



FLORIDA STATE UNIVERSITY
BOARD OF TRUSTEES



FLORIDA STATE UNIVERSITY
BOARD OF TRUSTEES

MEETING AGENDA

Friday, February 28, 2025
10:00 AM

Florida State University
Student Union, Ballroom D
75 North Woodward Avenue
Tallahassee, FL 32306

The agenda will be followed in subsequent order and items may be heard earlier than the scheduled time.

I. CALL TO ORDER AND ROLL CALL

Mr. Peter Collins, Chair

II. PLEDGE OF ALLEGIANCE

III. MOMENT OF SILENT REFLECTION

IV. APPROVAL OF MINUTES

November 21, 2024, meeting minutes

V. PUBLIC COMMENT

VI. PRESIDENT'S REPORT

Dr. Richard McCullough, President

VII. CONSENT ITEMS

- A. Request for Approval:** Amendment of FSU Regulation 5.077 International Programs (Academic Affairs)
- B. Request for Approval:** Amendment of FSU Regulation 5.097 Deletion of Courses (Academic Affairs)
- C. Request for Approval:** Repeal of FSU Regulation 2.02413 Florida Prepaid College Program (Academic Affairs)
- D. Request for Approval:** Amendment of FSU Regulation 5.098 Textbook Adoption and Affordability (Academic Affairs)

- E. Request for Approval:** The John and Mable Ringling Museum of Art Foundation, Inc. Bylaw Revision (Advancement & Governance)
- F. Request for Approval:** Nominations to the Board of Directors of the John and Mable Ringling Museum of Art Foundation, Inc. (Advancement & Governance)
- G. Request for Approval:** State University System Performance Audits: Performance Based Funding Metrics (Audit & Compliance)
- H. Request for Approval:** State University System Performance Audits: Preeminent Research University Funding Metrics (Audit & Compliance)
- I. Request for Approval:** Revised Office of Audit and Advisory Services Charter as per the Institute of Internal Auditors Standards Revisions – effective Jan. 9, 2025 (Audit & Compliance)
- J. Request for Approval:** Revised Audit & Compliance Committee Charter as per Institute of Internal Auditors Standards Revisions – effective Jan. 9, 2025 (Audit & Compliance)
- K. Request for Approval:** 2025-2026 Budget Projections for Auxiliaries with Outstanding Revenue Bonds (Finance & Business)
- L. Request for Approval:** Institutional Risk Management Charter (Governance)
- M. Request for Approval:** Repeal of University Regulation FSU-3.006, The University Defender (Student Affairs)

VIII. NEW BUSINESS AND UPDATES

A. Athletics Update

Mr. Michael Alford, Vice President and Director of Athletics

Information Item:

Coach and Student Athlete Highlight

B. Faculty Senate Steering Committee

Dr. Roxanne Hughes, Vice Chair, Faculty Senate Steering Committee

C. Student Government Association

Mr. Anthony Benn, Vice President, Student Government Association

D. Legislative Affairs

Mr. Clay Ingram, Chief Legislative Affairs Officer

Mr. Josh Duncan, Director of Federal Relations

E. Academic Affairs Committee

Trustee Vivian de las Cuevas-Diaz, Chair

Dr. James Clark, Provost, and Executive Vice President for Academic Affairs

Action Item I: Request for Approval: Tenure Report (Academic Affairs)

Dr. Janet Kistner, Vice President, Faculty Development and Advancement

Information Item:

Dr. Ryan Owens, Director, Florida Institute for Governance and Civics

F. Advancement Committee

Trustee John Thiel, Chair

Dr. Marla Vickers, Vice President for University Advancement and President, FSU Foundation, Inc.

Action Item I: Request for Approval: Naming of the Charles M. and Robyn L. Citrin Gallery (Advancement)

Action Item II: Request for Approval: Naming of the Stella Cottrell Chamber Music Hall (Advancement)

G. Audit and Compliance Committee

Trustee Peter Jones, Chair

Mr. Undra Baldwin, Chief Audit Officer

Mr. Robert Large, Chief Compliance & Ethics Officer

H. Finance and Business Committee

Trustee Jim Henderson, Chair

Mr. Kyle Clark, Senior Vice President for Finance and Administration

Action Item I: Request for Approval: Amend the 2023 FSU Athletic Association, Inc. Debt Resolution (Finance & Business)

I. Governance Committee

Trustee Maximo Alvarez, Chair

Ms. Carolyn Egan, Vice President for Legal Affairs and General Counsel

Action Item I: Request for Approval: To Seek a New Institutional Accreditor (Governance)

