27%	28%

Four – Year Rates	2008-12	2009-13	2010-14	2011-15	2012-16
Cohort Size	14,166	16,664	18,049	18,971	18,813
Same University	69%	69%	68%	67%	67%

Notes: AA Transfer cohort is defined as undergraduates entering in the fall term (or summer continuing to fall) and having earned an AA degree from an institution in the Florida College System. For comparability with FTIC cohorts, AA Transfer cohorts are based on undergraduate students who enter the institution in the Fall term (or Summer term and continue into the Fall term) and graduate from the same institution within two or four years.

TABLE 4F. Graduation Rates *for* Other Transfer Students

5 – Year Rates	2007-12	2008-13	2009-14	2010-15	2011-16
Cohort Size	11,410	10,353	12,617	11,666	12,449
Same University	64%	64%	63%	64%	66%

Notes: Other Transfer Students includes undergraduate students that transfer into a university who are not FTICs or AA Transfers. Cohorts are based on undergraduate students who enter the institution in the Fall term (or Summer term and continue into the Fall term) and graduate from the same institution within five years.

Section 4 – Undergraduate Education *(continued)*

TABLE 4G. Baccalaureate Degrees Awarded

	2011-12	2012-13	2013-14	2014-15	2015-16
First Majors	57,491	59,126	60,135	61,789	63,422
Second Majors	2,961	2,967	3,096	2,913	2,800
TOTAL	**60,452**	**62,093**	**63,231**	**64,702**	**66,222**

Note: This table reports the number of degrees awarded by academic year. **First Majors** include the most common scenario of one student earning one degree in one Classification of Instructional Programs (CIP) code. In those cases where a student earns a baccalaureate degree under two different degree CIPs, a distinction is made between "dual degrees" and "dual majors." Also included in first majors are "dual degrees" which are counted as separate degrees (e.g., counted twice). In these cases, both degree CIPs receive a "degree fraction" of 1.0. **Second Majors** include all dual/second majors (e.g., degree CIP receive a degree fraction that is less than 1). The calculation of degree fractions is made according to each institution's criteria. The calculation for the number of second majors rounds each degree CIP's fraction of a degree up to 1 and then sums the total. Second Majors are typically used when providing degree information by discipline/CIP, to better conveys the number of graduates who have specific skill sets associated with each discipline.

TABLE 4H. Baccalaureate Degrees in Programs of Strategic Emphasis (PSE)
[Includes Second Majors]

	2011-12	2012-13	2013-14	2014-15	2015-16
STEM	11,306	12,134	12,822	13,616	14,802
HEALTH	4,923	5,416	6,101	7,116	7,463
GLOBALIZATION	2,268	2,413	2,330	2,328	2,300
EDUCATION	3,788	3,567	3,585	3,097	3,201
GAP ANALYSIS	5,387	5,412	5,585	5,753	6,146
SUBTOTAL	**27,672**	**28,942**	**30,423**	**31,910**	**33,912**
PSE PERCENT OF TOTAL	**45.8%**	**46.6%**	**48.1%**	**49.3%**	**51.2%**

Notes: This is a count of baccalaureate majors for specific Programs of Strategic Emphasis, as determined by the Board of Governors staff with consultation with business and industry groups and input from universities. This is a count of baccalaureate degrees awarded within specific Programs of Strategic Emphasis, as determined by the Board of Governors staff with consultation with business and industry groups and input from universities – for more information see: http://www.flbog.edu/pressroom/strategic_emphasis/. The Board of Governors revised the list of Programs of Strategic Emphasis in November 2013, and the new categories were applied to the historical degrees. A student who has multiple majors in the subset of targeted Classification of Instruction Program codes will be counted twice (i.e., double-majors are included).

Section 4 – Undergraduate Education *(continued)*

TABLE 4I. Baccalaureate Degrees Awarded to Underrepresented Groups

	2011-12	2012-13	2013-14	2014-15	2015-16
Non-Hispanic Black					
Number of Degrees	7,232	7,290	7,410	7,668	7,833
Percentage of Degrees	13%	13%	13%	13%	13%
Hispanic					
Number of Degrees	11,918	13,210	14,277	15,291	16,221
Percentage of Degrees	21%	23%	25%	26%	27%
Pell-Grant Recipients					
Number of Degrees	26,058	28,658	30,394	31,561	32,082
Percentage of Degrees	46%	49%	52%	52%	52%

Note: **Non-Hispanic Black** and **Hispanic** do not include students classified as Non-Resident Alien or students with a missing race code. Students who earn two distinct degrees in the same term are counted twice – whether their degrees are from the same six-digit CIP code or different CIP codes. Students who earn only one degree are counted once – even if they completed multiple majors or tracks. Percentage of Degrees is based on the number of baccalaureate degrees awarded to non-Hispanic Black and Hispanic students divided by the total degrees awarded - excluding those awarded to non-resident aliens and unreported.

Pell-Grant recipients are defined as those students who have received a Pell grant from any SUS Institution within six years of graduation - excluding those awarded to non-resident aliens, who are only eligible for Pell grants in special circumstances. Percentage of Degrees is based on the number of baccalaureate degrees awarded to Pell recipients, as shown above, divided by the total degrees awarded - excluding those awarded to non-resident aliens.

Notes on Trends: In 2007, the US Department of Education re-classified the taxonomy for self-reported race/ethnicity categories and allowed universities a two-year phase-in process before all institutions were required to report based on the new categories for the 2011-12 academic year. This reclassification will impact trends.

Section 4 – Undergraduate Education *(continued)*

TABLE 4J. Baccalaureate Degrees Without Excess Credit Hours

	2011-12*	2012-13	2013-14	2014-15	2015-16
FTIC	62%	61%	61%	68%	68%
AA Transfers	69%	74%	76%	76%	76%
Other Transfers	56%	66%	71%	70%	72%
TOTAL	**63%**	**66.8%**	**68.5%**	**71.2%**	**71.6%**

Notes: This table is based on statute 1009.286 (see link), and excludes certain types of student credits (e.g., accelerated mechanisms, remedial coursework, non-native credit hours that are not used toward the degree, non-native credit hours from failed, incomplete, withdrawn, or repeated courses, credit hours from internship programs, credit hours up to 10 foreign language credit hours for transfer students in Florida, and credit hours earned in military science courses that are part of the Reserve Officers' Training Corps (ROTC) program). This metric is not the same as the Excess Hours Surcharge, which has multiple cohorts with varying fee rates. This table reports the percentage of baccalaureate degrees awarded within 110% of the catalog hours required for a degree based on the Board of Governors Academic Program Inventory. This calculation is based on Hours To Degree data submitted by universities to the Board of Governors which excludes those who previously earned a baccalaureate degree.
Note*: Improvements were made to data collection process beginning with 2012-13 data to better account for high school dual enrolled credits that are exempt from the excess hour calculation. Also, 2012-13 data marked a slight methodological change in how the data is calculated. Each CIP code's required number of 'catalog hours' was switched to the officially approved hours as reported within the Board of Governors' Academic Program Inventory – instead of the catalog hours reported by the university on the HTD files.

TABLE 4K. Undergraduate Course Offerings

	Fall 2011	Fall 2012	Fall 2013	Fall 2014	Fall 2015
Number of Course Sections	24,193	23,632	22,269	22,773	24,193
Percentage of Undergraduate Course Sections by Class Size					
Fewer than 30 Students	57%	57%	57%	59%	57%
30 to 49 Students	27%	26%	26%	25%	27%
50 to 99 Students	11%	11%	12%	11%	11%
100 or More Students	5%	5%	5%	6%	5%

Notes: This data is based on Common Data Set (CDS) definitions. According to CDS, a "class section is an organized course offered for credit, identified by discipline and number, meeting at a stated time or times in a classroom or similar setting, and not a subsection such as a laboratory or discussion session. Undergraduate class sections are defined as any sections in which at least one degree-seeking undergraduate student is enrolled for credit. Exclude distance learning classes and noncredit classes and individual instruction such as dissertation or thesis research, music instruction, or one-to-one readings. Exclude students in independent study, co-operative programs, internships, foreign language taped tutor sessions, practicums, and all students in one-on-one classes.

Section 4 – Undergraduate Education *(continued)*

TABLE 4L. Percentage of Undergraduate Credit Hours Taught by Instructor Type

	2011-12	2012-13	2013-14	2014-15	2015-16
Faculty	68%	68%	68%	68%	69%
Adjunct Faculty	20%	19%	19%	19%	19%
Graduate Students	10%	12%	11%	10%	10%
Other Instructors	2%	2%	2%	2%	2%

Note: The total number of undergraduate state fundable credit hours taught will be divided by the undergraduate credit hours taught by each instructor type to create a distribution of the percentage taught by each instructor type. Four instructor types are defined as faculty (pay plans 01, 02, and 22), OPS faculty (pay plan 06), graduate student instructors (pay plan 05), and others (all other pay plans). If a course has more than one instructor, then the university's reported allocation of section effort will determine the allocation of the course's total credit hours to each instructor. The definition of faculty varies for Tables 4L, 4M and 4N. For Faculty Teaching Undergraduates, the definition of faculty is based on pay plans 01, 02, and 22.

TABLE 4M. Student/Faculty Ratio

	Fall 2011	Fall 2012	Fall 2013	Fall 2014	Fall 2015
Ratio	24.8	25.3	25.2	23.6	23.3

Note: This data is based on Common Data Set (CDS) definitions. This is the Fall ratio of full-time equivalent students (full-time plus 1/3 part time) to full-time equivalent instructional faculty (full time plus 1/3 part time). The ratio calculations exclude both faculty and students in stand-alone graduate or professional programs such as medicine, law, veterinary, dentistry, social work, business, or public health in which faculty teach virtually only graduate-level students. Undergraduate or graduate student teaching assistants are not counted as faculty.

TABLE 4N. Professional Licensure/Certification Exams for Undergraduates

Nursing: *National Council Licensure Examination for Registered Nurses*

	2011	2012	2013	2014	2015
Examinees	1,181	1,297	1,291	1,268	1,261
First-time Pass Rate	93%	96%	91%	87%	92%
National Benchmark	*89%*	*92%*	*85%*	*85%*	*87%*

Note: Pass rate for first-time examinees for the National Council Licensure Examination for Registered Nurses (NCLEX-RN) are based on the performance of graduates of baccalaureate nursing programs. National benchmark data is based on Jan-Dec NCLEX-RN results for first-time examinees from students in US-educated baccalaureate degree programs as published by the National Council of State Boards of Nursing.

Section 4 – Undergraduate Education *(continued)*

TABLE 4O. Post-Graduation Metrics

Percent of Bachelor's Graduates Employed or Continuing their Education, One Year After Graduation

	2010-11	2011-12	2012-13	2013-14	2014-15
Employed ($25,000+) or Enrolled	.	.	64.9%	65.7%	67.4%
Employed (Full-time) or Enrolled	67%	67%	67%	74%	75%
Percent Found	*90%*	*89%*	*91%*	*92%*	*92%*
Number of States/Districts Searched	*1*	*36*	*38*	*38*	*41*

Notes: **Enrolled or Employed (Earning $25,000+)** is based on the number of recent baccalaureate graduates who are either employed, and earning at least $25,000, or continuing their education within one year after graduation. **Enrolled or Employed Full-Time** is based on the number of recent baccalaureate graduates who are either employed full-time or continuing their education within one year after graduation. Full-time employment is based on those who earned at least as much as a full-time (40hrs a week) worker making minimum wage in Florida.
The employed data includes non-Florida data that is available from the Wage Record Interchange System 2 (known as "WRIS 2") and Federal employee data that is available from the Federal Employment Data Exchange System (FEDES) initiative. Military employment data was collected by the Board of Governors staff from university staff. Due to limitations in the data, the continuing enrollment data includes any enrollment the following year regardless of whether the enrollment was post-baccalaureate or not. **Percent Found** refers to the percentage of graduates found in the dataset – including those that did not earn wages above the full-time threshold and those who were found outside of the one-year window.
For more information about the methodology see: http://www.flbog.edu/about/budget/performance_funding.php. For more information about WRIS2 see: http://www.doleta.gov/performance/wris_2.cfm. For more information about FEDES see: http://www.ubalt.edu/jfi/fedes/.

Median Wages of Bachelor's Graduates Employed Full-time, One Year After Graduation

	2010-11	2011-12	2012-13	2013-14*	2014-15*
5th PERCENTILE WAGE	$17,200	$17,800	$18,200	$18,700	$19,200
25th PERCENTILE WAGE	$24,300	$24,900	$25,800	$26,900	$28,000
MEDIAN WAGE	**$32,800**	**$33,500**	**$34,700**	**$36,400**	**$38,000**
75th PERCENTILE WAGE	$44,000	$43,700	$46,000	$48,800	$51,300
95th PERCENTILE WAGE	$64,400	$64,700	$66,400	$71,400	$74,800
Percent Found	*47%*	*46%*	*49%*	*56%*	*56%*
Number of States/Districts Searched	*1*	*1*	*1*	*38*	*41*

Notes: **Median Wage** data is based on annualized Unemployment Insurance (UI) wage data for those graduates who earned at least as much as a full-time employee making minimum wage in the fiscal quarter a full year after graduation. This UI wage data does not include individuals who are self-employed, employed out of state, employed by the military or federal government, or those without a valid social security number. This wage data includes graduates who were both employed and enrolled. Wages rounded to nearest hundreds. **Percent Found** refers to the percentage of graduates found in the dataset – including those that did not earn wages above the full-time threshold and those who were found outside of the one-year window.
Note*: The Board approved a change to this metric that uses wage data from all states that participate in the Wage Record Interchange System 2 (known as "WRIS 2"). This methodology change applies only to the wages for 2013-14 and 2014-15 baccalaureate recipients.

Section 5 – Graduate Education

TABLE 5A. Graduate Degree Program Changes in AY 2015-16

Program Title (2-digit CIP)	New Programs	Temporarily Suspended Programs	Terminated Programs
NATURAL RESOURCES AND CONSERVATION (03)	0	1	0
ETHNIC, CULTURAL, GENDER STUDIES (05)	0	0	2
COMMUNICATION (9)	1	1	0
COMPUTER SCIENCE (11)	2	0	0
EDUCATION (13)	2	7	5
ENGINEERING (14)	2	0	1
FOREIGN LANGUAGES (16)	0	1	0
HUMAN SCIENCES (19)	0	1	0
LEGAL PROFESSIONS AND STUDIES (22)	2	0	0
RECREATION AND FITNESS STUDIES (31)	0	0	1
PHILOSOPHY AND RELIGIOUS STUDIES (38)	0	1	0
PHYSICAL SCIENCES (40)	0	0	2
PSYCHOLOGY (42)	1	0	0
HOMELAND SECURITY, LAW ENFORCEMENT, ETC. (43)	0	1	0
PUBLIC ADMINISTRATION (44)	0	1	0
SOCIAL SCIENCES (45)	0	3	0
HEALTH PROFESSIONS (51)	7	2	1
BUSINESS MANAGEMENT (52)	2	4	1
TOTAL	**19**	**23**	**13**

Note: This table does not include new majors or concentrations added under an existing degree program CIP Code. This table reports the new and terminated program changes based on Board action dates between May 5, 2015 and May 4, 2016.

New Programs are proposed new degree programs that have been completely through the approval process at the university and, if appropriate, the Board of Governors. Does not include new majors or concentrations added under an existing degree program CIP Code.

Terminated Programs are degree programs for which the entire CIP Code has been terminated and removed from the university's inventory of degree programs. Does not include majors or concentrations terminated under an existing degree program CIP Code if the code is to remain active on the academic degree inventory.

Programs Suspended for New Enrollments are degree programs for which enrollments have been temporarily suspended for the entire CIP Code, but the program CIP Code has not been terminated. Does not include majors or concentrations suspended under an existing degree program CIP Code if the code is to remain active on the academic degree inventory and new enrollments in any active major will be reported. Programs included in this list may have been suspended for new enrollments sometime in the past and have continued to be suspended at least one term of this academic year.

New Programs Considered by University But Not Approved includes any programs considered by the university board of trustees, or any committee of the board, but not approved for implementation. Also include any programs that were returned prior to board consideration by the university administration for additional development, significant revisions, or re-conceptualization; regardless of whether the proposal was eventually taken to the university board for approval. Count the returns once per program, not multiple times the proposal was returned for revisions, unless there is a total re-conceptualization that brings forward a substantially different program in a different CIP Code.

Section 5 – Graduate Education *(continued)*

TABLE 5B. Graduate Degrees Awarded

	2011-12	2012-13	2013-14	2014-15	2015-16
First Majors	21,831	22,134	22,862	22,650	22,695
Second majors	27	2	1	4	2
TOTAL	**21,858**	**22,136**	**22,863**	**22,654**	**22,697**
Masters and Specialist (1st majors)	17,435	17,686	18,176	17,803	17,812
Research Doctoral (1st majors)	1,949	1,969	2,128	2,136	2,046
Professional Doctoral (1st majors)	2,447	2,479	2,558	2,711	2,837
Dentistry	*82*	*79*	*83*	*78*	*79*
Law	*959*	*992*	*899*	*864*	*785*
Medicine	*364*	*418*	*462*	*581*	*688*
Nursing Practice	*73*	*67*	*99*	*102*	*130*
Pharmacy	*596*	*558*	*538*	*585*	*576*
Physical Therapist	*233*	*221*	*308*	*341*	*384*
Veterinary Medicine	*84*	*86*	*98*	*101*	*111*
Other Professional Doctorate	*56*	*58*	*71*	*59*	*84*

Note: This table reports the total number of graduate level degrees that were awarded by academic year as well as the number by level. The table provides a breakout for some of the Professional Doctoral degrees.

TABLE 5C. Graduate Degrees Awarded in Areas of Strategic Emphasis

[Includes Second Majors]

	2011-12	2012-13	2013-14	2014-15	2015-16
STEM	4,711	4,986	5,360	5,195	5,510
HEALTH	4,079	4,205	4,288	4,816	5,045
GLOBALIZATION	403	419	432	483	460
EDUCATION	2,373	2,222	2,318	2,128	2,185
GAP ANALYSIS	854	884	950	991	1,032
SUBTOTAL	**12,420**	**12,716**	**13,348**	**13,613**	**14,232**
PSE PERCENT OF TOTAL	**56.8%**	**57.4%**	**58.4%**	**60.1%**	**62.7%**

Notes: This is a count of graduate degrees awarded within specific Areas of Strategic Emphasis, as determined by the Board of Governors staff with consultation with business and industry groups and input from universities. This is a count of graduate degrees awarded within specific Programs of Strategic Emphasis, as determined by the Board of Governors staff with consultation with business and industry groups and input from universities – for more information see: http://www.flbog.edu/pressroom/strategic_emphasis/. The Board of Governors revised the list of Programs of Strategic Emphasis in November 2013, and the new categories were applied to the historical degrees. A student who has multiple majors in the subset of targeted Classification of Instruction Program codes will be counted twice (i.e., double-majors are included). Note: The denominator used in the percentage includes second majors.

Section 5 – Graduate Education *(continued)*

TABLE 5D. Professional Licensure Exams for Graduate Programs

Law: *Florida Bar Exam*

	2012	2013	2014	2015	2016
Examinees	846	889	809	753	683
First-time Pass Rate	84%	84%	82%	81%	76%
State Benchmark	*81%*	*80%*	*74%*	*69%*	*66%*

Medicine: *US Medical Licensing Exam - Step 1* *(for 2nd year MD students)*

	2012	2013	2014	2015	2016 Preliminary
Examinees	475	517	576	643	643
First-time Pass Rate	95%	97%	97%	97%	97%
National Benchmark	*96%*	*97%*	*96%*	*96%*	*96%*

Medicine: *US Medical Licensing Exam - Step 2 Clinical Knowledge* *(for 4th year MD students)*

	2011-12	2012-13	2013-14	2014-15	2015-16
Examinees	399	492	509	639	657
First-time Pass Rate	99%	100%	99%	97%	97%
National Benchmark	*98%*	*98%*	*97%*	*95%*	*96%*

Medicine: *US Medical Licensing Exam - Step 2 Clinical Skills* *(for 4th year MD students)*

	2011-12	2012-13	2013-14	2014-15	2015-16
Examinees	377	463	514	562	630
First-time Pass Rate	99%	98%	95%	97%	98%
National Benchmark	*97%*	*98%*	*96%*	*96%*	*97%*

Veterinary Medicine: *North American Veterinary Licensing Exam*

	2011-12	2012-13	2013-14	2014-15	2015-16
Examinees	82	87	97	101	110
First-time Pass Rate	95%	99%	97%	95%	98%
National Benchmark	*96%*	*96%*	*90%*	*90%*	*95%*

Note on State & National Benchmarks: Florida Bar exam pass rates are reported online by the Florida Board of Bar Examiners. Law exam data is based on Feb. and July administrations every calendar year. The State benchmark excludes non-Florida institutions. The USMLE national exam pass rates, for the MD degree from US institutions, is reported online by the National Board of Medical Examiners (NBME). The NAVLE national exam pass rate is reported online by the National Board of Veterinary Medical Examiners (NBVME).

Section 5 – Graduate Education *(continued)*

TABLE 5D. Professional Licensure/Certification Exams for Graduate Programs

Pharmacy: *North American Pharmacist Licensure Exam*

	2011	2012	2013	2014	2015
Examinees	422	408	397	400	402
First-time Pass Rate	94%	94%	92%	94%	92%
National Benchmark	*94%*	*97%*	*95%*	*95%*	*93%*

Dentistry: *National Dental Board Exam - Part 1*

	2011	2012	2013	2014	2015
Examinees	79	80	82	80	92
First-time Pass Rate	100%	100%	100%	100%	100%
National Benchmark	*95%*	*93%*	*93%*	*96%*	*96%*

Dentistry: *National Dental Board Exam - Part 2*

	2011	2012	2013	2014	2015
Examinees	87	79	81	80	79
First-time Pass Rate	99%	99%	100%	96%	99%
National Benchmark	*95%*	*94%*	*94%*	*92%*	*92%*

Physical Therapy: *National Physical Therapy Examinations*

	2009-11	2010-12	2011-13	2012-14	2013-15
Examinees	594	673	665	692	734
First-time Pass Rate	85%	85%	85%	87%	88%
National Benchmark	*89%*	*89%*	*89%*	*90%*	*91%*

Occupational Therapy: *National Board for Certification in Occupational Therapy Exam*

	2011	2012	2013	2014	2015
Examinees			134	157	137
'New Graduate' Pass Rate	.	.	96%	97%	93%
System Average	*.*	*.*	*96%*	*97%*	*93%*

Note: The NAPLEX national exam pass rates are reported online by the National Association of Boards of Pharmacy. This national pass rate is for graduates from ACPE Accredited Programs. National pass rates for the National Dental Board Exam are provided by the universities. Three-year average pass rates for first-time examinees on the National Physical Therapy Examinations are reported, rather than annual averages, because of the relatively small cohort sizes. Due to changes in accreditation policy, the National Board for Certification in Occupational Therapy (NBCOT) examinations no longer report first-time pass rates. The reported pass rates are now 'New Graduates' pass rates and represent the ultimate pass rate, or the percentage of students who passed regardless of how many times the exam was taken. The Dental Board and Occupational Therapy exams are national standardized examinations not licensure examinations. Students who wish to practice in Florida must also take a licensure exam.

Section 6 – Research and Economic Development

TABLE 6A. Research and Development

	2010-11	2011-12	2012-13	2013-14	2014-15
R&D Expenditures					
Total (S&E and non-S&E) ($ 1,000s)	$1,755	$1,769	$1,783	$1,879	$1,981
Federally Funded ($ 1,000s)	$917	$918	$896	$884	$879
Percent Funded From External Sources	60%	60%	59%	58%	55%
Total R&D Expenditures Per Full-Time, Tenured, Tenure-Earning Faculty Member	$226,192	$229,212	$233,351	$247,743	$260,291

Technology Transfer	2010-11	2011-12	2012-13	2013-14	2014-15
Invention Disclosures	710	793	753	749	777
Licenses & Options Executed	201	208	257	308	441
Licensing Income Received ($)	$33	$37	$32	$36	$38
Number of Start-Up Companies	25	30	33	38	54

	2011	2012	2013	2014	2015
Utility Patents Issued	257	281	304	317	293

Notes: **R&D Expenditures** are based on the National Science Foundation's annual Survey of R&D Expenditures at Universities and Colleges (data include Science & Engineering and non-Science & Engineering awards). **Percent Funded from External Sources** is defined as funds from federal, private industry and other sources (non-state and non-institutional funds). Total R&D expenditures are divided by fall, full-time tenured/tenure-track faculty as reported to IPEDS (FGCU includes both tenured/tenure-track and non-tenure/track faculty). The fall faculty year used will align with the beginning of the fiscal year (e.g., 2007 FY R&D expenditures are divided by fall 2006 faculty). **Invention Disclosures** reports the number of disclosures made to the university's Office of Technology Commercialization to evaluate new technology – as reported on the Association of University Technology Managers Annual (AUTM) annual Licensing Survey. **Licenses & Options Executed** that were executed in the year indicated for all technologies – as reported by AUTM. **Licensing Income Received** refers to license issue fees, payments under options, annual minimums, running royalties, termination payments, amount of equity received when cashed-in, and software and biological material end-user license fees of $1,000 or more, but not research funding, patent expense reimbursement, valuation of equity not cashed-in, software and biological material end-user license fees of less than $1,000, or trademark licensing royalties from university insignia – as reported on the AUTM survey. **Number of Start-up Companies** that were dependent upon the licensing of University technology for initiation – as reported on the Association of University Technology Managers Annual Licensing Survey. **Utility Patents Issued** awarded by the United States Patent and Trademark Office (USPTO) by Calendar year – does not include plant, design or other patent types.

Section 6 – Research and Economic Development *(continued)*

TABLE 6B. Centers of Excellence

Name of Center:	SUS TOTAL	Cumulative (since inception to June 2016)	Fiscal Year 2015-16
Research Effectiveness *Only includes data for activities directly associated with the Center. Does not include the non-Center activities for faculty who are associated with the Center.*			
Number of Competitive Grants Applied For		3,494	289
Value of Competitive Grants Applied For *($)*		2,334,471,461	170,474,015
Number of Competitive Grants Received		2,305	201
Value of Competitive Grants Received *($)*		$590,714,255	$67,888,239
Total Research Expenditures *($)*		$374,455,717	$25,490,062
Number of Publications in Refereed Journals From Center Research		3,471	270
Number of Invention Disclosures		606	29
Number of Licenses/Options Executed		111	7
Licensing Income Received *($)*		1,143,629	161,481
Economic Development Effectiveness			
Number of Start-Up companies *with a physical presence, or employees, in Florida*		30	2
Jobs Created By Start-Up Companies Associated with the Center		432	10
Specialized Industry Training and Education		49	3
Private-sector Resources Used to Support the Center's Operations		7,395,121	385,953

STATE UNIVERSITY SYSTEM of FLORIDA
Board of Governors

AGENDA
Nomination and Governance Committee
Grand Ballroom
H. Manning Efferson Student Union Building
Florida A&M University
1780 S. Martin Luther King, Jr. Boulevard
Tallahassee, FL 32307
March 30, 2017
12:45 p.m. – 1:00 p.m.
or
Upon Adjournment of Previous Meetings

Chair: Mr. Tom Kuntz; Vice Chair: Mr. Ned Lautenbach
Members: Huizenga, Levine, Tripp

1.	**Call to Order and Opening Remarks**	**Governor Tom Kuntz**
2.	**Minutes of Committee Meeting** Minutes, September 22, 2016	**Governor Kuntz**
3.	**Recommendations of Candidates to fill Trustee Vacancies and Report on Applicant Interviews**	
	a. Florida International University (1 vacancy)	Governor Kuntz Governor Huizenga Governor Lautenbach
4.	**Concluding Remarks and Adjournment**	**Governor Kuntz**

STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
Nomination and Governance Committee
March 30, 2017

SUBJECT: Minutes of Committee Meeting held September 22, 2016

PROPOSED COMMITTEE ACTION

Approval of Minutes of the Meeting held on September 22, 2016, at New College of Florida.

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution

BACKGROUND INFORMATION

Committee members will review and approve the Minutes of the Meeting held on September 22, 2016 at New College of Florida.

Supporting Documentation Included: Minutes: September 22, 2016

Facilitators/Presenters: Governor Tom Kuntz

MINUTES
STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
NOMINATION AND GOVERNANCE COMMITTEE
MAIN AUDITORIUM
HARRY SUDAKOFF CONFERENCE CENTER
NEW COLLEGE OF FLORIDA
SARASOTA, FLORIDA
September 22, 2016

Video or audio archives of the meetings of the Board of Governors and its Committees are accessible at http://www.flbog.edu/.

Chair Kuntz convened the meeting of the Nomination and Governance Committee of the Board of Governors on September 22, 2016, at 11:43 a.m., with the following members present: Dean Colson, Ned Lautenbach, Wendy Link and Norman Tripp.

1. Approval of Minutes of Meeting held May 12, 2016

Mr. Tripp moved approval of the Minutes of the meeting held May 12, 2016, as presented. Mr. Lautenbach seconded the motion, and members of the Committee concurred.

