AUDIT & COMPLIANCE
COMMITTEE
1. Welcome to Attendees

2. Approval of Minutes for November 19, Committee Meeting

3. Office of Compliance and Ethics
   a. Updates since November 20, 2020, Board of Trustees Meeting
      i. SUS Consortium Meeting Update (December 8)
      ii. Outside Activity/COI Project
      iii. Title IX Policy
      iv. Five-Year Review

4. Office of Inspector General Services
   a. Performance-Based Funding and Preeminence Metrics Audit Reports for BOT Approval
   b. Revision to FSU Regulation 2.025 – DSO’s for BOT Approval on Consent
   c. Review of BOG Regulation 3.003 – Fraud Prevention
   d. Auditor General Audit of Northwest Regional Data Center
   e. Auditor General Audit of Florida State University School
   f. OIGS Investigative Report #21-01 – Mark Rodin
   g. Listing of Audits Issued, In Progress, and Status

5. Motion to Adjourn
Florida State University
Audit and Compliance Committee Zoom Meeting
November 19, 2020
Committee Report from 12:25PM to 12:57PM

Members Participating: Max Alvarez, Jim Henderson, Jorge Gonzalez, and Jonathan Levine all joined via Zoom.

1. Call to Order and Welcome

   Mr. Jorge Gonzalez, Chairperson, called the meeting to order at 12:25PM.

2. Approval of September 10, 2020, Audit & Compliance Committee Meeting Minutes

   Audit and Compliance Committee minutes were approved for the meeting held September 10, 2020.

3. Office of Compliance and Ethics (OCE)

   a. Updates since September 11, 2020, Board of Trustees Meeting

   Ms. Blank updated the Committee on the office’s activities since the September 11, 2020 Board of Trustees meeting.

   i. Compliance Alliance and Compliance Partners Meetings

   Ms. Blank explained that the Compliance Alliance and the Compliance Partners met during the first week of October to discuss projects for the current year and opportunities for collaboration. She noted the mission statement for the Compliance Partners was approved. Ms. Blank has received information from Dr. Ruth Storm regarding the upcoming 10-Year SACS Accreditation project and how the existence of the Compliance Partners group can be used to complete the accreditation project successfully, as well as assist in FSU’s required response to the Clery Act. Ms. Blank also explained that, due to COVID-19, completion of the Annual Security Report (ASR) and Annual Fire Safety Report (AFSR) has been pushed back to December 31, 2020. Ms. Blank explained that the Compliance Alliance has met and is reviewing the compliance matrix. Ms. Blank discussed the potential for Title IX changes and how that would affect the University at the federal level. Trustee Gonzalez requested information on the timing of Title IX changes. Ms. Blank stated that it would depend on the repeal process and guidance. Ms. Blank commented that FSU has made great strides for students.
ii. SUS Consortium Meeting Update

The SUS Consortium met virtually in October and November 2020 and will meet again on December 8, 2020.

iii. Outside Activity/COI Project

The online compliance platform will be used to address many different issues in an efficient way that provides for workflows, doesn’t slow down the process, and allows the ability to track information and data for reporting. Further, the online platform will assist with compliance around new state law.

4. Office of Inspector General Services
   a. Renewal of Audit Contract for the John and Mable Ringling Art Foundation, Inc.

Mr. McCall presented the request to extend the audit contract for the John and Mable Ringling Art Foundation, Inc. for 5-years with HBK CPAs. Mr. McCall noted that HBK has performed the audit for the last five years, the Foundation has received unmodified opinions, and the Foundation has been pleased with the firm. The motion to extend the contract was approved and will be placed on the BOT Consent Agenda.

b. Promotion of Heather Friend to Position of Director of Audits and OIGS Staffing

Mr. McCall informed the Committee that Ms. Heather Friend was promoted into the vacant Director of Audits position. He further explained the hiring process and identified the interview committee members. Ms. Friend’s previous title was Senior Auditor and she has been with the Office for eight years. She also had previous private sector experience working for a respected regional CPA firm. Ms. Friend’s promotion was effective October 30, 2020.

c. Certificate of Reaccreditation issued to the OIGS by The Commission for Florida Law Enforcement Accreditation, Inc.

Mr. McCall explained the accreditation process and noted that FSU is the only University accredited in the State of Florida. The reaccreditation ceremony was held virtually on October 15, 2020. The FSU OIGS met all 39 standards and was awarded reaccreditation. He commended Pamela Damitz, Investigations Manager, for leading the Office through the rigorous reaccreditation process.

d. Discussion of Proposed Change to FSU Regulation 2.025 – Direct Support Organizations
Mr. McCall presented a proposed changes to FSU Regulation 2.025 – Direct Support Organizations. The change would require DSOs to submit their annual audit to the President by the end of the fifth month following the end of their fiscal year. Currently, DSOs are required to submit the audit to the president by the end of the fourth month following the end of their fiscal year.

e. Listing of Audits Issued, In Progress, and Status

Mr. McCall provided a listing of OIGS’ audits issued, in progress, and the status.

5. Motion to Adjourn

Trustee Gonzalez adjourned the meeting at 12:57 PM.
DATE: January 29, 2021

REGULATION NUMBER AND TITLE: 3.003 Fraud Prevention and Detection

SUMMARY: This regulation strengthens the State University System's stance on and fight against fraud. It provides a definition for fraud and requires each university board of trustees to adopt a regulation establishing criteria related to institutional controls and a risk management framework that will provide a reasonable assurance that fraudulent activities will be prevented, detected, reported, and investigated, as appropriate, at their institutions.

FULL TEXT OF THE REGULATION IS INCLUDED WITH THIS NOTICE.


THE BOARD OF GOVERNORS' OFFICIAL INITIATING THE PROPOSED REGULATION: Julie Leftheris, Inspector General and Director of Compliance

COMMENTS REGARDING THE PROPOSED REGULATION SHOULD BE SUBMITTED WITHIN 14 DAYS OF THE DATE OF THIS NOTICE TO THE CONTACT PERSON IDENTIFIED BELOW. The comments must identify the regulation on which you are commenting:

General Counsel, Board of Governors, State University System, 325 W. Gaines Street, Suite 1614, Tallahassee, Florida 32399, (850) 245-0466 (phone), (850) 245-9685 (fax), or generalcounsel@flbog.edu.
3.003 Fraud Prevention and Detection

(1) The Board of Governors is committed to creating an organizational culture where risk management structures are established to prevent and detect fraud within each state university.

(2) Fraud is defined as 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.

(3) Each university board of trustees shall adopt a regulation establishing criteria related to appropriate institutional controls and risk management framework that provide reasonable assurance that fraudulent activities within the university's areas of responsibility are prevented, detected, reported, and investigated. The regulation should include at a minimum:

(a) A zero-tolerance statement concerning fraudulent activity;

(b) A definition of fraud and a description of what constitutes fraudulent activities;

(c) A statement regarding the applicability of the regulation to all members of the university community, including board of trustees members, university employees, entities contracting with or doing business with the university, vendors, volunteers, and students;

(d) The identification of a member or unit within management responsible for designing and overseeing the university's antifraud framework/strategies;

(e) A delineation of responsibilities for the prevention, detection, reporting, investigation, and remediation of fraud;

(f) A mechanism for reporting suspected fraud and a description of the protections afforded to those who make a report in good faith;

(g) Actions to be taken when fraud is identified or substantiated, which may include:

1. Appropriate disciplinary action in accordance with any collective bargaining agreements and/or in consultation with appropriate institutional offices;

2. Recovery of assets/losses;

3. Referral to and/or coordination with law enforcement; and

4. Review and remediation of internal control deficiencies.

(h) A process for alerting, as appropriate, senior management, the board of trustees, and the Board of Governors about instances of fraud or investigative outcomes concerning fraud; and
(ii) Periodic evaluation and reporting to the board of trustees, at least annually, of the status of the antifraud framework used and any necessary revisions to improve the framework.

(4) The regulation shall be reviewed at least every five (5) years for currency and consistency with applicable Board of Governors and university regulations.

Authority: Section 7(d), Art. IX, Fla. Const., History – New ##-2021.
4.001 University System Processes for Complaints of Waste, Fraud, or Financial Mismanagement

(1) The Office of Inspector General and Director of Compliance (OIGC) for the State University System of Florida Board of Governors shall be organized to promote accountability, efficiency, and effectiveness, and to detect fraud and abuse within state universities. The OIGC charter is incorporated herein by this reference.

(2) Each board of trustees shall have a process for university staff, faculty, students, and board of trustees members to report allegations of waste, fraud, or financial mismanagement to the university chief audit executive.

(3) Significant and credible allegations are those that, in the judgment of the chief audit executive, require the attention of those charged with governance and have indicia of reliability. For significant and credible allegations of waste, fraud, or financial mismanagement within the university and its board of trustees’ operational authority, the chief audit executive shall timely provide the OIGC sufficient information to demonstrate that the board of trustees is both willing and able to address the allegation(s). If the information provided by the chief audit executive does not clearly demonstrate that the board of trustees is both willing and able to address the allegation(s), then the OIGC will conduct a preliminary inquiry in accordance with section 10.2.a of the OIGC charter.

(4) Upon the OIGC’s receipt of a complaint, the OIGC will evaluate the nature of the allegation(s) to determine operational authority, proper handling, and disposition. University-related allegations will be handled as described below:
   (a) Such allegations will be referred to the university chief audit executive for appropriate action without regard to the final responsible entity at the university. As appropriate, a copy of the referral will be provided to the chief compliance officer and general counsel. For significant and credible allegations of waste, fraud, or financial mismanagement, the chief audit executive 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.
   (b) When case disposition information does not clearly demonstrate that the board of trustees was both willing and able to address significant and credible allegation(s), then the OIGC will conduct a preliminary inquiry in accordance with section 10.2.a of the OIGC charter.

(5) Each board of trustees shall adopt a regulation which requires timely notification to the Board of Governors, through the OIGC, of any significant and credible allegation(s) of fraud, waste, mismanagement, misconduct, and other abuses made
against the university president or a board of trustees member. Such allegations will be handled as follows:

(a) The chair of the board of trustees (or chair of the board of trustees’ committee responsible for handling audit matters if the allegations involve the board chair), in consultation with the chair of the Board of Governors, shall review the matter and may ask the OIGC to conduct a preliminary inquiry, in accordance with section 10.2.a of the OIGC charter. If it is determined that an investigation is warranted, it shall take one of the following forms:

1. The board of trustees will hire an independent outside firm to conduct the investigation with OIGC guidance and monitoring; or
2. The OIGC will perform the investigation.

(b) At the conclusion of such investigation, the report shall be submitted to the subject, who shall have twenty (20) working days from the date of the report to submit a written response. The subject’s response and the investigator’s rebuttal to the response, if any, shall be included in the final report presented to the chair of the board of trustees and the Board of Governor’s Audit and Compliance Committee.

(6) The board of trustees’ regulation shall articulate how the university will address any significant and credible allegation(s) of fraud, waste, mismanagement, misconduct, and other abuses made against the chief audit executive or chief compliance officer.

Authority: Section 7(d), Art. IX, Fla. Const.; History: New 11-3-16.
4.002  State University System Chief Audit Executives

(1) Each university shall have an office of chief audit executive as a point for coordination of and responsibility for activities that promote accountability, integrity, and efficiency in the operations of the university.

(2) Each board of trustees shall establish a committee responsible for addressing audit, financial- and fraud-related compliance, controls, and investigative matters. For purposes of this regulation, this committee will be referred to as the audit and compliance committee. This committee shall have a charter approved by the board of trustees and reviewed at least every three (3) years for consistency with applicable Board of Governors and university regulations, professional standards, and best practices. A copy of the approved charter and any subsequent changes shall be provided to the Board of Governors.

(3) Each board of trustees shall adopt a charter which defines the duties and responsibilities of the office of chief audit executive. The charter shall be reviewed at least every three (3) years for consistency with applicable Board of Governors and university regulations, professional standards, and best practices. A copy of the approved charter and any subsequent changes shall be provided to the Board of Governors. At a minimum, the charter shall specify that the chief audit executive:

(a) Provide direction for, supervise, and coordinate audits and investigations which promote economy, efficiency, and effectiveness in the administration of university programs and operations including, but not limited to, auxiliary facilities and services, direct support organizations, and other component units.

(b) Conduct, supervise, or coordinate activities for the purpose of preventing and detecting fraud and abuse within university programs and operations including, but not limited to, auxiliary facilities and services, direct support organizations, and other component units.

(c) Address significant and credible allegations relating to waste, fraud, or financial mismanagement as provided in Board of Governors Regulation 4.001.

(d) Keep the president and board of trustees informed concerning significant and credible allegations and known occurrences of waste, fraud, mismanagement, abuses, and deficiencies relating to university programs and operations; recommend corrective actions; and report on the progress made in implementing corrective actions.

(e) Promote, in collaboration with other appropriate university officials, effective coordination between the university and the Florida Auditor General, federal auditors, accrediting bodies, and other governmental or oversight bodies.

(f) Review and make recommendations, as appropriate, concerning policies and regulations related to the university’s programs and operations including, but not limited to, auxiliary facilities and services, direct support organizations, and other component units.
(g) Communicate to the president and the board of trustees, at least annually, the office’s plans and resource requirements, including significant changes, and the impact of resource limitations.
(h) Provide training and outreach, to the extent practicable, designed to promote accountability and address topics such as fraud awareness, risk management, controls, and other related subject matter.
(i) Coordinate or request audit, financial- and fraud-related compliance, controls, and investigative information or assistance as may be necessary from any university, federal, state, or local government entity.
(j) Develop and maintain a quality assurance and improvement program for the office of chief audit executive.
(k) Establish policies which articulate the steps for reporting and escalating matters of alleged misconduct, including criminal conduct, when there are reasonable grounds to believe such conduct has occurred.
(l) Inform the board of trustees when contracting for specific instances of audit or investigative assistance.

(4) The board of trustees must obtain Board of Governors’ approval before outsourcing the chief audit executive’s entire audit or investigative function.

(5) Each board of trustees shall ensure that the university chief audit executive is organizationally independent and objective to perform the responsibilities of the position. The chief audit executive shall:
(a) Report functionally to the board of trustees and administratively to the president.
(b) Report routinely to the board of trustees on matters including significant risk exposures, control issues, fraud risks, governance issues, and other matters requested by the president and the board of trustees.
(c) Conduct and report on audits, investigations, and other inquiries free of actual or perceived impairment to the independence of the chief audit executive’s office.
(d) Have timely access to any records, data, and other information in possession or control of the university including information reported to the university’s hotline/helpline.
(e) Notify the chair of the board of trustees’ audit committee or the president, as appropriate, of any unresolved restriction or barrier imposed by any individual on the scope of an inquiry, or the failure to provide access to necessary information or people for the purposes of such inquiry. The chief audit executive shall work with the board of trustees and university management to remedy scope or access limitations. If the university is not able to remedy such limitations, the chief audit executive shall timely notify the Board of Governors, through the OIGC, of any such restriction, barrier, or limitation.
(6) In carrying out the auditing duties and responsibilities set forth in this regulation, each chief audit executive shall review and evaluate controls necessary to enhance and promote the accountability of the university. The chief audit executive shall perform or supervise audits and prepare reports of their findings, recommendations, and opinions. The scope and assignment of the audits shall be determined by the chief audit executive; however, the president and board of trustees may request the chief audit executive direct, perform, or supervise audit engagements.

(a) Audit engagements shall be performed in accordance with the International Professional Practices Framework, published by the Institute of Internal Auditors, Inc.; the Government Auditing Standards, published by the United States Government Accountability Office; and/or the Information Systems Auditing Standards published by ISACA. All audit reports shall describe the extent to which standards were followed.

(b) At the conclusion of each audit engagement, the chief audit executive shall prepare a report to communicate the audit results and action plans to the board of trustees and university management. A copy of the final audit report will be provided to the Board of Governors consistent with Board of Governors Regulation 1.001(6)(g).

(c) The chief audit executive shall monitor the disposition of results communicated to university management and determine whether corrective actions have been effectively implemented or that senior management or the board of trustees, as appropriate, has accepted the risk of not taking corrective action. If, in the chief audit executive's judgment, senior management or the board of trustees has chosen not to take corrective actions to address substantiated instances of waste, fraud, or financial mismanagement, then the chief audit executive shall timely notify the Board of Governors, through the OIGC.

(d) The chief audit executive shall develop audit plans based on the results of periodic risk assessments. The plans shall be submitted to the board of trustees for approval. A copy of approved audit plans will be provided to appropriate university management and the Board of Governors.

(e) The chief audit executive must develop and maintain a quality assurance and improvement program in accordance with professional audit standards. This program must include an external assessment conducted at least once every five (5) years. The external assessment report and any related improvement plans shall be presented to the board of trustees, with a copy provided to the Board of Governors.

(7) Each chief audit executive shall initiate, conduct, supervise, or coordinate investigations that fall within the purview of the chief audit executive’s office and be designated by their board of trustees as the employee to review statutory whistle-blower information and coordinate all activities of the university as required by the Florida Whistle-blower’s Act. Investigative assignments shall be performed in
accordance with professional standards issued for the State University System. All final investigative reports shall be submitted to the appropriate action officials, board of trustees, and the Board of Governors if, in the chief audit executive’s judgment, the allegations are determined to be significant and credible. Such reports shall be redacted to protect confidential information and the identity of individuals, when provided for by law.