J. Student Affairs Committee

Trustee Drew Weatherford, Chair

Dr. Amy Hecht, Vice President for Student Affairs

K. University Research Committee

Trustee Jorge Gonzalez, Chair

Dr. Stacey Patterson, Vice President for Research

IX. CHAIR'S REPORT

Mr. Peter Collins, Chair

Action Item I: Request for Approval: Election of Vice Chair

X. OPEN FORUM FOR BOARD OF TRUSTEES

Mr. Peter Collins, Chair

XI. ADJOURNMENT

Mr. Peter Collins, Chair



FLORIDA STATE UNIVERSITY
BOARD OF TRUSTEES

Meeting Minutes

November 21, 2024



FLORIDA STATE UNIVERSITY
BOARD OF TRUSTEES

MEETING MINUTES (DRAFT)

Thursday, November 21, 2024
9:00 AM

Heritage Museum at Dodd Hall
641 University Way
Tallahassee, FL 32306

Attended in Person: Bridgett Birmingham, Jackson Boisvert, Peter Collins, Vivian de las Cuevas-Diaz, Jorge Gonzalez, Jim Henderson, Justin Roth, Deborah Sargeant (arrived late), John Thiel (left early), and Drew Weatherford (left early)

Attended via Zoom: Maximo Alvarez, Kathryn Ballard

Absent: Bob Sasser

I. CALL TO ORDER AND WELCOME

Mr. Peter Collins, Chair

Chair Collins welcomed everyone and called the meeting to order at 9:04 am.

Heather Mayo called the roll and confirmed a quorum.

Chair Collins asked for everyone to take a moment of silent meditation.

Following the moment of silent meditation, Chair Collins asked for everyone to stand for the Pledge of Allegiance.

II. APPROVAL OF MINUTES

September 13, 2024, meeting minutes

October 29, 2024, meeting minutes

Trustee Thiel moved to approve the September 13, 2024, and October 29, 2024, board meeting minutes. Trustee de las Cuevas-Diaz seconded the motion, and both sets of minutes were approved unanimously by all present at the meeting.

III. PUBLIC COMMENT

There were no public comments.

Chair Collins read the Ethics Conduct Policy.

IV. PRESIDENT'S REPORT

Dr. Richard McCullough, President

President McCullough began his report by sharing events that will occur throughout Homecoming Weekend. He gave special congratulations to Gene Deckerhoff, who will be recognized Friday night with the Bernard F. Sliger Award, the highest honor given by the Alumni Association.

President McCullough announced that tomorrow afternoon, FSU will dedicate the Native American and Indigenous Study Center. This center will strengthen relationships with tribal nations, support Indigenous research and art, and offer educational opportunities. FSU created this center in partnership with the Seminole Tribe of Florida. Chairman Marcellus Osceola and other members of the Tribe will be at the ceremony. President McCullough commented that this is an important moment in FSU history, representing FSU's deepening connection with the Seminole Tribe of Florida, and he thanked Provost Clark for his work on the center.

President McCullough also highlighted a ribbon-cutting for a new park near the Student Union that will recognize the nine historically black fraternities and sororities of the National Pan-Hellenic Council, otherwise known as the Divine Nine.

President McCullough announced that tomorrow evening, the College of Education, Health, and Human Sciences will celebrate the naming of its college after an alumna and longtime supporter. He noted that FSU is thrilled about this exciting development and that this College continues to be one of the top in the nation.

President McCullough reported that he recently returned from Italy on a trade mission led by Governor Ron DeSantis and organized by Select Florida. He also commented that he was invited to speak at the Florida Chamber of Commerce Annual Meeting and Future of Florida Forum in Orlando in October.

President McCullough commented on his recent trip to Miami and highlighted the engagement event hosted by University Advancement in collaboration with Seminole Boosters. He noted that He thanked Trustee de las Cuevas-Diaz for driving FSU's growing

presence in South Florida and strengthening FSU's relationships. President McCullough also commented on the signing of the articulation agreement with Miami Dade College, which will strengthen the pipeline of transfer students from Miami-Dade to FSU.

President McCullough also highlighted FSU's Center for Hispanic Marketing 20th Anniversary Gala and was pleased to share that FSU is on the verge of being recognized as a Hispanic-serving institution, with 24% of FSU's student body identifying as Hispanic.

President McCullough discussed FSU's graduate rankings.

President McCullough discussed FSU's research enterprise and Vice President Patterson and her team's work. He noted the recent Discovery Days in October, and a symposium within this week highlighting FSU's Institute for Pediatric Rare Diseases. The institute was championed by Representative Adam Anderson and established by Governor DeSantis and the Florida Legislature in 2023 with a \$1 million appropriation. At the symposium Representative Anderson presented FSU with a check for an additional \$5 million.

President McCullough shared updates on FSU Health, including updates on facilities in Panama City Beach and commented on the Interdisciplinary Research and Commercialization Building, and the rebranding of the North Florida Innovation Labs to IGNITE-Tallahassee.

President McCullough commented on University Advancement and noted that FSU's endowment is now at \$1.06 billion, aligning FSU with a new group of peer institutions. He also discussed the comprehensive campaign, and university campaign priorities.

