



BOARD OF TRUSTEES Governance, Audit and Compliance Committee

**Wednesday, September 21, 2022
2:45 – 4:30 PM**

**Florida Polytechnic University
WEBEX TELECONFERENCE MEETING**

Dial in: 1-415-655-0001 | Access code: 2421 760 7025#

MEMBERS

Mark Bostick, Chair
Bob Stork

Dr. Laine Powell, Vice Chair

Cliff Otto

AGENDA

- | | | |
|-------|---|---------------------------|
| I. | Call to Order | Mark Bostick, Chair |
| II. | Roll Call | Sherri Pavlik |
| III. | Public Comment | Mark Bostick, Chair |
| IV. | Approval of Minutes
<i>*Action Required*</i> | Mark Bostick, Chair |
| | A. Governance Committee: May 24, 2022 | |
| | B. Audit and Compliance Committee: May 20, 2022 | |
| V. | Governance, Audit and Compliance Committee Charter: 2022-2024
<i>*Action Required*</i> | Mark Bostick, Chair |
| VI. | Governance, Audit and Compliance Committee Work Plan: 2022-24
<i>*Action Required*</i> | Mark Bostick, Chair |
| VII. | Audit and Compliance Update | David Blanton,
CAE/CCO |
| VIII. | UAC Annual Report – FYE 22 | David Blanton |
| IX. | UAC Risk Assessment & Audit Plan – FYE 23
<i>*Action Required*</i> | David Blanton |
| X. | UAC Compliance & Ethics Program Plan – FYE 23
<i>*Action Required*</i> | David Blanton |
| XI. | Independent Review of Compliance & Ethics Plan | David Blanton |

- | | | |
|--------|--|---|
| XII. | Quality Assurance Review | David Blanton |
| XIII. | Performance Based Funding Audit Scope & Objectives –2022 Audit
Action Required | David Blanton |
| XIV. | Foundation Financial Controls Review | David Blanton |
| XV. | Regulations
Action Required
A. FPU-1.0041 Prohibition of Discrimination in University Training or Instruction
B. FPU-1.005 Discrimination and Harassment Complaint and Investigation Procedures
C. FPU-6.005 Sick Leave
D. FPU-1.0125 Fraud Prevention and Detection | Melaine Schmiz and
Alex Landback,
Associate General
Counsels |
| XVI. | Policies
Action Required
A. FPU-6.0032 University Employee Bonus Plan | Alex Landback |
| XVII. | President’s Annual Review – Trustee Evaluation Instrument
Action Required | Mark Bostick, Chair |
| XVIII. | President’s FYE 22 Accomplishments | President Randy
Avent |
| XIX. | Closing Remarks and Adjournment | Mark Bostick, Chair |

**Florida Polytechnic University
Governance, Audit and Compliance Committee
Board of Trustees
September 21, 2022**

Subject: Approval of Minutes

Proposed Committee Action

Motion to approve the minutes from the Governance Committee Meeting held May 24, 2022.

Motion to approve the minutes from the Audit and Compliance Committee Meeting held May 20, 2022.

Background Information

Due to the reorganization of the Board's standing committees, the Governance and Audit and Compliance have been combined. The minutes for the previous committee meetings are submitted individually for approval.

Supporting Documentation:

1. Draft Governance Committee Meeting Minutes – May 24, 2022
2. Draft Audit and Compliance Committee Meeting Minutes – May 20, 2022

Prepared by: David Blanton, CAE/CCO



Governance Committee Meeting

DRAFT MEETING MINUTES

May 24, 2022
8:30 AM – 10:00 AM

Florida Polytechnic University WEBEX TELE-CONFERENCE MEETING

I. Call to Order

Committee Chair Mark Bostick called the Governance Committee meeting to order at 8:30 a.m.

II. Roll Call

Sherri Pavlik called the roll: Committee Chair Mark Bostick, Committee Vice Chair Bob Stork, Trustee Narendra Kini, and Trustee Earl Sasser were present (Quorum)

Other Trustees present: Chair Cliff Otto, Trustee Beth Kigel, Trustee Susan LeFrancois, Trustee Melia Rodriguez, and Trustee Gary Wendt

Staff present: President Randy Avent, Provost Terry Parker, Dr. Allen Bottorff, Gina DeIulio, Kathy Bowman, David Blanton, David Calhoun, Melaine Schmiz, Alex Landback, Maggie Mariucci, Kristen Wharton, and Sherri Pavlik

III. Public Comment

There were no requests received for public comment.

IV. Approval of Minutes

Vice Chair Bob Stork made a motion to approve the February 9, 2022 minutes. Trustee Earl Sasser seconded the motion; a vote was taken, and the motion passed unanimously.

V. 2018-20 Governance Committee Work Plan Review

There were no recommended changes or comments.

VI. President's Goals for 2022-23

President Randy Avent presented his proposed Operational Goals FYE23 and explained the strategy of the budgeting process and how it relates to these goals.

He discussed the balanced scorecard and accountability metrics as well as each area on which the University will focus in the coming year. These areas become part of the Operational Plan and define the priorities for the year. Departments then tie their budget requests to these priorities, and outcomes are reviewed quarterly in the President's Staff Leadership meetings. Going forward, the minutes from the Leadership meetings will be distributed to the Board of Trustees as the president's quarterly Operation Plan report.

President Avent then provided an overview of the six operational priorities for fiscal year 2023: grow the student body, grow academic programs, improve student outcomes, improve operations, invest in our people, and advance the University.

Trustee Narendra Kini inquired about a Search Engine Optimization (SEO) vendor. In response, Maggie Mariucci confirmed affiliation with a SEO vendor and stated the University is impressed with the service and results.

Trustee Kini commented on two indicators: employment of graduates and graduation rates. He inquired on the strategy to measure these metrics and questioned if the University could regress the graduation rate metric to provide incentives directly to the faculty as part of their compensation. In response, Provost Terry Parker outlined the goal of adding a Director of Career Services to address the employment indicator and stated having faculty as the primary advisors to the students will help move the graduation rates indicator.

Trustee Susan LeFrancois appreciated that the president's operational goals included research efforts for faculty and suggested a closer relationship with Advancement in regard to industry funding. While acknowledging the importance, President Avent discussed the merits and difficulties of industry funding.

President Avent stated that Gina DeIulio announced her intent to retire in the fall and thanked her for her commitment to the University.

Vice Chair Bob Stork made a motion to recommend to the Board of Trustees approval of the President's Goals for 2022-23. Trustee Earl Sasser seconded the motion; a vote was taken, and the motion passed unanimously.

VII. Retirement Plan

Alex Landback advised the committee of the changes to the Florida Polytechnic University Retirement Plan ("Plan") in light of legislative and regulatory changes, otherwise known as Cycle 3.

The Adoption Agreement incorporates the Governance Committee as the Plan Administrator which is consistent with the resolutions adopted at the time the Plan was first effective.

The Secretary's Certificate requires the signature of the Board Chair and contains resolutions adopting the amended and restated Plan.

Trustee Earl Sasser made a motion to recommend to the Board of Trustees the approval of the amended and restated plan document for the Florida Polytechnic University Retirement Plan to the Board of Trustees. Trustee Narendra Kini seconded the motion; a vote was taken, and the motion passed unanimously.

VIII. Florida Polytechnic Board of Trustees Debt Management Policy

Dr. Allen Bottorff provided a brief overview of the Florida Polytechnic Board of Trustees Debt Management Policy, as it was also reviewed and approved in the Finance and Facilities Committee meeting on May 23, 2022. He stated the proposed guidelines allow flexibility in the negotiations of the Student Housing purchase of housing 2 and building of housing 3 and 4. He also stated the documents are in accordance with the Board of Governors Debt Management Guidelines, were reviewed by external and internal counsel and financial advisors, and that they mirror other universities' policies for debt management.

He reminded the Committee this policy accompanies a companion piece, the Florida Poly Finance Corporation, for the best financing options for this project.

Trustee Earl Sasser made a motion to recommend to the Board of Trustees the approval of the Florida Polytechnic Board of Trustees Debt Management Policy. Trustee Narendra Kini seconded the motion; a vote was taken, and the motion passed unanimously.

IX. Florida Poly Finance Corporation

In conjunction with the documents previously presented, Melaine Schmiz explained one of the potential options for financing the purchase of Phase 2 and to build phases 3 and 4 requires the creation of the Florida Poly Finance Corporation. This will be a non-profit corporation that is a direct support organization (DSO) of the University. This item was also reviewed and approved in the Finance and Facilities Committee Meeting on May 23, 2022.

She presented the Bylaws and Articles of Incorporation for approval and requested approval of authorization for staff to file the necessary documents to establish the Corporation, if it is determined that the Corporation should obtain financing.

Vice Chair Bob Stork made a motion to recommend to the Board of Trustees the approval of the Florida Poly Finance Corporation's Articles of Incorporation and Bylaws and to authorize staff to file the necessary papers to establish the corporation, if it is determined that the corporation should obtain financing for Phases 2, 3, and 4. Trustee Earl Sasser seconded the motion; a vote was taken, and the motion passed unanimously.

X. Slate of Officers for 2022-24

Chair Bostick reiterated the Committee's discussions in February when they discussed nominating Cliff Otto for a second term as Board Chair and Beth Kigel as Vice Chair. He then opened the floor for comments, discussion or other nominations for consideration.

Trustee Narendra Kini made a motion to recommend to the Board of Trustees the nomination of Trustee Cliff Otto as Board Chair and Trustee Beth Kigel as Vice Chair for the term of August 1, 2022 through July 31, 2024. Trustee Earl Sasser seconded the motion; a vote was taken, and the motion passed unanimously.

XI. Board Training Needs

Kristen Wharton presented a list of training topics beneficial to the Board for consideration. The Committee requested a survey be provided to all Trustees for feedback to obtain the top three choices. Wharton will report back with the results.

XII. Closing Remarks and Adjournment

Regarding the employment of graduates, Trustee Kini inquired if the University could establish an Advisory Board, or a Committee to the President or Board of Trustees that is composed of industry leaders in order to build a link to the University.

In response, Provost Parker explained curricular advisory boards comprised of industry leaders already exist; however, advisory boards directly related to graduate employment do not. Additionally, Kathy Bowman shared two of her directors of corporate and foundation relations have had over 300 introductions to companies in the past two years. Some of these companies are funneled to Career Services as most of them are seeking talent. A series of events such as Corporate Impact Network Days are being created to engage industry leaders with students.

With no further comments, Committee Chair Bostick thanked the committee and adjourned the meeting at 9:39 a.m.



Audit & Compliance Committee Meeting

DRAFT MEETING MINUTES

**Friday May 20, 2022
9:00 AM – 9:45 AM**

Florida Polytechnic University WEBEX TELE-CONFERENCE MEETING

I. Call to Order

Committee Chair Bob Stork called the meeting to order at 9:00 a.m.

II. Roll Call

Kim Abels called the roll: Committee Chair Bob Stork, Committee Vice Chair Mark Bostick, and Trustee Lyn Stanfield were present (Quorum).

Committee member not present: Trustee Laine Powell

Other Trustees present: Board Chair Cliff Otto, Trustee Melia Rodriguez. Trustee Narendra Kini and Trustee Susan LeFrancois

Staff present: President Randy Avent, Dr. Terry Parker, Kathy Bowman, Gina DeIulio, Dr. Allen Bottorff, David Blanton, Melaine Schmiz, Alex Landback and Kris Wharton.

III. Public Comment

There were no requests received for public comment.

IV. Approval of the February 9, 2022, minutes

Trustee Lyn Stanfield made a motion to approve the Audit & Compliance Committee meeting minutes of February 9, 2022. Trustee Mark Bostick seconded the motion; a vote was taken, and the motion passed unanimously.

V. 2021-2022 Audit & Compliance Committee Work Plan

David Blanton, Chief Compliance Officer, and Chief Audit Executive presented the 2021-2022 University Audit and Compliance (UAC) Committee Work Plan. No action was required of the committee.

VI. Audit and Compliance Update

Blanton provided the committee with an update on all Audit & Compliance activities:

External Audits: Updates were provided on the following audits:

- Auditor General Financial Audit FYE 6/30/21 – The annual financial report was completed

and submitted to the Board of Governors (BOG). The Auditor General came back with a clean opinion on the financial statements.

- Auditor General: Bright Futures and Florida Student Assistance Grants (FSAG) Audits FYE 6/30/21 – This is a statewide audit conducted by the Auditor General. The combined audit report has not been issued yet, however; no significant findings are expected.
- Foundation Internal Controls Review – This review was initiated by the Board of Governors as a result of Direct Support Organization (DSO) fraud at another SUS institution. This audit is similar to reviews performed in 2020 for other SUS institutions. The review has not been started at Florida Poly.
- 5-year Review of Compliance Program – The self-assessment is completed and awaiting the final report from the external validation team. The expected completion date is July 2022.

Internal Audit and Compliance Activities: Currently, University Audit & Compliance has the following projects in progress or planned:

- 5-Year Review of Audit Program – The self-evaluation is complete and the University audit intends to contract for external validation.
- Audit Planning – In process for FYE23

VII. University Financial Audit – FYE21

The University Financial Audit was conducted by the State Auditor General for FYE21 and came back with an unqualified (clean) opinion on financial statements. No deficiencies in internal control or noncompliance were cited. The audit showed an increase in operating revenues due to an increase in enrollment and auxiliary revenues. The audit also showed a decrease in operating expenses due to a decrease in compensation and other benefits and changes in pension and OPEB (employer contributions) costs.

VIII. Textbook Affordability Monitoring Report- Spring 2022

The results of the monitoring review over textbook adoptions for the spring 2022 term were presented to the committee. The results indicated that the University was in compliance with textbook adoption laws as 100% of textbooks were adopted timely. There were repeat audit findings in this area in the past, however this response of 100% compliance indicates we are continually monitoring the situation and have remedied the audit findings.

IX. Approval of External Reviewer for Quality Assurance Review

A QAR (Qualified Assurance Review) is a process to assess the effectiveness of the internal audit function. The internal Audit Charter requires a QAR at least once every 5 years. This must be done to disclose that an audit was conducted in accordance with the IIA standards. The QAR provides assurance to AACCC that audit work is reliable and validated credibility of University Audit. Sam M. McCall has been recommended to complete the QAR. He has over 50 years of auditing experience, strong credibility, and is highly respected throughout the SUS community.

Trustee Mark Bostick made a motion to approve the selection of Independent Validator, Sam M. McCall, as the "External QAR Reviewer" to perform the required validation of the QAR self-assessment of the University's audit function in

accordance with the Institute of Internal Auditor's International Professional Practices Framework to the Board of Trustees. Trustee Lyn Stanfield seconded the motion; a vote was taken, and the motion passed unanimously.

X. Closing Remarks and Adjournment

With no further business to discuss, the meeting adjourned at 9:36 a.m.

AGENDA ITEM: V.

**Florida Polytechnic University
Academic and Student Affairs Committee
Board of Trustees
September 21, 2022**

Subject: Academic and Student Affairs Committee Charter

Proposed Action

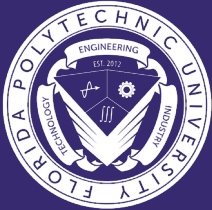
Recommend to the Board of Trustees the approval of the proposed Academic and Student Affairs Committee Charter, effective September 28, 2022.

Background Information

As the University is starting a new two-year cycle with the Board and reorganizing the Board's standing committees, charter reviews of each of the various committees is being performed.

Supporting Documentation: Academic and Student Affairs Committee Charter

Prepared by: Dr. Terry Parker, Executive Vice President and Provost



BOARD OF TRUSTEES

Governance, Audit and Compliance Committee Charter

SUMMARY CHARTER STATEMENT **DRAFT**

The Governance, Audit and Compliance Committee is a standing committee of the Board of Trustees responsible for reviewing and making recommendations to the Board on various Board functions, including periodically reviewing the Board's Bylaws; evaluating the Board's performance; initiating Board training; facilitating nominations related to the Board Chair and Vice-Chair elections; reviewing proposed changes to University regulations and policies which are not reviewed by another Board committee; and overseeing presidential personnel matters, (which includes the annual evaluation and making recommendations related to the President's compensation adjustments and annual goals). The Committee also acts as the plan administrator of the Florida Polytechnic University retirement plan created for the President.

Additionally, the Committee monitors the overall organizational tone for quality financial reporting, sound business risk practices, compliance with applicable laws and regulations, policies, and ethical behavior. The Committee receives and reviews both internal and external auditors' reports ensuring that timely and appropriate corrective actions have been taken. The Committee also approves the audit and compliance plans for University Audit and Compliance and monitors the progress of each plan.

**For a more detailed Audit and Compliance Charter, please see separate documentation on the Governance, Audit and Compliance Committee's webpage.*

Adoption of Summary Charter: The Florida Polytechnic University Board of Trustees adopted the Governance, Audit and Compliance Summary Charter on _____.

**Florida Polytechnic University
Governance, Audit, and Compliance Committee
Board of Trustees
September 21, 2022**

Subject: 2022-2024 Governance, Audit, and Compliance Committees Work Plan

Proposed Committee Action

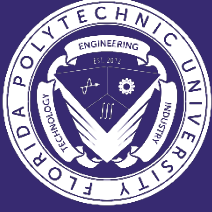
Recommend approval of the 2022-2024 Governance, Audit, and Compliance Committee Work Plan.

Background Information

Due to a reorganization of the Board's standing committees, the Governance and Audit and Compliance Committees have been merged and therefore the new Work Plan needed to be combined. There were no major changes.

Supporting Documentation: Revised Draft Governance, Audit, and Compliance Committee Work Plan 2022-2024

Prepared by: David Blanton CAE/CCO



Committee Work Plan

Governance, Audit and Compliance Committee Work Plan 2022-2024 **DRAFT**

SEPTEMBER

- Review Governance, Audit and Compliance Committee Charter (review every two years – due September 2022)

Governance:

- Make recommendation on the trustee evaluation instrument to be used for President's annual review
- Review President's Outcome Metrics (for prior FY)
- Review President's Powers and Duties (if needed)

Audit and Compliance:

- University Operational Audit – Auditor General (*minimum every three years*)
- UAC Annual Report (*prior FY*)
- UAC Risk Assessment and Audit Plan (*current FY*)
- University Compliance and Ethics Program Plan (*current FY*)
- Performance Based Funding Audit Scope Approval

NOVEMBER

Governance:

- Make recommendations to the Board on President's evaluation outcome and compensation changes
- Make recommendation to Board on renewal of President's employment agreement and any necessary changes to the agreement

Audit and Compliance:

- Textbook Affordability Monitoring Report (*Fall semester*)

FEBRUARY

Governance:

- Review Board Bylaws (review every 3 years – due 2024)
- Discuss nominations for Board Chair and Vice Chair (every 2 years - due February 2024)
- Oversee Board self-assessment (every 5 years – due February 2023)

Audit and Compliance:

- Performance Based Funding Audit and Data Integrity Certification

- University Annual Financial Audit (*prior FY*)
- Foundation 990 Financial Audit (*prior FY*)

JUNE

Governance:

- Make recommendation to Board on President's proposed goals for FY+1
- Discuss Board training needs
- Make recommendation on nominations for Board Chair and Vice Chair (every two years – due May 2024)

Audit and Compliance:

- Textbook Affordability Monitoring Report (*Spring semester*)
- Bright Futures Audit (*review and approve every two years – due June 2024*)

**Florida Polytechnic University
Governance, Audit, and Compliance Committee
Board of Trustees
September 21, 2022**

Subject: Audit & Compliance Update

Proposed Committee Action

Information only – no action required.

Background Information

David Blanton, Chief Audit Executive/Chief Compliance Officer (CAE/CCO) will provide the Committee with an update of all University audit and compliance activity including the status of all external audits and University Audit & Compliance activities and plans.

Supporting Documentation: N/A

Prepared by: David A. Blanton, CAE/CCO

AGENDA ITEM: VIII.

**Florida Polytechnic University
Governance, Audit, and Compliance Committee
Board of Trustees
September 21, 2022**

Subject: University Audit and Compliance (UAC) Annual Report – FYE22

Proposed Committee Action

No action necessary – information only. (Report No. FPU 2023-01)

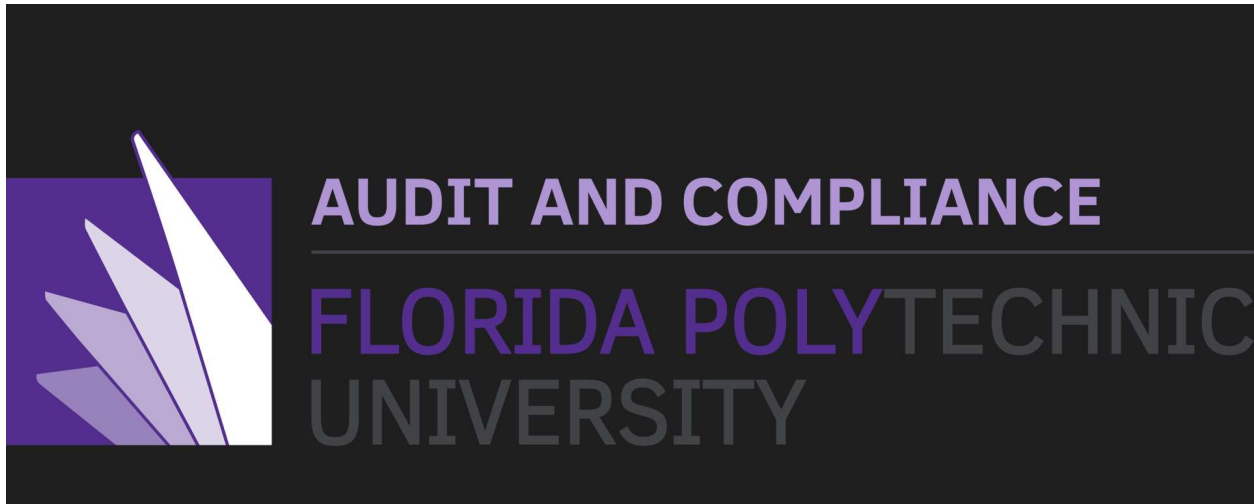
Background Information

Board of Governors Regulation 4.002 requires that an annual report be prepared summarizing the Activities of University Audit for the preceding year. Similarly, BOG Regulation 4.003 provides that the chief compliance officer shall report at least annually on the effectiveness of the compliance and ethics program. This annual report reflects the activity for University Audit and Compliance for the period July 1, 2021, to June 30, 2022.

The Audit and Compliance Committee should utilize the information presented in this report to review the operations of UAC and to fulfill their oversight responsibility with respect to the audit and compliance functions at the University.

Supporting Documentation: UAC Annual Report – FYE22 (Report No. FPU 2023-01)

Prepared by: David A. Blanton, CAE/CCO



ANNUAL REPORT
2021-22 FISCAL YEAR

Report No: FPU 2023-01

July 2022

In accordance with Board of Governors Regulations 4.002, 4.003, and Internal Auditing Standards, this report is presented to summarize the activities of University Audit and Compliance for the 2021-22 fiscal year.

**FLORIDA POLYTECHNIC UNIVERSITY
UNIVERSITY AUDIT & COMPLIANCE
ANNUAL REPORT 2021-22**

Message from the Chief Audit Executive and Chief Compliance Officer

Board of Governors (BOG) Regulations¹ require that an annual report be prepared summarizing the activities of University Audit for the preceding year and that the chief compliance officer shall report at least annually on the effectiveness of the compliance and ethics program. This report is prepared in response to those BOG Regulations and summarizes both audit and compliance activity for the reporting period July 1, 2021, to June 30, 2022. Additionally, this report facilitates the proper oversight of both functions by the Audit and Compliance Committee.

The following accomplishments highlight the activity of University Audit and Compliance (UAC) during the reporting period:

- Completed and released four audit efforts/reports:
 - Report FPU 2022-01: Annual Report (2020-21 FY)
 - Report FPU 2022-02: Risk Assessment and Work Plan (2021-22 FY)
 - Report UAC 2022-06: Performance Based Funding Data Integrity Audit (2021)
 - Quality Assurance Review Self-Assessment (final report will be modified and issued by external validator in FYE23).
- Completed and released five compliance reports and/or planned projects:
 - Report FPU 2022-03: Compliance Program Plan 2021-22 FY
 - Report FPU 2022-04: Conflicts of Interest and Financial Disclosures Monitoring Review
 - Report FPU 2022-05: Textbook Affordability (Fall 2021)
 - Report FPU 2022-07: Textbook Affordability (Spring 2022)
 - Compliance and Ethics Program 5-year Review (self-assessment report).
- Achieved the highest rating (Generally Conforms) for all 16 criteria in the first ever required Compliance and Ethics Program 5-year Review performed by external validators. (external validation of self-assessment report)
- As Lead validator, issued the final report on the University of North Florida's (UNF) Compliance and Ethics Program 5-year Review. Was supporting validator on the University of West Florida (UWF) review and the report was issued in early FYE23.
- Administered and disposed of 9 allegations or complaints reported to UAC via the hotline.
- Assisted with various consulting activities to enhance university operations.
- Obtained relevant educational training for both audit and compliance, as required.

This was the second year that Florida Poly was subject to the auditing and certification requirements related to Performance Based Funding (PBF). BOG Regulations require that this audit be completed and submitted to the BOG by March 1 of each year and such assurances are necessary for Florida Poly to

¹ Board of Governors Regulations 4.002 (State University System Chief Audit Executives) and 4.003 (State University System Compliance and Ethics Programs).

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UNIVERSITY AUDIT & COMPLIANCE
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secure PBF funding. UAC was able to timely complete and submit the required audit, which consumed a significant portion of UAC's resources for the reporting period. Continued efficiencies on completing this annually recurring audit are expected going forward.

In addition to the PBF data integrity audit, the required 5-year Quality Assurance Review (QAR) of the university's audit function also consumed a significant portion of UAC's audit resources for the year. During the review period, UAC completed the self-assessment and has contracted with an external validator to conduct the required review. The final report for this review will be issued early in FYE23. Additionally, the compliance program reviews required a significant commitment of UAC resources (to complete the review for Florida Poly and for UAC to participate in the reviews for UWF and UNF).

Despite the significant commitment of resources to complete the PBF data integrity audit, the QAR self-assessment, and the external compliance reviews, UAC was able to complete monitoring efforts over textbook affordability for two different terms, conflicts of interest and financial disclosures. Consequently, released reports were fairly consistent between the two reporting periods; however, the current year also included two unnumbered reports². Looking forward to the 2022-23 fiscal year, UAC will again be principally driven by certain external requirements (e.g. performance-based funding audit, the BOG's fraud detection and prevention requirements, and legislative efforts aimed at mitigating foreign influence). However, the completion of the QAR and compliance reviews should provide significantly more resources to be directed at risk-driven projects for UAC.

I am very grateful for the opportunity to serve the University and the Board of Trustees and for their continued support of the audit and compliance functions. If you have any questions or need further information, please feel free to call me at (863) 874-8441.

David A. Blanton, CPA, CCEP
Chief Audit Executive and Chief Compliance Officer

² Florida Poly's QAR self-assessment and the UNF 5-year compliance program review.

**FLORIDA POLYTECHNIC UNIVERSITY
UNIVERSITY AUDIT & COMPLIANCE
ANNUAL REPORT 2021-22**

Purpose and Mission

The mission of University Audit and Compliance (UAC) is to serve the University by recommending actions to assist them in achieving its strategic and operational objectives. This assistance includes providing recommendations to management of activities designed and implemented by management to strengthen internal controls, reduce risk to and waste of resources, and improve operations to enhance the performance and reputation of the University. In addition, UAC assists the Audit and Compliance Committee (AACC) in accomplishing their oversight responsibilities in accordance with Board of Governors guidelines and regulations.

Definition and Role of Internal Auditing

According to the Institute of Internal Auditors (IIA):

"Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve an organization's operations. It helps an organization accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes." Under the IIA "Three Lines of Defense" model, Internal Audit serves as "the third line of defense" as noted below:

- The first line of defense is provided by front line staff and operational management. The systems, internal controls, the control environment and culture developed and implemented by these business units is crucial in anticipating and managing operational risks.
- The second line of defense is provided by the risk management and compliance functions. These functions provide the oversight and the tools, systems and advice necessary to support the first line in identifying, managing, and monitoring risks.
- The third line of defense is provided by the internal audit function. This function provides a level of independent assurance that the risk management and internal control framework is working as designed.

Governance and Charters

The Board of Governors (BOG) promulgated Regulations 4.001: *University System Processes for Complaints of Waste, Fraud, or Financial Mismanagement*, 4.002: *State University System Chief Audit Executives*, and 4.003: *State University System Compliance and Ethics Programs*. In response to these BOG Regulations, the University structured and approved the following Florida Poly Charters:

**FLORIDA POLYTECHNIC UNIVERSITY
UNIVERSITY AUDIT & COMPLIANCE
ANNUAL REPORT 2021-22**

- **Board of Trustees Audit and Compliance Committee (AACC) Charter.** The AACC Charter was adopted to provide for the various oversight responsibilities charged to the AACC.
- **Internal Audit Charter.** The Internal Audit Charter effectively establishes the position of Chief Audit Executive (CAE) and outlines the duties and responsibilities of the position.
- **Compliance and Ethics Charter.** The Compliance and Ethics Charter effectively establishes the Compliance function at the University and outlines the duties and responsibilities of the position, including the development of the University's Compliance and Ethics Program.

All three charters are required to be reviewed and approved for consistency with Board of Governors and university regulations, professional standards, and industry practices at least every three years. All three charters were last presented to the AACC for review and approval in May of 2020 and are available on the University's website under Board of Trustees/Committees/Governance, Audit & Compliance.

Internal Audit Activity (Audits, Reviews, and Consulting Activities)

The following summarizes the activity of the internal audit function for the period of July 1, 2021 to June 30, 2022:

- **UAC Annual Report – FYE 6/30/21.** This report was prepared and presented to summarize the activities of University Audit and Compliance for the 2020-21 fiscal year. (Report FPU 2022-01)
- **Risk Assessment and Audit Plan.** Each year, the CAE prepares a Risk Assessment and Audit Plan that is presented to the AACC for approval. (Report FPU 2022-02)
- **Performance Based Funding Data Integrity Audit.** This audit was performed to determine whether the University has established appropriate controls to ensure the completeness, accuracy, and timeliness of data submissions to the BOG which support the PBF metrics of the University as of September 30, 2021. The audit identified 2 audit observations as follows: (Report FPU 2022-06)
 - Enhanced controls to ensure the timeliness of data submissions to the BOG.
 - Enhanced controls to provide for data integrity verifications prior to BOG submission.
- **Quality Assurance Review (QAR) Self-Assessment.** The QAR provides a level of assurance to the AACC that the audit function is reliable, effective, and adds value to the university. Additionally, it is designed to identify opportunities for improvement. Applicable Institute of Internal Auditor's (IIA) guides were completed, supporting documentation compiled, and a draft report was prepared and will be subjected to external validation in early FYE23. The QAR is required every five years to operate under IIA Standards and to comply with BOG Regulations.

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UNIVERSITY AUDIT & COMPLIANCE
ANNUAL REPORT 2021-22**

AUDIT PLAN PROGRESS & RESOURCE UTILIZATION

Table 1 below provides a measure of actual progress against the BOT-approved audit work plan for the 2021-22 fiscal year:

Table 1 2021-22 Audit Plan Actual Progress vs. Approved Audit Plan			
#	Planned Audits/Risk	Area of Focus (i.e. processes/Controls)	Status
1	UAC Annual Report	To summarize the activities of University Audit for the year.	☑
2	UAC Risk Assessment & Audit Plan	To evaluate risk across the University and allocate audit resources to areas of risk that might benefit from audit assurance.	☑
3	PBF Data Integrity Audit	To determine whether the University has established adequate controls to properly report on the various metrics related to PBF. Follow-up of prior PBF audit observations.	☑
4.	Quality Assurance Review (QAR)	Required every five years to provide assurance that UAC is conforming with auditing standards. This is the first QAR for Florida Poly.	X(A)
☑	Planned audit or review completed.		
X	Planned audit or review not yet completed.		
(A)	UAC completed the self-assessment and compiled documentation to support conformance with the Standards. UAC has contracted with an independent assessor to perform the QAR. The QAR will be completed, and a final report issued, after validation of conformance by the contracted independent assessor.		

Given the limited resources of UAC, and the amount of time necessary to effectively perform the responsibilities of both the audit and compliance functions at the University, planned audits were limited to mandated audits. As noted above in Table 1, apart from the annual report and audit plan, only one audit was completed from the prior plan year (PBF audit). Most other UAC resources were committed to the compliance function which are detailed in Table 5 of this report.

**TABLE 2
COMPARISON OF APPROVED PLAN HOURS TO ACTUAL HOURS**

Activity	Plan Hours	Actual Hours	Difference	% Difference
Administrative	256	219	(37)	-14.5%
Audit	680	758.5	78.5	11.5%
Compliance	400	484	84.5	21.1%
Investigative	180	87	(93)	-51.7%
Consulting	240	157.5	(82.5)	-34.4%
Training	120	83.5	(36.5)	-30.4%
Totals	1,876	1,789.5	(86.5) ³	-4.6%

³ Differences in total planned versus total actual hours is primarily the result of more personal time off than planned (resulting in less direct time charged).