(8) By September 30th of each year, the chief audit executive shall prepare a report summarizing the activities of the office for the preceding fiscal year. The report shall be provided to the president, board of trustees, and the Board of Governors.

Authority: Section 7(d), Art. IX, Fla. Const.; History: New 11-3-16.
FLORIDA STATE UNIVERSITY SCHOOLS, INC.

Florida Education Finance Program
Full-Time Equivalent Student Enrollment

For the Fiscal Year Ended
June 30, 2019
Board Members and Director

During the 2018-19 fiscal year, Dr. Damon Andrew served as Dean of the College of Education for Florida State University from 8-7-18, Dr. Marcy Driscoll served as Dean before that date, and Dr. Stacy Chambers served as Director of Florida State University Schools, Inc., and the following individuals served as Board members:

University Representatives
Anne Blankenship
Dr. Allison Crume
Dr. Sara Scott Shields
Dr. Ruth Felock

Faculty Representatives
Megan Cromble from 6-1-19
Danielle Kerr through 5-31-19

Community Representatives
Cheval Breggins, Acting Chair from 6-1-19,
Vice Chair 10-23-18 through 5-31-19
Jann Tucker-Pettway, Chair through 10-22-18
Kathy Mizerek
Dr. Linda K. Smith from 6-1-19

Parent Representatives
Kimblin NeSmith, Chair 10-23-18 through 5-31-19,
Vice Chair through 10-22-18
Dr. Heather Bishop
Dr. Jason Pappas
Carlos Villa from 6-1-19

St. Joe Company Representatives
John Curtis from 9-11-18
Abraham Prado through 8-2-18

Student Representatives
Mary Krause from 6-1-19
Abby Hostetter through 5-31-19
FLORIDA STATE UNIVERSITY SCHOOLS, INC.
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<tr>
<td>CMW</td>
<td>Class Minutes, Weekly</td>
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<tr>
<td>DEUSS</td>
<td>Date Entered United States School</td>
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<td>DOE</td>
<td>Department of Education</td>
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<td>Department of Juvenile Justice</td>
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<td>English for Speakers of Other Languages</td>
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<td>Florida Education Finance Program</td>
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SUMMARY

SUMMARY OF ATTESTATION EXAMINATION

Except for the material noncompliance described below involving reporting errors or records that were not properly or accurately prepared or were not available at the time of our examination and could not be subsequently located for students in ESOL and Career Education 9-12, Florida State University Schools, Inc., (Schools) complied, in all material respects, with State requirements relating to the classification, assignment, and verification of the full-time equivalent (FTE) student enrollment, including teacher certification, as reported under the Florida Education Finance Program (FEFP) for the fiscal year ended June 30, 2019. Specifically, we noted exceptions involving reporting errors or records that were not properly or accurately prepared or were not available at the time of our examination and could not be subsequently located for 8 of the 22 students in our ESOL test and 21 of the 24 students in our Career Education 9-12 test. The Schools operate as charter schools, therefore, all students in our ESOL and Career Education 9-12 tests attended charter schools.

Noncompliance related to the reported FTE student enrollment resulted in 12 findings. The resulting proposed net adjustment to the Schools' reported, unweighted FTE totaled negative 5.9345 but has a potential impact on the Schools' weighted FTE of negative 6.8368.

The weighted adjustments to the FTE student enrollment are presented in our report for illustrative purposes only. The weighted adjustments to the FTE student enrollment do not take special program caps and allocation factors into account and are not intended to indicate the weighted FTE used to compute the dollar value of adjustments. That computation is the responsibility of the Department of Education (DOE). However, the gross dollar effect of our proposed adjustments to the FTE may be estimated by multiplying the proposed net weighted adjustments to the FTE student enrollment by the base student allocation amount. The base student allocation for the fiscal year ended June 30, 2019, was $4,204.42 per FTE. The estimated gross dollar effect of our proposed adjustments to the reported FTE student enrollment is negative $28,745 (negative 6.8368 times $4,204.42).

The ultimate resolution of our proposed adjustments to the FTE student enrollment and the computation of their financial impact is the responsibility of the DOE.

THE SCHOOLS

The Schools' location in Tallahassee, Florida, was established on August 22, 2000, pursuant to Section 1002.32(2), Florida Statutes, as a developmental research charter (laboratory) school (DRCLS), and as a special school district, pursuant to Section 1011.24, Florida Statutes, by Florida State University (FSU). Section 1002.32(3), Florida Statutes, specifies that developmental research schools are to provide a vehicle for the conduct of research, demonstration, and evaluation regarding management, teaching, and learning. Additionally, Section 1002.32(3)(a), Florida Statutes, provides that the primary goal of a developmental research school is to enhance instruction and research in specialized subjects that include mathematics, science, computer science, and foreign languages, while also providing an education in nonspecialized subjects. On February 3, 2003, FSU entered into an agreement with the City of Pembroke Pines (Florida) and sponsored the Pembroke Pines - Florida State University Charter Elementary School
(a DRCLS) in Broward County, Florida, as part of FSU’s existing special school district. The Schools offer instruction in Basic Education, ESOL, ESE, and Career Education 9-12 (OJT) and serve students in PK through twelfth grade at the two locations.

In accordance with Section 1002.32(8), Florida Statutes, an Advisory Board has been established to provide general oversight and guidance to the Schools. The chief executive officer of the Schools, pursuant to Section 1002.32(7), Florida Statutes, is a Director or Principal. The University governance is managed by a Director with overall governance by the Dean of the College of Education.

The Schools consist of two charter schools and one virtual education cost center serving PK through 12th-grade students.

For the fiscal year ended June 30, 2019, State funding totaling $16 million was provided through the FEFP to the Schools for the Schools-reported 2,430.93 unweighted FTE as recalibrated, which included 2,414.61 unweighted FTE as recalibrated for the two charter schools and one virtual education cost center. The primary sources of funding for the Schools are funds from the FEFP, local ad valorem taxes, and Federal grants and donations.

**FTE Student Enrollment**

Florida school districts and developmental research schools receive State funding through the FEFP to serve PK through 12th-grade students (adult education is not funded by the FEFP). The FEFP was established by the Florida Legislature in 1973 to guarantee to each student in the Florida public school system, including charter schools, the availability of programs and services appropriate to the student’s educational needs that are substantially equal to those available to any similar student notwithstanding geographic differences and varying local economic factors. To provide equalization of educational opportunity in Florida, the FEFP formula recognizes: (1) varying local property tax bases, (2) varying program cost factors, (3) district cost differentials, and (4) differences in per-student costs for equivalent educational programs due to sparsity and dispersion of student population.

The funding provided by the FEFP is based on the numbers of individual students participating in particular educational programs. A numerical value is assigned to each student according to the student’s hours and days of attendance in those programs. The individual student thus becomes equated to a numerical value known as an unweighted FTE student enrollment. For brick and mortar school students, one student would be reported as 1.0 FTE if the student was enrolled in six courses per day at 50 minutes per course for the full 180-day school year (i.e., six courses at 50 minutes each per day is 5 hours of class a day or 25 hours per week, which equates to 1.0 FTE). For virtual education students, one student would be reported as 1.0 FTE if the student has successfully completed six courses or credits or the prescribed level of content that counts toward promotion to the next grade. A student who completes less than six credits will be reported as a fraction of an FTE. Half-credit completions will be included in determining an FTE student enrollment. Credits completed by a student in excess of the minimum required for that student for graduation are not eligible for funding.

School districts and developmental research schools report all FTE student enrollment regardless of the 1.0 FTE cap. The DOE combines all FTE student enrollment reported for the student by all school
districts, including the Florida Virtual School. The DOE then recalibrates all reported FTE student enrollment for each student to 1.0 FTE if the total reported FTE for the student exceeds 1.0 FTE. The FTE student enrollment reported by the Department of Juvenile Justice (DJJ) for FTE student enrollment earned beyond the 180-day school year is not included in the recalibration to 1.0 FTE.

All FTE student enrollment is capped at 1.0 FTE except for the FTE student enrollment reported by the DJJ for students beyond the 180-day school year. However, if a student only has FTE student enrollment reported in one FTE membership survey\(^1\) of the 180-day school year (Survey 2 or Survey 3), the FTE student enrollment reported will be capped at .5000 FTE, even if FTE student enrollment is reported in Survey 1 or Survey 4, with the exception of FTE student enrollment reported by the DJJ for students beyond the 180-day school year.

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\(^1\) FTE is determined and reported during the school year by means of four FTE membership surveys that are conducted under the direction of district and school management. See Note A6. for more information on surveys.
INDEPENDENT AUDITOR'S REPORT

Report on Full-Time Equivalent Student Enrollment

We have examined the Florida State University Schools, Inc., (Schools) compliance with State requirements relating to the classification, assignment, and verification of the full-time equivalent (FTE) student enrollment including teacher certification reported under the Florida Education Finance Program for the fiscal year ended June 30, 2019. These requirements are found primarily in Sections 1011.60, 1011.61, and 1011.62, Florida Statutes; State Board of Education Rules, Chapter 6A-1, Florida Administrative Code; and the FTE General Instructions 2018-19 issued by the Department of Education.

Management's Responsibility for Compliance

Schools management is responsible for the Schools' compliance with the aforementioned State requirements, including the design, implementation, and maintenance of internal control to prevent, or detect and correct, noncompliance due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the Schools' compliance with State requirements based on our examination. Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in Government Auditing Standards issued by the Comptroller General of the United States. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the classification, assignment, and verification of the full-time equivalent student enrollment including teacher certification reported by the Schools under the Florida Education Finance Program complied with State requirements in all material respects.

An examination involves performing procedures to obtain evidence about whether the Schools complied with State requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for
our opinion. Our examination does not provide a legal determination on the Schools’ compliance with State requirements. The legal determination of the Schools’ compliance with these requirements is the responsibility of the Department of Education.

An examination by its nature does not include a review of all records and actions of Schools management and staff and, as a consequence cannot be relied upon to identify all instances of noncompliance, fraud, abuse, or inefficiency. Because of these limitations and the inherent limitations of internal control, an unavoidable risk exists that some material noncompliance may not be detected, even though the examination is properly planned and performed in accordance with attestation standards.

Opinion

Our examination disclosed material noncompliance with State requirements relating to the classification, assignment, and verification of full-time equivalent student enrollment as reported under the Florida Education Finance Program for students in our English for Speakers of Other Languages and Career Education 9-12 tests involving reporting errors or records that were not properly or accurately prepared or were not available at the time of our examination and could not be subsequently located.

In our opinion, except for the material noncompliance with State requirements described in the preceding paragraph involving reporting errors or records that were not properly or accurately prepared or were not available at the time of our examination and could not be subsequently located for students in English for Speakers of Other Languages and Career Education 9-12, the Florida State University Schools, Inc., complied, in all material respects, with State requirements relating to the classification, assignment, and verification of the full-time equivalent student enrollment including teacher certification reported under the Florida Education Finance Program for the fiscal year ended June 30, 2019.

Other Reporting Required by Government Auditing Standards

In accordance with attestation standards established by Government Auditing Standards, we are required to report all deficiencies that are considered to be significant deficiencies or material weaknesses in internal control; fraud and noncompliance with provisions of laws or regulations that have a material effect on the Schools’ compliance with State requirements; and any other instances that warrant the attention of those charged with governance; noncompliance with provisions of contracts or grant agreements, and abuse that has a material effect on the Schools’ compliance with State requirements. We are also required to obtain and report the views of responsible officials concerning the findings, conclusions, and recommendations, as well as any planned corrective actions.

We performed our examination to express an opinion on the Schools’ compliance with State requirements and not for the purpose of expressing an opinion on the Schools’ related internal control over compliance with State requirements; accordingly, we express no such opinion. Because of its limited purpose, our examination would not necessarily identify all deficiencies in internal control over compliance that might be significant deficiencies or material weaknesses. However, the material noncompliance mentioned above is indicative of significant deficiencies considered to be material weaknesses in the Schools’

\[2\] A significant deficiency is a deficiency or a combination of deficiencies in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. A material weakness is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that material noncompliance will not be prevented, or detected and corrected, on a timely basis.
internal controls related to reporting errors or records that were not properly or accurately prepared or were not available at the time of our examination and could not be subsequently located for students in English for Speakers of Other Languages and Career Education 9-12. Our examination disclosed certain findings that are required to be reported under Government Auditing Standards and all findings, along with the views of responsible officials, are described in SCHEDULE D and MANAGEMENT’S RESPONSE, respectively. The impact of this noncompliance with State requirements on the Schools’ reported full-time equivalent student enrollment including teacher certification is presented in SCHEDULES A, B, C, and D.

The Schools’ written response to this examination has not been subjected to our examination procedures and, accordingly, we express no opinion on it.

Purpose of this Report

Pursuant to Section 11.45(4)(c), Florida Statutes, this report is a public record and its distribution is not limited. Attestation standards established by the American Institute of Certified Public Accountants require us to indicate that the purpose of this report is to provide an opinion on the Schools’ compliance with State requirements. Accordingly, this communication is not suitable for any other purpose.

Respectfully submitted,

Sherrill F. Norman, CPA
Tallahassee, Florida
December 18, 2020
SCHEDULE A

POPULATIONS, TEST SELECTION, AND TEST RESULTS
FULL-TIME EQUIVALENT STUDENT ENROLLMENT

Reported FTE Student Enrollment

The funding provided by the FEFP is based on the numbers of individual students participating in particular educational programs. The FEFP funds ten specific programs that are grouped under the following four general program titles: Basic, ESOL, ESE, and Career Education 9-12. The unweighted FTE represents the FTE prior to the application of the specific cost factor for each program. (See SCHEDULE B and NOTE A3., A4., and A5.) For the fiscal year ended June 30, 2019, the Florida State University Schools Inc., (Schools) reported to the DOE 2,430.93 unweighted FTE as recalibrated, which included 2,414.61 unweighted FTE as recalibrated for the two charter schools and one virtual education cost center.

Schools and Students

As part of our examination procedures, we tested the FTE student enrollment reported to the DOE for schools and students for the fiscal year ended June 30, 2019. (See NOTE B.) The population of schools (three) consisted of the total number of brick and mortar charter schools that offered courses, as well as the virtual education cost center that offered virtual instruction in the FEFP-funded programs. The population of students (2,606) consisted of the total number of students in each program at the schools and cost center in our tests. Our Career Education 9-12 student test data includes only those students who participated in OJT.

We noted the following material noncompliance: exceptions involving reporting errors or records that were not properly or accurately prepared or were not available at the time of our examination and could not be subsequently located for 8 of the 22 students in our ESOL test\(^3\) and 21 of the 24 students in our Career Education 9-12 test.\(^4\) All students in our ESOL and Career Education 9-12 tests attended charter schools.

Our populations and tests of schools and students are summarized as follows:

<table>
<thead>
<tr>
<th>Programs</th>
<th>Number of Schools</th>
<th>Number of Students at Schools Tested</th>
<th>Students With Exceptions</th>
<th>Recalibrated Unweighted FTE</th>
<th>Proposed Adjustments</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Population Test</td>
<td>Population Test Exceptions</td>
<td>Population Test</td>
<td>Population Test</td>
<td></td>
</tr>
<tr>
<td>Basic</td>
<td>3 3</td>
<td>2,164 28 0</td>
<td>1,990.60 23.9770</td>
<td>5.3813</td>
<td></td>
</tr>
<tr>
<td>Basic with ESE Services</td>
<td>3 3</td>
<td>357 22 2</td>
<td>340.51 17.7717</td>
<td>(1.0741)</td>
<td></td>
</tr>
<tr>
<td>ESOL</td>
<td>2 2</td>
<td>51 22 8</td>
<td>36.44 15.4143</td>
<td>(5.0977)</td>
<td></td>
</tr>
<tr>
<td>ESE Support Levels 4 and 5</td>
<td>1 1</td>
<td>1 1 0</td>
<td>0 0.0000 0.0000</td>
<td>(0.0000)</td>
<td></td>
</tr>
<tr>
<td>Career Education 9-12</td>
<td>1 1</td>
<td>33 24 21</td>
<td>62.88 5.0169</td>
<td>(5.1440)</td>
<td></td>
</tr>
<tr>
<td>All Programs</td>
<td>3 3</td>
<td>2,606 97 31</td>
<td>2,430.93 52.6299</td>
<td>(5.9345)</td>
<td></td>
</tr>
</tbody>
</table>

\(^3\) For ESOL, the material noncompliance is composed of Findings 4 and 5 on SCHEDULE D.

\(^4\) For Career Education 9-12, the material noncompliance is composed of Findings 6, 7, and 8 on SCHEDULE D.
Teachers
We also tested teacher qualifications as part of our examination procedures. (See NOTE B.) Specifically, the population of teachers (97, of which 20 are applicable to a virtual education center and 77 are applicable to charter schools) consisted of the total number of teachers at schools in our test who taught courses in ESE Support Levels 4 and 5, Career Education 9-12, or taught courses to ELL students, and of the total number of teachers reported under the virtual education cost center in our test who taught courses in Basic, Basic with ESE Services, ESE Support Levels 4 and 5, Career Education 9-12, or taught courses to ELL students. From the population of teachers, we selected 35 and found exceptions for 2 teachers. Of the 35 teachers, 25 (71 percent) of the teachers in our test taught at charter schools and all of the teachers with exceptions taught at charter schools.

