

UNIVERSITY OF WEST FLORIDA BOARD OF TRUSTEES
STATE UNIVERSITY SYSTEM OF FLORIDA BOARD OF GOVERNORS
COMPLETE FLORIDA PLUS PROGRAM
AGREED-UPON PROCEDURES

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**INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES**

December 18, 2019 – Phase One
July 10, 2020 – Phase Two

University of West Florida Board of Trustees
State University System of Florida Board of Governors
c/o Office of the President University of West Florida Building 10, Room 225
11000 University Parkway
Pensacola, FL 32514

We have performed the Phase One procedures enumerated on the attached schedule, which were agreed to by the University of West Florida Board of Trustees (“UWF”) and the State University System of Florida Board of Governors (“BOG”) in relation to the Complete Florida Plus Program (the “Program”) and UWF’s Division of Research and Strategic Innovation (the “Division”). The sufficiency of these procedures is solely the responsibility of UWF and BOG. Consequently, we make no representation regarding the sufficiency of the procedures described in the attached schedule either for the purpose for which this report has been requested or for any other purpose.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in *Governmental Auditing Standards* issued by the Comptroller General of the United States. We were not engaged to conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on activities relative to the Program and the Division. Accordingly, we do not express such an opinion or conclusion. 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 use of UWF and the BOG and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,



Saltmarsh, Cleaveland & Gund
Pensacola, Florida

SCHEDULE OF PROCEDURES AND RESULTS – PHASE ONE

PROCEDURE 1:

For the years 2012 through 2019, review Florida Statutes:

- a) 1006.735 Complete Florida Plus Program
- b) 1006.73 Florida Academic Library Services Cooperative
- c) All General Appropriations Acts related to sections 1006.73 and 1006.735, Florida Statutes.
- d) Florida Board of Governors' Regulation 9.007, State University Operating Budgets.
- e) All policies and procedures of the university and the Division of Research & Strategic Innovation related to financial accounting for the Program and any other relevant policies and procedures.

RESULTS:

We reviewed the following documents provided by UWF:

- a) Section 1006.735, Florida Statutes, for the years 2012-2019
- b) Section 1006.73, Florida Statutes, for the years 2012-2019
- c) General Appropriations Acts related to sections 1006.73 and 1006.735, Florida Statutes, for the years 2012-2019
- d) Florida Board of Governors' Regulation 9.007, State University Operating Budgets, as amended on September 22, 2016.
- e) Policies and procedures of UWF and the Division related to financial accounting for the Program:
 - i. Complete Florida Memorandum of Understanding Template for Partners
 - ii. Complete Florida Onboarding Information
 - iii. Complete Florida Scholarships
 - iv. Division of Research & Strategic Innovation Policies and Procedures for:
 - Pay Increases
 - Search Waivers
 - Signature Authority

In addition, a listing of UWF website links was provided regarding Other UWF Policies and Procedures that could apply to the Program:

- Human Resources
- Procurement
- Controller's Office
- Board of Trustees

PROCEDURE 2:

Review annual reports beginning with December 31, 2014 through present that the Program provided to the President of the Senate and the Speaker of the House of Representatives regarding the implementation and operation of all components of the Complete Florida Plus Program, including, but not limited to, information and associated costs relating to the services and functions of the Program.

RESULTS:

We reviewed the following annual reports provided by UWF:

- Florida Virtual Campus – 2013-2014 Annual Report
- Annual Report on the Operation of the Florida Virtual Campus/Complete Florida Plus Program, dated December 2015
- Annual Report on the Operation of the Florida Virtual Campus/Complete Florida Plus Program, dated December 2016
- Florida Virtual Campus – 2017 Annual Report
- Florida Virtual Campus – 2018 Annual Report

PROCEDURE 3:

Interview the Associate Controller, UWF regarding his direct knowledge of the collection of UWF's indirect administrative costs associated with the Program and history of known financial transactions.

RESULTS:

On October 31, 2019, we interviewed the Associate Controller, UWF regarding his direct knowledge of the collection of UWF's indirect administrative costs associated with the Program and history of known financial transactions.

PROCEDURE 4:

Interview the Director of Budgets & Administration, UWF Division of Research and Strategic Innovation regarding her direct knowledge of financial information contained within the annual reports submitted by the VP RSI on behalf of the Program and other financial documents for the Program.

RESULTS:

On November 4, 2019, we interviewed the Director of Budgets & Administration, UWF Division of Research and Strategic Innovation regarding her direct knowledge of financial information contained within the annual reports submitted by the VP RSI on behalf of the Program and other financial documents for the Program.

PROCEDURE 5:

Interview Former Associate Vice President, Chief Audit Executive and review summaries of any audits performed on aspects of the Complete Florida Plus Program and any investigative materials compiled related to the financial management of the Program and/or the Division.

RESULTS:

On October 29, 2019, we interviewed Former Associate Vice President, Chief Audit Executive and reviewed documents provided by him regarding communications and discussions with certain UWF personnel, BOG personnel, and members of the Board of Trustees. In addition, we reviewed documents and reports gathered by the Former Associate Vice President, Chief Audit Executive, in anticipation of an internal audit to be performed on the financial management of the Complete Florida Plus Program.

PROCEDURE 6:

Subsequent to all interviews and reviews of initial information, determine areas of focus and the specific procedures to test the areas of focus. Possible areas of focus could include but not be limited to:

- a) Determine whether the financial information provided by the VP RSI for the Program is accurate and conforms with Generally Accepted Accounting Principles (GAAP).
- b) Determine if the Programs' expenditures are compliant with the legislative intent and statutory objectives of the Program.
- c) Determine the appropriate classification of expenditures reported for the Program.
- d) Verify that direct labor charges to the Program reflect a reasonable percent of effort and type of work performed for the Program.
- e) Determine if the VP RSI properly reported expenses and costs to UWF and to the Senate and House of Representatives.
- f) Restate the Program financial reports in accordance with GAAP including any and all accrual entries.
- g) Based on any restated financial statements, determine if the amount collected by UWF exceeded the allowable 5% in administrative costs, per the General Appropriations Acts related to Sections 1006.73 & 1006.735, Florida Statutes.
- h) Obtain signed addendum to the engagement letter which specifically states the areas of focus to be tested and procedures to be performed.

RESULTS:

Based on the results of interviews conducted and documentation reviewed, we noted several areas of common concern that we propose below as focus areas for Phase Two agreed-upon procedures. We will obtain a signed addendum to the engagement letter which specifically states the areas of focus to be tested and procedures to be performed.