2. Recommendations to fill Trustee Vacancies

Florida Gulf Coast University

Chair Kuntz said the Committee would be taking up one trustee vacancy at the Florida Gulf Coast University. He recognized the Committee received applications from many qualified applicants and said Mr. Lautenbach, Mr. Colson, and Ms. Link were responsible for vetting the applicants. He then called on Mr. Lautenbach for his recommendation.

Mr. Lautenbach recommended the appointment of Mr. Leo Montgomery, subject to attending an orientation and confirmation by the Florida Senate. Mr. Lautenbach stated Mr. Montgomery is the CEO of JL Montgomery Consulting and a former senior partner at Ernst & Young for 39 years. He explained Mr. Montgomery is very active in the Naples community and is a board member of Artis-Naples. He noted that Mr. Montgomery is a former board member and chairman of EAU Technologies. Mr. Colson seconded the motion, and members of the Committee concurred unanimously.

MINUTES: NOMINATION AND GOVERNANCE COMMITTEE
September 22, 2016

3. Concluding Remarks and Adjournment

Having no further business, the meeting was adjourned at 11:45 a.m., September 22, 2016.

_____
Tom Kuntz, Chair

_____
Vikki Shirley
Corporate Secretary

STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
Nomination and Governance Committee
March 30, 2017

SUBJECT: Appointment of University Trustee for Florida International University

PROPOSED COMMITTEE ACTION

Appointment of University Trustee for Florida International University

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution; Board of Governors Trustee Selection and Reappointment Process

BACKGROUND INFORMATION

Florida International University has a trustee vacancy for a term that ended on January 6, 2016.

In accordance with the University Board of Trustee Selection and Reappointment Process, the vacancies were posted for the public on the Board's website and a number of applications were received.

Governor Kuntz, Governor Lautenbach, and Governor Huizenga independently reviewed the applications and will make a recommendation to the full Committee.

Supporting Documentation Included: None

Facilitators/Presenters: Governor Tom Kuntz

STATE UNIVERSITY SYSTEM of FLORIDA
Board of Governors

AGENDA
Board of Governors Meeting
Grand Ballroom
H. Manning Efferson Student Union Building
Florida A&M University
1780 S. Martin Luther King, Jr. Boulevard
Tallahassee, Florida 32307
March 29-30, 2017
1:00 p.m. – 3:00 p.m.
or
Upon Adjournment of Previous Meetings

1.	**Call to Order and Chair's Remarks**	**Chair Thomas G. Kuntz**
2.	**Minutes of Board of Governors Meetings** • Minutes, January 26, 2017	**Chair Kuntz**
3.	**Chancellor's Report**	**Chancellor Marshall M. Criser III**
4.	**Think Florida**	**Chair Kuntz**
5.	**Public Comment**	**Chair Kuntz**
6.	**Consideration of Amendments to the Board of Governors Operating Procedures**	**Ms. Vikki Shirley** *General Counsel*
7.	**Confirmation of Reappointment of the President for the University of South Florida**	**Chair Kuntz**
8.	**Confirmation of Appointment of the President for Florida Gulf Coast University**	**Chair Kuntz**
9.	**Higher Education Coordinating Council Report**	**Governor Alan Levine**

10. Innovation and Online Committee Report — Governor Ned Lautenbach
- 2016 Annual Report for Online Education
- Implementation of the 2025 Strategic Plan for Online Education

11. Budget and Finance Committee Report — Governor Lautenbach
- Public Notice of Intent to Approve Board of Governors Regulation 9.014 Collegiate License Plates Revenues
- Auxiliary Facilities that have Bond Covenants requiring approval of Estimated 2017-2018 Operating Budgets
- Public Notice of Intent to Amend Board of Governors Regulation 9.008 University Auxiliary Facilities with Outstanding Revenue Bonds
- 2018-2019 Legislative Budget Request Guidelines

12. Task Force on University Research Report — Governor Daniel Doyle, Jr.
- Public Notice of Intent to Amend Board of Governors Regulation 10.002 Sponsored Research

13. Facilities Committee Report — Governor Richard A. Beard
- 2018-2019 Fixed Capital Outlay Legislative Budget Request Guidelines
- 2nd Amendment to the 2017-2018 State University System Fixed Capital Outlay Legislative Budget Request
- UCF/HCA Joint Venture Hospital Proposal

14. Select Committee on 2+2 Articulation Report — Governor Levine
- Improving 2+2 Articulation Implementation Plan

15. Academic and Student Affairs Committee Report — Governor Norman Tripp

16. Select Committee on Florida Polytechnic University Report — Governor Wendy Link

17. Audit and Compliance Committee Report — Governor Link

18. Strategic Planning Committee Report — Governor Ed Morton
- State University System 2015-2016 Annual Accountability Report

19. Nomination and Governance Committee Report — Chair Kuntz
- Recommendations of Candidates to fill Trustee Vacancies

20. Concluding Remarks and Adjournment — Chair Kuntz

Public comment will only be taken on agenda items before the Board. Public comment forms will be available at the staff table at each meeting and must be submitted prior to the plenary meeting of the Board. A maximum of 15 minutes will be set aside after the Chancellor's Report to accept public comment from individuals, groups, or factions who have submitted a public comment form.)

STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
March 30, 2017

SUBJECT: Chair's Report to the Board of Governors and Opening Remarks

PROPOSED BOARD ACTION

For information

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution

BACKGROUND INFORMATION

The Chair, Tom Kuntz, will convene the meeting with opening remarks.

Supporting Documentation Included: None

Facilitators/Presenters: Chair Tom Kuntz

STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
March 30, 2017

SUBJECT: Minutes of Board of Governors Meeting held January 26, 2017

PROPOSED BOARD ACTION

Approval of minutes of the Board of Governors meeting held on January 26, 2017 at Florida Polytechnic University.

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution

BACKGROUND INFORMATION

Board members will review and approve the minutes of the Board of Governors meeting held on January 26, 2017 at Florida Polytechnic University.

Supporting Documentation Included: Minutes: January 26, 2017

Facilitators/Presenters: Chair Tom Kuntz

MINUTES: FLORIDA BOARD OF GOVERNORS JANUARY 26, 2017

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SADDLE CREEK LOGISTICS COMMONS
INNOVATION, SCIENCE AND TECHNOLOGY BUILDING
FLORIDA POLYTECHNIC UNIVERSITY
LAKELAND, FLORIDA
JANUARY 26, 2017

Video or audio archives of the meetings of the Board of Governors and its Committees are accessible at http://www.flbog.edu/.

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MINUTES
STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
SADDLE CREEK LOGISTICS COMMONS
INNOVATION, SCIENCE AND TECHNOLOGY BUILDING
FLORIDA POLYTECHNIC UNIVERSITY
LAKELAND, FLORIDA
JANUARY 26, 2017

1. Call to Order

Chair Tom Kuntz convened the meeting at 10:29 a.m., on January 26, 2017, with the following members present: Vice Chair Ned Lautenbach; Dick Beard; Daniel Doyle, Jr.; Patricia Frost; Jacob Hebert; H. Wayne Huizenga, Jr.; Darlene Jordan; Sydney Kitson; Alan Levine; Wendy Link; Edward Morton; Norman Tripp; Gary Tyson; and Fernando Valverde.

Chair Kuntz thanked President Avent and Chair Martin for hosting the meeting. Chair Martin expressed appreciation for the opportunity to host the meeting so the Board can see the results of their efforts. He noted they had eight trustees in attendance at the meeting, along with several local officials. He stated they look forward to continuing to work with the Board to make Florida Polytechnic a great local and global university.

Chair Kuntz extended a warm welcome to our newest Board member, Governor Sydney Kitson. Mr. Kitson had a distinguished career in the National Football League, playing offensive guard for both the Green Bay Packers and the Dallas Cowboys until his retirement in 1985. He now serves as the Chairman and CEO of Kitson & Partners, which specializes in the development of master-planned communities and commercial properties. Mr. Kitson graduated from Wake Forest University with a bachelor's degree in Economics and has served on multiple civic, education, and non-profit boards. He is currently the Chairman of the Florida Chamber of Commerce and on the Executive Committee of the Board of Directors of the Florida Council of 100.

Mr. Kitson said he is humbled to become a part of this Board, which makes a real difference in the lives of young people. He stated the responsibility of the Board is incredible and looks forward to working with everyone.

Chair Kuntz informed members that the University of Florida Board of Trustees has been working, through its Governance Committee, to enhance the board's oversight of Shands Hospital. Members were presented with a document that summarizes new rules of engagement between the UF Board of Trustees and Shands, which will be considered by the UF Board of Trustees for approval. He asked members to contact

Chancellor Criser if they have any questions. President Fuchs stated his office strongly endorses the new framework, which will be taken up by the UF Board on Monday. Mr. Levine commented the new framework strikes the right balance between greater accountability and maintaining Shands' ability to compete in the marketplace.

2. State of the System Address

Chair Kuntz delivered the State of the System address. A copy of the address as prepared is attached to the minutes.

3. Chancellor's Report

Chancellor Criser provided an update on legislative activities, including Mr. Levine's testimony before a House of Representatives' committee on the activities of the Higher Education Coordinating Council and the need for more instruction on Civics. He stated Governor Scott is hosting a Jobs Summit in conjunction with an Enterprise Florida meeting on February 2 and 3, 2017. The Summit will provide an opportunity for business leaders to engage with leaders in postsecondary education.

He reported a new campaign called "Safer, Smarter, Stronger" will be launched at the March meeting to focus on the Board's request for additional funding to enhance campus security and mental health services.

He advised we are working closely with business organizations such as the Florida Chamber of Commerce and Enterprise Florida to create greater awareness of the State University System's talent pool. Enterprise Florida told us about an employer in Southwest Florida that was experiencing difficulty recruiting persons to meet its workforce needs. After contacting the employer, it became clear they were looking for engineers with 7 to 8 years of experience. Emily Sikes, the Board's Director of Workforce Education and Economic Development, contacted the colleges of engineering and university career centers for help in disseminating information about these employment opportunities to the universities' college of engineering alumni. Chancellor Criser cited this as an example of the type of concierge service the State University System can provide to the business community and students.

He indicated a memorial service will be held for Dr. Charlie Reed on February 3 at the FSU Alumni Center. Dr. Reed was the former Chancellor of the California State University System and the former Chancellor of the State University System of Florida. Chancellor Criser acknowledged Dr. Reed's incredible service to the state and his wealth of knowledge about higher education. He explained Dr. Reed's family asked for a portion of contributions made on behalf of Dr. Reed to be directed to the Board of Governors Foundation to benefit students. He offered to provide additional information to anyone who would like to make a memorial contribution.

4. Minutes of Board of Governors Meeting

A. Board of Governors Meetings held November 3, 2016

Mr. Tripp moved approval of the Minutes of the meeting held on November 3, 2016, as presented. Ms. Jordan seconded the motion, and the members concurred unanimously

5. Think Florida

Chair Kuntz introduced Mr. John Townsend of T. Rowe Price. Mr. Townsend is a vice president of T. Rowe Price Group, Inc., and T. Rowe Price Services, Inc. He serves as the head of individual and institutional services for the Tampa office and is a member of the University of South Florida Muma College of Business Dean's Executive Advisory Council.

Mr. Townsend thanked the Board for the opportunity to talk about the relationship between T. Rowe Price and the University of South Florida Muma College of Business. He first met the Dean of the College at a Tampa Chamber of Commerce event in 2006. The Dean invited him to campus to meet with students as part of a program the College had developed to expose students to business professionals. After meeting with the students and seeing how committed USF faculty and administration are to creating student success, he worked with the College to develop the Corporate Mentors Program. This program targets first generation students and partners them with corporate executives who serve as their mentors. Mr. Townsend has been serving as a mentor for the last 10 years and applauded USF for the variability of services it provides to its students to make them work-force ready.

When Mr. Townsend learned that student success is often predicated by internships, he worked with USF to develop an internship program that he described as a win for the businesses, the students, and the university. T. Rowe Price also sponsors a program called "25 under 25" which recognizes the best undergraduate business students. He acknowledged that businesses often don't know how to interact with universities and credited USF for taking the initiative to ask businesses what their needs are and what USF can do to prepare students to meet those needs.

6. Public Comment

Chair Kuntz asked the Board's General Counsel Vikki Shirley if there were any requests for public comment for items on the Board's agenda. Ms. Shirley stated no requests for public comment had been received.

7. Higher Education Coordinating Council Report

Chair Kuntz called on Mr. Levine for a report on the activities of the Higher Education Coordinating Council (HECC). Mr. Levine explained the HECC represents K-12, private and public universities, state colleges and other postsecondary institutions and develops recommendations for consideration by the Legislature, the Governor, and various educational governing bodies. Recently, the HECC submitted its annual report to the Legislature. Included in the report is a recommendation for 55% of Floridians between the ages of 25-64 to hold a high quality postsecondary credential by 2025. He noted that approximately 46% of working age Floridians has a degree or certificate that leads to employment. By 2025, 64% of all jobs in Florida will require a degree or a certificate.

He indicated the HECC also found a significant gap in the earning potential between high school graduates and persons with certificates. There is approximately a $22,000 difference between the starting salary for a high school graduate and the starting salary for a person holding a certificate. He said the Legislature is evaluating the 55% attainment goal and HECC encourages all governing bodies, colleges, universities, and K-12 schools to build this initiative into their strategic plan objectives wherever possible.

In addition, the HECC is recommending: (a) continued support of all education sectors in defining key performance metrics to align with statewide higher education policy and fiscal goals, recognizing that performance benchmarks might differ by delivery sector and program; (b) a broader commitment to seamless articulation pathways, which he noted is consistent with the ongoing work of the Board's Select Committee on 2+2 Articulation; (c) expanding incentives to promote collaboration and engagement between the business community and the education system; (d) aligning and incentivizing education funding to better meet Florida's industry talent needs; and (e) supporting Florida's participation in a nationwide state authorization reciprocity agreement to enable Florida institutions to offer distance education programs to students out of state without having to comply with onerous and expensive regulatory frameworks imposed by other states across the country.

Mr. Levine explained the HECC took up the issue of civics and the proficiency of college graduates in the areas of United States history, American government, the Constitution and the economy. The HECC has invited representatives from the Florida Chamber of Commerce and Associated Industries of Florida to its next meeting to have a dialogue with the business community and hear their perspective. He has received feedback that they share the concern that students do not have demonstrable knowledge of our history, and how our government and the economy functions. He indicated there is interest on this topic at the Legislature so he expects more to come on this topic.

8. Select Committee on 2+2 Articulation Report

Chair Kuntz recognized Mr. Levine for the Select Committee on 2+2 Articulation report. Mr. Levine said the Select Committee held a workshop yesterday to discuss outstanding issues and identify solutions to address some of the critical issues identified by the Committee. He thanked the experts from the Florida College System, the Department of Education, the universities, and the colleges for participating in the workshop and providing valuable input into the discussion.

He reported the following strategies were identified for inclusion in the Committee's implementation plan: (a) better advising on sequencing of courses for dually enrolled students; (b) creating more structured pathways at the dual enrollment level to ensure students with long term objectives have a clear path; (c) implementing a statewide common advising website that contains information on articulation and pathways; (d) developing best practices for advising and deploying those practices system wide; (e) requiring each university to develop relationships like UCF's DirectConnect and USF's FUSE and developing standards for those programs and a reporting mechanism to the Board; (f) building bridges to culturally integrate students as they transition to university campuses; (g) evaluating rural areas to determine why attainment is so low; and (h) improving data collection and data analytics to track student progress and address gaps in the data. These recommendations will be presented to the Select Committee and then to the full Board for approval in March.

9. Academic and Student Affairs Committee Report

Chair Kuntz recognized Mr. Tripp to report on the Academic and Student Affairs Committee. Mr. Tripp stated the Committee received an update from Dr. Christy England, Associate Vice Chancellor for Academic Research and Policy, on the positive impact that counseling center services have on the academic success of students facing mental and behavioral health issues. Dr. England reported students who use counseling center services are as likely, or more likely, to remain enrolled and graduate than students who do not. The Committee also learned after three or more counseling sessions, most students report improved behavioral and mental health, and that counseling plays a critical role in making sure students who face mental and behavioral health issues do well academically and go on to graduate.

10. Facilities Committee Report

Chair Kuntz called on Mr. Huizenga for the Facilities Committee report. Mr. Huizenga stated the Facilities Committee met yesterday and is prepared to report favorably on four action items.

A. UF Educational Plant Survey Amendment

Mr. Huizenga moved that the University of Florida Educational Plant Survey be amended as approved by the Committee. Mr. Tripp seconded the motion, and the members concurred unanimously.

B. Amendment to the 2017-2018 State University System Fixed Capital Outlay Legislative Budget Request

Mr. Huizenga moved approval of the amended 2017-2018 SUS Fixed Capital Outlay Legislative Budget Request, parts A, B, C, D and E. Mr. Tripp seconded the motion, and the members concurred unanimously.

C. UF Parking Garage XIV – Bond Authorization

Mr. Huizenga moved to adopt the University of Florida bond resolution requesting the Division of Bond Finance of the State Board of Administration of Florida to issue revenue bonds on behalf of the university to finance the construction of a parking garage on the main campus in an amount not to exceed $37,200,000. Mr. Tripp seconded the motion, and the members concurred unanimously.

D. FSU College Town Phase III – Debt Authorization

Mr. Huizenga moved to adopt the two Seminole Boosters Florida State University College Town resolutions as presented in the Committee meeting materials, one in the amount of $15 million and one in the amount of $31 million. Mr. Tripp seconded the motion, and the members concurred unanimously.

11. Budget and Finance Committee Report

Chair Kuntz recognized Mr. Lautenbach for the Budget and Finance Committee report. Mr. Lautenbach stated the Committee has two action items to present.

A. Public Notice of Intent to Amend Board of Governors Regulation 9.014 Collegiate License Plates Revenues

Mr. Lautenbach moved approval of public notice of intent to amend Board of Governors Regulation 9.014 Collegiate License Plates Revenues. He noted this is a technical correction to reflect the University of West Florida and Florida Agricultural and Mechanical University expenditure allocations and a modification to the University of Florida's expenditure plan to allocate more resources to fundraising. Mr. Tripp seconded the motion, and the members concurred unanimously.

B. 2017-2018 Board Office Legislative Budget Request

Mr. Lautenbach moved to approve the Board Office 2017-2018 Legislative Budget Request of $1.1 million for the Board's Office of Information Resource Management, with authority for the Chancellor to make technical changes as necessary. Mr. Tripp seconded the motion, and the members concurred unanimously.

12. Audit and Compliance Committee Report

Chair Kuntz called on Ms. Link for the Audit and Compliance Committee report. Ms. Link reported Mr. Joseph Maleszewski, the Board's Inspector General and Director of Compliance, provided an update regarding the universities' implementation of the compliance program required by Board Regulation 4.003. Some universities are experiencing challenges with the implementation due to staffing and resource issues and he will provide more detail about their progress at an upcoming meeting.

Mr. Maleszewski also provided an update on Florida Agricultural and Mechanical University's (FAMU) progress in addressing its Athletics Program cash deficit. The university's receipt of donations and a reduction in expenses have reduced the deficit by a little over $400,000. Ms. Link thanked Chair Lawson and members of FAMU's staff for their efforts and transparency in working to resolve the deficit.

Mr. Maleszewski stated the Auditor General's operational audit report of the Board of Governors' office contained one finding. He presented a high-level corrective action plan to the Committee and will report on the progress to implement the plan in June.

13. Strategic Planning Committee Report

Chair Kuntz called on Mr. Morton for the Strategic Planning Committee report. Mr. Morton stated the Committee asked Vice Chancellor Ignash to provide an overview of the regular annual activities associated with the Committee as well as a review of special initiatives that have been conducted. This included a review of the Board's three major planning documents: the 2012-2025 Strategic Plan, the Annual Accountability Report, and the universities' Annual Work Plans. These items were presented for information only and there were no action items.

14. Select Committee on Florida Polytechnic University Report

Chair Kuntz recognized Ms. Link for the Select Committee on Florida Polytechnic University report. Ms. Link said the university submitted its Compliance Certification to the Southern Association of Colleges and Schools (SACS) on January 3, 2017. She explained this was a major hurdle for the university because it involved the collection of a large amount of data. The next critical action for the university's successful accreditation is for SACS to conduct a site visit for the initial accreditation, which is scheduled for February 13-15, 2017. She congratulated President Avent for the university being on track to obtain accreditation this year and for graduating its first class of students in January.

15. Presidential Search Report

A. Florida Gulf Coast University

Chair Kuntz recognized Mr. Morton for a report on the presidential search at Florida Gulf Coast University (FGCU). Mr. Morton stated the search has been extended through the month of January. Ten to fifteen additional applicants have applied and the Search Committee will reconvene on February 6, 2017, to consider the additional applicants. The applicants selected on February 6 will be interviewed by the Search Committee on February 15, at which time the Search Committee will determine those applicants to advance to the FGCU Board of Trustees. The FGCU Board of Trustees will meet February 28 to interview a minimum of 3 candidates to select a president to present to the Board of Governors for confirmation in March.

16. Concluding Remarks and Adjournment

Chair Kuntz announced that the next meeting of the Board is scheduled for March 29-30, 2017, at Florida A&M University.

Having no further business, the meeting was adjourned at 11:35 a.m. on January 26, 2017.

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Thomas G. Kuntz, Chair

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Vikki Shirley,
Corporate Secretary

STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
March 30, 2017

SUBJECT: Chancellor's Report to the Board of Governors

PROPOSED BOARD ACTION

For information

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution

BACKGROUND INFORMATION

Chancellor Marshall M. Criser III will report on activities affecting the Board staff and the Board of Governors since the last meeting of the Board.

Supporting Documentation Included: None

Facilitators/Presenters: Chancellor Marshall M. Criser III

STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
January 26, 2017

SUBJECT: Think Florida

PROPOSED BOARD ACTION

For information

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution

BACKGROUND INFORMATION

Background Information: As part of the *Think Florida: A Higher Degree for Business* campaign, Board members regularly have the opportunity to hear from universities and the business community about the latest synergies regarding talent, research and partnerships. Today's panel includes Florida Chamber of Commerce CEO Mark Wilson, Florida Council of 100 President and CEO Bob Ward, and Department of Economic Opportunity Director Cissy Proctor.

Supporting Documentation Included: None

Facilitators/Presenters: Chair Tom Kuntz

STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
March 30, 2017

SUBJECT: Public Comment

PROPOSED BOARD ACTION

For information

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution; Section 286.0114, Florida Statutes; Article V, Section H, Board of Governors Operating Procedures

BACKGROUND INFORMATION

Article V, Section H, of the Board of Governors Operating Procedures provides for public comment on propositions before the Board. The Board will reserve a maximum of fifteen minutes during the plenary meeting of the Board to take public comment.

Individuals, organizations, groups or factions who desire to appear before the Board to be heard on a proposition pending before the Board shall complete a public comment form specifying the matter on which they wish to be heard. Public comment forms will be available at each meeting and must be submitted prior to the plenary meeting.

Organizations, groups or factions wishing to address the Board on a proposition shall designate a representative to speak on its behalf to ensure the orderly presentation of information to the Board. Individuals and representatives of organizations, groups or factions shall be allotted three minutes to present information; however, this time limit may be extended or shortened depending upon the number of speakers at the discretion of the Chair.

Supporting Documentation Included: None

Facilitators/Presenters: Chair Tom Kuntz

STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
March 30, 2017

SUBJECT: Consideration of Amendments to Board of Governors Operating Procedures

PROPOSED BOARD ACTION

Consideration of Amendments to Board of Governors Operating Procedures

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution; Section 286.0114, Florida Statutes

BACKGROUND INFORMATION

Article VI, Section C is being amended to reflect that the responsibilities of the Health Initiatives Committee are being transferred to the Strategic Planning Committee for implementation and oversight.

Supporting Documentation Included: Board of Governors Operating Procedures

Facilitators/Presenters: Ms. Vikki Shirley

OPERATING PROCEDURES OF THE BOARD OF GOVERNORS OF THE STATE UNIVERSITY SYSTEM OF FLORIDA

ARTICLE I. CORPORATE NAME

The Board of Governors is a body corporate to be known as the "Board of Governors of the State University System of Florida."

ARTICLE II. AUTHORITY AND RESPONSIBILITY

The Board of Governors (the Board) is the governing body of the State University System of Florida (the System) that is vested with all of the powers, duties and authority delegated to the Board by Article IX, Section 7 of the Florida Constitution for the operation, regulation, control, management and governance of the whole university system. The Board of Governors possesses such other authority granted under the Florida Constitution and as provided by the laws of Florida.

ARTICLE III. MEMBERSHIP OF THE BOARD

The Board of Governors is comprised of seventeen members. Fourteen members of the Board are appointed by the Governor and three members serve by virtue of their offices: the Commissioner of Education, the Chair of the Advisory Council of Faculty Senates, and the President of the Florida Student Association. The appointed members are confirmed by the Florida Senate and serve staggered terms of seven years. Such members shall serve until their successors are appointed and qualified. In the event of a vacancy of an appointed member by whatever cause, except for the expiration of a term, the Board shall request the Governor to appoint a successor to fill the vacancy for the remainder of the unexpired membership term.

ARTICLE IV. OFFICERS OF THE BOARD AND CHANCELLOR

Section A. Officers

The officers of the Board of Governors shall consist of the Chair, the Vice Chair, and the Corporate Secretary.

Section B. Selection of Officers and Term of Office

The Chair and Vice Chair shall be elected by a majority vote of the Board at a meeting held during the month of November of each odd-numbered year. The term of office shall commence on the first day of the January following the November election. Each officer shall serve for two years and may be re-elected for one additional consecutive two-year term. Any exception to this term of office shall be approved by a two-thirds vote of the members present at the meeting, provided there is a quorum.

Section C. Vacancy in Office

In the event of a vacancy in the office of the Chair, the Vice Chair shall assume the position of Chair and shall serve out the remainder of the Chair's term of office. In the event of a vacancy in the office of the Vice Chair, the Board shall hold a special election as soon as practicable to select a successor who shall serve out the remainder of the Vice Chair's term of office.

Section D. Chair

(1) The Chair shall preside at all meetings of the Board and shall have the authority to call any special or emergency meetings of the Board.

(2) The Chair shall appoint the members of all standing and ad hoc committees of the Board and select the chairs of such committees.

(3) The Chair is authorized to execute all instruments and documents approved or issued by the Board or as delegated by the Board.

(4) The Chair shall serve as the official spokesperson of the Board and shall exercise such other powers and duties that inure to the office of Chair of a body corporate.

Section E. Vice Chair

The Vice Chair shall perform the duties of the Chair and have the same power and authority in the absence or disability of the Chair.

Section F. Chancellor

(1) The Chancellor is the chief executive officer of the Board and the State University System. The Chancellor shall perform all such duties as necessary to assist with the Board's implementation of its constitutional duties

and responsibilities related to the governance of the System. The Chancellor is responsible for the prompt and effective execution of all Board regulations, policies, guidelines and resolutions.

(2) The Chancellor shall serve as the Board's liaison for communications with university boards of trustees, university presidents and other university officers and employees, the Legislature, other state entities, officers, agencies, the media, and the public.

(3) The Chancellor shall keep the Board informed of all issues affecting or that may affect the System and make such recommendations to the Board for the development of any new regulations, policies or guidelines and any amendments to existing regulations, policies or guidelines.

(4) The Chancellor shall attend and participate in all meetings of the Board, its committees, and prepare and submit such reports as may be required by the Board or by law, or as deemed necessary by the Chancellor.

(5) The Chancellor shall be responsible for preparing and submitting an annual legislative budget requests for the System and the general office to the Board for approval and for recommending any amendments as may be required.

(6) The Chancellor shall be responsible for the efficient operation of the general office, and is authorized to enter into any contracts necessary for the operation of the Board and the general office, to employ all personnel and establish all policies and procedures incident to general office personnel and operations, to submit an annual legislative budget request for the general office to the Board for approval and for recommending any amendments as may be required, to provide any general office budgetary information as may be requested by the Board or Board Chair, to oversee all departments and functions, and to take any other actions as deemed appropriate by the Chancellor to foster efficient and effective Board operations.

Section G. Corporate Secretary

Upon recommendation of the Chancellor, the Chair shall select a member of the general office staff to serve as the Corporate Secretary. The Corporate Secretary shall serve at the pleasure of the Board and shall:

(1) Maintain an accurate record of the proceedings of the Board;

(2) Have custody of all official records and documents of the Board;

(3) Have custody of the corporate seal of the Board, affix the seal to official documents and attest to same;

(4) Notice all meetings of the Board as required by applicable law; and

(5) Serve as agency clerk for the Board.

ARTICLE V. MEETINGS OF THE BOARD

Section A. Regular Meetings

There shall be no fewer than six regular meetings per year which shall be open and noticed to the public in accordance with the Article I, Section 24 of the Florida Constitution and the requirements of Chapter 286, Florida Statutes.