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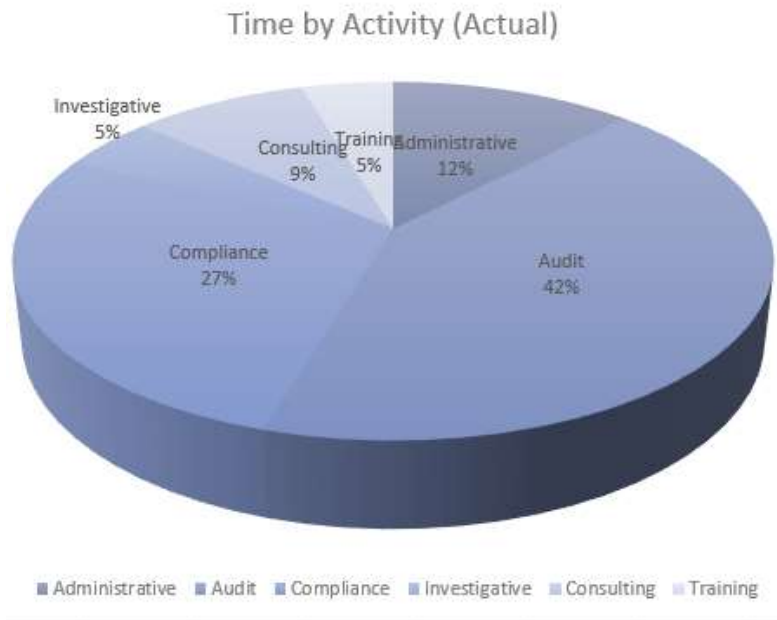
As reflected in Table 2 above, UAC’s time for both investigative and consultative efforts were significantly less than planned. Due to the uncertain nature and frequency of these activities, both are very difficult to predict and establish plan hours. Nevertheless, these plan hours were redirected at audit and compliance activities and were necessary to complete the QAR self-assessment and other published compliance monitoring reports. Additionally, total actual hours differed by planned hours due to required personal leave of the CAE/CCO that was not planned.

**TABLE 3
COMPARISON OF ACTUAL HOURS – CURRENT AND PRIOR PERIODS**

Activity	2019~20 FY	2020~21 FY	2021~22 FY	Difference	% Difference
Administrative	266.5	249	219	(30)	-12.0%
Audit	525.5	591.5	758.5	167	28.2%
Compliance	365	744	484	(260)	-34.9%
Investigative	412	10	87	77	770.0%
Consulting	243.5	165	157.5	(7.5)	-4.5%
Training	82	111.5	83.5	(28)	-25.1%
Totals	1,894.5	1871	1789.5	(81.5)	-4.4%

As reflected in Table 3, the most significant variances were noted in audit and compliance efforts. Audit hours essentially increased due to the QAR self-assessment which was not performed in the prior year. Further FYE21 included more effort at completing the Compliance Program self-assessment and working with other SUS institutions to establish an appropriate methodology for the peer reviews.

The following graph depicts actual hours by activity for the 2021-22 fiscal year:



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Other Mandatory Disclosures – Audit and Compliance

UAC adheres to the Code of Ethics and the *International Standards for the Professional Practice of Internal Auditing (Standards)* adopted by the Institute of Internal Auditors. Those *Standards* and University Audit's Charter require certain other annual disclosures as follows:

- Organizational Independence: The Internal Audit Charter effectively establishes the position of Chief Audit Executive (CAE) and provides for a dual-reporting relationship of the CAE to promote independence and objectivity. In this dual-reporting relationship, the CAE reports functionally to the AACC and administratively to the President. In addition, to further promote independence the Charter specifies that the CAE is not authorized to perform any operational duties, initiate or approve accounting transactions or the selection of vendors, or direct the activities of any University employee.
- Impairments to Independence or Objectivity: Independence is the freedom from conditions that threaten the ability of the internal audit activity to carry out internal audit responsibilities in an unbiased manner. Objectivity is an unbiased mental attitude that allows internal auditors to perform engagements in such a manner that they believe in their work product and that no quality compromises are made. During the reporting period, there were no impairments to the independence or objectivity of UAC.
- Disclosure of Nonconformance: When nonconformance with the Code of Ethics or the *Standards* impacts the overall scope or operation of the internal audit activity, such matters must be disclosed to senior management and the board. During the reporting period, there were no such instances of nonconformance with either the Code of Ethics or the *Standards*.
- Management's Response to Unacceptable Risks: When the CAE concludes that management has accepted a level of risk that may be unacceptable to the university, the CAE must discuss the matter with senior management. If the CAE determines that the matter has not been resolved, the CAE must communicate the matter to the Board. For the audit period, no such matters were noted or required to be reported to senior management or the Board.
- Quality Assurance and Review (QAR) Program: A QAR program is designed to enable an evaluation of the internal audit activity's conformance with the *Standards* and an evaluation of whether internal auditors apply the Code of Ethics. The *Standards* require ongoing internal reviews as well as an external QAR. The external QAR is required to be conducted every five years. Since the internal audit function was initially established on July 31, 2017, the initial QAR is currently underway. The CAE completed a QAR self-assessment in FYE22 and the AACC approved an external validator to conduct the required review in early FYE23.
- Restrictions or Barriers to Information: The University Audit Charter requires that the Chair of the Audit and Compliance Committee is to be notified of any unresolved restriction, barrier, or limitation to obtaining necessary information to perform UAC's duties. No such restrictions or barriers have been encountered by UAC.

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Compliance & Ethics Program Activity

In November 2016, BOG Regulation 4.003, *State University System Compliance and Ethics Programs (CEP)*, was adopted. Regulation 4.003 requires each university to establish a CEP and complete an external review of the CEP’s design and effectiveness and any recommendations for improvement, as appropriate. The first external review shall be initiated within five (5) years from the effective date of the regulation (November 2021).

The following summarizes the activity of the Compliance function for the period of July 1, 2021 to June 30, 2022:

- **Compliance and Ethics Program Plan.** Each year, the CCO prepares a Compliance & Ethics Program Plan (Plan) that is presented to the AACC for approval. The 2021-22 Plan was presented to and approved by the AACC in September 2021. Table 5 below provides a measure of actual progress against the BOT-approved Plan for the 2021-22 fiscal year:

Table 5 2021-22 Compliance & Ethics Program Plan Actual Progress vs. Approved Plan		
#	Planned Area of Focus	Status/Comments
1	General Compliance Activities/Investigations	☑
2	Trainings & Communication	☑
3	Statement of Financial Disclosures/Conflict of Interests Monitoring Review	☑
4	Self-Assessment of CEP/External Validation	☑ (A)
5	Textbook Affordability Monitoring Review (Fall 2021)	☑
6	Textbook Affordability Monitoring Review (Spring 2022)	☑
7	Background Checks Monitoring Review	X (B)
8	Foreign Influence Reporting/Compliance	ongoing
☑	Planned area of focus in progress or completed.	
X	Planned audit or review not completed in Plan year.	
(A)	Self-assessment completed in FYE21 and corresponding external validation completed in FYE22.	
(B)	Not completed in plan year; however, carried forward into FYE23 plan.	

University Compliance has given thought as to how it can be more effective with respect to providing coverage for planned areas of focus and has determined that greater efficiencies would be achieved by issuing Compliance Monitoring Reports for each of the planned focus areas approved by the AACC. These reports provide slightly less assurance than an audit report, but allow UAC to provide greater coverage of selected areas of risk.

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- **Compliance and Ethics Program (CEP) Evaluation/External Review:** In June 2022, the final report for the required review of Florida Poly’s CEP was completed and issued in accordance with BOG Regulation 4.003. The review was completed by an external assessment team utilizing criteria established by the SUS Compliance Consortium to evaluate the CEP’s conformance with BOG requirements and Federal Sentencing Guidelines for an effective CEP. The results of the external review disclosed conformance with each of the 16 various areas considered; however, several recommendations were noted to improve program effectiveness:
 - Ongoing consideration of the effectiveness of the consolidated CAE/CCO role.
 - Document AACC involvement in personnel matters relating to the CCO. (evaluations, pay considerations).
 - Frequent, recurring reviews of key university compliance regulations/policies.
 - Documented meetings with key compliance partners throughout the university.
 - Perform a university-wide fraud risk assessment.
 - Greater promotion of the compliance hotline.

- **Compliance and Ethics Hotline.** The “Compliance and Ethics Hotline” was established to report suspected or actual instances of noncompliance, fraud, waste, or abuse directly to the CAE/CCO. The Hotline provides for various methods of reporting including an on-line form, telephone, fax, or direct mailing to a local post office box for completely anonymous reporting. These reporting mechanisms are publicized on the university website and promoted in trainings conducted by UAC.

- **Board Trainings/Orientations.** The CCO last presented Compliance and Ethics training to the Board of Trustees at their May 2019 meeting. This training essentially outlined the ethical restrictions and requirements set forth in the Board of Trustees Ethics Policy. Additionally, UAC participates in individual orientation sessions for new Trustees to familiarize them with the duties and responsibilities of the audit and compliance functions at the university.

- **Allegations and Investigations.** Allegations are reported to UAC through the Compliance and Ethics Hotline, written correspondence (letters and email), telephone calls, referrals from the Board of Governors Inspector General, referrals from the Chief Inspector General from the State’s Executive Office of the Governor (EOG), and other sources. During the reporting period, UAC received 9 allegations, complaints, or concerns from which no investigative reports were issued by UAC. All matters were referred to management for corrective action and did not warrant further investigative effort. UAC also assisted Academic Affairs and the Office of Sponsored Research in conducting a preliminary investigative hearing.

Allegations can be classified and analyzed for patterns of behavior to determine whether UAC needs to commit future resources in order prevent or correct recurring concerns. For instance, certain matters can be potentially remediated with either additional training or an in-depth audit designed to address such concerns. Based on an analysis of the reported nature of allegations for the 2021-22 fiscal year, no particular area rises to the level of high risk warranting such remedial efforts.

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Consulting and Advisory Activity

UAC provides consulting and advisory services which are intended to provide advice and guidance on a wide variety of topics related to compliance, internal controls, reporting, and business practices. This includes reviewing current practices, researching and interpreting policies and procedures, and responding to routine inquiries. UAC also serves as a liaison with external auditors. During the reporting period, UAC assisted with the following consultative projects:

- Internal controls/compliance/best practices
- Review of the Annual Financial Report
- President’s Ad-Hoc Training Committee (advisory report issued)
- Federal HEERF Compliance (Federal opinion requested and received)
- Fraud prevention and detection (draft policy revision suggestions)
- Miscellaneous advisory services on a variety of other topics

During the current reporting period, UAC responded to a total of 82 consulting and/or advisory requests that accounted for approximately 9 percent of UAC’s resources.

Professional Development and Certifications

UAC maintains active memberships and attends training and continuing professional education seminars from the following professional organizations:

- Institute of Internal Auditors (IIA)
- Association of College and University Auditors (ACUA)
- Society of Corporate Compliance and Ethics (SCCE)
- American Institute of Certified Public Accountants (AICPA)
- State University Audit Council (SUAC)
- SUS Compliance Consortium

UAC meets regularly with other State University System CAE’s in SUAC and CCO’s in the Compliance Consortium to discuss emerging issues and exchange knowledge for best practices related to audit and compliance. Both groups continued to hold periodic virtual meetings to discuss common issues, best practices, and trends in audit and compliance.

As noted in Table 3, the CAE/CCO’s activities included 83.5 hours for training, which translated into 60.5 continuing professional educational (CPE) hours. Certain trainings (e.g. SUAC and the Consortium) and all travel to and from trainings are charged as training hours; however, they do not qualify for CPE credit. Training obtained during the fiscal year met the requirements set forth by the Institute of Internal Auditors, the AICPA, the University Audit Charter, the Society for Corporate Compliance and Ethics, and the University Compliance Charter.

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The CAE is licensed as a Florida Certified Public Accountant (CPA) and a Certified Compliance & Ethics Professional (CCEP)[®]. A CCEP designation is awarded to someone with knowledge of relevant regulations and expertise in compliance processes sufficient to assist organizations with their legal obligations, and someone who promotes organizational integrity through the operation of effective compliance programs. Both professional certifications require a certain amount of professional development to maintain licensure.

Key Performance Indicators (KPIs) – Audit & Compliance

Key Performance Indicator	17/18⁴	18/19	19/20	20/21	21/22	Comments
Total reports released	3	8	8	9	9	
Number of audits completed	1	2	2	1	2	PBF audit & QAR self-assessment
Percentage of audit effort	21.9%	26.9%	27.7%	31.6%	42.4%	
Compliance Monitoring Reports Issued	0	0	0	3	4	3 Florida Poly reports and 1 UNF report
Number of allegations addressed	33	26	18	2	9	
Number of investigative reports released	1	3	4	0	0	
Number of consults/compliance inquiries	-	-	138	80	82	Not tracked until 19/20 FY
Number of certifications held by UAC staff	1	2	2	2	2	CPA, CCEP
Training sessions conducted by UAC	1	3	4	1	0	
Audit experience (years)	28	29	30	31	32	
Compliance professional experience (years)	0	1	2	3	4	

KPI's are incorporated into this annual report for both audit and compliance to facilitate better AACC oversight. UAC welcomes the addition of any additional suggested metrics to KPIs presented.

⁴ The initial year that UAC was staffed only included 11 months and most effort was directed at establishing an appropriate infrastructure for audit and compliance.

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Compliance Message

Compliance and ethics begins with you because of the difference your decisions can make. When a concern is identified by anyone, it is important that the university is able to respond to the matter and correct the issue. Your choice to report the matter (or to do nothing) will have a significant impact on the university – and this is just one way that compliance and ethics begins with you.

**UNIVERSITY AUDIT & COMPLIANCE
HOTLINE REPORTING OPTIONS:**

EMAIL: dblanton@floridapoly.edu

FAX: 863.874.8509

PHONE: 863.874.8441

MAIL: PO BOX 1808/EATON PARK FL/33840*

WEBSITE REPORTING FORM: SEE UAC WEBPAGE

IN PERSON: LTB 1146 at POLY SOUTH

*This option allows for complete anonymity in reporting any concern. (For all other options, UAC will attempt to maintain anonymity to the extent possible).

**Florida Polytechnic University
Governance, Audit, and Compliance Committee
Board of Trustees
September 21, 2022**

Subject: University Audit Risk Assessment and Audit Plan, 2022-23 Fiscal Year

Proposed Committee Action

Recommend approval of the University Audit Risk Assessment and Audit Plan for the 2022-23 fiscal year to the Board of Trustees.

Background Information

As required by the Internal Audit Charter, Florida Board of Governors Regulations, and Internal Auditing Standards, audits are to be scheduled and performed according to a risk-based annual plan which shall be submitted to the President, the AACC, and the Board of Governors. The goal of the Plan is to effectively use audit resources and provide audit coverage to areas with the greatest known risks and to dedicate sufficient time in administering the Compliance and Ethics Program.

The Plan should be reviewed by the Committee to ensure it is consistent with expectations for University Audit with respect to risk, planned audits, and other activities performed by the audit function. The Plan may be updated, as necessary throughout the year, to reflect changes in the University's strategic plan, program initiatives, and external environment factors along with accommodating requests from the Board of Trustees and University management.

Supporting Documentation: University Audit Risk Assessment and Audit Plan, 2022-23 FY (Report No. 2023-02).

Prepared by: David A. Blanton, CAE/CCO



FLORIDA POLYTECHNIC
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**University Audit
Risk Assessment & Work Plan
For the Fiscal Year Ended June 30, 2023
Report No: FPU 2023-02
August 2023**



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Transmittal Letter

August 25, 2022

Mr. Mark Bostick, Audit and Compliance Committee (AACC) Chair
Dr. Randy Avent, President
Florida Polytechnic University

I am pleased to submit the Annual Work Plan (Plan) of the Florida Polytechnic University Audit function for the fiscal year ending June 30, 2023. The Plan primarily provides for the planned activity of University Audit and an allocation of total available time between the audit and compliance functions. A separate Plan for University Compliance has been prepared in greater detail and submitted for approval; however, approved total Compliance Plan hours are also included in this report to account for the total resources of University Audit and Compliance (UAC). This Plan outlines all planned audits and other required audit-related activities based on an assessment of risk and resources available to UAC during the plan year. The Plan also includes provisions for assisting management with additional requests, special investigations, follow-up on any previous observations/findings, and other value-added work.

The Plan may be updated as necessary to reflect changes in the University's strategic plan, program initiatives, and external environment factors along with accommodating requests from the Board of Trustees and University management.

Thank you in advance for the support offered in the performance of University Audit and Compliance responsibilities.

Sincerely,

David A. Blanton

David A. Blanton, CPA, CCEP
Chief Audit Executive & Chief Compliance Officer
University Audit and Compliance

Introduction

The Internal Audit Charter, approved by the Audit and Compliance Committee (AACC), provides that the mission of University Audit is to serve the University by recommending actions to assist them in achieving its strategic and operational objectives. This assistance includes providing recommendations to management for activities designed and implemented by management to strengthen internal controls, reduce risk to and waste of resources, and improve operations to enhance the performance and reputation of the University. Additionally, the Compliance and Ethics Charter provides that the mission of University Compliance is to support and promote a culture of ethics, compliance, risk mitigation, and accountability.

As required by the Internal Audit Charter, pursuant to Florida Board of Governors (BOG) Regulations¹ and Internal Auditing Standards², audits are to be scheduled and performed according to a risk-based annual plan which shall be submitted to the President, the AACC, and the Board of Governors. A risk assessment is an on-going systematic exercise performed to identify concerns and potential areas of risk that may benefit from audit assurance and is used to appropriately allocate audit resources. In performing the risk assessment, information on risk areas and concerns were gathered from the following:

- inquiry with various University staff/observations and a review of University records
- the collective knowledge of UAC as it relates to University operations
- a review of other University audit reports
- new legislation, laws, rules, or requirements
- complaints and allegations

A population of 112 risk areas were compiled to create the “audit risk universe”. This represents an increase of 5 new risks that were added from the previous risk assessment conducted last year. Various risk factors were then analyzed and applied to the audit risk universe to generate a relative risk rating by area/specific risk. University senior management’s input was then solicited and obtained in considering significant risks. The results of this risk assessment process led to the generation of selected audit topics as identified on pages 4 and 5 and those risks dedicated to compliance monitoring³.

Risk Assessment

The CAE should use risk assessment techniques in developing the internal audit activity’s plan and in determining priorities for allocating internal audit resources. Risk assessment is used to select areas to include in the internal audit activity’s plan. Also, the CAE should seek guidance on what the board and the senior management considers important to assist in assessing risks, prioritizing projects and allocating audit resources.⁴

¹ Florida Board of Governors Regulation 4.002(6)(d)

² *International Standards for the Professional Practice of Internal Auditing*

³ Planned risks to be monitored through compliance monitoring reviews are detailed in the 2022-23 Compliance & Ethics Program Plan.

⁴ Institute of Internal Auditors’ International Professional Practices Framework (IPPF): IPPF Practice Guide – Interaction with the Board

Risk Assessment Process

Each year, University Audit and Compliance is charged with completing an assessment of risk to assist in the development of an Annual Audit & Compliance Work Plan (Plan). The goal for the Plan is to effectively use audit resources in order to provide audit coverage to areas with the greatest known risks and to dedicate sufficient time in administering the Compliance and Ethics Program in accordance with BOG Regulations⁵.

A list of risk areas, prepared from inquiry of senior management, reviews of other audit reports, and previous risk assessments was compiled and prioritized with respect to University goals and objectives, the nature and type of risk, and available resources. The areas of risk were assessed and the Work Plan was developed considering the following factors:

1. Impact
2. Likelihood
3. Concern
4. Management's ranking
5. Risk factor classifications (see sidebar at right)
6. Fraud risk

A weighted value was then determined, based on the factors above, for each risk identified. Risks with a higher risk scores were prioritized for audit consideration and presented to the Audit and Compliance Committee for Plan approval.

Auditing Standards requires that follow-up be performed on previously reported matters. The Plan includes an allocation of resources to perform follow-up reviews to ensure appropriate corrective action has been taken for each previously reported finding/observation.

RISK FACTORS & CONSIDERATIONS

Operational – Are University resources being used in an effective and efficient manner? Could University operations be improved?

Financial – Are University financial processes handled as intended? Are assets maintained and protected in an appropriate manner? Is financial reporting reliable and accurate? Are accounting records properly maintained?

Compliance – Is the department or audited activity in compliance with applicable laws, rules, regulations, and University policies?

Reputational – Does an activity or action rise to the level of concern such that the resulting loss or damage impair the reputation of the University?

Strategic – Does the activity or department's actions align with the strategic plan of the University? (i.e. mission, goals, and objectives)

Technology – Does the processes, applications, and infrastructure that support an activity or department adequately support the technology environment for the University?

Human Capital – Is the University workforce properly suited to meet the objectives of the University?

⁵ Florida Board of Governors Regulation 4.003(1)

Risk Areas

The following areas were determined to present the highest risk using the risk assessment methodology or represent audits or reports that are required to be completed:

Rank	Audit Risk Area	Objectives/Purpose of Audit or Activity	Notes
1	Performance Based Funding (PBF) Data Integrity Audit	As required, to determine whether the University has established adequate controls to properly report on the various metrics related to PBF.	A
2	Annual Report – FYE22	As required, this report summarizes the audit activities for University Audit and facilitates proper oversight by the AACC.	
3	Risk Assessment & Audit Plan - FYE23	As required, to effectively use audit resources to provide audit coverage to areas with the greatest known risks and other required audit activities.	
4	Quality Assurance Review (QAR)	As required, an external review of the audit function to determine conformance with Institute of Internal Auditors (IIA) Standards.	B
5	Asset Accountability	To determine whether appropriate controls exist to adequately account for University capital asset acquisitions (for both capitalized assets and highly desirable assets under the capitalization threshold).	
6	Expense Cards	To determine whether appropriate controls exist over the issuance and use of University-issued expense cards.	
Notes:			
A – PBF audit and BOT data certification is required to be presented to the BOG by March 1, 2023. This is the third year that Florida Poly will participate in the funding for PBF and a condition of participation is an audit of the data integrity supporting the metrics developed to measure performance. Consequently, this is ranked highest priority for the 2022-23 Plan year.			
B – University Audit completed the self-assessment in FYE22 and an external validator is contracted to complete final report in early FYE23.			

Given the limited resources of UAC, and the amount of time necessary to administer both the audit and compliance functions at the University, planned audits were limited to these required audits and areas of high risk. Additionally, audit resources were reserved to complete an annual report, the risk assessment and audit plan, and other administrative duties in the upcoming plan year. In the event that resources for the 2022-23 fiscal year are available beyond activities called for in the Plan above, UAC will present a revised Plan for AACC approval to address additional areas of high risk.

Additionally, UAC utilized the risk assessment process to identify a number of other risk areas that might benefit from compliance monitoring efforts rather than a comprehensive audit. Those areas of risk are separately identified in the 2022-23 Compliance and Ethics Program Plan.

The following Work Plan summarizes planned activity pursuant to the risk-based assessment, required audits, and available hours for UAC to administer the audit and compliance functions at the university:

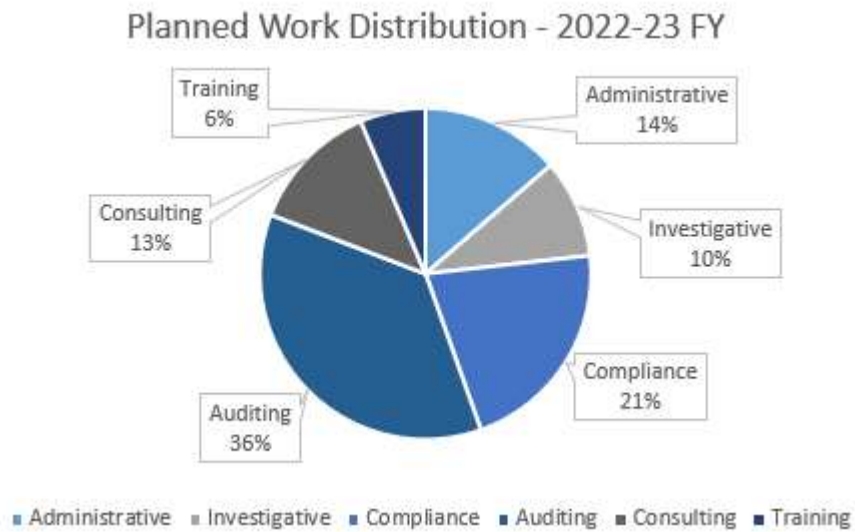
Florida Polytechnic University University Audit & Compliance Work Plan (A) 2022-23 Fiscal Year		
Activity	Estimated Hours	Total Hours
ADMINISTRATIVE ACTIVITIES:		220
Periodic meetings with President/Board	40	
BOG Communications	40	
Prepare Audit & Compliance Liaison Materials and Attend Briefings	120	
Other	20	
INVESTIGATIVE ACTIVITIES:		120 ⁶
Complaint Intake, Preliminary Inquiries, Investigations (C)	120	
COMPLIANCE ACTIVITIES:		400 ⁶
Administration of the Compliance and Ethics Program	400	
AUDITING ACTIVITIES:		856
UAC Risk Assessment and Audit Plan 2022-23	80	
UAC Annual Report	30	
Performance Based Funding Data Integrity Audit	430	
Expense Card Audit	140	
Asset Accountability Audit	140	
QAR/Peer Review (B)	36	
MANAGEMENT ADVISORY/CONSULTING ACTIVITIES:		160
Various (C)	160	
TRAINING ACTIVITIES:		120
Webinars, SUS Committees, and Continuing Professional Education	120	
Total Estimated Hours	1,876	1,876
Notes:		
(A) This annual work plan is subject to change based on requests made by the Board to evaluate particular programs or activities.		
(B) Estimated hours only relates to facilitating external reviewer since the self-assessment for the QAR was performed by UAC in the prior fiscal year.		
(C) Estimated hours for investigations and management advisory services not readily quantifiable and could change significantly depending on the number of allegations, investigations, and/or consulting requests.		

⁶ Hours for investigative and compliance activities as separately detailed in the 2022-23 Compliance Program Plan.

The table below identifies current resources available for University Audit and University Compliance during the 2022-23 Plan year: (1 staff FTE)

Available Staffing Hours	
Month	Hours
July	160
August	184
September	168
October	168
November	152
December	136
January	160
February	160
March	184
April	160
May	176
June	176
Sub Total	1,984
Vacation/sick	(108)
Annual hours available	1,876

The graph below depicts the planned allocation of UAC resources, by activity, for the upcoming fiscal year as detailed in the work plan on page 5:



**Florida Polytechnic University
Governance, Audit, and Compliance Committee
Board of Trustees
September 21, 2022**

Subject: University Compliance & Ethics Program Plan – FYE 22

Proposed Committee Action

Recommend approval of the University Compliance & Ethics Plan for the 2022-23 fiscal year to the Board of Trustees.

Background Information

Florida Board of Governors Regulation 4.003 provides that each board of trustees shall implement a university-wide compliance and ethics program as a point for coordination of and responsibility for activities that promote ethical conduct and maximize compliance with applicable laws, rules, regulations, rules, policies, and procedures. David Blanton, Chief Compliance Officer (CCO) will present the proposed Plan for the 2022/23 fiscal year. This Plan was developed consistent with applicable codes of conduct and the Federal Sentencing Guidelines and provides for the various planned focus areas for University Compliance.

The Committee should consider whether the Proposed Plan (a) promotes an organizational culture that encourages ethical conduct and a commitment to compliance and (b) allocates University Compliance resources in an efficient and effective manner.

Supporting Documentation: UAC Compliance & Ethics Program Plan Report – FYE23
(Report No. FPU 2023-03)

Prepared by: David A. Blanton, CAE/CCO



FLORIDA POLYTECHNIC
UNIVERSITY

University Compliance

Compliance and Ethics Program Plan

2022-23 Fiscal Year

Report No: FPU 2023-03

August 2022

Ethical Quote: It takes 20 years to build a reputation and five minutes to ruin it. If you think about that, you'll do things differently. – Warren Buffett

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V.	Exhibit A – Compliance & Ethics Program Plan - Estimated Budget	11

I. Background and Overview

Florida Board of Governors (BOG) Regulations¹ provide that each board of trustees shall implement a university-wide compliance and ethics program (Program) as a point for coordination of and responsibility for activities that promote ethical conduct and maximize compliance with applicable laws, regulations, rules, policies, and procedures. The BOG Regulation further provides that the Program shall be:

- Reasonably designed to optimize its effectiveness in preventing or detecting noncompliance, unethical behavior, and criminal conduct, as appropriate to the institution's mission, size, activities, and unique risk profile.
- Developed consistent with various codes of ethics² and the Federal Sentencing Guidelines.
- Periodically evaluated for effectiveness.

The Florida Poly Compliance and Ethics Program (Program) was designed with due diligence and the promotion of an organizational culture that encourages ethical conduct and a commitment to compliance, as outlined by the Federal Sentencing Guidelines, for the seven (7) Program components outlined below:

7 Basic Components of an Effective Compliance & Ethics Program

1. Standards, Policies, Procedures
2. Compliance and Ethics Program Administration
3. Conduct Controls for Employees
4. Communication, Education, and Training
5. Monitoring, Auditing, and Reporting System (Hotline)
6. Discipline and Incentives
7. Program Modifications

Each of these seven components required by the Federal Sentencing Guidelines are discussed in greater detail below:

Requirement 1: The organization shall establish standards and procedures to prevent and detect criminal conduct.

Plan Response: The University has adopted the following Regulations and Policies (standards) that effectively communicate management's commitment to prevent and detect criminal conduct:

- *Policy FPU-1.0125P Fraud Prevention and Detection*
- *Regulation FPU-1.015 Allegations of Waste, Fraud, Financial Mismanagement, and Other Abuses*
- *Regulation FPU-6.002 Personnel Code of Conduct and Ethics*
- *Regulation 6.011 Employee Criminal Background Checks*
- *Policy FPU-8.0011P Purchasing of Goods and Services*

¹ Florida Board of Governors Regulation 4.003, implemented November 3, 2016

² Code of Ethics for Public Officers and Employees contained in Part III, Chapter 112, Florida Statutes and other applicable codes of ethics

- *Regulation 8.003 Authority to Suspend or Debar Contractors/Vendors*

Periodically, such Policies and Regulations are subjected to Policy review to ensure that they are comprehensive and prescribe to current practice. Currently, University Compliance is working with the Office of General Counsel to amend University Regulations over fraud to conform with recent changes to related BOG Regulations.

University Compliance maintains various reporting mechanisms to report waste, fraud, financial mismanagement and other abuses and the standards outlined above provide that employees are obligated to report known or alleged violations. (See also Requirement 5)

Requirement 2: The organization's governing authority shall be knowledgeable about the Program and exercise reasonable oversight; high-level personnel shall have overall responsibility for the Program and its effectiveness; and the Program shall be afforded adequate resources to carry out operational responsibility of the Program.

Plan Response: The Audit and Compliance Committee (AACC) of the Florida Polytechnic University's Board of Trustees is charged with oversight of the Program. This responsibility is outlined in the Charter for the AACC. The Chief Compliance Officer (CCO) is responsible for communicating the details of the Program to the AACC and presenting an annual Program Plan to the AACC for approval. The CCO serves as the liaison to the AACC and provides an update on the Program at each meeting (4 times a year). In addition, the Florida BOG exercises certain oversight of each institution of the State University System (SUS). The CCO has overall responsibility for the Program and has been provided with sufficient resources to carry out operational responsibilities of the Program. As a new institution founded in 2012, Florida Poly hired its first-ever CCO beginning on July 31, 2017. Florida Poly's Compliance & Ethics Program obtained its first-ever effectiveness review in June of 2022 and the results were reported to the AACC to facilitate oversight of the Program.

Requirement 3: The organization shall use reasonable efforts to preclude the hiring or employment of personnel that have engaged in illegal activities or other conduct inconsistent with an effective compliance and ethics Program.

Plan Response: Florida Polytechnic University Regulations³ provide for the administration of Level 1 background screening for all employees and volunteers and a Level 2 background screening for employees working in areas of special trust or responsibility. (A Level 1 background screening is limited to a statewide criminal history records check through the Florida Department of Law Enforcement while a Level 2 background screening extends beyond that to a national criminal history records check through the Federal Bureau of Investigation). Additionally, the Regulation requires that university employees shall immediately notify the university if convicted of a felony or first-degree misdemeanor any time subsequent to becoming employed by the university. The periodic rescreening of employees, as provided for in the University Regulation, serves to further ensure that university employees have not engaged in illegal activities or other conduct inconsistent with an effective compliance and ethics Program.

³ Regulation FPU 6.011, Employee Criminal Background Checks

Controls over this process were recently subjected to an operational audit performed by the Auditor General⁴. Additionally, this Plan includes planned monitoring efforts over background check controls during the 2022-23 fiscal year as a carryover project not completed in the prior year.

Requirement 4: The organization shall periodically conduct effective trainings and otherwise disseminate information in support of the Program.

Plan Response: The University currently provides for the following training relative to the Compliance and Ethics Program:

- At new employee orientation, all new hires are provided training and a copy of our Employee Handbook from our Human Resources Department. The training and the Employee Handbook includes an overview of the Employee Code of Conduct and the University's commitment to the highest degree of ethical standards and conduct. The new employee orientation also includes information relative to compliance with sexual harassment (Title IX Compliance), public records and the Sunshine law, official university travel, time and attendance requirements (Fair Labor Standards Act Compliance), leave policies (FMLA compliance), and discrimination/equal opportunity (Federal EEO compliance).
- New employees are required to complete on-line cyber security awareness training that covers FERPA compliance, the Clery Act, Gramm-Leach-Bliley Act (GLBA compliance), protecting personally identifiable information (PII) and other compliance matters related to information systems and data maintained by the University. In addition, this training is required annually for all employees. In the 2018-19 fiscal year, University Audit & Compliance tested the controls over such training for both new and existing employees and determined that controls are operating effectively in this area. (Report No. FPU 2019-04). Additionally, controls over this area were included in the most recent operational audit of the university by the Auditor General⁴.
- New employees are required to complete an on-line sexual harassment training program and our Title IX coordinator provides additional training opportunities throughout the year on sexual harassment.
- All new Board of Trustee (BoT) members attend an orientation that is hosted by the President, the General Counsel, the Chief Financial Officer, and the Chief Audit Executive/Chief Compliance Officer. The orientation includes the dissemination of information relative to the Florida Sunshine law, conflicts of interest, and the Board of Trustees ethics policy which incorporates the Code of Ethics for Public Officers and Employees set forth in Part III of Chapter 112, Florida Statutes. Additionally, Florida Poly Board of Trustee members are required to attend a Board of Governors orientation session prior to service on the university board. The BoT was also provided live ethics training by the CCO at previous Board retreats (May 2018 and 2019).
- The university is currently exploring various learning management systems which should enhance the delivery and tracking of training efforts of other training efforts throughout the institution.