1. Interview the former VP of the Division of Research & Strategic Innovation for additional history and context regarding the activities of the Complete Florida Plus Program ("CFPP").
2. To determine whether CFPP payroll expenditures are compliant with the legislative intent and statutory objectives of CFPP:
 - a. Obtain a listing of employees with payroll funded by CFPP for fiscal years 2015-2019. This listing should include, at a minimum:
 - i. Name
 - ii. Position
 - iii. Hire date
 - iv. Index numbers charged
 - v. Index allocation rates
 - vi. Amount charged to each index each year
 - vii. Reconciliation by the University to CFPP payroll expenditures in UWF's Banner system.
 - b. Obtain current and past job descriptions for employees charging payroll to CFPP. Employees who supported CFPP prior to the transition of program administration from the University of Florida to UWF will be excluded.
 - c. For employees identified in Step 2b above, obtain action sheets for any salary changes over the period of time that their positions have been funded by CFPP.
 - d. For employees identified in Step 2b above who are currently employed by the University, conduct interviews regarding (1) the accuracy of their job description over the course of their service to CFPP and (2) their actual level of effort in CFPP activities.
 - e. For employees identified in Step 2b above who are no longer employed by the University, interview the employee's supervisor regarding their actual level of effort in CFPP activities.

3. To determine whether CFPP travel expenditures are compliant with the legislative intent and statutory objectives of CFPP:
 - a. Obtain listing of travel expenditures associated with employees funded by CFPP for fiscal years 2015-2019.
 - b. Determine whether expenditures are supported by documentation attributing the travel to CFPP activities.
 - c. Determine whether employee's job description and work effort documentation justify travel expenditures.
4. To determine whether CFPP lease expenditures are compliant with the legislative intent and statutory objectives of CFPP:
 - a. Obtain detail of lease costs funded by CFPP for fiscal years 2015-2019.
 - b. Obtain copies of lease agreements associated with such costs.
 - c. Obtain an allocation of costs for such lease agreements to applicable index codes.
 - d. Determine by inquiry of selected personnel to what extent CFPP activities were conducted on the premises of property under lease for each period.
5. Regarding financial results reported in Annual Reports:
 - a. Obtain from the University a reconciliation of amounts in the Banner system to the Annual Reports submitted to the Florida Legislature:
 - i. Annual Report on the Operation of the Florida Virtual Campus/Complete Florida Plus Program, dated December 2015 – [data to be provided; amounts are omitted from the copy of annual report we have on file]
 - ii. Annual Report on the Operation of the Florida Virtual Campus/Complete Florida Plus Program, dated December 2016 – page 27
 - iii. Florida Virtual Campus – 2017 Annual Report – page 21
 - iv. Florida Virtual Campus – 2018 Annual Report – page 27
6. Regarding 5% administrative fees allowed for CFPP:
 - a. Determine who is responsible for documenting and accounting for costs to be included in 5% recovery and obtain detail of such indirect costs for fiscal years 2015-2019.
 - b. Obtain documentation to support the detailed program indirect costs incurred by the University for fiscal years 2015-2019.
 - c. Obtain documentation to support the amounts recaptured from the 5% allowance for fiscal years 2015-2019.
 - d. Compare identified program indirect costs to amounts recaptured from the 5% allowance.
7. In relation to any employee whose salary allocation to CFPP does not appear to be supported after completion of Step 2 above, obtain records and document any other costs directly associated with the employee that were charged to the program for fiscal years 2015-2019.
8. Obtain a complete accounting of all costs charged to CFPP for fiscal years 2015-2019 and document the extent to which testing of those costs are covered by other steps noted above (payroll, travel and leases). Communicate the nature and amount of the remaining costs to BOG and UWF for determination of additional procedures to be performed, if any. Document any additional procedures in an addendum to the agreed upon procedures engagement.

**INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES**

July 10, 2020

University of West Florida Board of Trustees
State University System of Florida Board of Governors
c/o Office of the President University of West Florida Building 10, Room 225
11000 University Parkway
Pensacola, FL 32514

We have performed the Phase Two procedures enumerated on the attached schedule, which were agreed to by the University of West Florida Board of Trustees ("UWF") and the State University System of Florida Board of Governors ("BOG") in relation to the Complete Florida Plus Program (the "Program") and UWF's Division of Research and Strategic Innovation (the "Division"). The sufficiency of these procedures is solely the responsibility of UWF and BOG. Consequently, we make no representation regarding the sufficiency of the procedures described in the attached schedule either for the purpose for which this report has been requested or for any other purpose.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in *Governmental Auditing Standards* issued by the Comptroller General of the United States. We were not engaged to conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on activities relative to the Program and the Division. Accordingly, we do not express such an opinion or conclusion. 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 use of UWF and the BOG and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,



Saltmarsh, Cleaveland & Gund
Pensacola, Florida

SCHEDULE OF PROCEDURES AND RESULTS – PHASE TWO

PROCEDURE 1:

Interview the following:

- a. Former UWF Vice President for Research & Strategic Innovation.
- b. Florida Board of Governors Chief Financial Officer.
- c. Florida Board of Governors General Counsel.
- d. UWF Finance and Administration Division, Vice President/Chief Financial Officer to explain decisions related to administrative/indirect costs for the Complete Florida Plus Program (“CFPP” or “the Program”).
- e. Former UWF Associate Controller and incoming UWF Controller for follow-up questions and overview of the business process at the University.
- f. UWF Division of Academic Affairs, Associate Vice President of Budgets and Financial Planning.
- g. UWF Director, Procurement, and Contracts to obtain a comprehensive description of the breadth and depth of services the University provided to the Program as indirect costs.
- h. UWF Associate Vice President, Human Resources to obtain a comprehensive description of the breadth and depth of services the University provided to the Program as indirect costs.
- i. UWF Executive Director of Information Technology Services and Chief Technology Officer to obtain a comprehensive description of the breadth and depth of services the University Provided to the Program as indirect costs.

RESULTS:

- a. Interview was conducted on December 13, 2019.
- b. Interview was conducted on December 16, 2019.
- c. Interview was conducted on December 16, 2019.
- d. Interview was conducted on January 10, 2020.
- e. Interview was conducted on January 10, 2020.
- f. Interview was conducted on January 9, 2020.
- g. Interview was conducted on January 10, 2020.
- h. Interview was conducted on January 9, 2020.
- i. Interview was conducted on January 10, 2020.

PROCEDURE 2:

To determine whether CFPP payroll expenditures are compliant with the legislative intent and statutory objectives of CFPP:

- a. Obtain a listing of employees with payroll funded by CFPP for FY15-19. This listing should include, at a minimum:
 - i. Name.
 - ii. Position.
 - iii. Hire date.
 - iv. Index numbers charged.
 - v. Index allocation rates.
 - vi. Amount charged to each index each year.
 - vii. Reconciliation by the University to CFPP payroll expenditures in Banner.
- b. Obtain current and past job descriptions for each employee charging payroll to CFPP, excluding all employees that are paid 100% from CFPP funds and work in Tallahassee or Gainesville. Excluded employees will be identified by UWF.