Section B. Special Meetings

The Chair may convene special meetings, including workshops or retreats, of the Board as deemed appropriate. Such meetings shall be open and noticed to the public in accordance with the Article I, Section 24 of the Florida Constitution and the requirements of Chapter 286, Florida Statutes.

Section C. Emergency Meetings

The Chair may convene a meeting of the Board for the purpose of acting on emergency matters affecting the System or as necessary to preserve the health, safety or welfare of the public. Such meetings shall be open to the public and the Board shall provide such notice of the meeting as is reasonable under the circumstances.

Section D. Use of Technology

Any meeting of the Board may be conducted through a telephone conference call or by any other technological means. Any such meetings shall be open and noticed to the public in accordance with the Article I, Section 24 of the Florida Constitution and the requirements of Chapter 286, Florida Statutes.

Section E. Agenda

The Chair, in consultation with the Chancellor of the System, shall approve items to be placed on the agenda for each Board meeting. Any member may request items to be placed on the agenda for discussion or action at a meeting, subject to approval by the Board. Any such item approved by the Board will be placed on the agenda for the next regularly scheduled meeting. All agenda

items and supporting documentation must be submitted to the Chancellor with sufficient time for distribution to the Board members at least seven days in advance of the meeting where the item will be considered.

Section F. Quorum and Voting

A majority of the members of the Board must be present to constitute a quorum to transact official business. The decision of the majority of members in attendance and voting on an issue shall prevail, unless otherwise provided herein. The vote upon any resolution, motion or other matter may be by voice vote, but the Chair may require a roll call vote if deemed appropriate. A member may abstain from voting only under those circumstances prescribed by law. Voting by proxy or by mail is not permitted.

Section G. Minutes

Minutes of the meetings of the Board shall be kept by the Corporate Secretary who shall file and preserve all minutes, agendas and agenda materials, notices, resolutions, and other documents pertaining to the business and proceedings of the Board. Records of the meetings, including any video or audio recordings, are public records subject to Chapter 119, Florida Statutes.

Section H. Appearances before the Board

Individuals, organizations, groups or factions who desire to appear before the Board to be heard on a proposition pending before the Board shall complete a public comment form specifying the matter on which they wish to be heard. Public comment forms will be available at each meeting and must be submitted prior to the plenary meeting of the Board. For meetings held telephonically, public comment forms can be obtained from the Corporate Secretary and must be submitted prior to the date of the meeting. Organizations, groups or factions wishing to address the Board on a proposition shall designate a representative to speak on its behalf to ensure the orderly presentation of information to the Board. The Board will reserve a maximum of fifteen minutes during the plenary meeting of the Board to take public comment. Individuals and representatives of organizations, groups or factions shall be allotted three minutes to present information; however, this time limit may be extended or shortened depending upon the number of speakers at the discretion of the Chair.

Section I. Parliamentary Rules

When not in conflict with any of the Board's Operating Procedures, regulations, policy, or state law, Robert's Rules of Order shall be utilized as a guide in conducting the meetings of the Board.

ARTICLE VI. COMMITTEES

Section A. Purpose

The Chair shall have the authority to establish standing and ad hoc committees of the Board. Standing and ad hoc committees of the Board shall consider matters that are encompassed within the subject matters assigned to each committee and make recommendations to the Board. Unless specifically delegated or otherwise provided by Board regulation, authority to act on all matters is reserved to the Board.

Section B. Membership and Quorum

The Chair of the Board shall have the authority to appoint and remove members of each committee, and select committee chairs. A majority of committee members present at a committee meeting constitutes quorum for purposes of committee business.

Section C. Standing Committees

The standing committees of the Board and the scope of responsibility for each committee is as follows:

(1) *Academic and Student Affairs*: The activities of this committee shall include, but not be limited to, providing leadership for the development of system-level policy regarding admissions, articulation, academic programs, research and economic development, and student support services for the System; the review and approval of academic programs, limited access requests, and exceptions to state mandated program lengths; and regulations and issues relating to the aforementioned areas of responsibilities.

The committee shall identify and address issues that are critical to the well-being of state university students through regular contact with and input from the SUS Council for Student Affairs and the Florida Student Association. In addition, the committee is responsible for issues associated with the System's efforts in research and economic development.

(2) *Audit and Compliance*: The activities of this committee are governed by the *Audit and Compliance Committee Charter* that articulates the committee's duties and responsibilities. The committee's responsibilities, as they relate to the operation and management of the Board, are to provide oversight of activities related to internal audit, financial controls, compliance and ethics; to review significant accounting and reporting issues and confirm appropriate management responses; to review risk assessment methodologies and risk management

policies; to assess the effectiveness of the internal control system; and to review and confirm appropriate management response to any report of significant audit or compliance-related findings and recommendations.

The committee's responsibilities, as they relate to the operation and management of the System, are to act as a liaison with university boards of trustees; review university independent financial and operational and internal university audit reports; identify trends in these reports and confirm that adverse trends are being addressed; initiate inquiries if the committee has reasonable cause to believe a university is not providing for appropriate response to significant or repeat audit findings; direct the Board's Inspector General to conduct an inquiry or investigation if the committee has reasonable cause to believe that a university board of trustees is unwilling or unable to provide for objective investigation of credible allegations of fraud or other substantial financial impropriety; and perform due diligence to help ensure the accuracy of data submitted to the Board.

(3) *Budget and Finance:* The activities of this committee shall include, but not be limited to, the review of annual operating budget guidelines and legislative budget requests, university operating budgets, annual financial statements, tuition differential proposals, new fees, increases to existing fees, flexible tuition policies, select regulations and other budgetary or financial issues that may arise.

(4) *Facilities*: The activities of this committee shall include, but not be limited to, the approval of the annual system-wide Fixed Capital Outlay Legislative Budget Request, concurrency requests and applicable regulations; the issuance of debt; the facilitation of the Public Education Capital Outlay and Alec P. Courtelis Facility Enhancement Challenge Grant project lists; and monitoring of any financial or facility-related matters which may occur.

~~(5) *Health Initiatives Committee*: The activities of this committee shall include, but not be limited to, providing leadership for the development of system-level policy regarding health initiatives. The Committee is responsible for all issues associated with medical education in the System including evaluation of the opportunities and challenges for the System's medical schools, especially relating to the development of a strategic plan for advancing the quality and coordination of health initiatives across the System.~~

(5) *Legislative Affairs*: The activities of this committee shall include, but not be limited to, the development and implementation of strategies for advocacy of the Board's legislative agenda to the Legislature, Governor, and appropriate constituent groups. The committee is also responsible for coordination of the involvement of other Board members and external stakeholders.

(6) *Strategic Planning*: The activities of this committee shall include, but not be limited to, providing leadership for the development of the System Strategic Plan and the subsequent monitoring of progress toward System goals; the review and approval of institutional strategic plans; the review of University Work Plans; the review and approval of the System Annual Reports; and select regulations and issues regarding System structure and other topics related to strategic planning and performance monitoring, including providing leadership for the development of system-level policy regarding health initiatives and the Strategic Plan for Health Initiatives.

(7) *Nomination and Governance*: The activities of this committee shall include, but not be limited to, the review and recommendation of applicants to serve as trustees on the university boards of trustees. The committee is responsible for enhancing interaction and communication between members of the Board of Governors and members of the boards of trustees, and for addressing matters related to the governance of the State University System including, but not limited to, the delegation of authority to university boards of trustees

(8) *Innovation and Online*: The activities of this committee shall include, but not be limited to, investigating policies and best practices for transformative and innovative approaches to the delivery of higher education. The committee will engage thought leaders to assist in exploring initiatives that may include systemwide cost efficiencies and effectiveness for university programs and services, credentialing, funding models for online education, collaborating for online course and/or program production and delivery, and meeting workforce needs through online education.

(9) *Tuition Appeals*: This committee, consisting of the Chair of the Board and the Chair of each Board committee, shall hear all university appeals associated with the Board's denial of a university's tuition differential, new fee, or flexible tuition proposal.

ARTICLE VII. CONFLICT OF INTEREST

Members of the Board shall adhere to the provisions of the Code of Ethics for Public Officers in Chapter 112, Part III, Florida Statutes, and Board of Governors Regulation 1.006.

ARTICLE VIII. AMENDMENT OR SUSPENSION OF PROCEDURES

Section A. Amendments

The Board's Operating Procedures may be amended or repealed by a two-thirds vote of the members present at any regular meeting, provided there is a quorum and that such proposed amendment or repeal has been publicly noticed prior to the meeting at which the proposed action is to be taken.

Section B. Suspension of Operating Procedures

Any provision of the Board's Operating Procedures may be suspended by a two-thirds vote of the members present in considering any matter to come before the Board, provided there is a quorum.

STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
March 30, 2017

SUBJECT: Confirmation of Reappointment of the President for University of South Florida

PROPOSED BOARD ACTION

Confirm the reappointment of Dr. Judy Genshaft as the president of the University of South Florida.

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution; Section 1001.706, Florida Statutes.

BACKGROUND INFORMATION

Subsection 1001.706(6)(a), Florida Statutes, provides, "The Board of Governors shall confirm the presidential selection and reappointment by a university board of trustees as a means of acknowledging that system cooperation is expected."

On March 9, 2017, the Board of Trustees of the University of South Florida approved an amendment to Dr. Genshaft's employment contract, unanimously reappointing Dr. Genshaft to serve as the president of the University of South Florida. The reappointment extends the term of Dr. Genshaft's contract through June 30, 2018. Chair Brian Lamb is requesting confirmation of Dr. Genshaft's reappointment by the Board of Governors.

Under Dr. Genshaft's leadership, the university was recognized by the Board last year as an Emerging Preeminent State Research University. Research grants and contracts have increased by $287 million since 2000 to reach a total of $458 million in 2016, and USF is ranked 9th nationally for patents.

USF is one of the nation's leading veteran and military friendly universities with *Military Times* magazine ranking USF as the #1 Top College for Veterans. The university is also a top producer of Fulbright Scholars and Peace Corp recipients.

Dr. Genshaft has been instrumental in strengthening the university's ties to the business community. During her tenure as chair of the Greater Tampa Chamber of Commerce and Tampa Bay Partnership, she actively sought to recruit companies to the region, particularly those requiring the resources of a research university such as Bristol-Myers

Squibb, Draper Laboratory and SRI- St. Petersburg.

Dr. Genshaft has received numerous honors at the local level including *Tampa Bay Business Journal* Woman of the Year and Educator of the Year and the Tampa Bay Chamber of Commerce Dottie Berger MacKinnon Woman of Influence Award. Dr. Genshaft has held various leadership positions at the national level as well serving as chair of the American Council on Education, as a member of the executive committee of the Association of Public and Land-grant Universities, and the first woman elected chair of the National Collegiate Athletic Association.

Additional highlights of Dr. Genshaft's leadership of the University of South Florida are included in the Board materials.

Supporting Documentation Included:	1. Letter from the University of South Florida Board of Trustees Chair 2. Leadership Highlights/ Summary of Key Contract Terms
Facilitators/Presenters:	Tom Kuntz, Chair, Board of Governors Brian Lamb, Chair, University of South Florida Board of Trustees

University of South Florida
Board of Trustees

March 9, 2017

Thomas Kuntz, Chair
Florida Board of Governors
State University System of Florida
325 W. Gaines Street, Suite 1614
Tallahassee, Florida 32399-0400

Re: University of South Florida President, Dr. Judy Genshaft

Dear Chair Kuntz:

Dr. Judy Genshaft has served as President of the University of South Florida (the "University") since July 1, 2000. The Florida Board of Governors ratified her earlier appointment and reappointments as president. Her current term of employment expires on June 30, 2017.

Dr. Genshaft's performance and dedication as the University's president has been outstanding. At its March 9, 2017 meeting, the University's Board of Trustees unanimously approved the attached "Presidential Contract" (the "Contract"), providing for her reappointment for a one year period commencing on July 1, 2017 and ending on June 30, 2018 on the terms and conditions described therein.

Pursuant to Section 1001.706(6)(a), Florida Statutes, the effectiveness of the Contract is subject to confirmation by the Board of Governors of President Genshaft's reappointment. Accordingly, on behalf of the University's Board of Trustees, I respectfully request that the Board of Governors confirm President Genshaft's reappointment.

Please do not hesitate to contact me or the University's Office of General Counsel if you have any questions or desire further information concerning this matter.

Sincerely

Brian Lamb, Chair
University of South Florida Board of Trustees

cc: Dr. Judy Genshaft

4202 East Fowler Avenue, CGS401 • Tampa, Florida 33620-6150 • (813) 974-1678 • Fax (813) 974-5530 • board@trustees.usf.edu

University of South Florida System Success
Under Dr. Judy Genshaft's Leadership

July 1, 2016 marked the beginning of President Genshaft's 17th year serving as the USF System President and CEO. On President Genshaft's 15th anniversary of her presidency, the Tampa Tribune editorial board stated, *"But there is a good reason Genshaft has managed to stay at USF's helm for 15 years. She is getting the job done."* Today, these comments continue to hold true.

Data	**2000**	**2016**
Enrollment	35,700+	49,591
Research Expenditure	$186 million	$485 million
Research Grants & Contracts	$171 million	$458 million
Endowment	$187 million	$408 million
Budget	$873 million	$1.8 billion
Annual Giving	<$45 million	$70 million
Retention	<75%	88%
Average SAT	1072	1213
6-year Graduation Rate	46%	68%
National Academy Members	3	8

Since 2000, USF has transformed into a major force in higher education...

- USF was recognized as an Emerging Preeminent State Research University by the Florida Board of Governors and Legislature;
- USF is ranked 9th nationally and 21st worldwide in patents;
- Top quartile for Foundation investments (NACUBO);
- Moody and S&P rating consistent at Aa2 (one of the highest in SUS);
- USF has had $1.2 billion plus in construction across the USF System;
- USF has repeatedly been in the Top Tier for SUS Performance Based Funding;
- USF ranks #1 as a Producer of Fulbright Scholars;
- USF ranks #1 Top College for Veterans (*Military Times*);
- USF Morsani College of Medicine first year students had the highest average on the MCAT exam for all Florida universities, public and private;
- USF System eliminated the achievement gap between students based on race or family income (USF's accomplishment is now a national best practice);
- #1 highest funded principal investigator (Dr. Krischer) in the world for NIH-funded research totally more than $64 million (BRIMR);
- USF Health College of Pharmacy graduated its first class, achieved full accreditation and garnered awards for innovation;
- USF ranks #3 for graduates volunteering with Peace Corp.

Has helped raise the national profile and has given USF a voice in setting national policies through her active participation on those Boards that have influence on the national educational agenda including:

- In 2016, she was invited to join the Association of American Colleges and Universities Presidents' Trust;
- American Council on Education (a past chair);
- Association of Public Land-grant Universities (Executive Committee);
- NCAA (1st woman to Chair). She is also a past chair of the Big East Council of Presidents & American Athletic Conference Presidents Council.

Recognizing the importance USF has on the Region

- Has strengthened USF's ties to the business community and made it a catalyst for innovation and investment;
- Chaired the Tampa Bay Partnership, Tampa Chamber of Commerce, and the Council of 100 (now known as Economic Development Council which she is in line to chair again). She is the first University President in the region to chair all three and continues to be active in each;
- Played a leading role in recruiting major national and international companies to expand to Tampa Bay region including Bristol-Myers Squibb, Draper Laboratory, and SRI-St. Petersburg;
- USF's economic impact has risen over $4.4 billion for the Tampa Bay region;
- USF has had over $1.2 billion plus in construction across the System including the P3 housing village and Publix.

Lauded by professional and community organizations

One of the Region's most well-respected women leaders...a few honors include:

- Tampa Bay Business Hall of Fame;
- Tampa Bay Business Journal Business Woman of the Year and Educator of the Year;
- Greater Tampa Chamber of Commerce Dottie Berger MacKinnon Woman of Influence Award;
- Gulf Ridge Council Boy Scouts of America Distinguished Citizen Award (1st woman recipient);
- Florida Economic Council McLaughlin Award;
- Betty Castor Lifetime Achievement Award, World Trade Center, Tampa Bay;
- Five Fabulous Females Award;
- Ellsworth G. Simmons Good Government Award;
- JA Spirit of Achievement Award;
- TB Regional Planning Council Herman Goldner Award for Regional Leadership;
- Amiga Award;
- Sports Commission Leader of the Year.

Nationally and Globally:
She continues to be recognized for enhancing USF's global impact and profile.

- American Council on Education Donna Shavlik Award;
- APLU CII Michael P. Malone International Leadership Award;
- NACWAA Dr. Claire Van Ummersen Presidential Leadership Award;
- First woman to receive an honorary degree - Yeungnam University in South Korea;
- 2016 honorary degree from Saint Ignatius of Loyola University in Peru;
- Global Leadership Award presented by Her Royal Highness Princess Sirindhorn in Thailand;
- Captain of Education Award from Hadassah College in Israel.

President Genshaft's Proposed 2017-2018 Contract:

On March 9, 2017, the University of South Florida Board of Trustees ("USF Board") unanimously voted to appoint President Genshaft to an additional one year term based on the following points.

- The current contract expires on June 30, 2017. The new contract would be effective July 1, 2017 with no break in service.
- The new contract is for one year subject to annual evaluation by the USF Board of Trustees and reappointment by both the USF Board and the Board of Governors.
- The annual evaluation process in the contract provides for review and approval of the President's goals and objectives by the full USF Board in a public meeting; the full USF Board also sets and approves the President's compensation in a public meeting.
- The new contract includes a 2.5% increase in base compensation and approximately a 9% increase in fully at risk/non-guaranteed performance based compensation.
- The new contract places approximately 37% of the President's annual compensation at risk.
- Consistent with Florida Statutes, the maximum amount of the President's compensation funded from state funds is capped at $200,000.00. Compensation beyond the cap is funded by non-state funds.
- Other than the proposed changes in compensation, there are no substantive changes between President Genshaft's 2016-2017 contract and the proposed 2017-2018 contract.

STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
March 30, 2017

SUBJECT: Consideration of Confirmation of President for Florida Gulf Coast University

PROPOSED BOARD ACTION

Consider the confirmation of Dr. Michael V. Martin as president of Florida Gulf Coast University.

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution; Board of Governors Regulation 1.001 University Boards of Trustees Powers and Duties

BACKGROUND INFORMATION

Sub-paragraph (5)(c) of Regulation 1.001 provides that a university board of trustees shall select a president subject to confirmation by the Board of Governors. The candidate shall be required to appear before the Board of Governors for the confirmation.

On February 28, 2017, the Board of Trustees of Florida Gulf Coast University selected Dr. Michael V. Martin to serve as president of the university. Mr. Dudley Goodlette, the Chair of the Florida Gulf Coast University Board of Trustees, requested confirmation of Dr. Martin's selection by the Board of Governors.

Florida Gulf Coast University provided the following documents for review:

(1) Letter from Florida Gulf Coast University Board of Trustees Chair,
(2) Presidential Search Process and Criteria,
(3) Position Announcement,
(4) Candidate's Letter of Application,
(5) Candidate's Curriculum Vitae, and
(6) Summary of Key Contract Terms

The selection is pending confirmation by the Board of Governors.

Supporting Documentation Included:	1. Letter from Florida Gulf Coast University Board of Trustees Chair, 2. Presidential Search Process and Criteria, 3. Position Announcement, 4. Candidate's Letter of Application, 5. Candidate's Curriculum Vitae, 6. Summary of Key Contract Terms
Facilitators/Presenters:	Mr. Thomas Kuntz, Chair, Board of Governors Mr. Dudley Goodlette, Chair, Florida Gulf Coast University Board of Trustees Dr. Michael V. Martin, Candidate

FLORIDA GULF COAST UNIVERSITY

Florida Gulf Coast University Board of Trustees

March 6, 2017

Mr. Thomas G. Kuntz
Chair
Board of Governors
State University System of Florida
325 West Gaines Street, Suite 1614
Tallahassee, Florida 32399-0400

Dear Chair Kuntz,

On behalf of the Florida Gulf Coast University Board of Trustees, it is my honor and pleasure to commend to the Board of Governors Dr. Michael Martin for confirmation as University President, in accordance with Board of Governors *Regulation 1.002 – Presidential Search and Selection*. As you know, on February 28, 2017 the Florida Gulf Coast University (FGCU) Board of Trustees unanimously and enthusiastically selected Dr. Martin to serve as the University's fourth President upon the June 30, 2017 retirement of President Wilson Bradshaw.

We greatly appreciate the advice and support provided for our presidential search by you, Chancellor Marshall Criser III, and Governor Edward Morton, who served as the Board of Governors' representative on the FGCU Presidential Search Advisory Committee.

In our search, the Florida Gulf Coast University Board of Trustees and Presidential Search Advisory Committee recruited candidates with demonstrated evidence of significant, successful leadership experience in a complex organizational setting; an understanding of and ability to advance FGCU's mission and strategic priorities tied to state-wide performance metrics; a deep abiding interest in student success, academic excellence, outstanding research, and diversity and inclusion; the proven ability to lead the University's fundraising efforts; and the interpersonal skills to develop productive relationships with internal and external constituents in our region, state and beyond. We are confident we have found such a leader in Dr. Martin, whose successful higher education experience and leadership span 40 years at key institutions across the country, including as Chancellor of Colorado State University System; Chancellor of Louisiana State University; President of New Mexico State University; and Vice President for Agriculture and Natural Resources at University of Florida.

(239) 590-1065 FAX: (239) 590-1066 http://www.fgcu.edu
10501 FGCU Boulevard South • Fort Myers, Florida 33965-6565
An Affirmative Action Equal Opportunity Employer • A member of the State University System of Florida

As Chair of the Florida Gulf Coast University Board of Trustees, I respectfully request confirmation of Dr. Martin at your March 29 and 30, 2017 meeting. With the exception of employment contract terms which will be provided to the Board of Governors after our March 14 meeting, please find attached the required information. Board of Governors General Counsel Vikki Shirley is aware of our Board's schedule for March 14 action on the employment terms for Dr. Martin.

Please feel free to contact me if there are any questions or if additional information is needed at this time. Dr. Martin and I look forward to seeing you in Tallahassee later this month.

Sincerely,

J. Dudley Goodlette
Chair
Florida Gulf Coast University Board of Trustees

Attachments:

- Attachment 1: Membership of Presidential Search Advisory Committee
- Attachment 2: Position Advertisement
- Attachment 3: Leadership Profile
- Attachment 4: Presidential Search Timeline
- Attachment 5: Dr. Michael Martin's Letter of Application and Curriculum Vitae

c: Mr. Marshall Criser, III, Chancellor, State University System of Florida
Mr. Edward Morton, Board of Governors, and Presidential Search Advisory Committee
Dr. Ken Smith, Florida Gulf Coast University Board of Trustees, and Chair of Presidential Search Advisory Committee
Ms. Vikki Shirley, General Counsel, Board of Governors
Florida Gulf Coast University Board of Trustees
Dr. Michael Martin, President-elect, Florida Gulf Coast University

2016-2017 Florida Gulf Coast University Presidential Search Timeline

Tuesday, April 5, 2016 – (Cohen Room 213):

8:30 to 10:30 a.m. — **FGCU Presidential Search Advisory Committee (PSAC)**

- FGCU BOT Chair Dudley Goodlette charges Committee.
- Committee Chair Ken Smith discusses organization; timeline; process; etc;
- Offices of Human Resources, and General Counsel present requirements for presidential search, including Sunshine Law for public meetings and records.
- Committee action on recommended search timeline for action by BOT at its April 19, 2016 meeting.

10:30 to 11:30 a.m. — **Executive Search Firm Sub-Committee (ESF)**

- Reviews proposed RFQ for executive search firm solicitation.
- Approves RFQ for solicitation announcement.

Tuesday, April 19, 2016 – (Cohen Ballroom):

8:30 a.m. to TBA — **FGCU Board of Trustees (BOT)**

- Committee Chair Ken Smith provides update on work of FGCU Presidential Search Advisory Committee, and its Executive Search Firm Sub-Committee, and Position Announcement Sub-Committee.
- Presidential Search Advisory Committee recommends search timeline for action by FGCU BOT. (ACTION ITEM)

Thursday, April 28, 2016 – (Cohen Room 213):

8:30 to 10:30 a.m. — **FGCU Presidential Search Advisory Committee (PSAC)**

10:30 a.m. to 12:30 p.m. — **Position Announcement Sub-Committee (PA) (Includes Lunch)**

Thursday, May 5, 2016 – (Cohen Room 213):

10:30 a.m. to Noon — **Executive Search Firm Sub-Committee (ESF)**

- Reviews received firms' responses to RFQ.
- Decides which firms to invite for in-person presentations to Sub-Committee.

Tuesday, May 10, 2016 – (Cohen Ballroom):

8:30 a.m. to TBA — **Meeting of FGCU Board of Trustees**

- Committee Chair Ken Smith provides update on work of FGCU Presidential Search Advisory Committee, and its Executive Search Firm Sub-Committee, and Position Announcement Sub-Committee.
- Committee Chair Ken Smith leads BOT in discussion on desired presidential leadership qualities, for inclusion in position announcement.

Tuesday, May 17, 2016 – (Cohen Room 213):

8:30 a.m. to 1 p.m. — **Executive Search Firm Sub-Committee (ESF) (Includes Lunch)**

- Receives in-person presentations from three invited executive search firms.
- Sub-Committee action on executive search firm recommendation to full Committee.

1 to 3 p.m. — **FGCU Presidential Search Advisory Committee (PSAC)**

- Receives Sub-Committee recommendation for executive search firm for Committee recommended action by BOT at its June 7, 2016 meeting.

Tuesday, June 7, 2016 – (Cohen Ballroom):

8:30 a.m. to TBA — **Meeting of FGCU Board of Trustees (BOT)**

- Committee Chair Ken Smith provides update on work of FGCU Presidential Search Advisory Committee, and its Executive Search Firm Sub-Committee, and Position Announcement Sub-Committee.
- Presidential Search Advisory Committee recommends executive search firm for action by FGCU BOT. (ACTION ITEM)

- Committee Chair Ken Smith recommends compensation philosophy for action by FGCU BOT. (ACTION ITEM)

Wednesday, July 13, 2016 – (Cohen Room 213):

9 to 11 a.m.

Position Announcement Sub-Committee (PA) with Executive Search Firm Witt/Kieffer

- Discusses draft Advertisement. Approves Advertisement for recommendation to Presidential Search Advisory Committee.
- Discusses draft Survey. Approves Survey for recommendation to Presidential Search Advisory Committee.
- Discusses and approves Community Outreach Vehicles for recommendation to Presidential Search Advisory Committee.
- Discusses process for developing Leadership Profile.

11 a.m. to 12:15 p.m.

Presidential Search Advisory Committee (PSAC) with Witt/Kieffer

- Approves Advertisement.
- Approves Survey.
- Approves Community Outreach Vehicles.
- Discusses revised Timeline. Approves revised Timeline for recommendation to FGCU Board of Trustees.

Thursday, July 21, 2016 – (Conference Call Meeting Originating in Edwards Hall Room 309):

10 a.m.

Meeting of FGCU Board of Trustees (BOT)

- Committee Chair Ken Smith provides update on work of FGCU Presidential Search Advisory Committee.
- Presidential Search Advisory Committee recommends revised Timeline for action by FGCU BOT. (ACTION ITEM)

Monday, August 22 and Tuesday, August 23, 2016 – (Various Rooms on Campus):

Times TBA

FGCU Community Outreach

- Witt/Kieffer and Presidential Search Advisory Committee meet with FGCU community members (students, faculty, and staff) to provide overview of search process, and seek input on selection criteria.

Tuesday, September 6, 2016 – (Cohen Room 213):

9 a.m. to Noon

FGCU Presidential Search Advisory Committee (PSAC) with Witt/Kieffer

- Reviews Survey responses, and Community Outreach input.
- Finalizes Leadership Profile for recommendation to FGCU Board of Trustees for action.
- Finalizes recruiting and advertising plan.

Tuesday, September 13, 2016 – (Cohen Ballroom):

8:30 a.m. to TBA

FGCU Board of Trustees (BOT)

- Committee Chair Ken Smith provides update on work of FGCU Presidential Search Advisory Committee.
- Presidential Search Advisory Committee recommends Leadership Profile for action by FGCU BOT. (ACTION ITEM)

Wednesday, October 19, 2016 – (Room TBA):

9 to 11 a.m.

FGCU Presidential Search Advisory Committee (PSAC) with Witt/Kieffer

- Witt/Kieffer provides update on applicant pool, and recruiting.

Thursday, November 10, 2016 – (Cohen Room 213):

8:30 a.m. to 2 p.m.

FGCU Presidential Search Advisory Committee (PSAC) with Witt/Kieffer (Includes Lunch)

- Committee and Witt/Kieffer review applications, and select candidates for on-site interviews with the Committee.

Thursday, November 17 and Friday, November 18, 2016 – (Room TBA):

Thursday & Friday/Times TBA **Presidential Search Advisory Committee Interviews**

- Committee interviews selected candidates.
- At conclusion of interviews, Committee selects minimum of three unranked, qualified candidates to advance to FGCU Board of Trustees (BOT) for interviews and hiring consideration. (NOTE: Two candidates were advanced to the BOT on November 18, 2016. Application period extended to January 31, 2017.)