Proposed Adjustments
Our proposed adjustments present the net effects of noncompliance disclosed by our examination procedures, including those related to our test of teacher qualifications. Our proposed adjustments generally reclassify the reported FTE to Basic education, except for noncompliance involving a student’s enrollment or attendance in which case the reported FTE is taken to zero. (See SCHEDULES B, C, and D.)

The ultimate resolution of our proposed adjustments to the FTE student enrollment and the computation of their financial impact is the responsibility of the DOE.
### SCHEDULE B

**EFFECT OF PROPOSED ADJUSTMENTS ON WEIGHTED FULL-TIME EQUIVALENT STUDENT ENROLLMENT**

<table>
<thead>
<tr>
<th>No.</th>
<th>Program (1)</th>
<th>Proposed Net Adjustment (2)</th>
<th>Cost Factor</th>
<th>Weighted FTE (3)</th>
</tr>
</thead>
<tbody>
<tr>
<td>101</td>
<td>Basic K-3</td>
<td>(.1226)</td>
<td>1.108</td>
<td>(.1358)</td>
</tr>
<tr>
<td>102</td>
<td>Basic 4-8</td>
<td>5.7202</td>
<td>1.000</td>
<td>5.7202</td>
</tr>
<tr>
<td>103</td>
<td>Basic 9-12</td>
<td>(.2163)</td>
<td>1.000</td>
<td>(.2163)</td>
</tr>
<tr>
<td>111</td>
<td>Grades K-3 with ESE Services</td>
<td>.5001</td>
<td>1.108</td>
<td>.5541</td>
</tr>
<tr>
<td>112</td>
<td>Grades 4-8 with ESE Services</td>
<td>(1.0000)</td>
<td>1.000</td>
<td>(1.0000)</td>
</tr>
<tr>
<td>113</td>
<td>Grades 9-12 with ESE Services</td>
<td>(.5742)</td>
<td>1.000</td>
<td>(.5742)</td>
</tr>
<tr>
<td>130</td>
<td>ESOL</td>
<td>(5.0977)</td>
<td>1.185</td>
<td>(6.0408)</td>
</tr>
<tr>
<td>300</td>
<td>Career Education 9-12</td>
<td>(5.1440)</td>
<td>1.000</td>
<td>(5.1440)</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>(5.9345)</td>
<td></td>
<td>(6.8368)</td>
</tr>
</tbody>
</table>

**Notes:**

1. See NOTE A7.
2. These proposed net adjustments are for unweighted FTE. (See SCHEDULE C.)
3. Weighted adjustments to the FTE are presented for illustrative purposes only. The weighted adjustments to the FTE do not take special program caps or allocation factors into consideration and are not intended to indicate the FTE used to compute the dollar value of adjustments. That computation is the responsibility of the DOE. (See NOTE A5.)
### SCHEDULE C

**PROPOSED ADJUSTMENTS BY SCHOOL**

**FULL-TIME EQUIVALENT STUDENT ENROLLMENT**

<table>
<thead>
<tr>
<th>No.</th>
<th>Program</th>
<th>#0341*</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>101</td>
<td>Basic K-3</td>
<td>(.1226)</td>
<td>(.1226)</td>
</tr>
<tr>
<td>102</td>
<td>Basic 4-8</td>
<td>5.7202</td>
<td>5.7202</td>
</tr>
<tr>
<td>103</td>
<td>Basic 9-12</td>
<td>(.2163)</td>
<td>(.2163)</td>
</tr>
<tr>
<td>111</td>
<td>Grades K-3 with ESE Services</td>
<td>.5001</td>
<td>.5001</td>
</tr>
<tr>
<td>112</td>
<td>Grades 4-8 with ESE Services</td>
<td>(1.0000)</td>
<td>(1.0000)</td>
</tr>
<tr>
<td>113</td>
<td>Grades 9-12 with ESE Services</td>
<td>(.5742)</td>
<td>(.5742)</td>
</tr>
<tr>
<td>130</td>
<td>ESOL</td>
<td>(5.0977)</td>
<td>(5.0977)</td>
</tr>
<tr>
<td>300</td>
<td>Career Education 9-12</td>
<td>(5.1440)</td>
<td>(5.1440)</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td>(5.9345)</td>
<td>(5.9345)</td>
</tr>
</tbody>
</table>

Note: (1) These proposed net adjustments are for unweighted FTE. (See Note AS.)

*Charter School*
SCHEDULE D

FINDINGS AND PROPOSED ADJUSTMENTS
FULL-TIME EQUIVALENT STUDENT ENROLLMENT

Overview

Florida State University Schools Inc., (Schools) management is responsible for determining that the FTE student enrollment including teacher certification as reported under the FEFP is in compliance with State requirements. These requirements are found primarily in Sections 1011.60, 1011.61, and 1011.62, Florida Statutes; SBE Rules, Chapter 6A-1, FAC; and the FTE General Instructions 2018-19 issued by the DOE. All noncompliance disclosed by our examination procedures is discussed below and requires management’s attention and action as presented in SCHEDULE E.

Findings

Our examination included the July and October 2018 reporting survey periods and the February and June 2019 reporting survey periods (See NOTE A6.). Unless otherwise specifically stated, the Findings and Proposed Adjustments presented herein are for the October 2018 reporting survey period, the February 2019 reporting survey period, or both. Accordingly, our Findings do not mention specific reporting survey periods unless necessary for a complete understanding of the instances of noncompliance being disclosed.

Florida State University School (#0341) Charter School

1. [Ref. 34101] Student course schedules were incorrectly reported. The School’s bell schedule supported 1,775 instructional minutes per week for students in Kindergarten and 1,825 instructional minutes per week for Grades 1-5 and met the minimum reporting of CMW; however, the students’ course schedules were not reported in agreement with the School’s bell schedule. We noted differences ranging from 150 to 170 CMW. Student course schedules, which are necessary for the recalculation process to work appropriately, should reflect the correct number of CMW according to the School’s instructional bell schedule. Since most of the students were reported within the District for the entire school year and their reported FTE was recalibrated to 1.0, this variance in CMW did not affect their ultimate funding level. As such, we present this disclosure finding with no proposed adjustment.

   Proposed Net Adjustments (Unweighted FTE)

   .0000

2. [Ref. 34102] The EP for one ESE student enrolled in the Gifted ESE Program was not available at the time of our examination and could not be subsequently located. We propose the following adjustment:
Findings

Florida State University School (#0341) Charter School (Continued)

102 Basic 4-8 ................................................................. 1.0000  
112 Grades 4-8 with ESE Services .......................... (1.0000) .0000

3. [Ref. 34103] The course schedule for one ESE student incorrectly included a portion of the student's instructional time in Program No. 101 (Basic K-3) and Program No. 130 (ESOL). The course schedules of ESE students should be reported entirely in ESE. We propose the following adjustment:

   101 Basic K-3 ......................................................... (.1226)  
   111 Grades K-3 with ESE Services .................. .5001  
   130 ESOL ................................................................. (.3775) .0000

4. [Ref. 34104] ELL Committees for two students were not convened by October 1 to consider the students’ continued ESOL placements beyond 3 years from each student’s DEUSS. In addition, School records did not evidence that the parents of one student were notified of their child’s ESOL placement. We propose the following adjustment:

   102 Basic 4-8 ................................................................. 1.1502  
   130 ESOL ................................................................. (1.1502) .0000

5. [Ref. 34105] School records did not demonstrate that six ELL students were within the maximum 6-year period allowed for State funding of ESOL. In addition, the ELL Committees for four students were not convened by October 1 to consider the students’ continued ESOL placements beyond 3 years from each student’s DEUSS. We propose the following adjustment:

   102 Basic 4-8 ................................................................. 3.2130  
   130 ESOL ................................................................. (3.2130) .0000

6. [Ref. 34106] Our examination of student course schedules for 30 students (13 students were in our Career Education 9-12 test) disclosed that the students were reported for an on-campus course (course No. 8303010 - Diversified Career Technology Principles); however, on-campus instruction was not provided for this course.

The School's administration and instructional staff indicated that instruction for this course was provided through a blended model incorporating “face-to-face check-ins, virtual check-ins, student research, and Google classroom assignments.” The DOE's FTE General Instructions 2018-19 provides that “FTE student reporting of blended learning courses for funding under the FEFP continues to be reported based on seat time,” and (Finding Continues on Next Page)
Findings

Florida State University School (80341) Charter School (Continued)

"class minutes for an online portion of a blended course shall be calculated based on seat time during documented hours dedicated to the course for which funding is sought." Further, the School’s administration provided that students enrolled in this course were not required to stay on campus to attend the course as evidenced by the OJT Sign-Out Sheets, which indicated that the students left campus prior to or within a few minutes of the start of the class period in which this course was scheduled per the bell schedule provided.

In addition, the procedures used to record student attendance in Focus, the School’s automated student attendance and recordkeeping system, for course No. 8303010 - Diversified Career Technology Principles, were contrary to the DOE’s Comprehensive Management Information System: Automated Student Attendance Recordkeeping System Handbook. The School’s administration and instructional staff indicated that student attendance for the course was monitored based on the OJT Sign-Out Sheets and completion of course content.

We also noted that the timecards for four students indicated that the students were working at their designated OJT sites during the times that these students were scheduled, and recorded in Focus as present, for the on-campus course.

We concluded that, based on how the course was structured and that the records provided did not evidence the reported seat time for the course, that the course was not eligible to be reported for FEFP funding.

We propose the following adjustment:

<table>
<thead>
<tr>
<th>Description</th>
<th>Value 1</th>
<th>Value 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>113 Grades 9-12 with ESE Services</td>
<td>(5742)</td>
<td>(5742)</td>
</tr>
<tr>
<td>300 Career Education 9-12</td>
<td>(28914)</td>
<td>(28914)</td>
</tr>
</tbody>
</table>

7. [Ref. 34107] Our review of the timecards for seven Career Education 9-12 students who participated in OJT disclosed one or more of the following exceptions:

- Timecards were not available at the time of our examination and could not be subsequently located.
- Timecards were signed but not dated by the students’ employers.
- Timecards did not specify the dates and hours worked.

In addition, the students were incorrectly reported for course No. 8303010 as described in Finding No. 6 (Ref. 34106). We propose the following adjustment:

<table>
<thead>
<tr>
<th>Description</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>300 Career Education 9-12</td>
<td>(2.1985)</td>
</tr>
</tbody>
</table>

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January 2021
Findings
Florida State University School (#0341) Charter School (Continued)

8. [Ref. 34108] The timecard for one Career Education 9-12 student who participated in OJT indicated that the student was working at their designated OJT site during the same time period that the student was scheduled for an on-campus course (Course No. 1503410). In addition, two dual-enrollment courses for this student were incorrectly reported. Specifically, one course was duplicated as a dual-enrollment course at two different sites and one course was incorrectly reported twice due to a data entry error. Further, a third course was incorrectly reported as described in Finding No. 6 (Ref. 34106). We propose the following adjustment:

<table>
<thead>
<tr>
<th>Course Code</th>
<th>Course Description</th>
<th>FTE</th>
</tr>
</thead>
<tbody>
<tr>
<td>103 Basic 9-12</td>
<td></td>
<td>.2163</td>
</tr>
<tr>
<td>300 Career Education 9-12</td>
<td></td>
<td>.0541</td>
</tr>
<tr>
<td>300 Career Education 9-12</td>
<td></td>
<td>.2704</td>
</tr>
</tbody>
</table>

9. [Ref. 34171] One teacher taught Primary Language Arts to a class that included ELL students but was not properly certified to teach ELL students and was not approved by the Charter School Board to teach such students out of field. We also noted that the students' parents were not notified of the teacher's out-of-field status in ESOL and Reading. We propose the following adjustment:

<table>
<thead>
<tr>
<th>Course Code</th>
<th>Course Description</th>
<th>FTE</th>
</tr>
</thead>
<tbody>
<tr>
<td>102 Basic 4-8</td>
<td></td>
<td>.2856</td>
</tr>
<tr>
<td>130 ESOL</td>
<td></td>
<td>.2856</td>
</tr>
<tr>
<td>130 ESOL</td>
<td></td>
<td>.0000</td>
</tr>
</tbody>
</table>

10. [Ref. 34172] The parents of a student taught by one out-of-field teacher were not notified of the teacher's out-of-field status in Math. We propose the following adjustment:

<table>
<thead>
<tr>
<th>Course Code</th>
<th>Course Description</th>
<th>FTE</th>
</tr>
</thead>
<tbody>
<tr>
<td>102 Basic 4-8</td>
<td></td>
<td>.0714</td>
</tr>
<tr>
<td>130 ESOL</td>
<td></td>
<td>.0714</td>
</tr>
<tr>
<td>130 ESOL</td>
<td></td>
<td>.0000</td>
</tr>
</tbody>
</table>

The Pembroke Pines Florida (#0351) Charter School

11. [Ref. 35101] The course schedules for the students in our test were incorrectly reported. The School's bell schedules supported 1,575 CMW and met the minimum reporting of CMW; however, the students' course schedules were not reported in agreement with the School's bell schedule. We noted differences of 185 CMW. Student course schedules, which are necessary for the recalibration process to work appropriately should reflect the correct number of CMW established in the school's bell schedule. Since most of the students were reported within the District for the entire school year and their (Finding Continues on Next Page)
Findings

The Pembroke Pines Florida (#0351) Charter School (Continued)

reported FTE was recalibrated to 1.0, these variances in CMW did not affect their ultimate funding level. As such, we are presenting this disclosure finding with no proposed adjustment:

12. [Ref. 35102] Our examination of student attendance records disclosed that the school did not have a process in place to retain written evidence that substitute teachers had taken attendance. School management represented to us that, during the 2018-19 school year, substitutes were instructed to call attendance into the front office and verbally report attendance to the Registrar. Consequently, we were unable to determine that substitutes had taken attendance in accordance with the requirements outlined in the DOE’s Comprehensive Management Information System: Automated Student Attendance Recordkeeping System Handbook. Since we could determine the eligibility of our test students, we present this disclosure finding with no proposed adjustment.

Proposed Net Adjustment

(5,9345)
SCHEDULE E

RECOMMENDATIONS AND REGULATORY CITATIONS
FULL-TIME EQUIVALENT STUDENT ENROLLMENT

RECOMMENDATIONS

We recommend that Florida State University Schools Inc., (Schools) management exercise more care and take corrective action, as appropriate, to ensure that: (1) attendance procedures are properly followed and records are maintained in compliance with Florida Statutes, SBE rules, and the DOE's Comprehensive Management Information System: Automated Student Attendance Recordkeeping System Handbook; (2) student course schedules are reported in accordance with the School's bell schedules; (3) EPs and IEPs are timely prepared and retained in readily accessible files; (4) course schedules for ESE students are reported entirely in ESE; (5) accurate DEUSS dates are obtained for all enrolling students and assessments and ESOL Program continuation decisions by ELL committees are timely and properly documented; (6) the English language proficiency of students being considered for continuation of their ESOL placements beyond the initial 3-year base period is assessed by October 1 if the students' DEUSS anniversary dates fall within the first 2 weeks of the school year, or within 30 school days prior to the students' DEUSS anniversary dates, and ELL Committees are timely convened subsequent to these assessments; (7) parents are timely notified of their child's ESOL placement; (8) ELL students are not reported in Program No. 130 for more than the maximum 6-year period allowed for State funding of ESOL; (9) FTE is not reported for courses when appropriate instruction is not provided; (10) students in Career Education 9-12 who participate in OJT are reported in accordance with timecards that are accurately completed, properly dated, signed, and retained in readily-accessible files; (11) teachers are appropriately certified or, if teaching out of field, are timely approved by the Charter School Board to teach out of field; and (12) parents are timely notified in writing when their children are assigned to out-of-field teachers.

The absence of statements in this report regarding practices and procedures followed by the Schools should not be construed as acceptance, approval, or endorsement of those practices and procedures. Additionally, the specific nature of this report does not limit or lessen the Schools' obligation to comply with all State requirements relating to the classification, assignment, and verification of the FTE student enrollment including teacher certification as reported under the FEFP.