- c. Obtain action sheets for any salary changes for each employee over the period that they have been funded by CFPP, excluding all employees that are paid 100% from CFPP funds and work in Tallahassee or Gainesville.
- d. For any UWF employee or former employee being interviewed as part of Section 1 and who has received compensation from CFPP, interview the employee regarding their actual level of effort in CFPP activities. For all other employees identified in Section 2a, interview each employee’s supervisor regarding their actual level of effort in CFPP activities.

RESULTS:

- a. UWF provided a listing of 299 employees whose salaries were funded in whole or in part by CFPP funds during fiscal years 2015 through 2019. This listing included the employees’ names, employee identification numbers, index numbers that funded salaries, and amounts charged to each index for each fiscal year in which they had any portion of their payroll funded by CFPP dollars. From this listing, UWF identified 153 employees who were paid 100% from CFPP funds and work in Tallahassee or Gainesville, for exclusion from the scope of payroll testing. Totals by CFPP index code by fiscal year were reconciled to Banner. From this listing, 146 employees were determined to be within the scope for testing.
- b. UWF does not require job descriptions to be documented for tenured faculty members or Other Personal Services (“OPS”) workers. For all other employees within scope, UWF provided job descriptions in effect during the fiscal years in which the employees were funded by CFPP. Each employee’s position and duties were ascertained from the job descriptions.
- c. For each of the 146 employees, UWF provided personnel action sheets completed during the fiscal years in which the employees were funded by CFPP. Hire dates and changes in positions or job duties are documented on action sheets.
- d. Following review of all job descriptions and action sheets provided for the 146 employees:
 - Documentation for 78 employees included information about job duties that correlated to the CFPP funding source for the employee’s payroll. UWF and BOG agreed that interviews regarding level of effort would not be conducted for these employees.
 - For 29 employees, UWF and BOG agreed that any salaries funded from index code 6064 (FLVC Indirect Cost Recovery) were to be excluded from the scope of testing since those costs were already included in administrative fees claimed by UWF.
 - For four employees, no interviews were conducted because both the employee and the supervisor were no longer employed by UWF.
 - For 35 employees, interviews were conducted with 12 supervisors regarding those employees’ level of effort relative to CFPP.
 - Within the group of 12 supervisors interviewed, six individuals were interviewed regarding their own personal level of effort relative to CFPP.

Personnel Recap:

	<u>Number of Employees</u>	<u>Payroll Expenses</u>	<u>% of Total</u>
Job descriptions and actions sheets reviewed:			
Documentation supported CFPP funding	78	\$ 9,674,545	16%
Funded from Index 6064 FLVC Indirect Cost Recovery	29	\$ 2,552,067	4%
Employee and supervisor no longer employed by UWF	4	\$ 280,295	0%
Interviews of employees and supervisors conducted	35	\$ 9,596,318	16%
	<u>146</u>	<u>\$ 22,103,225</u>	<u>38%</u>
Paid 100% from CFPP; located in Gainesville/Tallahassee	153	\$ 36,637,695	62%
Funded in whole or in part with CFPP funding	<u>299</u>	<u>\$ 58,740,920</u>	<u>100%</u>

Procedure 2 identified 22 employees whose payroll charged to CFPP, in whole or in part, was not supported either by job descriptions and action sheets or based on interviews with supervisors or the employees themselves. However, UWF later noted that four of the employees with questioned payroll costs were from the General Counsel’s office and demonstrated that salaries funded from index code 6073 (FLVC General Counsel Support) should be excluded from the scope of testing since those costs were included in administrative fees already recaptured by UWF. As a result, payroll for these four employees was removed from questioned costs. A fifth employee from the General Counsel’s office was also noted as being funded from index code 6073, however, the 5% administrative fees recaptured by UWF in that year did not include the payroll for that employee. Since payroll for this General Counsel employee was included as a direct rather than an indirect cost, that amount remains in questioned costs for fiscal year 2017-18.

For the remaining 18 employees, payroll and related costs totaling \$922,972 are included in the attached Schedule of Findings and Questioned Costs.

PROCEDURE 3:

For those employees whose salary allocation to CFPP are not supported after Step 2 above:

- a. Select a sample group of no more than 15 employees.
- b. Obtain records and identify costs for conference fees, furniture, and laptops directly associated with the sample group that were charged to the CFPP for FY15-19.

RESULTS:

Procedure 2 identified 22 employees whose payroll charged to CFPP, in whole or in part, was not supported: 1) either by job descriptions, actions sheets, interviews with supervisors, interviews with employees; or 2) because the payroll charged to CFPP was over the 5% allowable administrative costs. For a haphazardly selected sample of 15 of these 22 employees, UWF provided documentation for fiscal year 2015-2019 CFPP-funded furniture and laptops directly associated with the employees. Testing of conference fees was included in Procedure 4 below. For one employee included in the sample, we identified questioned costs of \$184 for a portion of a Surface Book that was funded by CFPP, as noted in the attached Schedule of Findings and Questioned Costs.

During the application of procedures for this step, UWF noted that four of the 22 employees with questioned payroll costs were from the General Counsel’s office and demonstrated that those salaries funded from index code 6073 (FLVC General Counsel Support) should be excluded from the scope of testing since those costs were included in administrative fees already recaptured by UWF. As a result, these four employees were removed from questioned costs.

PROCEDURE 4:

Based upon the control groups identified in Step 2.b. and 2.c., determine whether CFPP travel expenditures are compliant with the legislative intent and statutory objectives of CFPP:

- a. Obtain a listing of travel expenditures associated with the control group in Step 2.b. and 2.c. funded by CFPP for FY15-19.
- b. Determine whether expenditures are supported by documentation attributing the travel to CFPP activities.

RESULTS:

UWF provided Banner detail for all travel costs funded by CFPP for fiscal years 2015-2019. For the sample of 15 employees selected for testing, UWF provided documentation for CFPP-funded travel costs associated with Travel Expense Reports (“TER”s) and Travel Authorization Forms (“TAR”s) for those employees. Banner does not capture the name of the traveler for costs paid by a UWF credit card, but TARs do capture the traveler name and are required for all travel. For two employees included in the sample, we identified questioned travel costs totaling \$2,872, as noted in the attached Schedule of Findings and Questioned Costs. These amounts were questioned due to a lack in documentation demonstrating how the costs directly related to CFPP.

