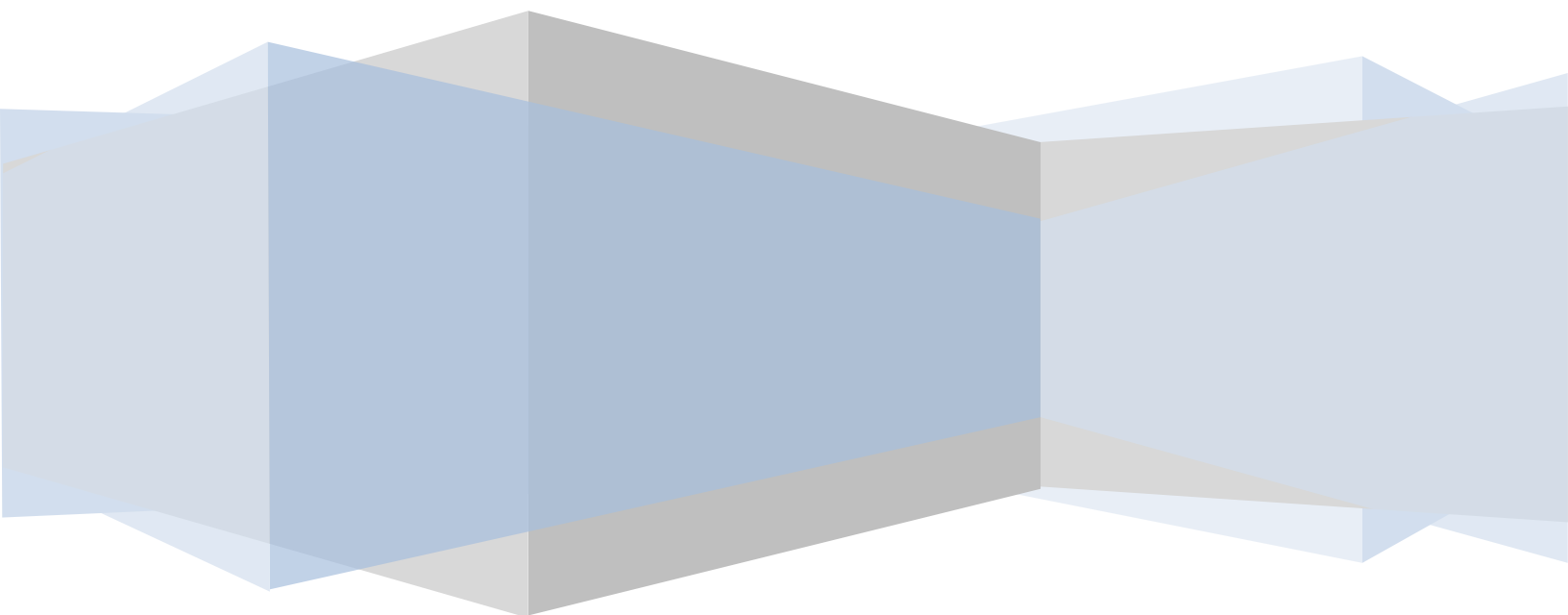


Florida Gulf Coast University

Performance Based Funding Data Integrity

Internal Audit Report

Report Date: January 19, 2024



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) and Degree Awarded (SIFD) data submissions which are used in computations for Metrics 6, 8, and 10 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.

Effective January 3, 2023, the long-standing Data Administrator retired and a new Institutional Data Administrator was appointed by the President. We wish to express our appreciation to the Data Administrator and the Office of Institutional Research and Analysis (IR) staff for their continued cooperation and assistance during this transition. Their knowledge was instrumental in the successful completion of the audit. In addition to their knowledge, it should be noted that Internal Audit has seen growth and ownership over the past audit cycles that has led to a more robust and enhanced processes utilized by Institutional Research. This growth could not have been done without clear executive management and support staff providing the effort. Internal audit would like to thank Institutional Research for all their help in growing this process.

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, 2024.

AUDIT SCOPE – End of Fieldwork was January 9, 2024.

- 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, 2022 to September 30, 2023. 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 6, 8, and 10. See Appendix B for metric definitions with supporting submissions and table elements for the tested metrics.
- Test of completeness of Pell grants, admitted students, degrees awarded and enrollment.

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 2022-2023 metrics are as follows:

1. Percent of Bachelor's Graduates Enrolled or Employed (\$40,000+), 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. Three-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. Number of Bachelor’s Degrees Awarded to Hispanic and African-American Students (BOT Choice Metric)

According to information published by the BOG in January 2023, 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, with the exception of metric 9a. and 9b which have a highest point value of 5 points each. All 10 of the metrics have equal weight. There is a maximum of 100 possible points.