President McCullough discussed governmental relations and that FSU's governmental relations team is preparing for the 2025 Session of the Florida Legislature.

President McCullough highlighted FSU's women's soccer team, which won the ACC Championship for the fifth consecutive season.

President McCullough noted his upcoming State of the University, hosted by the Faculty Senate in December.

President McCullough briefly commented on his goals for the upcoming year, which will be discussed later in the meeting.

President McCullough thanked Chair Collins for his partnership and all the Trustees for their support and individual contributions. He also thanked his leadership team and support staff for their work and dedication to the university.

V. CONSENT ITEMS

- A. **Request for Approval:** FSU College of Medicine Graduate Medical Education Annual Institutional Review Executive Summary (Academic Year 2023-24) (Academic Affairs)
- B. **Request for Approval:** Proposal to Implement New BA Degree in Modern Languages, Literatures, and Cultures (Academic Affairs)
- C. **Request for Approval:** Amendment to FSU Regulation 2.02421 Tuition and Fee Assessments and Remittance (Academic Affairs)
- D. **Request for Approval:** Repeal of FSU Regulation 2.0241 Tuition and Fees for Repeated Enrollment in College Credit Courses (Academic Affairs)
- E. **Request for Approval:** Repeal of FSU Regulation 2.02410 Internet Payment of Tuition and Fees (Academic Affairs)
- F. **Request for Approval:** Repeal of FSU Regulation 2.02412 Financial Aid and Tuition and Fee Payment (Academic Affairs)
- G. **Request for Approval:** Repeal of FSU Regulation 2.02415 Late Fee Waivers (Academic Affairs)
- H. **Request for Approval:** Repeal of FSU Regulation 2.02417 Refunds of Tuition and Fees (Academic Affairs)
- I. **Request for Approval:** Repeal of FSU Regulation 2.0242 Registrations for Zero Hour (Academic Affairs)
- J. **Request for Approval:** Repeal of FSU Regulation 2.02423 Delinquent Accounts (Academic Affairs)
- K. **Request for Approval:** Repeal of FSU Regulation 2.0246 Tuition and Fee Deferments (Academic Affairs)
- L. **Request for Approval:** Repeal of FSU Regulation 2.0247 Tuition and Fee Liability (Academic Affairs)
- M. **Request for Approval:** Repeal of FSU Regulation 5.081 Tuition, Fees, Payment (Academic Affairs)
- N. **Request for Approval:** Amendment to FSU Regulation 2.02419 Withdrawals and Return of Financial Aid (Academic Affairs)
- O. **Request for Approval:** Repeal of FSU Regulation 2.02418 Student Withdrawals from Courses Due to Military Service (Academic Affairs)
- P. **Request for Approval:** Amendment to FSU Regulation 2.0245 Tuition-Free Courses for Those Sixty Years of Age and Older (Academic Affairs)
- Q. **Request for Approval:** Repeal of FSU Regulation 2.0243 Auditing Courses (Academic Affairs)
- R. **Request for Approval:** Amendment to FSU Regulation 2.0248 Cancellation of Student Schedule (Academic Affairs)
- S. **Request for Approval:** Repeal of FSU Regulation 2.02411 Third Party Tuition and Fee Billings (Academic Affairs)
- T. **Request for Approval:** Repeal of FSU Regulation 2.02424 Dishonored Checks or Electronic Payments (Academic Affairs)
- U. **Request for Approval:** Amended New Academic Programs for the 2024-25 Academic Year (Academic Affairs)
- V. **Request for Approval:** Amended and Restated Articles of Incorporation of The Florida State University Foundation, Inc. (Advancement)
- W. **Request for Approval:** New Regulation - FSU-5.101 Educational Locations (Finance & Business)

- X. Request for Approval:** Appointment to the Board of Directors of the Florida State University Magnet Research and Development, Inc. (Governance)
- Y. Request for Approval:** Repeal of FSU Regulation 2.004 – University Attorney (Governance)

Trustee Birmingham asked about consent items P and Q. Vice President Egan clarified the matter, which was also discussed in the Academic Affairs Committee meeting, and confirmed that the board backup materials for consent item P were accurate.

Chair Collins requested a motion to approve Consent Items A-Y. Trustee Thiel made the motion to approve, Trustee de las Cuevas-Diaz seconded, and the motion was unanimously approved by all present at the meeting.

VI. NEW BUSINESS AND UPDATES

A. Athletics Update

Mr. Michael Alford, Vice President and Director of Athletics

Information Item

Student Athlete Highlight

Mr. Michael Alford, Vice President and Director of Athletics, introduced Ms. Lottie Woad, a current FSU student on the women's golf team and the world's #1 ranked women's amateur golfer.