<u>Total CFPP</u> <u>Travel Costs</u>	<u>Amount</u> <u>Tested</u>	<u>Questioned</u> <u>Costs</u>
\$ 1,762,285	\$ 18,418	\$ 2,872

PROCEDURE 5:

To determine whether CFPP lease expenditures are compliant with the legislative intent and statutory objectives of CFPP:

- a. Obtain detail of lease costs funded by CFPP for FY15-19.
- b. Obtain copies of lease agreements associated with such costs.
- c. Obtain an allocation of costs for such lease agreements to applicable index codes.
- d. Determine, by inquiry of personnel interviewed in Step 2.d., to what extent CFPP activities were conducted on the premises of property under lease for each period.

RESULTS:

- a. UWF provided a schedule of lease costs funded by CFPP for FY15-19. Total lease costs during this period totaled \$3,668,620.
- b. UWF provided copies of agreements associated with each lease on the schedule.
- c. The lease schedule provided included tabs with Banner transaction level detail by index.
- d. Of the four leases included on the schedule, two were for FLVC in Gainesville and one was for FLVC in Tallahassee. UWF and BOG have stipulated that all activities taking place in Gainesville and Tallahassee for FLVC are appropriately charged to CFPP, including lease costs. Lease costs for these three agreements totaled \$3,083,060, or 84% of the total costs noted in Step 5a above.

The fourth lease was for the Innovation Institute space in the DeVilliers Square building in downtown Pensacola. Lease costs for this agreement totaled \$585,560, or 16% of the total costs noted in Step 5a above. Out of our sample of 15 employees, eight occupied space in this building. We provided UWF with information on these individuals, and UWF calculated the total lease costs subject to allocation. We reviewed UWF’s methodology noting that it was calculated based on lease cost by year, building floor plan, and space occupied by each employee. Total lease costs attributable to these eight employees was calculated by UWF to be \$81,051. Using UWF’s lease cost base, questioned costs were estimated for each of the eight employees based on how many months each should have been working in the space during FY15-19 and the results of Procedure 2, which calculated the estimated level of effort by employee. Estimated questioned lease costs totaled \$10,182, as noted in the attached Schedule of Findings and Questioned Costs.

Total Lease Cost	Total Lease Cost Allocated to Employees in Sample	Questioned Costs
<u>Cost</u>	<u>Sample</u>	<u>Costs</u>
\$ 585,560	\$ 81,051	\$ 10,182

PROCEDURE 6:

Obtain a complete accounting of all costs charged to CFPP index codes in UWF’s Banner accounting system for FY 15-19 and document the extent to which testing of those costs is covered by other steps noted above (payroll, travel and leases). Communicate the nature and the amount of the remaining costs to BOG and UWF. Any additional procedures that BOG and UWF determine are necessary in regard to remaining costs will be documented in an addendum to the engagement letter and reported on in the final agreed upon procedures report.

RESULTS:

We obtained the expenditure reports for all CFPP index codes for fiscal years 2015 through 2019. Total expenditures and amounts tested for fiscal year 2015 through 2019 are as follows:

Fiscal Year 2015

	Total Expenses per Banner	Total Expenses Tested	Percentage Tested
Salaries and Benefits	\$ 10,677,048	\$ 1,098,104	10%
Operating Expenses			
Travel	209,096	-	0%
Professional	2,828,189	-	0%
Office	381,261	-	0%
Information Technology	8,786,825	-	0%
Registration	4,399	-	0%
Rent	793,739	392,320	49%
Scholarships	17,500	-	0%
Repairs & Maintenance	28,385	-	0%
Licenses	694	-	0%
Utilities	72,074	-	0%
Subcontract	203,504	-	0%
Advertising	250,459	-	0%
Shipping and Freight	130,839	-	0%
Equipment and Furniture	92,364	-	0%
Other Capital Outlay	195,279	-	0%
	<u>\$ 24,671,655</u>	<u>\$ 1,490,424</u>	<u>6%</u>

Fiscal Year 2016

	Total Expenses per Banner	Total Expenses Tested	Percentage Tested
Salaries and Benefits	\$ 10,805,887	\$ 1,600,337	15%
Operating Expenses			
Travel	236,825	1,149	0%
Professional	2,301,580	-	0%
Office	501,679	-	0%
Information Technology	10,328,296	-	0%
Registration	26,857	-	0%
Rent	800,373	793,868	99%
Scholarships	360,526	-	0%
Repairs & Maintenance	35,592	-	0%
Licenses	1,955,904	-	0%
Utilities	96,094	-	0%
Subcontract	178,803	-	0%
Advertising	481,314	-	0%
Shipping and Freight	58,648	-	0%
Equipment and Furniture	149,220	-	0%
Other Capital Outlay	134,159	-	0%
	<u>\$ 28,451,757</u>	<u>\$ 2,395,354</u>	<u>8%</u>

Fiscal Year 2017

	Total Expenses per Banner	Total Expenses tested	Percentage tested
Salaries and Benefits	\$ 10,579,087	\$ 2,544,004	24%
Operating Expenses			
Travel	253,781	386	0%
Professional	1,733,789	-	0%
Office	433,615	-	0%
Information Technology	10,683,575	-	0%
Registration	30,207	-	0%
Rent	838,084	824,408	98%
Scholarships	393,434	-	0%
Repairs & Maintenance	45,627	-	0%
Licenses	2,678,133	-	0%
Utilities	86,974	-	0%
Subcontract	419,524	-	0%
Advertising	85,722	-	0%
Shipping and Freight	88,238	-	0%
Equipment and Furniture	373,971	-	0%
Other Capital Outlay	767,399	-	0%
	<u>\$ 29,491,160</u>	<u>\$ 3,368,798</u>	<u>11%</u>

Fiscal Year 2018

	Total Expenses per Banner	Total Expenses Tested	Percentage Tested
Salaries and Benefits	\$ 11,499,288	\$ 3,522,138	31%
Operating Expenses			
Travel	292,189	16,659	6%
Professional	1,531,863	-	0%
Office	581,934	-	0%
Information Technology	10,716,416	-	0%
Registration	70,724	-	0%
Rent	838,855	822,080	98%
Scholarships	490,018	-	0%
Repairs & Maintenance	69,943	-	0%
Licenses	3,345,518	-	0%
Utilities	87,852	-	0%
Subcontract	262,285	-	0%
Advertising	72,998	-	0%
Shipping and Freight	123,987	-	0%
Equipment and Furniture	615,699	-	0%
Other Capital Outlay	502,382	-	0%
	<u>\$ 31,101,951</u>	<u>\$ 4,360,877</u>	<u>14%</u>

Fiscal Year 2019			
	Total Expenses per Banner	Total Expenses Tested	Percentage Tested
Salaries and Benefits	\$ 11,478,610	\$ 3,044,377	27%
Operating Expenses			
Travel	344,036	223	0%
Professional	1,359,281	-	0%
Office	333,540	-	0%
Information Technology	9,884,209	-	0%
Registration	87,209	-	0%
Rent	838,784	835,944	100%
Scholarships	420,585	-	0%
Repairs & Maintenance	102,396	-	0%
Licenses	2,731,376	-	0%
Utilities	90,537	-	0%
Subcontract	558,348	-	0%
Advertising	85,752	-	0%
Shipping and Freight	121,460	-	0%
Equipment and Furniture	336,059	-	0%
Other Capital Outlay	46,146	-	0%
	<u>\$ 28,818,328</u>	<u>\$ 3,880,544</u>	<u>13%</u>

PROCEDURE 7:

Determine whether the financial information in the following documents provided by the VP RSI for the Program agrees to UWF’s Banner accounting system. For any variances noted, inquire of UWF Director of Budgets and Administration, Research & Strategic Innovation, regarding reasons for variances and document responses.

