



Office of the Inspector General



Florida Gulf Coast University Office of the Inspector General

Performance Based Program Budgeting Review

July 1, 1999 through September 30, 2000

Report Issue Date: October 30, 2000

Report Number: FGCU-00-02

Linda C. Ciprich, CFE, CIA
Inspector General
Florida Gulf Coast University
10501 FGCU Blvd South
Fort Myers, FL 33965-6565
(941)590-1020
lciprich@fgcu.edu



EXECUTIVE SUMMARY

In its November 1999 meeting, the Board of Regents adopted a comprehensive accountability plan for the SUS that goes beyond the measures adopted in the 1999-00 General Appropriations Act and Implementing Bill. This plan recommends that performance measures and standards be clustered to focus on effectiveness, excellence, and efficiency.

During the past few years, the IG's have performed extensive work in the areas related to graduation, retention, and degrees granted data. This has been accomplished primarily through their accountability work testing the reliability of the data supporting the graduation, retention rates, and degrees granted data, as reported through the Student Academic Support System (SASS). Therefore, for this year's performance measure review, work in these areas will be limited to assessing any significant changes since the prior year review, except in the case of Florida Gulf Coast University where SASS has not been implemented.

To prepare for this review, the following documents were obtained and reviewed: the 1999-00 General Appropriations Act and Implementing Bill; the SUS Accountability Plan that was adopted in the November 1999 Board of Regents meeting; and, the 1999 Accountability Report (dated December 31, 1999) which is prepared by the Board pursuant to the requirements of Section 240.214, F.S. Additionally, the prior years' performance measure reviews were reviewed.

Significant Issues

FGCU was not in compliance with state law regarding student advising. Academic programs were not available on the FACTS website.

FGCU was not in compliance with state law regarding continuing education. Closing a credit class to FGCU students and subsequently registering distance students through another organization caused an illegal restriction to the program.

Additional Concern

The university may be losing potential students who, although admitted, are unable to register for enough credits to maintain their full-time status so they choose to go elsewhere. The student information system is not being used to track the registration attempts made to closed classes. Academic Affairs should determine whether system reports should be generated to effectively track and monitor registration data.

Conclusion

With a permanent provost in place and a new associate vice president for enrollment services, the university should be able to strengthen internal control in this area to increase effectiveness, excellence, and efficiency, and reduce risk. The Office of the Inspector General will revisit the issues detailed here during March 2001 as a follow up to this report, prior to the next program performance review requested by the Board of Regents for June 30, 2001. Dr. Brad Bartel, as Provost and Vice President of Academic Affairs, is the responsible auditee for ensuring that the issues are resolved and that the university is in compliance or can demonstrate any compensating control.

Florida Gulf Coast University
Office of the Inspector General
Performance Based Program Budgeting Review
July 1, 1999 through September 30, 2000

BACKGROUND

Florida state statute, section 11.513(2), requires Inspectors General to develop a plan, in consultation with OPPAGA, for monitoring and reviewing the universities' major programs to ensure that performance data are maintained and supported by university records. The approved plan for the Florida State University System (SUS), dated June 27, 1997, is based upon program performance measures identified in the proviso language of the 1997-98 General Appropriations Act. Initially, the IG's were to evaluate and test the source data for the program performance measures from the databases that are already established. In subsequent years, the IG's will evaluate and test the source data for the performance measures from any newly created databases and also evaluate any changes to the way data is accumulated and recorded in the databases tested in previous years.

In general, the annual review will include the following:

- Evaluating the methods used to record, compile, and report the data and the internal controls over such;
- Validating the data, on a test basis, against its sources; and
- Re-computing the data, on a test basis, where appropriate.

The 1998-99 review was the second performed by the IG's. This review focused on:

- following up on the recommendations and/or findings from the prior year review;

- reviewing the university specific measures and supporting data sources for reliability, validity, and reasonableness;
- evaluating the data supporting the allocation of the enhanced research funding, as provided in 1998-99 proviso; and
- reviewing for appropriateness any significant changes in how the data for graduation and retention rates, and degrees granted, is compiled and reported.