Monday, February 6, 2017 – (Cohen Room 213):

8:30 a.m. to TBA **FGCU Presidential Search Advisory Committee (PSAC) with Witt/Kieffer**

- Committee and Witt/Kieffer review applications, and select candidates for on-site interviews with the Committee.

Wednesday, February 15 and Thursday, February 16, 2017 – (Myra Janco Daniels Public Media Center):

Wednesday & Thursday/Times TBA **Presidential Search Advisory Committee Interviews**

- Committee interviews selected candidates.
- At conclusion of interviews, Committee selects additional candidate(s) in order to meet its charge to advance a minimum of three unranked, qualified candidates to the FGCU Board of Trustees (BOT) for interviews and hiring consideration. (NOTE: Four candidates were advanced to the BOT.)

Wednesday, February 22 and Thursday, February 23, 2017 – (Rooms TBA):

Wednesday & Thursday/Times TBA **Campus Forums**

- Internal and external constituents meet and provide feedback on four candidates advanced for interviews with FGCU Board of Trustees.

Tuesday, February 28, 2017 – (Cohen Ballroom):

8:30 a.m. to TBA — **FGCU Board of Trustees Meeting for Selection of New President**

- BOT interviews for hiring consideration the four candidates advanced by Presidential Search Advisory Committee.
- BOT selects new President subject to confirmation by Board of Governors (BOG). (ACTION ITEM)

March 29 & 30, 2017 (BOG) — **Board of Governors (BOG) Meeting at Florida A&M University (Tallahassee)**

- FGCU BOT Chair presents BOT-selected President-elect to BOG for confirmation action.

(End)

Florida Gulf Coast University
2016-2017 Presidential Search Advisory Committee

Dr. Ken Smith – Chair
Florida Gulf Coast University Board of Trustees; President and CEO of Tarpon Blue Resource & Land Management, Inc.; and Former Executive Vice President and COO of Alico, Inc.

Ms. Robbie Roepstorff – Vice Chair
Florida Gulf Coast University Board of Trustees; and President of Edison National Bank/Bank of the Islands.

Mr. Edward Morton – Board of Governors Representative
Board of Governors of State University System of Florida; Principal of Wasmer Schroeder & Co., Naples; Retired CEO of NCH Healthcare System; Past Vice Chair of Florida Gulf Coast University Board of Trustees; and Chairman Emeritus of Florida Gulf Coast University Foundation Board of Directors.

Mr. Richard Ackert
Retired President and CEO of SouthTrust Bank of Southwest Florida; Chairperson Emeritus of Florida Gulf Coast University Foundation Board of Directors; and Chair of Florida Gulf Coast University Financing Corporation Board of Directors.

Dr. Tim Allen
Alico Chair and Eminent Scholar of Finance in Florida Gulf Coast University Lutgert College of Business.

Mr. David Call
Florida Regional President of Fifth Third Bank; and Chair of Florida Gulf Coast University Foundation Board of Directors.

Mr. Harry Casimir
Chief Technology Officer and Co-founder of Atilus Web Design and Marketing Firm, and Chair of Florida Gulf Coast University Alumni Association Board of Directors.

Ms. Nicole Catalfamo
Vice President of FGCU Staff Advisory Council (SAC); and Coordinator of Loans and Employment Programs in the Office of Financial Aid and Scholarships at Florida Gulf Coast University.

Mr. Thieldens Elneus
Florida Gulf Coast University Board of Trustees; President of Florida Gulf Coast University Student Government; and Computer Information Systems Major.

(continued)

Dr. Robert Gregerson
Dean and Professor of Biology in the Florida Gulf Coast University College of Arts & Sciences.

Mr. Lindsay Harrington
Community Commercial Realtor with Coldwell Banker Residential; Former member of Florida House of Representatives (1996-2004), and Speaker Pro Tempore of the Florida House of Representatives (2002-2004); Former Mayor of Punta Gorda; and Former member of Florida Gulf Coast University Board of Trustees.

Dr. Madelyn Isaacs
Professor and Chair in the Department of Counseling in the Florida Gulf Coast University Marieb College of Health & Human Services.

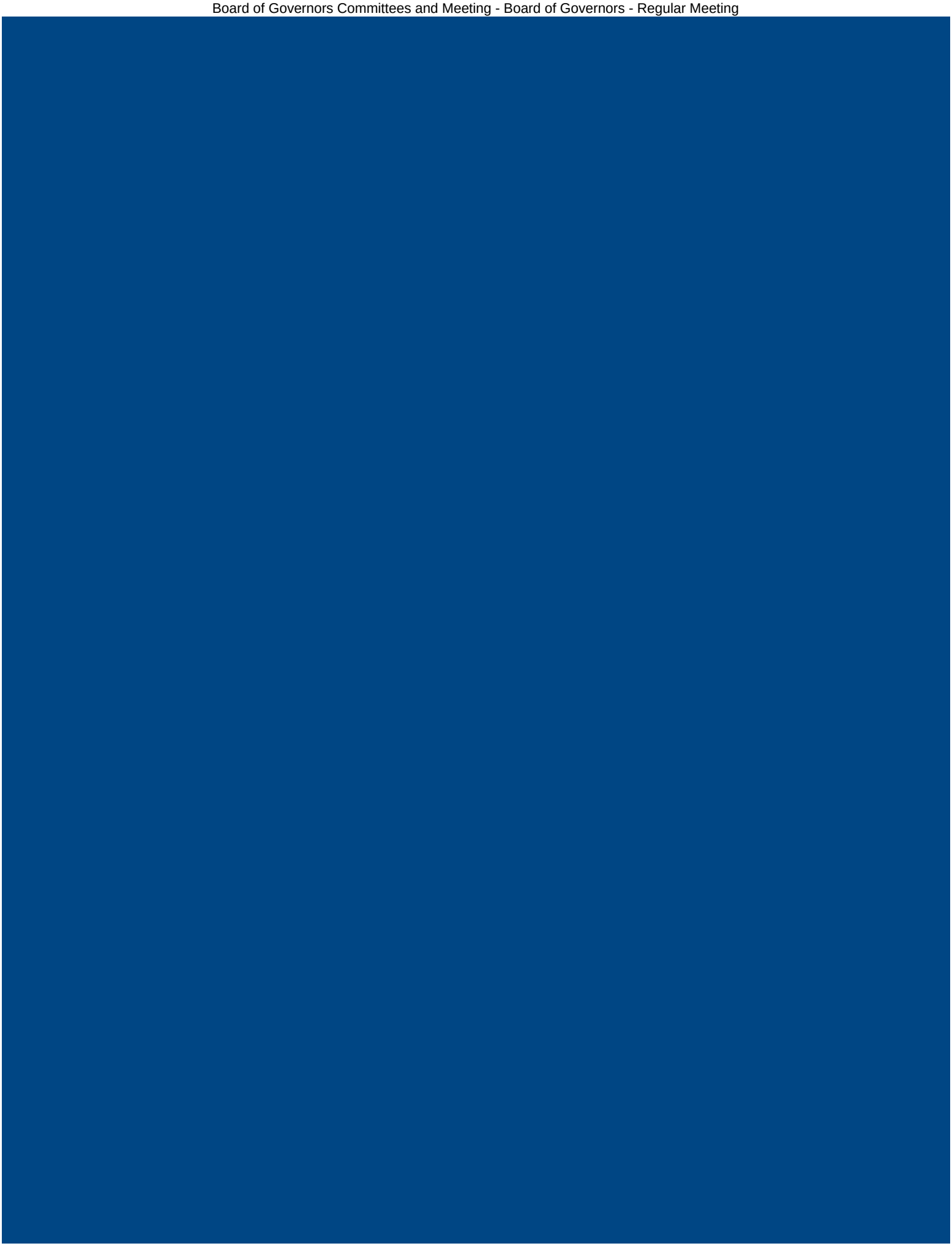
Dr. Sharon Isern
Professor in the Department of Biological Sciences in the Florida Gulf Coast University College of Arts & Sciences.

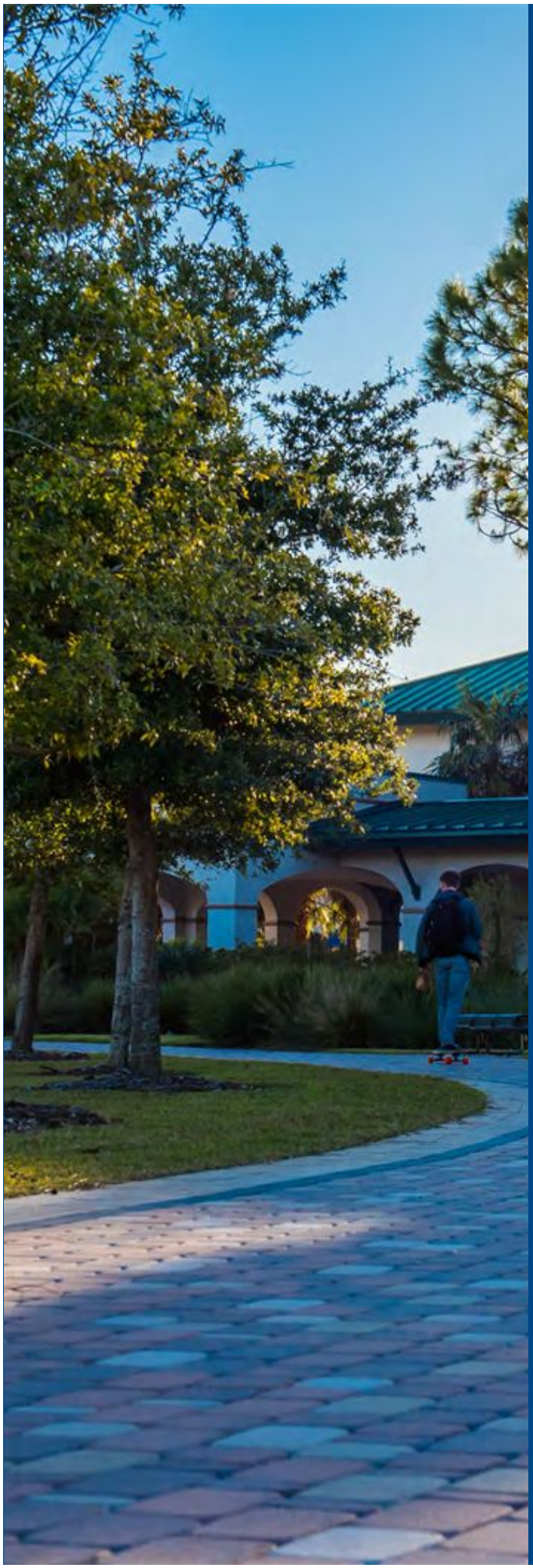
Ms. Pamela Noland
Attorney; Former Executive Vice President and CEO of Lee County Electric Cooperative (LCEC); and Lifetime Member of the Florida Gulf Coast University President's Society.

Mr. Charles Winton
President of Estero Bay Chevrolet, and Chairman Emeritus of Florida Gulf Coast University Foundation Board of Directors.

WELCOME TO FLORIDA GULF COAST UNIVERSITY

PRESIDENTIAL LEADERSHIP PROFILE





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INTRODUCTION

In the almost two decades since it opened its doors, Florida Gulf Coast University has made an indelible impact upon Southwest Florida. It is a catalyst for the region's economy as well as the cultural heart of the community. Our campus and region serve as living laboratories from which life-improving discoveries emanate. Our students enjoy one of the highest graduate employment rates among the state's universities. And our sports teams energize the region. It is an institution that inspires those who inspire others. That's what we call **The FGCU Effect.**

LOCATION

On the Southwest Florida coast between Fort Myers and Naples, FGCU encompasses 800 lush acres, with 50 percent of that land destined to remain in its natural state. The campus is conveniently close to Interstate 75 and the Southwest Florida International Airport.

ABOUT THE UNIVERSITY

FGCU is a member of the State University System of Florida (comprising 12 institutions) and is a young and growing institution of higher learning. It opened as Florida's tenth state university in August 1997.

Its initial goal was to serve the five-county area (Charlotte, Collier, Glades, Hendry and Lee counties), home to about 1 million residents. Today, the university attracts a much broader array of students from across the state, nation and dozens of international locales.

FGCU employs a competitive admissions process guided by state law and intended to provide equal opportunity for admission to all qualified prospective students. The institution exhibits a strong commitment to sustainability and civic engagement, which were the focus of its original Quality Enhancement Plan.

In its young history, FGCU has been successful by any measure. It is the fastest-growing university in the State University System. Enrollment has more than quintupled since opening day in fall 1997, when there were 2,584 students to the 15,000 registered for classes in fall 2016. There are now students from 45 states and more than 85 countries. Residential students have grown from 200 living on campus in 1998 to more than 4,700 today. And the student body is increasingly diverse, starting at 12.6 percent minority in 1997 and rising to 30 percent today. The first graduation ceremony awarded 49 degrees; there are now 2,400 awarded annually. And first-year retention has improved from 43 percent in the early days to 78 percent today.

FGCU's peer institutions are those public institutions that fall into the Master's large Carnegie classification.

From its inception, FGCU has served as a catalyst for regional development by bringing affordable public higher education to Southwest Florida. The response of the community has been enthusiastic and overwhelmingly positive. In less than 20 years, the programs of the university have transformed the futures of 24,000 alumni, the majority of whom live and work in the region and the state.

FGCU's success is attributable to its focus on meeting the needs of the region for a skilled workforce that is civically engaged and whose members are excellent stewards of our environmentally sensitive region.

FGCU's commitment to a sustainable future for our region is a hallmark of the institution. FGCU has developed a formidable presence in environmental education: estuarine and littoral studies, marine life, environmental engineering, and renewable energy are all disciplines in which FGCU has demonstrated research strength that has been successfully melded with instruction delivered by faculty in two colleges. A School of Integrated Coastal and Watershed Studies will provide further synergy among these related disciplines, supplying the laboratories and opportunities that will ensure our coastal environment thrives in the coming decades and creating an educated workforce to support this growing sector of the economy.

STUDENTS + ALUMNI

There are 24,000 alumni, half of whom live in Southwest Florida and 15,000 undergraduate and graduate students currently enrolled. The university affords them the opportunity to pursue their career goals at an institution that is affordable, geographically accessible, offers small classes and focuses on student success.

24,000 ALUMNI

BUDGET

FGCU's 2016-17 operating budget is more than $239 million, which encompasses instructional costs, sponsored research and programs, athletics and other operational expenses.

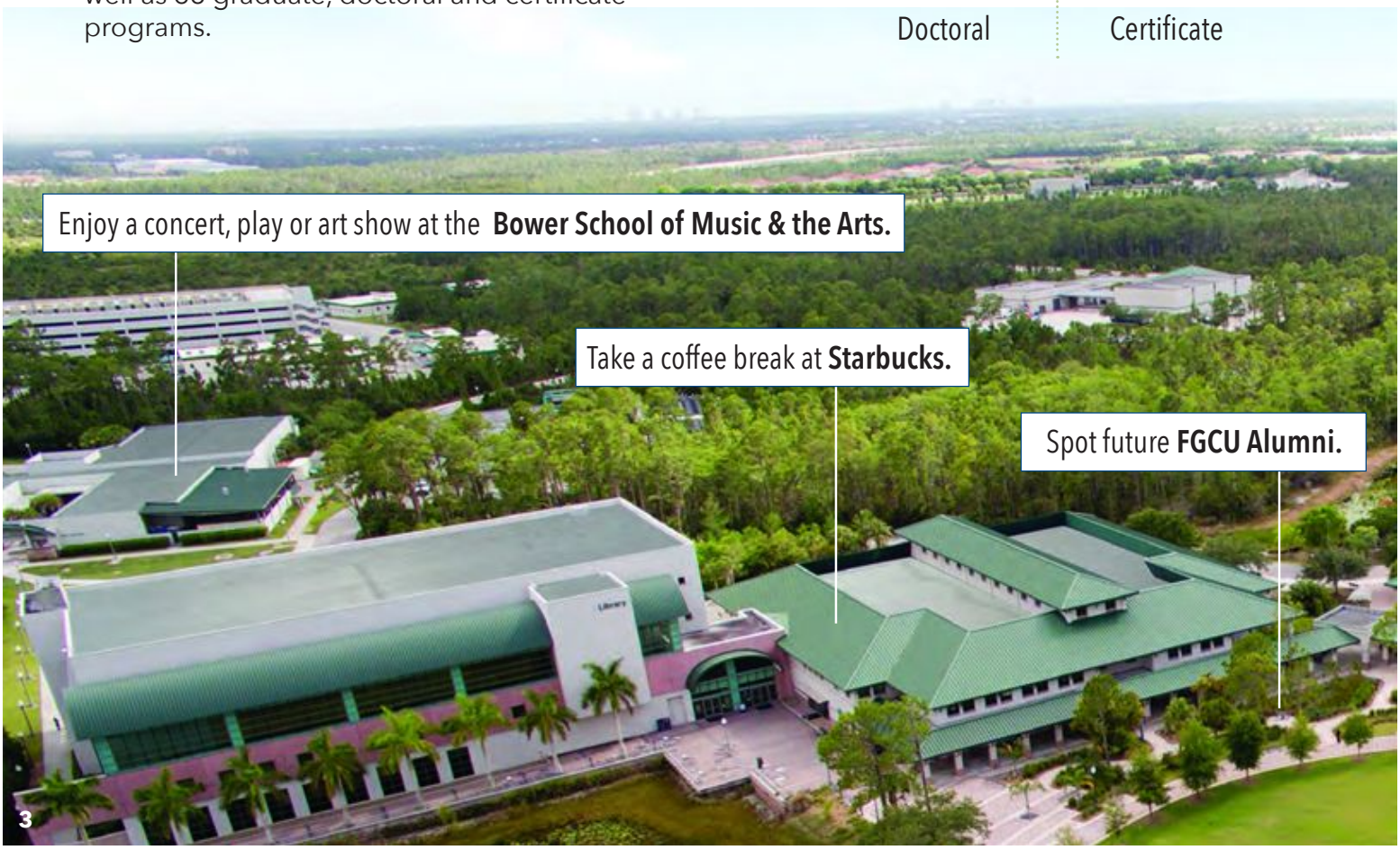
15,000 UNDERGRADUATE & GRADUATE STUDENTS ENROLLED

CAMPUS

The university bears little resemblance to the one that opened in 1997 with a handful of buildings and 2,584 students. It has grown exponentially to more than 90 structures, added a 15-acre solar field that provides most of the power for three large buildings and expanded from 26 majors to 54 for undergraduates as well as 36 graduate, doctoral and certificate programs.

DEGREE PROGRAMS

54 Undergraduate	**23** Graduate
3 Doctoral	**10** Certificate



COMMUNITY IMPACT

Beyond the effect the university has in providing access to education, its influence is increasingly felt throughout the region and state as graduates become members of the workforce, filling high-demand jobs as health-care professionals, teachers, software engineers, bankers, entrepreneurs, environmental researchers, marine scientists, golf professionals and resort managers. Not only are these proud alumni successful in their careers, many are active volunteers in their communities, giving back in ways they learned to appreciate while fulfilling their service-learning requirements during their college years.

Today, FGCU is an institution to which the community looks for inspiration and expertise, whether it's in the economic forecasting provided by our Regional Economic Research Institute, answers to critical environmental problems researched by our professor-scientists at the Vester Marine and Environmental Science Research Field Station or electrifying excitement provided on the courts by our Division I men's and women's basketball teams.

MISSION

Florida Gulf Coast University, a comprehensive institution of higher education, offers undergraduate and graduate degree programs of strategic importance to Southwest Florida and beyond. FGCU seeks academic excellence in the development of selected programs and areas of distinction in science, technology, engineering and mathematics (STEM) disciplines, health professions, business, and marine and environmental sciences. Outstanding faculty and staff supported by a strong community of advisors prepare students for gainful employment and successful lives as responsible, productive, engaged citizens. FGCU emphasizes innovative, student-centered teaching and learning, promotes and practices environmental sustainability, embraces diversity, nurtures community partnerships, values public service, encourages civic responsibility and cultivates habits of lifelong learning and the discovery of new knowledge.

VISION

FGCU will achieve national prominence in offering exceptional value in high-quality educational programs that address regional and statewide needs. Our programs, firmly grounded in the liberal arts and sciences, will employ emerging instructional technologies. Possessing entrepreneurial spirits, graduates will be well prepared for productive lives as civically engaged and environmentally conscious citizens with successful careers, ready to pursue further education.

STRATEGIC PLAN

FGCU has drafted a strategic plan that builds on existing areas of strength, which include focus on teaching and learning, expansion of community and civic engagement and emphasis on critical-thinking skills grounded in the liberal arts and humanities.

The 2016-21 plan establishes FOUR key pillars guiding the institution to address critical needs:

1 ACADEMIC EXCELLENCE

Expanding the Honors Program into a college, increasing internships and cooperative education experiences, and refining or adding programs that lead to high-wage, high-demand jobs.

2 ENTREPRENEURSHIP

Expanding the Institute of Entrepreneurship and encouraging an entrepreneurial focus throughout all undergraduate and graduate degree programs. The new Emergent Technologies Institute (ETI) will provide a state-of-the-art setting for these initiatives.

3 HEALTH SCIENCES

Developing new clinically oriented disciplines within health care as well as health-related areas in degree programs outside the College of Health Professions and Social Work, and expanding inter-professional education interaction and research collaboration.

4 EMERGING PRE-EMINENCE

Improving performance on metrics related to student success such as four-year graduation rates, recruiting and retaining high-quality faculty and staff, and increasing faculty and student research.

ACADEMICS

Florida Gulf Coast University is accredited by the Southern Association of Colleges and Schools Commission on Colleges to award associate, baccalaureate, master's and doctoral degrees. In 2015, SACS reaffirmed its accreditation unconditionally after FGCU complied with all of its 95 standards and requirements.

The university's five colleges administer 54 undergraduate, 23 master's and 3 doctoral degrees as well as 10 certificate programs. In 2014-15, FGCU awarded 2,062 bachelor's, 302 master's and 37 doctoral degrees.

As FGCU approaches the 20th anniversary of its fall 1997 opening, it continues to develop and launch strategic new degree programs aligned with high-wage, high-demand opportunities in the regional, state, national and global workforce. FGCU offers the affordability of a state university, the first-class facilities and technology of a new university and the small class size of a private university.

Undergraduate students make up 92 percent of our enrollment. The Office of Undergraduate Studies is charged with ensuring that students experience transformative opportunities that inspire them to become innovative thinkers, lifelong learners, community builders and engaged citizens. This begins as early as high school, with FGCU's Accelerated Collegiate Experience, which allows juniors and seniors to enroll in college courses that give them a head start. It continues with the university's flourishing Honors Program, which allows FGCU students to engage in advanced scholarship as well as leadership training that develops a well-rounded individual.

In addition to other resources that help ensure academic success, Undergraduate Studies connects students with the world off campus through service-learning opportunities that open their eyes to the impact they can have on the world and through internships and cooperative programs that give them the hands-on experience that prepares them to excel professionally.

Similarly, the Office of Research and Graduate Studies facilitates support and provides quality service in the areas of sponsored research, research compliance and graduate education to our students, faculty, staff, administrators, partners and collaborators. The university offers 36 graduate and certificate programs in formats that accommodate varied schedules and learning styles – the traditional in-class model, online sessions, a hybrid or evening and weekend programs.

Groundbreaking research at FGCU impacts the local community, shapes policy within the state of Florida, sets trends on the national landscape and sparks dialogues all over the world. Whether studying the effects of hurricanes on our precious Florida landscape or surveying the spread of infectious diseases via mosquitoes, the research being done here adds to the intellectual vitality of the academic community.

THE FIVE COLLEGES

COLLEGE OF ARTS AND SCIENCES

The largest of FGCU's colleges, Arts and Sciences, houses 10 academic departments and the Bower School of Music & the Arts, along with centers and institutes focusing on special issues and topics. Its majors make up 38% of the student population.

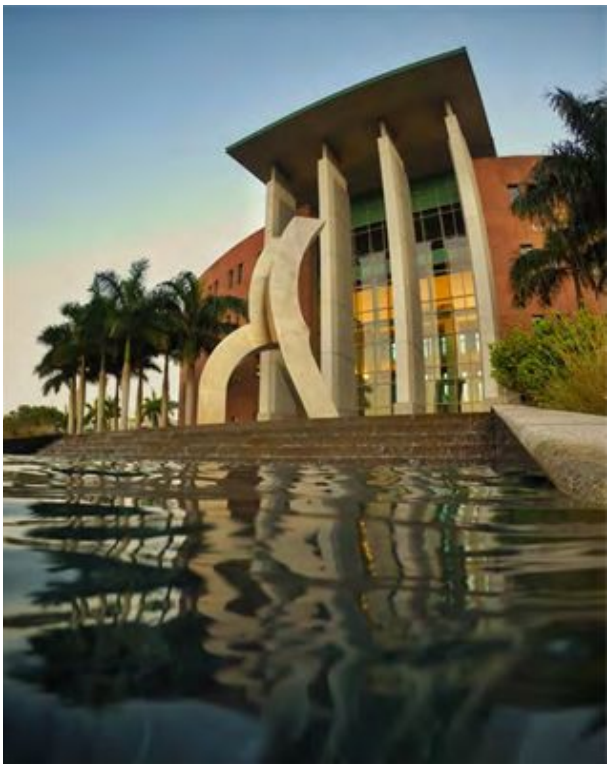
The College of Arts and Sciences is dedicated to providing a high-quality, liberal-arts education and fostering intellectual breadth and depth, reasoned and civil inquiry, intercultural understanding, an ecological perspective and civic engagement. College faculty and administration share the belief that interdisciplinary collaboration and scholarship enhance individual disciplines and benefit students.

Undergraduates work alongside faculty contributing vital new knowledge that has regional and global impact. Research on the Zika virus led by biology professors has generated widespread interest as scientists and public-health officials chase clues to preventing and treating infection. Water quality and ecosystem restoration studies are conducted at FGCU's Everglades Wetland Research Park, while researchers at the Vester Marine and Environmental Science Research Field Station investigate issues that affect the health of local waters as well as the creatures that live there – and end up in our food supply.

The Bower School of Music & the Arts prepares students for careers in music performance, teaching and music therapy, theater and the fine arts. In addition to the classic offerings, students may learn techniques such as digital media design and environmental art.

LUTGERT COLLEGE OF BUSINESS

The Lutgert College of Business, which offers an MBA program ranked among the nation's top 300 by Princeton Review, instills students with the knowledge, skills and entrepreneurial drive to excel and to lead in every aspect of business. Faculty members bring a wealth of professional experience and scholarship to the college and to the aspiring business owners, accountants, economists, financial planners and resort and hospitality managers they teach and mentor.



Through a practical curriculum, comprehensive academic advising and hands-on internship experience, graduates are prepared to transition successfully from classroom to boardroom. Students also benefit from the wisdom of many current and former executives who reside in Southwest Florida and are eager to share their expertise with the next generation of business leaders.

The School of Resort and Hospitality Management within the college is uniquely positioned to partner with Southwest Florida's exceptional resorts, exclusive private clubs and premier golf facilities for learning, networking and employment opportunities. The school's PGA-accredited Professional Golf Management program is one of only 18 in the United States and the only one in Florida.

Lutgert College has risen in a short time to become a regional locus for economic research and development, innovation and entrepreneurship. It houses the Institute for Entrepreneurship, Institute for Technical Innovation, the Florida Small Business Development Center and the Regional Economic Research Institute.

U.A. WHITAKER COLLEGE OF ENGINEERING

The U.A. Whitaker College of Engineering produces graduates with superior technical and professional skills to meet the engineering challenges of Southwest Florida and beyond.

The college is the sole source of undergraduate degrees in bioengineering, civil engineering, environmental engineering and software engineering between Tampa and Miami. It is located in a building designed strategically for engineering programs. Students have access to state-of-the-art equipment that accommodates the exacting technical work the study of engineering and computer science demands.

Courses are designed around a highly active, lecture-lab model that enhances student engagement and enriches learning. Students benefit from smaller classes and more personalized attention as well as opportunities to conduct research alongside the college's high-caliber faculty and staff, who are focused on teaching excellence and on the academic success of students.

COLLEGE OF HEALTH PROFESSIONS AND SOCIAL WORK

The college offers high-quality, cost-effective programs that prepare graduates to succeed in the competitive health-care sector. With undergraduate, master's, doctoral and certificate programs in fields that are in great demand, more than 95 percent of the college's graduates are employed in their chosen professions within 6 months of graduation. Proof of the college's quality is evident from first-time pass rates on licensure and national board certification exams, which exceed national averages and routinely rank among the state's top five institutions.

Programs in the School of Nursing and in the Departments of Counseling, Health Sciences, Rehabilitation Sciences and Social Work are grounded in prescriptive knowledge coupled with a strong clinical emphasis. The college's academic rigor and high-tech simulation facilities, along with the support of clinical partners in the community, ensure that students enter their professions with the most up-to-date foundation of knowledge and skills in health promotion.