- a. Exhibit A – Complete Florida Expenditure Report_BOG Budget Template.
- b. Exhibit B – Complete Florida Expenditure Report_BOG Budget Template_Projection V1.
- c. Exhibit C – Complete Florida Expenditure Report_BOG Budget Template_Projection V2.
- d. Exhibit D – Complete Florida Expenditure Report_BOG Budget Template_updated 2019.09.23.
- e. Exhibit E – Complete Florida Expenditure Report_Indirect Administration.
- f. Exhibit F – Complete Florida Expenditure Report_Indirect Administration V1.
- g. Exhibit G – Complete Florida Expenditure Report_Indirect Administration V2.

RESULTS:

- a. We reviewed Exhibit A, Exhibit B and Exhibit D noting that the total expenditures for fiscal years 2015 through 2019 are the same on each document, with the only difference being that Exhibit B also includes projected 2021 financial information. Consequently, Exhibit A, Exhibit B, and Exhibit D are compared jointly with the financial information obtained from UWF’s Banner accounting system.

<u>Fiscal Year</u>	<u>Total Expenses per Banner</u>	<u>Total Expenses per Exhibits</u>	<u>Difference</u>
2014-15	\$ 2,585,336	\$ 2,545,771	\$ 39,565
2015-16	\$ 4,067,311	\$ 4,261,756	\$ (194,445)
2016-17	\$ 3,693,387	\$ 3,673,265	\$ 20,122
2017-18	\$ 4,277,480	\$ 5,734,142	\$ (1,456,662)
2018-19	\$ 4,518,363	\$ 4,664,084	\$ (145,721)

Fiscal Year 2014-15:

Per discussion with the UWF Director of Budgets and Administration, Research & Strategic Innovation (“RSI”), we noted that the difference for fiscal year 2014-15 relates to furniture, travel, equipment, and office expenses covered with salary savings. This budget line item is not part of the Education & General (“E&G”) allocation received for the Program and the expenses were consequently not included in Exhibits A, B and D.

Fiscal Year 2015-16:

Per discussion with the UWF Director of Budgets and Administration, Research & Strategic Innovation, we noted that the difference for fiscal year 2015-16 is a result of the following items recorded as a budget reduction, which are included as expenditures in Exhibits A, B and D but not recorded as expenditures in the Banner accounting system:

- \$263,553 one-time carry-forward sweep.
- \$23,405 to repay Academic Affairs for salaries.

Additionally, the following items were recorded as budget increases in the Banner accounting system but are not part of the Program E&G expenses:

- \$43,706 in supplies, equipment and salaries and benefits expenses related to Coder Dojo, an afterschool program for children in the community.
- \$48,807 rent, utilities, janitorial and information technology services funded by salary savings.

Fiscal Year 2016-17:

Per discussion with the UWF Director of Budgets and Administration, Research & Strategic Innovation, we noted that the difference for fiscal year 2016-17 relates to budget increases totaling \$14,185 for salaries and benefits and consulting expenses related to the Coder Dojo program and a one-time transaction totaling \$37,645 to close out the Coder Dojo program. Additionally, the Banner accounting system includes a budget reduction totaling \$31,708 for a MyCareerShines (education and career planning tool) media invoice.

Fiscal Year 2017-18:

Per discussion with the UWF Director of Budgets and Administration, Research & Strategic Innovation, we noted that the difference for fiscal year 2017-18 relates to the following budget reductions:

- \$443,696 to compensate the Office of Economic Development and Engagement (“OEDE”) for staff time spent on Complete Florida.
- \$130,891 in bonus payments to Complete Florida employees paid out of the E&G funds.
- \$77,797 in bonus payments to employees of other UWF departments. These funds were to be repaid by the other departments.
- \$621,505 in carry-forward sweeps for Complete Florida.
- \$128,640 in carry-forward sweeps to help cover sweeps for other UWF departments. These funds were to be repaid by the other departments.
- \$54,133 in UWF administrative fee. Complete Florida paid \$95,867 to UWF and the budget reduction represents the remaining amount of the \$150,000 administrative fee.

Fiscal Year 2018-19:

Per discussion with the UWF Director of Budgets and Administration, Research & Strategic Innovation, Saltmarsh noted that the difference for fiscal year 2018-19 relates to the following budget reductions (increases):

- \$150,000 administrative fee.
- \$52,076 carry-forward sweep.
- (\$56,355) for repayments received from other UWF departments.

b. The differences identified when comparing Exhibit C with the information included in the Banner accounting system are as follows:

<u>Fiscal Year</u>	<u>Total Expenses per Banner</u>	<u>Total Expenses per Exhibit</u>	<u>Difference</u>
2014-15	\$ 2,585,336	\$ 2,532,939	\$ 52,397
2015-16	\$ 4,067,311	\$ 3,998,141	\$ 69,170
2016-17	\$ 3,693,387	\$ 3,673,265	\$ 20,122
2017-18	\$ 4,277,480	\$ 4,906,200	\$ (628,720)
2018-19	\$ 4,518,363	\$ 4,668,363	\$ (150,000)

Fiscal Year 2014-15:

Per discussion with the UWF Director of Budgets and Administration, Research & Strategic Innovation, we noted that the difference for fiscal year 2014-15 relates to furniture, travel, equipment, and office expenses covered with salary savings totaling \$39,565. This budget line item is not part of the E&G allocation received for Complete Florida and the expenses were consequently not included in Exhibits A, B and D. Additionally, the Banner accounting system includes \$12,832 for an FLVC expense that was incorrectly charged to Complete Florida. This amount was moved to “owed from other departments” for the preparation of Exhibit D.

