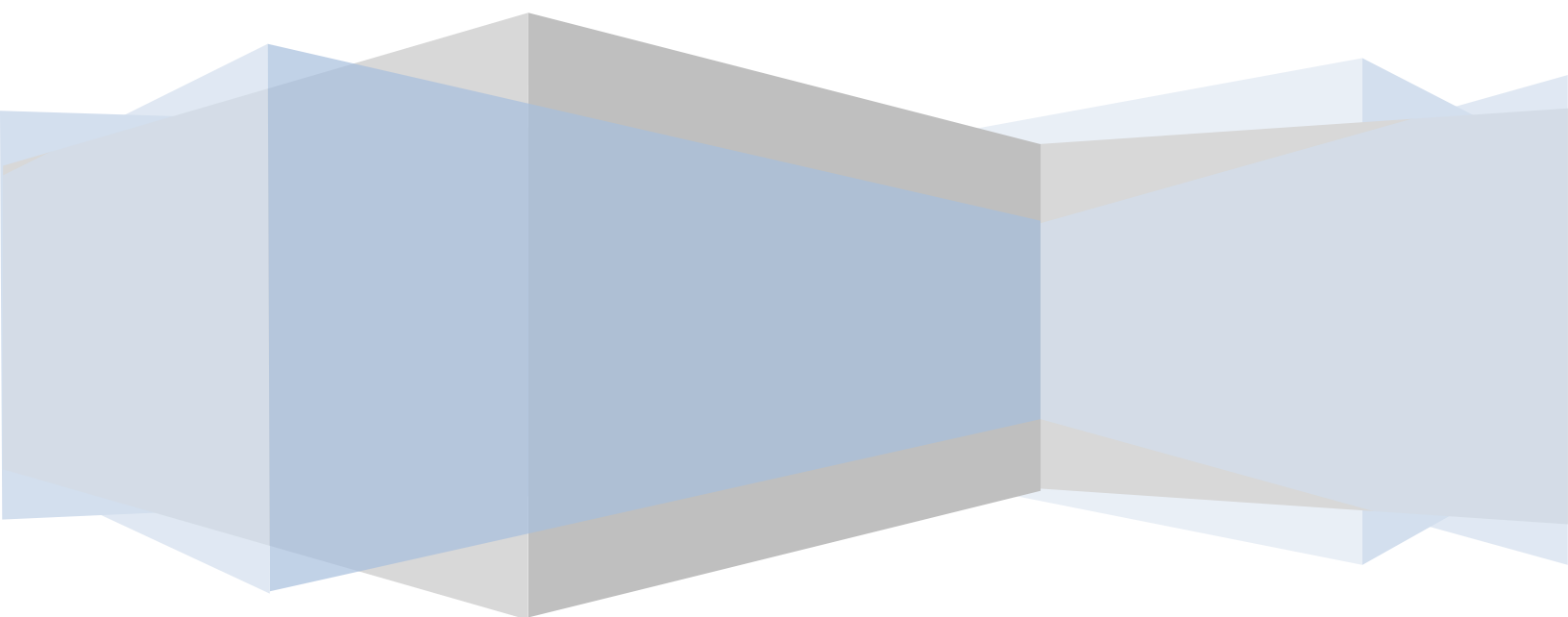


Florida Gulf Coast University

Performance Based Funding Data Integrity

Internal Audit Report

Report Date: January 26, 2022



PERFORMANCE BASED FUNDING DATA INTEGRITY 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 place to ensure the completeness, accuracy, and timeliness of the data submissions to the BOG which support the University's Performance Based Funding Metrics.

Audit procedures included, but were not limited to, the evaluation of internal controls, processes, and procedures established to ensure the completeness and accuracy of data submissions to the Board of Governors, which support performance measures funding. Additionally, limited testing with a confidence level of 95% was performed of data elements comprising the Student Instruction File (SIF), Degree Awarded (SIFD), Hours to Degree (HTD), Retention (RET), Student Financial Aid (SFA) data submissions which are used in computations for Metrics 3, 4, 5, and 9 of the BOG performance based funding model.