REGULATORY CITATIONS

Reporting
Section 1007.271(21), Florida Statutes, Dual Enrollment Programs
Section 1011.60, Florida Statutes, Minimum Requirements of the Florida Education Finance Program
Section 1011.61, Florida Statutes, Definitions
Section 1011.62, Florida Statutes, Funds for Operation of Schools
SBE Rule 6A-1.0451, FAC, Florida Education Finance Program Student Membership Surveys
SBE Rule 6A-1.045111, FAC, Hourly Equivalent to 180-Day School Year
FTE General Instructions 2018-19
Attendance
Section 1003.23, Florida Statutes, Attendance Records and Reports
SBE Rule 6A-1.044(3) and (6)(c), FAC, Pupil Attendance Records
FTE General Instructions 2018-19
Comprehensive Management Information System: Automated Student Attendance Recordkeeping System Handbook

ESOL
Section 1003.56, Florida Statutes, English Language Instruction for Limited English Proficient Students
Section 1011.62(1)(g), Florida Statutes, Education for Speakers of Other Languages
SBE Rule 6A-6.0901, FAC, Definitions Which Apply to Programs for English Language Learners
SBE Rule 6A-6.0902, FAC, Requirements for Identification, Eligibility, and Programmatic Assessments of English Language Learners
SBE Rule 6A-6.09021, FAC, Annual English Language Proficiency Assessment for English Language Learners (ELLs)
SBE Rule 6A-6.09022, FAC, Extension of Services in English for Speakers of Other Languages (ESOL) Program
SBE Rule 6A-6.0903, FAC, Requirements for Exiting English Language Learners from the English for Speakers of Other Languages Program
SBE Rule 6A-6.09031, FAC, Post Reclassification of English Language Learners (ELLs)
SBE Rule 6A-6.0904, FAC, Equal Access to Appropriate Instruction for English Language Learners

Career Education On-The-Job Attendance
SBE Rule 6A-1.044(6)(c), FAC, Pupil Attendance Records

Career Education On-The-Job Funding Hours
FTE General Instructions 2018-19

Exceptional Education
Section 1003.57, Florida Statutes, Exceptional Students Instruction
Section 1011.62, Florida Statutes, Funds for Operation of Schools
Section 1011.62(1)(e), Florida Statutes, Funding Model for Exceptional Student Education Programs
SBE Rule 6A-6.03028, FAC, Provision of Free Appropriate Public Education (FAPE) and Development of Individual Educational Plans for Students with Disabilities
SBE Rule 6A-6.0331, FAC, General Education Intervention Procedures, Evaluation, Determination of Eligibility, Reevaluation and the Provision of Exceptional Student Education Services
SBE Rule 6A-6.0334, FAC, Individual Educational Plans (IEPs) and Educational Plans (EPs) for Transferring Exceptional Students
SBE Rule 6A-6.03411, FAC, Definitions, ESE Policies and Procedures, and ESE Administrators
Teacher Certification

Section 1010.215(1)(c), Florida Statutes, Educational Funding Accountability
Section 1012.01(2)(a), Florida Statutes, Definitions, Classroom Teachers
Section 1012.42(2), Florida Statutes, Teacher Teaching Out-of-Field; Notification Requirements
Section 1012.55, Florida Statutes, Positions for Which Certificates Required
Section 1012.56, Florida Statutes, Educator Certification Requirements
SBE Rule 6A-1.0502, FAC, Non-certificated Instructional Personnel
SBE Rule 6A-1.0503, FAC, Definition of Qualified Instructional Personnel
SBE Rule 6A-4.001, FAC, Instructional Personnel Certification
SBE Rule 6A-4.0021, FAC, Florida Teacher Certification Examinations
SBE Rule 6A-6.0907, FAC, Inservice Requirements for Personnel of Limited English Proficient Students

Virtual Education

Section 1002.321, Florida Statutes, Digital Learning
Section 1002.37, Florida Statutes, The Florida Virtual School
Section 1002.45, Florida Statutes, Virtual Instruction Programs
Section 1002.455, Florida Statutes, Student Eligibility for K-12 Virtual Instruction
Section 1003.498, Florida Statutes, School District Virtual Course Offerings

Charter Schools

Section 1002.33, Florida Statutes, Charter Schools
NOTES TO SCHEDULES

NOTE A – SUMMARY
FULL-TIME EQUIVALENT STUDENT ENROLLMENT

A summary discussion of the significant features of the Florida State University Schools, Inc., (Schools), the FEFP, the FTE, and related areas is provided below.

1. The Schools

The Schools’ location in Tallahassee, Florida, was established on August 22, 2000, pursuant to Section 1002.32(2), Florida Statutes, as a developmental research chart (laboratory) school (DRCLS), and as a special school district, pursuant to Section 1011.24, Florida Statutes, by Florida State University (FSU). Section 1002.32(3), Florida Statutes, specifies that developmental research schools are to provide a vehicle for the conduct of research, demonstration, and evaluation regarding management, teaching, and learning. Additionally, Section 1002.32(3)(a), Florida Statutes, provides that the primary goal of a developmental research school is to enhance instruction and research in specialized subjects that include mathematics, science, computer science, and foreign languages, while also providing an education in nonspecialized subjects. On February 3, 2003, FSU entered into an agreement with the City of Pembroke Pines (Florida) and sponsored the Pembroke Pines - Florida State University Charter Elementary School (a DRCLS) in Broward County, Florida, as part of FSU’s existing special school district. The Schools offer instruction in Basic Education, ESOL, ESE, and Career Education 9-12 (OJT). The Schools were made up of two charter schools and one virtual education cost center serving PK through 12th-grade students.

In accordance with Section 1002.32(8), Florida Statutes, an Advisory Board has been established to provide general oversight and guidance to the Schools. The chief executive officer of the Schools, pursuant to Section 1002.32(7), Florida Statutes, is a Director or a Principal. The University governance is managed by a Director with overall governance by the Dean of the College of Education.

For the fiscal year ended June 30, 2019, State funding totaling $16 million was provided through the FEFP to the Schools for the Schools-reported 2,430.93 unweighted FTE as recalibrated, which included 2,414.61 unweighted FTE as recalibrated for the two charter schools and one virtual education cost center. The primary sources of funding for the Schools are funds from the FEFP, local ad valorem taxes, and Federal grants and donations.

2. FEFP

Florida school districts and developmental research schools receive State funding through the FEFP to serve PK through 12th-grade students (adult education is not funded by the FEFP). The FEFP was established by the Florida Legislature in 1973 to guarantee to each student in the Florida public school system, including charter schools, the availability of programs and services appropriate to the student’s educational needs that are substantially equal to those available to any similar student notwithstanding geographic differences and varying local economic factors. To provide equalization of educational opportunity in Florida, the FEFP formula recognizes: (1) varying local property tax bases, (2) varying
program cost factors, (3) district cost differentials, and (4) differences in per-student cost for equivalent educational programs due to sparsity and dispersion of student population.

3. FTE Student Enrollment

The funding provided by the FEFP is based on the numbers of individual students participating in particular educational programs. A numerical value is assigned to each student according to the student's hours and days of attendance in those programs. The individual student thus becomes equated to a numerical value known as an unweighted FTE student enrollment. For example, for PK through 3rd grade, 1.0 FTE is defined as one student in membership in a program or a group of programs for 20 hours per week for 180 days; for grade levels 4 through 12, 1.0 FTE is defined as one student in membership in a program or a group of programs for 25 hours per week for 180 days. For brick and mortar school students, one student would be reported as 1.0 FTE if the student was enrolled in six courses per day at 50 minutes per course for the full 180-day school year (i.e., six courses at 50 minutes each per day is 5 hours of class a day or 25 hours per week, which equates to 1.0 FTE). For virtual education students, one student would be reported as 1.0 FTE if the student has successfully completed six courses or credits or the prescribed level of content that counts toward promotion to the next grade. A student who completes less than six credits will be reported as a fraction of an FTE. Half-credit completions will be included in determining an FTE student enrollment. Credits completed by a student in excess of the minimum required for that student for graduation are not eligible for funding.

4. Recalibration of FTE to 1.0

School districts report all FTE student enrollment regardless of the 1.0 FTE cap. The DOE combines all FTE student enrollment reported for the student by all school districts, including the Florida Virtual School. If the combined reported FTE for the student exceeds 1.0 FTE, the DOE recalibrates the reported FTE student enrollment for each student to 1.0 FTE. The FTE student enrollment reported by the DJJ for FTE student enrollment earned beyond the 180-day school year is not included in the recalibration to 1.0 FTE.

All FTE student enrollment is capped at 1.0 FTE except for the FTE student enrollment reported by the DJJ for students beyond the 180-day school year. However, if a student only has FTE student enrollment reported in one survey of the 180-day school year (Survey 2 or Survey 3), the FTE student enrollment reported will be capped at .5000 FTE, even if FTE student enrollment is reported in Survey 1 or Survey 4, with the exception of FTE student enrollment reported by the DJJ for students beyond the 180-day school year.

5. Calculation of FEFP Funds

The amount of State and local FEFP funds is calculated by the DOE by multiplying the number of unweighted FTE in each educational program by the specific cost factor of each program to obtain weighted FTEs. Weighted FTEs are multiplied by the base student allocation amount and that product is multiplied by the appropriate cost differential factor. Various adjustments are then added to obtain the total State and local FEFP dollars. All cost factors, the base student allocation amount, cost differential factors, and various adjustment figures are established by the Florida Legislature.
6. FTE Reporting Surveys

The FTE is determined and reported during the school year by means of four FTE membership surveys that are conducted under the direction of district and school management. Each survey is a determination of the FTE membership for a period of 1 week. The surveys for the 2018-19 school year were conducted during and for the following weeks: Survey 1 was performed July 9 through 13, 2018; Survey 2 was performed October 8 through 12, 2018; Survey 3 was performed February 4 through 8, 2019; and Survey 4 was performed June 10 through 14, 2019.

7. Educational Programs

The FEFP funds ten specific programs under which instruction may be provided as authorized by the Florida Legislature. The general program titles under which these specific programs fall are: (1) Basic, (2) ESOL, (3) ESE, and (4) Career Education 9-12.

8. Statutes and Rules

The following statutes and rules are of significance to the administration of Florida public education:

Chapter 1000, Florida Statutes, K-20 General Provisions
Chapter 1001, Florida Statutes, K-20 Governance
Chapter 1002, Florida Statutes, Student and Parental Rights and Educational Choices
Chapter 1003, Florida Statutes, Public K-12 Education
Chapter 1006, Florida Statutes, Support for Learning
Chapter 1007, Florida Statutes, Articulation and Access
Chapter 1010, Florida Statutes, Financial Matters
Chapter 1011, Florida Statutes, Planning and Budgeting
Chapter 1012, Florida Statutes, Personnel
SBE Rules, Chapter 6A-1, FAC, Finance and Administration
SBE Rules, Chapter 6A-4, FAC, Certification
SBE Rules, Chapter 6A-6, FAC, Special Programs I

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**NOTE B – TESTING**

**FTE STUDENT ENROLLMENT**

Our examination procedures for testing provided for the selection of schools, students, and teachers using judgmental methods for testing the FTE student enrollment including teacher certification as reported under the FEFP to the DOE for the fiscal year ended June 30, 2019. Our testing process was designed to facilitate the performance of appropriate examination procedures to test the Schools' compliance with State requirements relating to the classification, assignment, and verification of the FTE student enrollment including teacher certification as reported under the FEFP. The following schools were selected for testing:

- School
  1. Florida State University School (in Tallahassee)*
  2. The Pembroke Pines Florida*
  3. Florida State University School Virtual School Franchise

* Charter School

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Findings
1 through 10
11 and 12
NA

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January 2021

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MANAGEMENT'S RESPONSE

FLORIDA STATE UNIVERSITY SCHOOLS, INC.
3000 School House Road
Tallahassee, FL 32311
(850) 245-3700   FAX (850) 245-3737
www.fsus.school

To: Auditor General, Ms. Sherrill F. Norman, CPA
Re: FEFP Audit, Florida State University Schools

The following is my response to the report on the examination of full-time equivalent (FTE) students, as reported by the Florida State University School under the Florida Education Finance Program (FEFP) for the fiscal year ending June 30, 2019. I have also included proposed corrective actions as appropriate for the circumstances involved.

This memo confirms receipt of initial FEFP audit report for Florida State University Schools and for Pembroke Pines. Pursuant to Section 11.45(4)(d), Florida Statutes, we are required to submit to the Auditor General within 30 days after receipt of this list a written statement of explanation concerning all the findings, including therein our actual or proposed corrective actions.

3401 Response: Course/Bell schedule corrected. MIS Director to monitor/audit each month and at beginning of school year.

3402 Response: FB located and filed. ESE Director to monitor/audit monthly.

3403 Response: Course schedule amended to reporting in ESE only. ESE Director to monitor/audit monthly.

3404 Response: ESE/USOL Director will audit each student file upon enrollment to ensure that transition plans and appropriate meetings are held each school year. This will also be monitored by the teacher to ensure compliance.

3405 Response: MIS Director and ESE Director to monitor/audit incoming FSUS students to assure timely receipt of all academic records.

3406 Response: FSUS will modify/enhance blended course to accurately document seat time and our innovative approach to curriculum.

3407 Response: Time cards will be audited to assure all are signed and dated in all areas. Timecards will be audited on a monthly basis by the OJT program coordinator to ensure accuracy and compliance. MIS Director will ensure that accurate FTE reporting will be done after verification of timecards during each survey period.

3408 Response: FSUS dual enrollment program coordinator will communicate and work more closely with the FSUS MIS director to ensure more accurate reporting of student enrollment.

3471 Response: Out of field placement teacher was certified in math not reading. Families will receive amended letter to notify them of out of field teacher assignment.

3472 Response: Out of field placement letter that was sent to families will be updated to include teacher name in addition to the content area.

3510 Response: Pembroke Pines adjusted data to assure that schedules/bell schedules match in MIS system.

3512 Response: Pembroke Pines implemented new procedures to ensure written documentation of attendance taken by substitute teachers.

Should you have any additional questions or need information, please do not hesitate to contact me directly at slchambers@fau.edu or via phone at 850.404.4700.

Thank you,

Dr. Stacy L. Chambers/e-sign

Dr. Stacy Chambers
Superintendent/Executive Director
THE FLORIDA STATE UNIVERSITY

Office of Inspector General Services
Suite 407 Westcott Building
222 South Copeland Street
P. O. Box 3061390
Tallahassee, Florida 32306-1390

INVESTIGATIVE REPORT #IR 21-01

February 1, 2021

Subject: Mark Rodin
Former 1 Seminole Productions 2 Director and Teaching Faculty II

PREDICATE

On July 3, 2019, the Office of Inspector General Services (OIGS) received information from Robyn Blank, FSU Chief Compliance and Ethics Officer, related to concerns that Mark Rodin, former Seminole Productions Director and Teaching Faculty II for the College of Communication and Information, was directing Seminole Productions’ revenues associated with an IMG College 3 contract (Attachment A) into a personal bank account external to the University. This issue was discovered as a result of David Coburn, Athletics Director, tasking members of his staff to review Seminole Productions’ budget to better understand how the College of Communication and Information auxiliary was utilizing monies provided by the Athletics Department.

On July 18, 2019, the OIGS reported the allegations of misappropriation of University funds to the FSUPD (Florida State University Police Department). The FSUPD initiated a criminal investigation into the allegation and requested assistance from the OIGS in analyzing data. In addition, the OIGS continued its administrative investigation of whether the executed contract complied with laws, rules, regulations, policies, and procedures applicable to the University. Allegations and conclusions related to the administrative investigation are discussed as follows:

ALLEGATIONS

Original Complaint

1 Mark Rodin resigned from his position at FSU on September 11, 2019.
2 Seminole Productions was established in 1988 as an educational auxiliary unit of the College of Communication and Information (formerly the College of Communication) to train students in the area of media production and performance and serve the university, state and non-profit communities as a cost effective production solution giving students a variety of productions for teaching purposes.
3 IMG College was the name of the contracted vendor for FSU athletics multimedia rights license during the timeframe addressed in this investigation. The vendor was previously International Sports Properties, Inc. (ISP) and is currently Learfield IMG College as a result of a merger completed on December 31, 2018.
Allegation 1: Mark Rodin directed Seminole Productions’ revenues from an IMG College contract for the production of the football coaches show, the Seminole Basketball Report, and the Seminole Sports Magazine into a bank account external to and not under the control of the University.

Additional OIGS Allegations as a Result of the Investigation

Allegation 2: Mark Rodin executed a contract without authority between Seminole Productions and IMG College for the production of the football coaches show, the Seminole Basketball Report, and the Seminole Sports Magazine.

Allegation 3: Mark Rodin did not accurately disclose his contractual relationship with IMG College on his 2012-2018 [a 2018-2019 form could not be located] Florida State University (FSU) Faculty Outside Activity Statements and contrary to his certified Statements, a conflict of interest existed.

CONCLUSIONS

Allegation 1: Substantiated. Based on evidence and testimony obtained, Mark Rodin, without authority or approval, directed the deposit of Seminole Productions’ revenues into a personal business bank account external to the University at First Commerce Credit Union in the name of Seminole Video Production Incorporated from a contract he executed with IMG College for the production of the football coaches show, the Seminole Basketball Report, and the Seminole Sports Magazine. The total amount deposited between October 2012 and February 2019 was $1,235,809.86 (Attachment B). This was a violation of FSU Policy 4-OP-D-2-B 4, Cash Management and FSU Policy 4-OP-D-3 5, Revenue Generating Contracts, as the revenues generated from the Seminole Productions and IMG College contract were University funds and should have been deposited through appropriate University bank accounts for University use. The OIGS confirmed with both the current and former University Controllers (2007 – current) that Rodin was never granted authority to open a bank account for Seminole Productions external to the University.

Policy Considerations

FSU Policy 4-OP-D-2-B, Cash Management effective January 1, 2014, states the following related to bank accounts, “All University funds are required to be deposited through appropriate University bank accounts. The University Controller has responsibility for provision of banking...”

4 Current policy effective January 1, 2014, previous policy title OP-D-2-B, Cash Management and OP-D-2-B11, Cash Handling
5 Current policy effective January 1, 2014, previous policy title OP-D-3, Revenue Generating Contracts
services for the University... University departments should never open an account with a bank or credit union without the expressed written authorization from the University Controller." The previous FSU Policy OP-D-2-B, Cash Management (specifically subsection OP-D-2-B11, Authorization To Establish Bank Account) states, "All University funds are required to be deposited through appropriate University accounts... University departments should never open an account with a private bank or credit union without the expressed written authorization from the University Controller."

