

EXECUTIVE SUMMARY

We audited Performance Funding Data Integrity as of September 30, 2017. This audit was part of our approved 2017/18 audit work plan, conducted in accordance with a Board of Governors (BOG) directive to audit university processes that ensure the completeness, accuracy, and timeliness of data submissions. Our specific objectives were to:

- Verify the appointment of the Data Administrator by the UWF President.
- Evaluate (by testing data accuracy) the processes and controls used by the Data Administrator and data custodians to ensure the completeness and accuracy of data submitted to the Board of Governors.
- Verify timely submissions of data files to the BOG.
- Assess the consistency of data submissions with BOG data definitions and guidance.
- Confirm the reporting to the BOG of all critical data errors.

Audit fieldwork began on September 21, 2017, and ended on November 2, 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 standards.

BACKGROUND

The 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.

Key components of the 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 analyses 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 would come from each university's recurring state base appropriation.

The results of this audit provide a basis for the University President and the Chairman of the Board of Trustees to complete the BOG "Data Integrity Certification," which is used to certify that all data submitted are reliable, accurate, and complete.

Notable Strengths

The Institutional Research department and the Lead Scientific Analyst from Academic Affairs collaborate to ensure that data for files submitted to the BOG are pulled correctly and accurately from the database. Reports are created, reviewed for errors, and corrected before submission to the BOG. During the past year, the two offices began running data reports more frequently and earlier in order to identify errors sooner in the process, make corrections timely, and prevent late report submissions. This also assisted the data functional users by providing more time to complete data updates.

Email reminders are generated automatically and sent to data functional leaders at 30, 10, and 5 days prior to submissions deadlines. This is a new process to assist data owners with planning and to minimize the risk of late or erroneous reporting of data files.

KEY OBSERVATIONS

We found that in general internal controls were strong, yet we make the following observations:

1. BOG Regulation 3.007 "State University System Management Information System" describes the appointment of an Institutional Data Administrator, who certifies and manages the submission of data to the State University System management information system (including data used in the Performance Based Funding Metrics calculations). This person is to be formally appointed by the

University President. We found that the most current appointment was made by letter to the BOG from the former UWF president in September 2014. With the transition to a new President in January 2017, this document might not be sufficient to demonstrate compliance with the BOG Regulation.

2. A departmental business continuity plan is a critical component of disaster recovery planning. We found that ITS had developed an ITS Disaster Recovery Plan that addressed many of the essential elements. A key component of a departmental business continuity plan is for trustees of critical data to ensure that data recovery is properly prioritized in the event of a disaster by defining recovery time and recovery point objectives for their systems. In our discussions with the Offices of Admissions, Registrar, and Financial Aid, it was noted that this information had not been developed and communicated to ITS. This process would be facilitated if a standard Business Continuity Plan template existed to aid in the development of department plans, but we found such a tool had not been developed by ITS.

We appreciate the cooperation, professionalism, and responsiveness of the employees who were involved in the audit.

Respectfully submitted,

Cindy Talbert

Cindy Talbert, CIA, CICA, CPA
Interim Internal Audit Director

Recommended Management Actions

1. In order to ensure compliance with BOG Regulation 3.007, the current President should formalize in writing her appointment of the Institutional Data Administrator.
2. We recommend that ITS coordinate the creation and dissemination of a standard Department Business Continuity Template. This template should be used to formalize the plans in writing and to facilitate coordination with the appropriate department representatives regarding the expectations of these plans. We also recommend that the offices of Admissions, Registrar, and Financial Aid, each develop Departmental Business Continuity Plans, to augment the ITS University Disaster Recovery plan by completing the template developed by ITS.