⁴ Auditor General Report No. 2021-008, issued August 2020

If applicable, training for additional areas with high risk of noncompliance will be developed and conducted by the CCO as provided for in the **Compliance Plan for Key Risks/Compliance Focus Areas** Section of this Program Plan. (Section II)

Requirement 5: The organization shall take reasonable steps to ensure that (a) the Program is properly monitored in order to detect criminal conduct (b) evaluate the effectiveness of the Program and (c) publicize a system providing for reporting mechanisms to report or seek guidance on potential or actual criminal conduct.

Plan Response: With regard to each of the elements specified above in Requirement 5:

- (a) As noted in Requirement 3 above, University Regulations³ require that university employees shall immediately notify the university if convicted of a felony or first degree misdemeanor any time subsequent to becoming employed by the university. The periodic rescreening of employees, as provided for in this University Regulation, serves to further ensure that university employees have not engaged in illegal activities or other conduct inconsistent with an effective compliance and ethics Program.
- (b) BOG Regulations⁵ require that at least once every five (5) years, the president and board of trustees shall be provided with an external review of the Program's design and effectiveness and any recommendations for improvement, as appropriate. The first external review shall be initiated within five (5) years from the effective date of this regulation. (November 2021) The assessment shall be provided to the board of trustees and the Board of Governors. The first ever such effectiveness review was completed in June of 2022. (See also **Section II** and **Section III**)
- (c) The "Compliance and Ethics Hotline" was established to report suspected or actual instances of noncompliance, fraud, waste, or abuse directly to the CCO as outlined below:
 1. An on-line reporting form.
 2. Telephone
 3. Fax
 4. Direct mail to P.O. Box.

These mechanisms are publicized on the University website which also has direct links to all University Regulations and Policies that effectively communicate management's commitment to prevent and detect criminal conduct. As provided for in University Policy⁶, retaliation, or otherwise taking adverse action against any member of the University community because that individual reported or filed a complaint alleging a violation, testified or participated in an investigation or proceeding, or opposed discriminatory practices, is strictly prohibited and could result in expulsion or termination.

⁵ Board of Governors Regulation 4.003 (7)(c), implemented November 3, 2016

⁶ Policy FPU-1.0125P, Fraud Prevention and Detection

Requirement 6: The Program shall be promoted through appropriate *incentives* and provide for appropriate *disciplinary measures* for engaging in criminal conduct and for failing to take reasonable steps to prevent or detect criminal conduct.

Plan Response: (Incentives): The current “Performance Review Form”, used for evaluations is tied to merit/promotional increases, and utilizes the following criteria for evaluation: (1 of 4 criteria applied)

- Shows initiative, uses creative problem solving to reduce barriers, **has integrity and follows State regulations and policies.**

(Disciplinary measures): University Regulations⁷, provide that University personnel who are determined to have violated the Code of Ethics are subject to disciplinary action. Disciplinary actions may include penalties such as: dismissal, suspension, demotion, reduction in salary, forfeiture of salary, restitution, public censure, and/or reprimand; other disciplinary actions as may be deemed appropriate.

Requirement 7: After noncompliance, unethical behavior, or criminal conduct has been detected, the organization shall take further reasonable steps to prevent further occurrences, including Program modifications.

Plan Response: Neither significant unethical behavior or criminal conduct has occurred at the University; however, the University is continually seeking to improve on processes and procedures that ensure compliance with applicable laws, rules, regulations, and laws. To the extent that significant criminal conduct or unethical behavior was ever detected, the Program would be modified to mitigate future occurrences.

⁷ Regulation FPU-6.002, Personnel Code of Conduct and Ethics

II. Compliance Plan for Key Risks/Compliance Focus Areas

This Compliance and Ethics Program Plan has identified eight (8) different areas of focus for the 2022-23 fiscal year. These focus areas were selected on the basis of perceived risk and available resources, and specifically relate to the following areas:

- Textbook Affordability Compliance Monitoring Reviews:
 - Planned scope to include compliance with the State law⁸ requiring the timely posting textbooks and instructional materials for the fall and spring terms.
 - Provided that this has been a repeat finding in several of our most recent operational audits conducted by the Auditor General, this area has been deemed high risk.

- Employment Background Checks Compliance Monitoring Review:
 - University Regulation⁹, requires that a criminal background check shall be conducted on all job candidates, after an offer of employment is made, and on all accepted volunteers, prior to employment or placement of a volunteer in a position of special trust or responsibility or a position in a safety sensitive location.
 - Planned scope to include a review of persons in positions of special trust or responsibility to ensure that an appropriate criminal background check was conducted.

- Consultative Assistance: Foreign Influence/Foreign Gifts and Contracts:
 - This particular focus area has been of great concern to both the Florida Legislature and to most higher education institutions and thus has been deemed an area of high risk. Additional compliance requirements now required per recent legislative action¹⁰.

- Consultative Assistance: Fraud Prevention and Detection:
 - Pursuant to BOG Regulation¹¹, University management is responsible for implementing an appropriate framework to identify potential fraud and mitigate fraud risk.
 - UAC has collaborated with university staff to offer suggestions that modify our existing fraud policy to a University Regulation in conformance with the new BOG Regulation. Additionally, UAC has offered to assist management with training and consultation on implementing an appropriate strategy to address the requirements of the new Regulation and assisting with the formation of a Risk Oversight Committee to address fraud and other risks.

⁸ Section 1004.085(6), Florida Statutes

⁹ FPU-6.011, Criminal Background Checks

¹⁰ HB 7017 – Foreign Influence, effective July 1, 2021 and BOG Regulation 9.012 (currently under development)

¹¹ Board of Governors Regulation 3.003, Fraud Prevention and Detection, newly adopted March 23, 2021

- Training & Communications:
 - The focus for the 2022-23 Program year will be on enhanced communications to all university staff promoting compliance and ethics awareness. A goal of 2 communications through the university is planned for the current Program Plan.
 - The CCO will provide updates to the Audit and Compliance Committee (AACC).
 - Quarterly updates to the AACC on the Compliance Program.
 - Periodic reporting, as applicable, of significant allegations and related UAC dispositions to the AACC.
- General Compliance Activities/Investigations
 - Ongoing review of existing regulations and policies with an emphasis towards those aimed at promoting compliance and an evaluation of the effectiveness of university operations and the program. This area also includes monitoring of the Compliance & Ethics hotline and performing preliminary investigative efforts and full investigations, as warranted.

III. Program Evaluation

Internal Evaluation: Provided that each of the seven (7) Program components required by the Federal Sentencing Guidelines (FSG) Manual have been addressed by this Program Plan, the Program is deemed to be generally effective. Additionally, this is supported by the self-valuation prepared in the 2020-21 fiscal year to determine Program effectiveness and to identify opportunities for continuous improvement to the Program. Most importantly, this evaluation is further supported by observations of the CCO, from the date of his hiring to present, that support management's commitment in both words and action to "do the right thing" to assure that high standards of ethical practice are exhibited in all University business.

External Evaluation: As noted in **Section I**, Requirement (5)(b) above, BOG Regulations¹² require that at least once every five (5) years, the president and board of trustees shall be provided with an external review of the Program's design and effectiveness and any recommendations for improvement, as appropriate. The first external review shall be initiated within five (5) years from the effective date of this regulation. (November 2021)

The SUS Compliance Consortium adopted criteria by which each SUS institution agreed to be evaluated and UAC used this evaluation tool to complete a self-assessment. A team of two CCO's from Florida State University and New College of Florida were selected and approved by the AACC to perform an independent validation of the self-evaluation and report on the effectiveness of the Compliance and Ethics Plan at Florida Poly. The required external review of the program was completed in June of 2022 and the related written report and recommendations were presented to the AACC and the BOG. The Program review concluded that Florida Poly's Program was Generally Effective (highest rating) for all 16 criteria evaluated; however, several recommendations were noted to enhance the effectiveness of the Program. Those recommendations will be incorporated into the Program Plan as general compliance activities for the 2022-23 Plan year.

¹² Board of Governors Regulation 4.003 (7)(c), implemented November 3, 2016

IV. Summary

This Compliance and Ethics Program Plan provides for the following components:

- A plan response to address each of the seven program components set forth in the Federal Sentencing Guidelines. Within **Section I**, each of the various Federal Sentencing Guideline requirements are cited within a boxed border and the Program response follows each requirement.
- Key risks and compliance focus areas deemed necessary to administer the plan. Within **Section II**, such risks and areas of focus were selected based on a review of University risks and the intention of delivering both compliance and audit services in an efficient manner, given the limited resources of the University and the dual responsibilities of the CAE/CCO.
- **Section III** explains the Program evaluation requirements and details Program evaluation efforts.

This approach to establishing the Compliance and Ethics Plan for Florida Poly conforms to requirements set forth in both the Federal Sentencing Guidelines and BOG Regulations.

V. Exhibits

A. Compliance & Ethics Program Plan – Estimated Budget

Exhibit A

Proposed Compliance & Ethics Program Plan Budgeted Hours 2022-23 Fiscal Year			
	Focus Area	Planned Hours	Notes
1	CMR: Textbook Affordability Compliance Monitoring Review (Fall & Spring)	80	
2	CMR: Employment Background Checks	60	
3	Consult: Foreign Influence	20	
4	Consult: Fraud Awareness	120	a
5	Training & Communications	40	
6	General Compliance Program	80	b
7	Allegations/Investigations	120	c
	Total Estimated	520	d
a	Includes establishment of Risk Oversight Committee.		
b	Includes time to address recommendations in effectiveness review.		
c	Estimate for monitoring of hotline and investigations; however, actual hours in this area could increase or be less, depending on reported hotline allegations and/or investigative reports released by University Compliance.		
d	Hours for the compliance Program Plan in agreement with proposed total resource utilization between audit and compliance (As outlined in UAC's risk assessment and Audit Plan. Aggregate time for compliance and investigative activities – see report FPU-2023-02).		
CMR	Compliance Monitoring Review: UAC intends to release a CMR report in connection with this focus area.		

**Florida Polytechnic University
Governance, Audit, and Compliance Committee
Board of Trustees
September 21, 2022**

Subject: 5-Year Compliance Program Review – Approval of Independent Validators

Proposed Committee Action

Recommend approval of the required review of the University's Compliance and Ethics Program (Program) Review by an external validation team.

Background Information

Board of Governors (BOG) Regulations require that at least once every five (5) years, the president and board of trustees shall be provided with an external review of the Program's design and effectiveness and any recommendations for improvement, as appropriate. The first external review shall be initiated within five (5) years from the effective date of this regulation. (November 2021) The assessment shall be approved by the board of trustees and a copy provided to the Board of Governors.

Guidance provided by the BOG (included as support) authorizes such a review to be conducted by either a contracted service provider or alternatively by a peer compliance professional independent of the university. Accordingly, a group of 6 SUS institutions formed an independent "peer review" methodology for such Program reviews and independent validators were selected from these participating institutions to ensure an appropriate level of independence and objectivity. Essentially, a self-assessment of the Program was performed by Florida Poly's University Compliance and that self-assessment was subjected to independent validation by the selected peer review team approved by the AACC on April 26, 2021. The effectiveness of the Program was measured against the criteria developed by all 12 SUS institutions and their CCO's.

In accordance with the AACC Charter, the Committee is required to be knowledgeable of the Program's implementation and effectiveness. The Committee should review the 5-year Compliance Program Review Report and consider the effectiveness of the Program and whether it is meeting the expectations of the AACC.

Supporting Documentation: Independent Review of Florida Polytechnic University's Compliance and Ethics Program

Prepared by: David A. Blanton, CAE/CCO

Independent Review of Florida Polytechnic University's Compliance and Ethics Program

June 25, 2022

BACKGROUND & EXECUTIVE SUMMARY

The Florida Board of Governors¹, requires that at least once every 5 years, the President and the Board of Trustees of each State University shall be provided with an external Program Review (PR), by a qualified independent assessor or assessment team, of the Compliance and Ethics Program's design and effectiveness and any recommendations for improvement, as appropriate. The PR can be accomplished through a full external assessment or a self-assessment with independent validation. In response to the adoption of the BOG regulation requiring the external PR, the State University System (SUS) Compliance Consortium² developed a compliance program effectiveness tool to be used as the criteria for program evaluation. The SUS Compliance Consortium effectiveness tool was used as the basis for this PR.

The Chief Compliance Officer (CCO) discussed the form and frequency of the PR, as well as the independence and qualifications of the proposed assessment team, including any potential conflicts of interest with the Audit and Compliance Committee (AACC) of the Board. Upon consultation and approval by the AACC, the CCO conducted a self-assessment of its Compliance and Ethics Program (CEP) and subjected the self-evaluation to independent validation by the CCO's from Florida State University and New College of Florida.

Florida Poly's University Compliance (UC) function employs one person who serves as both the CCO and Chief Audit Executive (CAE). Consequently, only 0.5 full-time equivalent staff have been assigned to manage and operate UC activities. This arrangement is authorized by Board of Governors Regulation 4.003 for only two State universities, Florida Poly and New College of Florida. UC function was newly established at Florida Poly on July 31, 2017, with the hiring of the first CCO/CAE. Since his hiring, the CCO/CAE has been responsible for establishing both the audit and compliance functions at Florida Poly and continues to serve in both roles. BOG Regulation 4.003 was effective November 3, 2016, and requires a PR within 5 years of that date. Therefore, UC has not had a full 5-year period of operations during this PR³.

OPINION AS TO PROGRAM EFFECTIVENESS

In acting as the qualified independent external assessors from outside the organization, we are fully independent of Florida Poly and have the necessary skills to perform the assessment. After evaluating the documentation supporting Florida Poly's self-assessment and conducting interviews with the President, Board Chair, Board AACC, Chief Financial Officer, General Counsel and other members of senior management, it is our overall opinion that the Florida Poly CEP generally conforms with the requirements of BOG Regulation 4.003. However, the PR team identified opportunities for further improvement, details of which are provided in this report.

¹ Board of Governors Regulation 4.003, State University System Compliance and Ethics Programs of the State University System Board of Governors (effective 11/3/16).

² The SUS Compliance Consortium is composed of compliance officers and representatives from each of the SUS institutions.

³ Program evaluation period from 7/31/17 (UC's inception) through May 2021, thus, only 3 years and 10 months.

Ratings Scale:

- “Generally Conforms” means the assessor has concluded that the relevant structures, policies and procedures of the CEP, as well as the processes by which they are applied, promote ethical conduct and maximize compliance with applicable laws, regulations, rules, and policies, in all material aspects.
- “Partially Conforms” means deficiencies in practice are noted that are judged to deviate from authoritative sources, but these deficiencies did not preclude the CEP from performing its responsibilities in an acceptable manner.
- “Does Not Conform” means deficiencies in practice are judged to be so significant as to seriously impair or preclude the CEP from performing adequately in significant areas of its responsibilities.

SCOPE AND METHODOLOGY

The scope of the quality assessment included the period since the formation of the Compliance as of July 31, 2017 (UC’s inception) through May 2021. Before commencement of the work by the PR team in Spring 2022, the team leader gathered background information and documentation in support of the CEP’s self-assessment. Additionally, a sample of Board and AACC members and university executive staff were selected for interview. The compliance program’s risk assessment and planning processes, compliance tools and methodologies, engagement, staff management processes, and a representative sample of the compliance program work and reports were also reviewed.

COMPLIANCE PROGRAM AREAS ASSESSED

The PR Team assessed 16 different areas in accordance with the CEP Effectiveness Tool. Results of the assessment are summarized in *Table 1* and in greater detail below⁴:

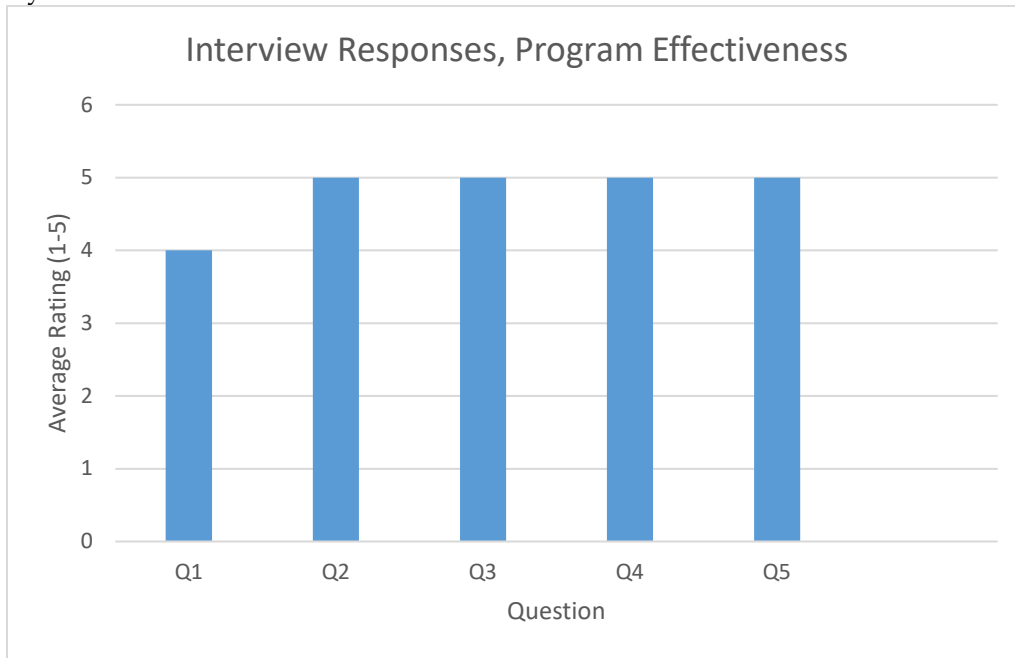
Rating Category	Frequency
Generally Conforms	16
Partially Conforms	0
Does Not Conform	0
Total	16

⁴ The assessors note that the “generally conforms” rating is the top of the scale utilized by the CEP Effectiveness Tool; however, it should be noted that, for the majority of the section ratings, the CEP exceeded the “generally conforms” rating. The high level of effectiveness for the CEP is reflected in the limited number of recommendations contained in this report.

1. Board of Trustees - Generally Conforms
2. Audit and Compliance Committee - Generally Conforms
3. Chief Compliance Officer - Generally Conforms
4. Senior Leadership Team Compliance Partners - Generally Conforms
5. Compliance Program Effectiveness - Generally Conforms
6. Codes of Conduct - Generally Conforms
7. Open Lines of Communication - Policies, Regulations, and Laws - Generally Conforms
8. Reporting Expectations, Hotline, Non-Retaliation Policy - Generally Conforms
9. Board of Trustee Training - Generally Conforms
10. Compliance Training/New Employee Orientation - Generally Conforms
11. Audits, Reviews and other Monitoring Efforts - Generally Conforms
12. Issue Investigation - Generally Conforms
13. Remediation Corrective Action - Generally Conforms
14. Enforcement - Generally Conforms
15. Incentives and Disciplinary Measures - Generally Conforms
16. Background Checks/Exclusion Screening - Generally Conforms

SUMMARY OF INTERVIEWS

The independent validators engaged to perform this PR conducted interviews, with university staff listed in *Exhibit A*, to further evaluate the effectiveness of the CEP. A summary of selected questions asked during these interviews is included below and serves to provide a quantitative measure of the effectiveness of the CEP at Florida Poly, as perceived by the university community.



Selected Questions from Interviews

Q1 - Does the compliance function assess and make appropriate recommendations for improving compliance processes?

Q2 - Do you feel the CEP processes work to strengthen a culture of compliance at Florida Poly?

Q3 - Are you aware of any actual or perceived impairments to the CCO's independence and/or objectivity?

Q4 -If a circumstance where either a restriction or barrier was imposed by an individual, are you confident that the CCO could readily contact you or another appropriate official to remedy the situation?

Q5 - Do you have confidence and trust in the operations of the compliance function?

Rating Scale:

- 5 - Far exceeds expectations
- 4 - Exceeds expectations
- 3 - Meets expectations
- 2 - Development required
- 1 - Improvement required

OBSERVATIONS AND POSITIVE ATTRIBUTIONS

Our review indicates the compliance program is well structured and progressive where Board of Governors Regulations are understood and management is endeavoring to provide useful tools and implement appropriate practices. Some successful practices observed were:

- The CCO has achieved designation as a Certified Compliance and Ethics Professional (CCEP) and has maintained sufficient compliance-related training for such certification. This CCEP designation obligates the CCO to adhere to the Society of Corporate Compliance and Ethics' Code of Conduct and contributes greatly to a GC rating for the CCO.
- UC function identifies certain high-risk areas for monitoring and publishes Compliance Monitoring Review (CMR) reports that are presented to the AACC as completed. This process was initiated in the 2020-21 fiscal year and 3 CMR's have been released to date.
- The CCO reports all allegations and their respective dispositions to the AACC to facilitate AACC oversight of reported matters.
- The CCO has provided compliance and ethics training to the Board of Trustees twice in the review period.
- The CCO conducts in-person orientation sessions for newly appointed Board of Trustee members and has recorded a video to supplement orientations, both serving to inform the Board about the CEP and UC responsibilities.
- The CCO provides compliance and ethics training at new employee orientations.
- The CCO has conducted several other compliance and ethics trainings to university staff during the review period (e.g., Management Series Trainings, Color of Money, informal brown bag sessions).
- The CCO periodically reports to the AACC on the status of the approved CEP to actual results. Plan results are also presented each year in the Annual Report.
- Quarterly compliance updates are made to the AACC by the CCO.
- The university has established written guidelines providing a high level of authority to the CCO as the liaison to the AACC and unrestricted access to the Chair of the AACC.
- Disclosures about independence, objectivity, and barriers to performance of responsibilities are made annually by the CCO to the AACC in the Annual Report.
- The CCO participates in all Board briefings and Leadership meetings.

- The CCO has open lines of communication with the President and the Board, as necessary. Recurring monthly meetings with the President are scheduled to discuss compliance activities and/or concerns.
- UC function has a strong working relationship with various departments throughout the university and is often relied upon for consultative advice.
- UC function has worked collaboratively with Human Resources, Title IX, Office of General Counsel, and the Provost's Office to conduct investigations.
- UC function performs an annual risk assessment to prioritize resources on the highest risk areas.

Consequently, our comments and recommendations are intended to build on this foundation already in place in the compliance program.

RECOMMENDATIONS

Recommendations are divided into two groups:

PART I: MATTERS FOR CONSIDERATION FOR EXECUTIVE MANAGEMENT AND BOT AUDIT AND COMPLIANCE COMMITTEE

1. **Combined CCO/CAE Role:** Due to the uniqueness of Florida Poly's structure and allowance by regulation for a single individual to serve as both CCO and CAE, the PR examined whether the CEP was affected in any way by the combination of the two functions. Interviewees expressed strong support for the CCO/CAE and confidence in his ability to carry out both roles; however, this arrangement should be revisited if fiscal and/or workload elements change, as contemplated by the regulation.
2. While the AACC Chair provides input on the COO's annual performance review, evidence of agreement and approval of the final review is not documented. In addition, evidence is not present of the AACC Chair's evaluation and approval of the COO's compensation. The evaluation and approval of the COO's compensation by the AACC is essential to assuring the independence of the UC function. We recommend the AACC Chair sign-off on the CCO's final performance review and annual compensation evaluation and increase.
3. Many of the key compliance related university regulations such as Background Checks, Non-discrimination/Equal Opportunity, Discrimination and Harassment Complaint Investigation, and Fraud Prevention and Detection have not been reviewed and updated for five to seven years. We recommend all key compliance regulations be reviewed every three years or as applicable Federal and State regulations change.

PART II: MATTERS FOR CONSIDERATION FOR CHIEF COMPLIANCE OFFICER

1. **Senior Leadership Team Compliance Partners:** Although the CCO has generally collaborated with “compliance partners” throughout the university on various compliance matters on an as-needed basis, regular periodic meetings to discuss compliance concerns in each respective area would further enhance effectiveness for the CEP. Documentation of such efforts should be maintained for future Program evaluations.
2. **Compliance and Program Effectiveness:** Although an annual risk assessment is performed by UC function and used as the basis for compliance monitoring efforts, such risk assessment process does not specifically address standards and procedures to prevent and detect criminal conduct, as required by the FSG. We recommend the UC function perform an enterprise wide Fraud Risk Assessment to help identify those areas with the highest potential for fraud loss.
3. **Hotline:** Although the CCO periodically promotes the University’s Compliance Hotline through various means such as employee orientations and trainings, this mechanism for reporting could be greater publicized for increased visibility by sending out periodic annual notices to all University staff.

We appreciate the opportunity to participate in the Florida Poly PR and the courtesies extended to us during this process. Please do not hesitate to reach out to us should you have any questions regarding the review.

Independent External Assessors Performing the Validation:



Robyn Blank, JD
Chief Compliance and Ethics Officer
Office of Compliance and Ethics
Florida State University
Tallahassee, Florida



Alex Tzoumas, CIA, CISA, CFE, CRMA,
CDPSE
Chief Compliance Officer and
Chief Audit Executive
University Audit and Compliance
New College of Florida
Sarasota, Florida

June 25, 2022

Date

EXHIBIT A: LIST OF INTERVIEWEES

Randy Avent, University President

Cliff Otto, Chairman, Board of Trustees

Mark Bostick, Vice Chairman, Audit and Compliance Committee

Terry Parker, Provost and Executive Vice President

Mike Dieckmann, Associate Vice President and Chief Information Officer

Gina DeJulio, Vice President and General Counsel

Tom Dvorske, Vice Provost

Penelope Farley, Assistant Vice President and University Controller

Michelle Disson, Title IX Director

**Florida Polytechnic University
Governance, Audit, and Compliance Committee
Board of Trustees
September 21, 2022**

Subject: Quality Assurance Review (QAR)

Proposed Committee Action

Approve the QAR of the University's audit function performed by an external reviewer in accordance with the Institute of Internal Auditor's (IIA) International Professional Practices Framework (IPPF).

Background Information

University Audit is required to operate under the *International Standards for the Professional Practice of Internal Auditing Standards (Standards)* and IIA's Code of Conduct. The *Standards* require that an external quality assessment of an internal audit function be conducted at least once every five years by a qualified independent assessor from outside the organization. Additionally, in accordance with University Audit's Charter, University Audit is required to establish a quality assurance improvement program of internal auditing for the office of chief audit executive and the department as a whole. The external assessment report and any related improvement plans shall be presented to the Board of Trustees, with a copy provided to the Florida Board of Governors. Provided that the audit function was established at Florida Poly on July 31, 2017, this was the first-ever QAR performed for University Audit.

To facilitate completion of the required QAR, University Audit performed a self-assessment and obtained validation of compliance with the Standards through a contracted independent third-party that was approved by the AACC on May 20, 2022.

The QAR provides the AACC assurance that University Audit is operating in accordance with governing Standards. The Committee should review the QAR report and consider the efficiency and effectiveness of University Audit and whether it is meeting the expectations of the AACC.

Supporting Documentation: Quality Assurance Review Report for Florida Poly's University Audit Function

Prepared by: David A. Blanton, CAE/CCO

Florida Polytechnic University
University Audit and Compliance
Independent Validation of Internal Audit
Quality Assurance Self-Assessment
September 2, 2022



Independent External Assessor:
Sam M. McCall PhD, CPA, CIA, CGAP, CGFM, CIG

Florida Polytechnic University – University Audit and Compliance Internal Audit Quality Assurance Review

Independent Validation Statement

Randy K. Avent, President

Cliff Otto, Board of Trustees, Chair

Mark Bostick, Board of Trustees, Audit and Compliance Committee Chair

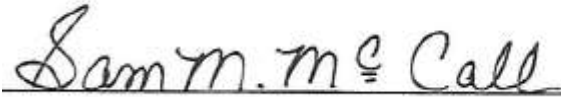
David A. Blanton, CPA, Chief Audit Executive

I have been engaged to conduct an independent validation of Florida Polytechnic University's (Florida Poly's) department of University Audit and Compliance Internal Audit (IA) Quality Assurance (QA) self-assessment. The primary objective of the validation was to verify the assertions and conclusions made in Florida Poly's self-assessment report concerning adequate fulfillment of the organization's basic expectations of IA, its conformity to The Institute of Internal Auditors (IIA) *International Standards for the Professional Practice of Internal Auditing*, and to identify successful internal audit practices and opportunities for continuous improvement.

In acting as the qualified, independent external assessor from outside the organization, I am fully independent of the University Audit and Compliance department and have the necessary skills to undertake this engagement. The validation, concluded on August 31, 2022, consisted primarily of a review and a test of the procedures and results of IA's self-assessment. In addition, interviews were conducted with the President, Board of Trustees Chair, Board Audit Committee Chair, Provost, Chief Financial Officer, other members of senior management, and the Chief Audit Executive.

Overall, in my opinion, Florida Poly's University Audit function **generally conforms to the IIA Standards and the Code of Ethics** at the highest level. I concur with IA's conclusions and observations documented in the self-assessment completed prior to this engagement. In addition, I noted two additional areas for continued improvement and having no impact on the above overall opinion. Discussion and consideration of these two recommendations by the Board and President will further improve the effectiveness, enhance the value, and further support IA's continued conformity with the *Standards* and Code of Ethics.

I appreciate the opportunity to participate in the Florida Polytechnic University quality assurance review and courtesies extended during this process. Please do not hesitate to reach out to me should you have any questions regarding the review.



Sam M. McCall PhD, CPA, CIA, CGAP, CGFM, CIG
Independent External Assessor Performing the Validation

September 2, 2022

Date

Florida Polytechnic University – University Audit and Compliance Internal Auditing Quality Assurance Review

September 2, 2022

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EXECUTIVE SUMMARY

Florida Polytechnic University is a public university in Lakeland, Florida, created as an independent university in 2012. Florida Poly is the newest of the 12 institutions in the State University System (SUS) of Florida and the state's only public polytechnic university, focusing solely on STEM (science, technology, engineering, and mathematics) education. The University has approximately 1,500 undergraduate and graduate students and offers 11 degree programs with 31 concentrations of study.

As a SUS member, Florida Board of Governors Regulation 4.002¹ requires each university to employ a chief audit executive (CAE) as a point of contact for coordination of and responsibility for activities that promote accountability, integrity, and efficiency in the operation of the university. This regulation further requires the CAE to develop and maintain a quality assurance and improvement program in accordance with professional audit standards. The program must include an external quality assessment (QA) review to be conducted at least once every five years with the QA report and any related improvement plans to be presented to the University Board of Trustees with a copy provided to the SUS Board of Governors. Professional audit standards referred to above and identified in the regulation are issued by The Institute of Internal Auditors (IIA) and are referred to as the *International Standards for the Professional Practice of Internal Auditing*. The *Standards* referenced by the regulation also require an external quality assessment (QA) of an internal audit activity which must be conducted at least once every five years by a qualified, independent assessor or assessment team from outside the organization. The qualified assessor or assessment team must demonstrate competence in both the professional practice of internal auditing and the QA process. The QA can be accomplished through a full external assessment or a self-assessment with independent validation.

The CAE discussed the form and frequency of the QA process, as well as the independence and qualifications of the external assessor from outside the organization², including any potential conflicts of interest with the board. Upon consultation and agreement by the board, Florida Poly's IA conducted a self-assessment of its internal audit activity and selected Sam M. McCall as the qualified, independent external assessor to conduct a validation of the self-assessment of IA at Florida Poly.

¹ Board of Governors Regulation 4.002, State University System Chief Audit Executives of the State University system Board of Governors (effective 11/3/2016).

² See Appendix E for the qualifications of the external assessor.

Florida Polytechnic University employs one person who serves as both the CAE and Chief Compliance Officer (CCO). As a result, 0.5 full-time equivalent staff have been assigned to manage and operate audit activities. This arrangement is authorized by the Board of Governors Regulation for only two State universities, Florida Poly and New College of Florida. The audit function, and compliance function was newly established at Florida Poly on July 31, 2017, with the hiring of the first CAE/CCO. Since hiring, the CAE/CCO has been responsible for establishing both the audit and compliance functions and continues to serve in both roles. BOG Regulation 4.002, effective November 3, 2016, requires a QA of IA within five years of the regulation effective date. This first five-year review covered the period July 31, 2017, to July 31, 2022, five years after the date of employment of the CAE.