FSU Policy 4-OP-D-3, Revenue Generating Contracts (Previous FSU Policy OP-D-3, Revenue Generating Contracts, contained identical language) states the following related to revenues,

"5. DEPOSIT OF REVENUES IN APPROPRIATE UNIVERSITY ACCOUNTS

All monies received by the University, its divisions, departments, and centers as a result of the execution of a revenue-generating contract must be deposited in an appropriate University account."

Other Policy Considerations Related to this Allegation

FSU Policy 4-OP-C-13, University Policy Against Fraudulent, Unethical And Other Dishonest Acts, is intended to communicate a "zero tolerance" policy for fraudulent, unethical and other dishonest activities and provides examples of policy violations. The OIGS concluded the following acts are a violation of the policy:

- Mark Rodin presented an updated W-9\(^6\) (requested by IMG College due to a Federal Employer Identification Number change by Rodin) to IMG College which identified Rodin's personal business, Magic Memories Video, Incorporated was doing business as Seminole Productions.

The established auxiliary within the College of Communication and Information which provides production services to entities doing business through the auxiliary is Seminole Productions. The auxiliary is the only active entity that exclusively uses the name Seminole Productions. As the Executive Director of Seminole Productions, Rodin did not have the authority to represent that his personal business, Magic Memories Video, or any other business outside of the University, was conducting business as Seminole Productions as this was a misrepresentation to IMG College.

**Allegation 2: Substantiated.** Based on evidence and testimony obtained, Mark Rodin executed a contract with IMG College, without authority or approval, for Seminole Productions to produce the football coaches show, the Seminole Basketball Report and the Seminole Sports Magazine. The contract was not submitted to University officials for review, did not contain the required signature of an official at the vice presidential level or an appointed designee, and did not contain terms and conditions as required by policy. As a long-standing University employee and director

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\(^6\) A W-9 Request for Taxpayer Identification Number and Certification is an Internal Revenue Service Form used by businesses to obtain information from contractors for reporting purposes.
of the auxiliary, Rodin should have been aware of the University’s policies and requirements related to the execution of contracts. Additionally, Rodin was reminded of these contractual requirements in 2006, as part of the findings associated with an OIG’s Audit (Audit Number AU 07-002) of Seminole Productions. The findings highlighted that Seminole Productions was not properly following contractual requirements as required by University policy. Rodin’s sole execution of the contract with IMG College was a violation of FSU Policy 4-OP-D-3, Revenue Generating Contracts.

Policy Considerations

FSU Policy 4-OP-D-3\(^8\), Revenue Generating Contracts effective January 1, 2014 states,

"B. OVERVIEW

Revenue generating contracts at Florida State University that meet the parameters below, must be reviewed by the University General Counsel, University Controller, the Office of Business Services and have a vice-presidential level signature along with all other required signatures.

1. Revenue contracts by which the University will gain a pecuniary benefit of $10,000 annually or;
2. Revenue contracts that have the potential for revenue growth that will exceed $10,000 in any given year or;
3. Revenue contracts having a term of five (5) years or more, including extensions.

All revenue contracts meeting the above requirements to be reviewed...will be required to provide written evidence of such approval.

E. TERMS AND CONDITIONS

...During the review process...the University General Counsel can give guidance as to what specific Terms and Conditions a division, department, center or institute needs to include..."

The previous FSU Policy OP-D-3, Revenue Generating Contracts states,

"OVERVIEW

Revenue generating contracts at Florida State University must be reviewed by the University General Counsel, University Controller and have an authorized signature. Terms and conditions set forth in these contracts are representative of such areas as travel expenses, governing law, sexual harassment and FSU trademarks and symbols...

C. SIGNATURE AUTHORITY

\(^7\) The Office of Inspector General Services was previously known as the Office of Audit Services until November 2012.
\(^8\) Current policy version as of January 1, 2014, previous policy title OP-D-3, Revenue Generating Contracts.
All revenue-generating contracts between the University or its subordinate divisions, departments, institutes or centers and internal/external entities must be signed by an official at the vice-presidential level or the appointed designee.

A. REVIEW BY THE UNIVERSITY GENERAL COUNSEL
   All contracts entered into by the University and any of its subordinate divisions, departments, institutes and centers, by which the University will gain a pecuniary benefit of $10,000 or more, must first be reviewed by the University General Counsel or designee.

B. REVIEW BY THE UNIVERSITY CONTROLLER
   All contracts entered into by the University and any of its subordinate divisions, departments, institutes and centers, by which the University will gain a pecuniary benefit of $10,000 or more, must then be reviewed by the University Controller or designee."

Previous OIGS Audit Considerations

The OIGS issued an audit (Audit Number AU 07-002) related to Seminole Productions on October 6, 2006. A summary of one of the observations of the audit states, “Contrary to University policy, the Auxiliary entered into letters of agreements, or contracts, which were not reviewed by the General Counsel and Controller.”

The planned action to address the issue identified stated, “The Auxiliary Director [Mark Rodin] will work with the University’s Office of the General Counsel to determine the extent of contracts necessary for internal clients and will submit external contracts for review, guidance, and signatures, as required by University policy and procedures.” The action was to be established immediately.

Mark Rodin was a recipient of the final audit report dated October 6, 2006 and was the designated party responsible for addressing the issue related to contracts.

Allegation 3: Substantiated. Based on evidence obtained, Mark Rodin did not accurately disclose his contractual relationship with IMG College on his fiscal year 2012-2018 FSU Faculty Outside Activity Statements. Although Rodin completed and submitted Outside Activity Statement Forms each year, that was not sufficient because the work that he characterized as “outside activity” was actually work that he was being paid to perform as part of his position at FSU. Rodin inaccurately stated on the forms that his activities with IMG College were not a conflict of interest and that he was not using university resources to complete these activities when in actuality university employees and students were using university resources, equipment and facilities to complete the work. Such inaccurate certification and disclosure is a violation of Florida Law, conflicts with guidance provided in the FSU BOT-UFF Collective Bargaining Agreement, the FSU Faculty Handbook, and FSU Policy OP-C-7-G7, Standards for Employee Ethics and communication relating to outside employment and conflicts of interest.

Florida Law and Policy Considerations
Section 112.313(7)(a), Florida Statutes, The Code of Ethics for Public Officers and Employees, Conflicting Employment or Contractual Relationship states, "No public officer or employee of an agency shall have or hold any employments or contractual relationship with any business entity or any agency which is subject to the regulation of, or is doing business with, an agency of which he or she is an officer or employee...nor shall an officer or employee of an agency have or hold any employment or contractual relationship that will create a continuing or frequently recurring conflict between his or her private interests and the performance of his or her public duties or that would impede the full and faithful discharge of his or her public duties."

FSU Policy OP-C-7-G7, STANDARDS FOR EMPLOYEE ETHICS, states, "...All employees are governed by the provisions of Chapter 112, Florida Statutes, setting standards of conduct for public employees and mandating the disclosure of certain financial interests."

Article 19 or the FSU BOT-UFF Collective Bargaining Agreement provides that a faculty member is bound to observe, in all official acts, the highest standards of ethics consistent with the code of ethics of the State of Florida (Chapter 112, Part III, Florida Statutes), the advisory opinions rendered with respect thereto, and University rules. The article goes on to state in part that a conflict of interest is any conflict between the private interest of the faculty member and the public interest of the University and any activity that interferes with the full performance of the faculty member's professional or institutional responsibilities or obligations is prohibited. Further, a faculty member who proposes to engage in any outside activity which the member should reasonably conclude may create a conflict of interest shall report to the member's supervisor in writing, the details of such proposed activity.

The FSU Faculty Handbook, Section 4: Faculty Employment Practices addresses employment outside the University and guidance provided to faculty members is consistent with the Chapter 112, Florida Statutes and the FSU BOT-UFF Collective Bargaining Agreement. The Handbook provides language specifically directed to faculty and academic staff to prohibit an employee from having an employment or contractual relationship with a business entity which is doing business with the State University System or any of its institutions and further prohibits an employee from having an employment or contractual relationship that will create a continuing or frequently recurring conflict between the employee's private interest and the performance of assigned duties. The Handbook also makes clear that the responsibility for complying with the provisions of Florida law is placed upon the faculty or staff member.

To implement the above, the Vice President for Faculty Development and Advancement annually provides to all members of the faculty and all instructors a memorandum describing important university policies to include General University Policies relating to outside employment and conflict of interest. In addition, the Vice President annually sends a memorandum to Deans, Directors, and Department Heads stating that faculty members shall each year review the Collective Bargaining Agreement and the Faculty Handbook, Section 4 relating to Outside Activity/Conflict of Interest. The memorandum states that faculty members that plan to engage in outside employment must complete the Florida State University Faculty Outside Activity Statement form (FSU Form FOA 802) (Attachment C). The Form is made available to faculty
and provides a definition of “Outside Activity” and “Conflict of Interest,” and further describes policy.

The definitions provided in the Faculty Outside Activity Statement (last revised in 2017) state that outside activity is “private practice, private consulting, additional teaching or research, or other professional activity, compensated or uncompensated, which is not part of the faculty member’s assigned duties and for which the university has provided no compensation.” Conflict of interest is defined as “any conflict between the private interests of the faculty member and the public interests of the university, or the State of Florida, including conflicts of interest specified under Florida Statutes, or any activity which interferes with the full performance of the faculty member’s professional or institutional responsibilities or obligations. Conflicts of interest, including those arising from University or outside activities, are prohibited.”

Rodin’s Assignment of Responsibilities form for his position denotes that 50% of his time was allocated to teaching courses for the School of Communication as a Teaching Faculty II and 50% of his time was allocated to service which included his duties as the Executive Director of Seminole Productions. Rodin instructed a class entitled Advanced Feature Production class (RTV4682) for the School of Communication. According to the syllabi for Fall 2018 and Spring 2019 classes, students were mainly creating features for Seminole Sports Magazine as part of their grade but would also provide features for the Leonard Hamilton [Seminole Basketball Report], Mike Martin [baseball] and Willie Taggart [football] coaches shows when needed. The Fall 2017 syllabus explains that students would be creating features for Seminole Sports Magazine as part of their grade. All of these shows were stated in the deliverables of the unapproved contract executed by Rodin with IMG College for which Rodin directed the revenues into his personal business account. Additionally, the football coaches show, the Seminole Basketball Report and Seminole Sports Magazine are all listed on Rodin’s School of Communication Annual Evaluation Form as activities associated with his teaching position.

Rodin received compensation from the University for his Teaching Faculty II position and additionally received administrative pay of approximately $13,500 annually beginning January 2014 for his duties as director of Seminole Productions. Based on the definition of outside activity, none of the deliverables associated with the contract Rodin executed with IMG College would be considered outside activity due to the association of the deliverables to Rodin’s assigned duties for which he received compensation from the University.

The OIGS concluded that several concerns exist related to the inaccurate information provided by Rodin in the completion of his Faculty Outside Activity Statements. For example, Rodin consistently checked “No” when he completed the Faculty Outside Activity Statements to certify that he did not have an “interest in and/or an employment or contractual relationship with a business entity that is or might be doing business with the state university system or any of its institutions.” First, Rodin executed a contract (without authority) between Seminole Productions and IMG College, during the timeframe that IMG College also had a separate multimedia contractual relationship with the University and that knowledge should have been disclosed on the Faculty Outside Activity Statement. Second, Rodin by representing Seminole Productions in the
contract he signed with IMG College and then by directing contract revenues to his personal business bank account outside the University, he effectively established a contractual relationship with IMG College that should have been disclosed as a conflict of interest. These circumstances were a conflict of interest and should have prevented his action to sign the outside activity form certifying he had no conflict of interest and that his involvement was not a misuse of his official connection with FSU.

Additionally, we concluded that Rodin’s actions to enter into a contract with IMG College without approval or authority and the deposit of Seminole Productions’ revenues into his personal business account external to the University was (rather than outside employment as defined by the University) both a conflict of interest under University policy and Section 112.313(7), Florida Statutes. Had Rodin accurately disclosed this conflict, approval would have been addressed and resolved through University policies.

In addition, Rodin consistently and inaccurately certified on the Faculty Outside Activity Statements there would be “no” use of university equipment, supplies, personnel or space in the outside employment. Based on evidence provided, IMG College paid Seminole Productions $1,235,809 from October 2012 to February 2019 for contract deliverables. Rodin directed IMG College to deposit these monies into his personal business bank account external to the University. It is not apparent how Rodin could certify that no university equipment, supplies, personnel, or space would be used in providing the contract deliverables when those contract deliverables were almost entirely dependent upon University resources (equipment, space, faculty, staff, and student efforts). The deliverables for the contract between Seminole Productions and IMG College would not have been possible without the use of Seminole Productions’ (University) equipment, Seminole Productions’ staff and School of Communication students.

In addition, we note that Rodin completed his Faculty Outside Activity Statements to describe the nature of his proposed activity with IMG College as “Consulting.” The form defines outside activity (to include consulting) as activity that is not part of the faculty member’s assigned duties. We also noted that in our interview of the IMG College executive, he clearly had the impression that Rodin, by signing the contract for Seminole Productions was representing the University as an employee and not as a private consultant in his own capacity. Based on the form definition of outside employment, Rodin’s use of the term “consulting” as it related to IMG College was inaccurate.

**SUMMARY OF INVESTIGATIVE FINDINGS**
The OIGS met with David Coburn on July 11, 2019, to discuss his concerns related to Seminole Productions. Coburn recently became the Athletics Director and was concerned about Rodin's continued requests to Athletics for increased Seminole Productions’ funding. Coburn tasked some of his staff to include Ross Cobb, Senior Associate Athletics Director Budget and Services, and Jason Dennard, Associate Athletics Director for New Revenue Generation and Marketing, with researching the issue and providing him with feedback.

In Dennard's interview with the OIGS on July 17, 2019, he explained that he worked with Keri Blackledge, Senior Accounting Specialist, (tasked by Cobb to assist Dennard) to review budget information and history for Seminole Productions and noticed that revenue from IMG College was not included. Dennard was previously employed with IMG College and was aware that Seminole Productions had a contract with IMG College associated with the production of television shows to include the football coaches show, the Seminole Basketball Report and Seminole Sports Magazine.

Based on this knowledge, Dennard obtained a copy of the contract between IMG College and Seminole Productions and other documentation from Jason Garrow, General Manager Learfield IMG College (Garrow’s office is located at FSU) and provided a copy of the documentation he obtained from IMG College to the OIGS which included the following documents:

- The Letter of Agreement, contract, between Seminole Productions and IMG College (2012-2017 with an attached amendment which extended the contract through June 30, 2019);
- A spreadsheet listing all payments made to Seminole Productions from IMG College via ACH (automated clearing house) and check (there were three payments made to Seminole Productions via check dated July 23, 2012, December 15, 2017 and February 26, 2018) beginning October 15, 2012 and ending on February 26, 2019;
- Bank account information provided by Rodin to IMG College on September 5, 2018, indicating a Seminole Productions' bank account at First Commerce Credit Union;
- Supporting documentation for each payment made by IMG College to Seminole Productions, and
- A W-9 signed, dated and submitted to IMG College by Rodin on September 5, 2018, which indicated that his personal business, Magic Memories Video, Incorporated, was doing business as Seminole Productions.

The OIGS verified the documentation obtained by Dennard via a telephone interview with Mark Covington, Vice President Television Learfield IMG College, located in Winston-Salem, North Carolina on July 19, 2019. In his interview, Covington stated that he worked with Seminole Productions as a vendor for IMG College related to the television shows identified in the contract since 2012. Covington initially had contact with Rodin on a regular basis until the contract with

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9 David Coburn was named interim director of athletics in August 2018 and was appointed as athletics director on May 10, 2019.
10 An electronic funds-transfer system that facilitates payments in the United States.
Seminole Productions was established and then only had contact at the beginning of the year to discuss planning. Day to day interactions, if needed, would be the responsibility of Jason Garrow, General Manager Learfield IMG College (Garrow’s office is located at FSU). Covington was asked how payments to vendors are generated by IMG College and he stated that payments would be generated based upon the schedule established in a contract and would not require the submission of an invoice. Covington stated that the contract was with Seminole Productions associated with Florida State University. Covington said that he knew Seminole Productions had some type of relationship with athletics and communications but did not know all of the details. Covington did not have any reason to question anything about the contract during the time that he worked with Rodin because of IMG College’s relationship with the University.

The OIGS conducted an interview with Garrow on August 1, 2019, and determined he has been in his position since August 2018. Garrow’s team sells the production shows to sponsors for advertising. Garrow is aware that Seminole Productions has a contract with IMG College which was executed by Covington and Rodin as the Seminole Productions director. Garrow obtained information for Dennard related to the IMG College contract with Seminole Productions from Covington. He has had little contact with Rodin since arriving at FSU because the contract with Seminole Productions was already established and he has no association with the financial aspects of contracts as that is handled by Alisha Shields, Finance Director South Region Multimedia Rights Learfield IMG College, located in Winston-Salem, North Carolina.

On July 19, 2019, the OIGS conducted an interview with Shields via telephone and verified the spreadsheet of payments made to Seminole Productions from IMG College (Shields provided an updated spreadsheet via email later that day which documented all payments to Seminole Productions from IMG College from October 2012 through February 2019), the 2018 W-9 submitted to Learfield IMG College by Rodin, and the ACH bank information document submitted by Rodin for Seminole Productions to receive payments from Learfield IMG College. Additionally, Shields provided copies of the three cancelled checks to Seminole Productions dated July 23, 2012, December 15, 2017, and February 26, 2018.