In the highly competitive School of Nursing, programs are grounded in the belief that a sound arts and science foundation prepares graduates to excel in a diverse, rapidly changing and technologically oriented society. Faculty are committed to fostering a climate in which students are engaged as caring, compassionate and humanizing professionals.

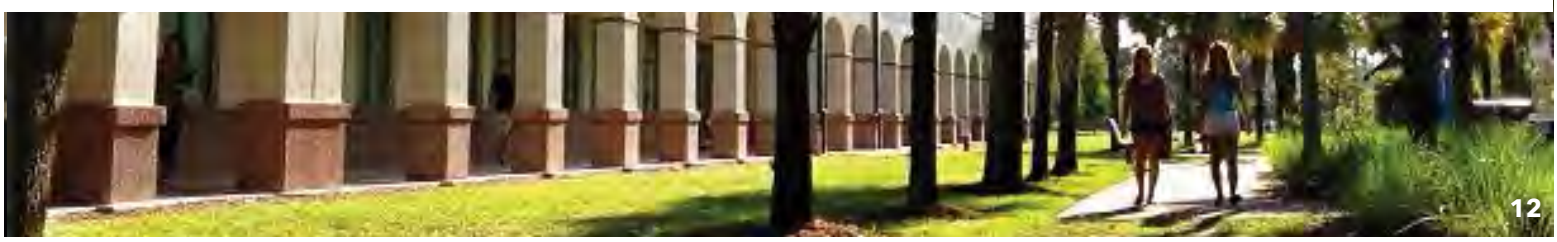
COLLEGE OF EDUCATION

The College of Education offers a broad range of accredited undergraduate and graduate programs for teachers, educational administrators and other professional school personnel. Faculty and students reflect upon and engage in the application of theory, research and emerging technologies in teaching, learning and curriculum development.

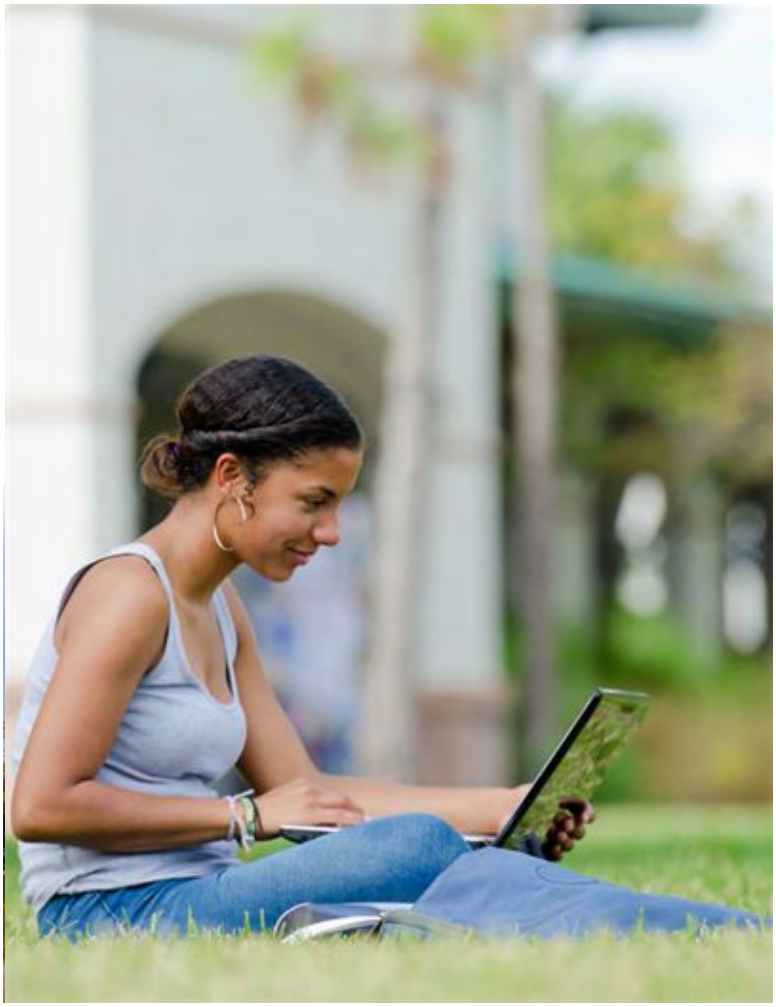
The faculty delivers field-integrated and research-informed teaching with the highest standards, conducts research at the cutting edges of their respective fields, and is deeply committed to transformative education through collaboration with diverse community partners.

The college has partnered with designated Professional Development Schools in the area to shape teachers capable of working in a variety of environments as soon as they graduate as well as to help schools compensate for teaching resources they may be lacking. Virtually all FGCU education majors find jobs immediately upon graduating, many in critical-needs fields such as special education and science, technology, engineering and mathematics (STEM) education.

The college's academic initiatives are complemented by outreach programming and research supported by the Hunter Institute of Early Childhood Learning and the Whitaker Center for STEM Education.



FGCU STUDENTS



With a student body of 15,000, FGCU has managed to consistently grow its enrollment while continually enriching educational, recreational, employment and service opportunities for those students as it expands.

Here's an overview of FGCU's student body:

WHO OUR STUDENTS ARE

- **Total enrollment** for Fall 2015 was 14,824 students, a 2.5-percent year-over-year increase.
- **Undergraduates make up 92 percent** of the total student population, with about one-fourth of them freshmen and more than three-fourths full-time students.
- **90 percent of FGCU students** are from Florida, with half of those (45 percent) from the surrounding five-county Southwest Florida region.
- **Women make up 56 percent** of the student body.
- **The population is diverse** with Hispanic students representing 18.4 percent – a 3.4 percent increase for Fall 2015 – followed by African-Americans (8.5 percent) and Asians (2.7 percent).
- **About one-third of students** live in campus housing.
- **About 75 percent** receive financial aid.
- **The average SAT score** for new students in 2015 was 1584.
- **The grade-point average** of students last academic year was 3.03. FGCU student-athletes consistently lead the way academically among their peers both on campus and in the Atlantic Sun Conference, with a cumulative 3.28 GPA that has exceeded that of the student body for 14 consecutive semesters.

FOCUS ON STUDENTS

Using words such as “transformative,” “life-changing” and “inspirational” in describing their university experience, FGCU students are the personification of what is known as The FGCU Effect.

FGCU is among the top Florida state universities when it comes to graduates obtaining jobs or entering graduate school within a year of graduating.

University Colloquium is a required course for undergraduates that teaches students to look outside themselves and explore the concept of sustainability so they develop an ecological perspective of society. A three-credit-hour course, it brings together students and faculty from all schools in an interdisciplinary learning experience unique to FGCU. FGCU’s guiding principles and values are key discussion points in University Colloquium, and critical thinking and writing skills are major components, as are 10 hours of service-learning related to the environment.

SERVICE-LEARNING

A core component of student life at FGCU is commitment to service. Service-learning is a key element of the FGCU experience, with all undergraduates required to complete 80 hours. Since the university opened its doors in 1997, FGCU students have performed more than 2 million hours on campus, in the region and have even traveled beyond the U.S. borders to improve the lives of others.

Among these efforts is the Dominican Republic Outreach Project, begun by former Professor Ingrid Martinez-Rico. After she was critically injured in a car accident, her students vowed to continue the project that meant so much to her. Now in its 16th year, this program takes students to the Dominican Republic for an alternative spring break each year during which they serve thousands of underprivileged people by helping to plant gardens, build playgrounds, deliver medical supplies, construct safe housing, offer literacy education and provide many more much-needed services.

HOW STUDENTS SUCCEED

FGCU is dedicated to promoting academic success, retention and timely graduation of its students through campus and community programs and partnerships that empower students to pursue their goals and a commitment to learning.

In response to Gov. Rick Scott's challenge to state-funded universities to improve four-year graduation rates and ensure graduates in top majors obtain jobs within a year of graduating, FGCU created an incentive program. FGCU's innovative Soar in 4 program, introduced this year, rewards graduates with full reimbursement of out-of-pocket tuition expenses for their freshman year if they fulfill certain requirements. Among those are declaring a major as a freshman, seeking regular counseling assistance and participating in internships and other work programs, graduating in four years and obtaining a job in Florida within six months of graduation that pays at least $25,000 annually.

That financial incentive aside, FGCU remains one of the best bargains in higher education. Tuition has remained unchanged for four academic years, and more than 75 percent of students receive financial assistance. In 2015-16, 1,300 scholarships were awarded through the FGCU Foundation, many earmarked to help first-generation and low-income students obtain a higher education.

Once enrolled at FGCU, students are afforded a variety of tools and assistance they need to succeed. The First Year Residential Experience ensures that freshmen take a successful first step away from home and toward independence in life with seminars held in the freshman residence halls. Through its instructional-support and academic-retention programs, the Center for Academic Achievement helps students reach and maintain academic focus to stay on track for graduation.

Freshmen have the opportunity to live in residence halls in which there are living/learning communities dedicated to their special interests. This helps them meet other students with similar interests and encourages them to become engaged in activities that are meaningful to them. Current living-learning communities include an Honors Community, the Leadership Through Service Community and a Women in Science, Technology, Engineering and Mathematics Community. Students in these communities live on the same floor of a residence hall and take two courses each semester together that are geared to their special interests.

GETTING INVOLVED

Besides the educational and service-learning opportunities available to them, students are encouraged to engage in activities that build friendships, teamwork and, in many cases, additional opportunities for extended community outreach and impact.

More than 4,700 students live in the 39 buildings that comprise campus housing. FGCU's modern residence halls include North Lake Village, apartment-style living near a lakefront beach and Alico Arena; West Lake Village, another apartment complex located two miles north of campus; and South Village, which offers suite-style living for first-year students who also benefit from the First Year Residential Experience, a program that helps them transition to independent college life.

With more than 250 registered student organizations, it's easy for students to find fellow Eagles who are passionate about the same things. For some, the camaraderie offered by 21 fraternities and sororities brings a feeling of family to campus life. For those who enjoy athletic competition, but perhaps don't possess the talent or time to join one of the university's 15 highly competitive Division I intercollegiate teams, there are 26 sports clubs and an extensive intramurals program through which they can remain active. And for those who prefer to lend their support from the sidelines, the spirited Dirty Birds, FGCU's official student fan club, provides a perfect outlet.

Students can also have some active fun with recreational watersports at Lake Como – which has the university's celebrated beachfront – outside North Lake Village, or take a dip at either the resort pool in South Village or the Aquatics Center's 50- and 25-meter pools. Campus Recreation also offers day-long and multi-day trips that involve the great outdoors.

For entertainment, besides the hundreds of events staged each year on campus by FGCU Athletics and the Bower School of Music & the Arts, there are smaller, less-formal performances and events around campus throughout the academic year. And then there are the university's two big events – Eaglepalooza and Nest Fest – which feature national contemporary music headliners and are usually held at Germain Arena just down the street from the university.

FACULTY

FGCU's 526 faculty members represent a diverse collection of scholars and researchers with a strong commitment to teaching and service. Unlike most universities, FGCU does not have a tenure system so faculty members work on multi-year contracts.

And, because the university is relatively young, it tends to attract professors with entrepreneurial spirits, those who are excited by the prospect of creating new programs and initiatives that benefit students and the community.

FGCU offers 54 undergraduate degrees, 23 master's degrees, three doctorates and 10 certificate programs. In addition to university accreditation by the Southern Association of Colleges and Schools Commission on Colleges, a number of programs/units have earned specialized accreditation from professional accrediting agencies.

Across the disciplines, faculty members successfully secure highly competitive national and other grants, and also lead a broad range of research projects, bringing in $12.47 million in funding in 2015-16. Since 1997, the university has brought in more than $207 million in research funds. A sampling includes:

- **Virologists are on the front lines of the fight against the Zika virus**, working closely with mosquito control officials in Miami-Dade to determine where the infected mosquitoes are located. The researchers are also working on the relationship between Zika and dengue virus, which are carried by the same mosquitoes and infect thousands of people worldwide each year. The scientists have acquired two patents relating to their work on dengue.

- **Marine scientists are working on a National Oceanic and Atmospheric Administration grant** to research ciguatera fish poisoning, which affects some 50,000 people a year when they unknowingly consume the toxins while eating fish such as grouper, snapper and hogfish. The toxins cause serious abdominal cramps, diarrhea, vomiting and nausea and sometimes neurological damage. Marine scientists are trying to determine when these toxins will flare up and appear in fish populations with the hope that it could help reduce the number of people exposed to it.

- **Business faculty members are providing an incubator for young entrepreneurs** through the Institute of Entrepreneurship in the Lutgert College of Business. Engineering and business students team up to design a product, create a marketing plan and make a formal presentation to a team of judges who award the winners seed funding to help them get started. This program has also broadened its scope recently by providing a similar opportunity to veterans interested in starting their own businesses. Through a state grant, professors affiliated with the institute helped veterans devise a plan and product and held a "compassionate shark tank" at which money was awarded to the top proposals.

The university also believes in offering faculty members the opportunity to continue learning and honing their skills. Through the Lucas Center for Faculty Development, first-time instructors take part in a program that helps them gain a thorough understanding of classroom management, learning theory, instructional design and teaching techniques. There are additional programs for experienced faculty members designed to enhance their skills throughout their careers.

CULTURAL, EDUCATIONAL AND ENTERTAINMENT HUB

ARTS

As FGCU celebrates its 20th anniversary in 2017, the artistic campus community has its own milestone to honor: 10 years of the Bower School of Music, whose students and faculty have entertained thousands – from the U. Tobe Recital Hall on campus to the brightest stage of Carnegie Hall, shining at numerous state, national and international competitions along the way. In 2013, student pianist Priscila Navarro became the first FGCU musician to perform at Carnegie Hall after she took first place at the 2012 International Chopin Piano Competition. Last November, the FGCU Wind Orchestra also performed at the renowned New York venue.

Staying true to its motto of "Changing lives through the powers of the arts," the Bower School of Music & the Arts will stage more than 60 concerts, theatrical productions and visual-arts exhibits during the 2016-17 academic year, many integrating student-faculty talent with professional musicians, artists and actors.

ATHLETICS

When FGCU's men's basketball team came from nowhere in 2013 to win two NCAA tournament games and vault into the Sweet 16, it showed a national audience what those in Southwest Florida already knew: The young university's entire athletics program got really good, really fast.

FGCU's 15 intercollegiate sports teams have collectively won 53 conference regular-season and tournament championships in just nine years of Division I competition in the Atlantic Sun Conference and Coastal Collegiate Sports Association, the latter for swimming and diving.

Not only are FGCU student-athletes consistent winners in competition, but also in the classroom, with their cumulative 3.28 grade-point average in spring 2016 surpassing that of the overall student body for the 14th consecutive semester.

While the best-known FGCU athlete is Chicago White Sox all-star Chris Sale, one of Major League Baseball's most dominant pitchers, no less than seven Eagles signed professional-sports contracts in 2016 alone, and three others – swimmers Evita Leter and Lani Cabrera and sand volleyball player Brooke Sweat – were Olympic athletes competing in Rio de Janeiro this summer.

15 INTERCOLLEGIATE SPORTS TEAMS

CONTINUING EDUCATION

A huge part of The FGCU Effect is the University's community reach and impact, and one of the key ways it engages Southwest Florida is through an extensive network of continuing-education programs both on and off campus.

THE MISSION: to meet public- and private-sector training and development needs by providing educational opportunities that enrich the intellectual, civic, economic and cultural life of the region and state and – through the popular Renaissance Academy – offer residents diverse, non-credit programs to keep them intellectually, creatively and culturally active.

With continuing-education office locations expanding from the main campus to satellite centers strategically located throughout the region – from the Naples Center in Collier County to the south, to Herald Court Centre in Punta Gorda to the north, to a main-office hub centrally located at The Atrium in Fort Myers – FGCU offers a strong educational presence throughout the region. And for those who prefer to study from home or the office, FGCU has partnered with several leading online curriculum providers to offer hundreds of instructor-facilitated and self-study professional development and training courses for business owners and employees wishing to improve their professional skill sets.

PUBLIC MEDIA

WGCU Public Media has served Southwest Florida with quality public television and radio programming for more than 30 years.

Originally a satellite operation licensed to the University of South Florida, WGCU Public Media became independent in 1996 when the broadcast licenses were transferred to FGGU, and a new, state-of-the-art broadcast facility was built on campus.

Since that time, WGCU Public Media has dramatically strengthened and expanded its physical infrastructure, financial base and media services – which consists of four digital TV-programming streams, including a 24-hour high-definition channel; a monthly magazine with 14,000 subscribers, an award-winning website that digitally archives all locally produced TV and FM radio shows, and a team that has produced more than 160 TV documentaries, many award-winning and distributed nationally through the American Public Television Service.

BEYOND CAMPUS

Southwest Florida is a subtropical paradise that attracts visitors from all over the world for its sun, beaches and gulf waters. It offers a wealth of attractions, restaurants, cultural and recreational activities, along with considerably less congestion than areas such as Tampa-St. Petersburg, Orlando and the state's East Coast. Despite its smaller population, the region is awash in amenities, making tourism one of the region's primary industries.

On the economic side, unemployment in the region is at about 4.7 percent. The region's largest and fastest-growing industries include the retail sector, hotels and motels, restaurants, health care, social assistance services and construction. Companies such as Hertz, Gartner and Arthrex have large local operations and close ties to FGCU.

The Gulf of Mexico borders the coast, with communities such as Sanibel, Captiva, Fort Myers Beach, Bonita Springs and Naples offering public beach access. Rivers such as the Caloosahatchee and Gordon afford additional water for recreational activities such as fishing, boating and waterskiing.

Estero River

Fort Myers Beach

Sanibel Island 22

OUR ROLE/IMPACT IN SWFL

FGCU contributes to a robust workforce by educating students in the fields of the health professions, business, engineering, resort and hospitality and education, among other fields, that are in high demand in the region. FGCU's faculty also serve as a rich source of expert advice and insight for area businesses. Many members serve on boards and committees, lending their assistance in a variety of ways. In addition, the Small Business Development Center assists in helping businesses get started and succeed through one-on-one counseling and a host of seminars offered throughout the region.

With 24,000 alumni, about half of whom live in Southwest Florida, FGCU graduates play a significant role in the local workforce. The university's Regional Economic Research Institute performs economic research, analysis, and forecasting for various organizations in Southwest Florida. The Institute publishes a variety of works, including a monthly Southwest Florida economic report and a quarterly business climate survey report.

The university's alumni are relatively young with many raising families, balancing college loans, mortgages and saving for their children's future educations. As a result, their ability to donate is limited, making annual giving something of a challenge. Nonetheless, the Advancement division views this as an opportunity for engagement and growth. The Alumni Association has established 10 regional chapters and clubs across the country to help alumni remain engaged with their alma mater through networking and social events. The first Give Day took place this year, resulting in $1.18 million in donations from alumni, faculty, staff and other supporters of the university.

Yet another measure of community support of the university is the success of the two major capital campaigns that have been undertaken in FGCU's relatively brief history. Most recently, under President Wilson G. Bradshaw, a $100-million capital campaign has met with great success, with the community stepping forward to help fund initiatives in student success, academic excellence, scholarships, athletics, and community and regional impact.

COMMUNITY SUPPORT

Although Florida Gulf Coast University is a state university and receives funding from the state at levels determined annually by the Florida Legislature and governor, it could not have grown as rapidly, or been able to offer the range of programs and facilities it currently does, without the generous support of the community.

Through the two decades during which FGCU has operated, the university has been able to award almost $19 million in scholarships derived from the earnings on endowed funds created by donors. A select group of top donors – known as members of the Order of the Majestic Eagle – each have contributed $2 million or more, collectively contributing 1,400 acres, 10 buildings and $100 million.

It is clear that there has been substantial community support for the university throughout the region.

ADMINISTRATIVE

FGCU's annual budget for 2016-17 is $239,346,071. The funding comes from the following sources: $131,534,211, or 55 percent, from general revenue, lottery trust fund and student tuition; $14,130,006, or 6 percent, from sponsored research and programs; $50,102,567, or 21 percent, from auxiliary trust funds; and $43,579,293, or 18 percent, from local funds (intercollegiate athletics, student activities, technology fund, financial aid and concessions).

State funding is determined in large part by performance-based metrics, which assess how well state universities perform in such areas as graduation, retention rates, the cost of a bachelor's degree and post-graduation success. Universities are rated according to their success in each area and receive funding based on their ranking.

In the 2016 rating, FGCU's six-year graduation rate declined. Administrators have implemented plans aimed at not only improving that rate, but more importantly, moving the rate to successfully graduating students in four years with the Soar in 4 incentive and other plans.

PHYSICAL PLANT

The university's 800-acre campus has more than 90 structures, including classroom buildings, laboratories and residence halls. Only half of the property will be developed with the rest remaining in its natural state. The solar field helps supply power for three large buildings housing classrooms and labs while the chiller plant helps cool the buildings on campus by piping cold water through pipes beneath them.

POLICE

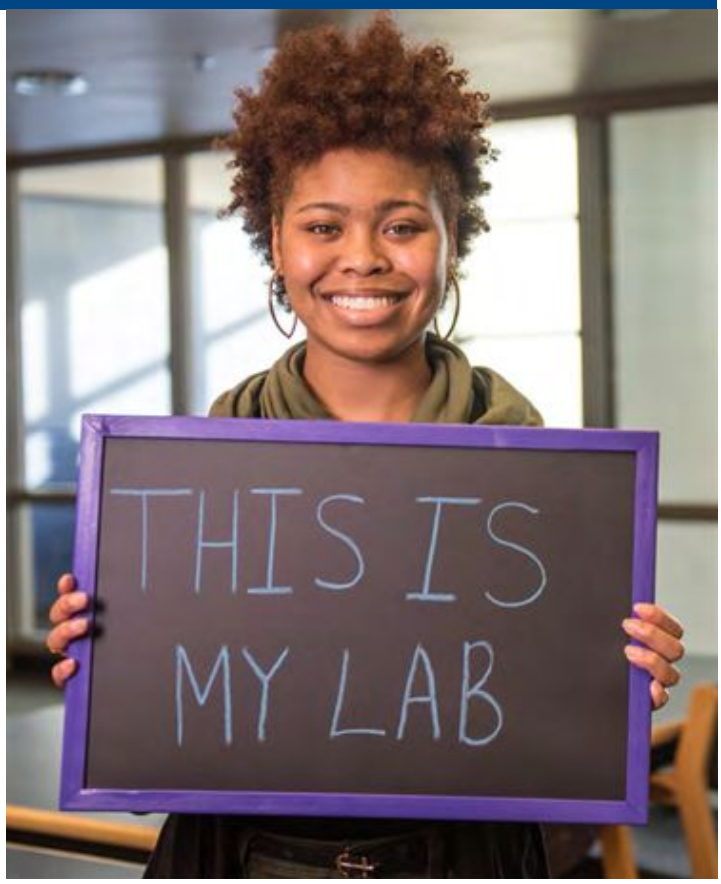
The University Police Department is responsible for ensuring the safety and security of the students, staff, faculty and visitors on campus. The accredited department has established numerous safety procedures that have contributed to the university's rating by University Primetime (2014-15) as the second safest campus in the country. The police force also offers additional safety features such as the Rape Aggression Defense program, a self-defense program for women; fingerprinting and background checks of all employees; police escorts upon request; and Code Blue poles around campus that allow for one-button direct contact with the police in an emergency.

HUMAN RESOURCES

In 2015-16, there were 1,294 employees, making FGCU one of the largest employers in the county. There were 329 support staff, 439 administrative and professional staff members and 526 faculty members. In addition, there are adjunct instructors and student workers who assist in departments throughout the university. The Human Resources Department oversees hiring and employment practices, ensuring that labor laws and university regulations are carried out properly.

LEADERSHIP OPPORTUNITIES FOR THE NEXT PRESIDENT

The university's president leads an institution proud of its first two decades and eager to continue its upward trajectory. FGCU's fourth president will take the helm of a robust university with 15,000 students and 1,300 faculty and staff. The president is assisted in overseeing the university by his Cabinet, consisting of the vice presidents for Academic Affairs (provost), Advancement, Administrative Services and Finance, Student Affairs, Chief of Staff and General Counsel. The Faculty Senate, Staff Advisory Council (SAC) and Student Government all provide input through the shared governance commitment at FGCU. The FGCU Board of Trustees provides oversight and overall governance of the university.



THE ROLE OF THE PRESIDENT

The President is the Chief Executive Officer of the University, and Corporate Secretary of the Board. She/he is responsible for the general administration of all day-to-day operations as well as the interrelation of the Board and the University's internal affairs. He/she attends all regular meetings of the Board and its committees.

The FGCU President reports to the 13-member FGCU Board of Trustees and is responsible for the academic, financial, and organizational integrity of FGCU, along with advancing its mission and strategic priorities tied to state-wide performance metrics and for ensuring that the University continues to thrive and serve the five-county Southwest Florida region. FGCU seeks a president who will work with both the internal and external constituents, including the Florida political leadership, which includes the Governor, Senate and State House. Candidates for the position should demonstrate evidence of significant, successful leadership experience in a complex organizational setting; an understanding of and ability to advocate for the University's mission; a deep abiding interest in student success, academic excellence, outstanding research, and diversity and inclusion; proven ability to lead the University's fundraising efforts; and the interpersonal skills to develop productive relationships with all members of the University community. A Ph.D., advanced degree, and/or equivalent executive experience that would warrant the respect and complete confidence of the University community is required.

The President initiates and oversees all internal strategic, academic, physical-plant, programmatic, personnel, and fiscal planning. He/she is responsible for presenting the image and programs of the University to the general public and accreditors, for efforts to advance the quality and success of the institution as well as for ensuring competent, ethical performance on the part of all University personnel.

The President has the authority to make ordinary personnel, programmatic, and day-to-day purchasing decisions but requires Board approval for certain decisions. For more information, please visit the "Resolutions on Presidential Authorizations" approved by the Board in May 2016.

She/he places the University Mission and the education, development and welfare of Florida Gulf Coast University students above all other interests.

The President of Florida Gulf Coast University has an executive staff which includes the following positions:

- Provost and Vice President of Academic Affairs
- Vice President and Chief of Staff
- Vice President for University Advancement and Executive Director of FGCU Foundation
- Vice President for Student Affairs
- Vice President for Administrative Services and Finance, and Executive Director of FGCU Financing Corporation
- Vice President and General Counsel
- Director of Internal Audit
- Director of Compliance and Risk Management
- Director of Intercollegiate Athletics
- Director of Government Relations
- University Ombuds

For more information on the organizational structure, please see FGCU organizational chart.

OPPORTUNITIES AND EXPECTATIONS FOR LEADERSHIP

Florida Gulf Coast University's next President will join a vibrant, supportive, and mission-driven community with an unwavering dedication to students. To lead successfully, the next President must address the following interconnected issues:

Execute New Strategic Plan for 2016-2021

Florida Gulf Coast University benefits from a unique combination of being a relatively new public university, a tightly connected community, a beautiful campus and location, and a strong dedication to its mission. Like many public regional institutions, it faces an unprecedented combination of forces beyond its control – political, demographic and economic – that pose challenges to its plans for advancement. The University has been a stunning success to date and expects to see increased demand for existing and new programs as the population in the region grows. Its potential, embedded in its founding principles to serve as a convener, catalyst and partner to the region of Southwest Florida for environmental and economic sustainability, remains strong. At the same time, competition for new state resources to invest in campus facilities and the academic enterprise is significant. The University conducted a comprehensive strategic planning process to chart a course for its future that meets the needs of the region and reflects shared goals of FGCU and the State University System.

FGCU must make choices in order to succeed in the new higher education environment and economic landscape and its internal and external constituents are confident that their sense of community, creativity, commitment to academic excellence, and sincere desire to flourish will serve as the foundation for their success. The next president will join the University after it has finalized a new strategic plan with an opportunity to shape and operationalize the approved strategic plan. The president will be expected to provide steadfast and collaborative leadership in implementing the approved strategic plan, to engage the FGCU community in making the decisions that will enable the University to succeed, and to ensure that the University's resources are aligned in support of the plan.

Establish and Promote FGCU's Distinctive Institutional Identity

Another result of FGCU being a relatively new public university is the dynamic nature of the institution's culture and identity. The University's many constituents are excited about the University's future and untapped potential. The next president has a remarkable opportunity to help shape the University's evolving identity and secure its strong position in the higher education landscape. As competition for students and resources across Florida and the country increases, FGCU must be strategic about its message and where it will market its unique programs. Its rapid growth and strong enrollment demand have been encouraging, but there is still much to be done to establish a clear identity and brand among both traditional and non-traditional age populations.

As FGCU's primary advocate in the local community and at the state level, the next president will lead efforts to engage FGCU's constituents in crafting a crisp, compelling message and identity to advance the institution's objectives. The next president will further FGCU's mission to be a comprehensive master's institution that offers undergraduate and graduate degree programs of strategic importance to Southwest Florida and to produce graduates who will be well prepared for productive lives as civically engaged and environmentally conscious citizens.

