

EXECUTIVE SUMMARY

At the request of the Florida Board of Governors (BOG), we have conducted an audit of the University's processes in place to ensure the completeness, accuracy, and timeliness of data submissions to the BOG. Data submitted to the BOG, upon which performance funding is based, and the methods and controls applied by University management necessary to ensure integrity of the process were subject to several key audit procedures. Specifically, responsible management and other personnel were interviewed, detailed narratives related to data compilation were reviewed, and various samples of data reported to the BOG were verified to source documents retained by the University.

Audit fieldwork began on October 10, 2014 and ended on November 7, 2014. Our audit was conducted in accordance with the Institute of Internal Auditors International Standards for the Professional Practice of Internal Auditing and generally accepted auditing standards.

BACKGROUND

The Florida Board of Governors (BOG) has broad governance responsibilities affecting administrative and budgetary matters for Florida's 12 public universities. Beginning in fiscal year 2013/14, the BOG instituted a performance funding program which is based on 10 performance metrics used to evaluate the institutions on a range of issues including graduation rates, job placement, cost per degree, and retention rates, among other things. According to information published by the BOG in May 2014, the following are key components of the funding model:

- *Institutions will be evaluated on either Excellence or Improvement for each metric.*
- *Data is based on one-year data.*
- *The benchmarks for Excellence were based on the Board of Governors 2025 System Strategic Plan goals and analysis of relevant data trends, whereas the benchmarks for Improvement were determined after reviewing data trends for each metric.*

- *The Florida Legislature has approved \$100 million in new funding for performance funding and a proportional amount to total \$65 million would come from each university's recurring state base appropriation and another \$35 million from other system initiatives.*

KEY OBSERVATIONS

Overall, internal controls over the completeness, accuracy, and timeliness of data submissions to the BOG appeared sound. The audit revealed one opportunity for improvement:

- With UWF's recent transition from a legacy data system to Banner, not all of the key policies and procedures related to the submission of required SUS data files had been updated and formalized in writing yet, to align with the new data system.

The detailed Observations Report including management's response and action plan is attached for your convenience.

SUGGESTED MANAGEMENT ACTION

Below is an opportunity identified to strengthen the overall control environment:

- Written policies and procedures related to the preparation of SUS data file submissions need to continue to be updated and formalized in writing to accommodate changes resulting from UWF's transition from a legacy data system to Banner.

CONCLUSION

Based on our audit, we have concluded that the controls and processes the University of West Florida has in place to ensure the accuracy and completeness of data submitted to the Board of Governors in support of performance based funding are adequate. Further, we believe that our audit can be relied upon by the University Board of Trustees and President as a basis for certifying the representations made to the Board of Governors



related to the integrity of data required for its performance based funding model.

We appreciate the cooperation, professionalism, and responsiveness of the staff who were involved in the audit.

Respectfully submitted,

A handwritten signature in black ink that reads "Cynthia Talbert".

Cynthia Talbert, CPA
Interim Internal Audit Director

Audit performed by:

Dan Bevil

Matthew Packard

Cynthia Talbert



REPORT PROVIDED TO THE FOLLOWING:

Dr. Judy Bense, President
Lewis Bear, Chair BOT
Dr. Martha Saunders, Provost and Executive Vice President
Dr. George Ellenberg, Vice Provost
Dr. Dottie Minear, Sr. Associate Vice President
Betsy Bowers, Interim Vice President
Mike Dieckmann, Sr. Associate Vice President
Dr. Joffery Gaymon, Assistant Vice President
Dr. Michael White, Director
Pat Lott, General Counsel
Jim Stultz, Auditor General, Manager Tallahassee
Jim Kiedinger, Auditor General, Manager Pensacola
Joe Maleszewski, BOG Chief IG
Lori Clark, BOG IG
Susan O'Connor, Chair Audit Committee
Dr. Pam Dana, Audit Committee
Garrett Walton, Audit Committee
Rebecca Luntsford, BOT Liaison



**OBSERVATION
WITH
MANAGEMENT'S
RESPONSE**

**Performance Metrics
UWF 14-15_004**



OBSERVATION #1 WITH MANAGEMENT RESPONSE

What We Found	Procedures followed by the University Data Administrator in reviewing, editing, and otherwise preparing required data files for submission to the Board of Governors had not yet been fully updated and formalized in writing to address changes resulting from UWF's transition from a legacy data system to Banner.
Why the Issue is Important	Written procedures ensure that a clear understanding of responsibilities exists and provide critical information for training and employee back-up purposes.
What is Causing the Issue	The work load during the conversion process delayed the preparation of a completed set of written procedures.
What is Expected or Required	■ Written procedures for all SUS data file review and submission tasks should be updated and enhanced to reflect changes resulting from UWF's transition from a legacy data system to Banner.
What We Suggest	We encourage the continued development of written procedures, reviewed periodically for necessary updates. These procedures should be saved in the proper Confluence file with view access provided to appropriate persons.
What Action Management Commits to Do	We will continue to update and refine written policies and procedures related to SUS data file submissions. Although we will focus initially on completing the documentation necessary to address changes resulting from UWF's transition from a legacy data system to Banner, we also will continue to work with all affected units to document processes and to identify areas for improvement as the University moves through the process of submitting each of the SUS files.
Implementation Date	March 31, 2015



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

January 7, 2014

Chairperson Alan Levine
Audit and Compliance Committee
Florida Board of Governors – State University System
325 W. Gaines Street, Suite 1614
Tallahassee, FL 32399-0400

Re: UWF Performance Metrics Audit – Corrective Action Plan

Dear Mr. Levine:

We issued report #UWF14-15_004 “Performance Metrics” on November 10, 2014, as required by the Board of Governors. Our audit was approved by the UWF Board of Trustees on December 12, 2014.

I received a letter dated June 27, 2014, from Board of Governors Chairperson Mori Hosseini which described the requirements for this audit. Attachment 2 to this letter stated that a corrective action plan for any audit findings should be submitted to you within 30 days after approval of the audit by the Board of Trustees. There was one finding, as follows:

“Procedures followed by the University Data Administrator in reviewing, editing, and otherwise preparing required data files for submission to the Board of Governors had not yet been fully updated and formalized in writing to address changes resulting from UWF’s transition from a legacy data system to Banner.”

The University Data Administrator is employed within our ASPIRE (Accreditation, Strategic Planning, and Institutional Research and Effectiveness) Office. They provided the following corrective action plan to address the finding:

“We will continue to update and refine written policies and procedures related to SUS data file submissions. Although we will focus initially on completing the documentation necessary to address changes resulting from UWF’s transition from a legacy data system to Banner, we also will continue to work with all affected units to document processes and to identify areas for improvement as the University moves through the process of submitting each of the SUS files.”

Their projected implementation date is March 31, 2015.

We respectfully submit this corrective action plan for your approval.

Sincerely,

Judith A. Bense, Ph.D.
President

cc:

BOG Inspector General Joe Maleszewski
BOT Chairman Lewis Bear
UWF Interim Internal Audit Director Cynthia Talbert
Interim Director Michael White (ASPIRE)

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