Overall, our audit indicates that there are no significant deficiencies in the processes implemented by the University that relate to the integrity of data that supports the performance based funding model. The data testing provides reasonable assurance that the data submitted to the Board of Governors is complete, accurate and timely. We provided an update on the prior year observation and recommendation.

We wish to express our appreciation to the Data Administrator and the Office of Institutional Research and Analysis (IR) staff for their cooperation and assistance. Their knowledge was instrumental in the successful completion of the audit. We would also like to thank Information Technology Services, Office of Records and Registration, Undergraduate Admissions, Academic and Curriculum Support, and Financial Aid for their assistance.

This audit was conducted in accordance with the International Standards for the Professional Practice of Internal Auditing, issued by the Institute of Internal Auditors. The audit procedures provided a reasonable basis for our opinion and the following reportable observations and recommendations.

OBJECTIVES

- A. Determine whether there are effective internal controls, processes, and procedures to ensure the completeness, accuracy, and timeliness of data submissions to the Board of Governors, which support performance measures funding.
- B. Provide a reasonable basis of support for the President and Florida Gulf Coast University Board of Trustees (BOT) Chair to sign the representations included in the Performance Based Funding Data Integrity Certification, which will be submitted to the BOT and filed with the BOG by March 1, 2022.

AUDIT SCOPE – End of Fieldwork was January 25, 2022.

- Review of Section 1001.92, Florida Statutes.
- Review of Board of Governors Regulations 3.007 and 5.001.
- Review of applicable policies, procedures and control processes related to data submissions associated with performance data metrics.
- Review samples of relevant data submissions from October 1, 2020 to September 30, 2021. See Appendix A for the list of required submissions that relate to performance metrics during the audited time period.
- Detailed sample testing of data elements in the submissions submitted to the BOG was limited to the submissions files that support metrics 3, 4, 5, and 9. See Appendix B for metric definitions with supporting submissions and table elements for the tested metrics.

BACKGROUND

The 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 the Performance Funding Model which is based on ten performance metrics used to evaluate the institutions on a range of issues.

The 2020-2021 metrics are as follows:

1. Percent of Bachelor's Graduates Enrolled or Employed (\$25,000+) , One Year After Graduation
2. Median Wages of Bachelor’s Graduates Employed Full-time, One Year After Graduation
3. Cost to the Student, Net Tuition & Fees for Resident Undergraduates per 120 Credit Hours
4. Four Year FTIC Graduation Rate
5. Academic Progress Rate, 2nd Year Retention with GPA Above 2.0
6. Bachelor's Degrees within Programs of Strategic Emphasis
7. University Access Rate, Percent of Undergraduates with a Pell-grant
8. Graduate Degrees within Programs of Strategic Emphasis
9a. Two-Year Graduation Rate for FCS Associate in Arts Transfer Student
9b. Six-Year Graduation Rate for Students who are Awarded a Pell Grant in their First Year (BOG Choice Metric)
10. Bachelor’s Degrees Awarded to African-American and Hispanic Students (BOT Choice Metric)

According to information published by the BOG in March 2021, 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 augmented by an amount reallocated from the university system base budget. These "institutional base" funds are in turn, the cumulative recurring state appropriations the Legislature has appropriated to the BOG, and then from the BOG to each institution.

The highest point value for each metric is 10 points. All 10 of the metrics have equal weight. From a total possible 100 points, a university is required to earn at least 60 points to be eligible for the institutional investment.

The BOG 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 State University System (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 Performance Based Funding (PBF) metrics is the responsibility of the University's Data Administrator in IR, and is scheduled to be uploaded to SUDS based on the BOG's Due Date Master Calendar. Data uploaded to SUDS are subject to edit checks to help ensure consistency with BOG-defined data elements, and accuracy of the information submitted. Once IR is satisfied that any edit errors have been fully addressed, IR makes an official submission of data files to the BOG. This process is depicted further in Appendix C.

Each file submission by IR includes an electronic certification in which the University's Data Administrator certifies that the data represents the University for the term(s) being reported as required by BOG Regulation 3.007.