Increase Revenue to Support Strategic Goals

To support its strategic plan, manage growth, and best support students, FGCU must balance efforts to increase efficiencies, manage cost

and grow revenue. The FGCU budget is based largely on state appropriations and tuition revenue. In addition, FGCU receives state funding based on the State University System of Florida performance based funding model that was approved by the Board of Governors in 2014. The model includes ten metrics that determine whether System institutions qualify for new funding each year. The metrics are based on four principles that align with system strategic plan goals; reward excellence or improvement; are clear and simple to measure; and acknowledge the unique mission of different institutions. The next president will be expected to be a strong advocate and effectively promote FGCU with the Florida Governor and Legislature.

FGCU is continuing to enhance and align its infrastructure, staff and programs to meet and exceed performance goals and qualify for additional state resources. The greatest opportunity for the University to make progress against these metrics is in its four-year graduation rate. There is a shared understanding that these performance metrics are directly connected to solving facilities challenges, providing opportunities to create new programs, and presenting the possibility to recruit and retain outstanding faculty, all significant contributors to student success. The University expects modest enrollment growth in the next decade.

Great potential for new revenue lies in philanthropic activity and enhanced state funding; partnering with regional businesses and foundations; and research funding to link campus programs to sustainable economic growth and applied research in the region.

Foster a Strong Sense of Community

FGCU retains a strong sense of ownership by people on campus and throughout the Southwest Florida region, many of whom advocated for and were involved in founding the institution. FGCU plays a special role in the community by being a cultural, social, athletic and environmental hub. The institution is still small enough that it is possible to forge personal relationships across campus with virtually every member of the community, reinforcing a close knit, caring, and student centered environment that engenders trust and distinguishes the University from other institutions. The sense of pride and ownership also raises expectations for access to and involvement in decision-making. The next president will join a community that expects transparency in communication and a collaborative approach to discussing and solving challenges. It is a community in which people know each other well and value respect and collegiality. While this pride and affinity for FGCU exists, there is still a sense of untapped potential and that more can be done to build partnerships with the business community, community members, and elected officials.

The next president will be a visible community leader who is deeply and laterally engaged with organizations and individuals both on and off campus. It is vital that the president have a strong working relationship and partnership with the Board and will recognize their special role in the community and their impact on the region.

Lead Fundraising Efforts

FGCU must strengthen fundraising to support future needs and to align with the strategic plan. The FGCU Foundation completed a record-breaking 2015-16 fiscal year, having secured more than $33.3 million in gifts and commitments, far surpassing their $18-million goal, and exceeding the previous fiscal year's gifts by 61%. A key fundraising challenge for the University is the relatively young average age of its alumni base. As a result, the next President must work with the Foundation Board and staff to develop a strong, fundable case for support aligned with the strategic plan, design creative funding approaches, and target increased external support from friends and business leaders in the community. The region surrounding FGCU represents a considerable resource for developing productive

philanthropic relationships. FGCU has already had fundraising success with a completed $200 million campaign and is currently nearing the successful completion of a $100 million campaign. The next president will be expected to build upon FGCU's fundraising success and further develop sustainable and productive relationships with alumni and friends in an effort to create awareness and ultimately generate support for the University.

Build and Lead a Strong Organization

FGCU is on a significant trajectory and the new president will play a critical role in assuring a strong and well-functioning organization, particularly with regard to programs and people. As a growing institution, FGCU has adjusted policies, procedures, and staffing incrementally over time. Now that the organization is more mature, a review of organizational needs, leadership team and structure, and staffing plans is needed to align with the strategic plan, support a larger more complex university, and make room for additional growth and change. Excellence in all hires is essential and requires high standards and professional assessment of quality with an eye toward maintaining healthy working relationships and high morale. The new president will partner with the Board and the executive staff to continue building on this trajectory.

PROFESSIONAL CHARACTERISTICS AND PERSONAL QUALITIES

FGCU seeks a president who will work with internal and external constituents, including the Florida Legislature and Governor, to continue its trajectory and fundraising success. Candidates for the position should demonstrate evidence of significant, successful leadership experience in a complex organizational setting; an understanding of and ability to advocate for the University's mission; a deep abiding interest in student success, academic excellence, outstanding research, and diversity and inclusion; proven ability to lead the University's fundraising efforts; and the interpersonal skills to develop productive relationships with all members of the University community. A Ph.D., an advanced degree, and/or equivalent executive experience that would warrant the respect and complete confidence of the University community is required.

Strong candidates will have many of the following professional characteristics and personal qualities:

PROFESSIONAL CHARACTERISTICS:

- Bold thinker with the ability to engage the community in building a shared strategic vision for the future and successful implementation of FGCU's strategic plan
- Experienced leader and manager of people and programs, with a successful track record of productivity within one or more organizations
- Practices and promotes environmental sustainability and values the unique role FGCU plays in local, community, and state conversations
- Effective communicator with a polished, professional demeanor who advocates for FGCU and earns the respect of the Florida Legislature and Governor, as well as the Florida Board of Governors
- Tireless spokesperson who possesses the political acumen to position FGCU effectively and positively with political, business, and civic leaders
- Commitment to play a central leadership role in the economic and social development of the region by creating and developing strategic community partnerships and fulfilling workforce demands with graduates
- Ability to balance the strong executive leadership needed to ensure that decisions are made in a timely and fair manner with sensitivity to the culture of shared governance, and academic freedom at FGCU
- Thorough understanding of current trends in the evolving higher education marketplace accompanied by a vision for how FGCU can successfully adapt to that marketplace
- Demonstrated talent and enthusiasm for fundraising, including the personal and social skills and a passion for FGCU's mission
- Proven ability to relate to diverse communities and stakeholders
- A successful track record as a leader and implementer of institutional change
- Experience in managing the financial and budgeting operations of a complex unit or organization

PERSONAL QUALITIES:

- An innovative and entrepreneurial spirit that supports new ways of approaching problems and opportunities and has the courage and conviction to encourage change in an exceptionally diplomatic way
- Environmentally conscious with a passion for promoting and practicing environmental sustainability
- Superior relationship-building and communication skills
- Inspirational leader who will galvanize the community behind the strategic plan for the University's future and the execution of that plan
- Active listener who is able to build trust and integrate feedback across different constituents
- Commitment to an environment where teaching and student success remain the top priority
- Promotion of progress and successes and recognition of excellence in all dimensions

- Energetic, creative, and inspiring passion for an institution with FGCU's strengths and characteristics
- Genuine desire to engage with external and internal stakeholders especially students with an accessible, inclusive personal approach
- Strong interpersonal skills with a commitment to supporting and cultivating the development of others
- A demonstrated commitment to diversity, inclusion, equity, and international education and the ability to articulate a strong rationale for their importance to effective learning
- A transparent and collaborative leadership style encouraging open discussion
- Honesty, integrity, and a strong moral compass
- A willingness and interest in regularly being "out and about" through attendance at campus academic, cultural, and athletics events, with an equal investment of time spent externally in community
- Values participating in a campus community that honors tradition while still having the courage and conviction to make the necessary decisions to ensure FGCU's long-term success

PROCEDURE FOR CANDIDACY

Inquiries, nominations and applications are invited. For fullest consideration, applicant materials should be received by November 8, 2016. Anticipated start date is July 1, 2017. Candidates should provide curriculum vitae and a letter of interest that addresses the responsibilities and requirements described in the leadership profile.

These materials should be sent electronically via e-mail to the Witt/Kieffer consultants, Lucy Leske, Robert Luke, and Veena Abraham at **FGCUPres@wittkieffer.com**.

Documents that must be mailed should be sent to **Witt/Kieffer** at **2015 Spring Road, Suite 510 Oak Brook, IL 60523. (630-575-6122)**

It is important for candidates to note that under Florida's Sunshine Laws, all application materials are available for public review upon request.

Florida Gulf Coast University (FGCU) is a community committed to ensuring equity and fairness in employment. By cultivating diversity, we ensure an inclusive learning environment that contributes to student success. FGCU is an EOE AA M/F/Vet/Disability Employer.

The material presented in this leadership profile should be relied on for informational purposes only. This material has been copied, compiled, or quoted in part from the Florida Gulf Coast University documents and personal interviews and is believed to be reliable. While every effort has been made to ensure the accuracy of this information, the original source documents and factual situations govern.

Florida Gulf Coast University
Experience The FGCU Effect
FGCU at 20

2016-2017 FGCU Presidential Search

Advertisement

Florida Gulf Coast University, located in Fort Myers, FL, invites nominations and applications for the leadership position of **President**.

Florida Gulf Coast University (FGCU) is a comprehensive university dedicated to quality education, research, and service. FGCU was established as the tenth institution in the State University System (SUS) of Florida, and first opened for students in 1997. In its first 20 years, FGCU has made a profound impact on the Southwest Florida region and the state of Florida through academic distinction; excellent faculty and staff; economic development and jobs creation; service learning; environmental sustainability with a campus living laboratory; robust fundraising; and Division I athletics. The University consistently places among the top SUS institutions for bachelor's and master's degree recipients securing jobs or continuing their education within the state within a year of graduation.

Currently, the University enrolls nearly 15,000 undergraduate and graduate students in more than 80 degree and certificate programs and supports 1,300 faculty and staff on a beautiful 800-acre campus that includes the College of Arts and Sciences, College of Education, College of Health Professions and Social Work, Lutgert College of Business, U. A. Whitaker College of Engineering, Bower School of Music and the Arts, School of Resort and Hospitality Management, and School of Nursing. Research and sponsored program expenditures have grown to over $200 million total since the University opened.

The FGCU President reports to a 13-member FGCU Board of Trustees and is responsible for the academic, financial, and organizational integrity of FGCU, for advancing its mission and strategic priorities tied to state-wide performance metrics and for ensuring that the University continues to thrive and serve the Southwest Florida region. FGCU seeks a president who will work with internal and external constituents, including the Florida Legislature, to continue its trajectory and fund-raising success. Candidates for the position should demonstrate evidence of significant, successful leadership experience in a complex organizational setting; an understanding of and ability to advocate for the University's mission; a deep abiding interest in student success, academic excellence, outstanding research, and diversity and inclusion; proven ability to lead the University's fund-raising efforts; and the interpersonal skills to develop productive relationships with all members of the University community. A

Ph.D., an advanced degree, and/or equivalent executive experience that would warrant the respect and complete confidence of the University community is required.

More information about the University including the leadership profile may be found at http://www.fgcu.edu/presidentialsearch/.

Inquiries, nominations and applications are invited. For fullest consideration, applicant materials should be received by January 31, 2017. Anticipated start date is July 1, 2017. Candidates should provide *curriculum vitae* and a letter of interest that addresses the responsibilities and requirements described in the Leadership Statement. These materials should be sent electronically via e-mail to the Witt/Kieffer consultants, Lucy Leske and Robert Luke at FGCUPres@wittkieffer.com.

Florida Gulf Coast University (FGCU) is a community committed to ensuring equity and fairness in employment. By cultivating diversity, we ensure an inclusive learning environment that contributes to student success. FGCU is an EOE AA M/F/Vet/Disability Employer

Application materials are public records as defined under Florida Public Records law, and as such are subject to disclosure.

January 30, 2017

To: Search Committee
Florida Gulf Coast University

Via: Mr.Robert Luke
Witt/Kieffer

Dear Committee Members,

This letter is to affirm my interest in the position of President of Florida Gulf Coast University (FGCU). As you will note from my C.V. I have more than four decades of experience in and service to public higher education. Through positions at several major institutions I have been involved in virtually every dimension of university leadership.

As you will also note, I spent six years in Florida higher education at the University of Florida. In that I had responsibility for programs and facilities across the state I came to understand its people and their aspirations. I worked with the Governor and the Legislature at the time on a wide range is issues and initiatives. And I observed up close the early years of FGCU.

It's clear that FGCU is transforming lives in important ways. I have very personally experienced the transformational impacts of public higher education and have devoted a career to providing them to others.

To augment my C.V. allow me to highlight a few accomplishments at each of my senior leadership positions. It is important to emphasize that all are the result of a team effort.

At New Mexico State University (Chancellor of a five campus system and President of NMSU – Las Cruces):

- Increased enrollment and moved NMSU to the preferred college destination for all but one New Mexico county.
- Completed a campus master plan and began implementation.
- Worked with the Governor and legislature on several special funding initiatives.
- Launched a successful (first) capital campaign.
- Increased faculty diversity.
- Improved campus-community relations and collaborations.
- Launched a research and development park.
- Formed an innovative college transition program with local public schools.
- Revised transition arrangements between community colleges and main campus.

At Louisiana State University (Chancellor):

- Managed through the nation's most severe budget cuts.
- Reversed enrollment decline through retention and recruiting
- Substantially increased student diversity and success.
- Built stronger joint ventures with community colleges.
- Restructured and streamlined several administrative and support functions/units resulting in substantial savings.
- Successfully lead the institution through a major NCAA violation.
- Completed a $750 million campaign (at $830 million).

At Colorado State University System:

- Streamlined System Office functions and reduced costs.
- Directly supported campus leaders at CSU-Pueblo during a major budget deficit and fiscal retrenchment.
- Worked closely on statewide higher education policy through the Colorado Commission on Higher Education and the Colorado Department of Higher Education.
- Supported legislative expansion of programs at CSU-Global (a fully accredited on-line campus).
- Worked to strengthen collaborations with other Colorado Systems and universities.

Throughout my career and especially as an administrator, I have consistently embraced several core values. These include commitments to:

* both student access and student success.
* the pursuit of diversity in all its forms.
*a focus on the continuing journey to excellence.
* assuring transparency and accountability in all roles and all functions.
*persistence in seeking ways to recognize and reward those who effectively serve the institution's mission(s).
*remaining responsive to the communities and constituents served.

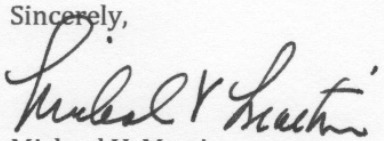
To summarize, my experience, my core values and the accomplishments of the teams I've lead align, I believe, with the vision, mission, guiding principles and expectations for FGCU's next president as outlined in the profile. Demonstrated success in building innovative and responsive academic programs, consistently improving community and state relations, fund raising from multiple sources including donors, maintaining a focus on student access and success, emphasizing accountability, and continually working to strengthen faculty and related resources have been central to my career in public higher education. All are consistent with the goals and aspirations of FGCU as I understand them.

The progress FGCU has made in two decades is remarkable indeed. It is clear the institution has a bright future ahead as it serves students, the state and beyond. I

believe I have the passion and the experience to productively participant in shaping that future.

Thank you for your consideration.

Sincerely,



Michael V. Martin

CURRICULUM VITAE

Michael V. Martin
Chancellor Emeritus and Senior Fellow
Colorado State University System

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mv.martin@colostate.edu

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Denver, CO 80206
Phone: 720-328-3923
Cell: 720-326-8841

Personal:

Born January 29, 1947, Crosby, Minnesota
Married with two adult children; wife Jan; daughter Amanda, holds a bachelor's degree from University of Wisconsin-EC; son Sam, holds a bachelor's degree from the University of Minnesota and master's degrees from Sarah Lawrence College, and Pace University New York.

Professional Experience:

Chancellor Emeritus and Senior Fellow, Colorado State University System	2015 - present
Chancellor, Colorado State University System	2012 - 2015
Chancellor, Louisiana State University	2008 - 2012
President, New Mexico State University	2004 - 2008
Vice President for Agriculture and Natural Resources, University of Florida	1998 - 2004
Vice President for Agricultural Policy, University of Minnesota	1997 - 1998
Dean, College of Agricultural, Food, and Environmental Sciences, University of Minnesota	1995 - 1998
Acting Director, Agricultural Experiment Station, University of Minnesota	1997 - 1998
Interim Dean, College of Agricultural, Food, and Environmental Sciences, University of Minnesota	1995
Associate Director, Agricultural Experiment Station, University of Minnesota	1995 - 1997
Associate Dean for Research, College of Agriculture, University of Minnesota	1992 - 1995
Assistant Director, Agricultural Experiment Station, University of Minnesota	
Professor, Department of Applied Economics, Graduate faculty, University of Minnesota	1992-1998
Professor (promoted to Associate Professor in 1982, promoted to Professor in 1988), Department of Agricultural and Resource Economics, Oregon State University Agribusiness Program Coordinator, Annenberg-CPB Project (1991-1992) International Trade Institute-Portland State University (1991-1992) Interim Department Head, Department of Agricultural and Resource Economics, Oregon State University, July 1990-August 1991 Coordinator, Agricultural Trade and Marketing Program-Portland (1990-1992) Faculty Senate President (.50 FTE), 1990, Oregon State University Faculty Senate President-Elect (.25 FTE), 1989, Oregon State University Chair, Natural Resources Trade Consortium (1988-1992)	1977-1992
Visiting Professor, Department of Agricultural and Resource Economics, University of Hawaii,	1987 - 1988
Acting Chair, January	1988 - 1988
Economic Associate, Eco-Northwest Inc., Eugene, Oregon	1986 - 1996

Professional Experience: cont.

Director, Yemen Core Subproject, Office of International Agriculture, Oregon State University	1985-1986
University Visiting Professor, Hubert H. Humphrey Institute and Agricultural and Applied Economics Department, University of Minnesota	1982-1983
Instructor (Part-time), Normandale Community College, Bloomington, Minnesota	1975-1976
Research Assistant, Agricultural and Applied Economics Department, University of Minnesota	1974-1977
Instructor (Part-time), University of Wisconsin-Center, Medford, Wisconsin	1973-1974
Instructor, Department of Economics, University of Wisconsin, Eau Claire	1971-1974
Teaching Assistant, Department of Economics, Mankato State College	1970-1971

Education:

B.S.	Business/Economics	Mankato State College (Now Minnesota State University)	1969
M.A.	Economics	Mankato State College (Now Minnesota State University)	1971
Ph.D.	Applied Economics	University of Minnesota	1977

Dissertation: An Economic Analysis of the Social Cost of Value of Service Wheat and Barley Rail Rates in the Upper Midwest.

Areas of Specialization:
Marketing, Prices, International Trade, and Public Policy Supporting Fields: Economics, Transportation, and Business Logistics

Teaching Experience:
Leadership and management – HRTM (co-taught)
CALS Honors Colloquium - The Political Economy of Higher Education (graduate)
Future Landgrant Universities (honors)
Food and Agricultural Policy (graduate and undergraduate)
Marketing (graduate and undergraduate)
Applied Economic Analysis (co-taught)
International Agricultural Trade and Policy (graduate)
International Trade
Cost Benefit Analysis
Intermediate Macroeconomic Theory
Intermediate Microeconomic Theory of Macroeconomics
Principles of Microeconomics

Major Advisor:
11 Ph.D. Students
19 M.S. Students
6 MAIS Students
3 M. A. Students

Graduate Committee Member:
56 graduate committees

Membership in Professional Associations:
Business Higher Education Forum
American Council on Education
American Economic Association
Association of Agricultural and Applied Economics
International Association of Agricultural Economists International Agricultural Trade Research Consortium
New Mexico Amigos (2004-2008)
New Mexico Council of Presidents (2004-2008)
New Mexico Higher Education Department Advisory Council (2005-2008)
New Mexico Nature Conservancy (2004-2006)
Sigma Xi (Scientific Research Society)

Foreign Professional Travel:

Australia	Korea
Bulgaria	Mexico
Canada	Morocco
Columbia	New Zealand
Cyprus	North Korea
Czech Republic	Russia
Ecuador	Saudi Arabia
European Community	Singapore
Hong Kong	Thailand
Indonesia	Taiwan
Iraq	Turkey
Japan	Yemen Arab Republic

Professional Service:
Colorado Concern, 2012 – 2015
Colorado Educational Leadership Council, 2012 – 2015
Farm Foundation, 2009 – present (Board of Trustees)
Association of Public and Landgrant Universities (formerly NASULGC) Board of Directors, 2007-2011
New Mexico Nature Conservancy Board of Trustees, 2004-2006
Florida Department of Agriculture and Consumer Services' Soil and Water Conservation Council, 2004-2005
Western Athletic Conference, Board of Directors, 2004-2008
Southeastern Conference (SEC), Board of Directors, 2008-2012
Bennett Agricultural Round Table, Farm Foundation, 2001- present
University Industry Consortium, 1996-1998 (Board of Directors)
National Agricultural Biotechnology Council, 1995-1998
Board of Directors, Minnesota Agrigrowth Council, 1995-1998

Board of Directors, Minnesota Crop Improvement Association, 1994-97
North Central Research Association, 1992-1998
North Central Regional Research Committee, 1993-1996, Chair 1995-96
Administrative Advisor, NC-207, NC-208, NCR-151, NCR-171, NCA-12, 1992-1998
The Oregonian (newspaper) Economic Forecast Panel, 1992
Administrative Advisor, WRCC-68 Regional Research Project, 1990-1992
Administrative Advisor, WRCC-70 Regional Research Project, 1990-1992
USDA-Cooperative State Research Service Review Team for IMPACT Center—Washington State University, February 1991
USDA-Cooperative State Research Service Funding Review Team—University of Hawaii, November 1990
USDA-Cooperative State Research Service Funding Review Team—University of Hawaii, February 1989
Chair, Selected Paper Sessions, Western Agricultural Economics Association Annual meetings, 1989
Marketing Advisory Board, Oregon Department of Agriculture, 1987-1988
Oregon Department of Economics Development Task Force on South Korea, 1987-1988
Resident Instruction Committee, American Agricultural Economics Association, 1981-1984
College and University Teaching Workshop (CAUT) (Teacher Improvement) Oregon State Univ., 1981
Board of Contributors' Daily Journal of Commerce—On the Move, Portland, Oregon, 1980-1982
Member, Regional Research Committee NC-139, NC-162, NC-184, 1978-1992
U.S. Agricultural Export Education Project, Agricultural Council of America, September 1980-1982

University Committee Activity:

Departmental
New Mexico Council of University Presidents, 2004-2008
University of Minnesota, Seminar Committee, 1995-1998
Oregon State University, Co-Head Undergraduate Advisor, 1980-1982
Oregon State University, Undergraduate Committee, 1978-1979, 1980-1982, Chairperson, 1984-1985; 1989-1990
Oregon State University, Graduate Programs Committee, 1988-1990
Oregon State University, Seminar Committee, 1978-1982; Chairperson, 1979-1980
Oregon State University, Governance Committee, 1979-1982; Chairperson, 1981-1982, 1984-1987, 1988-1989
Oregon State University, Department Head Search Committee, 1981
Oregon State University, Two Faculty Search Committees Oregon State University, Several other Ad Hoc Committees for program and curriculum matters

College-Wide
University of Minnesota, College of Agricultural, Food, and Environmental Sciences, Long Range Planning Committee, 1993-1995
Oregon State University, Advisory Search Committee Experiment Station Director, 1986-1987
Oregon State University, Advisory Search Committee Acting Experiment Station Director, 1986
Oregon State University, Advisory Search Committee for Associate Dean of Agricultural and Director of Academic Programs, Chairperson, 1984
Oregon State University, Organizing Committee for Agricultural Conference Days, 1983, 1984, 1985, 1986
Oregon State University, Organizing Committee for Agricultural Sciences Day, 1983, 1984, 1985, 1986
Oregon State University, Committee on Design of Agri-Business Mgmt. Major, 1981-1982; Chairman, 1981-1982
Oregon State University, Curriculum Committee, 1980-1982

Campus-Wide

University of Florida Foundation Strategic Planning Committee, 1999-2004
University of Florida Foundation, Board of Directors (ex-officio), 1998-2004
University of Florida Research Foundation, Board of Directors, 1998-2004
University of Florida Research Policy Council, Member, 1998-2004
University of Minnesota, President's Executive Council, 1997-1998
University of Minnesota, St. Paul Campus Oversight Committee, 1997-1998
University of Minnesota, University Vice Presidents' Council, 1997-1998
University of Minnesota, Search Committee, Chancellor-UM-Morris, 1997
University of Minnesota, All-University Commencement Committee, 1997
University of Minnesota, Legislative Strategy Committee, 1996-1998
University of Minnesota, Semester Conversion Council and Taskforce, 1996-1998
University of Minnesota, Carlson School of Mgmt. Dean's Performance Review Committee (chair), 1996
University of Minnesota, Continuing Education Reengineering, 1996
University of Minnesota, Future Funding of the University Taskforce, 1996
University of Minnesota, Biological Sciences Policy Council, 1995-1998
University of Minnesota, Executive Negotiating Committee, 1995-1998
University of Minnesota, Minnesota Agricultural Project Steering Committee, 1995-1998
University of Minnesota, Rural Development Council, 1995-1998
University of Minnesota, Twin Cities Dean's Council, 1995-1998
University of Minnesota, Master Planning, 1993-1996 University of Minnesota, Biological Science Research Cluster-Field Stations (Chair), 1993-1994
University of Minnesota, MAES Executive Council, 1992-1998
University of Minnesota, Crop Variety Review Committee, 1992-1998
Oregon State University, President's Committee on a University Vision Statement, 1992
Oregon State University, Exec. Advisory Committee, Intl Trade Institute, Portland, Oregon, 1990-1992
Oregon State University, Library Expansion Project Steering Committee, 1990-1992
Oregon State University, Faculty Senate President, 1990
Oregon State University, Chair of the Board of Directors of the Natural Resources Trade Consortium, 1989-1992
Oregon State University, Faculty Senate, Executive Committee, 1989-1991
Oregon State University, Athletic Department Advisory Committee, 1989-1991
Oregon State University, Ad Hoc Committee on Pay Equity for Coaches, 1989-1990
Oregon State University, Faculty Consultative Group on University Priorities, 1989
Oregon State University, Faculty Senate President-elect, 1989
Oregon State University, Advisory Search Committee for Affirmative Action Director, 1987
Oregon State University, Task Force on Minority Issues, Chairperson, 1986
Oregon State University, Advisory Search Committee for Assistant Vice President for Academic Affairs for International Programs, Chairperson, 1986
Oregon State University, Academic Requirements Committee, 1985-1987
Oregon State University, Faculty Senate, 1981-1983, 1984-1987
Oregon State University, Board of Directors, Transportation Research Institute, 1978-1982

Community and Public Service:
New Mexico Nature Conservancy Board of Directors, 2005-2008
New Mexico Amigos member, 2004-2008
New Mexico Economic Forum, Las Cruces, 2004-2008
Florida Agricultural Resource Mobilization Foundation, Board of Directors 1999-2001

The University of Florida-Community Task Force 2000, Member 1999-2004
Irondale High School-Girls Gymnastics Booster Club, 1992-1995
Youth Baseball Coach, Corvallis Boys and Girls Club, 1990
Youth Soccer Coach, AYSO, Corvallis, Oregon, 1988-1991
Little League Baseball Coach, Kaneohe, Hawaii, 1988
Corvallis City Planning Commissioner, 1981-1982
Central Oregon High School Football Officials Association (OSAA Certified Official), 1980-1986.
Educational Volunteer in Activities Therapy at Oregon State Hospital, Salem, Oregon, 1978-1979

Honors and Awards:
Outstanding Alumni Achievement, University of Minnesota 2015
University Medal – Louisiana State University 2012
National Diversity Council – Men who support Women 2010
New Mexico Outstanding Leader - Leadership New Mexico 2008
New Mexico National Guard "Above and Beyond Award", 2007
James P. Houck Memorial Lecturer, University of Minnesota, April 2007
Honorary Alum, University of Florida, 2006
New Mexico Business Weekly, Power Broker Recipient, 2006
Outstanding Alumni Achievement– Minnesota State University-Mankato, 2006
New Mexico State University Social Justice Award, 2005
Justin Smith Morrill Award, NASULGC/USDA, 2005
Outstanding Alumni - University of Minnesota's Department of Applied Economics, 2004
Honorary National FFA Degree, 2002 Honorary State FFA Degree - Florida, 2002
Honorary Member - Florida Blue Key Society, 2002
Honorary Professorship - Bangalore University, India 2001
Honorary Professorship - Czech Agricultural University of Prague, 2000
"Little Red Oil Can" Award for service to the St. Paul Campus of the University of Minnesota, 1998
Special Recognition - University of Minnesota Board of Regents, 1998
Distinguished Service - Minnesota Farm Bureau, 1998
Honorary State FFA Degree - Minnesota, 1997
Outstanding Efforts in Enhancing USDA and 1862-1890 Universities Outreach and Partnership Efforts, 1997
U.S. Department of Agriculture Torch and Shield Award for Distinguished Service, University of Minnesota-Crookston, 1996
Individual Contribution to the Agricultural Industry, Oregon Department of Agriculture, 1992
Mumford Award for Outstanding Service to OSU Faculty, 1992
Search for Excellence Award: Outstanding Leadership in Educational Programming, Oregon Extension Association, 1986
Oregon State University—College of Agricultural Science, Savery Outstanding Young Faculty Award, 1985
Registry of Distinguished Teachers Award, School of Agriculture, Oregon State University, 1981

Book Chapters:
Martin, M.V., Taskforce member/co-author. *Transforming Agricultural Education for a Changing World.* Washington DC, National Academy of Science, 2009.