Opinion as to Conformance with the *Standards* and the Code of Ethics

In accordance with the standards promulgated by the IIA's International Professional Practice Framework (IPPF), I have completed an independent validation of the (QA) self-assessment performed by IA at Florida Polytechnic University. Based on analysis of the information received during the review and interviews of selected Board of Trustee members, the President, senior leadership, and the CAE, I concur with the conclusion of the internal self-assessment completed by IA. Therefore, it is my opinion that Florida Poly's audit function "Generally Conforms" to the IIA's IPPF. **Generally, Conforms is the highest rating possible under IIA guidance.**

The IIA's *Quality Assessment Manual for the Internal Audit Activity* suggests a scale of three rankings when opining on the internal audit activity: "Generally Conforms," "Partially Conforms," and "Does Not Conform." The ranking of "Generally Conforms" means that an internal audit activity has a charter, policies, and processes that are judged to be in conformance with the *Standards* and the Code of Ethics. "Partially Conforms" means that deficiencies in practice are noted that are judged to deviate from the *Standards* and the Code of Ethics; however, these deficiencies did not preclude the internal audit activity from performing its responsibilities in an acceptable manner. "Does Not Conform" means that deficiencies in practice are judged to deviate from the *Standards* and the Code of Ethics, and are significant enough to seriously impair or preclude the internal audit activity from performing adequately in all or in significant areas of its responsibilities. A detailed description of conformance criteria can be found in Attachment A.

Objectives, Scope, and Methodology

Objectives

- The principal objective of the QA was to assess IA's conformance with the *Standards* and the Code of Ethics.
- IA also evaluated its effectiveness in carrying out its mission (as set forth in the internal audit charter and expressed in the expectations of the Board and Senior Management) and identified successful internal audit practices demonstrated by IA.
- The external independent assessor was responsible for validating the results of IA's self-assessment. The main focus was to validate the conclusion of IA related to conformance with the *Standards* and the Code of Ethics. The assessor also reviewed and discussed IA observations related to successful internal audit practices and opportunities for continuous improvement. Additional observations are offered as deemed appropriate.

Scope

- The scope of the QA included IA, as set forth in the internal audit charter and approved by the board, which defines the purpose, authority, and responsibility of IA.
- The QA was concluded on August 31, 2022, and provides senior management and the board with information about IA as of that date.
- The *Standards* and the Code of Ethics in place during the period July 31, 2017, to July 31, 2022, were the basis for the QA.

Methodology

- IA compiled and prepared information consistent with the methodology established in the *Quality Assessment Manual for the Internal Audit Activity*. This information included completed and detailed planning guides, together with all supporting documentation; an evaluation summary, documenting all conclusions and observations; and the IA self-assessment.

- IA identified key stakeholders (senior management and the board, and the external auditors) and the independent assessor sent surveys to each individual identified. The results were tabulated by the assessor, and confidentiality was maintained for responses received. Summary survey results were shared with IA during the self-assessment process.
- Prior to commencement of the on-site validation portion of the IA self-assessment, the assessor held a preliminary meeting with IA to discuss the status of preparation of the self-assessment, identification of key stakeholders to be interviewed during the on-site validation, and finalization of logistics related to the QA.
- To accomplish the objectives, the assessor reviewed information prepared by IA and the conclusions reached in the QA assessment. The assessor also conducted interviews with selected key stakeholders, including the President, Board Chair, the audit committee chair, senior executives of Florida Poly, and the CAE; reviewed a sample of audit projects and associated workpapers and reports; reviewed survey data received from stakeholders and IA management and staff; and prepared diagnostic tools consistent with the methodology established for an QA in the *Quality Assessment Manual for the Internal Audit Activity*.
- The independent assessor prepared an “Independent Validation Statement” to document conclusions related to the validation of IA’s self-assessment.

Summary of Observations

IA believes that the environment in which it operates is well structured and progressive, where the *Standards* are understood, the Code of Ethics is being applied, and the CAE endeavors to provide useful audit tools and implement appropriate practices. Accordingly, assessor comments and recommendations are intended to build on this foundation.

Observations are divided into three categories:

- **Successful Internal Audit Practices** – Areas where IA is operating in a particularly effective or efficient manner when compared to the practice of internal auditing demonstrated in other internal audit activities. Successful internal audit practices identified are as follows:

- Standard 1000 – Purpose, Authority, and Responsibility – The internal audit charter is comprehensive and contains the mandatory elements of the International Professional Practices Framework.
- Standard 1100 – Independence and Objectivity – The IA function is organizationally independent, routinely meets with the President and Board, and adds value to university operations by providing advice and counsel to university departments on an on-going basis.
- Standard 1200 – Proficiency and Due Care – The CAE is well qualified for the position, is respected externally and within the organization and obtains appropriate continuing professional education beyond the requirements for the position.
- Standard 1300 – Quality Assurance and improvement Program - The CAE completed a mid-point quality assurance internal assessment in April 2020 and presented the report to the Board. The CAE also completed a thorough internal assessment prior to the current external assessment.
- Standard – 2200 – Engagement Planning - Documented engagement planning includes clear descriptions of audit scope, objectives, and methodology.
- Standard 2300 – Performing the Engagement - Working papers reviewed clearly identified information needed, analyzed, and evaluation results, all of which was documented, referenced, and easy to follow. Working papers demonstrated the work of a very experienced and qualified auditor.
- **Gaps to Conformance**
 - No gaps to conformance with the Standards or the Code of Ethics were noted during this quality assurance review.
- **Opportunities for Continuous Improvement** – Observations of opportunities to enhance the efficiency or effectiveness of IA’s infrastructure of processes. Such observations do not indicate a lack of conformance with the *Standards* or the Code of Ethics, but rather offer suggestions for continued improvement. Opportunities for continuous improvement are summarized below:
 - Standard 1110 – Organizational Independence - Reporting to Senior

Management and the Board – While the CAE is fully independent by administratively reporting to the President and functionally reporting to the Board, consideration should be given to the Board approving or providing input to the President on the remuneration of the CAE. Such addition to the Board Audit and Compliance Committee or IA Charter would further strengthen and demonstrate the CAE relationship to the Board for the current and successor CAE's. The IIA interpretation of the above Standard provides examples of Board actions to demonstrate the CAE's functional reporting to the Board and includes approving the remuneration of the chief audit executive as one of the listed examples.

IA Response: Agree. The CAE will suggest a revision to incorporate this recommendation into the next charter review for the consideration of the Audit and Compliance Committee.

- Standard 2030 – Resource Management - The Chief Audit Executive must ensure that internal audit resources are appropriate, sufficient, and effectively deployed to achieve the approved audit plan. Florida Poly's Audit and Compliance department consists of one position. That person allocates time to performing internal audits, performing compliance work, and providing advice and counsel to University departments upon request or as determined by the President. For the last two years (2020-2021 and 2021-2022), the CAE completed the audit plan approved by the Board and President; however, that plan consisted of issuing one report each year on Performance Based Funding (PBF) as annually mandated by the SUS Board of Governors and Florida law. For the 2022-2023 year, the CAE has added two additional audits to the approved plan. During interviews with Board members and senior management there was recognition that the University could benefit from additional audits that could include, for example, admissions, procurement, human resources, campus safety, state and or federal grants, capital construction, and more detailed audits of university direct support organization and university internal controls. The Board and President should have additional

discussion with the CAE about the level of auditing currently performed given current resources and the level of auditing desired by the Board and President. Discussion should include the likelihood of completion of the two additional audits planned for 2022-2023 and risk to other areas of the university if the PBF audit is the only audit performed going forward. At this time, the external assessor is of the view that the CAE/CCO is well and uniquely qualified to lead the efforts of both audit and compliance.

IA Response: Agree. The completion of required separate 5-year reviews for both the audit and compliance functions has consumed a significant amount of audit/compliance resources for the last two audit cycles. As noted, going forward and as reflected in the current audit plan, more resources should be available for audit effort. The CAE will work closely with the Board and President concerning the appropriate deployment of these available audit resources.

ATTACHMENT A – EVALUATION SUMMARY

	GC	PC	DNC
Overall Evaluation	X		

Attribute Standards (1000 through 1300)		GC	PC	DNC
1000	Purpose, Authority, and Responsibility	X		
1010	Recognizing Mandatory Guidance in the Internal Audit Charter	X		
1100	Independence and Objectivity	X		
1110	Organizational Independence	X		
1111	Direct Interaction with the Board	X		
1112	Chief Audit Executive Roles Beyond Internal Auditing	X		
1120	Individual Objectivity	X		
1130	Impairment to Independence or Objectivity	X		
1200	Proficiency and Due Professional Care	X		
1210	Proficiency	X		
1220	Due Professional Care	X		
1230	Continuing Professional Development	X		

1300	Quality Assurance and Improvement Program	X		
1310	Requirements of the Quality Assurance and Improvement Program	X		
1311	Internal Assessments	X		
1312	External Assessments	X		
1320	Reporting on the Quality Assurance and Improvement Program	X		
1321	Use of "Conforms with the <i>International Standards for the Professional Practice of Internal Auditing</i> "	X		
1322	Disclosure of Nonconformance	X		

Performance Standards (2000 through 2600)		GC	PC	DNC
2000	Managing the Internal Audit Activity	X		
2010	Planning	X		
2020	Communication and Approval	X		
2030	Resource Management	X		
2040	Policies and Procedures	X		
2050	Coordination and Reliance	X		
2060	Reporting to Senior Management and the Board	X		
2070	External Service Provider and Organizational Responsibility for Internal Auditing	X		

2100	Nature of Work	X		
2110	Governance	X		
2120	Risk Management	X		
2130	Control	X		
2200	Engagement Planning	X		
2201	Planning Considerations	X		
2210	Engagement Objectives	X		
2220	Engagement Scope	X		
2230	Engagement Resource Allocation	X		
2240	Engagement Work Program	X		
2300	Performing the Engagement	X		
2310	Identifying Information	X		
2320	Analysis and Evaluation	X		
2330	Documenting Information	X		
2340	Engagement Supervision	X		
2400	Communicating Results	X		
2410	Criteria for Communicating	X		
2420	Quality of Communications	X		
2421	Errors and Omissions	X		

2430	Use of "Conducted in Conformance with the <i>International Standards for the Professional Practice of Internal Auditing</i> "	X		
2431	Engagement Disclosure of Nonconformance	X		
2440	Disseminating Results	X		
2450	Overall Opinions	X		
2500	Monitoring Progress	X		
2600	Communicating the Acceptance of Risks	X		

Code of Ethics		GC	PC	DNC
	Code of Ethics	X		

Attachment B – Rating Definitions

GC – “Generally Conforms” means that the assessor has concluded that the relevant structures, policies, and procedures of the activity, as well as the processes by which they are applied, comply with the requirements of the individual standard or elements of the Code of Ethics in all material respects. For the sections and major categories, this means that there is general conformity to a majority of the individual standard or element of the Code of Ethics and at least partial conformity to the others within the section/category. There may be significant opportunities for improvement, but these should not represent situations where the activity has not implemented the *Standards* or the Code of Ethics and has not applied them effectively or has not achieved their stated objectives. As indicated above, general conformance does not require complete or perfect conformance, the ideal situation, or successful practice, etc.

PC – “Partially Conforms” means that the assessor has concluded that the activity is making good-faith efforts to comply with the requirements of the individual standard or elements of the Code of Ethics, or a section or major category, but falls short of achieving some major objectives. These will usually represent significant opportunities for improvement in effectively applying the *Standards* or the Code of Ethics and/or achieving their objectives. Some deficiencies may be beyond the control of the internal audit activity and may result in recommendations to senior management or the board of the organization.

DNC – “Does Not Conform” means that the assessor has concluded that the internal audit activity is not aware of, is not making good-faith efforts to comply with, or is failing to achieve many or all of the objectives of the individual standard or element of the Code of Ethics, or a section or major category. These deficiencies will usually have a significantly negative impact on the internal audit activity’s effectiveness and its potential to add value to the organization. These may also represent significant opportunities for improvement, including actions by senior management or the board.

ATTACHMENT C – SURVEY RESULTS

<p style="text-align: center;">Florida Polytechnic University University Audit Survey Results August 2022</p>	<p style="text-align: center;">AVERAGE RATING Scale of 1-4 with 4 being the highest</p>
Governance	
1. The internal audit activity respects the value and ownership of information received and does not disclose information without appropriate authority unless there is a legal or professional obligation to do so.	3.78
2. The internal audit activity exhibits the highest level of professional objectivity in performing their work, makes a balanced assessment of all relevant circumstances, and is not influenced by their own interests or by others in forming judgments.	3.56
3. The internal audit activity is perceived as adding value and helping our organization accomplish its objectives.	3.67
4. The integrity of the internal audit activity establishes confidence, providing the basis for its role as trusted advisor within our organization.	3.56
5. Organizational placement of the internal audit activity ensures its independence and ability to fulfill its responsibilities.	3.89
6. The internal audit activity has free and unrestricted access to records, information, locations, and employees during the performance of their engagements.	3.78
Governance Overall Average	3.71
Chief Audit Executive and Process	
7. The Internal audit activity staff communicates effectively (oral, written, and presentations).	3.67
8. The internal audit activity staff keeps up to date with changes in our business, our industry, and the relevant regulatory issues.	3.44
9. The internal audit activity staff displays adequate knowledge of the business processes, including critical success factors.	3.56
10. The internal audit activity staff exhibits effective problem-identification and solution skills.	3.56
11. The internal audit activity staff demonstrates effective conflict-resolution and negotiating skills.	3.5
12. The internal audit activity staff establishes annual audit plans to assess areas or topics that are significant to our organization and consistent with our organizational goals.	3.56

13. The internal audit activity staff sufficiently communicates its audit plans to management of areas being reviewed. This includes descriptions of audit objectives and scope of review.	3.56
14. The internal audit activity effectively promotes appropriate ethics and values within our organization.	3.67
15. The internal audit activity adequately assesses the effectiveness of risk management processes employed by management to achieve objectives.	3.29
16. The internal audit activity competently assesses the adequacy and effectiveness of our organization's system of internal controls.	3.67
17. The internal audit activity exhibits proficient project management and organizational skills to the timely completion of its audit engagements.	3.57
18. The internal audit activity demonstrates sufficient knowledge of key information technology risks and controls in performing its audit engagements.	3.625
19. The internal audit activity demonstrates sufficient knowledge of fraud to identify "red flags," indicating possible fraud when planning its audit engagements.	3.56
20. Internal audit activity audit reports are accurate, objective, clear, concise, constructive, complete, and timely.	3.56
Chief Audit Executive and Process Overall Average	3.56

Selected Additional Comments Received in Response to the Survey

21. What would you describe as areas of strength for the internal audit activity?
(selected responses)

- a. The CAE is very competent and methodical and well organized. He is a student of compliance and audit and a respected professional in his field.
- b. The most professional and effective unit with which I have worked. The CAE is a seasoned professional, dedicated and hard-working, of highest integrity and professional judgement.
- c. Strengths are organization, reputation, and ability to clearly explain issues.
- d. The CAE annually inquires about high-risk areas worthy of an assessment.
- e. Very collegial and professional.
- f. The CAE provides timely and comprehensive analysis and reporting. Works hard to keep staff and the BOT apprised of audit(s) status and results.
- g. Good communication skills.

22. What areas would you describe as opportunities for improvement?
(selected responses)

- h. Nothing for improvement, he is the consummate professional.
- i. I am entirely satisfied with the audit activity. I have no specific suggestions.
- j. Florida Poly is poised for growth and it seems prudent to begin planning on office staffing over the next five years.

23. How might the internal audit activity better add value to your organizations?

(selected responses)

- k. Might need an assistant.
- l. Implementation of a risk management committee will add significant value to the internal audit function as different constituencies might be able to flag high priority items for internal audit on a regular basis.

24. Additional comments

(selected responses)

- m. We are a small institution, and as such, are permitted to combine Audit and Compliance functions into one role. It has not been a negative – as the CAE/CCO is highly effective and very efficient at performing both duties. He is an invaluable resource to the university.
- n. The level of professionalism and integrity the CAE has brought to this activity at Florida Poly is unparalleled.

ATTACHMENT D – STAKEHOLDERS INTERVIEWED

- Randy K. Avent – President
- Cliff Otto – Chair, Board of Trustees
- Mark Bostick - Audit and Compliance Committee Chair, Board of Trustees
- Bob Stork – Audit and Compliance Committee, Board of Trustees
- Terry Parker – Executive Vice-President and Provost
- Gina Delulio – Vice President and General Counsel
- Allen Bottorff – Vice President of Administration and Finance
- Mike Dieckmann – Vice President, Information Technology Services and Chief Information Officer
- David A. Blanton – Chief Audit Officer and Chief Compliance Officer

In addition, surveys were distributed to and subsequently returned by the following stakeholders at the senior management level

- Randy K. Avent – President
- Cliff Otto – Chair, Board of Trustees
- Bob Stork – Audit and Compliance Committee, Board of Trustees
- Alex Landback – Associate General Counsel
- Allen Bottorff – Vice President of Administration and Finance
- Tom Dvorske – Vice Provost, Academic Affairs
- Mike Dieckmann – Vice President, Information Technology Services and Chief Information Officer
- Penny Farley – Assistant Vice President and Controller
- Kathy Bowman – Vice President, Advancement

ATTACHMENT E – EXTERNAL ASSESSOR QUALIFICATIONS

Sam M. McCall, PhD, CPA, CIA, CGAP, CGFM, CIG

As of May, 2022, Sam McCall has worked in government for almost 53 years. In May 2022, Sam completed nine years of service at Florida State University as Chief Audit Officer. Prior to joining FSU, Sam was City Auditor for the City of Tallahassee for 13 years and prior to that Deputy Auditor General for 13 of his 30 years in state government. He has served on the Comptroller General of the United States Advisory Council on Government Auditing Standards, the Institute of Internal Auditors International Internal Auditing Standards Board, and the Governmental Accounting Standards Board Advisory Council. He is Past National President of the Association of Government Accountants and received their Robert W. King Memorial Award and the National Intergovernmental Audit Forum David M. Walker Excellence in Government Performance and Accountability Award. In 2014, the IIA inducted Sam into the IIA American Hall of Distinguished Audit Practitioners and also named Sam as one of the Top 15 Most Influential Auditing Professionals. That year the Association of Government Accountants also recognized Sam as their National Educator of the Year. In 2015, The Northwest Florida State College named Sam as the 2015 Alumnus of the year. In 2016 Sam was nationally recognized by the American Institute of Certified Public Accountants with their Outstanding CPA in Government Career Contribution Award. In December 2016, Sam completed a five-year appointment as a member of the Federal Accounting Standards Advisory Board that establishes GAAP for the federal government. In 2017, the FSU Office of Inspector General Services was recognized by the Florida Commission on Law Enforcement Accreditation as the first State University to receive such accreditation. From 2017 to 2019, Sam was selected to serve as Chair of SUAC (the State University Audit Council).

In terms of quality assurance reviews, while with the Auditor General, Sam participated in the National State Auditors Association quality assurance review program and served as a team member for the review of the state audit function in Tennessee, team leader in North Carolina, and as the concurring reviewer in South Carolina, Nevada, Arizona, California, and Hawaii. In the Florida Auditor General's Office, quality assurance reviews of state agencies were under his supervision for several years. While at the City of Tallahassee and at FSU, quality assurance reviews of his Office received "generally conforms" assessments by external independent quality review teams.

**Florida Polytechnic University
Governance, Audit, and Compliance Committee
Board of Trustees
September 21, 2022**

Subject: Performance Based Funding (PBF) Data Integrity Audit Scope and Objectives

Proposed Committee Action

Recommend approval of the Performance Based Funding Audit Scope and Objectives, to be performed by University Audit, to the Board of Trustees.

Background Information

Board of Governors Regulation (BOG) 5.001, Performance Based Funding (PBF) provides that chief audit executives shall conduct or cause to have conducted an annual data integrity audit to verify the data submitted for implementing the Performance-based Funding Model complies with the data definitions established by the BOG. The audit report shall be presented to the university's board of trustees for its review, acceptance, and use in completing the data integrity certification. The audit report and data integrity certification are due to the BOG's Office of Inspector General by March 1 each year.

The following representation is included on the BOG-developed data integrity certification which must be signed by the Board Chair and President of the University:

- I certify that I agreed to the scope of work for the performance-based funding data integrity audit conducted by my chief audit executive (CAE).

Therefore, the University's CAE will present the planned scope of work for the required PBF audit to the Committee for review and approval.

Supporting Documentation:

1. Memo from Board of Governors Chair Brian Lamb on PBF Audits and Certifications
2. Data Integrity Certification Form
3. UAC PBF Data Integrity Audit Scope & Objectives Document


Prepared by: David A. Blanton, CAE/CCO



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MEMORANDUM

TO: Chairs, University Boards of Trustees
University Presidents

FROM: Brian Lamb, Chair 

DATE: June 21, 2022

RE: Data Integrity Audits and Certifications for Performance-based Funding
and Preeminence Metrics

The Performance-based Funding Model has incentivized universities and their boards of trustees since 2014 to achieve excellence and performance improvements in key areas aligned to the State University System of Florida Strategic Plan goals. The Performance-based Funding state investment demonstrates continued support for the System and is a testament to the value of the state university system to the educational and economic growth of our state. These investments have allowed the System to keep tuition stable for our students.

Given the success of Performance-based Funding and return on investment for the additional state funds to the state's university system, we are grateful for the Legislature's continued investment into Performance-based Funding. Through Performance-based Funding, universities have demonstrated the ability to achieve excellence and improvements in the 10 key metrics, including graduation and retention rates.

Key to the model's success is the ability of the Board of Governors to rely on the information you provide for performance-based funding decision-making. As required by Florida Statutes,¹ university boards of trustees shall direct the university chief audit executive to perform, or cause to have performed by an independent audit firm, an annual audit of the university's processes that ensure the completeness, accuracy, and timeliness of data submissions. Additionally, I ask that these audits include testing of data that supports performance funding metrics, as well as preeminence or emerging preeminence metrics for those universities so designated. Testing is essential in

¹ Florida Statutes, sections 1001.7065, *Preeminent State Research Universities Program*, and 1001.92, *State University System Performance-based Incentive*

determining that processes are in place and working as intended. This audit may be included with or separate from the Performance-based Funding Data Integrity Audit.

The scope and objectives of the audit(s) should be set jointly between the chair of the university board of trustees and the university chief audit executive. The audit(s) shall be performed in accordance with the current *International Standards for the Professional Practice of Internal Auditing* as published by the Institute of Internal Auditors, Inc.

Using the results from the data integrity audit(s), each university president should complete the attached Data Integrity Certification. When completing this certification, evaluate each of the 13 prepared representations. If you are able to affirm a representation as prepared, do so. If you are unable to affirm a representation as prepared, explain the modification in the space provided. It is important that representations be modified to reflect significant or material audit findings. The certification document shall be signed by the university president and board of trustees' chair after being approved by the board of trustees.

The audit results and corrective action plans as needed shall be provided to the Board of Governors after being accepted by the university's board of trustees. The audit results shall support the certification and include any noted audit findings. The completed Data Integrity Certification and audit report(s) shall be submitted to the Office of Inspector General and Director of Compliance no later than **March 1, 2023**. Ensure they are accessible to all readers by complying with Section 508 of the Rehabilitation Act.

I ask that you consider the March 1st deadline when establishing dates for your 2023 board of trustees' meetings as we will need these audits and certifications by the March 1st deadline to be included in our March Board of Governors' meeting materials.

I commend you, your data administrators, and the many university staff responsible for ensuring reliable, accurate, and complete information is timely submitted to the Board of Governors. I would also like to thank your chief audit executives for focusing a portion of their office's resources to auditing your university's data-related controls, processes, and submissions. Collectively, these efforts allow you to confidently certify the accuracy of data submissions to the Board of Governors and enhance public trust and confidence in this process. We appreciate your cooperation and assistance in ensuring the integrity of the performance funding and preeminence processes.

University Boards of Trustees Chairs and Presidents

June 21, 2022

Page 3 of 3

If you have questions regarding these requirements, please do not hesitate to contact the Board of Governors Inspector General at BOGInspectorGeneral@flbog.edu or 850-245-0466.

BL/jml

Attachment: Data Integrity Certification Form

C: Kent Stermon, Chair, Audit and Compliance Committee
Marshall Criser III, Chancellor
Tim Jones, Vice Chancellor, Finance/Administration and CFO
Vikki Shirley, General Counsel and Corporate Secretary
Jason Jones, Chief Data Officer
Julie Leftheris, Inspector General and Director of Compliance



Data Integrity Certification

March 2023

University Name: _____

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

Data Integrity Certification Representations			
Representations	Yes	No	Comment / Reference
1. I am responsible for establishing and maintaining, and have established and maintained, effective internal controls and monitoring over my university’s collection and reporting of data submitted to the Board of Governors Office which will be used by the Board of Governors in Performance-based Funding decision-making and Preeminence or Emerging-preeminence Status.	<input type="checkbox"/>	<input type="checkbox"/>	
2. These internal controls and monitoring activities include, but are not limited to, reliable processes, controls, and procedures designed to ensure that data required in reports filed with my Board of Trustees and the Board of Governors are recorded, processed, summarized, and reported in a manner which ensures its accuracy and completeness.	<input type="checkbox"/>	<input type="checkbox"/>	
3. In accordance with Board of Governors Regulation 1.001(3)(f), my Board of Trustees has required that I maintain an effective information system to provide accurate, timely, and cost-effective information about the university, and shall require that all data and reporting requirements of the Board of Governors are met.	<input type="checkbox"/>	<input type="checkbox"/>	
4. In accordance with Board of Governors Regulation 3.007, my university provided accurate data to the Board of Governors Office.	<input type="checkbox"/>	<input type="checkbox"/>	
5. In accordance with Board of Governors Regulation 3.007, I have appointed a Data Administrator to certify and manage the submission of data to the Board of Governors Office.	<input type="checkbox"/>	<input type="checkbox"/>	

Data Integrity Certification

Data Integrity Certification Representations			
Representations	Yes	No	Comment / Reference
6. In accordance with Board of Governors Regulation 3.007, I have tasked my Data Administrator to ensure the data file (prior to submission) is consistent with the criteria established by the Board of Governors Data Committee. The due diligence includes performing tests on the file using applications, processes, and data definitions provided by the Board Office.	<input type="checkbox"/>	<input type="checkbox"/>	
7. When critical errors have been identified, through the processes identified in item #6, a written explanation of the critical errors was included with the file submission.	<input type="checkbox"/>	<input type="checkbox"/>	
8. In accordance with Board of Governors Regulation 3.007, my Data Administrator has submitted data files to the Board of Governors Office in accordance with the specified schedule.	<input type="checkbox"/>	<input type="checkbox"/>	
9. In accordance with Board of Governors Regulation 3.007, my Data Administrator electronically certifies data submissions in the State University Data System by acknowledging the following statement, "Ready to submit: Pressing Submit for Approval represents electronic certification of this data per Board of Governors Regulation 3.007."	<input type="checkbox"/>	<input type="checkbox"/>	
10. I am responsible for taking timely and appropriate preventive/ corrective actions for deficiencies noted through reviews, audits, and investigations.	<input type="checkbox"/>	<input type="checkbox"/>	
11. I recognize that Board of Governors' and statutory requirements for the use of data related to the Performance-based Funding initiative and Preeminence or Emerging-preeminence status consideration will drive university policy on a wide range of university operations – from admissions through graduation. I certify that university policy changes and decisions impacting data used for these purposes have been made to bring the university's operations and practices in line with State University System Strategic Plan goals and have not been made for the purposes of artificially inflating the related metrics.	<input type="checkbox"/>	<input type="checkbox"/>	

Data Integrity Certification

Data Integrity Certification Representations			
Representations	Yes	No	Comment / Reference
12. 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.	<input type="checkbox"/>	<input type="checkbox"/>	
13. 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.	<input type="checkbox"/>	<input type="checkbox"/>	

Data Integrity Certification Representations, Signatures	
<p>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.</p>	
Certification: _____ President	Date _____
<p>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.</p>	
Certification: _____ Board of Trustees Chair	Date _____

Overall Objectives:

- To determine whether the University has established appropriate controls to ensure the completeness, accuracy, and timeliness of data submissions to the Board of Governors (BOG) which support the Performance Based Funding (PBF) Metrics of the University as of September 30, 2022.
- To provide assurance that the various data files which support the PBF metrics, as of September 30, 2022, have been subjected to audit and tested for accuracy and completeness.
- To provide reasonable assurance to the President and the Chair of the Board of Trustees that the representations included in the Performance Based Funding – Data Integrity Certification form are fairly presented.
- To follow up on audit observations reported in the prior audit (UAC Report 2022-06) to determine whether appropriate corrective action has been taken by the University.

Audit Scope and Methodology:

	Audit Scope	Methodology
1.	Evaluate the validity of representations outlined in the Performance Based Funding – Data Integrity Certification form.	Inquiry and observation of records supporting representations.
2.	Evaluate controls established to ensure the completeness, accuracy, and timely submission of the various data files that are submitted periodically by Institutional Research (IR) to the BOG. (e.g. admissions file, degrees awarded file, hours to degree file, retention file, student financial aid file, student instruction file).	Inquiry and observation of evidence supporting IR submissions to the BOG. Review of written procedures developed to support data integrity over IR submissions.
3.	Evaluation of access controls.	Review of system access controls and user privileges over those systems generating data for the various metrics.
4.	Testing of data accuracy and completeness.	For the various systems of record used to produce data submissions (as listed in 2 above) select samples and perform detailed tests to ensure that the underlying data for various BOG submissions is accurate and complete. For any other data reported by IR and used for PBF metrics, select a sample and perform detailed tests to ensure the

		accuracy and completeness of such data. (e.g. workforce experience used in BOT choice metric 10).
5.	Determine that the various data files that are submitted periodically by Institutional Research (IR) to the BOG are consistent with data definitions and guidance provided by the BOG.	Accomplished in conjunction with the methodology from 4 above.
6.	Review of data resubmissions and data reclassifications to ensure that they are appropriate and conform to BOG guidance.	100% review of any cohort classification changes since the BOG does not verify appropriateness of such changes. Inquiry and detailed testing of other metric reclassifications noted or identified. Review of resubmissions applicable to PBF data files.

**Florida Polytechnic University
Governance, Audit, and Compliance Committee
Board of Trustees
September 21, 2022**

Subject: Foundation Controls Review

Proposed Committee Action

Information only. No action necessary.

Background Information

The State University System of Florida (SUS) Board of Governors (the Board or BOG) engaged Crowe LLP (Crowe) to assess the financial controls for university support organizations across the SUS' twelve universities. Crowe was instructed to prepare a report for each of the 90 DSOs identified for the assessment. DSO-level reports were summarized at the university-level and delivered to university management and the BOG.

The Florida Polytechnic University Foundation was one of the 90 DSO's included within the scope of Crowe's "Review of Financial Internal Controls for University Support Organizations". Assessment results for a number of functional areas of the Foundation were included in the report and included procedures to evaluate key controls over these functional areas. (e.g. accounts receivable, accounts payable, cash management, corporate governance, investment management, journal entries, procurement, and related party transactions).

The Committee should review the report, and recommendations, and consider whether appropriate corrective action was taken to mitigate review observations. This report, as well as other Foundation reporting presented quarterly to the Board, serves to facilitate an appropriate level of monitoring of the University's direct-support organization.

Supporting Documentation: Crowe's "Review of Financial Internal Controls for University Support Organizations Report"

Prepared by: David A. Blanton, CAE/CCO

State University System of Florida Board of Governors

Review of Financial Internal Controls for University Support Organizations Report

**Florida Polytechnic University Foundation
July 25, 2022**



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I. Introduction

The State University System of Florida (SUS) Board of Governors (the Board or BOG) engaged Crowe LLP (Crowe) to assess the financial controls for university support organizations across the SUS' twelve universities. Crowe was instructed to prepare a report for each of the 90 DSOs identified for the assessment. DSO-level reports were summarized at the university-level and delivered to university management and the BOG.

Our objective was to assess if financial controls were reasonable over support organizations' financial processes and records to protect the organization from theft or malfeasance and that duties were properly segregated among employees with proper oversight and monitoring activities.

The scope of our assessment included DSO policies and procedures, segregation of duties, system access controls, management review and approval requirements, account reconciliations, monitoring practices, and exception reporting. We also reviewed entity-level controls and governance components including board composition, audit charters, culture and ethics, conflicts of interest disclosures, and emphasis on financial accountability. Compliance with established policies and procedures and State and University regulations and policies was also included, as was the selection and oversight of the independent financial statement auditors.

This DSO-level report includes the assessment results for Florida Polytechnic University Foundation which is a support organization of Florida Polytechnic University ("the University"). We reviewed applicable functional areas of Florida Polytechnic University Foundation as follows:

- Accounts Receivable
- Accounts Payable
- Cash Management
- Corporate Governance
- Investment Management
- Journal Entries
- Procurement
- Related Party Transactions

The following functions were not applicable to Florida Polytechnic University Foundation and were not included in our assessment.

- Capital Asset Management
- Capital Construction
- Debt Service/Loans Payable
- Payroll

Results of Procedures

We reviewed key controls and completed procedures which resulted in the identification of exceptions where controls were not properly designed or did not operate as designed. We reviewed key controls and completed procedures which resulted in the identification of exceptions where controls were not properly designed or did not operate as designed. These exceptions have been organized into one observation category: **Segregation of Duties**. Additional information on the assessment results is included in this report.

Disclosures

The assessment was executed in accordance with AICPA Consulting Standards. Because these services do not constitute an audit, review, or examination in accordance with standards established by the American Institute of Certified Public Accountants, Crowe does not express an opinion on any deliverables. Crowe has no obligation to perform any services beyond those listed in this Statement of Work. If Crowe were to perform additional services, other matters might come to Crowe's attention that would be reported to Florida State University on behalf of the State University System of Florida (SUS) Board of Governors (BOG) or (Client). It is understood that Crowe will prepare a report reflecting our findings of the services outlined in the Statement of Work for use by the Client. Crowe makes no representations as to the adequacy of these services for Client's purposes. Crowe makes no warranties, express or implied, and Crowe specifically disclaims all other express and implied warranties, including any implied warranties of

merchantability, fitness for a particular purpose, or non-infringement.