Mr. Alford noted that Mr. Luke Clanton, a current FSU student on the men's golf team and #1 ranked men's amateur golfer, could not join the meeting. Mr. Alford noted through their research that FSU is the only university with a #1 ranked women's amateur golfer and #1 ranked men's amateur golfer simultaneously.

Ms. Lottie Woad expressed her gratitude to the Board for the invitation to the meeting and shared her experiences as a student-athlete at FSU.

Mr. Alford provided an update on Athletics after Ms. Woad's report. He discussed various items, including ticket sales, the stadium renovation, capital improvement updates, and information regarding the house settlement.

Following Mr. Alford's report, there were questions from Chair Collins, Trustee Weatherford, and Trustee Roth.

B. Faculty Senate Steering Committee

Dr. Roxanne Hughes, Vice Chair, Faculty Senate Steering Committee

Dr. Roxanne Hughes, Vice Chair of the Faculty Senate Steering Committee, began her report by expressing faculty concerns on the BOG Regulation 8.005 Review of General Education Courses. Dr. Hughes continued her report by highlighting the recent accomplishments of FSU faculty members.

Chair Collins thanked Dr. Hughes for bringing the faculty's concerns to the Board and said there would be a discussion during the Academic Affairs portion of the meeting on the BOG Regulation 8.005 Review of General Education Courses.

C. Student Government Association

Mr. Anthony Benn, Vice President, Student Government Association

Mr. Anthony Benn, Vice President of the Student Government Association, highlighted student leaders, the FSU Student Foundation, Homecoming Week, SGA Volunteering with the Seminole Tribe of Florida, Expanding Research and Academic Excellence, the Registered Student Organization Budget Fund, Ensuring Student Success on Campus and Beyond, and Enhancing Campus Safety. He concluded his report expressing the students' excitement for the upcoming spring semester and thanked the Trustees.

D. Legislative Affairs

Mr. Clay Ingram, Chief Legislative Affairs Officer

Mr. Josh Duncan, Director of Federal Relations

Mr. Clay Ingram, Chief Legislative Affairs Officer, began his report by highlighting the president's recent speech at the October Florida Chamber of Commerce Annual Conference. He gave an update on the FSU legislative internship program.

Mr. Ingram commented that Dr. Stacey Patterson spoke at the inaugural meeting of the Florida Healthcare Innovation Council, which Florida Lieutenant Governor Núñez chairs. He highlighted FSU's Institute for Pediatric Rare Diseases and the recent Florida Legislature organizational session.

Mr. Ingram provided an overview of the new 2025 Seminole Caucus House Members, the new 2025 Seminole Caucus Senate members, the 2025 Cabinet, the 2025 House Leadership, the 2025 House Committee Chairs,

Mr. Josh Duncan, Director of Federal Relations, began his report by highlighting the 2024 elections and president-elect appointments. He also provided an overview of alumni serving in U.S. Congress. Mr. Duncan concluded his report by providing a fiscal year funding update and appropriation wins

E. Academic Affairs Committee

Trustee Vivian de las Cuevas-Diaz, Chair

Dr. James Clark, Provost, and Executive Vice President for Academic Affairs

Trustee de las Cuevas-Diaz, Chair of the Academic Affairs Committee, began her report by summarizing their committee meeting. She highlighted the process of repealing and rewriting university regulations, provided an update on the progress of establishing the Student Ombudsman Office, and noted that they've begun the audit and review of promotion and tenure policies, as well as free speech and social media policies, with the hiring of an outside consultant.

Trustee de las Cuevas-Diaz introduced Dr. Harrison Prosper, the Robert O. Lawton Distinguished Professor for the 2024-2025 academic year.

Information Item

*Dr. Harrison Prosper, 2024-2025 Robert O. Lawton Distinguished Professor
Professor, Department of Physics*

Dr. Harrison Prosper gave an inspirational report discussing his professional background and thoughts on FSU and what makes it unique. He noted the importance of the people at the university – the faculty, staff, administrators, and students. He highlighted FSU’s student body and their desire to build a better future. Dr. Prosper noted his work at the university, and how it allows him to pursue two of his passions – research at the absolute frontier of knowledge and inspiring young people to build the future they want.

Action Item I: Request for Approval: BOG Regulation 8.005 Review of General Education Courses – Amended (Academic Affairs)

Trustee de las Cuevas-Diaz introduced their action item, and Chair Collins gave a brief introduction. Provost Clark provided introductory remarks on the action item.

Dr. Amy Guerette reviewed the action item and provided an overview of Florida Statutes 1007.55 and 1007.25. She also discussed the timeline for the review of the General Education Course Offerings for 2025-2026 at FSU, highlighting changes that have occurred since the staff initially presented the General Education course slate to the Trustees in June 2024. A new list was presented to the Trustees at the meeting as follows:

571 courses consisting of the following:

Courses removed from General Education Offering – 432

Courses Updated & Pending BOG Staff Review* - 13

Courses Reviewed & Approved by BOG staff to be added to the BOG Agenda for final approval – 126

****The amended slate of the FSU Academic 2025-2026 General Education Course Offering Spreadsheet includes 13 courses still pending initial review by BOG staff. Any of the courses not recommended by BOG staff for submittal to the BOG will be removed from the General Education Course Offerings.***

Dr. Amy Guerette clarified that these courses are not being removed entirely from the course offerings; they will only be taken out of the General Education Course offerings. The courses will now be classified as electives.