AUDIT PROCEDURES

Audit procedures were conducted to address the Data Integrity Certification Representations provided by the BOG. These procedures included, but were not limited to:

- Identifying and evaluating key processes used by the Data Administrator and applicable University departments responsible for the data to ensure the completeness, accuracy, and timeliness of data submissions to the BOG.
- Interviewing key personnel responsible for the data being reported and submitted to the BOG. Reviewing key internal controls and processes in place over data input, Banner access, 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.
- Verifying accuracy and completeness of the data submitted to the BOG for Metric 3, Cost to the Student; Metric 4, Four Year FTIC Graduation Rate; Metric 5, Academic Progress Rate, 2nd Year Retention with GPA Above 2.0; Metric 9a., Two-Year Graduation Rate for FCS

Associate in Arts Transfer Student and 9b. Six-Year Graduation Rate for Students who are Awarded a Pell Grant in their First Year

- Testing for Metrics 3, 4, 5 and 9 included data from 9 of 13 submissions during the audit period.

Submission Name/Description	Frequency of Submission	Elements Related to Tested Metrics	Sample Items	Elements Tested for This Submission
Student Instruction File (SIF)	Fall, Spring, Summer	14	60 x 3	2,520
Degree Awarded (SIFD)	Fall, Spring, Summer	1	60 x 3	180
Hours to Degree (HTD)	Annual	4	60	240
Retention (RET)	Annual	3	70	210
Student Financial Aid (SFA)	Annual	4	60	240

- This corresponded to a 95% confidence level for our testing. During the prior year, we tested the data submissions for a different group of Metrics (6,8,10), and to expand audit coverage, we selected a different set of Metrics to test this year. The population of the Retention submission is very small due to the limited available reasons for making Cohort adjustments, per page 4 of the BOG Performance Funding Metrics Methodology & Procedures document of September 1, 2020.
- Reviewing 2021 SUDS plan, metric definitions, and other key Performance Based Funding documents.
- Verifying submission files tested were submitted by the due date as identified on the SUDS website.
- Reviewing a current listing of all those individuals who have access to the SUDS system for appropriateness of access to the BOG’s application portal.
- Reviewing Banner access and termination procedures and quarterly Banner security reviews to determine whether controls are in place regarding access to Banner.

UPDATE TO PRIOR YEAR OBSERVATION AND RECOMMENDATION

1. Change Management

Prior Year Audit Observation

Institutional Research (IR), for state reporting purposes, maintains multiple programs that take institutional data and formats it to meet SUDS guidelines for submission. We found that IR did not maintain any formal written change management procedures for implementing changes to code within these programs.

Prior Year Audit Recommendation

While the testing of data submitted to the Board of Governors did not yield any unexplained exceptions, we recommended IR develop formal change management procedures for making changes to their programs. The goal of change management is to increase awareness and understanding of changes. Additionally, change management ensures all changes are made in a way that minimizes negative impact to the programs and ensures that the integrity of the data associated with the programs remains intact.

Updated Status from Management

Institutional Research provided evidence of sufficient progress in addressing the following items and is committed to continuous improvement going forward:

- Creating a naming standard for the production version of the artifacts (programs, crosswalks, reports and tables, etc.) used to complete state reporting.
- Maintaining a list of the programs, crosswalks, reports and tables for each state file and the location.
- Maintaining a log of any changes made to a production program, report, or table, with review and approval of the change by another IR team member.
- A comment section was added to each program for listing changes. At a minimum, this section includes the date, who made the change and a summary identifying the changes made.
- Each IR employee is using their own account for their programs, not a shared account for accountability.

Management Response Provided By: Dr. Aysegul Timur, Vice President and Vice Provost for Strategy and Program Innovation

CONCLUSION

In our opinion, based upon the work performed, the internal controls, processes and procedures in place to ensure the completeness, accuracy, and overall timeliness of data submissions that affect performance-based funding metrics are operating effectively.

We believe our audit can be relied upon by the President and the Florida Gulf Coast University Board of Trustees as a basis for certifying representations to the Board of Governors related to the integrity of data required for its Performance Based Funding Model.