On September 5, 2018, Rodin submitted a new W-9 for Seminole Productions to IMG College which identified that his personal business, Magic Memories Video, Incorporated, was doing business as Seminole Productions. Shields was asked about the reason for the updated W-9 submission and later confirmed via email conversation beginning July 30, 2018, that Rodin requested an FEIN number change to his account which prompted a request for new ACH bank information to establish a new vendor in IMG College’s system.

The OIGS concluded that Rodin’s misrepresentation to IMG College of his personal business, Magic Memories Video, Incorporated, doing business as Seminole Productions was a violation of FSU Policy 4-OP-C-13, University Policy Against Fraudulent, Unethical And Other Dishonest Acts. (OIGS Note: There is no active outside entity known as Seminole Productions per the State of Florida, Department of State, Division of Corporations website. Rodin formed a corporation entitled, iSeminole Video Productions, Incorporated in September 2007, but the corporation was voluntarily dissolved in March 2010.) The only University recognized and authorized entity
entitled Seminole Productions is the auxiliary associated with the School of Communication and Information at FSU.

The ACH banking information submitted by Rodin to IMG College on September 5, 2018, was the same bank account number and routing information as the Seminole Video Production, Inc. Florida Commerce Credit Union account which had been used for remittance payments from IMG College since the contract was established in 2012. Shields stated that the name change would not have prompted any questions from the Learfield IMG College accounting staff because the vendor name (Seminole Productions) was still listed on the document.

The OIGS conducted a review of the University auxiliary account revenues associated with Seminole Productions and the cancelled checks provided by Shields and determined the only IMG College check recorded in the University’s records was for $44,749.50 on March 3, 2018 (the cancelled check for February 26, 2018). All other ACH payments to Seminole Productions from IMG College were deposited into the Seminole Video Productions, Inc. account at Florida Commerce Credit Union controlled by Rodin. Two additional checks dated July 23, 2012 and December 15, 2017, were also deposited into the Seminole Video Productions, Inc. account at Florida Commerce Credit Union, as indicated by the deposit endorsements on the cancelled checks. The OIGS also conducted a review of records associated with the Seminole Productions auxiliary account and did not identify any monies coming back to the University from Rodin.

Based on the above, we conclude that Mark Rodin should not have represented Magic Memories Video, Inc. as doing business as Seminole Productions as Seminole Productions is the name of an established University auxiliary for which he was familiar and for which he had no ownership or authority to sign contracts for on behalf of the University.

The OIGS concluded that Rodin’s direction of revenues associated with the unauthorized contract Seminole Productions had with IMG College into an external private business bank account at Florida Commerce Credit Union was a violation of FSU Policy 4-OP-D-2-B, Cash Management effective January 1, 2014 (previously FSU Policy OP-D-2-B, Cash Management) and FSU Policy 4-OP-D-3, Revenue Generating Contracts (previously FSU Policy OP-D-3, Revenue Generating Contracts).

The OIGS conducted a review of the Letter of Agreement, contract, between Seminole Productions and IMG College which was executed and signed by Mark Covington on July 10, 2012 and Mark Rodin on July 17, 2012. The contract identifies the following parties:

- Seminole Productions, with its principal offices at 403 Stadium Drive, Suite D2226, Tallahassee, FL 32306-2340 (Moore Athletics Building); and
- IMG College, Incorporated, with its principal offices at 540 North Trade Street, Winston-Salem, NC 27101.

Rodin’s use of an FSU address (principal offices at 403 Stadium Drive) further supported Covington’s belief that IMG College was contracting directly with the University.
The dates of the agreement are from August 1, 2012 through June 20, 2017. The agreement establishes the deliverable expectations for Seminole Productions related to the football coaches show, the Seminole Basketball Report, and Seminole Sports Magazine. The established payment schedule was four payments per year (August 1st, October 15th, January 1st and March 1st) of $44,749.50 for the initial five year contract payable to Seminole Productions at the same address as their principal offices. There were subsequent amendments to the contract which annually extended the terms of the contract for two years (through June 30, 2019).

Although required by FSU Policy 4-OP-D-3, Revenue Generating Contracts (and previous FSU Policy OP-D-3), the original contract executed in 2012, was not properly vetted through the University General Counsel or the Controller’s Office, was not signed by someone at the vice-presidential or designee level, and did not contain additional University required standard terms and conditions as required.

Rodin submitted Faculty Outside Activity Statements from 2012-2018 (the fiscal years which coincide with the dates of the IMG College contract) which show he was performing consulting work for the Seminole Boosters/IMG (the only exception is the 2015-2016 form which only lists the Seminole Boosters even though he was also receiving payments from IMG College during that period).

FSU Form FOA 802 (FSU Outside Activity and Conflict of Interest) provides that “Outside activity is defined as private practice, private counseling, additional teaching or research, or other professional activity, compensated or uncompensated, which is not part of the faculty member’s assigned duties and for which the university has provided no compensation.” Additionally the form provides that “Conflict of interest is defined as any conflict between the private interests of the faculty member and the public interests of the university, or the State of Florida, including conflicts of interest specified under Florida Statutes, or any activity which interferes with the full performance of the faculty member’s professional or institutional responsibilities or obligations. Conflicts of interest, including those arising from University or outside activities, are prohibited.”

The following is part of the policy statement related to Outside Activity and Conflict of Interest and provides that FSU “encourages University faculty and academic staff to undertake outside activities, subject to the conditions stated in this policy on outside activity, that will increase the employee’s professional reputation and service to the community. If an outside activity is undertaken, the faculty member or academic staff must take reasonable precautions to ensure that the outside employer or other recipient of services understands that the faculty member or academic staff is engaging in such outside activity as a private citizen and not as an employee, agent, or spokesperson of the University.” Based on evidence obtained, Mark Rodin did not accurately disclose his contractual relationship with IMG College on his fiscal year Faculty Outside Activity Statements as a conflict of interest which should have been disclosed due to the University’s multimedia rights contract with IMG College. Additionally, it was Rodin’s responsibility to ensure that IMG College knew they were contracting with him as a private citizen.
and not as an employee, agent, or spokesperson of the University. As discussed below, Rodin’s actions were a violation of FSU Policy OP-C-7-G7, Standards for Employee Ethics.

FSU Policy and Florida Statute Considerations

FSU Policy OP-C-7-G7, STANDARDS FOR EMPLOYEE ETHICS, states, "...All employees are governed by the provisions of Chapter 112, Florida Statutes, setting standards of conduct for public employees and mandating the disclosure of certain financial interests."

Section 112.313(7)(a), Florida Statutes, The Code of Ethics for Public Officers and Employees, Conflicting Employment or Contractual Relationship states, "No public officer or employee of an agency shall have or hold any employments or contractual relationship with any business entity or any agency which is subject to the regulation of, or is doing business with, an agency of which he or she is an officer or employee...nor shall an officer or employee of an agency have or hold any employment or contractual relationship that will create a continuing or frequently recurring conflict between his or her private interests and the performance of his or her public duties or that would impede the full and faithful discharge of his or her public duties."

Interview of Larry Dennis, College of Communication and Information Dean

The OIGS conducted a sworn, recorded interview with Larry Dennis on July 30, 2019 and subsequently on September 6, 2019 and December 2, 2019. Dennis has been the Dean of the College of Communication and Information since 2009. Dennis has been Rodin’s supervisor since 2009 and explained that Rodin teaches classes for the School of Communication and is the director of Seminole Productions.

Dennis was asked about the approval of Rodin’s Outside Activity Statements from 2012-2018 (2012 was the only year that was unsigned by a supervisor) as the form inquires about the faculty member (or their immediate family member) having “an interest in and/or a contractual relationship with a business entity that is or might be doing business with the state university or any of its institutions” Rodin consistently checked “No” to this question on these forms even though the University had a contractual multimedia rights contract with IMC College. Dennis’s interpretation of this question was that neither the faculty member nor their family had an employment or contractual relationship with an entity contracting with the University other than the outside activity disclosed on the form. Dennis said that he “assumed” Rodin was performing consulting for IMC College external to the University because Rodin is respected in the profession and may have been asked to assist in helping other universities accomplish what FSU has accomplished. Dennis would not have seen any of the payments that Rodin received for any external consulting work but he thought they [Seminole Productions] were receiving payments for the shows but he is not sure if that money was coming through IMC College, the Seminole Boosters or Athletics. Dennis was later asked how he would have handled Rodin’s request if he had checked yes to the question related to having an interest in and/or a contractual relationship with a business entity that is or might be doing business with the state university or any of its institutions and Dennis stated, “I would have told him not to do it.”
Dennis was shown a copy of the contract between IMG College and Seminole Productions and asked if the deliverables for the contract were part of Rodin's job duties or consulting based upon the definition provided with the form. (OIGS Note: The definition of outside activity for the purposes of completing the Faculty Outside Activity Statement includes "private practice, private consulting, additional teaching or research, or other professional activity, compensated or uncompensated, which is not part of the faculty members assigned duties and for which the university has provided no compensation.") Dennis responded, "Well, I mean there is more here than one person can do." Dennis said he would assume that it was Rodin's responsibility to ensure the deliverables were met. When Dennis was asked if he thought the deliverables were a part of Rodin's job duties associated with Seminole Productions which accounted for 50% of his overall responsibilities or his teaching for the School of Communication which accounted for the other 50% of his responsibilities, Dennis responded, "Well, yes in a general sense, I, in the sense that we were producing these programs for people and it was his job to make sure that happened." Dennis also stated that he thinks the deliverables were "mostly assigned to other people to do." Dennis said that students are also involved and work on these types of shows [coaches shows] as a learning opportunity but he is not sure which classes and exactly what is required.

Dennis was asked if he thought that Rodin was being paid by IMG College for assigned duties that he was being compensated for by the University and he stated, "That's correct." Dennis was also asked if it appeared to him that Rodin was representing the University by signing the contract with IMG College and using Seminole Productions' address and he stated, "Yeah, it would seem that way."

Rodin consistently checked "No" as his response on the Faculty Outside Activity Statements related to the use of University equipment, supplies, personnel, or space to complete the outside activity. Prior to the December 2, 2019 interview, Dennis had not seen the contract. Upon receiving and reading the contract he was asked if he thought it was possible for Rodin to provide the contractual services Rodin agreed upon in the contract and Dennis stated, "I don't think so...I can't imagine how you can do this without FSU equipment or personnel for that matter." Dennis's additional response about the use of FSU equipment was "...this whole contract just bothers the heck out of me because I, I'm not sure why he represented or, or decided to say, Oh, I represent Florida State University and I am authorized to sign this contract with IMG because I would have said he's not...but knowing who's been doing this work there were both FSU employees and FSU equipment and facilities involved in doing these things." Dennis was asked how he would have handled Rodin's request if he had answered yes to the question about using University equipment, etc. and Dennis stated, "I guess I would have told him not to do it."

Dennis agreed that he has an expectation that information provided to him by faculty on the Faculty Outside Activity Statement is accurate but he has no way of knowing if he is receiving accurate information or not. Dennis said that in this case if accurate information had been provided by Rodin the forms would not have been approved. Dennis said that he thinks Rodin was getting paid twice for the same thing [by the University for his job duties and by IMG College]. Dennis also
commented that the contract deliverables are not consulting, “it’s the production of television shows, it’s not consulting.”

In his interviews, Dennis responded that he was not familiar with any external bank accounts associated with Seminole Productions and he did not have any conversations with Rodin related to where payments for the coaches shows were being deposited. Dennis stated, “No” when asked if he ever gave Rodin permission to open an external bank account associated with Seminole Productions and “No” when asked if he ever approved Rodin directing revenues intended for Seminole Productions into an external bank account. When Dennis was asked where revenues for an established auxiliary should be deposited, he stated in the “University auxiliary account for that organization.”

Dennis was asked if the payments identified in the contract between Seminole Productions and IMG College should have been coming to the University and he said that if the payments were for the production of the shows then the money should have come to the University.

**Interview of Jim Garbarino, Senior Director of Programming for Seminole Productions**

The OIGS conducted sworn, recorded interviews with Jim Garbarino on August 2, 2019 and August 5, 2019. Garbarino has been employed at Seminole Productions for 23-24 years and handles production for television shows and videos. Garbarino has never seen the contract that Seminole Productions has with IMG College.

Garbarino said that Seminole Productions operates at essentially a zero balance because auxiliaries are not allowed to make a profit. Seminole Productions is dependent upon disbursements throughout the year from FSU Athletics. Garbarino never heard Rodin talk about any external accounts associated with Seminole Productions and never heard him mention a bank account at First Commerce Credit Union. Garbarino was asked to explain the personnel and equipment involved in a television show production. Garbarino explained that a show production crew generally consists of an executive producer, one or two associate producers and the remainder are students. The amount of equipment used would include two cameras, two light kits and tripods if the filming is being done in the studio. Highlights and features are taped last and then the producer puts everything together for a finished product. Garbarino was asked how the final product was delivered to IMG College and he said Seminole Productions provides the final package to WFSU (this step is handled by the producer) via a computer folder sharing capability (for the last three to four years) and WFSU uplinks that package to Fox Sports Florida for airing. Prior to the folder sharing for uplink, the final package tape had to be physically dropped off at WFSU which was done by the producer. Garbarino was asked if Rodin ever conducted any reviews or performed edits of any of the packages before uplink or delivery and he stated, “...he wouldn’t be involved in that process at all.”

The OIGS asked Garbarino about each deliverable listed on the contract between Seminole Productions and IMG College (See Attachment A). Each deliverable was formed into a direct question about whether or not Garbarino’s production team completed the listed task. All thirteen
deliverables listed alphabetically A to M under heading number 1. *Produce and direct the FSU football coaches show*, were identified by Garbarino as being completed by his production team at Seminole Productions. Garbarino also identified all eleven deliverables listed A to K in the contract under heading number 2. *Produce and direct the Seminole Basketball Report*, as being completed by his production team at Seminole Productions. When asked, Garbarino estimated that Rodin’s involvement in the shows was “less than 10%.”

Garbarino was asked if Rodin had any involvement in the production or editing associated with any of these deliverables. Garbarino said that Rodin had no direct involvement with production or editing as that was Garbarino’s responsibility. Rodin may have negotiated the fees associated with the uplink through WFSU to Fox Sports Florida but had no other direct day to day involvement with the football or basketball coaches shows.

The final section of the contract under heading 3. *Produce and direct Seminole Sports Magazine*, identifies eleven deliverables listed A to K. Garbarino identified that these deliverables are associated with a class titled “Advanced Feature Production” which he assists Rodin in teaching through the School of Communication.

Garbarino provided the syllabi for the classes from Fall 2017, Fall 2018, Spring 2019 and Fall 2019 semesters. In the syllabi for the classes under assignments it explains, “This course mainly provides features for *Seminole Sports Magazine*” (The Fall 2019 syllabus references *Seminole Rising* which is the name that has replaced *Seminole Sports Magazine*). The Spring 2019 syllabus also explained in assignments that students “will also provide features for the Leonard Hamilton [basketball], Mike Martin [baseball] and Willie Taggart [football] shows when needed.”

**Interview with Kirby Kander, Senior Director Live Events for Seminole Productions**

The OIGS conducted a sworn, recorded interview with Kirby Kander on August 5, 2019. Kander has been employed with Seminole Productions since November 2014. Kander’s team handles live events, and integrating/creating sponsor information for IMG College to be displayed on the scoreboard/video boards during games. When Kander was asked what role Rodin plays in relation to his job he said that Rodin manages both his and Garbarino’s positions, handles the budget and other purchase and business approvals. Kander said that Rodin does not have any daily responsibility when it comes to Kander’s responsibilities except that he may occasionally provide feedback.

Kander has never seen the contract that Seminole Productions has with IMG College and has no knowledge about payment details which was handled by Rodin. Kander has never heard Rodin mention any external account associated with Seminole Productions or a bank account at First Commerce Credit Union.

**Interview with Gary Heald, former Associate Dean College of Communication and Information, former School of Communication Director and current Specialized Teaching Faculty**
On August 22, 2019, the OIGS conducted a recorded telephone interview with Gary Heald. Heald became the Associate Dean of the College of Communication in the early 1990s, retired in 2013 and has since returned as the Director of the School of Communication.

Heald said his responsibility related to Seminole Productions was to monitor the financial status to ensure the auxiliary had money. Heald explained that the College of Communication would be required to support some of Seminole Productions’ expenses in advance until they received payment once a project was completed. The College of Communication would be responsible for making up the difference if the payment was never received. Heald was responsible for awareness of contract terms due to the potential exposure to the College of Communication.

Heald was asked about his approval signatures on Rodin’s Faculty Outside Activity Statements for 2016 and 2017. Heald said he is familiar with Rodin conducting outside activity and noted that he is unfamiliar with any contracts that Rodin had with any entity he may have been providing consulting work. Heald said that his concern would have been the use of University facilities, time and interference with teaching assignments when he reviewed and signed Outside Activity Forms for faculty.

Heald was asked if he ever had any conversations with Rodin about where the revenues for Seminole Production contracts with the multimedia vendors for coach’s shows was being deposited and he said, “No.” Heald said the money should have been deposited into the FSU Seminole Productions account. Heald stated that cash handling and other training at the University provided guidance related to accounting for revenue. Heald said that Rodin would have also had interactions with the Auxiliary Service Board since he was the director of an auxiliary.