Further discussion and questions occurred regarding the action item.

Chair Collins asked for a motion to approve BOG Regulation 8.005 Review of General Education Courses – Amended as presented in the meeting.

Trustee de las Cuevas-Diaz made the motion to approve, Chair Collins seconded, and the motion was unanimously approved by all present at the meeting.

F. Advancement Committee

Trustee John Thiel, Chair

Dr. Marla Vickers, Vice President for University Advancement and President, FSU Foundation, Inc.

Trustee John Thiel, Chair of the Advancement Committee, reported on their committee meeting. He noted that FSU's endowment has now surpassed \$1 billion and mentioned that fundraising efforts are going well. He also discussed the comprehensive campaign and expressed gratitude to Dr. Prosper for his inspiring report at the meeting, stating that stories like Dr. Prosper's should be highlighted in the upcoming campaign.

Trustee Thiel then introduced the action item and provided an overview of the changes.

Action Item I: Request for Approval: Florida State University Policy 8-2 - Naming Policy (Advancement)

Trustee Thiel requested a motion to approve the Florida State University Policy 8-2 – Naming Policy. Trustee Weatherford made the motion to approve, Trustee Alvarez seconded, and the motion was unanimously approved by all present at the meeting.

G. Student Affairs Committee¹

Trustee Drew Weatherford, Chair

Dr. Amy Hecht, Vice President for Student Affairs

Trustee Drew Weatherford, Chair of the Student Affairs Committee, reported on their committee meeting. He discussed the recent hurricanes and their impact on student housing on campus. Trustee Weatherford noted that their committee also discussed the “Round Up” campaign, E-Sports on campus, and the FSU circus.

Chair Collins asked a question on the boutique fitness project, and Trustee Weatherford provided an update.

H. Audit and Compliance Committee

Trustee Maximo Alvarez, Chair

Mr. Undra Baldwin, Chief Audit Officer

Mr. Robert Large, Chief Compliance Officer

Trustee Maximo Alvarez, Chair of the Audit and Compliance Committee, welcomed Chair Collins as a new member of the committee. He also thanked Dr. Harrison Prosper for his report earlier in the meeting.

Trustee Alvarez reported on their committee meeting. He mentioned that Mr. Robert Large, Chief Compliance Officer, presented three informational items during the meeting. Additionally, Trustee Alvarez noted that the Office of Audit and Advisory Services shared

¹ Chair Collins moved the Student Affairs Committee report up in the agenda.

four informational items, which were presented by Mr. Undra Baldwin, Chief Audit Officer. He also highlighted the guest presenters who presented to their committee.

Trustee Alvarez and Chair Collins commended Mr. Baldwin and Mr. Large and their staff for their work, specifically in Risk Management. Chair Collins also thanked Trustee Alvarez for his leadership.

I. Finance and Business Committee

Trustee Jim Henderson, Chair

Mr. Kyle Clark, Senior Vice President for Finance and Administration

Trustee Jim Henderson, Chair of the Finance and Business Committee, provided an overview of their committee meeting. He noted their consent item on today's agenda - Consent Item W: New Regulation - FSU-5.101 Educational Locations. Trustee Henderson reported that Senior Vice President Clark, Vice President Patterson, and Dean Littles provided an update on FSU Health and the potential opportunity to finance and build a hospital in Panama City Beach.

Trustee Henderson invited Mr. Kyle Clark, Senior Vice President for Finance & Administration, to present on their action item. Mr. Clark provided an overview and background information, noting Board of Governors Regulation 9.013, which provides the Board of Trustees the authority to consider using unreserved cash from a non-athletic auxiliary for Athletics, with BOG approval.

Action Item I: Request for Approval: Internal Loan in Support of the Lacrosse Program (Finance & Business)

Chair Collins requested a motion to approve the Internal Loan in Support of the Lacrosse Program. Trustee Weatherford made the motion to approve, the motion was seconded, and it was unanimously approved by all present at the meeting.

Mr. Clark invited Mr. Kevin Graham with the Office of Real Estate to present the developments in Real Estate to the Board at FSU. Mr. Graham presented on campus expansions, notable acquisitions, projects and prospects, FSU's leasing portfolio, property management (specifically developing a new model), and other real estate matters.

Ms. Sadie Greiner, chief construction officer at FSU, presented on various university capital construction projects, including large construction projects, deferred maintenance projects, and smaller construction projects.

