

**Performance-Based Funding Metrics
Data Integrity Audit**



**OFFICE OF AUDIT &
ADVISORY SERVICES**

**Office of Audit and Advisory Services
Report #AR26-02**

**Undra Baldwin, Chief Audit Officer
January 7, 2026**

Table of Contents

1. EXECUTIVE SUMMARY	3
A. Background	3
B. Objectives and Scope.....	4
C. Standards.....	4
D. Overall Conclusion.....	4
2. APPENDIX A - PERFORMANCE-BASED FUNDING METRICS DATA SOURCES.....	5
3. APPENDIX B - AUDIT RATINGS.....	7

EXECUTIVE SUMMARY

A. Background

In 2014, the Florida Board of Governors (BOG) approved the Performance-Based Funding (PBF) model. The model includes 10 PBF Metrics that evaluate Universities within the State University System (SUS) of Florida on a range of areas (e.g., graduation rates, job placement, academic progress rate). PBF Metric 10 (see description below) is a choice Metric that was selected by Florida State University's (FSU) Board of Trustees (BOT) and focuses on areas of improvement or the specific mission of the University. The remaining PBF Metrics are common to all Universities.

The 10 PBF Metrics¹ consist of the following:

- Metric 1: Percent of Bachelor's Graduates Enrolled or Employed One Year After Graduation
- Metric 2: Median Wages of Bachelor's Graduates Employed One Year After Graduation
- Metric 3: Average Cost to the Student (Net Tuition & Fees per 120 Credit Hours for Resident Undergraduates)
- Metric 4: Four-Year Graduation Rate – Full-time, First Time in College (FTIC) Students
- Metric 5: Academic Progress Rate (Second Fall Retention Rate with at Least 2.0 GPA for Full-Time, FTIC Students)
- Metric 6: Percentage of Bachelor's Degrees Awarded within Programs of Strategic Emphasis
- Metric 7: University Access Rate (Percent of Undergraduates with a Pell Grant)
- Metric 8: Percentage of Graduate Degrees Awarded within Programs of Strategic Emphasis
- Metric 9a: Three-Year Graduation Rate - Florida College System (FCS) Associate in Arts Degree (AA) Transfer Students
- Metric 9b: Six-Year Graduation Rate - FTIC Pell Recipient Students
- Metric 10: Number of Bachelor's Graduates who passed an Entrepreneurship Class

Florida Statutes 1001.706, Powers and Duties of the BOG, requires the BOG to define the data components and methodology used to implement Florida Statutes 1001.92, SUS Performance-Based Incentive, and requires each University to conduct an annual audit to verify that the data submitted pursuant to Florida Statutes 1001.92 complies with the data definitions established by the BOG. The BOG has provided methodology documents for all PBF Metrics common to the Universities. The calculations of the PBF Metrics are based on data submitted through the State University Database System. See **Appendix A** for the complete list of data files used for the calculation of each PBF Metric.

¹ In November 2025, the BOG approved a new PBF Model that will become effective in 2027.

B. Objectives and Scope

The specific objectives of this audit were to:

1. Determine whether the processes established by FSU ensure the completeness, accuracy, and timeliness of data submissions to the BOG, in support of the PBF Metrics.
2. Provide an objective basis of support for the President and BOT Chairman to sign the representations made in the Performance-Based Funding Metrics/Preeminent Research University Funding Metrics Data Integrity Certification Letter.

The scope of this audit covered data submissions to the BOG from January 2024 through September 2025.

Based on previous audit results and our assessment of PBF Metrics with the highest risks, we selected the following Metrics for testing:

- Metric 1: Percent of Bachelor's Graduates Enrolled or Employed One Year After Graduation
- Metric 2: Median Wages of Bachelor's Graduates Employed One Year After Graduation
- Metric 4: Four-Year Graduation Rate – Full-time, First Time in College (FTIC) Students
- Metric 7: University Access Rate (Percent of Undergraduates with a Pell Grant)
- Metric 10: Number of Bachelor's Graduates who passed an Entrepreneurship Class

C. Standards

This audit was conducted in accordance with the *Global Internal Audit Standards*. These standards require that audit departments plan and perform the audit to obtain sufficient, reliable, relevant, and useful evidence. It is our opinion that the evidence obtained during our review provides a basis for the findings and conclusions noted in this report.

D. Overall Conclusion

Overall, it appears that FSU has established adequate controls and processes to:

1. Ensure the completeness, accuracy, and timeliness of data submissions to the BOG, which support FSU's PBF Metrics.
2. Support the President and BOT Chairman's affirmation of the representations in the Data Integrity Certification Letter.