Audit Performed by: Jena Valerioti, MBA, CIA, Internal Auditor III and Ron Tortorello, MSIA, CISA, Internal Auditor II

Audit Supervised and Reviewed by: William Foster, MBA, CPA, CIA, CGAP, CFE, CRMA, CCSA, CISA, Director, Internal Audit

APPENDIX A
METRIC RELATED SUBMISSIONS

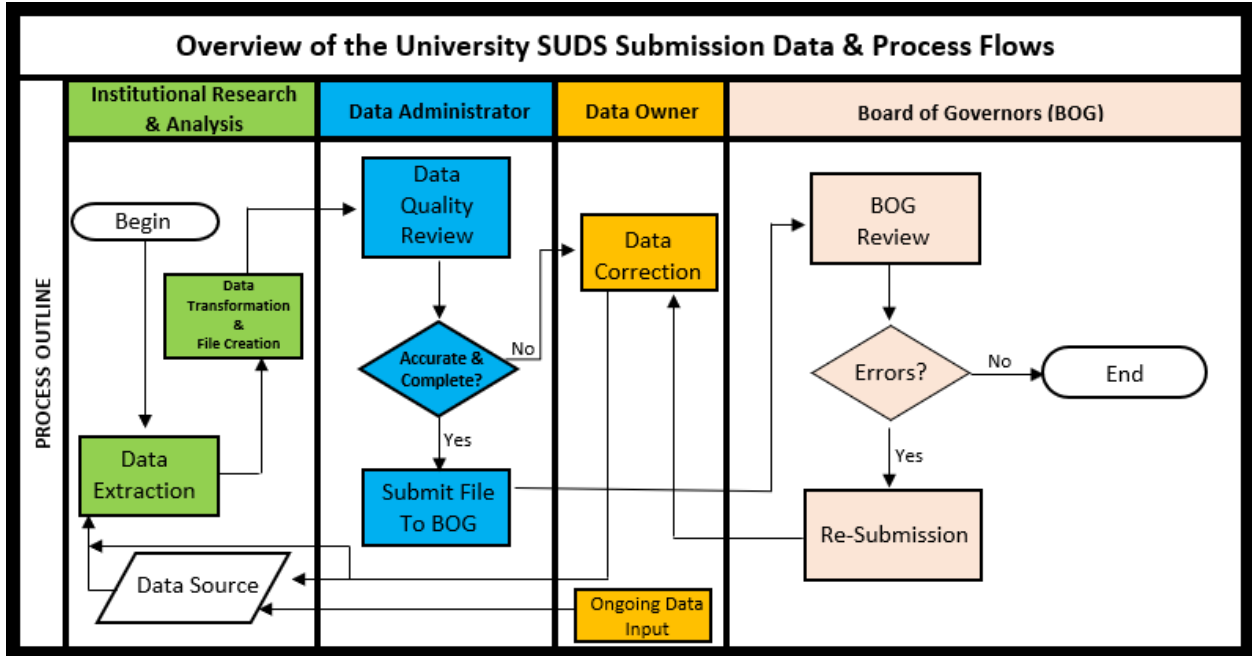
Due Date	Submission	Term or Year	Report Time Frame
10/2/2020	Degrees Awarded (SIFD)	Summer 2020	202005
10/16/2020	Student Financial Aid (SFA)	Annual 2019	20192020
10/12/2020	Admissions (ADM)	Fall 2020	202008
10/19/2020	Student Instruction File Preliminary (SIFP)	Fall 2020	202008
11/9/2020	Hours to Degree (HTD)	Annual 2019	20192020
1/15/2021	Student Instruction File (SIF)	Fall 2020	202008
1/29/2021	Retention (RET)	Annual 2019	20192020
1/25/2021	Degrees Awarded (SIFD)	Fall 2020	202008
3/1/2021	Admissions (ADM)	Spring 2021	202101
6/11/2021	Student Instruction File (SIF)	Spring 2021	202101
6/25/2021	Degrees Awarded (SIFD)	Spring 2021	202101
9/10/2021	Admissions (ADM)	Summer 2021	202105
9/24/2021	Student Instruction File (SIF)	Summer 2021	202105