The IG's determined that, overall, the university specific performance measures and their data sources appeared reliable, valid, and reasonable (however, FGCU reported that sufficient information and data were not available to comment on the validity and reliability of the measures). The IG's also reported that the information submitted to the Board regarding the enhanced research funding was accurate, and those moneys represented new and increased funding. Several of the IG's reported that the actions taken in response to the prior year review had not been fully effected at their university.

Twenty output and outcome measures were adopted in the 1999-2000 General Appropriations Act and Implementing Bill relating to the instruction, research, and public service functions of the universities. In addition, language in the Implementing Bill requires that the instruction measures be included in the program review process conducted by the Board pursuant to section 240.209, F.S. Moreover, specific appropriation 183B of the Appropriations Act includes a \$3 million performance incentive fund to be allocated to each institution based upon university performance on each of the following measures: graduation rates for FTIC and AA transfer students, students graduating with excess credit hours, students enrolled in graduate school upon completion of a baccalaureate degree, and ratio of externally-generated research and training grant funds to state funds.

In its November 1999 meeting, the Board of Regents adopted a comprehensive accountability plan for the SUS that goes beyond the measures adopted in the 1999-00 General Appropriations Act and Implementing Bill. This plan recommends that performance measures and standards be clustered to focus on effectiveness, excellence, and efficiency.

The effectiveness measures link to a high level of performance in instruction, research, and public service. The excellence measures link to outstanding performance in instruction, research, and service, while the efficiency measures link to productivity and effective utilization of resources.

The Accountability Plan will focus attention on measures common to all institutions, measures common only to institutions within the same mission classification, and measures common across the SUS (six system-wide measures previously approved). For each type of evaluation (effectiveness, excellence, and efficiency), there will be three types of measures included in the plan: system-wide, institution-specific, and operational-managerial. The plan includes 29 distinct measures; however, no university has to report on all 29 measures. In July 2000, the BOR approved the methodology for setting standards for each of the measures although the state legislature has not yet approved the plan.

METHODOLOGY

To prepare for this review, the following documents were obtained and reviewed: the 1999-00 General Appropriations Act and Implementing Bill; the SUS Accountability Plan that was adopted in the November 1999 Board of Regents meeting; and, the 1999 Accountability Report (dated December 31, 1999) which is prepared by the Board pursuant to the requirements of Section 240.214, F.S. Additionally, the prior years' performance measure reviews were reviewed.

During the past few years, the IG's have performed extensive work in the areas related to graduation, retention, and degrees granted data. This has been accomplished primarily through their accountability work testing the reliability of the data supporting the graduation, retention rates, and degrees granted data, as reported through the Student Academic Support System (SASS). Therefore, for this year's performance measure review, work in these areas will be limited to assessing any significant changes since the prior year review, except in the case of Florida Gulf Coast University where SASS has not been implemented.

SCOPE AND OBJECTIVES

This review was conducted in accordance with the professional auditing standards promulgated by the Institute of Internal Auditors, an internationally recognized organization.

Effective internal controls help to ensure that management's goals and objectives are achieved. Fundamental managerial goals and objectives are to protect the university's resources, allow for sound decision making, comply with applicable laws, rules, and regulations, and maintain and report timely, accurate, and complete information. The scope and objectives of this review were to:

- determine if recommendations and/or findings from the prior year performance measure review have been appropriately addressed.
- determine if any significant changes regarding the accumulation and reporting for graduation and retention rates, as well as, degree granted data, since the prior review are appropriate.
- review the two system-wide performance measures for excellence indicated in the Accountability Plan and their supporting data sources for reliability, validity, and reasonableness.
- review the performance measures specified in Specific Appropriation 183B (except for the graduation rate data), and test their supporting data sources for reliability, validity, and reasonableness. Also, to determine that the performance incentive funds are properly allocated to the university in accordance with the proviso language in Specific Appropriation 183B.
- review the three instruction output measures specified in the Implementing Bill that relate to those applicants meeting admission standards and those admitted as alternative admits, and test their supporting data sources for reliability, validity, and reasonableness.