APPENDIX A – PERFORMANCE-BASED FUNDING METRICS DATA SOURCES

Metric	Description	Data Source Submitted to BOG	Applicable University
1	Percent of Bachelor's Graduates Enrolled or Employed One Year After Graduation	BOG Submission File – Degrees Awarded File (SIFD)	All SUS Universities
2	Median Wages of Bachelor's Graduates Employed One Year After Graduation	BOG Submission File – SIFD	All SUS Universities
3	Average Cost to Student (Net Tuition & Fees per 120 Credit Hours for Resident Undergraduates)	BOG Submission Files – Student Instruction File (SIF), Student Financial Aid File (SFA), Hours to Degree File (HTD)	All SUS Universities
4	Four-Year Graduation Rate (Full-time, FTIC Students)	BOG Submission Files – SIF, SIFD, Retention File	All SUS Universities
5	Academic Progress Rate (Second Fall Retention Rate with at Least 2.0 GPA for Full-Time, FTIC Students)	BOG Submission Files – Fall SIF – two consecutive terms	All SUS Universities
6	Percentage of Bachelor's Degrees Awarded within Programs of Strategic Emphasis	BOG Submission Files – SIFD	All SUS Universities
7	University Access Rate	BOG Submission Files – SIF, SFA	All SUS Universities
8	Percentage of Graduate Degrees Awarded within Programs of Strategic Emphasis	BOG Submission Files – SIFD	All SUS Universities
9a	Three-Year Graduation Rate – FCS AA Transfer Students	BOG Submission Files – SIF, SIFD, Retention File	All SUS Universities
9b	Six-Year Graduation Rate – FTIC Pell Recipient Students	BOG Submission File – SIF, SIFD, SFA, Retention File	All SUS Universities

Metric	Description	Data Source Submitted to BOG	Applicable University
10	Number of Bachelor's Graduates who passed an Entrepreneurship Class	Provided to the BOG by Institutional Research	FSU

Note: The PBF Model includes 10 Metrics that evaluate Universities within the SUS of Florida on a range of issues. The first 9 Metrics are the same for each University. The 10th Metric is FSU-specific as it is chosen by each University's BOT.

APPENDIX B – AUDIT RATINGS

Material:

- Violation of policies/procedures/laws and/or unacceptable level of internal controls that either does or could pose an unacceptable level of exposure to the University.
- Issue(s) could have a high impact on the University.
- Major opportunities to improve effectiveness and efficiency exist.
- Immediate corrective action by management is required.

Significant:

- Violation of policies/procedures/laws and/or lack of internal controls that either do or could pose a substantial level of exposure to the University.
- Issue(s) could have a medium impact on the University.
- Substantial opportunities to improve effectiveness and efficiency exist.
- Prompt corrective action by management is essential to address the noted concern(s) and reduce the risk(s) to the University.

Moderate:

- Violation of policies/procedures/laws and/or lack of internal controls that either do or could pose a moderate level of exposure to the University.
- Issue(s) identified are either (a) not likely but could have a medium impact on the University or (b) likely and could have a low impact on the University.
- Notable opportunities to improve effectiveness and efficiency exist.
- Corrective action is needed by management to address the noted concern and reduce risks to a more desirable level.

Preeminent Research University Funding Metrics Audit



OFFICE OF AUDIT & ADVISORY SERVICES

**Office of Audit and Advisory Services
Report #AR26-03**

**Undra Baldwin, Chief Audit Officer
January 7, 2026**

Table of Contents

1. EXECUTIVE SUMMARY	3
A. Background	3
B. Objectives and Scope	4
C. Standards	4
D. Overall Conclusion.....	5
2. APPENDIX A - PREEMINENT RESEARCH UNIVERSITY FUNDING METRICS DATA SOURCES.....	6
3. APPENDIX B - AUDIT RATINGS.....	7

EXECUTIVE SUMMARY

A. Background

In 2013, the Florida Board of Governors (BOG) voted to designate Florida State University (FSU) as a Preeminent State University. Florida Statutes 1001.7065, Preeminent State Research Universities Program, details the 13 academic and research excellence standards established for the program. FSU's performance results related to the Preeminent Research University Funding (PRF) Metrics are reported annually in the Accountability Plan. Universities are eligible for Emerging Preeminent status if they meet 7 of 13 PRF Metrics, and for Preeminent status if they meet 12 of 13 Metrics¹. FSU met all 13 benchmark Metrics in the State University System of Florida 2025 Accountability Plan.

The 13 PRF Metrics consist of the following:

- Metric A: Average Grade Point Average (GPA) and SAT Score
- Metric B: Public University National Rankings
- Metric C: Freshman Retention Rate
- Metric D: Four-Year Graduation Rate
- Metric E: National Academy Memberships
- Metric F: Total Annual Research Expenditures (\$M)
- Metric G: Total Annual Non-Medical Science and Engineering Research Expenditures (\$M)
- Metric H: Number of Broad Disciplines Ranked in Top 100 for Research Expenditures
- Metric I: Utility Patents Awarded
- Metric J: Doctoral Degrees Awarded Annually
- Metric K: Number of Post-Doctoral Appointees
- Metric L: Endowment Size (\$M)
- Metric M: Total Annual Science and Engineering Research Expenditures (\$M)

¹ Florida State University, Florida International University, University of Florida, and University of South Florida are designated as "Preeminent Research Universities". The University of Central Florida is currently recognized as having Emerging Preeminent status, but is expected to be formally approved by the BOG as a "Preeminent Research University" in June 2026.