Fiscal Year 2015-16:

Per discussion with the UWF Director of Budgets and Administration, Research & Strategic Innovation, we noted that the difference for fiscal year 2015-16 is a result of a budget reduction in the Banner accounting system totaling \$23,405 to repay Academic Affairs for salaries. The Banner accounting system also includes an expense of \$62 for MyCareerShines that was incorrectly charged to Complete Florida. Additionally, the following items were recorded as a budget increases in the Banner accounting system but are not part of the Complete Florida E&G expenses:

- \$43,706 in supplies, equipment and salaries and benefits expenses related to Coder Dojo program.
- \$48,807 in rent, utilities, janitorial and information technology services funded by salary savings.

Fiscal Year 2016-17:

Per discussion with the UWF Director of Budgets and Administration, Research & Strategic Innovation, we noted that the difference for fiscal year 2016-17 relates to budget increases totaling \$14,185 for salaries and benefit and consulting expenses related to the Coder Dojo program and a one-time expenditure totaling \$37,645 to close out the Coder Dojo program. Additionally, the Banner accounting system includes a budget reduction totaling \$31,708 for a MyCareerShines media invoice.

Fiscal Year 2017-18:

Per discussion with the UWF Director of Budgets and Administration, Research & Strategic Innovation, we noted that the difference for fiscal year 2017-18 relates to the following budget reductions:

- \$443,696 to compensate OEDE for staff time spent on Complete Florida.
- \$130,891 in bonus payments to Complete Florida employees to be paid out of the E&G account.
- \$54,133 in UWF administrative fee. Complete Florida paid \$95,867 to UWF and the budget reduction represents the remaining amount of the \$150,000 administrative fee.

Fiscal Year 2018-19:

Per discussion with the UWF Director of Budgets and Administration, Research & Strategic Innovation, we noted that the difference for fiscal year 2018-19 relates to a budget reduction totaling \$150,000 for the administrative fee.

- c. We reviewed Exhibit E, Exhibit F and Exhibit G noting that the financial information listed on these documents is the same on each document, with the only difference being that Exhibit E is listing \$29,550 for the 2017-18 carry-forward sweep for bonuses while Exhibit F is listing \$27,076 for the 2017-18 carry-forward sweep for bonuses. The difference of \$2,474 relates to sweep funds for a different UWF department incorrectly included on Exhibit E. Consequently, Exhibit E, Exhibit F and Exhibit G are compared jointly with the financial information obtained from UWF's Banner accounting system.

The comparison of indirect administrative fees paid to UWF per the Exhibits E, F and G and financial information included in the Banner accounting system is as follows:

<u>Fiscal Year</u>	<u>Total Indirect Administrative Fees per Banner</u>	<u>Total Indirect Administrative Fees per Exhibit</u>	<u>Difference</u>
2014-15	\$ 12,832	\$ 12,832	\$ -
2015-16	\$ 347,521	\$ 347,521	\$ -
2016-17	\$ 114,127	\$ 114,127	\$ -
2017-18	\$ 1,041,353	\$ 1,041,353	\$ -
2018-19	\$ 199,638	\$ 199,638	\$ -

Fiscal Year 2014-15:

Per discussion with the UWF Director of Budgets and Administration, Research & Strategic Innovation, we noted that for fiscal year 2014-15, the administrative fee amount consists of expenses incorrectly recorded to the Complete Florida index code in the Banner accounting system. Those expenses should have correctly been recorded to one of the FLVC index codes.

Fiscal Year 2015-16:

Per discussion with the UWF Director of Budgets and Administration, Research & Strategic Innovation, we noted that for fiscal year 2015-16, the administrative fee amount consists of the following:

- \$263,553 one-time carry-forward sweep.
- \$46,650 paid to UWF for central staffing above the initial \$100,000 agreement.
- \$37,256 for Innovation Institute facilities expenses in excess of salary savings carry forward balance.
- \$62 in expenses related to a MyCareerShines.

Fiscal Year 2016-17:

Per discussion with the UWF Director of Budgets and Administration, Research & Strategic Innovation, we noted that for fiscal year 2016-17, the administrative fee amount consists of the following:

- \$91,539 paid to UWF for central staffing in excess of the initial \$100,000 agreement.
- \$60,233 for Innovation Institute facilities expenses in excess of the initial \$55,000 agreement.
- (\$37,645) to close out the Coder Dojo program.

Fiscal Year 2017-18:

Per discussion with the UWF Director of Budgets and Administration, Research & Strategic Innovation, we noted that for fiscal year 2017-18, the administrative fee amount consists of the following:

- \$750,146 in carry-forward sweeps.
- \$100,176 paid to UWF for central costs.
- \$59,101 for Innovation Institute facilities expenses in excess of the initial \$55,000 agreement.
- \$77,797 in bonus payments to employees of other UWF departments outside of RSI.
- \$54,133 in UWF administrative fee to bring total administrative fee amount to 5% of the appropriated amount.

Fiscal Year 2018-19:

Per discussion with the UWF Director of Budgets and Administration, Research & Strategic Innovation, we noted that for fiscal year 2018-19, the administrative fee amount consists of the following:

- \$53,917 for Innovation Institute facilities expenses in excess of the \$60,000 agreement.
- \$150,000 in UWF administrative fee.
- \$52,076 in UWF sweep.
- (\$56,355) for repayments received from other UWF departments.

PROCEDURE 8:

Based on procedures performed in Steps 2-7, determine if the VP RSI properly reported Program expenses and costs to UWF via the Banner accounting system and supporting documentation for the years 2015 through 2018 and quantify any questioned costs noted during Steps 2-7.

RESULTS:

Based on procedures performed in steps 2-7, we identified questioned costs as detailed in the attached Schedule of Questioned Costs.

PROCEDURE 9:

Determine whether the financial data included in the Annual Reports to the Senate and House of Representatives (“Annual Report”) for the years 2015 through 2018 and the “Complete Florida Budgets & Expenditures” document dated October 1, 2019 and attached as Exhibit “H” included in the Florida Department of Education and the State University System of Florida Board of Governors report dated October 1, 2019, agrees to UWF’s accounting system. For any variances noted, inquire of UWF Director of Budgets and Administration, Research & Strategic Innovation, regarding reasons for variances and document responses. Based on results of procedures performed in Steps 2-7, adjust all Annual Reports and the Complete Florida Budgets & Expenditure document for any questioned costs noted in Steps 2-7.

RESULTS:

Per review of the annual report submitted for 2015, we noted the report did not include financial information and as such we did not perform the procedures for this report. Per further review of the 2016 through 2018 annual reports, we noted that the reports included budgeted expenses and not actual expenditures. The following comparison only focuses on differences for expenditures related to the FLVC program.