Because of inherent limitations in the application of such controls, errors or irregularities may, nevertheless, occur and not be detected. Also assurances regarding the adequacy of internal controls cannot be projected to future periods due to the risk that procedures may become inadequate because of changes in conditions or deterioration of compliance.

SUMMARY

Significant Issues

- *FGCU was not in compliance with state law regarding student advising. Academic programs were not available on the FACTS website. Title XVI, Chapter 240 Florida state law required the Board of Regents and the State Board of Community Colleges to implement a single, statewide computer-assisted student advising system to be an integral part of the process of advising, registering, and certifying students for graduation. Academic Affairs should make an interface from the student information system to FACTS a high priority and ensure that sufficient resources are available for implementation.*
- *FGCU was not in compliance with state law regarding continuing education. Closing a credit class to FGCU students and subsequently registering distance students through another organization caused an illegal restriction to the program. Academic Affairs should ensure that continuing education courses do not have a negative impact on funded enrollment and that procedures for administering such courses are implemented.*

Additional Concern

The university may be losing potential students who, although admitted, are unable to register for enough credits to maintain their full-time status so they choose to go elsewhere. The student information system is not being used to track the registration attempts made to closed classes. Academic Affairs should determine whether system reports should be generated to effectively track and monitor registration data.

Detailed findings and recommendations concerning these issues are attached.

CONCLUSION

Florida Gulf Coast University has priorities and issues that differ significantly from the other SUS institutions. Still fairly new, the university is trying to increase student enrollment, a high priority for Academic Affairs, while maintaining high admission standards and curricular integrity. Enrollment effort has also been affected during the last 18 months by changes in leadership. With a permanent provost in place and a new associate vice president for enrollment services, the university should be able to strengthen internal control in this area to increase effectiveness, excellence, and efficiency, and reduce risk. The Office of the Inspector General will revisit the issues detailed here during March 2001 as a follow up to this report, prior to the next program performance review requested by the Board of Regents for June 30, 2001. Dr. Brad Bartel, as Provost and Vice President of Academic Affairs, is the responsible auditee for ensuring that the issues are resolved and that the university is in compliance or can demonstrate any compensating control.

Linda C. Ciprich

Linda C. Ciprich, CFE, CIA

Inspector General

October 30, 2000

COMMENTS AND RECOMMENDATIONS

Student Academic Support System

CRITERIA: Title XVI, Chapter 240 Florida state law required the Board of Regents and the State Board of Community Colleges to implement a single, statewide computer-assisted student advising system to be an integral part of the process of advising, registering, and certifying students for graduation. As a result, the Student Academic Support System (SASS) was developed. According to the BOR, Florida Gulf Coast University agreed to implement SASS as a condition for approval of the student information system.

CONDITION: In the prior reviews of fiscal years 1998 and 1999, FGCU did not have SASS developed, mainly due to the instability of the curriculum. However, as of June 30, 1999, there was still intent to implement SASS with the assistance of the University of South Florida.

Student Services notified Academic Affairs in August 1999 that it would be more efficient to forgo SASS and concentrate on implementing CAPP, the degree audit module of the Banner student information system, and interface Banner to FACTS, the Florida Academic Counseling and Tracking system consisting of internet links. According to the director of the student information system, both CAPP and FACTS would be implemented by the end of the Fall 1999 semester and would suffice to meet the requirements of the state statute.

As of October 2000, FGCU students were able to view their transcripts online at the FACTS website, as they can on the FGCU Gulflink, but were unable to run a degree audit. In addition, prospective students were unable to view the program requirements of FGCU degrees.

CAUSE & EFFECT: The main purpose of the SASS development was to assist all Florida students, including community college students, in comparing program requirements of Florida institutions and reviewing individual progress in their chosen program of study. FGCU is not in compliance with state law and appears to be the only state university that does not have their programs available on the FACTS website. Personnel at the Board of Regents were not aware that the university had decided not to implement SASS. FGCU has now requested an exemption from the SASS requirement.