PBF Points	Plans	State Investment	Institutional Investment
70 and above (If 2 flat or down years only)	Student Success	Eligible 100%	Eligible 100%
60 - 69	Student Success	Eligible 50%	Eligible 100%
Below 60	Improvement	Eligible 50%	Eligible 100% (1 time only)

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 the accuracy of the data submitted to the BOG for Metric 6, Bachelor's Degrees within Programs of Strategic Emphasis; Metric 8, Graduate Degrees within Programs of Strategic Emphasis; and Metric 10, Number of Bachelor Degrees Awarded to Hispanic and African-Americans.
- Verifying the completeness of data files submitted for Pell grants, admitted students, degrees awarded and enrolled students.
- Testing for Metrics 6, 8 and 10 included data from 6 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	9	60 x 3	1620
Degree Awarded (SIFD)	Fall, Spring, Summer	8	60 x 3	1440

- 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 (1, 2, and 7), and to expand audit coverage, we selected a different set of Metrics to test this year.
- Reviewing 2023 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 controls related to the access and provisioning of users associated with the SUDS System. This included reviewing the current processes utilized to grant and remove access in addition to reviewing the access controls surrounding the authorization of users

logging in to the system. Furthermore, IA reviewed 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 current change management processes utilized for the correction of data and modification of code utilized to pull current data for the Performance Based Funding Metrics.
- Reviewing Banner access and termination procedures and quarterly Banner security reviews to determine whether controls are in place regarding access to Banner.

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, Ron Tortorello, MSIA, CISA, Internal Auditor III

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

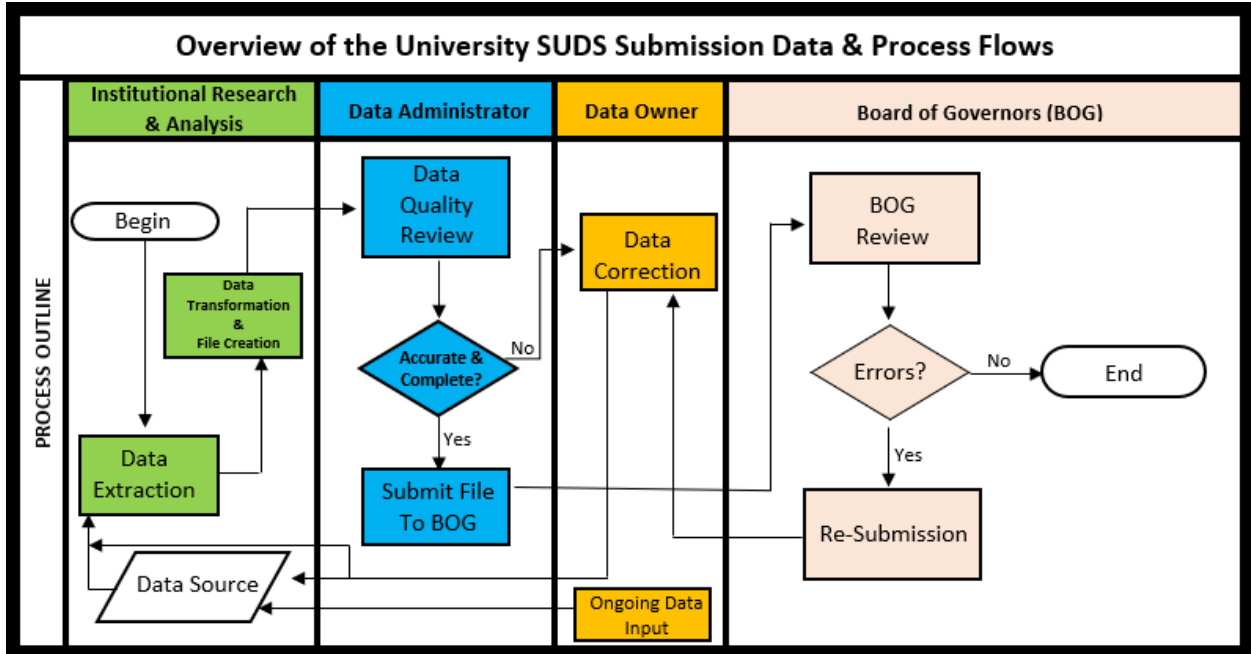
APPENDIX A
METRIC RELATED SUBMISSIONS

Due Date	Submission	Term or Year	Report Time Frame
10/7/2022	Degrees Awarded (SIFD)	Summer 2022	202205
10/21/2022	Student Financial Aid (SFA)	Annual 2022	20212022
10/28/2022	Admissions (ADM)	Fall 2022	202208
11/4/2023	Student Instruction File Preliminary (SIFP)	Fall 2022	202208
12/2/2022	Hours to Degree (HTD)	Annual 2022	20212022
1/13/2023	Student Instruction File (SIF)	Fall 2022	202208
1/20/2023	Degrees Awarded (SIFD)	Fall 2022	202208
1/27/2023	Retention (RET)	Annual 2022	20212022
3/10/2023	Admissions (ADM)	Spring 2023	202301
6/9/2023	Student Instruction File (SIF)	Spring 2023	202301
6/30/2023	Degrees Awarded (SIFD)	Spring 2023	202301
9/8/2023	Admissions (ADM)	Summer 2023	202305
9/22/2023	Student Instruction File (SIF)	Summer 2023	202305