Martin, M. V. "Forward." *The Minnesota Response*. George Morse et al. iUniverse Publisher, 2009.

Martin, M. V. and R. P. Beilock. "Agricultural Transportation in Constant Adaptation", in Proceedings of "A National Forum on Agriculture and Transportation Linkages", Fargo, ND, 2002

Martin, M.V. "Cooperation Among the Land-Grant Institutions" *Land, Community and Culture: African American, Native American and Native Alaskan Connections*. R. Zabawa, N. Baharanyi & W. Hill (eds.). Tuskegee University, 2001

Martin, M.V. and E. Castle. "Rural Development Policy In Oregon." *Oregon Policy Choices*. L. McCann (ed.). BGRS, Eugene: University of Oregon Press, 1991.

Martin, M.V. and S. Schmidt. "U.S. and World Grain Production." Chapter in *Grain Marketing Economics.* G.L. Cramer and W.G. Heid (eds.). New York: Wiley Press. 1983.

Journal Articles:

Martin, M.V. and Janie Simms Hipp. "Land Grants: Back to the Future" *Choices, August 2016*

Martin, M.V. "The Blessings and Curse of Big Time Football: One Perspective" *Journal of Intercollegiate Sports*, V.6, Issue 1, June 2013: pg 52-56

Martin, M. V., "Science and Math Take Money," *Chronicle of Higher Education,* September 1, 2006.

Martin, M. V., "Landgrants Partners Should Help Improve Services," *Tribal College Journal*, Spring 2006, Vol. 17 (3).

Martin, M. V., "A Drift Toward Elitism by 'The People's Universities,'" *Chronicle of Higher Education*, February 25, 2005.

Martin, M. V., Cheek, J. G. "Off-Campus Degree Programs: Lessons from Florida's Experience," *National Association of Colleges and Teachers of Agriculture Journal*, June 2004, Vol 48 (2).

Martin, M. V. "The Role of Extension in Agricultural Economics' Departments", *Journal of Extension, October 2002*.

Martin, M. V., "The Land-Grant University in the 21st Century." *Journal of Agricultural and Applied Economics*, 33 (2) August 2001. 377-380.

Martin, M. V., "What's Ahead for Agriculture? One Ag Deans Views," *Journal Agricultural Lending*, 10(3), Spring, 1997. 18-21.

Martin, M.V., R. Phillips and Gary Gardner. "Conducting and Administering Biotechnology Research at a Land-Grant University", accepted with revisions in Agriculture and Human Values.

Lindsey, P. J. and M. V. Martin. "The Agricultural Business Management Program: Lessons Learned at Oregon State University", Journal of Agribusiness, 11(2) Fall 1993. 101-116.

Lindsey, P.J., M.V. Martin and C.F. Nuckton. "Strategic Marketing and the Dynamics of Food Consumption Patterns." Journal of International Food and Agribusiness Marketing, 4(3) (1993):45-46.

Martin, M.V., J.R. Hamilton and K.L. Casavant. "Implications of a Drawdown of the Snake-Columbia River on Barge Transportation." Water Resources Bulletin, 28(4) (August 1992):673-680.

Rasker, R., M. Martin, and R. Johnson. "Economics: Theory Versus Practice in Wildlife Management." Conservation Biology 6(3)(September 1992):338-349.

Huh, S.H., C.H. Lee and M. Martin. "Effects of Changes in the Level of Korea Beef Imports." Journal of International Food and Agribusiness Marketing 3(2)(1991):1-24.

Martin, M.V. and A. Emami. "A Note on the Value of the Right Data." Journal of Agricultural Economic Research 43(2)(Spring 1991):42-44.

Tiedeman, G. and M. Martin. "Faculty Input and Impact on the Budget Process: An Experience From Oregon State University." The Faculty Governance Journal 1(1)(Spring 1991):8-14.

Martin, M., L. Cox, S. Nakamoto, and J. Halloran. "Policy Impacts on Agricultural Irrigation Electricity Demand in the Columbia Basin." Water Resources Bulletin 26(1)(February 1990):35-39.

Nakamoto, S., J. Halloran and M. Martin. "Trade Liberalization, Policy Reform and the U.S. Sugar Industry." Journal of International Food and Agribusiness Marketing 2(1)(1990):21-36.

Martin, M.V., B.S. McMullen and F. Cabeza. "The Impacts of Transportation Deregulation on Wheat Shipments in the Pacific Northwest." Western Journal of Agricultural Economics 14(2)(December 1989):253-60.

Martin, M., L. Lev and A. Emami. "Comment: United States Agricultural Trade: Where Are the Gains?" Western Journal of Agricultural Economics 14(2)(December 1989):310-12.

Cox, L. and M.V. Martin. "Improving Oral Communications Skills Using Video." NACTA Journal 33(a)(March 1989):25-27.

Halloran, J. and M.V. Martin. "Should States Be In The Agricultural Promotion Business?" Agribusiness: An International Journal 5(1)(January 1989):65-75.

Martin, M.V., H. Radtke, B. Eleveld and S. Nofziger. "The Impacts of the Conservation Reserve Program on Rural Communities: The Case of Three Oregon Counties." Western Journal of Agricultural Economics 13(2)(December 1988):225-232.

Martin, M.V. "The Spanish Accession to the EC and Its Likely Impacts on Agricultural Development in Morocco." Journal of Agricultural Economics (Great Britain), 39(1)(January 1988):141-145.

Lubis, R., M.V. Martin and B.S. McMullen. "The Impact of Waterway User Fees on Grain Transportation on the Snake-Columbia River." Water Resources Bulletin 23(4)(August 1987):673-680.

Martin, M.V. and J.A. MacDonald. "Food Grain Policy in the Republic of Korea: The Economic Cost of Self-Sufficiency." Economic Development and Cultural Change 34(2)(January 1986):315-331.

Martin, M.V. "Vessel Licensing Fee as an Alternative Proposal for a Deep Draft Waterway User Charge." Water Resources Bulletin 20(2)(April 1984):219-221.

Martin, M.V. and R.F. Brokken. "Scarcity Syndrome: Comment." American Journal of Agricultural Economics 65(1)(February 1983):158-159.

Martin, M.V., S.H. Huh and J.A. MacDonald. "Non-Market and Non-Economic Considerations in Evaluating Agricultural Trade Policy: The Case of the Republic of Korea." Rural Development IAAE Occasional Paper No. 3. B.L. Greenshields and M. Bellamy (eds.) (1983):282-287.

Martin, M.V. and D.A. Clement. "An Analysis of Port Specific Ocean Grain Freight Rates: The Case of the Lower Columbia River Ports." Transportation Journal (Fall 1982):18-26.

Martin, M.V., L.A. Arthur and W.R. Wilson. "The Potential for Alberta Pork Exports to Western U.S. Markets: A Spatial Equilibrium Analysis." Canadian Journal of Agricultural Economics 30(2)(July 1982):201-208.

Martin, M.V. and L.A. Arthur. "Evaluating Inland Waterway Navigation Improvement Projects: The Case of the Bonneville Lock." Water Resources Bulletin (June 1982):481-484.

Martin, M.V. and K.L. Casavant. "An Initial Evaluation of the Benefits and Costs of Navigation as an Alternative Use of Columbia Basin Water." Journal of Environmental Law (Spring 1980):331-348.

Martin, M.V. "The Effects of Transportation Deregulation on the Food Distribution Industry." Journal of Food Distribution Research (February 1980):

Martin, M.V. "Misallocation Effects of Value of Service Rail Grain Rates: Reply." Transportation Journal 19(2)(Winter 1979-1980):83-84.

Martin, M.V. "The Impact of Current U.S. Food and Agricultural Policy on the World Wheat Market." Journal of Rural Development 2(1) (Korea Rural Economics Institute) (Fall 1979):141-156.

Martin, M.V. "Misallocation Effects of Value of Service Rail Grain Rates." Transportation Journal 8(3) (Spring 1979):74-83.

Reviewed Publications:

Martin, M.V. and B. Bullock. "Development, Determination and Adoption of New Products/Use Technologies: Is the Traditional Federal/State Research Model Obsolete?" presented at Food and Agricultural Marketing Consortium Conference, January 12, 1995, Orlando, FL. Proceedings.

Hamilton, J.R., M. Martin and K. Casavant. "The Effect of Lower Snake River Reservoir Drawdown on Barge Transportation: Some Observations." Report for the University Taskforce on Salmon and the Columbia River, December 1991. Published as Washington State University Extension Bulletin, 1992.

Martin, M.V. "Oregon's Agricultural Sector." Oregon Labor Trends, Part I, June 1991; Part II, July 1991.

Zhu, Chungkui and M.V. Martin. "Agricultural Economic Transformation in The Peoples Republic of China." Choices Magazine, (AAEA) Third Quarter (1989)28-29.

Martin, M.V. and B.A. Weber. "Specialty and Traditional Agriculture in the Pacific Northwest." Pacific *Northwest Executive*, October 1987. University of Washington Graduate School of Business, Seattle, Washington, October 1987.

Martin, M.V. and H. Radtke. "Contribution of the Oregon Wheat Industry to Oregon's Economy." Oregon State University Agricultural Experiment Station Bulletin 668, August 1986.

Emami, A., M.V. Martin and D.L. Hueth. "Trade in Farm Products." Volumes 1-50 Department of Agricultural and Resource Economics for U.S.D.A. ERS-IED, April 1986.

Wise, W.N. and M.V. Martin. "The Demise of An Agricultural Lender: The Case of the Willamette Production Credit Association." Oregon State University Agricultural Experiment Station Circular of Information No. 700, November 1985, 35 pages.

Clark, J. and M.V. Martin. "The Impact of International Trade on U.S. Employment Levels and Composition." Oregon State University Agricultural Experiment Station Bulletin 664, September 1985.

Wagenblast, D.E., J.A. MacDonald, I. Gonarsyah and M.V. Martin. "The Korean Market for U.S. White Wheat." Oregon State University Agricultural Experiment Station Bulletin 661, 1984.

Martin, M.V., R. Meyers and D. Poretti. "The North American Granary: A Policy Research Project Profile." Minnesota Agricultural Economist, September 1982.

Townsend, T.P. and M.V. Martin. "White Wheat Marketing Margins Between the Pacific Northwest and Japan." Oregon State University Agricultural Experiment Station Circular of Information No. 698, October 1981.

Martin, M.V., W.A. MacNamee and J.R. Jones. "Ocean Transportation Serving Pacific Northwest Agriculture." Oregon State University Agricultural Experiment Station Technical Bulletin 319, 1979.

Martin, M.V. and R.P. Dahl. "Transportation Policy: The Lock and Dam No. 26 Controversy." Minnesota Agricultural Economist, February 1977.

Martin, M.V. and R.P. Dahl. "Grain Production Projections by County and District, Minnesota, 1980 and 1985: Corn, Soybeans, Oats, Barley, and Wheat." Minnesota Agricultural Experiment Station Bulletin 518, February 1977.

Martin, M.V. and R.P. Dahl. "Railroads, Grain Transportation and the Interstate Commerce Commission." Minnesota Agricultural Economist, January 1977.

Dahl, R.P. and M.V. Martin. "Multiple-Car Rail Rates—Their Impact on Grain Transport." Minnesota Agricultural Economist, January 1975.

Trade Publications and the Popular Press:

Martin, M.V. and Joe Garcia "Colorado Attainment Gap Crisis", *Denver Business Journal*, January 29, 2016

Martin, M.V. and Russell Meyers, "Colorado's Future at Risk" *Pueblo Chieftain*, August 28, 2016

"Economic Impacts of Hood River County Tree Fruit Industry." *Good Fruit Grower*, August 1992 (with Clark Seavert)"Forging Ahead." Oregon Magazine, October 1992:8-11.

"A North American Free Trade Agreement: The Debate Goes On" and "Today and Tomorrow in Mexico." Global Marketplace, International Trade Institute, Vol. 1, No. 3, Winter/Spring 1992.

"Regionalism Threatens Free Trade." The Oregonian, Portland, Oregon, December 13, 1991 (with Bruce Andrews).

"Long-term Prospects for Wheat Exports from the Pacific Northwest." Oregon Farmer-Stockman, December 1991 (with Patricia Lindsey).

"A Consideration of the 1990 Farm Bill." Oregon Farmer-Stockman, December 1990 (with Larry Lev).

"The GATT Agreement: Should Wheat Growers Support It?" Oregon Farmer-Stockman, December 1988 (with T. McCoy).

"U.S. Shouldn't Pressure South Korea as Relationship Shows Signs of Strain." Register-Guard, Eugene, Oregon, September 28, 1988.

"Mandatory Production Controls: Would They Revive the Wheat Industry?" Oregon Farmer-Stockman, February 19, 1987 (with T. McCoy).

"Agriculture: Heydays May Not Return." The Oregonian, Portland, Oregon, January 20, 1987 (with J.C. Cornelius).

"Can Exports Save Agriculture?" Oregon Farmer-Stockman, September 18, 1986:5.

"U.S. Benefits From Foreign Farm Aid: Friendly, Developed Nations Can Offer New Market." The Oregonian, Portland, Oregon, July 10, 1986 (with S. Miller).

"Libya Strike May Hit Oregon Farm Exports." Register-Guard, Eugene, Oregon, May 1, 1986.

"Putting Land in Federal Trust Would Ease Burden on Failing Farms." The Oregonian, Portland, Oregon, January 8, 1986 (with J.C. Cornelius).

"Strong Dollar Hurting Exports." Daily Argus Observer, August 12, 1985.

"The Ag Debt Increase." Daily Argus Observer, August 12, 1985.

"Formidable Obstacles Frustrate Fight to Feed the World." Gazette-Times, Corvallis, Oregon, May 13, 1985.

"National Self-Image Challenged by Farm Crisis." The Oregonian, Portland, Oregon, March 6, 1985 (with J.C. Cornelius).

"Interview on U.S. Agricultural Policy." Datelines-Extra, Harvest States Cooperative 20(63) April 1984. Reprinted in Agricultural Equipment June 1984.

"Farm Prices in Historical Perspectives." Feedstuffs Magazine, December 1983 (with R.F. Brokken).

"Farm Policies Out of Date." Eugene Register Guard, September 9, 1983.

"Policies Doom Farms to Boom, Bust Cycle." Forum Section, The Oregonian, Portland, Oregon, August 28, 1983.

"Export Expansion Strains Transport System." Daily Journal of Commerce: On the Move, Portland, Oregon, November 21, 1980.

Reviews and Abstracts:

Book Review: "Economics and Agricultural Management: An Introduction," by K. Casavant and C. Infanger in NACTA Journal 27(3) (September, 1984).

Book Review: "The Economics of World Grain Trade," by T. Grennes, P.R. Johnson and M. Thursby in *American Journal of Agricultural Economics* (August 1979).

Extension Publications:

"General Economy." 1992 Pacific Northwest Agricultural Situation and Outlook, *Farmer-Stockman Magazine*, January 1992 (with D. Ervin).

"U.S. Relations with Iran, Japan, Canada: Impact for Oregon?" Extension Service Report EM 8425, January 1990 (with E.C. Barrick).

"International Trade." 1990 Pacific Northwest Agricultural Situation and Outlook, PNW Extension Publication, *Farmer-Stockman Magazine*, January 1990 (with P. Lindsey).

"International Trade." 1988 Pacific Northwest Agricultural Situation and Outlook, PNW Extension Publication, January 1988 (with J.R. Jones).

"Agricultural Trade Policy Under Scrutiny." Oregon State University Extension Service Special Report 791, Corvallis, Oregon, February 1987.

"International Trade and the Oregon Economy." Oregon State University Extension Service EM8327, February, 1987.

"International Trade." 1987 Pacific Northwest Agricultural Situation and Outlook, PNW Extension Publication, January 1987 (with J.R. Jones).

"International Trade." 1986 Pacific Northwest Agricultural Situation and Outlook, PNW Extension Publication, January 1986 (with J.R. Jones).

"International Trade." 1985 Pacific Northwest Agricultural Situation and Outlook, PNW Extension Publication, January 1985 (with J.R. Jones).

"International Trade." 1984 Pacific Northwest Agricultural Situation and Outlook, PNW Extension Publication, January 1984 (with J.R. Jones).

"International Trade." 1983 Pacific Northwest Agricultural Situation and Outlook, PNW Extension Publication, January 1983 (with J.R. Jones).

"International Trade." 1982 Pacific Northwest Agricultural Situation and Outlook, PNW Extension Publication, January 1982 (with J.R. Jones).

"International Trade." 1981 Pacific Northwest Agricultural Situation and Outlook, PNW Extension Publication, January 1981 (with J.R. Jones).

"International Trade." 1980 Pacific Northwest Agricultural Situation and Outlook, PNW Extension Publication, January 1980 (with J.R. Jones).

"U.S. Transportation Policy: Inland Waterways." *Transportation Policy Primer*, National Extension Transportation Task Force, March 1980.

"International Trade." 1979 Pacific Northwest Agricultural Situation and Outlook, PNW Extension Publication 161, January 1979.

Other Publications:

"What's Ahead for Agriculture?" Proceedings USDA - Outlook Forum, 1997. April, 1997

"The Changing Face of the Minnesota Agricultural Experiment Station". BioOptions. (Fall, 1994)

"Development of Rail Rates and Transportation Network Structure Following Deregulation: The Experience in the Pacific Northwest." Transportation Northwest (TRANSNOW): University of

Washington (February 1990) (with S.B. McMullen).

"Japanese Agricultural Reform: Problems and Prospects." *Proceedings of the 2nd Portland State University— Hokkaido University—Faculty Research Symposium*, Portland, Oregon (April 13-14, 1989) (with Gil Latz and Hiroshi Yamauchi).

"Opportunities for Willamette Valley Agriculture Resulting from U.S.-Canada Free Trade Agreement." Mid-Willamette Valley Council of Governments and the International Trade Institute (April 1989) (with T. Jacobsen, S. Lawton and G. Heldt).

"Economic and Infrastructural Constraints to U.S. Agricultural Export Expansion in the Developing Countries." In *Agricultural Export Issues in the Post Seventies* (J.R. Jones and N.L. Meyer eds.), Bulletin No. 648 Cooperative Extension Service University of Idaho, Moscow (March 1986).

"Computerized Battleground for Policy." In Computer Use by/and Computer Interface Among Agricultural Economics Institutions, Oregon State University Experiment Station and Extension Service Special Report No. 759 (January 1986) (with Russell Gum and Linda Wear).

"Supply and Demand For Southern Mediterranean Horticultural Products." ANE/TR/ARD, U.S. Agency for International Development, Washington, D.C. Volume I through VII (September 1985) (with M. Bredahl, L. Eisgruber, E. Hogan, P. Hamer, and A. Krezdorn).

"Intermodalism, Energy, and Rate Structure." *Where Will Maritime Industries be in the Year 2000*? Proceedings of the Seventh Annual Future of Northwest Maritime Industries Conference (September 16, 1980), Extension Marine Advisory Program Special Report 605, Oregon State University, Corvallis (January 1981).

"Inland Water Transportation in the Pacific Northwest." *Rural Freight Transportation New Policy Initiatives*, (L. Pickerell and J. Fruin, eds.) University of Minnesota Extension Service, Special Report 86 (1980) (with K. L. Casavant).

"Conflicts over the Columbia: Navigation as an Alternative Use." *Proceedings: Oregon State University Water Resources Research Institute*, (Spring 1980) Seminar W 028-80, Corvallis, Oregon (July 1980).

"Deregulation of Transportation: The Impact on the Northwest Cherry Industry." Proceedings of the Oregon Horticultural Society Annual Meeting, Portland, Oregon (January 31, 1980).

"Impacts of Deregulation on Water, Land, and Air Transportation." *Proceedings of Sixth Annual Future of the Northwest Maritime Industries* (December 1979).

"The Transportation System Serving Agriculture in the Pacific Northwest." Northwest Agricultural Development Project Report 12, PNW Regional Commission Northwest Economic Associates, Vancouver, Washington (December 1979) (with W.A. McNamee, K.L. Casavant and J.R. Jones).

Papers at Professional Meetings:

"What's Ahead for Agriculture?" USDA-Outlook Forum, February 24, 1997, Washington, D.C.

"The Role of Economists in the Public Policy Debate," keynote address, Western Agricultural Economics Association Annual Meeting, July 14, 1997, Reno, NV.

"Users of Research Assessment: Land Grant and Industry Perspectives." Symposium on Agricultural Research Assessment, August, 1995, Washington, D.C.

"Development, Determination and Adaption of New Products/Use Technologies: Is the Traditional Federal/State Research Model Obsolete?" (with B. Bullock): Food and Agricultural Marketing Consortium Conference, January, 1995, Orlando, FL.

"The Minnesota Variety Development Fund." American Seed Trade Association Annual Meeting, June 21, 1994, Minneapolis, MN.

"The Challenge of Moving Ahead Together." National Agricultural Alumni and Development Association, Baton Rouge, Louisiana, May, 1994.

"Agriculture and General Economic Outlook — 1992." *Oregonian* Economic Conference, Portland, January 6, 1992.

"Japanese Investment in Food Processing in Oregon." Institute of Food Technologists– Oregon Section, Salem, Oregon, November 12, 1991.

"Implications of the U.S.-Canada Free Trade Agreement for Agriculture in Western Oregon." Association of American Geographers Annual Meetings, Toronto, Canada, April 21, 1990 (with G. Latz).

"Data Quality Control and Research Quality." International Agricultural Trade Research Consortium Annual Meeting, Clearwater Beach, Florida, December 14, 1989.

"Opportunities for Willamette Valley Agriculture Resulting from the U.S.-Canada Free Trade Agreement." 23rd Annual PNW Regional Economics Conference, Corvallis Oregon, April 27-29, 1989 (with T. Jacobsen, S. Lawton and G. Heldt).

"Japanese Agricultural Reform: Prospects and Problems." 2nd Annual Portland State University/Hokkaido University Faculty Research Symposium, Portland, Oregon, April 13-14, 1989 (with G. Latz).

"Changing Markets for PNW Agricultural and Food Products in the Pacific Rim." 22nd Annual PNW Regional Economics Conference, Boise, Idaho, April 28-30, 1988 (with J. Halloran and S. Nakamoto).

"Natural Resource Industries and the Oregon Economy: Implications for Rural Areas." 22nd Annual PNW Regional Economic Conference, Boise, Idaho, April 28-30, 1988 (with T. Jacobsen, S. Miles, R. Rettig and B. Weber).

"The Regional Perspective on Economic Change—Agriculture." At the Economics of the State and Its

Regions—Conference for Senior State Officials, Washington State Institute for Public Policy, Olympia, Washington, June 16, 1987.

"Agriculture and the Economy of the Pacific Northwest." Twenty-First Annual Pacific Northwest Regional Economic Conference. Seattle, Washington, May 1, 1987.

"Agricultural Diversification and Marketing: What are the Reasonable Alternatives." Sixth International Exchange Conference—ASEAN: Region at a Crossroads, Lewis Clark State College, Lewiston, Idaho, March 6, 1987.

"PNW Agriculture, Down But Not Out." At the Seattle Economist Club, Seattle, Washington, March 19, 1986.

"Agricultural Outlook." At the 1985 Economic Outlook Conference sponsored by the Seattle Economists Club, at Seattle University, Seattle, Washington, February 1, 1985.

"Agricultural Trade in the Next Two Decades." International Agricultural Students of the Americas Annual Conference, Moscow, Idaho, July 27, 1983.

"Toward the Next Generation of Agricultural Policy." Testimony Before the Congressional Joint Economics Committee—Agricultural Subcommittee, Boise, Idaho, July 8, 1983.

"An Analysis of Port Specific International Grain Freight Rates: The Case of the Lower Columbia River Port Area." Seventeenth Annual Pacific Northwest Regional Economics Conference, Bellingham, Washington, May 6, 1983 (with D.A. Clement).

"An Alternative Perspective on Maritime User Fees." Maritime User Fee Conference -Minnesota Sea Grant Extension Program, Superior, Wisconsin, January 13-14, 1983.

"New Challenge in Teaching Agricultural Marketing." AAEA Organized Symposium on Resident Instruction, Logan, Utah, August 2, 1982.

"Non-Market and Non-Economic Considerations in Evaluating Efficiency-Equity Tradeoff Induced by Agricultural Trade Policy: The Case of the Republic of South Korea." Selected Paper, *IAAE* Meeting, Jakarta, Indonesia, September 1982 (with S.H. Huh and J.A. MacDonald).

"An Initial Economic Analysis of Ocean Freight Rates for Grain Exports from Lower Columbia River." 65th Annual Meeting of the National Transportation Board, National Academy of Science, Washington, D.C., January 18-22, 1982 (with D.A. Clement).

"Estimates of the Magnitude of Blending Efficiencies in the Pacific Northwest White Wheat Industry." Contributed paper for the Western Agricultural Economics Association Annual Meetings, Lincoln, Nebraska, July 20, 1981. Abstract in *WJAE* December 1982 (with T.P. Townsend).

"An Initial Estimate of the Import Demand for White Wheat in South Korea." Contributed paper for the Western Agricultural Economics Association Annual Meetings, Lincoln, Nebraska, July 20,

1981. Abstract in *WJAE* December 1982 (with G.J. Knowles, I. Gonarsyah and R.A. Oliveira).

"Emerging Issues in U.S. Agricultural Policy." Presented at Korea Rural Economics Institute, Seoul, Korea, January 30, 1981.

"PNW Transportation and Expanding Pacific Rim Trade." Interstate Commerce Commission Practitioners Association Portland, Oregon, November 20, 1980.

"The Elasticities of Price Transmission in Pacific Northwest and Japanese White Wheat Marketing Systems." Contributed paper for the Western Agricultural Economics Association Annual Meetings, Las Cruces, New Mexico, July 21, 1980 (with T.P. Townsend).

"Prospectives for Transportation in the Pacific Northwest." For the Northwest Food Processors Association Annual Conference, Spokane, Washington, January 23, 1980.

"Inland Water Transportation in the Pacific Northwest: Current Issues and Problems." Seminar on "Rural Freight Transportation: Policy Initiatives." Wayzata, Minnesota, January 6-9, 1980 (with K.L. Casavant).

"The Effect of Transportation Deregulation on the Food Distribution Industry." For Food Distribution Research Society Annual Meeting, Portland, Oregon, October 8, 1979.

"Impacts of Deregulation of Water, Land and Air Transportation." For Future of Northwest Maritime Industries Sixth Annual Conference, September 18, 1979.

"Inland Waterways Transportation: Emerging Issues in Public Policy." Oregon State University Transportation Research Institute Seminar Series, February 14, 1979.

"Several Implications of a Shift to Cost-of-Service Based Rail Rates for Grain Transport Services." Western Agricultural Economics Association Annual Meeting, Bozeman, Montana, July 25, 1978.

"The Economist's Role in Agricultural Policy Formation." Invited guest lecturer at University of Wisconsin-Eau Claire Center for Economic Education Lecture Series, Eau Claire, Wisconsin, December 2, 1977.

"Emerging Issues in Rural Transportation." Invited guest lecturer for the Higher Education Consortium on Urban Affairs, St. Paul, Minnesota, December 1, 1977.

"Intermodal Relationships in Transporting Freight in the Upper Midwest." Invited guest lecturer for the Higher Education Consortium on Urban Affairs, St. Paul, Minnesota, April 29, 1977.

Major Research Projects:

Oregon Department of Agriculture and Oregon Economic Development Department. Agricultural Processing in Oregon: The Basis for Strategic Planning. 1992. Total: $6,000.

U.S. Department of Agriculture CSRS. Export Services Center for High Value Food Products. 1991.

Total: $97,000.

Agricultural Cooperative Council of Oregon. Integrating Coops into OSU's Agribusiness Curriculum. 1991. Total: $8,000.

Oregon Coastal Zone Management Association and Oregon Sea Grant. Assessment of Coast Communities in Economic Transition. 1990. Total: $19,000.

Oregon Trade and Development Center. Evaluation of Public Research Capabilities to Serve Oregon's Agricultural Export Sector. 1990. Total: $10,000

U.S. Department of Agriculture ERS-IED. Prospects for Agricultural Trade Policy Reform in Korea, Taiwan and ASEAN. 1989-1990. Total: $28,000.

U.S. Department of Agriculture ERS-IED. Prospects for Agricultural Trade Policy Reform in Japan. 1988-1989. Total: $25,000.

International Trade Institute—Mid-Willamette Valley Council of Governments. U.S.-Canada Free Trade Agreement and Oregon Trade. 1988-1989. Total: $6,800.

Agricultural Research Foundation. Analysis of Emerging Markets and New Food Product Opportunities for Oregon's Agriculture in Pacific Rim Markets: A First Phase Project. 1988-1990. Total: $6,851.

Oregon Wheat Commission. An Analysis of the Impact of Wheat Production and Marketing on the Oregon Economy, 1985-86, additional support for 1986-1987. Total: $12,000.

Oregon Wheat Commission. The Potential Markets for Pacific Northwest Hard Red Wheat, 1985-1986, additional support for 1986-1987 and 1987-1988. Total: $38,000.

U.S. Department of Agriculture ERS-IED. Optimal Use of Grain Export Promotion Programs, 1985-1987. Total: $35,000.