Crowe Services and work product are intended for the benefit and use of Client. This engagement was not planned or conducted in contemplation of reliance by any other party or with respect to anyone who receives the deliverables and is not intended to benefit or influence any other party. Therefore, items of possible interest to a third party may not be specifically addressed or matters may exist that could be assessed differently by a third party. Our report or deliverables will indicate the purpose of the project, will describe the intended use of the reports and deliverables, and the intended users of the report and deliverables. The working papers for this engagement are the property of Crowe and constitute confidential information.

Client management is responsible for the results of the services, including findings, conclusions, and recommendations. Client management will be responsible for evaluating the findings, results, the risk rating of the findings, and conclusions arising from services. Client management will be responsible for reporting internal control deficiencies as soon as they are identified within the organization, to the appropriate level of Client management, and for promptly reporting significant matters to the Audit Committee.

II. Procedures Performed

We divided the project into four phases and performed the procedures described in this section.

Phase 1: Planning

At the onset of the project, we held a kick-off meeting with the universities' Chief Financial Officers (CFO) and Chief Audit Executives (CAE) to review the assessment objectives and scope, and to discuss our approach. We requested the CFO or CAE from each university to provide a single point of contact for each of their respective DSOs.

We issued an introductory letter and materials request to each DSO contact, including an internal control questionnaire (ICQ) to obtain the information we would need to begin our work. We held two sessions in November 2021 with the DSO and University Contacts to review the ICQs and to demonstrate how to navigate Crowe's Secure Information Exchange portal (i.e., this was the secure software used throughout the engagement to obtain and transmit information safely).

Phase 2: Risk Controls Assessment and Key Control Identification

We reviewed DSOs' ICQ responses and documentation and identified key risks by functional area. We reviewed controls and identified gaps or weaknesses. We defined gaps where management had not implemented practices or procedures to address associated risks. We identified weaknesses where management had implemented controls which were not adequately designed to mitigate the associated risk to a reasonable level. We used professional judgment to determine reasonableness. We met with DSO management to confirm our understanding and the factual accuracy of our conclusions and discussed our planned approach for testing key controls for each function.

Phase 3: Key Control Testing

We performed limited testing on key controls and identified exceptions. We discussed our testing results with DSO management to confirm their factual accuracy.

Phase 4: Reporting

We submitted our results to DSO management prior to drafting our report. The remainder of this document contains the results of our assessment and has also been included in summary level reports to the Florida Polytechnic University and the Board of Governors.

III. Assessment Results

We performed testing on controls to validate their effectiveness. A summary of our results is included in the table below, and detailed observations have been included on the following pages.

Summary of Observations	
Segregation of Duties	<p>1. Journal entries and reconciliation reviews were prepared and posted by the same individual.</p> <p><i>* Noted for Journal Entries, Accounts Receivable, Cash Management and Investment Management</i></p>

Observation #1 Account Reconciliations and Manual Journal Entries Review

Management informed Crowe that the *Director, Advancement Operations and Foundation COO* (the Director) prepares account reconciliations for accounts receivable, cash, and investments and also prepares and post manual journal entries to the general ledger. The Director is required to attach supporting documentation for journal entries in the financial accounting system, and the CEO conducts a monthly and annual review of the reconciliations. The independent financial statement auditors also review manual journal entries each year, as part of their audit procedures.

Management explained that due to limited staffing, the Director is the only personnel available to prepare and post the account reconciliations and manual journal entries. They stated that the University's FY23 budget has been approved to hire a part time accountant which may help improve segregation of duties.

If a single person controls the preparation and posting of journal entries, this may adversely impact the integrity and reliability of financial records and may increase the risk that errors, fraud, waste or abuse will go undetected.

**Florida Polytechnic University
Governance, Audit, and Compliance Committee
Board of Trustees
September 21, 2022**

Subject: FPU-1.0041 Prohibition of Discrimination in University Training or Instruction

Proposed Committee Action

Recommend to the Board of Trustees the approval of the proposed regulation **FPU-1.0041 Prohibition of Discrimination in University Training or Instruction.**

Background Information

The Florida Legislature recently amended section 1000.05(4), Florida Statutes, to expand the definition of discrimination based on race, color, national origin or sex to include certain enumerated concepts and prohibits the University from endorsing such concepts through mandatory training or instruction.

Concepts:

1. Members of one race, color, national origin, or sex are morally superior to members of another race, color, national origin, or sex.
2. A person, by virtue of his or her race, color, national origin, or sex is inherently racist, sexist, or oppressive, whether consciously or unconsciously.
3. A person's moral character or status as either privileged or oppressed is necessarily determined by his or her race, color, national origin, or sex.
4. Members of one race, color, national origin, or sex cannot and should not attempt to treat others without respect to race, color, national origin, or sex.
5. A person, by virtue of his or her race, color, national origin, or sex bears responsibility for, or should be discriminated against or receive adverse treatment because of, actions committed in the past by other members of the same race, color, national origin, or sex.
6. A person, by virtue of his or her race, color, national origin, or sex should be discriminated against or receive adverse treatment to achieve diversity, equity, or inclusion.
7. A person, by virtue of his or her race, color, sex, or national origin, bears personal responsibility for and must feel guilt, anguish, or other forms of psychological distress because of actions, in which the person played no part, committed in the past by other members of the same race, color, national origin, or sex.
8. Such virtues as merit, excellence, hard work, fairness, neutrality, objectivity, and racial colorblindness are racist or sexist, or were created by members of a particular race, color, national origin, or sex to oppress members of another race, color, national origin, or sex.

As a result, the Board of Governors adopted regulation 10.005 Prohibition of Discrimination in University Training or Instruction.

The proposed regulation will implement the recent changes and provides that complaints alleging discrimination based on such concepts can be reported to the Chief Compliance

Officer. Such complaints will be addressed using the procedures outlined in University Regulation FPU-1.005 Discrimination and Harassment Complaint and Investigation Procedures.

The proposed regulation does not prohibit discussion of the concepts as part of a larger course of training or instruction, provided such training or instruction is given in an objective manner without endorsement of the concepts

The Notice of Amended Regulation was posted on the University's website on August 29, 2022. No comments were received during the review and comment period.

Supporting Documentation:

1. Draft proposed regulation FPU-1.0041 Prohibition of Discrimination in University Training or Instruction
2. Section 1000.5(4), Florida Statutes
3. BOG Regulation 10.005 Prohibition of Discrimination in University Training or Instruction

Prepared by: Melaine Schmiz, Associate General Counsel

THE FLORIDA POLYTECHNIC UNIVERSITY BOARD OF TRUSTEES

FPU-1.0041 Prohibition of Discrimination in University Training or Instruction

(1) **Purpose.** The University is committed to providing and maintaining a dignified environment in which all members of the University Community appreciate and respect one another by collectively sustaining a welcoming environment to work, study, and interact with one another free from any form of unlawful discrimination. Discrimination on the basis of race, color, national origin, or sex by subjecting any student or employee to training or instruction that espouses, promotes, advances, inculcates, or compels such student or employee to believe any of the Concepts defined below is prohibited. This does not prohibit discussion of the Concepts as part of a larger course of training or instruction, provided such training or instruction is given in an objective manner without endorsement of the Concepts.

(2) **Definitions.** For purposes of this regulation, the enumerated terms are defined as follows:

(a) “Concepts” are the following:

- 1) Members of one race, color, national origin, or sex are morally superior to members of another race, color, national origin, or sex.
- 2) A person, by virtue of his or her race, color, national origin, or sex is inherently racist, sexist, or oppressive, whether consciously or unconsciously.
- 3) A person's moral character or status as either privileged or oppressed is necessarily determined by his or her race, color, national origin, or sex.
- 4) Members of one race, color, national origin, or sex cannot and should not attempt to treat others without respect to race, color, national origin, or sex.
- 5) A person, by virtue of his or her race, color, national origin, or sex bears responsibility for, or should be discriminated against or receive adverse treatment because of, actions committed in the past by other members of the same race, color, national origin, or sex.
- 6) A person, by virtue of his or her race, color, national origin, or sex should be discriminated against or receive adverse treatment to achieve diversity, equity, or inclusion.
- 7) A person, by virtue of his or her race, color, sex, or national origin, bears personal responsibility for and must feel guilt, anguish, or other forms of psychological distress because of actions, in which the person played no part, committed in the past by other members of the same race, color, national origin, or sex.
- 8) Such virtues as merit, excellence, hard work, fairness, neutrality, objectivity, and racial colorblindness are racist or sexist, or were created by members of a particular race, color, national origin, or sex to oppress members of another race, color, national origin, or sex.

(b) “Training” is defined as a planned and organized activity conducted by the University as a mandatory condition of employment, enrollment, or participation in a University program for the purpose of imparting knowledge, developing skills or competencies, or becoming proficient in a particular job or role.

- (c) “Instruction” is defined as the process of teaching or engaging students with content about a particular subject by a University employee or a person authorized to provide instruction by the University within a course.
- (d) “Substantiate” is defined as establishing the existence or truth of a particular fact through the use of competent evidence.
- (e) “Administrator” means the following high level University personnel who have been assigned the responsibilities of University-wide academic or administrative functions: University president, provost, senior/executive vice presidents, vice presidents, associate vice presidents, assistant vice presidents, associate/vice provosts, deans, equal opportunity compliance officer, chief audit executive, and chief compliance officer.

(2) **Reporting Violations.** Any member of the University Community may report alleged violations of this Regulation to the University’s Chief Compliance Officer using the process described in University Regulation FPU-1.005 Discrimination and Harassment Complaint and Investigation Procedures.

(3) **Chief Compliance Officer Contact Information.**

Location: University Audit and Compliance
3425 Winter Lake Rd, LTB 1146
Lakeland, Florida 33803

Fax: 863-874-8509
Phone: 863-874-8441

Mail: P.O. Box 1808
2615 Ellis Ave.
Eaton Park, Florida 33840

Website: <https://floridapoly.edu/university-audit-compliance.php>

Authority: BOG regulation 10.005

History: New:

Select Year:

The 2022 Florida Statutes

[Title XLVIII](#)
EARLY LEARNING-20 EDUCATION
CODE

[Chapter 1000](#)
EARLY LEARNING-20 GENERAL
PROVISIONS

[View Entire
Chapter](#)

1000.05 Discrimination against students and employees in the Florida K-20 public education system prohibited; equality of access required.—

(1) This section may be cited as the “Florida Educational Equity Act.”

(2)(a) Discrimination on the basis of race, color, national origin, sex, disability, religion, or marital status against a student or an employee in the state system of public K-20 education is prohibited. No person in this state shall, on the basis of race, color, national origin, sex, disability, religion, or marital status, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any public K-20 education program or activity, or in any employment conditions or practices, conducted by a public educational institution that receives or benefits from federal or state financial assistance.

(b) The criteria for admission to a program or course shall not have the effect of restricting access by persons of a particular race, color, national origin, sex, disability, religion, or marital status.

(c) All public K-20 education classes shall be available to all students without regard to race, color, national origin, sex, disability, religion, or marital status; however, this is not intended to eliminate the provision of programs designed to meet the needs of students with limited proficiency in English, gifted students, or students with disabilities or programs tailored to students with specialized talents or skills.

(d) Students may be separated by sex for a single-gender program as provided under s. [1002.311](#), for any portion of a class that deals with human reproduction, or during participation in bodily contact sports. For the purpose of this section, bodily contact sports include wrestling, boxing, rugby, ice hockey, football, basketball, and other sports in which the purpose or major activity involves bodily contact.

(e) Guidance services, counseling services, and financial assistance services in the state public K-20 education system shall be available to students equally. Guidance and counseling services, materials, and promotional events shall stress access to academic and career opportunities for students without regard to race, color, national origin, sex, disability, religion, or marital status.

(3)(a) No person shall, on the basis of sex, be excluded from participating in, be denied the benefits of, or be treated differently from another person or otherwise be discriminated against in any interscholastic, intercollegiate, club, or intramural athletics offered by a public K-20 educational institution; and no public K-20 educational institution shall provide athletics separately on such basis.

(b) Notwithstanding the requirements of paragraph (a), a public K-20 educational institution may operate or sponsor separate teams for members of each sex if the selection for such teams is based upon competitive skill or the activity involved is a bodily contact sport. However, when a public K-20 educational institution operates or sponsors a team in a particular sport for members of one sex but does not operate or sponsor such a team for members of the other sex, and athletic opportunities for that sex have previously been limited, members of the excluded sex must be allowed to try out for the team offered.

(c) This subsection does not prohibit the grouping of students in physical education classes and activities by ability as assessed by objective standards of individual performance developed and applied without regard to sex. However, when use of a single standard of measuring skill or progress in a physical education class has an adverse effect on members of one sex, the educational institution shall use appropriate standards which do not have such effect.

(d) A public K-20 educational institution which operates or sponsors interscholastic, intercollegiate, club, or

intramural athletics shall provide equal athletic opportunity for members of both sexes.

1. The Board of Governors shall determine whether equal opportunities are available at state universities.
2. The Commissioner of Education shall determine whether equal opportunities are available in school districts and Florida College System institutions. In determining whether equal opportunities are available in school districts and Florida College System institutions, the Commissioner of Education shall consider, among other factors:
 - a. Whether the selection of sports and levels of competition effectively accommodate the interests and abilities of members of both sexes.
 - b. The provision of equipment and supplies.
 - c. Scheduling of games and practice times.
 - d. Travel and per diem allowances.
 - e. Opportunities to receive coaching and academic tutoring.
 - f. Assignment and compensation of coaches and tutors.
 - g. Provision of locker room, practice, and competitive facilities.
 - h. Provision of medical and training facilities and services.
 - i. Provision of housing and dining facilities and services.
 - j. Publicity.

Unequal aggregate expenditures for members of each sex or unequal expenditures for male and female teams if a public school or Florida College System institution operates or sponsors separate teams do not constitute nonimplementation of this subsection, but the Commissioner of Education shall consider the failure to provide necessary funds for teams for one sex in assessing equality of opportunity for members of each sex.

(e) A public school or Florida College System institution may provide separate toilet, locker room, and shower facilities on the basis of gender, but such facilities shall be comparable to such facilities provided for students of the other sex.

(4)(a) It shall constitute discrimination on the basis of race, color, national origin, or sex under this section to subject any student or employee to training or instruction that espouses, promotes, advances, inculcates, or compels such student or employee to believe any of the following concepts:

1. Members of one race, color, national origin, or sex are morally superior to members of another race, color, national origin, or sex.
2. A person, by virtue of his or her race, color, national origin, or sex, is inherently racist, sexist, or oppressive, whether consciously or unconsciously.
3. A person's moral character or status as either privileged or oppressed is necessarily determined by his or her race, color, national origin, or sex.
4. Members of one race, color, national origin, or sex cannot and should not attempt to treat others without respect to race, color, national origin, or sex.
5. A person, by virtue of his or her race, color, national origin, or sex, bears responsibility for, or should be discriminated against or receive adverse treatment because of, actions committed in the past by other members of the same race, color, national origin, or sex.
6. A person, by virtue of his or her race, color, national origin, or sex, should be discriminated against or receive adverse treatment to achieve diversity, equity, or inclusion.
7. A person, by virtue of his or her race, color, sex, or national origin, bears personal responsibility for and must feel guilt, anguish, or other forms of psychological distress because of actions, in which the person played no part, committed in the past by other members of the same race, color, national origin, or sex.
8. Such virtues as merit, excellence, hard work, fairness, neutrality, objectivity, and racial colorblindness are racist or sexist, or were created by members of a particular race, color, national origin, or sex to oppress members of another race, color, national origin, or sex.

(b) Paragraph (a) may not be construed to prohibit discussion of the concepts listed therein as part of a larger course of training or instruction, provided such training or instruction is given in an objective manner without endorsement of the concepts.

(5) Public schools and Florida College System institutions shall develop and implement methods and strategies to

increase the participation of students of a particular race, color, national origin, sex, disability, or marital status in programs and courses in which students of that particular race, color, national origin, sex, disability, or marital status have been traditionally underrepresented, including, but not limited to, mathematics, science, computer technology, electronics, communications technology, engineering, and career education.

(6)(a) The State Board of Education shall adopt rules to implement this section as it relates to school districts and Florida College System institutions.

(b) The Board of Governors shall adopt regulations to implement this section as it relates to state universities.

(7) The functions of the Office of Equal Educational Opportunity of the Department of Education shall include, but are not limited to:

(a) Requiring all district school boards and Florida College System institution boards of trustees to develop and submit plans for the implementation of this section to the Department of Education.

(b) Conducting periodic reviews of school districts and Florida College System institutions to determine compliance with this section and, after a finding that a school district or a Florida College System institution is not in compliance with this section, notifying the entity of the steps that it must take to attain compliance and performing followup monitoring.

(c) Providing technical assistance, including assisting school districts or Florida College System institutions in identifying unlawful discrimination and instructing them in remedies for correction and prevention of such discrimination and performing followup monitoring.

(d) Conducting studies of the effectiveness of methods and strategies designed to increase the participation of students in programs and courses in which students of a particular race, color, national origin, sex, disability, or marital status have been traditionally underrepresented and monitoring the success of students in such programs or courses, including performing followup monitoring.

(e) Requiring all district school boards and Florida College System institution boards of trustees to submit data and information necessary to determine compliance with this section. The Commissioner of Education shall prescribe the format and the date for submission of such data and any other educational equity data. If any board does not submit the required compliance data or other required educational equity data by the prescribed date, the commissioner shall notify the board of this fact and, if the board does not take appropriate action to immediately submit the required report, the State Board of Education shall impose monetary sanctions.

(f) Based upon rules of the State Board of Education, developing and implementing enforcement mechanisms with appropriate penalties to ensure that public K-12 schools and Florida College System institutions comply with Title IX of the Education Amendments of 1972 and subsection (3) of this section. However, the State Board of Education may not force a public school or Florida College System institution to conduct, nor penalize such entity for not conducting, a program of athletic activity or athletic scholarship for female athletes unless it is an athletic activity approved for women by a recognized association whose purpose is to promote athletics and a conference or league exists to promote interscholastic or intercollegiate competition for women in that athletic activity.

(g) Reporting to the Commissioner of Education any district school board or Florida College System institution board of trustees found to be out of compliance with rules of the State Board of Education adopted as required by paragraph (f) or paragraph (3)(d). To penalize the board, the State Board of Education shall:

1. Declare the school district or Florida College System institution ineligible for competitive state grants.
2. Notwithstanding the provisions of s. [216.192](#), direct the Chief Financial Officer to withhold general revenue funds sufficient to obtain compliance from the school district or Florida College System institution.

The school district or Florida College System institution shall remain ineligible and the funds shall not be paid until the institution comes into compliance or the State Board of Education approves a plan for compliance.

(8) A public K-20 educational institution must treat discrimination by students or employees or resulting from institutional policies motivated by anti-Semitic intent in an identical manner to discrimination motivated by race. For purposes of this section, the term “anti-Semitism” includes a certain perception of the Jewish people, which may be expressed as hatred toward Jewish people, rhetorical and physical manifestations of anti-Semitism directed toward a person, his or her property, or toward Jewish community institutions or religious facilities.

(a) Examples of anti-Semitism include:

1. Calling for, aiding, or justifying the killing or harming of Jews, often in the name of a radical ideology or an extremist view of religion.
2. Making mendacious, dehumanizing, demonizing, or stereotypical allegations about Jews as such or the power of Jews as a collective, especially, but not exclusively, the myth about a world Jewish conspiracy or of Jews controlling the media, economy, government or other societal institutions.
3. Accusing Jews as a people of being responsible for real or imagined wrongdoing committed by a single Jewish person or group, the State of Israel, or even for acts committed by non-Jews.
4. Accusing Jews as a people or the State of Israel of inventing or exaggerating the Holocaust.
5. Accusing Jewish citizens of being more loyal to Israel, or the alleged priorities of Jews worldwide, than to the interest of their own nations.

(b) Examples of anti-Semitism related to Israel include:

1. Demonizing Israel by using the symbols and images associated with classic anti-Semitism to characterize Israel or Israelis, drawing comparisons of contemporary Israeli policy to that of the Nazis, or blaming Israel for all inter-religious or political tensions.
2. Applying a double standard to Israel by requiring behavior of Israel that is not expected or demanded of any other democratic nation or focusing peace or human rights investigations only on Israel.
3. Delegitimizing Israel by denying the Jewish people their right to self-determination and denying Israel the right to exist.

However, criticism of Israel that is similar to criticism toward any other country may not be regarded as anti-Semitic.

(c) Nothing in this subsection shall be construed to diminish or infringe upon any right protected under the First Amendment to the United States Constitution, or the State Constitution. Nothing in this subsection shall be construed to conflict with federal or state discrimination laws.

(9) A person aggrieved by a violation of this section or a violation of a rule adopted under this section has a right of action for such equitable relief as the court may determine. The court may also award reasonable attorney's fees and court costs to a prevailing party.

History.—s. 7, ch. 2002-387; s. 1942, ch. 2003-261; s. 70, ch. 2004-357; s. 66, ch. 2007-217; s. 1, ch. 2008-26; s. 9, ch. 2010-78; s. 4, ch. 2011-5; s. 1, ch. 2019-59; s. 2, ch. 2022-72.

10.005 Prohibition of Discrimination in University Training or Instruction

(1) Definitions. For purposes of this regulation, the enumerated terms are defined as follows:

- (a) "Concepts" are the following:
 1. Members of one race, color, national origin, or sex are morally superior to members of another race, color, national origin, or sex.
 2. A person, by virtue of his or her race, color, national origin, or sex is inherently racist, sexist, or oppressive, whether consciously or unconsciously.
 3. A person's moral character or status as either privileged or oppressed is necessarily determined by his or her race, color, national origin, or sex.
 4. Members of one race, color, national origin, or sex cannot and should not attempt to treat others without respect to race, color, national origin, or sex.
 5. A person, by virtue of his or her race, color, national origin, or sex bears responsibility for, or should be discriminated against or receive adverse treatment because of, actions committed in the past by other members of the same race, color, national origin, or sex.
 6. A person, by virtue of his or her race, color, national origin, or sex should be discriminated against or receive adverse treatment to achieve diversity, equity, or inclusion.
 7. A person, by virtue of his or her race, color, sex, or national origin, bears personal responsibility for and must feel guilt, anguish, or other forms of psychological distress because of actions, in which the person played no part, committed in the past by other members of the same race, color, national origin, or sex.
 8. Such virtues as merit, excellence, hard work, fairness, neutrality, objectivity, and racial colorblindness are racist or sexist, or were created by members of a particular race, color, national origin, or sex to oppress members of another race, color, national origin, or sex.
- (b) "Training" is defined as a planned and organized activity conducted by the university as a mandatory condition of employment, enrollment, or participation in a university program for the purpose of imparting knowledge, developing skills or competencies, or becoming proficient in a particular job or role.
- (c) "Instruction" is defined as the process of teaching or engaging students with content about a particular subject by a university employee or a person authorized to provide instruction by the university within a course.
- (d) "Substantiate" is defined as establishing the existence or truth of a particular fact through the use of competent evidence.
- (e) "University regulation" is defined as the regulation required by section (2)(a) below.

- (f) “Administrator” means the following high level personnel who have been assigned the responsibilities of university-wide academic or administrative functions: university president, provost, senior/executive vice presidents, vice presidents, associate vice presidents, associate/vice provosts, deans, equal opportunity programs director, chief audit executive, and chief compliance officer.

(2) University Regulation and Content Review

- (a) Each university shall have a university regulation that prohibits discrimination on the basis of race, color, national origin, or sex by subjecting any student or employee to training or instruction that espouses, promotes, advances, inculcates, or compels such student or employee to believe any of the concepts as defined in paragraph (1)(a). Such university regulation shall contain a method for submitting complaints of alleged violations of the university regulation and the title and contact information of the office(s) designated by the university to receive and maintain such complaints.
- (b) The university regulation shall include that the prohibition in section (2)(a) does not prohibit discussion of the concepts as part of a larger course of training or instruction, provided such training or instruction is given in an objective manner without endorsement of the concepts.
- (c) Each university shall post the university regulation on a public website where the university commonly publishes regulations.
- (d) Each university shall periodically review its regulations, policies and institutional training materials to ensure that the content does not violate the university regulation.

(3) University Investigation and Corrective Action

- (a) Each administrator who receives a complaint of an alleged violation of the university regulation shall timely forward such complaint to the office(s) designated to receive such complaints.
- (b) After reviewing the complaint and obtaining any additional information to aid in the review, the designated office shall direct, supervise, or coordinate the investigation of credible complaints that identify a training or instruction that espouses, promotes, advances, inculcates, or compels a student or employee to believe any of the concepts.
- (c) In the event the investigation finds that an instruction or training is inconsistent with the university regulation, the university shall inform the Board of Governors through the Office of Inspector General and take prompt action to correct the violation by mandating that the employee(s) responsible for the instruction or training modify it to be consistent with the university regulation, issuing disciplinary measures where appropriate and remove, by

termination if appropriate, the employee(s) if there is a failure or refusal to comply with the mandate.

- (d) If the Board of Governors receives a complaint about which it has not been previously informed pursuant paragraph 3(c), it shall refer the complaint to the subject university's Chief Audit Executive to be addressed pursuant paragraphs 3(a)-(c).

(4) Proceedings to Determine a Substantiated Institutional Violation

- (a) Upon receipt of a credible allegation that a university willfully and knowingly failed to correct a violation of the university regulation, the Board of Governors' Office of Inspector General shall conduct an investigation to determine if evidence exists to support the allegation and ineligibility for performance funding. In determining whether a university willfully and knowingly failed to correct a violation, the Office of Inspector General shall consider whether the university made a good faith determination that the complaint did not allege a violation of the university regulation or whether it took prompt corrective action after it substantiated a violation of the university regulation. If it is determined an external qualified investigative firm is necessary to assist with or conduct the investigation, the subject university will be responsible for any costs incurred.
- (b) The Inspector General shall submit the investigatory findings to the Chair of the university's Board of Trustees, or the Chair's designee, which shall have twenty (20) business days to submit a written response after receipt of such findings. The Office of Inspector General shall provide a rebuttal, if any, to the university within twenty (20) business days after receipt of the university's response. The university's response and the Office of Inspector General's rebuttal to the response, if any, shall be included in a final investigative report provided to the Board of Governor's Audit and Compliance Committee and the Chair of the university's Board of Trustees.
- (c) The Board of Governor's Audit and Compliance Committee shall make a recommendation to the Board as to whether it should substantiate an allegation that a university willfully and knowingly failed to correct a violation of the university regulation. The Board shall review the investigative report and recommendation and make a final decision regarding whether the alleged willful and knowing failure to correct a violation of the university regulation is substantiated. Such decision will be rendered in writing to the university within twenty (20) business days of the meeting at which the report is considered.
- (d) If the Board of Governors determines that a university willfully and knowingly engaged in conduct at the institutional level that constituted a substantiated violation of section 1000.05(4)(a), Florida Statutes, and failed to take appropriate corrective action, the university will be ineligible for

performance funding for the next fiscal year following the year in which the Board of Governors made the determination.

(5) Additional Proceedings.

A university or the complainant may seek judicial review by filing a petition for writ of certiorari review with the appropriate circuit court within thirty (30) days of the date of the Board's final decision pursuant to Florida Rule of Appellate Procedure 9.190(b)(3).

Authority: Section 7(d), art. IX, Fla. Const.; Section 1000.05, Florida Statutes; Section 1001.92, Florida Statutes; History: New 08-26-22.

**Florida Polytechnic University
Governance, Audit, and Compliance Committee
Board of Trustees
September 21, 2022**

Subject: FPU-1.005 Discrimination and Harassment Complaint and Investigation Procedures

Proposed Committee Action

Recommend to the Board of Trustees the approval of the regulation amendment **FPU-1.005 Discrimination and Harassment Complaint and Investigation Procedures.**

Background Information

This regulation is being amended to update the University's discrimination and harassment complaint and investigation procedures. Specifically, it provides that complaints of alleged discrimination or harassment must be reported to the Chief Compliance Officer ("CCO") instead of the President. The CCO or designee will investigate such complaints and write investigative reports. The investigative report will recommend a determination and disposition of the complaint and be provided to the appropriate Vice President for a final determination. In instances where the respondent is a student, the investigative report will be provided to the Office of Student Conduct for processing.

For complaints that allege discrimination in course content based on endorsement of an enumerated concept in University regulation FPU-1.0041 Prohibition of Discrimination in University Training or Instruction, the CCO, in consultation with the Provost, may convene an advisory ad hoc committee of faculty and subject matter experts to advise the CCO during the investigation. If such complaint is substantiated, it must be reported to the Board of Governors' Office of Inspector General.

The Notice of Amended Regulation was posted on the University's website on August 29, 2022. No comments were received during the review and comment period.

Supporting Documentation: Draft regulation amendment FPU-1.005 Discrimination and Harassment Complaint and Investigation Procedures

Prepared by: Melaine Schmiz, Associate General Counsel

THE FLORIDA POLYTECHNIC UNIVERSITY BOARD OF TRUSTEES

FPU-1.005 Discrimination and Harassment Complaint and Investigation Procedures.

(1) **Policy.** The purpose of this regulation is to allow the University to maintain its commitment to provide an environment free from any form of unlawful discrimination or harassment and to ensure compliance with the various applicable federal and state laws that prohibit discrimination and harassment. This regulation provides the procedures and related guidelines for handling and investigating complaints filed with the University that allege discrimination, harassment, and/or retaliation in violation of ~~the University~~ Policy FPU-1.005P²s Sexual Harassment-Misconduct, Policy and University Regulation FPU-1.004 Non-Discrimination/Equal Opportunity, and University Regulation FPU-1.0041 Prohibition of Discrimination in University Training or Instruction-Regulation.

(2) **Complaint and Investigation Process Responsibility.** The ~~University President~~ Chief Compliance Officer ~~or his/her~~ their designee (“~~CCO~~ President”) is responsible for administering the complaint and investigation procedures detailed in this regulation. All reports and complaints, whether formal or informal, must be reported to the President CCO. Reports or allegations of discrimination will be processed upon the filing of a complaint with the President CCO. However, the President CCO may initiate or continue an internal investigation of an allegation of discrimination when the President CCO deems it necessary, even if the alleged victim has decided not to file a complaint, ~~but~~ will only do so when enough information is available to conduct a responsible investigation.

(3) Chief Compliance Officer Contact Information.

Physical Location: University Audit and Compliance
3425 Winter Lake Rd, LTB 1146
Lakeland, Florida 33803

Fax: 863-874-8509
Phone: 863-874-8441

Mailing Address: P.O. Box 1808
2615 Ellis Ave.
Eaton Park, Florida 33840

Office of Audit and Compliance Website: <https://floridapoly.edu/university-audit-compliance.php> ~~Filing a complaint with the University in no way limits or precludes an individual from also filing a complaint with federal, state, or local enforcement agencies, even if an internal investigation of the complaint has already commenced. Employees have the right to proceed directly to the Equal Employment Opportunity Commission (EEOC) to file a complaint and students may proceed directly to the Office for Civil Rights (OCR), U.S. Department of Education. All individuals have the right to report allegations to law enforcement officials at any time. The filing of a complaint with the President does not constitute a filing with, or have any~~

~~effect on the filing time limitations of those external agencies. Any individual who believes that he/she is a victim of unlawful discrimination is urged to contact these external agencies directly to determine the filing deadlines and procedures for each agency. Contact information for these external agencies is available from the President.~~

(43) Procedure for Filing and Handling Complaints. All complaints filed with the President CCO must include the name of the victim of the alleged discrimination, harassment or retaliation (“Complainant”), the name(s) of the alleged offender (“Respondent”), the date or approximate date on which the offending act occurred, details regarding the nature of the alleged offending act, the name(s) of any witnesses, and the desired resolution. The Complainant is encouraged to use the online reporting form available on the Office of Audit and Compliance website.

The President CCO may attempt conciliation by way of informal resolution if it is deemed appropriate, but only if the parties agree to such, at any time before or during an investigation of a complaint. In the event informal resolution cannot be achieved, the President CCO will continue to investigate the complaint in accordance with this regulation. A Complainant may, at any time, request the informal process to end so that a formal complaint process may begin. ~~Mediation or any other means utilized to seek informal resolution are not appropriate for complaints alleging sexual assault or sexual violence.~~

(54) Procedure for Investigating Complaints. The President CCO is responsible for handling all investigations of complaints that contain enough information to allege an act of discrimination.

~~Each investigation shall must include, at a minimum, interviewing the Respondent and the Complainant. Every investigation will allow both the Respondent and the Complainant equal opportunity to present relevant witnesses and other evidence. An investigation may also include interviewing other persons who may have information relevant to the allegations, preparing witness statements for all persons interviewed during the investigation, and reviewing any documents relevant to the allegation.~~

Every investigation will be evaluated from the perspective of a reasonable person in the alleged victim’s position and will consider the totality of the circumstances, such as the nature of the alleged conduct and the context in which the conduct took place. A determination on the allegations will be made based on the facts and on a case-by-case basis. Investigations of conduct occurring in an academic setting will take into consideration principles related to free speech and academic freedom.