REPORT PROVIDED TO THE FOLLOWING:

Dr. Martha Saunders, President
Mort O'Sullivan, Chair BOT
Bob Jones, Chair Audit & Compliance Committee
Dick Baker, Audit & Compliance Committee
Dr. George Ellenberg, Provost/Sr. Vice President
Dr. Joffrey Gaymon, Vice President
Betsy Bowers, Interim Vice President
Pamela Langham, General Counsel
Melanie Haveard, ITS Executive Director/CTO
Keith King, Institutional Research Director
Colleen Asmus, Associate Vice President
Shelly Blake, AVP Budgets & Financial Planning
Kelly Brundage, Registrar
Shana Gore, Financial Aid Director
Katie Condon, Admissions Director
Jaime Hoelscher, Manager, FL Auditor General
Ken Danley, Supervisor, FL Auditor General
Joe Maleszewski, BOG Chief Inspector General
Lori Clark, BOG Compliance and Audit Specialist
Rebecca Luntsford, BOT Liaison

MANAGEMENT RESPONSES TO RECOMMENDATIONS

Recommendation #1

Management Response:

The President will sign a new letter appointing a Data Base Administrator (DBA).

Responsible Party:

Dr. George Ellenberg, Executive Vice President and Provost

Targeted Implementation Date:

January 23, 2018

Recommendation #2

Management Response:

ITS will coordinate the creation and dissemination of a standard Department Business Continuity Template. The offices of Admissions, Registrar, and Financial Aid will each develop Departmental Business Continuity Plans using the standard Department Business Continuity Template and post them within the Business Process Library.

Responsible Parties:

Dr. Joffrey Gaymon, Vice President, Enrollment and Student Affairs

Melanie Haveard, Executive Director and CTO

Targeted Implementation Date:

March 30, 2018

**UNIVERSITY of
WEST FLORIDA**

Internal Auditing & Compliance

February 27, 2018

Mr. Joe Maleszewski
Inspector General, State University System of Florida
Board of Governors
325 West Gaines Street, Suite 1614
Tallahassee, FL 32399-0400

Re: Data Integrity Certification Process and Audit

Dear Mr. Maleszewski:

We have completed an internal audit of Performance Funding Data Integrity, as instructed by Board of Governors' Chair Tom Kuntz in his letter to our Chairman of the Board of Trustees and President, dated June 30, 2017. The audit report was approved by the Board of Trustees on February 15, 2018. A copy of the audit report is attached.

The Data Integrity Certification attached to Chair Kuntz's letter dated June 30, 2017 was reviewed and approved by the Board of Trustees on February 15, 2018. It was signed by Chairman of the Board of Trustees Mort O'Sullivan and President Martha Saunders. A copy of the signed certification is attached.

Sincerely,



Cynthia Talbert
Interim Internal Audit Director

Attachments (2)

cc:
BOT Chairman Mort O'Sullivan
President Martha Saunders
Provost/Sr. Vice President George Ellenberg



Performance Based Funding

March 2018 Data Integrity Certification

Name of University: University of West Florida


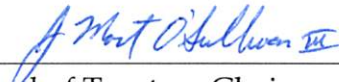
INSTRUCTIONS: Please respond "Yes" or "No" for each representation below. Explain any "No" responses to ensure clarity of the representation you are making to the Board of Governors. Modify representations to reflect any noted audit findings.

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.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
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.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
3. In accordance with Board of Governors Regulation 1.001(3)(f), 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.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
4. In accordance with Board of Governors Regulation 3.007, my university shall provide accurate data to the Board of Governors Office.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
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.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
6. In accordance with Board of Governors Regulation 3.007, I have tasked	<input checked="" type="checkbox"/>	<input type="checkbox"/>	

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 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.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
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.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
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."	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
10. I am responsible for taking timely and appropriate preventive / corrective actions for deficiencies noted through reviews, audits, and investigations.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
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.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
I certify that all information provided as part of the Board of Governors Performance Based Funding Data Integrity			

Performance Based Funding Data Integrity Certification

Performance Based Funding Data Integrity Certification Representations			
Representations	Yes	No	Comment / Reference
<p>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.</p> <p>Certification: <u></u> Date <u>2.26.18</u></p> <p style="margin-left: 100px;">President</p>			
<p>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.</p> <p>Certification: <u></u> Date <u>2/15/18</u></p> <p style="margin-left: 100px;">Board of Trustees Chair</p>			