Heald stated Rodin never had any conversations with him about any external accounts associated with Seminole Productions. Heald was asked if he ever approved Rodin to open an external bank account associated with Seminole Productions and he said, “No, no way.”

**Interview with John Mayo, current Adjunct Faculty Administrator College of Social Sciences and Emeritus Dean and Professor College of Communication and Information**

The OIGS conducted a sworn, recorded interview with John Mayo on August 29, 2019. Mayo was the Dean for the College of Communication from July 1994 through February 2009 when he retired. In his interview, Mayo stated that Rodin taught classes for the College of Communication and Information related to media production. Mayo did not have any direct role related to Seminole Productions and was unfamiliar with any of Seminole Productions’ contractual relationships.

Mayo was aware that payments were made to Seminole Productions from the multimedia rights vendors over the years but he never saw the payments and was not responsible for the administration. Mayo was asked of Rodin ever had any conversations with him about where the revenues from Seminole Productions’ contracts for the coaches shows was being deposited or if Rodin ever discussed an external bank account at First Commerce Credit Union and he replied,
"No." Mayo was asked where revenues from an established FSU auxiliary account should be deposited and he stated, "...with the University...in some form."

Mayo was provided a copy of an audit report completed by the OIGS in 2006 related to Seminole Productions, and he stated that he did not recall anything about the audit findings related to Seminole Productions. Mayo was asked if he ever approved Rodin to open up an external bank account associated with Seminole Productions and he stated, "No."

Interview with Jennifer Proffitt, Director School of Communication

The OIGS conducted a sworn, recorded interview of Jennifer Proffitt on October 22, 2019. The interview was conducted as a result of new information obtained from the statement provided to the OIGS by Stephen Turner, Attorney for Rodin, on October 3, 2019.

Proffitt is the current Director for the School of Communications and was responsible for conducting Rodin’s evaluations for his teaching position within the School. Proffitt completed a letter to Rodin on May 31, 2018 (for the 2017 annual evaluation period) and May 25, 2019 (for the 2018 annual evaluation period), related to his evaluation and the purpose was to “provide written feedback on your professional progress for the [applicable calendar year] annual evaluation period.” The top portion of the letter is dedicated to an evaluation in the area of “Teaching” and speaks to Rodin’s teaching activities. The next sections of the 2018 and 2019 letters contain the following notations related to the Service portion of his responsibilities which included Seminole Productions:

Limited Access Record Exception See 1012.91(1)(a)

In addition, you:

Proffitt was asked where the information in the Service evaluation portion originated since it clearly states that the School of Communication did not
Proffitt obtained Rodin's binder and provided the School of Communication Annual Evaluation Form Summary of Activities for 2017 and 2018 which was the supporting documentation completed and submitted by Rodin.

Proffitt was asked what the language on the evaluation letter which stated [redacted] means and she stated, "That it wasn't a grant, like a research grant." The OIGS pointed out to Proffitt the [redacted] Proffitt stated, "Oh, that, that must have been a mistake though...that was a mistake then, he [Rodin] didn't point that out." Proffitt

Proffitt said that she is not familiar with any of Seminole Productions contracts and did not have any conversations with Rodin in reference to the [redacted]

(OIGS Note:)

Mark Rodin Written Statement Provided to the University, Interview Request and Attorney Statement

On August 20, 2019, Rodin provided an unsolicited statement (Attachment D) to the University (President John Thrasher, former FSU Police Chief David Perry and Dean Larry Dennis) via email.

On August 29, 2019, Rodin was provided an opportunity to participate in an interview with the OIGS via an email to his attorney, Tim Jansen, related to the policy violations associated with the allegations in this case. An interview was scheduled through Jansen's office for September 11, 2019. The OIGS was notified by Mr. Jansen's office via email on September 10, 2019, that the interview would need to be rescheduled. The OIGS then worked with the Firm Administrator via
email to reschedule the interview when notification was received that Rodin resigned from his position September 11, 2019, effective immediately.

On September 20, 2019, the OIGS sent a letter to Rodin via email, to his home address and to Jansen and once again provided Rodin an opportunity to participate in an interview with the OIGS. The stated date for a response was October 1, 2019. The letter stated that if no response was received related to the interview request, the OIGS would use the statement Rodin provided to the University on August 20, 2019, as his statement.

On September 30, 2019, Stephen Turner, Esquire, contacted Sam McCall, Chief Audit Officer, and advised that he was also representing Rodin through Jansen. Turner wanted to meet with the OIGS without his client and McCall advised him the OIGS wanted to interview Rodin related to our administrative investigation. Turner conferred with Jansen and notified McCall that Rodin would not be participating in an interview but Turner requested that Rodin be allowed to submit a statement to supplement the statement he provided on August 20, 2019. McCall explained that a statement would be accepted from Rodin but only if written by him.

On October 3, 2019, the OIGS received a written statement (Attachment E) via email from Turner on behalf of Rodin. McCall responded to Turner that information provided by anyone other than Rodin would be considered second-hand information and treated accordingly.

METHODOLOGY

The OIGS investigation included a review of Florida Statutes, Board of Governor’s Regulations, University Regulations, University Policy and Procedures, Collective Bargaining Agreement language, Faculty Handbook, auxiliary management language, personnel records, relevant contract, banking, and payment information provided by IMG College.

Interviews were conducted with the complainant, witnesses, and the current/past Deans of the College of Communication and Information, who have/had oversight responsibility for Seminole Productions. An attempt to interview the subject of this investigation was denied by his attorney.

ANALYSIS

The OIGS gathers and analyzes evidence related to alleged wrongdoing and potential violations of law, rules, regulations, policies or procedures to prove or disprove the allegation. Investigative conclusions that substantiate allegations are based on obtaining adequate evidence to support the conclusion. An investigative conclusion that an allegation is unsubstantiated is reached when either there is insufficient evidence to support the allegation or the allegation is unsupported.

- **Substantiated** – there is sufficient evidence to justify a reasonable conclusion that the allegation is supported and the act is in violation of law, rules, regulations, policies or procedures.
• **Unsubstantiated** -- there is insufficient evidence to prove the allegation or the allegation is not supported.

Respectfully submitted,

Sam M. McCall, Ph.D., CPA, CGFM, CIA, CGAP, CIG

Investigation Conducted By: Pamela Damitz, MPA, CIGI, Investigations Manager
Investigation Supervised By: Sam M. McCall, Ph.D., CPA, CGFM, CIA, CGAP, CIG

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**Investigation Standard**

This investigation was conducted in accordance with the Principles and Standards for the Office of the Inspector General, as published and revised by the Association of Inspector General, May 2014 revision, also known as the “Green Book,” Quality Standards for Investigations by Offices of Inspector General, General Standards, the Standards for Complaint Handling and Investigations for the State University System of Florida and the Commission for Law Enforcement Accreditation Standards for Florida Inspectors General.

**Authority**

Authority to conduct this investigation resides in the Florida State University, Office of Inspector General Services Charter, as approved by the President of the University and the University Board of Trustees. The Office of Inspector General Services is authorized to initiate, conduct, supervise, and coordinate investigations that detect, deter, prevent, and eradicate fraud, waste, mismanagement, misconduct, and other abuses within the University.
Attachment A
Letter of Agreement

This is a letter of agreement between Seminole Productions, with its principal offices at 403 Stadium Drive, Suite D220, Tallahassee, FL 32306-2340 and IMS College, Inc., with its principal offices at 540 North Trade Street, Winston-Salem, NC 27101. This Letter of Agreement defines the professional services that Seminole Productions will provide IMS College, Inc. The dates of this agreement will be from August 5, 2012 to June 20, 2017.

Seminole Productions agrees to:

1. Produce and direct the FSU football coaches show, which will include:
   a. Producing 34 programs per season which will include one or two open dates and a bowl preview show.
   b. Creating open/close bumpers and all graphics or utilizing IMS graphics.
   c. Producing feature segments.
   d. Providing game footage highlights from network feed or own cameras.
   e. Videotaping footage of away games.
   f. Editing game highlight segments.
   g. Providing crew for taping of programs.
   h. Inserting commercials.
   i. Providing edited program master for broadcast distribution.
   j. Providing uplink service through WFSU-TV or other means for Monday morning feed.
   k. Providing satellite or distribution time for program delivery to main broadcast partner.
   l. Providing overnight delivery service to secondary broadcast partners as needed.
   m. Producing promotional commercials for distribution.
2. Produce and direct the Seminole Basketball Report, which will include:
   a. Producing 20 continuous programs per season.
   b. Creating open/close bumpers and all graphics or utilizing IMG graphics.
   c. Producing feature segments.
   d. Providing game footage highlights from network feed or own cameras.
   e. Arranging for footage of away games.
   f. Editing game highlight segments.
   g. Providing crew for taping of programs.
   h. Inserting commercials.
   i. Providing edited program master for broadcast distribution.
   j. Providing overnight delivery service to broadcast partners as needed.
   k. Producing promotional commercials for distribution.

3. Produce and direct Seminole Sports Magazine, which will include:
   a. Producing 36 continuous programs per season.
   b. Creating open/close bumpers and all graphics or utilizing IMG graphics.
   c. Compiling all features.
   d. Videotaping all interviews necessary for production.
   e. Videotaping all other footage necessary for production.
   f. Writing the scripts.
   g. Editing all video for the production.
   h. Showcasing women’s basketball for four weeks with exclusive women’s basketball content.
   i. Showcasing any other segment the FSU Athletic Department deems necessary.
   j. Providing talent for feature segments.
   k. Producing promotional commercials for distribution.
IMG College agrees to:

1. Provide the following for the FSU football coaches show:
   a. A studio host.
   b. Broadcast media of commercials for insertion into program.
   c. High resolution graphics for open/close billboards from sponsors.

2. Provide the following for the Seminole Basketball Report:
   a. A studio host.
   b. Broadcast media of commercials for insertion into program.
   c. High resolution graphics for open/close billboards from sponsors.

3. Provide the following for Seminole Sports Magazine:
   a. Broadcast media of commercials for insertion into program.
   b. High resolution graphics for open/close billboards from sponsors.

Payment Consideration:

IMG College, Inc. agrees to pay the following fees and schedules to Seminole during the course of this five year agreement:

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<tr>
<th>Service</th>
<th>Payment Schedule</th>
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<td>FSU football coaches show</td>
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<td>Seminole Basketball Highlights</td>
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Four (4) annual payments will be made with the following schedule for each year of the five (5) year contract:


$44,749.50
Payments will be made payable to:
Seminole Productions
403 Stadium Dr W, Suite D226
Tallahassee, FL 32306-2560

Signing of this agreement constitutes both parties understand and agree to the nature and extent of this agreement. Any addendum or additions to this agreement must be made in writing and signed by both parties.

[Signature]
[Signature]

July 10, 2012
Date

7/17/12
Date
Attachment B
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Attachment C
FLORIDA STATE UNIVERSITY
FACULTY OUTSIDE ACTIVITY STATEMENT FOR ACADEMIC YEAR

I certify that the activity listed below will not interfere with my assigned duties or my professional and institutional responsibilities. Furthermore, it will not involve a conflict of interest with any government-sponsored research with which I am associated and will not involve misuse of my official connection with Florida State University. I understand that a new form must be submitted each academic year for each continuing activity and prior to engaging in a new outside activity.

Name of Faculty Member:

Department/College:

Name of proposed employer or recipient of services:

Location where activity will be performed:

Funding source:

Nature and extent of proposed activity:

Date employment begins:  Date employment ends:

Approximate time distribution of absence(s) from campus:

Will there be any use of university equipment, supplies, personnel, or space in the outside employment? Yes _ _ No _ _ _ _ . If "yes," a specific written agreement must be attached to this statement.

Do you, your spouse, or child have an interest in and/or an employment or contractual relationship with a business entity that is or might be doing business with the state university system or any of its institutions? Yes _ _ No _ _ _ _ . If "yes," complete the Business Relationships section below.

Business Relationships: Provide name of business entity and name(s) of family member(s), indicating relationship to you and to business entity.

Name of Business:

Name(s) of Family Member(s) and Relationships:

Signature of Faculty Member __________________________ Date ____________

Approved: __________________________ Date ____________

Chair/Supervisor ______________________ Date ____________

Dean/Director/Vice President __________________________ Date ____________

After all approvals are received, the original must be submitted to the Office of the Dean of the Faculties for placement in the faculty member's permanent personnel file. A copy should be maintained in the departmental personnel file.

*See back of form for further explanation of policy.

July 1, 2006

FSU form FOA 802
FLORIDA STATE UNIVERSITY
OUTSIDE ACTIVITY AND CONFLICT OF INTEREST

Definitions:

“Outside activity” is defined as private practice, private consulting, additional teaching or research, or other professional activity, compensated or uncompensated, which is not part of the faculty member’s assigned duties and for which the university has provided no compensation.

“Conflict of interest” is defined as any conflict between the private interests of the faculty member and the public interests of the university, or the State of Florida, including conflicts of interest specified under Florida Statutes, or any activity which interferes with the full performance of the faculty member’s professional or institutional responsibilities or obligations. Conflicts of interest, including those arising from University or outside activities, are prohibited.

Policy:

Florida State University encourages University faculty and academic staff to undertake outside activities, subject to the conditions stated in this policy on outside activity, that will increase the employee’s professional reputation and service to the community. If an outside activity is undertaken, the faculty member or academic staff must take reasonable precautions to ensure that the outside employer or other recipient of services understands that the faculty member or academic staff is engaging in such outside activity as a private citizen and not as an employee, agent, or spokesperson of the University.

A faculty member must not engage in any outside activity which the employee may reasonably conclude may create a conflict of interest or which may interfere with the full performance of the faculty member’s academic responsibilities in the classroom and in nonclassroom administrative, research, and advising obligations.

Before assuming or continuing any outside activity, this form (FSU Form FOA 802) must be completed and approved by the chair/supervisor and dean/director/vice president. After all necessary approvals have been received, the original of this form must be submitted by the dean/director to the Office of the Dean of the Faculties.

Activities that intermittently recur during an academic year: It is not necessary for employees whose activities are in the nature of offering services, such as private consulting or expert witness appearances, on an intermittent or recurring basis to a variety of individual clients throughout the year to submit a separate form for each occurrence. Instead, a single form giving general information about the nature of the activity may be submitted at the beginning of the year. For example, NAME OF PROPOSED EMPLOYER might be listed as “Florida Legal Firms,” LOCATION listed as “Appropriate to Activity,” FUNDING SOURCE listed as “Client Fees,” and EMPLOYMENT DATES indicated to encompass the entire year.

Activities that continue into the next academic year: If the outside activity extends from one academic year through another, a new outside activity statement must be submitted for each additional academic year involved.

July 1, 2006

FSU form FOA 802
FLORIDA STATE UNIVERSITY
FACULTY OUTSIDE ACTIVITY STATEMENT

I certify that the activity listed below will not interfere with my assigned duties or my professional and institutional responsibilities during the period of July 1, 2017 - June 30, 2018. Furthermore, it will not involve a conflict of interest with any government-sponsored research with which I am associated and will not involve misuse of my official connection with Florida State University. I understand that a new form must be submitted at the beginning of each academic year for each continuing activity and prior to engaging in a new outside activity.

Name of Faculty Member: Mark Rodin  
Emp ID: 000003317  
Department/College: Communication

Name of proposed employer or recipient of services: Seminole Boosters/IMG

Location where activity will be performed: Tallahassee, FL

Funding source: Seminole Boosters/IMG

Nature and extent of proposed activity: Consulting

Date employment begins: 7/1/17  
Date employment ends: 5/30/18

Approximate time commitment (hours per week or month) and/or absence(s) from campus: 10 hours per month and no time away from campus. Done on private time.

Will there be any use of university equipment, supplies, personnel, or space in the outside employment? Yes [ ] No [x]  
If “yes,” a specific written agreement must be attached to this statement.

Do you, your spouse, or child have an interest in and/or an employment or contractual relationship with a business entity that is or might be doing business with the state university system or any of its institutions? Yes [ ] No [x]  
If “yes,” complete the Business Relationships section below.

Business Relationships: Provide name of business entity and name(s) of family member(s), indicating relationship to you and to business entity.

Name of Business:

Name(s) of Family Member(s) and Relationships:

Mark Rodin  
Signature of Faculty Member

Approval:

Chair/Supervisor  
Date

Dean/Director  
Date

Final Approval:

Vice President for Faculty Development and Advancement  
Date

Approve [ ] Disapprove [ ]

After all approvals are received, the original must be submitted to the Office of Faculty Development and Advancement. A copy should be maintained in the departmental personnel file.

Revised September 2015

FSU Form FOA 802
Attachment D
Mark Rodin Statement

At this time, I feel it is important to share some information about myself and Seminole Productions to present my side of the misconception of inappropriate activities. First off, the reason I hired an attorney is because I was blindsided by HR with a call about being placed on administrative leave. An accusation was made, and Larry Dennis did not even call me to discuss it in person and I was immediately put on the defensive. My attorney had advised me not to be interviewed but I feel I need to defend myself and send this statement.