J. Governance Committee

Mr. Peter Collins, Chair, Board of Trustees

Ms. Carolyn Egan, Vice President for Legal Affairs and General Counsel

Chair Collins reported on the Governance Committee meeting in the absence of Trustee Sasser, who chairs the committee.

Ms. Carolyn Egan, Vice President for Legal Affairs and General Counsel, introduced the action item and provided an overview of the proposed changes to the FSU Board of Trustees Operating Procedures. She noted that the Board had met as a whole during the Governance Committee meeting the previous day, where these changes were also discussed.

Action Item I: Request for Approval: Changes to FSU Board of Trustees Operating Procedures (Governance)

Chair Collins requested a motion to approve the changes to the FSU Board of Trustees Operating Procedures. Trustee Henderson made the motion to approve, the motion was seconded by Trustee Weatherford, and it was unanimously approved by all present at the meeting.

Chair Collins moved the action item from his Chair's report to the Governance Committee section concerning the request to approve the President's goals for Fiscal Year 2024-2025. He commented that the president's goals had been discussed in the Governance Committee and that they have been shortened, are more specific, and more metric-oriented compared to previous years.

President McCullough gave a high-level overview of his goals, emphasizing that his goals are metric-driven and measurable.

Action Item II: Request for Approval: President's FY 2024-2025 Goals

Chair Collins requested a motion to approve the President's FY 2024-2025 Goals. Trustee de las Cuevas-Diaz made the motion to approve, the motion was seconded by Trustee Henderson, and it was unanimously approved by all present at the meeting.

K. University Research Committee

Trustee Jorge Gonzalez, Chair

Dr. Stacey Patterson, Vice President for Research

Trustee Jorge Gonzalez, Chair of the University Research Committee, provided a report on their committee meeting. He noted that there were no action items on their committee agenda, but that Dr. Patterson presented an update on the university's research enterprise. Dr. Patterson also highlighted an increase in NIH funding for the university, updated the committee on ASPIRE and provided an update on the FSU Health building on TMH's campus. Additionally, Dr. Nicole Patton Terry, the director of the Florida Center for Reading Research (FCCR), gave an overview of FCCR to the committee.

VII. CHAIR'S REPORT

Mr. Peter Collins, Chair

Chair Collins had no further items for his report.

VIII. OPEN FORUM FOR BOARD OF TRUSTEES

Mr. Peter Collins, Chair

There was no further discussion.

Chair Collins discussed upcoming important dates for the Board.

He thanked everyone for their participation in the meeting.

IX. ADJOURNMENT

Mr. Peter Collins, Chair

Chair Collins adjourned the meeting at 12:37 pm.

DRAFT



FLORIDA STATE UNIVERSITY
BOARD OF TRUSTEES

CONSENT ITEM A



FLORIDA STATE UNIVERSITY
BOARD OF TRUSTEES
Academic Affairs Committee

ACTION ITEM I
February 27, 2025

SUBJECT: FSU-5.077 International Programs

PROPOSED COMMITTEE ACTION

Request to amend FSU-5.077 International Programs

AUTHORITY FOR BOARD OF TRUSTEES ACTION

Board of Governors Regulation 1.001 (3) (j), (4); Florida Board of Governors Regulation Development Procedure for State University Boards of Trustees

BACKGROUND INFORMATION

FSU-5.077 identifies structure and location of international programs; proposed revisions were made to conform with recent amendments to Board of Governors regulation on educational locations and current practices. These revisions also conform with the FSU Board of Trustees regulation on educational locations and the Board of Governors regulation on Direct Support Organizations.

ADDITIONAL COMMITTEE CONSIDERATIONS

None

Supporting Documentation Included: FSU-5.077 International Programs

Submitted by: Office of the Provost

FSU 5.077 International Programs

(1) ~~Purpose.~~ Florida State University International Programs ["International Programs"] offers students an opportunity to earn academic credits while studying at a number of international locations in programs developed, including course offerings and educational activities structured by and under the supervision of International Programs.

(2) ~~Locations.~~ The University, through ~~International Programs~~, has four its Direct Support Organization, Florida State University International Programs Association, Inc. (FSU IPA, Inc.) operates three year-round (permanent) Study Centers and a International Sites, an additional (branch) campus, and a number of faculty-led experiences in other locations.

(a) They ~~The three permanent international sites~~ are located in Florence, Italy; London, England ~~Panama City, Republic of Panama;~~ and Valencia, Spain, which are formed and operated as required by local law.; ~~Additionally, a number of short-term programs in other locations are created annually based upon student and/or faculty interest and agreement with local academic institutions and/or educational service providers in accordance with all applicable governing regulations of the Florida Board of Governors (BOG), Florida State University (Florida State) regulations and policies and applicable Federal law and accrediting agency policy.~~

1. The international site in Florence operates as an extension of FSU IPA, Inc., under Italian law governing educational institutions.