<u>Fiscal Year</u>	<u>Total Budgeted Expenses per Banner</u>	<u>Total Budgeted Expenses per Annual Reports</u>	<u>Difference</u>
2016-17	\$ 24,471,630	\$ 22,828,801	\$ 1,642,829
2017-18	\$ 23,133,613	\$ 22,828,801	\$ 304,812
2018-19	\$ 22,093,181	\$ 22,828,801	\$ (735,620)

Fiscal Year 2016-17:

Per discussion with the UWF Director of Budgets and Administration, Research & Strategic Innovation, we noted that the difference for fiscal year 2016-17 relates to a one-time LBR payment totaling \$1,500,000 and \$142,829 in UWF Supplemental funding not included in the annual report.

Fiscal Year 2017-18:

Per discussion with the UWF Director of Budgets and Administration, Research & Strategic Innovation, we noted that the difference for fiscal year 2017-18 relates to \$303,822 in UWF Supplemental funding not included in the annual report, with a remaining difference of \$990.

Fiscal Year 2018-19:

Per discussion with the UWF Director of Budgets and Administration, Research & Strategic Innovation, we noted that the difference for fiscal year 2018-19 relates to a budget reduction of \$1,141,440 for the 5% administrative fee. This amount is included in the annual report as an expenditure but is not recorded as an expenditure in the Banner accounting system. Additionally, the expenditures reported in the annual report do not include \$405,820 in UWF Supplemental funding.

The differences identified when comparing Exhibit H with the information included in the Banner accounting system are as follows:

<u>Fiscal Year</u>	<u>Total Expenses per Banner</u>	<u>Total Expenses per Exhibit</u>	<u>Difference</u>
2018-19	\$ 4,518,363	\$ 4,664,084	\$ (145,721)

Fiscal Year 2018-19:

The difference for fiscal year 2018-19 relates to the following budget reductions (increases):

- \$150,000 administrative fee.
- \$52,076 carry-forward sweep.
- (\$56,355) for payments received from other UWF departments.

PROCEDURE 10:

Regarding 5% of administrative fees allowed for CFPP:

- a. Determine if time and effort records were required to be kept pursuant to Sections 1006.73 & 1006.735, Florida Statutes, and the General Appropriations Act.

- b. Notwithstanding any errors that may be discovered by Saltmarsh while conducting the agreed upon procedures, determine if the amount of indirect administration costs funded by CFPP exceed the allowable 5% in administrative costs per the General Appropriations Act related to Sections 1006.73 & 1006.735, Florida Statutes.
- c. Based on expenses charged to CFPP in UWF's Banner accounting system, as adjusted for any questioned costs noted in Steps 2-7, determine if the amount of indirect administration costs funded by CFPP exceeded the allowable 5% in administrative costs per the General Appropriations Act related to Sections 1006.73 & 1006.735, Florida Statutes.

RESULTS:

- a. We reviewed Sections 1006.73 & 1006.735, Florida Statutes, and the General Appropriations Act and did not identify a requirement to keep time and effort records pursuant thereto.
- b. Administrative costs allowed and incurred for CFPP for fiscal years 2015 through 2019 are as follows:

<u>Fiscal Year</u>	<u>Complete Florida Recurring Funding</u>	<u>Complete Florida Non-Recurring Funding</u>	<u>FLVC Recurring Funding</u>	<u>Career and Education Planning Funding</u>	<u>Total Legislative Appropriation CFPP</u>	<u>Legislative allowable 5% Administrative Fee</u>
2014-15	\$ 3,000,000	\$ 3,000,000	\$ 17,828,801	\$ 3,000,000	\$ 26,828,801	\$ 1,341,440
2015-16	\$ 3,000,000	\$ -	\$ 22,828,801	\$ 3,000,000	\$ 28,828,801	\$ 1,441,440
2016-17	\$ 3,000,000	\$ -	\$ 22,828,801	\$ 3,000,000	\$ 28,828,801	\$ 1,441,440
2017-18	\$ 3,000,000	\$ -	\$ 22,828,801	\$ 3,000,000	\$ 28,828,801	\$ 1,441,440
2018-19	\$ 3,000,000	\$ -	\$ 22,828,801	\$ 3,000,000	\$ 28,828,801	\$ 1,441,440

The table below provides information relevant to step 10b. The indirect costs paid or incurred by CFPP are shown by fiscal year and in total. Per discussion with the UWF Director of Budgets and Administration, Research & Strategic Innovation, and Former Associate Controller/Incoming Controller, we noted that UWF central has paid for benefit changes from 2015 through 2019 for CFPP employees. The first section of the table does not include these benefit changes in determining the overpayment or underpayment amounts while the lower section includes those benefit changes.

	<u>Fiscal Year</u>					<u>Total</u>
	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	
Sweep payments	\$ -	\$ -	\$ 481,348	\$ 1,477,518	\$ 435,659	\$ 2,394,525
Owed from other departments	-	-	-	77,797	-	77,797
Received from other departments	-	-	(37,645)	-	-	(37,645)
Paid to UWF for staffing	-	46,650	91,539	100,176	-	238,365
Indirect cost recovery	404,106	102,751	227,058	264,399	-	998,314
Administrative fee	-	-	-	931,174	1,291,440	2,222,614
Total indirect costs claimed	404,106	149,401	762,300	2,851,064	1,727,099	5,893,970
Less: Allowable administrative fee	(1,341,440)	(1,441,440)	(1,441,440)	(1,441,440)	(1,441,440)	(7,107,200)
Overpayment/(Underpayment)	\$ (937,334)	\$ (1,292,039)	\$ (679,140)	\$ 1,409,624	\$ 285,659	\$ (1,213,230)
UWF Central Loan (benefit changes)	30,881	41,580	238,574	444,534	561,870	1,317,439
Overpayment/(Underpayment)	\$ (968,215)	\$ (1,333,619)	\$ (917,714)	\$ 965,090	\$ (276,211)	\$ (2,530,669)

The table below incorporates questioned costs to address step 10c.

	Fiscal Year					Total
	2014-15	2015-16	2016-17	2017-18	2018-19	
Total indirect costs claimed	\$ 404,106	\$ 149,401	\$ 762,300	\$ 2,851,064	\$ 1,727,099	\$ 5,893,970
Questioned costs, excluding leases	75,079	44,416	89,017	257,862	459,653	926,027 ^a
Less: Allowable administrative fee	<u>(1,341,440)</u>	<u>(1,441,440)</u>	<u>(1,441,440)</u>	<u>(1,441,440)</u>	<u>(1,441,440)</u>	<u>(7,107,200)</u>
Overpayment/(Underpayment)	(862,255)	(1,247,623)	(590,123)	1,667,486	745,312	(287,203)
UWF Central Loan (benefit changes)	<u>30,881</u>	<u>41,580</u>	<u>238,574</u>	<u>444,534</u>	<u>561,870</u>	<u>1,317,439</u>
Overpayment/(Underpayment)	<u>\$ (893,136)</u>	<u>\$ (1,289,203)</u>	<u>\$ (828,697)</u>	<u>\$ 1,222,952</u>	<u>\$ 183,442</u>	(1,604,642)
Questioned lease costs						<u>10,182</u> ^a
Overpayment/(Underpayment)						<u>\$ (1,594,460)</u>

Footnote **a**: Amount is derived from the table on page 16.