APPENDIX B
METRIC DEFINITIONS WITH SUPPORTING SUBMISSIONS AND TABLE ELEMENTS

Metric	Definition	Submissions and Table Elements
6. Bachelor's Degrees within Programs of Strategic Emphasis	<p>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).</p> <p>Source: State University Database System</p>	<p>Submission: SIFD Table: Degrees Awarded 01081 – Degree – Level Granted 01082 – Degree Program Category 01083 – Degree Program Fraction of Degree Granted 01045 – Reporting Institution 01412 – Term Degree Granted 02015 – Major Indicator 01095 – University Identifier 02001 – Reporting Time Frame</p>
8. Graduate Degrees within Programs of Strategic Emphasis	<p>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).</p> <p>Source: State University Database System</p>	<p>Metric 6 and 8 utilize the same submissions.</p>
10c. Number of Bachelor Degrees Awarded to Hispanic& African-Americans (FGCU Only)	<p>Race/Ethnicity data is self-reported by students to the university. Non-Hispanic Black and Hispanic do not include students classified as Non-Resident Alien or students with a missing race code. Degree data is based on first-major counts only; second majors are not included.</p> <p>Source: State University Database System</p>	<p>Submission: SIF Table: Person Demographic 1044- Racial/Ethnic Group 1491- Hispanic or Latino 1492- American Indian/Alaska Native 1493- Asian 1494- Black or African America 1495- Native Hawaiian or Other Pacific Islander 1496- White 2043- Non-resident Alien Flag 1497- No Race Reported</p>

APPENDIX C





Data Integrity Certification

March 2024

In accordance with Board of Governors Regulation 5.001(8), university presidents and boards of trustees are to review, accept, and use the annual data integrity audit to verify the data submitted for implementing the Performance-based Funding model complies with the data definitions established by the Board of Governors.

Given the importance of submitting accurate and reliable data, boards of trustees for those universities designated as preeminent or emerging preeminent are also asked to review, accept, and use the annual data integrity audit of those metrics to verify the data submitted complies with the data definitions established by the Board of Governors.

Applicable Board of Governors Regulations and Florida Statutes: Regulations 1.001(3)(f), 3.007, and 5.001; Sections 1.001.706, 1001.7065, and 1001.92, Florida Statutes.

Instructions: To complete this certification, university presidents and boards of trustees are to review each representation in the section below and confirm compliance by signing in the appropriate spaces provided at the bottom of the form. Should there be an exception to any of the representations, please describe the exception in the space provided.

Once completed and signed, convert the document to a PDF and ensure it is ADA compliant. Then submit it via the Chief Audit Executives Reports System (CAERS) by the **close of business on March 1, 2024**.

University Name: Florida Gulf Coast University

Data Integrity Certification Representations:

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.
2. 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.
3. In accordance with Board of Governors Regulation 3.007, my university provided accurate data to the Board of Governors Office.

Data Integrity Certification, March 2024

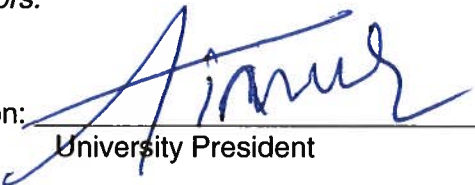
4. In accordance with Board of Governors Regulation 3.007, I have tasked my Data Administrator to ensure the data file (prior to submission) is consistent with the criteria established by the Board of Governors. The due diligence includes performing tests on the file using applications, processes, and data definitions provided by the Board Office. A written explanation of any identified critical errors was included with the file submission.
5. 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.
6. I am responsible for taking timely and appropriate preventive/ corrective actions for deficiencies noted through reviews, audits, and investigations.
7. 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.
8. I certify that I agreed to the scope of work for the Performance-based Funding Data Integrity Audit and the Preeminence or Emerging-preeminence Data Integrity Audit (if applicable) conducted by my chief audit executive.
9. In accordance with section 1001.706, Florida Statutes, I certify that the audit conducted verified that the data submitted pursuant to sections 1001.7065 and 1001.92, Florida Statutes [regarding Preeminence and Performance-based Funding, respectively], complies with the data definitions established by the Board of Governors.

Exceptions to Note: None noted.

Data Integrity Certification, March 2024

Data Integrity Certification Representations, Signatures:

I certify that all information provided as part of the Board of Governors Data Integrity Certification for Performance-based Funding and Preeminence or Emerging-preeminence status (if applicable) 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: 
University President

Date: 02/09/2024

I certify that this Board of Governors Data Integrity Certification for Performance-based Funding and Preeminence or Emerging-preeminence status (if applicable) has been approved by the university board of trustees and is true and correct to the best of my knowledge.

Certification: 
University Board of Trustees Chair

Date: 2/8/24