2. The international site in London is administered through a not-for-profit United Kingdom charity.

3. The international site in Valencia is administered through a Spanish foundation.

4. The charity and foundations are controlled by FSU, as administered by FSU IPA, Inc. and supervised by International Programs, through the Office of the Provost. Each charity or foundation has an annual independent audit, which is consolidated into the annual audit for FSU IPA, Inc., which is in turn included in the statements of Florida State University as an enterprise fund.

(b) The additional international campus, defined as a branch, is located in Panama City, Republic of Panama.

1. The Republic of Panama branch campus is a financially self-supporting entity.

2. All fees collected for students enrolled at the Republic of Panama campus are used in the Republic of Panama for the operational and capital needs of the branch campus, in accordance with its mission and local Panamanian laws.
3. The campus is administered through a not-for-profit Foundation established in the Republic of Panama. The Foundation is controlled by FSU, as specified in a Memorandum of Agreement with the University. It is administered by FSU IPA, Inc., and supervised by International Programs, through the Office of the Provost.

~~(3) Academic Programs. International Programs may offer classes and programs for Florida State courses approved through university processes. These courses may be offered for academic credit and/or foreign transfer credit when properly approved through the Florida State academic department and the program approval process, in accordance with all applicable governing regulations of the Florida Board of Governors (BOG), Florida State University (Florida State) regulations and policies and applicable Federal law and accrediting agency policy. Course offerings are determined annually based upon student and/or faculty interest, various programmatic reviews related to academics, safety, risk, etc., and may include agreements with academic institutions and/or educational service providers.~~

~~(4) Fees and Costs. International Programs may charge sufficient participant fees, within any limits as may be imposed by Florida law or regulation, to offset its expenses of operation, including instruction, housing, participant cultural activities, insurance, emergency fees, scholarship funding, and administrative costs, including reserves for building maintenance and repairs, purchase and refurbishment. All of these items, combined, comprise the program fee. The program fee which shall be disclosed to participants prior to registration. Such fees shall be charged, collected and expended through the appropriate International Programs auxiliary account(s).~~

~~(5) The campus that operates in the Republic of Panama is a financially self-supporting entity. All fees collected in the Republic of Panama are retained in the Republic of Panama for the operational and capital needs of the institution, in accordance with its mission. The campus is administered through a not-for-profit Foundation established in the Republic of Panama. The Foundation is controlled by FSU, as administered by International Programs, through the Office of the Provost.~~

Specific Authority BOG Regulations 1.001(3)(j), (4)-; 8.009(3)(a), (4); and 9.011; Reg. Procedure July 21, 2005. Law Implemented 1004.28 FS. History–New 9-30-75, Formerly 6C2-5.77, Amended 8-15-90, Substantial Revision 11-21-2014 Former FSU-

5.076 Panama Canal Zone Branch repealed 11-21-2014 and now covered by this Regulation.



FLORIDA STATE UNIVERSITY
BOARD OF TRUSTEES

CONSENT ITEM B



FLORIDA STATE UNIVERSITY

BOARD OF TRUSTEES

Academic Affairs Committee

ACTION ITEM II

February 27, 2025

SUBJECT: FSU-5.097 Deletion of Courses

PROPOSED COMMITTEE ACTION

Request to amend FSU-5.097 Deletion of Courses

AUTHORITY FOR BOARD OF TRUSTEES ACTION

Board of Governors Regulation 1.001 (3) (j), (4); Florida Board of Governors Regulation Development Procedure for State University Boards of Trustees

BACKGROUND INFORMATION

FSU-5.097 addresses the process for the deletion of courses. The regulation has been revised to conform with current practice. The regulation has not been updated since 1988. The revisions provide that the Office of the University Registrar will generate a list of courses that have not been offered in the prior five-year period; articulate reasons that academic units may provide for retaining a course; and specify the course information and type of courses to be reviewed and updated by departments and the review process.

ADDITIONAL COMMITTEE CONSIDERATIONS

None

Supporting Documentation Included: FSU-5.097 Deletion of Courses

Submitted by: Office of the Provost

FSU-5.097 Deletion of Courses.