Florida Statutes 1001.706, Powers and Duties of the BOG, requires the BOG to define the data components and methodology used to implement Florida Statutes 1001.7065 and requires each University to conduct an annual audit to verify that the data submitted pursuant to Florida Statutes 1001.7065 complies with the data definitions established by the BOG. The BOG last updated the PRF Metrics Methodology Document in January 2025. The data supporting the PRF Metrics comes from a variety of sources, including:

- Data submitted to the BOG
- Data reported to external entities

See **Appendix A** for the complete list of sources for each PRF Metric.

B. Objectives and Scope

The specific objectives of this audit were to:

1. Determine whether the processes established by FSU ensure the completeness, accuracy, and timeliness of data submissions to the BOG that support the PRF Metrics.
2. Provide an objective basis of support for the President and the Board of Trustees' (BOT) Chairman to sign the representations made in the Performance-Based Funding Metrics/Preeminent Research University Funding Metrics Data Integrity Certification Letter.

The scope of this audit covered data submissions from January 2024 through September 2025.

Based on previous audit results and our assessment of PRF Metrics with the highest risks, we selected the following Metrics for testing:

- Metric D: Four-Year Graduation Rate
- Metric F: Total Annual Research Expenditures (\$M)
- Metric G: Total Annual Non-Medical Science and Engineering Research Expenditures (\$M)
- Metric L: Endowment Size (\$M)
- Metric M: Total Annual Science and Engineering Research Expenditures (\$M)

C. Standards

This audit was conducted in accordance with the *Global Internal Audit Standards*. These standards require that audit departments plan and perform the audit to obtain sufficient, reliable, relevant, and useful evidence. It is our opinion that the evidence obtained during our review provides a basis for the findings and conclusions noted in this report.

D. Overall Conclusion

Overall, it appears that FSU has established adequate controls and processes to:

1. Ensure the completeness, accuracy, and timeliness of data submissions to the BOG and external entities, which support the FSU's PRF metrics.
2. Support the President and BOT Chairman's affirmation of the representations in the Data Integrity Certification form.

APPENDIX A – PREEMINENT RESEARCH UNIVERSITY FUNDING METRICS DATA SOURCES

Metric	Description	Data Source
A	Average GPA and SAT Score for Incoming Freshman in Fall Semester	BOG Submission File – Fall Admissions File
B	Number of Top 50 Public University National Rankings	External Websites - BOG maintains the official list of publications
C	Freshman Retention Rate (Full-time, First Time in College (FTIC))	BOG Submission Files – Fall Student Instruction File (SIF) for two consecutive years
D	Four-Year Graduation Rate (Full-time, FTIC)	BOG Submission Files – Retention File, SIF, and Degrees Awarded File (SIFD)
E	Number of National Academy Memberships	Official Membership Directories on External Websites – BOG maintains a list of acceptable organizations
F	Total Annual Research Expenditures	National Science Foundation (NSF) Higher Education Research and Development (HERD) Survey
G	Total Annual Non-Medical Science and Engineering Research Expenditures	NSF HERD Survey
H	Number of Broad Disciplines Ranked in Top 100 for Research Expenditures	Research expenditure data using the NSF's National Center for Science and Engineering Statistics online data tool
I	Number of Utility Patents Awarded over Three Calendar-Year Period	As reported by the United States Patent and Trademark Office for the most recent three years
J	Number of Doctoral Degrees Awarded Annually	BOG Submission File - SIFD
K	Number of Post-Doctoral Appointees	NSF Survey of Graduate Students and Post-Doctorates in Science and Engineering Survey
L	Endowment Size	National Association of College and University Business Officers (NACUBO) and Commonfund Institute's annual online report of Market Value of Endowment Assets
M	Total Annual Science and Engineering Research Expenditures	NSF HERD Survey

Note: Florida State University, Florida International University, University of Florida, and University of South Florida are designated as “*Preeminent Research Universities*”. The University of Central Florida is currently recognized as having Emerging Preeminent status, but is expected to be formally approved by the BOG as a “*Preeminent Research University*” in June 2026.

APPENDIX B – AUDIT RATINGS

Material:

- Violation of policies/procedures/laws and/or unacceptable level of internal controls that either does or could pose an unacceptable level of exposure to the University.
- Issue(s) could have a high impact on the University.
- Major opportunities to improve effectiveness and efficiency exist.
- Immediate corrective action by management is required.

Significant:

- Violation of policies/procedures/laws and/or lack of internal controls that either do or could pose a substantial level of exposure to the University.
- Issue(s) could have a medium impact on the University.
- Substantial opportunities to improve effectiveness and efficiency exist.
- Prompt corrective action by management is essential to address the noted concern(s) and reduce the risk(s) to the University.

Moderate:

- Violation of policies/procedures/laws and/or lack of internal controls that either do or could pose a moderate level of exposure to the University.
- Issue(s) identified are either (a) not likely but could have a medium impact on the University or (b) likely and could have a low impact on the University.
- Notable opportunities to improve effectiveness and efficiency exist.
- Corrective action is needed by management to address the noted concern and reduce risks to a more desirable level.