U.S. Department of Agriculture. Agricultural Cooperative Service, Cooperative research agreement, "Joint Export Development Opportunities for West Coast Fruit and Vegetable Cooperatives." May 1984 to December 1985. Total: $87,000.

U.S.-A.I.D. and O.S.U.-O.I.A. Analysis of Supply and Demand for Horticultural Products in the Near East (No. Africa). From February 1984 to December 1984. Total: $27,000.

Oregon Wheat Commission. A Study of Industries, Sectors and Workers Affected by U.S. Trade Policy. June 1984 to December 1984. Total: $2,500.

Oregon Wheat Commission. A Profile of County Specific White Wheat Markets and An Analysis of Targeting Federal Market Development Programs. June 1984 to September 1985. Total: $9,000.

Northwest Agricultural Development Project Transportation Subsection Study; Northwest Regional

Development Commission. June 1978 to December 1979. Total: $164,000.

United States Army Corps of Engineers, U.S. Department of Transportation, and Federal Railroad Administration. Coordinated at the University of Illinois, Oregon NCSR (North Central Southern Regional) Flow Survey. April-December 1978. Total: $5,000.

National Science Foundation Cooperative International Research Grant for travel (three visits) to the Republic of Korea. August 1982 to July 1985. Total: $7,800.

Young Professionals Travel Grant to attend International Association of Agricultural Economists Meeting, Jakarta, Indonesia, August 24-September 2, 1982. Total: $1,500.

National Science Foundation Cooperative International Research for Travel to the Republic of Korea. November 1980. Total: $3,900.

Extension Presentations and other general speeches:

More than 250 extension presentations, talks and formal comments to professionals and general public groups and organizations.

Private Consulting Projects:

Planning and Development, Farmers State Bank, Stetsonville, Wisconsin.

Educational, First Wisconsin National Bank, Eau Claire, Wisconsin.

Transportation and Commodity Flow Analysis, University of Illinois/U.S. Army Corps of Engineers.

Transportation Planning, California Department of Transportation, with Auslam and Associates, Sacramento, California.

Transportation Planning, Agriculture Alberta, with Northwest Economic Associates, Vancouver, Washington.

Transportation Planning, Port of Portland (Oregon), with Northwest Economics Associates, Vancouver, Washington.

Transportation Planning, U.S. Army Corps of Engineers, Portland District, with Northwest Economics Associates, Vancouver, Washington.

Education-Agricultural Marketing, St. Paul Federal Intermediate Credit Bank, St. Paul, Minnesota.

Commodity Production Projection, Port of Chelan, Washington.

Feasibility Analysis for a Corn Topping-Off Elevator at Astoria, Oregon, with Northwest Economics Associates-U.S. Army Corps of Engineers.

Northwest Irrigation Utilities, Bonneville Power Administration Irrigation Rate Case, with Eco-Northwest, Eugene, Oregon.

Agribank, Director Training, St. Paul.

Pacific Rivers Council, Portland.

FLORIDA GULF COAST UNIVERSITY EMPLOYMENT AGREEMENT WITH PRESIDENT-ELECT DR. MICHAEL MARTIN

MATERIAL TERMS SUMMARY

Inspired and motivated to a great degree by the Florida Board of Governors and the State University System's ("SUS") Performance-Based Funding Metrics and the overarching goals and objectives contained therein, Florida Gulf Coast University, by and through its Board of Trustees ("Board") and President-elect Dr. Michael Martin ("President" or "Dr. Martin") have agreed to an Employment Agreement that reflects the changing higher education landscape in which successful performance and outcomes on strategically defined metrics may be incentivized and rewarded.

The foundation for the FGCU Employment Agreement is an innovative, incentivized structure tied to actual performance and achievement without the customary guarantees of continued, long-term employment and contractual entitlements. Presidential performance goals are connected to both institutional and SUS goals designed to advance FGCU, and any enhanced compensation opportunities are subject to demonstrated results as determined by the Board at its discretion.

The following summarizes the material provisions of the FGCU Employment Agreement:

- **At-Will Employment:** Effective July 1, 2017, the President serves fully and completely at the will of the Board, and either party may terminate the employment with notice of 90 days.

- **Base Salary:** Annual base salary is $350,000.

- **Annual President Performance Evaluation:** At the start of the fiscal year, the Board in consultation with the President will adopt specific President Performance Evaluation Criterion ("PPEC"), which will form the basis for the President's annual performance evaluation by the Board. The PPEC will include measures in at least the following categories of (1) Qualitative Leadership and Human Management Skills; (2) FOCUS Strategic Plan 2016-2021 and State University System Performance-Based Funding Metrics; and (3) Resource Development including Private Fundraising, State Appropriations, and Contracts/Grants.

- **Opportunity for Annual Performance Bonus:** The PPEC results will form the basis for the Board's annual evaluation and its decision, if any, to award the President an annual bonus of up to $100,000.

- **Opportunity for FOCUS Performance Incentive Bonus:** As long as the President remains continuously employed up through and including June 30,

2022, **and** has met or substantially met the objectives of FOCUS 2016-2021, the President will be eligible for (but is not contractually entitled to) a performance incentive bonus of up to two times his initial base salary, or $700,000.00, as determined by the Board. Any FOCUS Bonus is not a contractual entitlement, is not a retention or longevity bonus, and does not vest. Rather, the opportunity to earn the FOCUS Bonus incentivizes the President to significantly advance the University in concert with the Board's strategically defined direction.

- **No Severance Pay:** The FGCU Employment Agreement does not include any provision requiring severance pay upon termination of the Agreement, irrespective of whether termination occurs as a result of the President's retirement, resignation, disability and/or death, or as a result of the Board terminating the President's employment for any reason. Upon termination, Dr. Martin is only entitled to receive his accrued salary through the termination date and any accrued but unused leave benefits.

- **Special Advisor to the FGCU Board:** Solely at the Board's discretion, and only in the event FGCU terminates Dr. Martin as President, it may (but is not contractually obligated to) offer Dr. Martin the opportunity to serve as Special Advisor to the Board, at his annual base salary, for a period of time as determined by the Board, so long as such period does not exceed twelve months.

- **Benefits:** As President, Dr. Martin will be afforded and/or be eligible to receive:

  - A one-time Relocation/Moving Payment of up to $25,000.00 to assist in the move to southwest Florida;

  - A Housing Allowance of $50,000.00 annually, with Dr. Martin being required to host at least six (6) functions at his home on behalf of FGCU;

  - Use of an Automobile (Full-Size or SUV-type) from a manufacturer headquartered in the United States;

  - Insurance, Vacation and other leave benefits at the same level and accrual rates as offered to other Executive-level employees at FGCU;

- **Contractual Protections for FGCU**:

  - At-Will Employment. There is no fixed duration of employment.

  - No Severance Pay.

- Right to request repayment/reimbursement of the relocation and housing payments if Dr. Martin leaves FGCU within the first 730 days after commencing employment.

- Non-Solicitation

- Confidentiality and Non-Disclosure

- Return of University Property

- Cooperation on Legal or Related Matters

- Sixty (60) Days Post-Employment, General Good-Faith Cooperation and Availability

Dr. Martin accepts the at-will terms, performance-incentivized, results-driven Employment Agreement following more than 40 years of experience and leadership in higher education, including as Chancellor of the Colorado State University System, Chancellor of Louisiana State University, President of New Mexico State University, and Vice President for Agriculture and Natural Resources at University of Florida. Dr. Martin is going to be a tremendous asset to not only FGCU, but the SUS as a whole. FGCU is excited to work hand-in-hand with Dr. Martin and SUS as it strives for excellence.

FGCU, through its Board of Trustees, respectfully requests that Dr. Michael Martin’s appointment as President of Florida Gulf Coast University be unanimously confirmed by the honorable Board of Governors.

STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
March 30, 2017

SUBJECT: Higher Education Coordinating Council Chair's Report to the Board of Governors

PROPOSED BOARD ACTION

For information

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Section 1004.015 (5), Florida Statutes

BACKGROUND INFORMATION

Governor Alan Levine, chair of the Higher Education Coordinating Council, will report on the work of the Council, including the 2016 Annual Report.

Supporting Documentation Included: None

Facilitators/Presenters: Governor Alan Levine

STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
March 30, 2016

SUBJECT: 2016 Annual Report for Online Education

PROPOSED BOARD ACTION

For approval

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution

BACKGROUND INFORMATION

In November 2015, the Board of Governors approved the 2025 Strategic Plan for Online Education, establishing goals, strategies, and tactics that focus on three primary elements: quality, access, and affordability.

The 2016 Annual Report for Online Education captures the extent to which institutions in the SUS are successfully working to meet the goals of the Plan.

Supporting Documentation Included: The *2016 Annual Report for Online Education* is included with Innovation and Online Committee materials.

STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
March 30, 2016

SUBJECT: Implementation of the 2025 Strategic Plan for Online Education

PROPOSED BOARD ACTION

For approval

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution

BACKGROUND INFORMATION

In November 2015, the Board of Governors adopted the 2025 Strategic Plan for Online Education. Immediately, a system-wide Implementation Committee, guided by a Steering Committee of provosts, developed an Implementation Plan to begin addressing the 49 tactics in the Strategic Plan for Online Education. Several workgroups and sub-workgroups were formed, and deliverables were staggered to better manage the workload associated with researching and developing policies and proposals for each deliverable. During the March 29 meeting of the Innovation and Online Committee, workgroup chairs will present several recommendations that address:

Quality Course Review
Quality Course Designation
Online Programs and Courses: Inventory and Gaps
Online Programs and Courses: Shared Programs/Courses
Open Access Textbooks and Resources: Increasing Usage
Open Access Textbooks and Resources: Reducing Costs
Innovation in Florida Online Learning
Infrastructure: Facilitating Collaboration
Infrastructure: Proctoring Network
Student Services: Ensuring Access to Services
Student Services: Securing Resources
Professional Development: Certification

Supporting Documentation Included: Issue papers with recommendations included in Innovation and Online Committee agenda materials

STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
March 30, 2017

SUBJECT: Public Notice of Intent to Approve Board of Governors Regulation 9.014 Collegiate License Plate Revenues

PROPOSED BOARD ACTION

Approve the amended Board of Governors Regulation 9.014

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution and Section 320.08058(3), Florida Statutes

BACKGROUND INFORMATION

This regulation was approved for public notice of intent to amend at the January 26, 2017 meeting.

Section 320.08058(3)(b), Florida Statutes, states that the Board of Governors shall require each state university to submit a plan for approval of the expenditure of all revenues collected from the sale of collegiate license plates. The funds may only be used for academic enhancement, including scholarships and private fundraising activities.

During fiscal year 2014-2015, close to $6 million was generated from the sale of collegiate license plates for the universities.

	Gross Revenues
FAMU	$431,615
FAU	$60,114
FGCU	$42,455
FIU	$65,421
FSU	$1,806,837
NCF	$22,919
UCF	$392,534
UF	$2,569,729
UNF	$44,906
USF	$389,796
UWF	$28,764

The expenditure plans below indicate the percentage of funds expended for scholarships, fundraising and academic enhancements. The plans are effective indefinitely, unless the university requests to deviate from the approved plan by more than 10 percent pursuant to regulation.

	Scholarships	Fundraising	Academic Enhancement
FAMU	85%	15%	
FAU	75%	25%	
FGCU	100%		
FIU	50%	50%	
FSU	90%	10%	
NCF	50%	10%	40%
UCF	20%	30%	50%
UF	60%	40%	
USF	20%	66%	14%
UNF	70%	30%	
UWF	40%	60%	

A change is needed for the University of West Florida to conform to the expenditure plan approved by the Board of Regents in 1997. The following change is requested:

	Scholarships	Fundraising
UWF - Current	40%	60%
UWF - Change	60%	40%

A change is needed for the Florida A&M University to conform to the expenditure plan approved by the Board of Trustees in February 2011. The following change is requested:

	Scholarships	Fundraising
FAMU - Current	85%	15%
FAMU - Change	25%	75%

On December 1, 2016, the University of Florida Board of Trustees approved a modification to their expenditure plan as follows:

	Scholarships	Fundraising
UF - Current	60%	40%
UF- Proposed	40%	60%

No public comments have been received.

Supporting Documentation Included: Amended Regulation 9.014

9.014 Collegiate License Plates Revenues

(1) Pursuant to ~~S~~section 320.08058(3)(b), Florida Statutes, each university board of trustees must submit an expenditure plan to the Board of Governors for approval of all funds generated from the sale of collegiate license plates. The revenues generated may be used only for academic enhancement, including scholarships and private fund raising activities.

(2) The expenditure plan shall indicate the percentage of revenues allocated for academic enhancement, including scholarships and private fund raising activities. The expenditure plans previously approved are as follows:

	Scholarships	Fundraising	Academic Enhancement
FAMU	25~~85~~%	75~~15~~%	
FAU	75%	25%	
FGCU	100%		
FIU	50%	50%	
FSU	90%	10%	
NCF	50%	10%	40%
UCF	20%	30%	50%
UF	~~60~~40%	~~40~~60%	
USF	20%	66%	14%
UNF	70%	30%	
UWF	~~40~~60%	~~60~~40%	

(3) The Board of Governors Office must be notified of any deviations from the approved expenditure plan in subparagraph (2) and any deviations of more than 10 percent from the approved expenditure plan must be submitted to the Board of Governors for review and approval.

Authority: Section 7(d), Art. IX, Fla. Const.; Section 320.08058(3)(b), Florida Statute, New 11-25-13, Amended 03-30-17.

STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
March 30, 2017

SUBJECT: Auxiliary Facilities that have Bond Covenants Requiring Approval of Estimated 2017-2018 Operating Budgets

PROPOSED BOARD ACTION

Approve estimated 2017-2018 operating budgets for auxiliary facilities that have bond covenants requiring Board approval.

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution

BACKGROUND INFORMATION

An auxiliary enterprise, as defined by the National Association of College and University Business Officers (NACUBO) in the College and University Business Administration Manual, is "an entity that exists to furnish a service to students, faculty, or staff, and that charges a rate directly related, but not necessarily equal, to the cost of the service". One of the distinguishing characteristics of auxiliary enterprises is that they are managed as self-supporting activities. Some examples of auxiliary enterprises are housing operations, university bookstores, food services, student health centers, parking services, and continuing education. Many auxiliary enterprises have debt service commitments for the construction of facilities that must be repaid from pledged revenues from operations.

Section 1010.60, Florida Statutes, authorizes the issuance of bonds or other forms of indebtedness pursuant to the State Bond Act to finance or refinance capital projects authorized by the Legislature. Specific covenants, as set forth in the authorizing resolutions of certain bond issues, require approval of estimated operating budgets for the upcoming fiscal year at least ninety (90) days preceding the beginning of the fiscal year. The state universities historically submit annual operating budgets for their auxiliary operations approximately forty-five (45) days after the beginning of the fiscal year; therefore it is necessary for each affected institution to develop and submit, in advance, an estimated operating budget for all facilities with outstanding bond issues containing the operating budget approval covenant language.

The following universities have outstanding bond issues that require Board of

Governors approval: the University of Florida, Florida State University, Florida A&M University, the University of South Florida, Florida Atlantic University, the University of Central Florida, and Florida International University.

A review of each university's information for auxiliary facilities affected by the specific bond covenants indicates that there will be sufficient revenues to meet the estimated level of operational expenditures and debt service payments for fiscal year 2017-2018.

Supporting Documentation Included: Information located in the Budget & Finance Committee Materials

STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
March 30, 2017

SUBJECT: Notice of Intent to Amend Board Regulation 9.008 University Auxiliary Facilities with Outstanding Revenue Bonds

PROPOSED BOARD ACTION

Approve notice of intent to amend Board Regulation 9.008 University Auxiliary Facilities with Outstanding Revenue Bonds

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution; Subsection 1013.02(b), Florida Statutes; Board Regulation Development Procedure

BACKGROUND INFORMATION

This regulation was created on December 6, 2007, and has not been amended since its creation.

The proposed revisions include:

a. Authorizes the creation of other reserve accounts in addition to the maintenance and equipment reserve;
b. Requires income and expenditure statements to be submitted when required by bond covenants;
c. Requires Board of Trustee approval of operating budgets in advance of submission to the Board;
d. Provides examples for the use of reserves; and
e. Provides a policy goal for reserves, specifying that reserves should be focused on sustainability and student affordability with coverage adequate to meet bond covenants or they may be higher to maintain or improve credit ratings.

If approved, the amended regulation will be noticed on the Board's website for 30 days; with final approval by the Board scheduled for the June 22, 2017 meeting.

Supporting Documentation Included: Information located in the Budget & Finance Committee Materials

STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
March 30, 2017

SUBJECT: 2018-2019 Legislative Budget Request Guidelines

PROPOSED BOARD ACTION

Approve the 2018-2019 Legislative Budget Request (LBR) guidelines for the operating budget

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution; Subsection 1001.706(4)(b), Florida Statutes

BACKGROUND INFORMATION

The 2018 legislative session is scheduled to start in January 2018, two months earlier than normal. In order to maintain the schedule for developing the LBR in a timely manner, the Board needs to approve a set of policy guidelines for the development of the 2018-2019 operating and fixed capital outlay budget request at the June Board meeting. The Board will then review and approve a 2018-2019 operating and fixed capital outlay LBR at the August 2017 meeting. The final budget request will then be forwarded to the Governor and Legislature. It is anticipated that the normal due of October 15 will be moved to September 15.

The guidelines are a living document, and the recommended changes from Board staff to the previous adopted LBR guidelines are as follows:

I. **Operating LBR -** This is the primary changes:
   a. Updates the timeline to reflect the start of the 2018 session in January, 2018.

II. **Fixed Capital Outlay LBR –** This is the primary change:
   a. Updates the timeline to reflect the start of the 2018 session in January, 2018.

Supporting Documentation Included: Information located in the Budget & Finance Committee Materials

STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
March 30, 2017

SUBJECT: Notice to Establish Board of Governors Regulation 10.002 Sponsored Research; Review of Sponsored Research Certification Form

PROPOSED BOARD ACTION

Consider for approval Notice to Establish Board of Governors Regulation 10.002 Sponsored Research; Review Sponsored Research Certification Form

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution

BACKGROUND INFORMATION

Under the "Guidance and Oversight Function" of the *State University System of Florida Board of Governors Operational Audit, Report No. 2017-048 (November 2016)* a recommendation was for the Board of Governors to provide additional guidance regarding research in the State University System (SUS). As a result, a workgroup comprised of Board Staff, SUS Vice Presidents for Research, and SUS General Councils met and drafted Board of Governors Regulation 10.002 Sponsored Research. A member of the Task Force on University Research will make a recommendation to the full Board to approve the new regulation.

In addition, the Task Force reviewed a Sponsored Research Certification Form created by the workgroup. The Certification Form will assist in operationalizing the new Regulation.

Supporting Documentation Included: Information located in the Task Force on University Research materials

STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
March 30, 2017

SUBJECT: 2018-2019 Fixed Capital Outlay Legislative Budget Request Guidelines

PROPOSED BOARD ACTION

Approve the 2018-2019 Legislative Budget Request (LBR) guidelines for the fixed capital outlay budget.

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution; Subsection 1001.706(4)(b), Florida Statutes

BACKGROUND INFORMATION

The 2018 legislative session is scheduled to start in January 2018, two months earlier than normal. In order to maintain the schedule for developing the LBR in a timely manner, the Board needs to approve a set of policy guidelines for the development of the 2018-2019 operating and fixed capital outlay budget request at the June Board meeting. The Board will then review and approve a 2018-2019 operating and fixed capital outlay LBR at the August 2017 meeting. The final budget request will then be forwarded to the Governor and Legislature. It is anticipated that the normal due of October 15 will be moved to September 15.

The guidelines are a living document, and the recommended changes from Board staff to the previous adopted LBR guidelines are as follows:

I. **Operating LBR -** These are the primary changes:
   a. Updates the timeline to reflect the start of the 2018 session in January, 2018.

II. **Fixed Capital Outlay LBR –** This is the primary change:
   a. Updates the timeline to reflect the start of the 2018 session in January, 2018.

Supporting Documentation Included: Information located in the Facilities Committee materials

STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
March 30, 2017

SUBJECT: Second Amendment to the 2017-2018 State University System Fixed Capital Outlay Legislative Budget Request

PROPOSED BOARD ACTION

Review and amend the 2017-2018 SUS Fixed Capital Outlay Legislative Budget Request

Approval is recommended by the Chancellor

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution

BACKGROUND INFORMATION

The requested budget provides the State University System of Florida continued capital outlay support and has been prepared in accordance with statutory requirements and guidelines adopted by the Board of Governors. All university fixed capital outlay budget requests have been approved by the institutional boards of trustees.

This is the second amendment to the original budget request for 2017-2018, as approved by the Board on September 22, 2016, and amended on January 26, 2017:

Specific Fixed Capital Outlay Appropriation Requests

Legislative Authorization only - Authorization for State University System Fixed Capital Outlay projects requiring Debt Financing (S. 1010.62)

Supporting Documentation: Information located in the Facilities Committee materials

Draft: Subject to final approval by the Division of Bond Finance

STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
March 30, 2017

SUBJECT: A Resolution of the Board of Governors Approving the UCF Academic Health, Inc., a Direct Support Organization of the University of the Central Florida, to enter into a ground sublease and operating agreement with a vendor for the construction, financing, operation and maintenance of a hospital and associated facilities adjacent to the College of Medicine at Lake Nona.

PROPOSED BOARD ACTION

Adoption of a resolution approving the UCF Academic Health, Inc. (UCFAH), a Direct Support Organization of the University of Central Florida ("UCF" or "University") entering into a ground sublease of 25.2 acres for the construction, financing, operation and maintenance of a medical complex with a subsidiary of Hospital Corporation of America HCA), called Columbia Park Healthcare System, Inc., ("Owner" or "HCA Sub"). The sublease will be with Central Florida Health Services, LLC (the "Company') which has been formed as a joint venture between UCFAH and the HCA Sub. If approved, UCFAH will enter into a 50-year ground sublease with the Company that the Company has the option to extend for an additional 49 years.

Staff of the Board of Governors, State University System of Florida, and the Division of Bond Finance, State Board of Administration of Florida, have reviewed this resolution and all supporting documentation for compliance with Florida law and the Board of Governors Public Private Partnership Guidelines ("P3 Guidelines"). The proposal appears to be in compliance with applicable Florida law but does not comply with the P3 Guidelines in all respects.

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Florida Board of Governors Public-Private Partnership Guidelines; Article IX, Section 7, Florida Constitution; Section 1013.171, Florida Statutes.

BACKGROUND INFORMATION

The University has submitted a proposal for construction and operation of the Project. UCFAH will enter into a ground sublease with UCF for the purpose of sub-leasing the property to the Company for 50 years (with Company's option for a 49 year extension) for the construction and operation of a medical center which will initially include a 100-bed hospital and emergency facilities (the "Project"). Future expansion may include

Draft: Subject to final approval by the Division of Bond Finance

increasing inpatient beds up to 500, outpatient care, physician practice buildings and additional parking utilizing a public-private partnership arrangement. As proposed, any future expansion will not require Board approval unless debt financing will be used. The land is deed restricted and may only be used for UCF College of Medicine facilities.

A preliminary Certificate of Need ("CON") was issued by the Agency for Health Care Administration ("AHCA") for the Project. Florida Hospital filed a petition requesting AHCA to condition issuance of the Final CON on the hospital being operated as a joint venture between UCFAH and HCA Sub and ultimately becoming an academic teaching hospital; and to require UCFAH to have a meaningful role in the governance and operation of the hospital. Alternatively, Florida Hospital is requesting AHCA to deny the CON for failure of the proposed hospital to meet the criteria for issuance of a CON. The hearing on the petition is scheduled for October 23 through November 21, 2017, before the Division of Administrative Hearings.

The P3 Guidelines contemplate approving a lease for a defined facility and not for a continued development of a site over 99 years. This is inconsistent with the 40-year term limit specified in the P3 Guidelines.

Under the joint venture, HCA Sub will own 80% of the Company while UCFAH will own 20% and receive 20% of the net revenues from the hospital (subject to final valuations). HCA Sub will fund its 80% ownership interest by paying cash for the construction estimated at $150 million and contributing up to $25 million for start-up capital. UCFAH's contribution for its 20% ownership interest will come from the value of the land sublease and the UCF brand. There are several situations where UCFAH may terminate its relationship with HCA Sub by purchasing at fair market value HCA Sub's 80% ownership interest or by requiring HCA Sub to purchase UCFAH's 20% share. Operation and governance will be controlled by the Company board consisting of four UCFAH members and four HCA Sub members.

UCF seeks to develop the medical complex to advance its academic mission and to raise additional funding and has set forth certain metrics to measure its success including profits from operation of the hospital, increases to fund raising and research money, increasing faculty and creating additional medical student rotations.

UCF contends that it would be very difficult for the project to be profitable if it tried to develop it on its own. Accordingly, UCF maintains the P3 structure is the viable way to proceed.

Neither UCF nor UCFAH are legally obligated to provide any financial support for the operation or expansion of the medical complex. This does not, however, preclude the University or UCFAH from doing so in the future.

Draft: Subject to final approval by the Division of Bond Finance

UCFAH may provide non-debt funding for capital improvements related to the Project; however, capital improvements to be funded from legally available sources by UFC or other DSOs require Board of Trustees approval.

UCF is prohibited from using university auxiliary revenues to fund the Project, unless the proposed expenditure is functionally related to the auxiliary program.

The Board should consider whether to prohibit UCF from using non-state funds to contribute to any capital expansion on the hospital site; restrict UCF's ability make capital improvements; or place medical or scientific equipment on the subleased property.

It is also recommended that any debt issued or guaranteed by either UCF or UCFAH obtain this Board's prior approval.

There is also question as to whether the initial 100-bed hospital is truly an academic hospital. It is suggested the hospital be named to clearly describe the exact nature of the hospital and then once it achieves academic status return to this Board to modify the designation.

It is further recommended that this resolution be effective on the date all administrative or judicial review of the CON has concluded and a Final CON is issued to the Company.

Taken as a whole, approval of the Project is recommended by Board staff.

Supporting Documentation Included: Information located in the Facilities Committee materials.

STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
March 30, 2017

SUBJECT: Strategies for Improving 2+2 Articulation

PROPOSED BOARD ACTION

Consider approval of three strategies for improving 2+2 articulation.

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution

BACKGROUND INFORMATION

Since March 2016, the Board of Governor's Select Committee on 2+2 Articulation has reviewed the statewide articulation law and policies, the pipeline of AA students coming to the State University System (SUS) from the Florida College System (FCS), and the performance of AA students within the SUS. For nine months, the Committee engaged in an intensive review of current 2+2 programs, including issues associated with the academic transition, the admissions process, the cultural transition, and information on AA graduates. In January 2017, the Committee held a workshop to discuss additional issues focused on the need to improve information about potential pathways and course sequences, especially for high school students in dual enrollment programs. The Committee also identified solutions that address the most critical issues for inclusion in the Committee's implementation plan.

At its March 2017 meeting, the Select Committee on 2+2 approved three strategies to improve transfer and articulation and a tentative staff plan for implementing the strategies. Committee Chair Alan Levine will provide a recommendation for the three strategies to the full Board of Governors for consideration.

Supporting Documentation Included: Included in Select Committee on 2+2 Articulation Materials

STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
March 30, 2017

SUBJECT: State University System 2015-2016 Annual Accountability Report

PROPOSED BOARD ACTION

Consider approval of the State University System 2015-2016 Annual Accountability Report

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution; Board Regulation 2.002

BACKGROUND INFORMATION

The 2015-2016 Annual Accountability Report contains narrative and metrics on the progress made toward Board of Governors Strategic Plan goals. Among other information, the Report contains examples of key achievements, as well as information and metrics regarding enrollments, degrees awarded, retention and graduation, distance learning, degree productivity in key discipline areas, academic program quality, research and commercialization, funding and expenditures, and other efficiency metrics and activities.

The System Report's Executive Summary and individual university reports are available at: http://www.flbog.edu/resources/accountability/2015-16_accountability.php.

At the Strategic Planning Committee's March 2017 meeting, Vice Chancellor Ignash made a presentation with regard to key metrics in the 2015-2016 Annual Accountability Report. Committee Chair Ed Morton will provide a recommendation to the full Board of Governors for consideration.

Supporting Documentation Included: Included in Strategic Planning Committee Materials

STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
March 30, 2017

SUBJECT: Appointment of University Trustee

PROPOSED BOARD ACTION

Appointment of University Trustee

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution; Board of Governors Trustee Selection and Reappointment Process

BACKGROUND INFORMATION

Florida International University has a trustee vacancy for a term that ended on January 6, 2016.

In accordance with the University Board of Trustee Selection and Reappointment Process, the vacancies were posted for the public on the Board's website and a number of applications were received.

Governor Kuntz, Governor Lautenbach, and Governor Huizenga independently reviewed the applications and made a recommendation to the full Committee.

Supporting Documentation Included: None