APPENDIX B
METRIC DEFINITIONS WITH SUPPORTING SUBMISSIONS AND TABLE ELEMENTS

Metric	Definition	Submissions and Table Elements
<p>3. Cost to the Student: Net Tuition & Fees for Resident Undergraduates per 120 Credit Hours</p>	<p>This metric compares the average sticker price and the average gift aid amount. The sticker price includes: (1) tuition and fees for resident undergraduates; (2) books and supplies (we use a proxy as calculated by the College Board); and (3) the average number of credit hours attempted by students who were admitted as an FTIC student who graduated with a bachelor’s degree from a program that requires only 120 credit hours. The gift aid amount includes: (1) financial aid (grants, scholarships, waivers and third-party payments) provided to resident undergraduate students during the most recent academic year; (2) the total number of credit hours for those resident undergraduates. The average gift aid award per credit hour was multiplied by 120 and compared to the sticker price. Source: State University Database System (SUDS), the Legislature’s annual General Appropriations Act, and university required fees.</p>	<p>Submission: SFA Table: Financial Aid Awards Elements: 2040 - Award Payment Term 2037 - Term Amount 1253 - Financial Aid Award Program Identifier</p> <p>Submission: HTD Table: Courses to Degree Elements: 1459 - Section Credit 1484 - Course System Code 1485 - Course Grouping Code 1489 - Credit Hour Usage Indicator</p> <p>Submission: SIF Table: Enrollments Elements: 1106 - Fee classification 1060 - Student Classification Level Table: Fee Waivers Elements: 1107 - Fee classification-kind 1401 - Term amount</p>
<p>4. Four Year FTIC Graduation Rate</p>	<p>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 had graduated from the same institution by the summer term of their fourth year. FTIC includes ‘early admit’ students who were admitted as a degree-seeking student prior to high school graduation. Students who were enrolled in advanced graduate programs during their 4th year were excluded. Source: State University Database System (SUDS).</p>	<p>Submission: SIFD Table: Degrees Awarded Elements: 2001 - Reporting Time Frame</p> <p>Submission: SIF Table: Enrollments Elements: 1060 - Student Classification Level 1063 - Current Term Course Load 1067 - Last Institution Code 1112 - Degree Highest Held 1107 - Fee Classification Kind 1420 - Date of Most Recent Admission 1413 - Type of Student at Time of Most Recent Admission 1433- Full-time/Part-time Indicator 1411 - Institution Granting Highest Degree 1801 - University GPA (CUM & TERM) 1086 - Total Institutional Grade Points 1085 - Institutional Hours for GPA</p> <p>Submission: Retention Table: Retention Cohort Changes Elements:</p>

		1429 - Cohort Type 1437 - Student-Right-To-Know (SRK) Flag 1442 - Cohort Adjustment Flag
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 next Fall term with 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).	Metrics 4, 5, 9 utilize the same submissions and elements.
9a. Two-Year Graduation Rate for FCS Associate in Arts Transfer Student	This transfer cohort is defined as undergraduates entering in fall term (or summer continuing to fall) from the Florida College System with an Associate in Arts (AA) degree. The rate is the percentage of the initial cohort that has either graduated from the same institution by the summer term of their second academic year. Full-time students are used in the calculation. Students who were flagged as enrolled in advanced graduate programs that would not earn a bachelor's degree were not excluded. Source: State University Database System (SUDS)	Metrics 4, 5, 9 utilize the same submissions and elements.
9b. Six-Year Graduation Rate for Students who are Awarded a Pell Grant in their First Year	This metric is based on the percentage of students who started in the Fall (or summer continuing to Fall) term and were enrolled full-time in their first semester and who received a Pell Grant during their first year and who graduated from the same institution by the summer term of their sixth year. Students who were flagged as enrolled in advanced graduate programs that would not earn a bachelor's degree were excluded. Source: State University Database System (SUDS).	Metrics 4, 5, 9 utilize the same submissions and elements.

APPENDIX C





Data Integrity Certification

March 2022

University Name: Florida Gulf Coast 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 **material or significant** audit findings.

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 and Preeminence or Emerging-preeminence Status.	<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 provided 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"/>	

Data Integrity Certification

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, and data definitions provided by the Board Office.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
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 Board of Governors' and statutory requirements for the use of data related to the Performance-based Funding initiative and Preeminence or Emerging-preeminence status consideration will drive university policy on a wide range of university operations – from admissions through graduation. I certify that university policy changes and decisions impacting data used for these purposes 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 the related metrics.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	