For purposes of the Schedule of Findings and Questioned Costs on the following page, questioned costs include amounts paid to employees or amounts incurred to support employees where information was obtained to indicate that either (1) an employee’s estimated level of effort relative to the Program was less than the proportion of their payroll funded by the Program or (2) an employee’s position was funded as a direct cost of the Program but the position was administrative in nature. For certain of those administrative positions, some or all of the employee’s payroll potentially should have been included in the 5% administration fee calculation rather than as a direct cost of the Program. For other administrative positions, the employee was classified by UWF as direct administration and did serve the Program to some extent. In the Schedule of Findings and Questioned Costs, reductions titled “Less: CFPP Direct Administration Costs” represent direct administration employees’ payroll and other costs that were attributable to the Program based on the procedures performed. Interpretation of and distinction between direct and indirect program costs was not included in the agreed upon procedures for this engagement.

Schedule of Findings and Questioned Costs

	Fiscal Year					Total
	2014-15	2015-16	2016-17	2017-18	2018-19	
Questioned Costs - Payroll:						
Administrative Specialist	\$ 5,284	\$ 27,308	\$ 44,737	\$ 50,534	\$ 48,454	\$ 176,317
Administrative Specialist	-	-	34,020	51,574	32,001	117,595
Graphic Designer	-	-	13,310	24,784	28,356	66,450
Storylab Outreach Manager	-	-	8,083	16,582	15,545	40,210
Director of Budgets and Administration	-	119,783	147,328	109,935	161,805	538,851
Director of Strategic Innovation	-	-	-	16,600	10,042	26,642
OPS	-	16,946	11,864	-	-	28,810
Coordinator	-	-	30,823	63,999	66,092	160,914
Administrative Specialist	39,401	11,717	-	-	-	51,118
Digital Media Coordinator	-	-	-	-	58,036	58,036
Business Support position	40,837	37,269	-	-	-	78,106
Assistant General Counsel	-	-	-	4,665	-	4,665
Administrative Specialist	-	35,104	2,736	-	-	37,840
Associate Vice President, External Affairs	73,887	19,203	18,050	71,192	71,047	253,379
Business Manager	-	-	25,011	95,297	85,390	205,698
Visual Media Coordinator	-	-	-	-	66,639	66,639
Writing Coordinator	-	-	-	-	54,824	54,824
Assistant Procurement Director	1,191	-	-	-	-	1,191
Less: CFPP Direct Administration Costs	(85,521)	(222,914)	(247,129)	(250,172)	(238,578)	(1,044,314) ^b
	<u>75,079</u>	<u>44,416</u>	<u>88,833</u>	<u>254,990</u>	<u>459,653</u>	<u>922,971</u>
Questioned Costs - Furniture and Laptops:						
Business Manager	-	-	368	-	-	368
Less: CFPP Direct Administration Costs	-	-	(184)	-	-	(184) ^b
	<u>-</u>	<u>-</u>	<u>184</u>	<u>-</u>	<u>-</u>	<u>184</u>
Questioned Costs - Travel:						
Storylab Outreach Manager	-	-	-	2,582	-	2,582
Director of Budgets and Administration	-	809	125	-	-	934
Director of Strategic Innovation	-	-	-	290	-	290
Less: CFPP Direct Administration Costs	-	(809)	(125)	-	-	(934) ^b
	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,872</u>	<u>-</u>	<u>2,872</u>
Questioned Costs, excluding leases	\$ 75,079	\$ 44,416	\$ 89,017	\$ 257,862	\$ 459,653	\$ 926,027 ^c
Questioned Costs - Leases:						
Administrative Specialist						8,251
Graphic Designer						3,367
Storylab Outreach Manager						824
Director of Budgets and Administration						8,299
Director of Strategic Innovation						2,132
Administrative Specialist						1,135
Administrative Specialist						1,676
Business Manager						2,945
Less: CFPP Direct Administration Costs						(18,447) ^b
						<u>10,182</u> ^c
TOTAL QUESTIONED COSTS						\$ 936,209

Footnote **b**: Amount represents costs attributable to CFPP relative to employees categorized as direct administration.

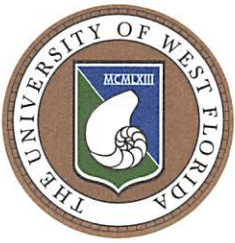
Footnote **c**: Amount is included in the table on page 15.

Schedule of Findings and Questioned Costs (Continued)

Other Matters:

1. During interviews with personnel and supervisors regarding level of effort, we discussed certain projects where it was unclear to what extent those projects served the objectives of CFPP:
 - a. Development of free non-credit Mass Open Online Courses (“MOOCs”).
 - b. Development of design thinking workshop intended to be marketed to external parties.

2. We noted overall ambiguity and lack of guidelines regarding which personnel and what kinds of expenses constituted direct costs vs. administrative costs relative to CFPP. For example, payroll for administrative assistants supporting programmatic personnel were charged as direct costs of the Program rather than administrative costs.



Office of the President
11000 University Parkway
Pensacola, FL 32514-5750

July 20, 2020

Mr. Chuck Landers
Saltmarsh, Cleaveland & Gund
900 N. 12th Avenue
Pensacola, FL 32501

Re: Independent Accountant's Report on Applying Agreed-Upon Procedures
University of West Florida Board of Trustees
State University System of Florida Board of Governors

Dear Mr. Landers:

We have received your final report resulting from the Agreed-Upon Procedures for the Complete Florida Plus Program.

We concur that the former Director of Complete Florida Plus Program failed to implement internal controls adequate to ensure that financial information was accurately reported (as described in Procedures 7 and 9) and costs were properly accounted for. The University has taken appropriate action by requiring all financial reporting to external parties to be fully vetted by the Vice President of Finance and Administration (Presidential Policy FIN-11.01-04/20 "Financial Reporting") prior to submission.

Direct and indirect costs were allocated in the same manner as is customary with other programs such as State and Federal Grants. We will maintain ongoing support and training to all staff to ensure consistent understanding of all accounting requirements.

Sincerely yours,

A handwritten signature in black ink that reads "Martha D. Saunders".

Martha D. Saunders, Ph.D.
President