I would like to provide a little historical context to the history of Seminole Productions. In 1987 I graduated from Florida State University with a 4.0 GPA. I was also named the Most Outstanding Student in Media Production in 1986 and 1987. After graduating, former College of Communication Dean Ted Clevenger and I started Seminole Productions. Seminole Productions inception came from my work with the FSU football team as an undergraduate and their desire to convert from film to video. Bobby Bowden and the coaches asked for my assistance to help them with that transition. The coaches needed a high-quality video camera in order to see all 22 players on the field at one time. The only camera capable of that kind of quality at the time was a professional Sony Betacam camera that cost about $50,000. My thought was that we don’t just do coaches video, but we do all video production in-house since professional equipment needed to be purchased. Former Athletic Director, Hootie Ingram, and Dean Ted Clevenger loved the idea so we set up Seminole Productions in the College of Communication so students could benefit as well.

In 1987 Seminole Productions started with me as a full-time employee and one part time assistant literally in a broom closet. Athletics and Seminole Boosters would fund the equipment and Seminole Productions would provide the personnel and students. I started by doing coaches video with the intent to move the coaches shows and recruiting videos in-house from outside vendors. We did this in 1988. That year I was awarded the President’s Award for Leadership at FSU.

In 1989 I was made a specialized faculty member and started teaching courses in the College of Communication Media Production program. My role would be divided as 50% teaching and 50% operating Seminole Productions. There was an influx of lottery money at that time that enabled me to grow the Media Production department and take on more Athletics video needs. In 1989 The Sunshine Network was launched in Florida and I negotiated a deal to provide multiple athletics productions to them at a cost that enabled Seminole Productions to start hiring more full-time staff. These shows included the Bobby Bowden Show, Pat Kennedy Show, Mike Martin Show and Seminole Sports Magazine.

The 1990’s saw continued growth of Seminole Productions. I was able to have a staff of about six full-time employees and I was involved in everything including coaches’ scouting video, network television programs, highlight tapes, documentaries, banquet tapes and more. I was working an average of 70-80 hours a week with teaching, managing and travel. In 1999 FSU installed its first stadium video board in Doak Campbell Stadium. That added more responsibility to my already long list of duties.

During this time, I was looked at as creating one of the top programs in the country. I was involved in the College Sports Video Association and Information, Display and Entertainment Association. I took leadership roles in both of those organizations and spoke at many conferences. I was known as an innovator and was proud of what we were doing at FSU. I was also winning many awards with the
quality and innovative approach that I took to our many productions. These awards include Telly Awards, Videographer Awards, Communicator Awards and more.

It was also a time of growth in the Media Production program as well. With the Athletics partnership the department added more faculty and students and it was an invaluable experience for the students. I was able to bring the latest equipment, trends and practices to the program and this enabled the students to be well trained for careers once they graduated.

Also, around this time I worked with Andy Miller of Seminole Boosters to make videos to promote the concept of the University Center to enhance the aesthetics of the football stadium. Those videos helped the legislature see Andy’s vision and the University Center was funded with academic and Athletic buildings. After three phases of the University Center were built the final piece was the current Athletic Center. To help fund that building President Sandy D’Alemberte and Dean John Mayo presented a need for academic space for Seminole Productions and the Media Production program to the legislature. The legislature funded the project and during the construction it was known as the “Communication Building”. This has since been renamed as the Coyle Moore Athletic Center.

While Seminole Productions was growing, I also felt I was somewhat on an island. There was no financial support from the College of Communication. Professionally I never received a promotion. I asked either Dean Ted Clevenger or Dean John Mayo, I don’t remember which, how I could earn more money, especially as I was taking on more and more responsibilities. I was told I could do outside activities and that this was common practice among faculty. I made arrangements to do that with some other universities as well as Sunshine Network, Seminole Boosters and eventually IMG. Seminole Productions budgets were always balancing, and the operation continued to grow. I always reported this on my outside activities' forms.

In the early 2000’s we were doing about 80 weekly programs a year and live video board production for football. About 2001 it was decided with then Athletic Director Dave Hart that we would move coaches’ video to Athletics because coaches’ video and production video had turned into two large entities and it was determined that coaches’ video could best be served under Athletics. This remained consistent throughout the 2000’s.

Also, in the mid to late 2000’s I got involved with the re-emergence of Stereo 3D television. I drove to Atlanta and flew to Los Angeles at my own expense many times to learn from the top 3D television experts in the industry. I eventually was on panels and speaking at seminars on 3D production. I worked with Panasonic to help create their 3D video cameras. I was doing 3D football highlights for recruiting when nobody else in the country could do this. While this was not required of me or even asked of me, I always felt a need to do this for Florida State and make our program the best in the nation.

In 2005 we moved into the new “Communication Building” and with legislative funding I was able to build and design a first-class facility with the latest technology for both the teaching mission and to take on new opportunities in live production. Eventually we started doing live streamed production of FSU basketball and baseball for ESPN. We were one of the first schools ESPN chose to do live streaming. This continued to grow for the next few years. In 2015 the ACC and ESPN entered into a contract to produce 80 streamed events annually. ESPN and the ACC announced in 2016 an agreement to launch the ACC Network as a linear channel in 2019. This led to additional hires and Seminole Productions had approximately 15 full-time employees. FSU was chosen to do the first school produced game on the ACC Network on August 22nd because they consider us the best.
Not only was I managing Seminole Productions and teaching a full-time class load, but I was also designing and building multiple production facilities and control rooms. I built and designed the first video board control room for the football video boards in 1998/99. I built and designed the current Seminole Productions offices and facilities that were completed in 2006 in the University Center. I designed the upgraded control rooms for the football video board in 2015. And for the past three years I designed the current ACC Network facility just completed. I spent hundreds and hundreds of hours above and beyond my other duties because I cared about Seminole Productions and Florida State and I did whatever needed to be done to get the job done and enhance FSU.

In my position as Director every year I would oversee nearly 200 live events, 70 weekly television shows, highlight tapes, recruiting tapes, graduations, Pow Wow, Booster videos and countless other productions. Add to that full-time teaching and designing multiple production facilities. I recently talked to a colleague at Notre Dame who was offering $70,000 for someone to just oversee 13 football and 13 basketball shows and some miscellaneous features.

After 28 years at FSU and all that I had accomplished my first actual promotion came in 2015 when I was promoted to Specialized Faculty II for my academic teaching. I did what I did at Florida State because I loved production, I loved FSU Athletics and I loved Communication and making a difference in student's lives through teaching and opportunities. I had many opportunities to leave Florida State but when I thought about leaving something new and exciting was happening at FSU that made me stay. I turned down offers from ESPN, Panasonic, the Cincinnati Bengals and many more. FSU was my home and my family. At this time in my career other colleagues of mine were becoming Vice-President's of professional sports teams and Associate Athletic Directors at their universities. But Seminole Productions was an island sort of split by Communication and Information and Athletics, so I did not have those opportunities at FSU.

In 2013 I was recognized with the Pioneer Award by the Sports Video Group. Sports Video Group is the largest professional sports organization in the world dedicated to the sports production industry. I was the second recipient of this award to recognize excellence, innovation and service in the industry. It was a great honor to be recognized by my peers around the world as being one of the best in the business. At that time, I was making $33,000 a year to run Seminole Productions and $33,000 a year to teach a full-time class load. Not counting advising students, overseeing internships and being the ambassador for Digital Media Production. I was able to generate outside activities income during this time to feel I was adequately compensated. I also reported this on my outside activities forms that were approved every year. I faithfully submitted those documents for probably 20 years. I assumed there were no issues with this since they were approved every year. If there was an issue why was this not brought up at any time over the past 20 years or more?

I know there is a question as to why I had a separate Seminole Video Productions account. The reason was that I had to do what was necessary to get the job done. Seminole Productions, through my leadership, had grown into a large operation. In the late 2000's I was having to hire many freelance personnel to produce a live event. It usually takes anywhere from 20 to 40 people to do a single event. The university has so many restrictions with HR and purchasing that I felt I had to do what was necessary to get the job done. Some of those worked for other FSU departments and there became an overtime issue that the other departments were having to pay the freelance people I wanted to hire. They were reluctant to let their employees work freelance for me because it was costing them money. I opened a private account so I could pay them myself. Communication did not have the infrastructure or personnel that could help me in a timely manner. I just got the job done.
Additionally, there were many purchasing issues and time issues that I felt compelled to handle myself. I spent tens of thousands of dollars on purchases myself just over the last five years so I could get the job done. I do have receipts for a lot of them but there are many more purchases I have made that I cannot find receipts for. I paid for travel, equipment, engineering help and much more personally. I realize now that this might not have been the best approach, but I built Seminole Productions on not wanting to be a burden to anyone but just get the job done and continue to grow and build Seminole Productions into one of the best in the nation. Which I did. With the overwhelming responsibilities I had with Seminole Productions, designing video board and ACC Network control rooms and teaching full-time classes I did what I needed to do to get the job done.

I also want to add that I knew as Seminole Productions was growing and adding the ESPN productions were going to present a problem in operating successfully within the FSU limitations. I reached out to Andy Miller about ten years ago to move Seminole Productions to the Boosters feeling that they had the infrastructure and not as many restrictions to make Seminole Productions work properly. This was moving forward and somebody in Wescott did not like the idea and it was killed. I also submitted budgets, plans and an organizational chart to Stan Wilcox and Matt Behnke about two or three years ago to move it to Athletics. After a few discussions the proposal was dropped, and I do not know why. I even reached in February of 2016 to President Thrasher, through my wife Wendy, to discuss the obstacles I was facing. Wendy was told to reach out to Cheryl for a meeting to schedule a lunch and after three attempts we never heard back from Cheryl.

I have also tried to be cost efficient in everything I did. I always went above and beyond for anything Athletics asked for. There were many productions Athletics administration and Athletics departments asked for that were not within our scope of work and they were always done. Also, knowing that Athletics had budget issues I spent the last three years designing an ESPN acceptable ACC Network facility that would be cost effective while still being able to handle the many multiple live events that were anticipated. Again, I worked hundreds of hours on this above and beyond my other responsibilities and presented a 3.3-million-dollar budget. Somebody decided to bring in AJP as a consultant and they added another million dollars to the budget when my original design would have been sufficient.

In the Spring I invited President John Thrasher and David Coburn to come see a live ESPN production that we were doing so they could see the magnitude of what was involved. Not only did neither come but I didn’t even get a response. To my knowledge I do not believe Larry Dennis has ever seen an ESPN produced event either. I was trying to show how involved and time consuming a live event is. Especially one on the linear networks like ESPN, ESPN2, etc.

More than anything that I have accomplished at Florida State University over my 30 plus years, I am most proud of the students’ lives who have changed because of the program I built and the knowledge and opportunities I could provide them. I see them with families and children of their own having great careers in production. I talk to many of them over the years and they point to their involvement in Seminole Productions as the foundation for their careers. After 30 plus years I know I can look back on what I created with Seminole Productions. I have taught hundreds and hundreds of students who have gone on the have successful careers. At one time I had over 20 former students working for ESPN in Bristol, Connecticut. ESPN acknowledged this by hosting me at ESPN for a lunch with all of my former students who worked there. Most recent former student successes would be Ritesh Gupta who won a Cannes Lion Award for his Dwayne Wade Last Swap production and Shannon Irish who won her sixth Emmy Award working for the Miami Heat. And not just the students but athletes as well. I remain friends with many former athletes who have told me of the impact I have made in their lives and I am proud to call friends to this day.

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Now after over 30 years and all that I have accomplished and provided to FSU my integrity is being questioned and my reputation is being destroyed. I have always made Seminole Productions and FSU my priority and did anything I needed to do to make it the best in the nation. I turned in my outside activities forms, which were approved, and balanced my budgets within Seminole Productions. Nobody ever said there was a problem or even asked about them. I was told former Associate Dean Gary Heald knew I was not being paid adequately and they were aware and happy I could generate outside income. I was solely responsible for generating all projects and revenue from the beginning. I ran Seminole Productions efficiently and effectively.

I am one that typically does not like to boast or be in the limelight. But I do know I can look back and know that Florida State is 100 times better than when I got here. I am proud of what Seminole Productions has become and how we are looked at around the country as one of the best there is. Dean Larry Dennis told me he would like to enhance the academic side to accommodate the opportunities that the ACC Network will present the students. And I hope that happens. He said that “many of the programs in the College of Communication and Information are well known regionally, but that Seminole Productions is well known nationally”. Everything I did I did for my love of Florida State University. It is unfortunate that after all I have done for FSU that I am now looked at as the villain and my reputation is destroyed. I have given my life to making Florida State better and I expected better from Florida State.
Attachment E
October 3, 2019

VIA E-Mail (smmeycall@fsu.edu)
Mr. Sam M. McCall, Chief Audit Officer
The Florida State University
Office of Inspector General Services
222 South Copeland Street
Suite 407 - Westcott Building
P.O. Box 3061390
Tallahassee, Florida 32306-1390

Re: FSU Office of Inspector General Services
Case #U120-01 - Seminole Productions

Dear Mr. McCall:

I am providing this statement on behalf of Mr. Mark Rodin to supplement his prior written statement to the University, in particular to address his position with respect to FSU’s Policy Against Fraudulent Activity—4-OP-C-13 as indicated in your letter of September 19th.

The policy prohibits “fraudulent or dishonest” activities by University employees. Fraud is stated as involving willful or deliberate acts or omissions with the intention of obtaining an unauthorized benefit by deception, misrepresentation, or other unethical or unlawful means, including misrepresentation to management for reimbursement claims, misappropriation of funds, and unauthorized use of University resources for personal activities.

Mr. Rodin wishes to assure that there has been no fraud or dishonesty by him nor any fraudulent criminal activity. There was no hiding of his outside income, which was intended to compensate him for his consulting work on outside contract grant-type business he secured to enhance the University’s Production Auxiliary program. Nor was there any unauthorized misuse of University resources. Everything Mr. Rodin did was out in the open and well known to his superiors in the Communications Department and persons dealing with FSU sports for many years.

The focus seems to be on the contract that Mr. Rodin secured with IMG for video productions intended to compensate him for his efforts in securing outside business and for his personal consulting work to assure high quality productions.
The IMG contract was meant to be a consulting contract arrangement analogous to an outside activity contract or grant. The agreed purpose was to assure that Mr. Rodin, who was not a tenured professor nor a PHD, would be fairly compensated in the business environment that he was operating in for procuring business outside the University and orchestrating and completing it in a consulting capacity.

This was all well known. Mr. Rodin’s Director of the School of Communications even acknowledged in her 2017 annual evaluation that Mr. Rodin received

[Redacted]

The monies associated with procuring and consulting for outside contracts was discussed with his superiors as a means to see that he was compensated consistent with the significant work he was doing in a business capacity, reasonably in line with a business consultant or executive doing similar work with similar responsibility. Various Deans told Mr. Rodin that he could generate outside business to supplement his university income, and he proceeded to do so and reported that he did. He also responded to occasional emails from various supervisors about his outside media consulting activity on personal time.

Mr. Rodin procured the outside contract much as a professor would secure a grant on his own initiative and by virtue of his individual renown. Payment funds were directly deposited by the outside business client into his consulting company’s account. Confirmation of his private company taxpayer identification was provided to the client. Confirmation statements of Mr. Rodin’s outside consulting activity were regularly submitted and approved.

Mr. Rodin did not himself use Auxiliary resources for the consulting work he did as noted in consulting activity forms. While he does not have a TV studio at his home, Mr. Rodin did have a complete large editing lab with monitors, 3D equipment and editing equipment, which enabled him to do the outside consulting referenced in his outside activity statements.

Mr. Rodin paid significant amounts each year (averaging some $20,000 per year) to reimburse any expense of the University Auxiliary incurred with respect to any work performed for the client and to pay for immediate expenses incurred for other projects that the University system could not accommodate. The result was that any use of Auxiliary resources in connection with the consulting activity was fully paid for on a net basis by payment reduction of Mr. Rodin’s consulting income. Hence, to the extent any consulting project was worked on by Auxiliary personnel, the Auxiliary and students involved were benefitted, and no net expense was incurred by the Auxiliary because Mr. Rodin reimbursed any such expense to the extent sufficient to net out any cost.
Mr. Rodin tried to find a more suitable, less cumbersome structure by seeking to integrate his outside business and the Auxiliary into the athletic department or the Seminole Boosters organization, either of which could pay him as producing executive with the outside business contracts under their umbrella, but these efforts were not accepted. But in making these efforts, Mr. Rodin time and again disclosed his outside business activity, in proposed budget and organizational charts and otherwise. This further substantiates that he was not hiding anything.

Mr. Rodin never had any formal training or any guidance from FSU management or business office and proceeded as he understood was right. He proceeded openly for many years, reported his activity, and talked with anyone who inquired or discussed with him. And he always met his Auxiliary budgets as he was told was his prime obligation.

I close by reiterating Mr. Rodin’s frequent communication that Seminole Productions was set up to be an Auxiliary, not to be the massive business machine that emerged, and this situation was not anticipated in FSU policies. Mr. Rodin repeatedly asked for help to see that the business would reflect reality, and in the meantime, reported outside income under procedures made necessary because of the significant enterprise involved and the cumbersome limitations in the University structure to address its reality, and the lack of any answers being provided to his repeated requests for help to set up a more compatible structure with the substantial national corporate business he generated and assured was produced.

Thank you again for the opportunity to submit this supplemental statement on behalf of Mr. Rodin so his record of his accomplishments and credit to the University can be preserved.

Sincerely,

M. Stephen Turner, P.A.

MST
# Status Report for OIGS

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<th>Issued Reports</th>
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