~~Upon completion of an investigation, a final report shall be prepared by the President. The report will contain a summary of the complaint; the findings of the investigation; a determination as to whether a violation of University regulation or policy was found based on a totality of the circumstances and using a preponderance of the evidence standard; and a recommendation for disposition.~~

~~Every investigation will be evaluated from the perspective of a reasonable person in the alleged victim’s position and will consider the totality of the circumstances, such as the nature of the~~

~~alleged conduct and the context in which the conduct took place. A determination on the allegations will be made based on the facts and on a case-by-case basis. Investigations of conduct occurring in an academic setting will take into consideration principles related to free speech and academic freedom.~~

All University employees have a duty to cooperate fully in an investigation pursuant to this regulation. This responsibility includes, among other things, speaking with the investigator and voluntarily providing all information and/or documentation which relates to the claim being investigated, whether it is requested or not. Failure and/or refusal to cooperate in an investigation will result in disciplinary and other action up to and including termination. It is a violation of this regulation for any University employee or student to knowingly mislead, impede, impair, obstruct, disrupt, or delay the progress of an investigation or to attempt the same.

(6) Investigative Report and Recommendations. Upon completion of an investigation, an investigative report is prepared by the CCO. The report will contain a summary of the complaint; the findings of the investigation; a recommended determination as to whether a violation of University regulation or policy was found based on a totality of the circumstances and using a preponderance of the evidence standard; and a recommendation for disposition.

The ~~President~~ CCO shall will conclude the full investigation and issue the ~~final~~ investigative report within sixty (60) working days of the date the complaint was filed. If additional time is required for the investigation, the Complainant and Respondent will be notified, in writing, no later than ten (10) days prior to the sixty (60) day deadline of the reasons for the delay and the expected date of completion. When the Respondent is a student, tThe ~~final~~ investigative report will be submitted to the Office of Student Conduct for processing following the procedures in University Regulation FPU-3.006 Student Code of Conduct. Director of Student Affairs ~~When the Respondent is an employee, the investigative report will be submitted to the appropriate Vice President. If the Respondent is a Vice President, the investigative report is submitted to the President. , when the Complainant or Respondent is a student, and to the Provost, when the Complainant or Respondent is an employee.~~

(7) Final Determination- Employees. When the Respondent is an employee, the appropriate Vice President reviews the investigative report to make a final determination as to whether a violation of University regulation or policy was found based on a totality of the circumstances and using a preponderance of the evidence standard and disposition of the allegation. If the Vice President does not accept the recommendations in the investigative report, the Vice President must provide a written rationale that explains the basis for their decision.

The Complainant and Respondent shall will each be notified, in writing, of the outcome of the complaint, investigation, and appeal, if any, within ten (10) days of the final determination. ~~Disciplinary action for students, up to and including expulsion, will be considered and implemented, if appropriate, by the Director of Student Affairs in consultation with the President. De~~ Disciplinary action for employees, up to and including termination, will be considered and implemented, if appropriate, by the ~~Provost~~ appropriate Vice President and in consultation with the President. All disciplinary action will be handled in accordance with applicable University regulations, policies, ~~and~~ procedures, and applicable collective bargaining

agreements.

(8) Additional Procedures for Allegations of Discrimination in University Training or Instruction.

- (a) When an allegation of discrimination in University training or instruction involves an allegation related to course content, the CCO may consult with the Provost to convene an ad hoc committee comprised of faculty and experts in the subject area to serve in an advisory role to the COO during the investigation and to provide a written statement that provides feedback and context for the subject area. The committee does not make a recommendation as to disposition or consequences.
- (b) In the event the investigation finds that an instruction or training is inconsistent with University Regulation FPU-1.0041 Prohibition of Discrimination in University Training or Instruction, the University will inform the Board of Governors through the Office of Inspector General and take prompt action to correct the violation by mandating that the employee(s) responsible for the instruction or training modify it to be consistent with University Regulation FPU-1.0041 Prohibition of Discrimination in University Training or Instruction, issuing disciplinary measures where appropriate and remove, by termination if appropriate, the employee(s) if there is a failure or refusal to comply with the mandate.

(9) Reporting to Other Agencies. Filing a complaint with the University in no way limits or precludes an individual from also filing a complaint with federal, state, or local enforcement agencies, even if an internal investigation of the complaint has already commenced. Employees have the right to proceed directly to the Equal Employment Opportunity Commission (EEOC) to file a complaint and students may proceed directly to the Office for Civil Rights (OCR), U.S. Department of Education. All individuals have the right to report allegations to law enforcement officials at any time. The filing of a complaint with the ~~President~~ CCO does not constitute a filing with, or have any effect on the filing time limitations of those external agencies. Any individual who believes that he/she is a victim of unlawful discrimination is urged to contact these external agencies directly to determine the filing deadlines and procedures for each agency. Contact information for these external agencies is available from the ~~President~~ CCO.

(10~~5~~) Confidentiality. Any portion of a complaint record that is exempt from public disclosure under Florida Public Records law shall remain confidential to the extent permitted by law. All parties involved in an investigation or proceeding under this regulation, including witnesses, ~~shall~~ must keep information concerning the investigation or proceeding confidential. Violations may result in disciplinary or other action.

(11~~6~~) Frivolous or Malicious Complaints. Any person that has made a claim or filed a complaint in bad faith that is determined to be frivolous and/or malicious in nature may be subject to disciplinary and other action including and up to expulsion and termination.

(12~~7~~) Retaliation. Retaliation, or otherwise taking adverse action, against any member of the University Community because that individual reported or filed a complaint alleging a violation, testified or participated in an investigation or proceeding, or opposed discriminatory practices, is strictly prohibited. Conduct that is determined to violate this provision will be subject to

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disciplinary and other action up to and including expulsion or termination.

(138) **Reconsideration Appeal.** When the Respondent is not a student, a Complainant or Respondent may ~~submit a request for reconsideration appeal of the findings of an investigation contained in the President's CCO's final investigative report or appeal the final determination.~~ Either party must submit ~~an appeal request for reconsideration~~ to the President or designee, in writing, within ten (10) days of receipt of the issued ~~final investigative report or final determination~~ and must specify the basis of the request. Generally, ~~reconsideration appeals~~ will only be granted in cases where relevant evidence was not reviewed and/or new evidence is available.

When a Respondent is a student, the Respondent and Complainant must follow the appeal process described in University Regulation FPU-3.006 Student Code of Conduct.

Any party may submit a written response or statement to the President. Such response or statement will be attached to the final report and maintained in the same file.

Authority: BOG regulation 1.001, 10.005.

History: Revised ~~New: 2.5.14~~

**Florida Polytechnic University
Governance, Audit, and Compliance Committee
Board of Trustees
September 21, 2022**

Subject: FPU-6.005 Sick Leave

Proposed Committee Action

Recommend to the Board of Trustees the approval of the regulation amendment **FPU-6.005 Sick Leave**.

Background Information

Pursuant to Board of Governors regulation 1.001 University Board of Trustees Powers and Duties, this regulation is being amended to clarify the job categories of employees that are eligible to accrue sick leave and clarifies that faculty on nine month contracts only accrue sick leave during the nine month contract period.

The Notice of Amended Regulation was posted on the University's website on August 29, 2022. No comments were received during the review and comment period.

Supporting Documentation: Draft Amended Regulation FPU-6.005 Sick Leave

Prepared by: Alex Landback, Associate General Counsel

THE FLORIDA POLYTECHNIC UNIVERSITY BOARD OF TRUSTEES

FPU-6.005 Sick Leave.

(1) **Eligible Employees and Accrual Rate.** Sick Leave for full-time Executive Service, Faculty, Administrative and Support employees (collectively referred to as “Budgeted Employees”) will be as follows, with proportionate accrual for less than full-time. OPS employees, adjunct faculty, and visiting faculty do not accrue sick leave. Faculty on nine month contracts will only accrue sick leave during the nine month contract period for each year of the contract. An academic year (39 weeks) employee, and an employee appointed for less than 9 months of each year will not accrue Sick Leave.

Hours Accrued During Pay Period

	Semi-Monthly
Faculty	4.3334
Administrative	4.3334
Executive Service	5.4167
Support	4.3334

(2) **Accrual Prior to Use.** An employee must accrue Sick Leave before the leave can be used, unless available to the employee through the University’s Sick Leave Pool pursuant to the Sick Leave Pool Policy. There is no maximum on the amount of Sick Leave that can be accrued. During a leave of absence with pay an employee will continue to earn sick leave hours.

(3) **Authorized Use.** Sick Leave is authorized for only the following purposes:

- (a) The employee’s personal illness, injury, exposure to a contagious disease; a disability where the employee is unable to perform assigned duties; or employee’s appointments with health care providers.
- (b) The employee’s immediate family member’s/relative’s illness, injury, appointments with health care providers, or death. For purposes of this regulation, immediate family member/relative is defined as the employee's spouse, parents, children, grandparents, grandchildren, siblings, or individual for whom the employee is the current legal guardian; or the employee's spouse's parents, children, grandparents, grandchildren, or siblings.
- (c) The employee’s disability caused or contributed to by pregnancy, miscarriage, abortion, childbirth, and recovery thereafter.
- (d) The birth of employee’s child.
- (e) The placement of a child with employee for adoption or foster care.
- (f) The employee to care for the employee’s child following child birth or a newly placed child after adoption or foster care.
- (g) As otherwise provided by University regulation or law.

When possible, employees are expected to schedule planned medical appointments in a manner that minimizes disruption of the workflow.

Employees must use sick leave only for its intended purpose. An employee may be required by Human Resource Services or his or her supervisor to provide medical documentation to support the use of Sick Leave for three (3) or more absences in any 30 day period, when absences are excessive or when a pattern has emerged. Abuse of paid sick leave will result in disciplinary action up to and including dismissal.

Upon return from sick leave due to illness or injury, an employee may be required by Human Resource Services or his or her supervisor to submit a Fitness for Duty form to establish whether the employee is fully recovered and capable of returning to his or her duties.

(4) **Notice of Absence.** An employee will give notice to his or her supervisor of the employee's absence due to illness, injury, disability, or exposure to a contagious disease on or before the first day of absence.

(5) **Transfer of Sick Leave from Other Employers.** The University accepts the transfer of a maximum of eighty (80) hours of Sick Leave accrued by the Budgeted Employee in another State university within Florida or New College for which payment has not been received by the employee provided no more than 31 days have elapsed between the last day of employment with the other State university or New College and the first day of the Budgeted Employee's employment with Florida Polytechnic University.

(6) **Separation from Employment.** Upon separation from employment with the University, an employee with ten (10) or more years of State service with the State of Florida will be paid one-fourth (1/4) of the number of hours of the employee's unused accrued Sick Leave, but shall not exceed a maximum of 480 hours of actual payment subject to and in accordance with Florida Statutes Section 110.122.

(7) **Reemployment by Florida Polytechnic.** If an employee is reemployed by Florida Polytechnic University as a Budgeted Employee within 60 days of separating employment with the University, unpaid Sick Leave will be restored. In the case of a layoff, the unpaid Sick Leave of the laid off employee will be restored if such employee is recalled by the University within one year of the date of layoff.

Authority: ~~F~~BOG regulation 1.001 and Florida Statutes §110.122

History: New: 8.28.13, Amended: 9.14.16, 3.1.18, xx.xx.20xx

**Florida Polytechnic University
Governance, Audit, and Compliance Committee
Board of Trustees
September 21, 2022**

Subject: FPU-1.0125 Fraud Prevention and Detection

Proposed Committee Action

Recommend to the Board of Trustees the approval of the proposed regulation **FPU-1.0125 Fraud Prevention and Detection**.

Background Information

The proposed regulation FPU-1.0125 Fraud Prevention and Detection is a conversion and substantial revision of the University's existing Fraud Prevention and Detection Policy (FPU-1.0125P), in order to be compliant with the Board of Governor's Regulation 3.003, Fraud Prevention and Detection. The proposed regulation includes a strategic emphasis on fraud prevention and detection strategies and it provides a risk management framework that will provide a reasonable assurance that fraudulent activities will be prevented, detected, reported, and investigated, as appropriate, at the University.

The Notice of Amended Regulation was posted on the University's website on August 29, 2022. No comments were received during the review and comment period.

Supporting Documentation: Draft amended regulation FPU-1.0125 Fraud Prevention and Detection

Prepared by: Alex Landback, Associate General Counsel

THE FLORIDA POLYTECHNIC UNIVERSITY BOARD OF TRUSTEES

FPU-1.0125 Fraud Prevention and Detection

(1) Policy. The University is committed to creating an organizational culture that proactively identifies potential fraud scenarios, discourages the commitment of fraud, and provides encouragement to report potential fraud. This regulation establishes University criteria related to appropriate institutional controls and risk management framework to provide reasonable assurance that fraudulent activities within the University’s areas of responsibility are prevented, detected, reported, and investigated.

(2) Applicability. This regulation applies to all members of the Florida Polytechnic University community, including board of trustees members, University employees, entities contracting with or doing business with the University, vendors, volunteers, and students (“University Community”). This regulation aligns with Florida Board of Governors regulations 3.003 and 4.001 and complies with the applicable provisions of the Code of Ethics for Public Officers and Employees, to the extent that Part III of Chapter 112, Florida Statutes, applies.

(3) Definitions.

- (a) Fraud: An intentional misrepresentation or concealment of a material fact for the purpose of obtaining a benefit that would not otherwise be received, or inducement of another to act upon the intentional misrepresentation or concealment to his or her detriment.
- (b) Fraud Prevention: Hindering, precluding, stopping, or intercepting the performance of fraud.
- (c) Fraud Detection: Finding, discovering or bringing out facts which have been hidden related to the occurrence of fraud.

(4) Zero Tolerance. The University is committed to the highest standards of ethical behavior and therefore has a “zero tolerance” threshold for fraudulent activities. Examples of fraudulent activities include, but are not limited to:

- (a) Forgery or alteration of University or University-related documents, electronic records or accounts.
- (b) Misappropriation, or theft of funds, securities, supplies, equipment, or other University or University-related assets.
- (c) Impropriety in the handling or reporting of University or University-related money or financial transactions.
- (d) Authorizing or receiving payment for goods not received or services not performed.
- (e) Receiving reimbursement as a result of falsification of time sheets, travel claims and claims for other expenses.
- (f) Improperly taking information and using it, or providing information to others, which would lead to identity theft, and/or participation in any activity that is intended to initiate an identity theft scheme.

- (g) The willful and/or intentional destruction, mutilation, alteration, concealment, covering up, falsification or making of a false entry in any record, document or tangible object with the intent to impede, obstruct or influence any investigation or audit by the University or by any state, federal or administrative agency.
- (h) The willful and/or intentional destruction, alteration or concealment of any records to be used in the conduct of a bid/vendor selection, contract execution, or pursuit of debt financing.

(5) Fraud Prevention and Detection Criteria. The University hereby identifies the following fraud prevention and detection criteria:

- (a) Fraud Prevention and detection. The Vice President of Administration and Finance, in conjunction with the Cabinet, University Audit & Compliance (UAC), and administrators at all levels of management, will design and oversee, an antifraud framework and strategies (“antifraud framework”).

Administrators at all levels of management are expected to set the appropriate tone by displaying the proper attitude toward complying with laws, University regulations and policies, and ethical requirements. Administrators are responsible for establishing and maintaining proper internal controls which provide for the security and accountability of the resources entrusted to them. In addition, administrators should be cognizant of the risks and exposures inherent in their areas of responsibility and should be aware of the symptoms of fraudulent or other wrongful acts.

All levels of management should become familiar with the types of improprieties that might occur in their areas and be alert for any indication that such an impropriety, misappropriation, or other fiscal irregularity has occurred. Vice presidents are responsible for ensuring that a system of internal controls is established and maintained that provides reasonable assurance that improprieties are prevented. All levels of management should establish and follow controls necessary for their division or unit.

- (b) Reporting of Alleged or Known Fraud. It is the responsibility of each member of the University Community, having a reasonable basis to believe that fraudulent activity is occurring or has occurred, to report the fraud by contacting UAC as outlined in University Regulation FPU-1.015, Allegations of Waste, Fraud, Financial Mismanagement, Misconduct, and Other Abuses. Individuals should not attempt to personally conduct investigations or interviews.
 1. Any member of the University Community who suspects or who has knowledge of a fraud shall immediately notify their supervisor and/or UAC. Supervisors aware of such instances of reported fraud shall notify UAC.
 2. An individual may also make a report by contacting the UAC directly or through the various options available through the [Compliance Hotline](#) that is administered by UAC. An anonymous reporting option is available through the hotline, if desired.

(c) Rights and Protections of the Reporting Individual.

1. Confidentiality. The University will treat all information received confidentially to the extent permitted under applicable law. To the extent permitted, investigation results will not be disclosed or discussed with anyone other than those individuals who have a legitimate need to know.
2. Whistle-blower Protection. UAC shall assess each reported complaint to determine if the allegations fall under the Whistle-blower Act (Sections 112.3187 – 112.31895, Florida Statutes). If it is determined that the reported allegations fall under the Whistle-blower Act, then the person who reported the wrongful acts or suspected acts in good faith is protected against retaliation for making such report and the person shall be notified of their protections under said Act.
3. Retaliation Prohibited. This regulation is intended to encourage the reporting of fraud or suspected fraud; therefore, individuals who report such conduct in good faith, and those cooperating with the ensuing investigation, are protected from retaliation. Retaliation, or otherwise taking adverse action, against any member of the University Community because that individual reported or filed a complaint alleging a violation or testified or participated in an investigation or proceeding is strictly prohibited. If any reporting individual is concerned that they are suffering retaliation for reporting fraud or suspected fraud, they should immediately contact the UAC to express their concerns.

(d) Investigation.

1. The Chief Audit Executive/Chief Compliance Officer (CAE/CCO) is the official contact for persons reporting suspected fraud or fraudulent conduct. UAC will oversee all investigations into allegations of fraud as defined in this regulation.
2. The results/status of ongoing investigations will not be disclosed or discussed with anyone without a need to know consistent with a thorough investigation, unless required by law, regulation, or University policy.
3. Allegations or matters of conduct deemed outside the scope of this policy, such as personnel-related issues or scientific misconduct, may be referred by the CAE/CCO to the respective area of management for review and appropriate action.
4. When an investigation reveals suspected criminal activity or an investigation is initiated due to an allegation of criminal activity, the investigator will coordinate with or refer the matter to the appropriate law enforcement agency.
5. University employees will support the University's fiduciary responsibilities and will cooperate with UAC/investigator and law enforcement agencies in the detection, investigation, and reporting of fraudulent or criminal acts, and the prosecution of the offenders.

(e) Actions to be Taken when Fraud is Identified and Substantiated.

1. Employees found to have engaged in fraud or fraudulent conduct are subject to disciplinary action by the University up to and including dismissal in accordance with University policies and regulations and any applicable collective bargaining agreements. Such employees may also be subject to civil or criminal prosecution.

2. Employees who knowingly make false accusations of fraud or suspected fraud are subject to disciplinary action up to and including dismissal.
3. Employees who knowingly fail to report fraudulent activity or fail to cooperate with the UAC or law enforcement agencies shall be subject to disciplinary action, as appropriate.
4. Without limiting any other right or remedy of the University, whether civil or otherwise, if a non-employee member of the University Community is determined to have participated in fraudulent acts, the University will terminate the business or other relationship with the person or entity and take other actions, as appropriate.
5. UAC will provide recommendations to remediate the consequences of the fraudulent activities. It will also make recommendations on the need to further review and revise antifraud measures in light of the fraudulent activities. The University will promptly review and remediate internal control deficiencies identified in the final investigative report and make every effort to recover the resources or losses that resulted from the fraudulent activities.

(f) Alert/Reporting Process.

1. Reporting to University Personnel and Board of Trustees. If the investigation substantiates that fraudulent activities have occurred, the CAE/CCO will report the results of the investigation to appropriate University personnel and/or the Board of Trustees, as required, to provide details and support for the conclusion.
2. Reporting to OIGC. Significant and credible allegations are those that, in the judgment of the CAE/CCO, require the attention of those charged with governance and have indicia of reliability. For significant and credible allegations of fraud within the University and Board of Trustees' operational authority, the CAE/CCO shall timely provide the Board of Governors Office of Inspector General and Director of Compliance (OIGC) sufficient information to demonstrate that the Board of Trustees is both willing and able to address the allegations. Following disposition of the investigation, the CAE/CCO shall provide the OIGC with University action and final case disposition information sufficient to demonstrate that the Board of Trustees was both willing and able to address such allegations.
3. Notification to the Board of Governors. If allegations of fraud or suspected fraud are made against the President, a Board of Trustees member, or the CAE/CCO, the Board of Governors will be notified pursuant to University Regulation FPU-1.015 Allegations of Waste, Fraud, Financial Mismanagement, Misconduct and Other Abuses.

(j) Evaluation and Review.

1. UAC, with the assistance and active participation of other University management, will periodically perform fraud risk assessments and advise management of the actions needed to reduce the risk of fraud.
2. On an annual basis, the status of the antifraud framework used will be evaluated and the outcome of the evaluation and any necessary revisions and education needed to improve the framework shall be reported to the Board of Trustees.

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3. This regulation shall be reviewed at least every five (5) years for currency and consistency with applicable Board of Governors and University regulations.

Authority: Article IX, Sec. 7, Fla. Constitution; FLA. STAT. Chapter 112; BOG Regulations 1.001, 3.003, 4.001.

History: *New xx-xx-20xx*

**Florida Polytechnic University
Governance, Audit, and Compliance Committee
Board of Trustees
September 21, 2022**

Subject: FPU-6.0032 University Employee Bonus Plan

Proposed Committee Action

Recommend to the Board of Trustees the approval of the adopted policy **FPU-6.0032 University Employee Bonus Plan.**

Background Information

Section 1012.978, Florida Statutes, provides as follows:

Notwithstanding Section 215.425(3), Florida Statutes, a university board of trustees may implement a bonus scheme based on awards for work performance or employee recruitment and retention. The board of trustees must submit to the Board of Governors the bonus scheme, including the evaluation criteria by which a bonus will be awarded. The Board of Governors must approve any bonus scheme created under this section before its implementation.

On November 4, 2021, the Florida Board of Governors (BOG) subsequently adopted BOG Regulation 9.015 University Bonus Plans. That regulation permits each board of trustees to establish and implement one or more bonus plans that (1) authorizes the award of bonuses based on the employee work performance or for purposes of recruitment and retention, and (2) has established criteria for such plans.

The University Employee Bonus Plan identifies the categories of employees who are eligible to receive bonuses under this policy, and establishes the criteria that must be used and procedures that must be followed in the award of any bonus payment.

The adopted policy was presented to the community at large on September 7, 2022 and approved by the Non-Academic Policies and Procedures Committee on September 13, 2022. The committee voted unanimously on the adoption of this policy.

The bonus plan submitted for approval is consistent with the language of BOG Regulation 9.015 and; therefore, may be implemented upon the approval by the Florida Polytechnic University Board of Trustees.

Supporting Documentation:

1. Draft Adopted Policy FPU-6.0032 University Employee Bonus Plan
2. Section 215.425 and Section 1012.978, Florida Statutes
3. BOG Regulation 9.015 University Bonus Plans

Prepared by: Alex Landback, Associate General Counsel



OFFICIAL POLICY

Subject/Title:	University Employee Bonus Plan
Policy Number:	FPU-6.0032P
<input checked="" type="checkbox"/> New	<input type="checkbox"/> Revised <input type="checkbox"/> Technical Revisions Only <input type="checkbox"/> Emergency Policy
Date First Adopted:	
Date Revised:	
Responsible Division/Department:	Human Resources
Initiating Authority:	Dr. Allen Bottorff, VP of Finance & Administration

A. APPLICABILITY & PURPOSE

The Florida Polytechnic University bonus plan is designed to comply with Section 1012.978, Florida Statutes, and the Florida Board of Governors (BOG) Regulation 9.015. This policy provides guidance on awarding individual Bonus or incentive payments to recruit and retain employees and to reward superior work performance.

This policy applies to employees that are classified as out-of-unit faculty, executive service, administrative, and support personnel who are not governed by any applicable collective bargaining agreement.

B. DEFINITIONS

1. Bonus - lump-sum payment that does not increase the employee’s recurring base rate of pay.

- (a) Bonuses are not considered compensation for purposes of benefits accrual or retirement plan contributions, except if such bonus is made in lieu of a permanent increase when the employee’s base pay is at the maximum range and in compliance with applicable Florida laws and regulations.
- (b) Such earnings are taxable earnings for the recipient in the year paid.
- (c) Bonuses are subject to the availability of funds and annual limitations on remuneration from state funds as described in Section 1012.976, Florida Statutes.
- (d) Bonuses shall not normally exceed 15% of an employee's annual salary or \$15,000, whichever is greater. Proposed bonus payments above these limits must include written justification.

2. Good standing - An employee who:

- (a) Has a minimum overall rating of “Meets Expectations” or equivalent on the employee's most recent annual performance appraisal or probationary appraisal;
- (b) Has no disciplinary action or formal statement of concern on file for the previous twelve (12) months; and
- (c) Is not currently on a Performance Improvement Plan (PIP).

C. STATEMENT OF POLICY

This policy outlines provisions for the award of Bonuses based on employee work performance, employee retention, and for purposes of recruitment of employees. Unless otherwise specified or exempted, the employee must be in good standing to be eligible for any type of bonus. Each Bonus program type is described below and the related evaluation criteria are provided.

1. **Work Performance Bonus.** Evaluation criteria for plans based on employee work performance may include, but are not limited to, documented work performance involving increased duties/responsibilities, successful completion of a special project, attainment of established goals, superior performance, or specific achievements or assignments of significance. Work Performance Bonuses recognize employees who have demonstrated continuous outstanding performance or who have made a significant contribution to the department/division's objectives.

Types of Bonuses within this category may include:

- (a) *Performance-Based Incentive Bonus Programs.* This is a general Bonus program that provides for a lump-sum award based on successful attainment of clearly defined goals or objectives.
 - (1) The evaluation criteria for any proposed performance-based incentive Bonus program must:
 - i. Consider all eligible employees for the bonus.
 - ii. Describe the performance standards, eligibility criteria, and evaluation process by which a Bonus will be awarded; and
 - iii. Notify eligible employees of the program and provide the standards, criteria, and process to those employees before the beginning of the evaluation period on which a Bonus will be based.
- (b) *Project Bonus.* This is a project-specific Bonus program that provides a lump-sum award based on an approved plan with clearly defined objectives or goals achieved over a longer period of time. These programs are used to recognize and reward employees for significant performance and contribution on a special project, in addition to regularly assigned duties, following a specified time-period and based on pre-established goals.
- (c) *Annual University Awards (e.g., Ablaze).* This is an annually awarded Bonus program intended to recognize and reward employees who have demonstrated continuous outstanding performance.
 - (1) The evaluation criteria for Annual University Awards Bonuses includes, but is not limited to, consistently performing in an exemplary manner, exceeding the expectations of the position, demonstrating commitment to the mission of the University, and reflecting Florida Poly's culture fundamentals.

- (2) To be eligible for this award, the employee must be in good standing at the time of nomination and on the date of award distribution. The process and criteria for the award must be clearly defined and shared with all eligible employees.
- (d) Performance-Based Recognition Bonus. This is a general Bonus that is not based on a project and is utilized to foster continued improvement or reinforce superior or observable performance for a specific event or task that has been completed.
 - (1) The evaluation criteria for a Performance-Based Recognition Bonus includes, but is not limited to, superior performance, extraordinary innovation, or specific achievements or assignments of significance that ultimately will have lasting positive effects on students, faculty, staff, visitors, and/or safety in the workplace.
 - (2) These Bonuses are limited to \$1,500 per employee over a rolling 12-month period.
2. **Recruitment Bonus.** Evaluation criteria for recruitment Bonuses may include, but are not limited to, candidates with desirable specialized skills, advanced degrees/certifications, and/or exceptional experience, candidates for hard-to-fill or leadership positions, or documented circumstances in which market conditions or departmental structure merit such a recruitment award.
3. **Retention Bonus.** Evaluation criteria for retention Bonuses may include, but are not limited to: circumstances to address verified offers of competing employment, to address market conditions which are significantly higher than current salary, to ameliorate salary compression or inversion, to retain a current employee possessing valuable or unique knowledge, skills, or abilities that are deemed critical to the mission of the University, or to acknowledge successful completion of career development, training, or certification programs that are in the best interests of the University or support the mission of the University.

D. PROCEDURES

1. The Florida Polytechnic University Board of Trustees (FPU-BOT) delegates authority to the President or the President's designee to establish procedures to implement this Policy, including levels of approvals and compensation for specific bonuses described in this Policy.
2. The University Employee Bonus Plan shall be overseen by the AVP of Human Resources ("AVP-HR") or designee, or the VP of Finance and Administration in the absence of the AVP-HR, for all staff employees, and in conjunction with the Office of the Provost for all out-of-unit faculty employees.
3. The AVP-HR or designee shall prepare and maintain general guidelines and procedures for all Bonus programs. Each Bonus program may have additional written eligibility criteria beyond those set forth in this Policy.
4. Justification and/or documentation appropriate for the requested Bonus type should be prepared and submitted to the AVP-HR or designee using the Bonus

authorization form provided by Human Resources, which must be signed by the head of the division/department. Each Bonus program may require supplemental documentation, including any relevant terms and conditions, as requested by the AVP-HR or designee.

5. All Bonus programs consistent with this policy are subject to the initial written approval of the AVP-HR or designee. Any Bonus program approved by the AVP-HR or designee must receive written authorization by the applicable division/department Vice President and President prior to implementation or award.
6. Any Bonus program authorizing the award of Bonus payments that sets forth criteria consistent with this Policy, as well as the categories of employees who are eligible to receive a Bonus under the plan, is presumptively approved by, and does not need to be submitted to, the Board of Trustees prior to implementation. Any Bonus program that deviates from this authority may not be implemented until it is submitted to and approved by the Board of Governors in accordance with Section 1012.978, Florida Statutes.

E. REPORTING TO BOARD OF TRUSTEES

The Board of Governors requires that Bonuses paid pursuant to this Policy be reported to the FPU-BOT on a schedule to be set by the Board. Starting with the first Board of Trustees meeting of the Fall 2023 Semester, and accordingly each year thereafter, the President shall submit a report to the Board that certifies the following:

1. that any Bonuses paid during the prior year complied with the criteria in this Policy, and
2. that the Bonuses were within the University's budget as approved by the Board.

The report shall include the total amount of funds paid for performance, recruitment, and retention Bonuses during the reporting period.

F. AUTHORITY

1. Section 1012.978, Florida Statutes.
2. Florida Board of Governors Regulation 9.015

POLICY APPROVAL

Policy No.: FPU-6.0032P

Initiating Authority

Signature Date

Policies Committee Chair

Signature Date

President

Signature Date

FPU-BOT Approval:

- Required**
- Not Required**

Date Approved (if required)

EXECUTED SIGNATURE PAGES ARE AVAILABLE IN THE
OFFICE OF THE GENERAL COUNSEL

The Florida Senate

2021 Florida Statutes (Including 2021B Session)

<u>Title XLVIII</u> EARLY LEARNING-20 EDUCATION CODE	<u>Chapter 1012</u> PERSONNEL Entire Chapter	SECTION 978 Bonuses for state university system employees.
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1012.978 Bonuses for state university system employees.— Notwithstanding s. [215.425\(3\)](#), a university board of trustees may implement a bonus scheme based on awards for work performance or employee recruitment and retention. The board of trustees must submit to the Board of Governors the bonus scheme, including the evaluation criteria by which a bonus will be awarded. The Board of Governors must approve any bonus scheme created under this section before its implementation.

History.—s. 5, ch. 2021-160.

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The Florida Senate

2021 Florida Statutes (Including 2021B Session)

Title XIV TAXATION AND FINANCE	Chapter 215 FINANCIAL MATTERS: GENERAL PROVISIONS Entire Chapter	SECTION 425 Extra compensation claims prohibited; bonuses; severance pay.
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215.425 Extra compensation claims prohibited; bonuses; severance pay. —

(1) No extra compensation shall be made to any officer, agent, employee, or contractor after the service has been rendered or the contract made; nor shall any money be appropriated or paid on any claim the subject matter of which has not been provided for by preexisting laws, unless such compensation or claim is allowed by a law enacted by two-thirds of the members elected to each house of the Legislature. However, when adopting salary schedules for a fiscal year, a district school board or community college district board of trustees may apply the schedule for payment of all services rendered subsequent to July 1 of that fiscal year.

(2) This section does not apply to:

(a) A bonus or severance pay that is paid wholly from nontax revenues and nonstate-appropriated funds, the payment and receipt of which does not otherwise violate part III of chapter 112, and which is paid to an officer, agent, employee, or contractor of a public hospital that is operated by a county or a special district; or

(b) A clothing and maintenance allowance given to plainclothes deputies pursuant to s. [30.49](#).

(3) Any policy, ordinance, rule, or resolution designed to implement a bonus scheme must:

(a) Base the award of a bonus on work performance;

(b) Describe the performance standards and evaluation process by which a bonus will be awarded;

(c) Notify all employees of the policy, ordinance, rule, or resolution before the beginning of the evaluation period on which a bonus will be based; and

(d) Consider all employees for the bonus.

(4)(a) On or after July 1, 2011, a unit of government that enters into a contract or employment agreement, or renewal or renegotiation of an existing contract or employment agreement, that contains a provision for severance pay with an officer, agent, employee, or contractor must include the following provisions in the contract:

1. A requirement that severance pay provided may not exceed an amount greater than 20 weeks of compensation.

2. A prohibition of provision of severance pay when the officer, agent, employee, or contractor has been fired for misconduct, as defined in s. [443.036\(29\)](#), by the unit of government.

(b) On or after July 1, 2011, an officer, agent, employee, or contractor may receive severance pay that is not provided for in a contract or employment agreement if the severance pay represents the settlement of an employment dispute. Such severance pay may not exceed an amount greater than 6 weeks of compensation. The settlement may not include provisions that limit the ability of any party to the settlement to discuss the dispute or settlement.

(c) This subsection does not create an entitlement to severance pay in the absence of its authorization.