RECOMMENDATION: The FACTS website is an ideal opportunity to market the university. Secondary school and community college students can use it for one-stop shopping of the state universities. Academic Affairs should make the CAPP/BANNER interface to FACTS a high priority and ensure that sufficient resources are available for implementation. We no longer have the excuse of an unstable curriculum...we should take every opportunity available to market what we do have by complying with this state law.

Continuing Education

CRITERIA: According to the rules of the State University System Board of Regents, F.A.C. 6C-8.002, Continuing Education, a responsibility of the university president is to:

...approve continuing education credit courses and to establish the fees for these activities when there is a demonstrated and justified need. Such courses shall not in any way be in competition with, or replace, the regular on-campus program of Educational and General credit courses taken by degree seeking and special students. Accordingly, continuing education credit courses shall be scheduled and offered in such a way as to prevent any negative effect on any university's achievement of its legislatively funded enrollment plan.

FGCU entered into an agreement with National Technological University (NTU) to offer distance education courses to their students as continuing education beginning with the Fall 1998 semester. The students were to be registered as FGCU non-degree continuing education students with a special fee waiver code to be used to identify the courses for proper reporting and monitoring. In return, FGCU would receive auxiliary revenue from NTU. The professors teaching the courses would contract individually with NTU for compensation.

CONDITION: One of the FGCU courses offered through NTU each semester has an enrollment limit of 20 – 25 students during fall and spring semesters, and 15 during the summer semester. During the summer 2000 semester, at least 10 NTU students were taking the class through distance learning with the 15 FGCU students able to register before the maximum limit. Six of the NTU students finished the class and received a final grade but were not registered through the student information system.

The course was a required class for the master of science in computer information systems (MS-CIS) and a prerequisite to several other required courses.

CAUSE & EFFECT: Closing the class to FGCU students and subsequently registering distance students through NTU caused a restriction to the program. Consequently, the university was not in compliance with the law cited previously. However, for the Fall 2000 semester, enrollment in this class did not reach full capacity so this may only be a concern for the summer sessions.

The draft procedures to process NTU students through the university system as non-degree continuing education students were not adhered to, resulting in a lack of internal control over revenue due from NTU.

Finally, when full-time state employees, including SUS faculty, are involved in outside activities such as second jobs or private practice, they are required to file a Request for Approval of Outside Activity form for evaluation of possible conflict of interest. No requests to teach NTU students had been filed for any of the FGCU professors who may have been receiving compensation from NTU.

RECOMMENDATION: Academic Affairs should ensure that continuing education courses do not have a negative impact on funded enrollment and that procedures for administering such courses are followed. The process that is being used to add the NTU students to the system as non-degree continuing education students should be evaluated. The original draft procedures stated that the students would be added to the system each semester at the end of the add/drop period and fee waivers would be used. Management should determine if it is appropriate for these fees to be going to a College of Business auxiliary account as opposed to student fees used for funding.

The Inspector General annually sends FGCU staff and faculty reminders of their responsibility for submitting outside activity request forms. Since the draft of this report was issued, the College of Business professors teaching NTU courses have submitted the forms.

Additional Concern

CONDITION: Increasing funded enrollment is a priority at FGCU. Although certain independent study courses and internships are specifically limited in class size, other courses, including distance learning courses, will have various limits from 5 to 50 students. Students who have been admitted can access the web registration system to enroll in classes, but if the size of a class is restricted and the maximum students have already registered, the system will not allow an additional student to register. A student in need of a certain class may contact the professor and request to be allowed to register for the class, or notify his advisor that the class is not available.

CAUSE & EFFECT: The student information system is not being used to track the registration attempts made to closed classes. Without an effective way to monitor the needs of the students, the university may be losing potential students who, although admitted, are unable to register for enough credits to maintain their full-time status so they choose to go elsewhere. According to the director of the student information system, this would explain why enrollment has not kept pace with admissions.

RECOMMENDATION: Relying on advisors to know what classes are needed is not always efficient, especially if students are not keeping them informed. Surveys of student intentions can help but will not be as applicable or timely for students recently admitted. Removing class size limits during peak registration periods would be more effective; additional sections of classes could be spun off as needed. Academic Affairs should determine whether system reports should be generated to effectively track and monitor registration data.