(d) As used in this subsection, the term “severance pay” means the actual or constructive compensation, including salary, benefits, or perquisites, for employment services yet to be rendered which is provided to an employee who has recently been or is about to be terminated. The term does not include compensation for:

1. Earned and accrued annual, sick, compensatory, or administrative leave;

2. Early retirement under provisions established in an actuarially funded pension plan subject to part VII of chapter 112; or

3. Any subsidy for the cost of a group insurance plan available to an employee upon normal or disability retirement that is by policy available to all employees of the unit of government pursuant to the unit’s health insurance plan. This subparagraph may not be construed to limit the ability of a unit of government to reduce or eliminate such subsidies.

(5) Any agreement or contract, executed on or after July 1, 2011, which involves extra compensation between a unit of government and an officer, agent, employee, or contractor may not include provisions that limit the ability of any party to the agreement or contract to discuss the agreement or contract.

History.—Formerly s. 11, Art. XVI of the Constitution of 1885, as amended; converted to statutory law by s. 10, Art. XII of the Constitution as revised in 1968; s. 27, ch. 79-190; s. 1, ch. 80-114; s. 35, ch. 84-336; s. 3, ch. 92-90; s. 83, ch. 92-279; s. 55, ch. 92-326; s. 2, ch. 95-169; s. 5, ch. 98-320; s. 8, ch. 99-259; s. 1, ch. 2011-143; s. 24, ch. 2012-5; s. 44, ch. 2014-218.

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9.015 University Bonus Plans

(1) Pursuant to section 1012.978, Florida Statutes, each board of trustees may establish and implement one or more plans that authorize the award of bonuses based on employee work performance or for purposes of recruitment and retention.

- (a) Each university plan must set forth the categories of employees who are eligible to receive bonuses and the evaluation criteria by which bonuses may be awarded. Evaluation criteria for plans based on employee work performance may include, but are not limited to, documented work performance involving increased duties/responsibilities, successful completion of a special project, attainment of established goals, superior performance, or specific achievements or assignments of significance. For plans developed for recruitment, evaluation criteria may include, but are not limited to, candidates with desirable specialized skills and exceptional experience, or where market conditions or departmental structure merit such a recruitment award. For plans developed for purposes of addressing retention, evaluation criteria may include, but are not limited to, circumstances to address verified offers of competing employment, to address market conditions which are significantly higher than the current salary, to ameliorate salary compression or inversion, or to acknowledge successful completion of career development, training, or certification programs that are in the best interests of the university or support the mission of the university.
- (b) Each university may authorize the inclusion of provisions that award bonuses in collective-bargaining agreements that are duly ratified by the board of trustees. Any bonus provisions in such agreements must be based upon standards appropriate to institutions of higher education or relevant industry standards.

(2) Any university bonus plan that is consistent with the provisions set forth herein may be implemented upon approval by the university board of trustees. Any plan approved by a university board of trustees that deviates from this authority shall not be implemented until submitted to and approved by the Board of Governors. This regulation applies to bonus plans created under section 1012.978, Florida Statutes.

(3) Comprehensive incentive-based compensation programs implemented for services related to the delivery of clinical care through a university Faculty Practice Plan approved by the Board of Governors and operating in accordance with Regulation 9.017 or another health-care related program are authorized upon approval by the university board of trustees.

(4) Each year, on a schedule established by the university board of trustees, the President shall submit a report to the board of trustees. The report shall contain the following: the President's certification that any bonuses paid during the reporting period complied with the criteria in the university's bonus plan and were paid from funds contained within the university's budget as approved by the board of trustees; and the total amount paid during the reporting period for performance, recruitment and retention bonuses.

Authority: Section 7(c), Art. IX, Fla. Const.; section 1012.978, Fla. Stat.; History: New 11-04-2021

**Florida Polytechnic University
Governance, Audit, and Compliance Committee
Board of Trustees
September 21, 2022**

Subject: President's Annual Review – Trustee Evaluation Instrument

Proposed Committee Action

Recommend to the Board of Trustees the approval of the Trustee Evaluation Instrument titled "President's Annual Review" to be used in the FYE22 evaluation of the President's performance.

Background Information

In the past, the Board has used an evaluation instrument to obtain feedback from each Trustee as a part of the President's annual evaluation process. The proposed evaluation instrument is modeled after the 2020 and 2021 evaluation instruments, and the President's Operational Goals approved by the Board on May 2021. In addition to the operational goals the following area has been added for evaluation:

Diversity, Equity and Inclusion –

In the BOG Florida Equity Report Guidelines, Part X states "Each university President is evaluated annually. The sections of said evaluation that address performance in the areas of diversity, equity, and inclusion need to be recorded in the Florida Equity Reports, with a narrative explain the evaluation process, outcomes, and rating scale with definitions."

The approved evaluation instrument, along with the final report of the President's FYE 22 Accomplishments, will be sent to each Trustee in October for completion.

Supporting Documentation:

- Draft Evaluation Instrument – President's Annual Review (July 1, 2021 – June 30, 2022)
- President's Operational Goals FYE22, approved May 3, 2021
- Board of Governors Civil Discourse Report 2022
- Board of Governors Florida Equity Report Guidelines 2022-2023

Prepared by: Gina DeIulio, VP & General Counsel

President's Annual Review
(July 1, 2021 to June 30, 2022)

Trustee's name _____

1. ADMISSIONS

Admissions Example Initiatives:

- Build and grow a qualified and diverse student body
- Recruit a diverse student body
- Continue branding and national rankings

Not Achieved Partially Achieved Achieved Exceeded Far Exceeded

Comments:

Click or tap here to enter text.

2. STUDENT PROGRESSION

Student Progression Example Initiatives:

- Grow key positions that influence retention and graduation rates
- Increase instruction support
- Increase presence of academic support services
- Provide broader engagement initiatives around leadership

Not Achieved Partially Achieved Achieved Exceeded Far Exceeded

Comments:

Click or tap here to enter text.

President's Annual Review
(July 1, 2021 to June 30, 2022)

3. STUDENT EXPERIENCE

Student Experience Example Initiatives:

- Increase opportunities for students to belong on campus
- Provide robust student services that support the student body
- Provide opportunities that prepare students for their career
- Build and grow athletics and student affinity groups

Not Achieved Partially Achieved Achieved Exceeded Far Exceeded

Comments:

Click or tap here to enter text.

4. CURRICULUM

Curriculum Example Initiative:

- SACSOC five-year reaffirmation

Not Achieved Partially Achieved Achieved Exceeded Far Exceeded

Comments:

Click or tap here to enter text.

President's Annual Review
(July 1, 2021 to June 30, 2022)

5. GRADUATE PROGRAM

Graduate Program Example Initiatives:

- Continue to grow the graduate program
- Conduct market analysis for programs

Not Achieved Partially Achieved Achieved Exceeded Far Exceeded

Comments:

Click or tap here to enter text.

6. EFFICIENT ADMINISTRATION

Efficient Administration Example Initiatives:

- Begin implementing an effective Student Information System
- Implement a centralized education data hub to consolidate and manage data for improved reporting and decisions
- Provide operational Workday enhancements to lower administrative burden
- Maintain a robust crisis support capability
- Provide strong technology services across the institution
- Unfunded initiatives

Not Achieved Partially Achieved Achieved Exceeded Far Exceeded

Comments:

Click or tap here to enter text.

President's Annual Review
(July 1, 2021 to June 30, 2022)

7. RIGHT PEOPLE

Right People Example Initiatives:

- Continue to grow a strong faculty body
- Professional development
- Provide a faculty mentor program using carefully selected senior faculty from other institutions leveraged with remote meetings

Not Achieved Partially Achieved Achieved Exceeded Far Exceeded

Comments:

Click or tap here to enter text.

8. UNIVERSITY ADVANCEMENT

University Advancement Example Initiatives:

- Continue briefing legislators through site, district and session visits on our state impact and Return On Investment
- Build key initiatives designed to raise our PBF scores
- Market our rankings and growth trajectory in person and in strategic media markets
- Expand the Executive Leadership Initiative to continue building strategic relationships
- Further develop key event initiatives to develop and strengthen our constituency
- Grow digital marketing in Advancement to reach broader audiences
- Build partnership relationships through corporate roundtable strategies including featured employees, pre-career fair events, corporate impact summaries...

Not Achieved Partially Achieved Achieved Exceeded Far Exceeded

Comments:

Click or tap here to enter text.

President's Annual Review
(July 1, 2021 to June 30, 2022)

9. OTHER

Other Example Initiatives:

- Continue working with (potential) property developer to share our vision for the larger campus
- Complete ITN for private research space on campus and build facility
- Continue working on construction plans to move FIPR to campus
- Provide marketing services out of the University Relations
- Build community, city, county and Economic Development Council (EDC) relationships

Not Achieved Partially Achieved Achieved Exceeded Far Exceeded

Comments:

Click or tap here to enter text.

10. DIVERSITY, EQUITY, AND INCLUSION

Diversity, Equity, and Inclusion:

- Best practices and progress in building a culture of inclusion

Not Achieved Partially Achieved Achieved Exceeded Far Exceeded

Comments:

Click or tap here to enter text.

President's Annual Review
(July 1, 2021 to June 30, 2022)

11. OVERALL RATING

- Not Achieved Partially Achieved Achieved Exceeded Far Exceeded

Comments:

Click or tap here to enter text.

12. GENERAL COMMENTS

General Comments:

Click or tap here to enter text.



FLORIDA POLYTECHNIC
UNIVERSITY

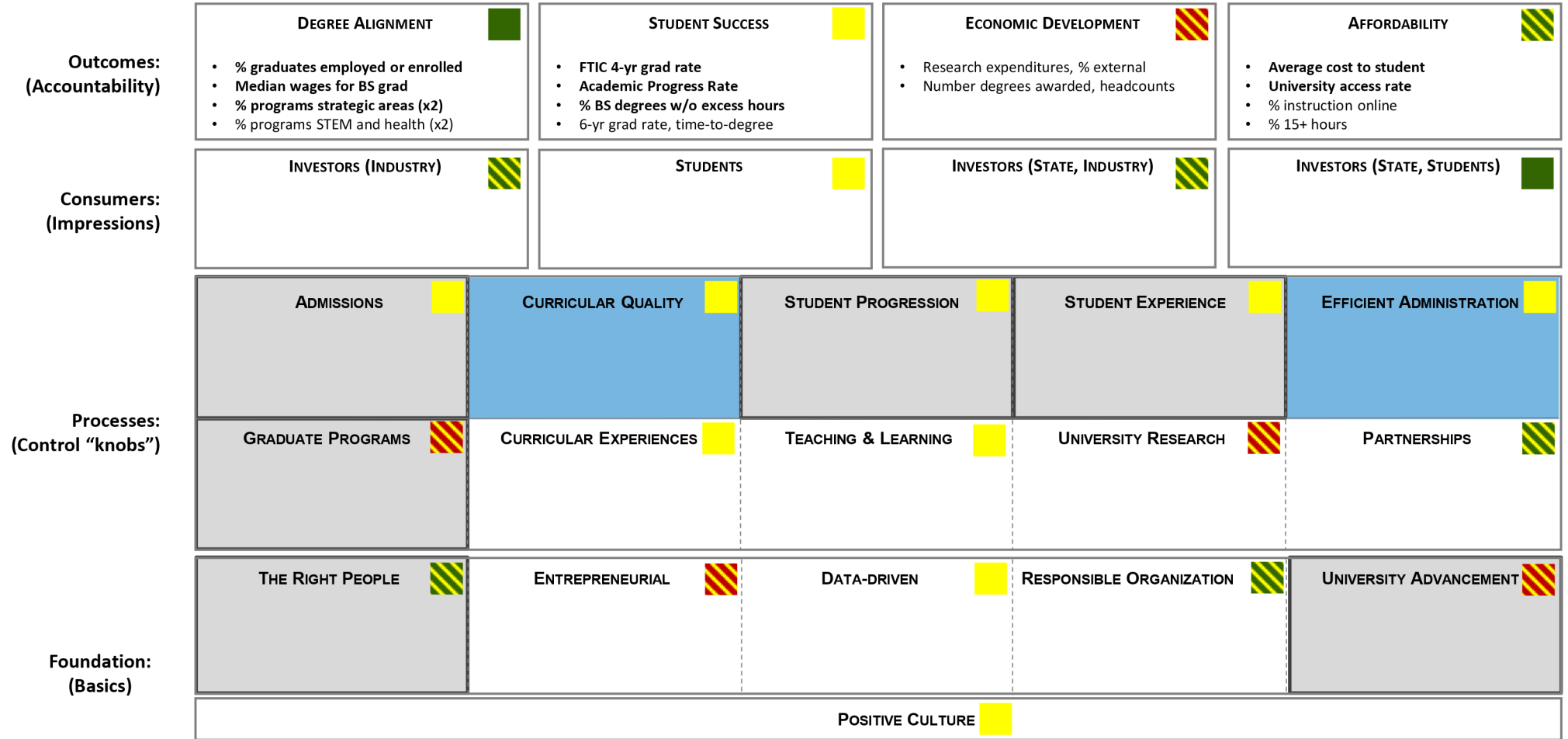
Operational Goals FYE22

Randy K. Avent

26 April 2021



Balanced Scorecard



- Outcome metrics define institutional performance in PBF
- Continued focus on last-year's areas in addition to two new areas
- Consider adding specific process on Inclusion & Diversity



Outcome Metrics

	FY21	Peers	SUS Average	FY22
RANKING				
USNWR Regional				<40
USNWR Engineering				<60
DEGREE ALIGNMENT				
% Graduates Employed or Enrolled	74.1%		69%	75%
Median Wages for BS Graduates	\$ 56,300		\$ 38,620	\$ 54,000
% BS Programs in Strategic Emphasis	100.0%	79%	52%	100.0%
% Grad Programs Strategic Emphasis	100.0%	67%	60%	100%
STUDENT SUCCESS				
FTIC 4-year Graduate Rate	34%	37%	47%	41%
Academic Progress Rate	77%	82%	84%	66%
% HS students in top 10%	25%		22%	22%
% BS Degrees w/o Excess Hours	89%		79%	75%
6-Yr Graduation Rate	50.0%	65%	68%	56%
Time-to-Degree	4		4.3	4.4
ECONOMIC DEVELOPMENT				
% BS with 2+ Workforce Experiences	85%		38%	84%
Research Expenditures (\$K)	\$ 1,091			\$ 1,013
Number BS Degrees Awarded	293	867		251
Number Grad Degrees Awarded	15	554		26
UG Headcount	1267	4161		1300
G Headcount	48	1482		59
AFFORDABILITY				
Average Cost to Student	\$ (7,450)	\$ 22,265	\$ 6,374	\$ 2,000
University Access Rate	34%	26%	39%	32%
% 15+ Hours	32%			32%
% Instruction Online	0%			10%

Grey text includes metrics in the Accountability Report but not PBF



FYE22 Budget Summary

	Faculty	Staff	Expenses	TOTALS
Academic Operations	\$ 9,827,499			\$ 9,827,499
University Operations		\$ 6,042,838	\$ 4,410,158	\$ 10,452,996
Admissions		\$ 1,396,390	\$ 1,967,852	\$ 3,364,242
Student Progression		\$ 1,005,179	\$ 394,849	\$ 1,400,028
Student Experience		\$ 1,523,211	\$ 775,608	\$ 2,298,819
Curriculum		\$ 605,048	\$ 96,405	\$ 701,453
Graduate Program		\$ 271,150	\$ 985,705	\$ 1,256,855
Efficient Administration		\$ 3,908,986	\$ 3,651,940	\$ 7,560,926
Right People		\$ 668,541	\$ 265,850	\$ 934,391
University Advancement		\$ 990,196	\$ 214,900	\$ 1,205,096
Other		\$ 778,628	\$ 229,650	\$ 1,008,278
TOTALS	\$ 9,827,499	\$ 17,190,168	\$ 12,992,917	\$ 40,010,584

- **Academic operations and university operations similar size**
- **Each operation accounts for roughly 26% of the total budget**
- **Operational plan accounts for remaining 49% of the total budget**

Example Initiatives

Admissions

- **Build and grow a qualified and diverse student body**
 - Bus in targeted high school calculus and physics classes (FTIC)
 - Develop partnerships with state college calculus faculty (Transfers)
 - Leverage university teams/affinity groups
 - Grow the Calculus learning assistant program
 - Aggressively brand exclusive Alexander Scholar program
- **Recruit a diverse student body**
 - Hire northeast recruiter to focus on increasing out-of-state applications
 - Leverage out-of-state waivers and expand fly-in program
 - Re-engage international recruitment partner
 - Grow target pipeline programs (summer cohort, FYSP and certificate)
 - Design and develop market for a co-branded MIT summer program, primarily for underrepresented groups
- **Continued branding and national rankings**
 - Increase online and digital enrollment marketing channels
 - Design and develop a series of high-end printed marketing pieces
 - Develop relevant social media STEM blog on critical engineering/computer science topics
 - Develop year-long multi-platform plan targeting USNews ranking influencers

Example Initiatives

Student Progression

- **Grow key positions that influence retention and graduation rates**
 - Increase Math and Natural Sciences faculty (+\$911,834)
 - Leadership focus on driving retention and graduation rate improvements (+\$700,000)
- **Increased instruction support**
 - Provide summer support for efforts around Assessment and Instruction
 - Improve faculty orientation program; provide student labor funds for graders and support
- **Increased presence of academic support services**
 - Centrally locate Academic Success Center in commons
 - Provide instructional support, student attendance, support outreach
 - Holistically consider and begin implementing new Student Information System
 - Provide student-facing registrar services that enable progression
 - Rebuild Academic & Professional Skills class around engagement
 - Focus Quality Enhancement Plan around retention through peer-mentoring
- **Provide broader engagement initiatives around leadership**
 - Move Presidential Ambassador program into Student Affairs
 - Build broader base of student engagement programs
 - Increase student engagement with expanded extracurricular activities

Example Initiatives

Student Experience

- **Increase opportunities for students to belong on campus**
 - Introduction of a four-phased more intentional orientation event (POLY)
 - Welcome to campus events: fall family day, purple fire week, ...
 - Recreational sports programs
 - Campus-wide leadership initiative
- **Provide robust student services that support the student body**
 - International student programming (field trips, transportation, ...)
 - Title IX, Disability, Health, inclusion of Peer Health Educators in key wellness services....
 - Establish a new integrated library system (state-wide project)
- **Provide opportunities that prepare students for their career**
 - Career development coaching and placement (career fairs, industry meet-ups, ...)
 - Professional experience internships, Entrepreneurship programs, competitions, ...
 - Multi-disciplinary Senior Capstone projects
 - Game design Expo
- **Build and grow athletics and student affinity groups**

Example Initiatives Curriculum

- **SACSCOC five-year reaffirmation**
 - Compliance Certification
 - Quality Enhancement Plan (QEP)

Example Initiatives

Graduate Program

- **Continue to grow the graduate program**
 - Consider hiring a Graduate Program Coordinator
 - Reconfigure and increase stipend and tuition support for targeted programs
 - Provide pathways for faster degree acquisition through project and/or non-thesis option(s)
 - **Conduct market analysis for programs**
 - MS, Engineering Management, Industrial Engineering, ...
 - Other degree programs as discussed
-

Example Initiatives

Efficient Administration

- **Begin implementing an effective Student Information System**
- **Implement a centralized education data hub to consolidate and manage data for improved reporting and decisions**
- **Provide operational Workday enhancements to lower administrative burden**
- **Maintain a robust crisis support capability**
 - Crisis management and Public Relations strategic communications
- **Provide strong technology services across the institution**
- **Unfunded initiatives**
 - Improved budget formation and tracking
 - Restructure the organization
 - Operational improvements
 - Resiliency planning and enterprise risk management

Example Initiatives

Right People

- **Continue to grow a strong faculty body**
 - Identify critical needs in faculty that protect delivery, grow capacity and reputation
 - Recruit with targeted advertising in key journals (academic, diversity, ...)
 - Offer competitive salaries and startup packages
- **Professional development**
 - Formalize professional development across the institution
 - Create training grants for those that require certifications
 - Centralize mandatory training programs managed by a committee
 - Pursue tuition reimbursement agreements
- **Provide a faculty mentor program using carefully selected senior faculty from other institutions leveraged with remote meetings**

Example Initiatives

University Advancement

- **Continue briefing legislators through site, district and session visits on our state impact and Return On Investment**
- **Build key initiatives designed to raise our PBF scores**
- **Market our rankings and growth trajectory in person and in strategic media markets**
- **Expand the Executive Leadership Initiative to continue building strategic relationships**
- **Further develop key event initiatives to develop and strengthen our constituency**
- **Grow digital marketing in Advancement to reach broader audiences**
- **Build partnership relationships through corporate roundtable strategies including featured employees, pre-career fair events, corporate impact summaries, ...**

Example Initiatives

Other

- **Continue working with (potential) property developer to share our vision for the larger campus**
- **Complete ITN for private research space on campus and build facility**
- **Continue working on construction plans to move FIPR to campus**
- **Provide marketing services out of the University Relations**
 - Videography and photography
 - Graphic design support
- **Build community, city, county and Economic Development Council (EDC) relationships**

Civil Discourse Final Report

2022



CIVIL DISCOURSE INITIATIVES

in the

STATE UNIVERSITY SYSTEM

INTRODUCTION

As members of many different societal groups and communities, people thrive on the personal interactions that occur every minute of every day. These ongoing interactions provide the foundation for learning, discovery, and growth in a university setting. More specifically, open-minded, tolerant, and respectful discourse among campus community members is critical to enabling students to learn and pursue their educational goals, faculty to effectively teach, and staff to pursue fulfilling work.

To promote civil discourse in the State University System, the Board of Governors, the presidents of Florida's twelve public universities, adopted a "Statement of Free Expression" in 2019. The Board's statement directly aligns with the well-established "Chicago Principles" that originated at the University of Chicago in 2014 to articulate the university's overarching commitment to free, robust, and uninhibited debate. Universities have widely adopted the Chicago Principles throughout the U.S.

The Board's Statement of Free Expression was endorsed by the twelve state universities as a vehicle to establish, maintain, and support a full and open discourse and the robust exchange of ideas and perspectives on all university campuses (See Appendix A). The statement reinforces that a critical purpose of a higher education institution is "to provide a learning environment where divergent ideas, opinions, and philosophies, new and old, can be rigorously debated and critically evaluated."

Board of Governors Chair Syd Kitson established the Board's Civil Discourse Initiative during his January 2021 "State of the System" address. Chair Kitson expressed concern regarding the steady decline in respectful discourse among those with differing viewpoints. He stated that the university setting could provide a foundation for understanding, learning, and growth in this area. Chair Kitson tasked Governor Tim Cerio to lead the initiative through the Strategic Planning Committee. Governor Cerio has stated that "Civil discourse, conducted civilly without fear of reprisal, is critical to free speech and ensuring academic and intellectual freedom – not just on our university campuses, but throughout our country."

The 2018 Legislature established the Campus Free Expression Act in section 1004.097, Florida Statutes. This statute provides direction and relevance to the Board's initiative as it codifies an individual's right to engage in free-speech activities at public higher education institutions. It also prohibits a public institution from shielding students, faculty, or staff from expressive activities while authorizing a public institution to create and enforce reasonable restrictions under specified conditions.

CIVIL DISCOURSE: BEST PRACTICES

The State University System

The state universities provided information on activities and initiatives promoting and supporting civil discourse in their campus communities. Best practices gleaned from a review of their submissions were highlighted within the following four categories.

1. Workshops & Professional Development: Presentations, lectures, workshops, or training designed to provide opportunities for faculty, staff, students, and campus partners to learn how to engage in and facilitate dialogue respectfully.
2. Speakers, Dialogue & Debate: Events or programs that provide opportunities for faculty, staff, and students to engage in, observe, or facilitate conversations and encourage civil discourse.
3. Outreach (on and off-campus): Programs, workshops, and or campaigns with external partners help cultivate a campus culture of civil discourse.
4. Research and Academic Affairs: Research-based initiatives, web tools, and courses designed to provide opportunities for students, faculty, and staff to engage in and learn about issues related to civil discourse in a formal setting.

Additionally, the committee researched established national programs addressing civil discourse and interviewed prominent authorities in this area. Interviews were conducted with Dr. Robert George, McCormick Professor of Jurisprudence & Director, James Madison Program at Princeton University; Dr. Lynn Pasquerella, President of the Association of American Colleges and Universities; Dr. Diana Hess, Dean, University of Wisconsin School of Education; Ms. Liz Joyner, Founder & C.E.O., the Village Square; Dr. Bill Mattox, Director, James Madison Institute's Marshall Center for Educational Options; Dr. Tim Chapin, Dean, FSU College of Social Sciences and Public Policy, and Dr. Jonathan Haidt, founder of the Heterodox Academy.

National Models

A review of the national postsecondary system and institutional civil discourse programs identified a number of highly regarded initiatives and strategies that promote and support civil discourse. Examples include the following.

- The Center for Peace and Conflict Resolution, Brigham Young University: The Center's primary focus is conflict resolution. Through mediation, arbitration, training workshops, research, conferences, academic courses, and consultations, the Center assists both the university and the community in building skills and promoting understanding of peace, negotiation, communication, and conflict resolution.
- Heterodox Academy: Heterodox Academy is a nonpartisan international collaborative of professors, administrators, and students committed to enhancing the quality of research and education by promoting open inquiry, viewpoint diversity, and constructive disagreement in institutions of higher learning. The

Heterodox Academy was founded in 2015 by scholar Jonathan Haidt. He was prompted by his views on the negative impact that the lack of ideological diversity has had on the quality of research within the Academy.

The Academy collaboratively engages with universities throughout the U.S. to promote rigorous, open, and responsible interactions across lines of difference as essential to separating good ideas from bad and making good ideas better. Heterodox scholars view the university as a place of collaborative truth-seeking, where diverse scholars and students approach problems and questions from different points of view in pursuit of knowledge, discovery, and growth.

- The Institute for Civic Discourse and Democracy, Kansas State University: The Institute pursues theories and practice in civic discourse that are identified to advance improvements in all campus and community interactions. The Institute supports public conversation to elevate specific qualities of civic discourse, including inclusiveness, equality, reciprocity, reflection, reason-giving, and shared decision-making. The Institute offers certificates and degrees through the university's communication studies department; and offers workshops, facilitator training, and research opportunities through the Kansas Civic Life Project.
- The James Madison Program in American Ideals and Institutions: The James Madison Program is a scholarly institute within the Department of Politics at Princeton University and is dedicated to exploring enduring questions of American constitutional law and Western political thought. The James Madison Program was founded in 2000 by Dr. Robert George, McCormick Professor of Jurisprudence at Princeton University, and follows the University of Chicago's principles on freedom of expression.

The James Madison Program promotes teaching and scholarship in constitutional law and political thought and provides a forum for free expression and robust civil dialogue and debate. The Program hosts visiting postdoctoral and undergraduate fellows and offers various activities, courses, summer programs, and other related activities promoting free expression.

RECOMMENDATIONS

All 12 universities in the State University System have voiced a commitment to civil discourse and have provided numerous examples of programs and policies to establish, maintain, and support civil discourse throughout their living, learning, and working environment.

In recent years, there have been incidents of unacceptable behaviors and violations of codes of conduct and personnel policies relating to civil discourse by administrators, faculty, and students in the system. When such incidents occur, universities must respond to grievances with rapid response, thorough review, and adjudication according to their established policies. This process is most valuable when the conflict is resolved,

the impacted individuals are redressed, and all involved can learn and grow from the experience.

Moreover, programming restricting participation based on race or ethnicity, and in violation of existing university policies, has occurred with more frequency on Florida campuses. Although perhaps well-intentioned, often the effect of these programs is to further divide and disenfranchise, rather than promote understanding through civil discourse.

The Board of Governors as Advocate

The Board of Governors, responsible for the management and operation of the State University System, is unequivocal in its support of civil discourse throughout its 12 campus communities. The Board believes that each campus community member has a unique and critical role in the adherence to civil discourse and the ongoing support of the establishment, maintenance, and evaluation of civil discourse initiatives.

The Board of Governors' "Statement of Free Expression" remains an integral part of the Board's three-pronged mission for state universities: to deliver a high-quality academic experience for students, to engage in meaningful and productive research, and to provide a valuable public service for the benefit of local communities, metropolitan regions, and the state.

- I. **The Board of Governors expects that the leadership at each university will operationalize the Board's commitment to open-minded and tolerant civil discourse by promoting, supporting, and regularly evaluating adherence to the principles set forth in the Board's Statement of Free Expression and cultivating a culture of civil discourse in all campus interactions, including academic, administrative, extracurricular, and social dealings.**

University Planning

In its 2025 Strategic Plan, the Board of Governors sets forth its mission for the State University System and further states that the state universities will "*support students' development of the knowledge, skills, and aptitudes needed for success in the global society and marketplace.*" The Board strongly believes that the state universities are well-positioned to provide the foundation for civil discourse learning, understanding, and growth for all campus community members.

Each university's Accountability Plan is an annual report of specific accountability measures and strategic plans.

- II. **The Board of Governors recommends that each university's Accountability Plan and Strategic Plan include a specific endorsement of the Board's Statement of Free Expression, as well as a clear expectation for open-minded and tolerant civil discourse throughout the campus community. The Board of Governors will include similar statements and principles in its Strategic Plan for the State University System.**

University Leadership

State university boards of trustees have the powers and duties necessary for each university's operation, management, and accountability. University civil discourse policies, programs, and initiatives should be viewed as strategic priorities by each board of trustees. The Board of Governors also believes that university faculty senates and student governments have a vital role and should participate early and often in the development, implementation, evaluation, and support of civil discourse programs and initiatives.

- III. **The Board of Governors recommends that the leadership of each university board of trustees, faculty senate, and student government annually review and endorse the Board's Statement of Free Expression and commit to the principles of civil discourse.**
- IV. **The Board of Governors recommends that each board of trustees conducts a thorough review of current student orientation programs, student codes of conduct, and employee policies and procedures to ensure consistency with the Board of Governors Statement of Free Expression, the principles of free speech and civil discourse, and compliance with section 1004.097, Florida Statutes.**

The University President

The university president has primary responsibility for establishing the campus culture and setting the day-to-day living, learning, and working environment for all university community members. The president directs and monitors these efforts and is ultimately accountable for the civil discourse climate in the campus community.

Board of Governors Regulation 1.001, University Board of Trustees Powers and Duties, states that the annual evaluation for university presidents addresses "responsiveness to the Board of Governors' strategic goals and priorities."

- V. **Beginning in the 2022 presidential evaluation and contract renewal cycle, as a part of a president's evaluation, the Chair of the Board of Governors will consult with the board of trustees chair to review the university's campus free speech climate, including adherence to the principles set forth in the Board's Statement of Free Expression, the occurrence and the resolution of any issues related to the university's compliance with substantiated violations of section 1004.097, Florida Statutes, and the implementation of best practices promoting civil discourse.**

Academic, Student, and Administrative Affairs

Board of Governors Regulation 1.001, University Boards of Trustees Powers & Duties, directs each board of trustees to adopt regulations or policies for a student code of conduct and establish a personnel program for all university employees. These policies are required to include standards for performance and conduct as well as disciplinary actions, complaints, appeals, and grievance procedures.

A university's personnel policies, orientation programs, and student code of conduct are critical to setting the tone for a climate of open-mindedness and tolerance for civil discourse. More specifically, all university campus areas, including classrooms, lecture halls, offices, and extracurricular, residential, and social locales, offer opportunities for learning, tolerance, and growth. Academic deans and directors, student affairs administrators, faculty, and students share responsibility for establishing and reinforcing tolerant, open-minded, and respectful discourse on a university campus.

- VI. **The Board of Governors recommends that university academic, student affairs, and administrative leaders review student orientation programming, student codes of conduct, and employee personnel policies and procedures to ensure that they contain clear and unambiguous support for the Board's Statement of Free Expression, and the principles of free speech and civil discourse, and that they are in compliance with section 1004.097, Florida Statutes.**

Best Practices for Civil Discourse

- VII. **The Board of Governors recommends implementing the following best practices based on its review of university programs and initiatives that effectively promote and support civil discourse.**

- **Instill the importance of civil discourse, academic freedom, and free speech from day one**, utilizing student and employee orientation sessions, public assemblies, and official university documents and communications.
- **Schedule and host ongoing, campus-wide forums, dialogues, and debates** on various issues and perspectives to promote open discussion, understanding, and learning opportunities.
- **Foster intellectual diversity** by encouraging university leadership to: (1) promote viewpoint diversity and open-minded discussion and debate, and (2) highlight and enforce policies that prohibit programming that excludes participation based on race or ethnicity.
- **Avoid disinvitations** by developing clear, viewpoint-neutral policies and procedures governing the invitation and accommodation of campus speakers.
- **Provide targeted educational and professional development opportunities** for university administrative employees to reinforce free expression and open-minded debate norms.
- **Encourage faculty to establish and maintain a learning environment in their classrooms and offices that supports open dialogue and the free expression of all viewpoints and create processes to evaluate the strength of such environments.**

Appendix A

State University System of Florida

Statement of Free Expression

April 15, 2019

The State University System of Florida and its twelve public postsecondary institutions adopt this Statement on Free Expression to support and encourage a full and open discourse and the robust exchange of ideas and perspectives on our respective campuses. The principles of freedom of speech and freedom of expression in the United States and Florida Constitutions, in addition to being legal rights, are an integral part of our three-part university mission to deliver a high-quality academic experience for our students, engage in meaningful and productive research, and provide valuable public service for the benefit of our local communities and the state. The purpose of this statement is to affirm our dedication to these principles and to seek our campus communities' commitment to maintaining our campuses as places where the open exchange of knowledge and ideas furthers our mission.

A fundamental purpose of an institution of higher education is to provide a learning environment where divergent ideas, opinions, and philosophies, new and old, can be rigorously debated and critically evaluated. Through this process, often referred to as the marketplace of ideas, individuals are free to express any ideas and opinions they wish, even if others may disagree with them or find those ideas and opinions to be offensive or otherwise antithetical to their own worldview. The very process of debating divergent ideas and challenging others' opinions develops the intellectual skills necessary to respectfully argue through civil discourse. Development of such skills leads to personal and scholarly growth and is an essential component of each of our institutions' academic and research missions.

It is equally important not to stifle the dissemination of any ideas, even if other members of our community may find those ideas abhorrent. Individuals wishing to express ideas with which others may disagree must be free to do so without fear of being bullied, threatened, or silenced. This does not mean that such ideas should go unchallenged, as that is part of the learning process. And though we believe all members of our campus communities have a role to play in promoting civility and mutual respect in that type of discourse, we must not let concerns over civility or respect be used as a reason to silence expression. We should empower and enable one another to speak and listen, rather than interfere with or silence the open expression of ideas.

Each member of our campus communities must also recognize that institutions may restrict unlawful expression, such as true threats or defamation. Because universities and colleges are first and foremost places where people go to engage in scholarly endeavors, it is necessary to the efficient and effective operations of each institution for there to be reasonable limitations on the time, place, and manner in which these rights are exercised. Each institution has adopted regulations that align with Florida's Campus

Free Expression Act, section 1004.097, Florida Statutes, and the United States and Florida Constitutions and the legal opinions interpreting those provisions. These limitations are narrowly drawn and content-neutral and serve to ensure that all members of our campus communities have an equal ability to express their ideas and opinions while preserving campus order and security.



STATE UNIVERSITY SYSTEM OF FLORIDA





Board of Governors
State University System of Florida

325 West Gaines Street, Suite 1614

Tallahassee, Florida 32399

Phone: (850) 245-0466

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FLORIDA EQUITY REPORT GUIDELINES

Enrollment, Sex Equity in Athletics, and Employment

The annual Florida Equity Report from each state public university must include information as required by Regulation 2.003 Equity and Access on the institution's progress in implementing strategic initiatives and performance related to equity and access as they pertain to academic services, programs, and student enrollment; equity in athletics; and employment. The Enrollment and Employment reports focus on women and members of specified race/ethnic protected classes. Prior to Summer 2010, the race/ethnic classes were Black (B), non-Hispanic; Hispanic (H); Asian/Pacific Islander (A/PI); and American Indian/Alaska Native (AI/AN) and beginning Summer 2010, the classes were Black or African American (B); Hispanic (H); Asian (A); Native Hawaiian or Other Pacific Islander (NH/OPI); American Indian/Alaska Native (AI/AN); and Two or More Races (\geq Two).¹ These guidelines represent elements of the reports that must be completed, at a minimum. Each university is expected to utilize whatever additional measurements and goals needed to describe progress to achieve equity.

Cover

A. Signatures and Certification

- i. Certification of Annual Approval Date by the University's Governing Board. Provide the date and format for the governing board (or one time designee) approval.² Date certification may be in the form of written confirmation from the equity officer following the governing board's approval vote.³
- ii. A Board designee can be used until Board approval can be obtained.
 - i. The signature of the university president is required, serving as approval of report results and plans. The date of approval must also be present.
 - ii. The cover should include the full contact information of the report's submitter including: name, position, office address, office phone number and extension, and email address.

B. Following the cover, a Table of Contents with page numbers should be included.

Part I: Executive Summary and/or Description of Plan Development

The Executive Summary should be 3-5 pages in length and provide highlights of progress the institution is making on the equity plans designed for Academic Programs, Gender Equity in Athletics, Employment, Promotion & Tenure, and Other Requirements.

- A. In the Description of Plan Development, describe the process used to prepare the reports. Include a narrative of applicable discussions with responsible administrators, feedback from reviewing committees, sources utilized for data, or other appropriate components.

¹ IPEDS terminology for protected classes was utilized.

² Formats might include: regular meeting; scheduled conference-call meeting; delegated approval to a particular subcommittee or designee; or other processes acceptable to the Florida Board of Governors.

³ If the institution's Board of Trustees (BOT) retains approval of the Florida Equity Report, it is understood that its approval may not have been made by the deadline for this report, in which case the signature of the university's equity officer on the cover page will be acceptable until such time as the Board of Governors is advised that appropriate approval has been secured. Such advisement shall include the date of BOT approval of the Florida Equity Reports for the current reporting year. Each university is responsible for retaining formal documentation of the approval when it becomes available and submit the documentation through the DRS. Designees shall not be perpetually assigned.

- B. In the summary of institutional progress, include examples of goals met or unmet; initiatives and achievements; and best practices (successful/innovative programming) for the areas of Student Enrollment/Retention/Graduation, Faculty and Administrative employment, and Athletics.
- C. Budget Plan: In a concise summary describe how the university deployed its resources to accomplish Employment Equity goals.

The Board office will use the information in each institution’s executive summary and data tables, to compose a consolidated SUS system-wide equity report.

Part II: Review of Policies and Procedures

- A. Review of Policies and Procedures. Identify updated/new policies and procedures that are specifically formulated to ensure equity. Annually update the webpage links or provide copies of policies that relate to equity.
- B. Include Documentation of Non-Discrimination Policy. Reprint in each annual document a copy of the policy adopted by the institution’s BOT. Note the date of original approval. Include a narrative of the procedures used to notify campus affiliates and non-affiliates about the policy and the procedures for accessing it.

Part III: Academic Program Reviews

- A. In the Academic Program Reviews section, as many as eight (8) areas of review are required of each university with programs at the specified levels. These annual analyses display enrollment at these eight levels for the protected class students (female and the applicable protected class race/ethnic codes). In addition, they display the official total including white, non-resident alien, and not reported.⁴ Universities may also create a separate gender category for GNC/non-binary students if such data is collected. Universities not offering programs at one or more levels should key the charts with zeroes to present a complete report. Percentages should be rounded to one or two decimal places. Measures of equity are:
 - 1. First Time in College Enrollment, Previous Academic Year (AY)
 - 2. Florida State College System A.A. Transfers, Previous AY
 - 3. Retention of Full-time FTICs Entering Previous AY, After One Year
 - 4. Graduation Rate of Full-Time FTICs After Six Years
 - 5. Bachelor’s Degrees Awarded, Previous AY
 - 6. Master’s Degrees Awarded, Previous AY
 - 7. Doctoral Degrees Awarded, Previous AY
 - 8. First Professional Degrees Awarded, Previous AY
- B. An analysis of the information shall be prepared annually by each university using the results of the above charts. Include in each narrative an identification of the standard for disproportionate

⁴ This total will be supplied from the university’s IPEDS report. Charts in TAB 3 will display the complete line from IPEDS including all reporting categories. Charts 1-8 will display percentage representation, calculated by formula on the table, for females and the four protected race/ethnic categories.

enrollment or identification of an area for improvement. Each university shall report its definition of “disproportionate” or “area for improvement” for each level offered at that institution.

Examples of definitions to identify disproportion include “the 80% rule,” standard deviations, or other appropriate measures. A university might identify an “area for improvement” as “retention of [specific protected class] at a rate equal to at least 80% of the highest retention rate.”

Another example of goals set for improvement might be “increase by 0.2% per year” or “admission of protected class students at a rate exceeding representation in the national pool of bachelor’s degree recipients from doctoral-granting universities in the prior data year.”

- C. Using its own definition, each university shall identify areas for improvement in a period of no longer than three years. This narrative section shall include goals established and the programs and timeline to achieve the goals.
- D. Student Services require periodic review by the institution to determine compliance with equity laws and regulations. Non-discrimination on the basis of race, color, national origin, sex, religion, age, disability, marital status, veteran status or any other basis protected by law is required. Those services include:
 - 1. Academic Advising
 - 2. Admission to Academic Program⁵
 - 3. Health Services
 - 4. Club and Intramural Athletics (report on sex equity only)⁶
 - 5. Student Financial Assistance
 - 6. Housing
 - 7. Student Employment
 - 8. Educational and Work Environment
 - 9. Personnel

Each university shall design and conduct a review of the Student Service areas listed in 1-9 above. The review shall take the form of a self-assessment and may follow models established under other laws, guidelines, or requirements. Such models may include appropriate reviews performed as part of a Title IX update, annual reporting process or institutional effectiveness assessment.

The report of this procedural review shall, at a minimum, include the website address(es) used, titles of documents used, and statement of results of the area reviews. Copies of documents are to be maintained by each university.

- E. Each university shall evaluate the university’s overall effectiveness in enrollment equity in the reporting year. Consider accolades, statistical achievement, climate surveys and other documentation to be added. Identify areas for improvement in the following year and the programs and timetable to achieve the improvement.

⁵ The universities shall define the “Academic Program” as admission to undergraduate status and admission to graduate status.

⁶ Each university is required to provide its detailed report on intercollegiate athletics pursuant to Regulation 2.003 in the following section.

- F. Each university shall also identify areas for improvement in the following year using the evaluation above and state the programs and timetable that will be used to achieve the improvement.

Part IV: Gender Equity in Intercollegiate Athletics

This report responds to requirements of paragraph (4) of Regulation 2.003 dealing with equity in intercollegiate athletics. Each university is required to develop a plan for sex equity in athletics. The plan must include consideration of sex equity in the areas listed below.

- A. Each university shall prepare an annual update to the Florida Equity Report related to sex equity in intercollegiate athletics. The university shall include a description of the findings followed by an assessment of equity. If areas for improvement are identified, the programs and timetable for achieving improvement shall be specified.

The following areas are required in the assessment:

1. Sports offerings
2. Participation rates, by sex, compared with full-time undergraduate enrollment by sex. (Percentages of participation rates in athletics are to be broken out by sex, and their sum is to equal 100%. The percentage of total university undergraduate enrollment is to be broken out by sex, and the sum is to equal 100%.)
3. Availability of facilities, defined as locker room, practice and competitive facilities
4. Scholarship offerings for athletes
5. Funds allocated for:
 - a) The Athletic Program as a Whole
 - b) Administration
 - c) Travel and Per Diem Allowances
 - d) Recruitment
 - e) Comparable Coaching
 - f) Publicity and Promotion
 - g) Other Support Costs
6. Provision of equipment and supplies
7. Scheduling of games and practice times
8. Opportunities to receive tutoring
9. Compensation of coaches and tutors
10. Medical and training services
11. Housing and dining facilities and services

- B. Each university shall identify areas for improvement from the previous year's update which included a timetable for improvement in this data year. Each university shall specify the extent to which those sex equity goals have been accomplished.

Each university shall evaluate the effectiveness of the university's programs in sex equity in athletics in the reporting year. Consider accolades, statistical achievement, climate surveys, correction of areas for improvement for prior years, and other documentation to be added. Identify areas for improvement in the following year and the programs and timetable to achieve the improvement.

C. Each university shall check one basis below to ensure that it is in compliance with the Florida Equity Report:

- ___ accommodation of interests and abilities
- ___ substantial proportionality
- ___ history and practice of expansion of sports

The annual review of compliance may be satisfied by processes implemented under other laws, guidelines, or requirements. Those might include campus Title IX reviews, the NCAA recertification process, analysis of the EADA, and other standard reports. The report of this procedural review shall include the website address(es) used and titles of documents used to assess compliance in each of the areas. Copies are to be maintained by each university.

Part V: Employment Representation

A. The guidelines for the employment section of the Florida Equity Report measure achievement of remedying underutilization of women and minorities, as applicable, in senior-level administrative positions and by faculty rank and/or tenure status. The guidelines for this section may be fulfilled by appropriate analyses completed for university Affirmative Action Plans or other required reports.

Each university shall report race and sex representation (including GNC/non-binary persons, if data is available) within:

1. Category Representation: Tenured instructional faculty
2. Category Representation: Tenure-track instructional faculty
3. Category Representation: Faculty not on tenure track instructional **or** faculty employed at a non-tenure-granting university
4. Category Representation: Management Occupations

(NOTE: IPEDS replaced the Executive/Administrative/Managerial grouping with Management Occupations in Fall 2012.)

B. Using all information, evaluate the effectiveness of the university's programs in employment equity this reporting year. Consider accolades, statistical achievement, climate surveys, and other documentation.

Part VI: Areas of Improvement/Achievement

Each university shall establish areas of improvement, at a minimum, for the following components:

A. Each university shall describe strategies used to address areas for improvement that were identified using comparable national standards. These may include targeted application of funding outlined in the budget plan required by paragraph (7) of Regulation 2.003 or programs listed in such documents as the Affirmative Action Plan, Institutional Effectiveness Plan, or Strategic Plan. This should be an aggregation of all the areas identified in Parts III-V and VII-X.

- B. Each university's report should identify programmatic descriptions and the designated measure of effectiveness describing annual improvements and achievements from the previous year. New areas for improvement for the current report should be included in the report, but achievements in the current year's areas of improvement will not be addressed until next year's report.

Part VII: Protected-Class Representation in the Tenure Process

- A. Representation of females and protected class minorities within the tenure process at each stage shall be documented. Each university is required to address:
 - i. disparities identified from comparing protected-class success rates to the success rates for the majority race, and
 - ii. disparities identified from comparing the success rates of females to the success rate of males.
- B. Include in the narrative a description of the university's guidelines for equitable assignments for instructional faculty.

Part VIII: Promotion and Tenure Committee Composition

Each university is required to report the racial and sex composition of committees reviewing recommendations at each transaction level.

Part IX: Budget Plan

The Budget Plan required by paragraph (7) of Regulation 2.003 is designed to accomplish Employment Equity goals.

- i. Describe how the university deployed its resources to do so.
- ii. Link the results to a discussion of goals achieved and areas for improvement. Establish timetables for achieving selected goals the following year.

Part X: Administrator Evaluations

- A. President's Evaluation. Each university President is evaluated annually. The sections of said evaluation that address performance in the areas of diversity, equity, and inclusion need to be recorded in the Florida Equity Reports, with a narrative explaining the evaluation process, outcomes, and rating scale with definitions.
 - i. The process for accomplishing the presidential evaluation as it relates to the results of the Florida Equity Report shall be described in this section.
 - ii. A description of the results for the current reporting year must be included in the report.
- B. Top Administrators' Evaluations. The outcomes of top administrators' annual evaluations as it relates to diversity, equity, and inclusion need to be recorded in the equity report. Include evaluations for Vice Presidents, Deans, and other-executive level administrators.
 - i. The process for accomplishing these evaluations as it relates to the results of the Florida Equity Report shall be described in this section.
 - ii. A detailed description of the results for the current reporting year must be included in the report.

**Florida Polytechnic University
Governance, Audit, and Compliance Committee
Board of Trustees
September 21, 2022**

Subject: President's FYE22 Accomplishments

Proposed Committee Action

Information only – no action required.

Background Information

The supporting document is the update on the President's accomplishments related to the Operational Goals FYE22.

The final report will be sent out to the Trustees along with the evaluation instrument for the President's annual evaluation.

Supporting Documentation: President's FYE22 Accomplishments

Prepared by: Dr. Randy K. Avent, President



FLORIDA POLYTECHNIC
UNIVERSITY

Operational Goals FYE22

Randy K. Avent
21 September 2022

Balanced Scorecard Metrics

	FY21	Peers	FY22 GOALS	FY22 RESULTS	
RANKING					
USNWR Regional			<40	1	●
USNWR Engineering			<60	59 (All) 28 (Public)	●
DEGREE ALIGNMENT					
% Graduates Employed or Enrolled	74.1%		75%	70%	●
Median Wages for BS Graduates	\$ 56,300		\$ 54,000	\$ 54,400	●
% BS Programs in Strategic Emphasis	100.0%	79%	100.0%	100.0%	●
% Grad Programs Strategic Emphasis	100.0%	67%	100%	100%	●
STUDENT SUCCESS					
FTIC 4-year Graduate Rate	34%	37%	41%	41%	●
Academic Progress Rate	77%	82%	66%	75%	●
% HS students in top 10%	25%		22%	32%	●
% BS Degrees w/o Excess Hours	89%		75%	89%	●
6-Yr Graduation Rate	50.0%	65%	56%	57%	●
Time-to-Degree	4		4.4	3.9	●
ECONOMIC DEVELOPMENT					
% BS with 2+ Workforce Experiences	85%		84%	84%	●
Research Expenditures (\$K)	\$ 1,091		\$ 1,013	\$ 1,325	●
Number BS Degrees Awarded	293	867	251	218	●
Number Grad Degrees Awarded	15	554	26	34	●
UG Headcount	1267	4161	1300		●
G Headcount	48	1482	59		●
AFFORDABILITY					
Average Cost to Student	\$ (7,450)	\$ 22,265	\$ 2,000	\$ 2,000	●
University Access Rate	34%	26%	32%	31%	●
% 15+ Hours	32%		32%	32%	●
% Instruction Online	0%		10%	0%	●

- COVID interruptions negatively affected some metrics

Focus Areas

- **Admissions**
- **Student Experience**
- **Student Progression**
- **Curriculum**
- **Graduate School**
- **Efficient Administration**
- **Advancement**
- **Right People**
- **Other**
 - Information Technology Services
 - Facilities
 - Diversity, Equity, and Inclusion



Admissions

- **Increased outreach and name buys**
 - Increased volume of ads on Facebook, Instagram, and other social media outlets
 - Built robust Search Engine Optimization that increased applications & brand awareness
 - Increased exposure with national search partners like NICHE, Encoura, Cappex, et. al.
- **Continued holding events to bring students to campus**
 - Held STEM Tech Days for target high schools to increase applications
 - Over 400 target students attended Computer Science's Game Expo Day
- **Improved processes and outreach across the board**
 - Built new processes/outreach for Graduate students (largest ever applications)
 - Invested in new Transfer initiatives with a digital campaign, better communications, self-guided credit evaluation, scholarships, one year/one term pipeline program, et. al.
 - Added new international agents to increase international applications
- **Diversity initiatives**
 - Targeted recruitment for First-Year STEM and Coding Certificate program
 - Piloted a new Summer STEM Academy, partnered with the Girl Scouts
 - Targeted specific High Schools to support teachers with an online Calculus tutoring program

Admissions

• Numbers

		APPLICANTS		DEPOSITS		ENROLLED	
		FY21	FY22	FY21	FY22	FY21	FY22
NUMBERS	FTIC	1926	2525	353	322	320	300
	PATHWAY PROGRAMS	240	189	240	189	219	168
	TRANSFERS	201	265	77	79	61	64
	GRADUATE	208	292	37	41	29	22
	TOTAL	2335	3082	707	631	629	554

• Quality

		FY21	FY22
FTIC QUALITY	AVERAGE GPA	4.3	4.2
	SAT	1310	1342
	ACT	29	29
	% PRE-CALCULUS OR GREATER	92%	95%
	TOP 10% OF HS CLASS	38%	32%
	TOP 25% OF HS CLASS	65%	65%

• Diversity

		FY21	FY22
DIVERSITY	FEMALE	17%	23%
	B/AA	7%	9%
	LATINO	24%	21%
	OUT-OF-STATE	32	39
	INTERNATIONAL	6	11



Student Experience

- **Health services**
 - Developed a Peer Health Educator (PhE) program that promotes healthy lifestyles and focuses on mental fitness and stress reduction
 - Developed a campaign that provides support mechanisms for disabled students
- **Student development & student life**
 - Implemented a new student leadership program to enhance leadership
 - Implemented a new four-phased expanded orientation program
 - Offered 11 intramural sports and 10 teams that compete against other universities
- **Career development**
 - Hired an Internship Coordinator and held Career Fairs with 92 companies
 - Held several individual Campus Days for numerous companies
- **Negotiated a new Residential Life contract with Vestcor that includes four new programs around community, engagement, and connections**
- **Implemented a new Integrated Library System and held over dozen events and programming around campus**

Student Experience

- **Engaged Brailsford & Dunlavy as our primary advisor for the next phase of on-campus housing**
- **Issued an Invitation to Negotiate (ITN) to solicit proposals**
- **Selected Capstone Development Partners and entered pre-development agreements with BOT approval**
 - Initial discussions with Division of Bond Financing (DBF) on state bonding were not encouraging
 - Prepared for both funding pathways – state bonds using a Direct Support Organization (DSO) or acquiring funds through a national 501(c)3
- **DBF offered public financing using a tax-exempt bond issued by the State of Florida after continued discussions**
 - Contingent on meeting Board of Governors requirements and approval
- **Continuing BOG discussions to preemptively address issues**



Student Progression

- **Implemented the “Freshman Initiative” in FY22**
 - Implemented tighter controls on registration with careful course-load balancing across semesters based on past academic performance
 - Created forgiveness pathways to improve retention
 - Created an Academic Review Board to build a culture of responsibility
 - Began building a “Freshman Council” by creating Freshman course guidelines
 - Replaced the Academic Professional Skill class with a hands-on, team-based class that creates student engagement
 - Partnered with The LearnWell Project to provide Peer Learning Strategies
 - Implemented new programs to emphasize student leadership and student activity
- **Developed a six-element strategy for student success that stabilizes Performance Based Funding (PBF) by growing excellence points**
 - Excellence and achievement in the Freshman year (~ Freshman Initiative)
 - Student culture: Supporting the whole student
 - Graduate on time
 - Grow and support the Graduate program
 - Provide appropriate support for Pell students
 - Promote strong employment outcomes for our students



Curriculum

- **Institutional accreditation**

- Submitted a five-year reaffirmation application that included both a compliance certification and Quality Enhancement Plan (QEP) focused on student progression
- On-site committee visit in February resulted in no findings; final decision will be made at the December SACSCOC Board meeting
- SB7044 requires each SUS University to change accrediting agencies: We began laying the foundation for moving to the Higher Learning Commission (HLC)

- **New degrees, concentrations, and courses**

- New degrees in Cybersecurity Engineering (BS), Data Science (MS), Engineering Management (MS)
- New concentrations in Intelligent Mobility & Autonomous Systems, Simulation
- New certificates in Applied Mathematics, Coding for Data Analytics
- New courses in Student Life Skills, Marketing Analytics, Python for Data Analytics, Global Strategic Management & Leadership, Machine Learning, Network Programming, Software Engineering, Autonomous Vehicles, Fatigue and Fracture Mechanics, Engineering Failure Analysis, VLSI, Power, Computer Systems Design, Circuits and Microprocessors, Experimental Techniques in Engineering Physics, and Introduction to Electromagnetism



Department Highlights

- **Arts, Humanities, and Social Sciences**
 - Established a formal writing center space in the IST to support undergraduate and graduate writing and presentation skills and revised first-year writing courses
- **Applied Mathematics**
 - Adopted a modern, modeling-focused curriculum for differential equations; faculty are part of a national community of differential equations instructors
- **Data Science & Business Analytics**
 - Conducted a \$250K Broadband Feasibility Study to help “close the gaps” in broadband connectivity in Polk County
- **Computer Science**
 - Held Game Expos that included 575 High School students and their families
 - Won a \$500K CyberFlorida grant to enhance education in Cybersecurity
- **Mechanical Engineering**
 - Ordered new equipment for the Fabrication and Prototype facility and new Makerspace and 3D print labs
- **Environmental Engineering continues to grow**

- **Graduate program highlights**
 - Added two new Master’s degrees – MS Data Science and MS Engineering Management
 - Transitioned the traditional thesis-based program into a more highly selective program that is robustly funded and supports faculty research
 - Expanded graduate program pathways with 10-month (course only) and 16-month (course only plus project/internship) options that are priced competitively within the area market
 - Produced 37 graduates, meeting the threshold needed for PBF metric 8 to be the “Percentage of Graduate Programs in Strategic Emphasis”

Efficient Administration

- **Made significant improvements in Board operations**
- **Implemented Training Committee recommendations**
 - Addressed professional development through MOOC offering
 - Evaluated student and employee training requirements and programs
- **Procurement continues to launch solicitations and improve operations**
 - Issued over 40 formal solicitations that include the Housing Study, Student Housing Development, Gary C Wendt Engineering Building, Cooling Towers, Minor Projects (NEST, Admissions, ...), ...
 - Worked to decrease maverick spending, improving templates and forms, and better utilizing procurement related functions in Workday
 - Implemented training program to grow our use of minority businesses
- **Finance**
 - Implemented Cost Center Manager Dashboard to create budget management tools
 - Automated financial statements with Workday to generate core financials on demand



Advancement

- **Advancement operations**

- Created a new Alumni Leadership Committee that developed a strategic communication plan, set goals, and sponsored alumni events
- Collaborated with Campaign Consultants to build a capital campaign that includes analysis, goals, and metrics for the campaign

- **Development**

- Total FY22 revenue was \$3.44M with \$0.8M unrestricted, \$1.70 restricted, and \$0.84 permanently restricted (endowment)
 - Enjoyed a 56.8% Donor Retention Rate (avg=20.5%) and 8% Donor Acquisition Rate (avg=3.7%)
- Capital campaign is in silent phase with a goal of raising \$20M (currently at \$4.9M)

- **Government Affairs**

- Hired Legislative Affairs Officer to expand advocacy efforts
- Advocated priorities to key legislators (e.g., Senate President, Speaker of the House, Governor's Office, Senate Appropriation Chair, Education and Budget Chairs, Committee Members, Polk County Delegation, ...)
- Efforts resulted in a recurring operational increase of \$5M to the base budget

- **External Affairs**

- Created engagement opportunities with top executives and business leaders to implement the BOG Workforce Alignment initiative
- Hosted several strategic partners on campus (e.g., Bay Area Legislative Delegation meeting, Cybersecurity Roundtable, Consul General of Israel,, ...)
- Strengthened our relationship with key industry stakeholders and private partnerships
- Continued economic and land development discussions with several property owners of land surrounding campus

- **Communications and Marketing**

- Featured on the International TV show “How Did They Build That” on the Smithsonian Channel
- Increased engagement across all social media platforms over 35%
- Increased media exposure by 4.6% and increased website traffic by over 3%
- Produced over 145 quality web stories and press releases promoting our University



Right People

- **Conducted 89 Full-time searches (Staff = 58, Faculty = 31) with 39 hired during the “Great Resignation”**
- **Made several key hires and promotions**
 - Vice President of Finance and Facilities, Vice President and General Counsel, Vice President of Information Technology Services (promotion) completed
 - AVP of Human Resources ongoing and contracted with Witt-Kieffer
 - Legislative Affairs, Auxiliary Services, ...
- **Strong raise package developed that awarded merit and provided “cost of living” raises for our lower paid employees**
- **Began a Title and Total Compensation (TTC) study**
- **Contracted with Coursera for 135 seats to offer classes as a professional development tool – tailored programs created**
- **Conducted hybrid “Work From Home” experiment to improve retention and inform a new Poly South space on campus**



Information Technology Services

- **Promoted CIO to Vice President and Cabinet member to reflect its importance and investments within the University**
- **Improved academic technology for students and faculty**
 - Integrated the most advanced classroom technology in the ARC and upgraded the IST classrooms to be near that standard
 - Provided self-serve student laptop checkout kiosks in the IST and ARC
 - Integrated cloud technologies into virtual lab and classroom environments
- **Improved the productive use of data for operational excellence and improved decision support**
 - Continued the new data fabric platform to allow integration across the University
 - A Data Engineering function was created within Technology Services to help improve the quality, accuracy, and timeliness of data
- **Updated and simplified critical campus IT infrastructure**
 - Upgraded the core campus network infrastructure
 - Transition key platforms to the cloud, improved campus networks



Information Technology Services

- **Modernized mission-critical information systems**
 - Contracted The Tambellini Group to help select a new ERP system and student module to replace the aging CAMS system
 - Made numerous ongoing improvements in Workday
 - Implemented a new process integration and workflow system that will allow automated workflows across multiple business systems
- **Improved security and mitigated IT-related risks**
 - Created new procedures for after-hours emergency support for mission-critical systems
 - Adopted the latest best-practices framework for IT security and ransomware protection and began a full implementation of that framework
- **Improved University-wide collaboration of governance and technology**
 - Created the University Systems Executive Council (USEC) for strategic coordination
 - Created the University Systems Coordinating Group (UCoord) for tactical and operational business systems planning across the University
 - Created the Data Stewardship Council as a subset of Ucoord to advance the productive use of data and business intelligence



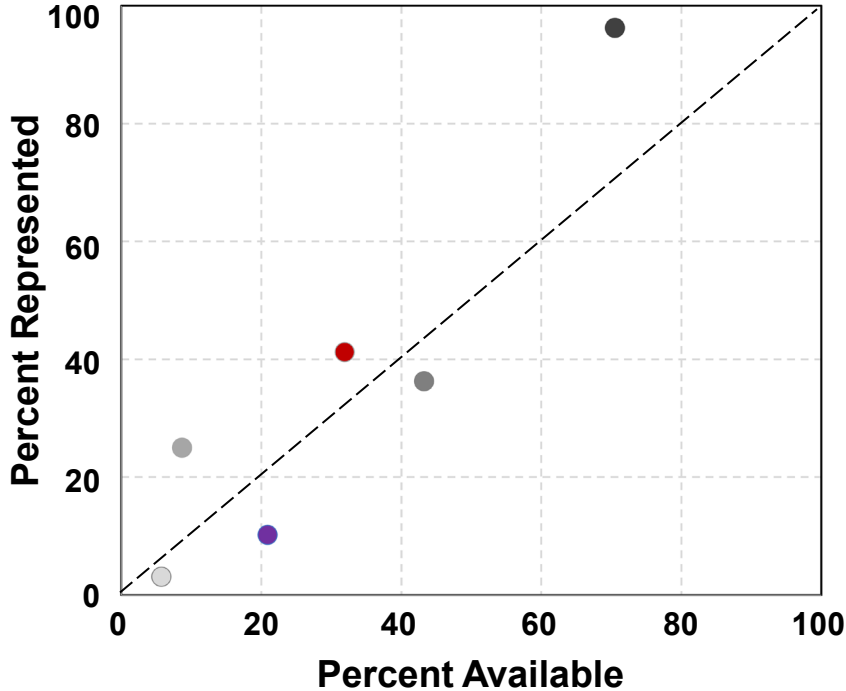
Facilities

- **Completed required campus master planning process**
 - Updated the Campus Master Plan with all required approvals
 - Conducted an Educational Plant Survey that classified existing space
 - Received recommendations for an Engineering Building and Student Achievement Center
- **Major projects**
 - Substantially completed the Applied Research Center
 - Completed design of International Flavors and Fragrances (IFF) building
 - Gary C Wendt Engineering Building 1 continues to progress
 - RFP is in progress with Design-Build firms short listed and selected
 - Design and construction expected to begin in Spring
 - Supported Residence Hall 3 efforts
- **Minor projects**
 - Wellness Center Nest is completed and provides needed student “hang out” space
 - Chiller and cooling tower expansion design completed, construction is in progress
 - Admissions remodel design and Student Business Services designs completed with construction being TBD

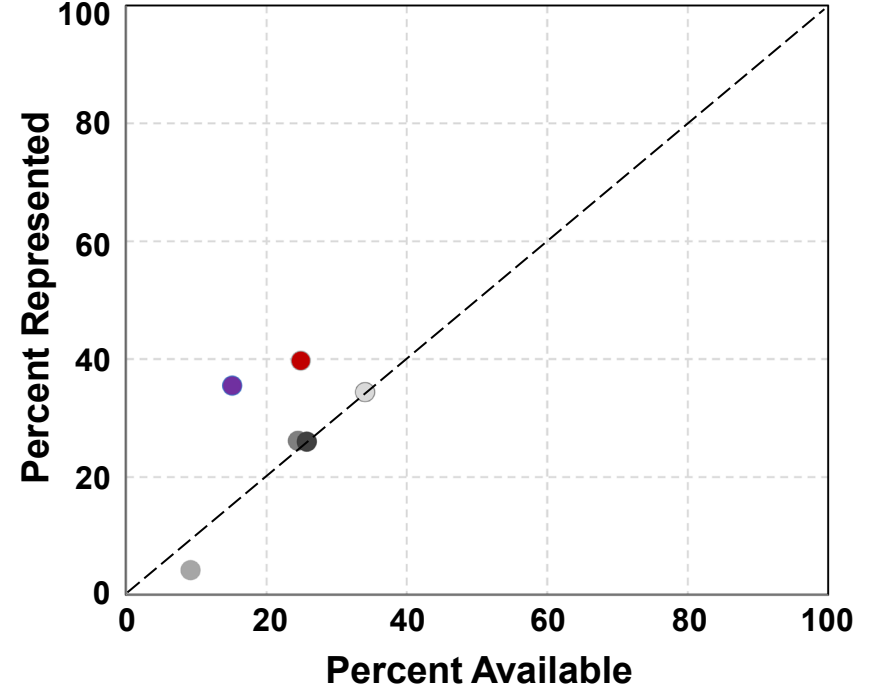


Diversity, Equity, & Inclusion

• Females



• Minorities



- Students
- Professionals (Faculty)
- Service Workers
- Technicians
- Managers
- Administrative support

- **Affirmative Action Plan (AAP) model of comparing availability to representation provides a good construct**

Diversity, Equity, & Inclusion

- **Our Board of Trustees is now over 55% women and 30% Black/African American**
 - Lacks any Hispanic representation although student body is nearly 20% Hispanic
- **Affirmative Action Plan (relative) construct**
 - Strong minority representation in students, weaker female representation
 - Faculty well represented in both females and minorities
 - Females and minorities represented reasonably well in staff
- **Absolute construct**
 - Pipeline issues will continue to plaque both student and faculty diversity goals
 - Institution requires strong focus on inclusion and equity