- (1) Once a year, the Office of the University Registrar will generate a list of courses that have not been offered in the prior five-year period.
- (2) The designated five-year period will be based on the academic year, beginning in Fall and ending at the end of the Summer. This five-year period is a rolling five-year period based on when the report is generated.
- (3) This list will constitute the list of courses that will be inactivated and removed from the university curriculum. This list will be shared with the academic units for review. Academic units that wish to retain these courses must provide justification prior to the review deadline.
- (4) Academic units desiring to retain a course must satisfy items in paragraphs (5) and (6) below.
- (5) Justification for retention of a course listed in (1) must be provided. One or more of the following reasons below are allowed for retaining a course.
 - (1) Course curriculum is in process of being revised;
 - (2) Prospective new or visiting faculty have been employed to teach the course in the upcoming year;
 - (3) Course is part of a graduate/undergraduate course offering pair, one part of which has been taught in the required time frame;
 - (4) Course is required for accreditation; or
 - (5) The course is a type of variable topic nature which needs to be available due to public or student interest.
- (6) Departments are required to review and update any and all aspects of the course, i.e. course title, learning objectives, description, assessment measures, etc. Appropriate updates must be submitted through the curriculum process, ensuring the course aligns with current curriculum needs.
- (7) This five-year deletion requirement does not apply to thesis, dissertation, preliminary, qualifying or comprehensive examinations, Directed Individual Studies (DIS), Honors, Research or Internship courses.
- (8) The university president shall annually certify to the university board of trustees that the university has complied with Section 1007.24, F.S.

~~(1) Any course not offered during any "eight regular semesters" will be deleted from the curriculum inventory unless there is justification for the retention. Justification for retention of a course includes: course curriculum is in process of being revised; prospective new or~~

~~visiting faculty have been employed to teach the course; course was not taught due to temporary staffing and/or budgetary problems; course is part of a graduate/undergraduate combination, one part of which has been taught in the required time frame; course is required for accreditation; or the course is a type of variable topic nature which needs to be available due to public or student interest. In addition to the justification for retention of course statement a department desiring to retain a course will provide a copy of the course outline/syllabus. If approved by the University Curriculum Committee the course will be placed on probation for one academic year. This does not apply to Directed Individual Studies (DIS), Honors, Research or Internship courses.~~

~~(2) For purposes of deletion of a course, "eight regular semesters" refers to Fall and Spring semesters only, or four academic years. If a course is not taught during the eight regular semesters but is taught during a summer term within the four academic years, that course shall not be subject to deletion.~~

~~(3) The President, or Dean of Faculty if designated by the President, shall annually certify to the Board of Governors Regents that the University has complied with the course review/deletion procedures.~~

Specific Authority BOG Regulation 1.001(3)(j)-, Reg. Procedure July 21, 2005 . Law Implemented FS. History–New 6-29-88. Amended



FLORIDA STATE UNIVERSITY
BOARD OF TRUSTEES

CONSENT ITEM C



FLORIDA STATE UNIVERSITY

BOARD OF TRUSTEES

Academic Affairs Committee

ACTION ITEM III

February 27, 2025

SUBJECT: FSU-2.02413 Florida Prepaid College Program

PROPOSED COMMITTEE ACTION

Request to repeal FSU-2.02413 Florida Prepaid College Program

AUTHORITY FOR BOARD OF TRUSTEES ACTION

Board of Governors Regulation 1.001 (3) (j), (4); Florida Board of Governors Regulation Development Procedure for State University Boards of Trustees

BACKGROUND INFORMATION

FSU-2.02413 addresses the Florida Prepaid College Program and was last amended in 2003. The specifics of the Florida Prepaid College Program are provided by statute (sections 1009.97 through 1009.988, FS) or administrative rule (Chapter 19B, Florida Administrative Code). Therefore, the request is to repeal FSU-2.02413, since the rules surrounding Florida Prepaid College Program are defined by the aforementioned statutes and administrative code.

ADDITIONAL COMMITTEE CONSIDERATIONS

None

Supporting Documentation Included: FSU-2.02413 Florida Prepaid College Program

Submitted by: Office of the Provost

~~FSU-2.02413 Florida Prepaid College Program.~~

~~(1) Students paying tuition and fees using the Florida Prepaid College Program must pay the balance, if any, before the fee payment deadline to avoid being charged a late payment fee.~~

~~(2) Students are responsible for paying any material and supply fees (also referred to as lab fees), the transportation access fee, late fees, if assessed, and any other applicable fees not included in the Florida Prepaid College Program. Such fees must be paid by the fee payment deadline unless financial aid has been awarded to the student. Failure to pay such fees by the fee payment deadline will result in the late payment fee assessment.~~

~~Specific Authority BOG Regulation 1.001(3) (j); Reg. Procedure July 21, 2005, Law Implemented 1001.74(10), 1009.97 FS. History New 5-5-03.~~



FLORIDA STATE UNIVERSITY
BOARD OF TRUSTEES

CONSENT ITEM D



FLORIDA STATE UNIVERSITY

BOARD OF TRUSTEES

Academic Affairs Committee

ACTION ITEM IV

February 27, 2025

SUBJECT: FSU-5.098 Textbook Adoption and Affordability

PROPOSED COMMITTEE ACTION

Request to amend FSU-5.098 Textbook Adoption and Affordability

AUTHORITY FOR BOARD OF TRUSTEES ACTION

Board of Governors Regulation 1.001 (3) (j), (4); Florida Board of Governors Regulation Development Procedure for State University Boards of Trustees

BACKGROUND INFORMATION

The proposed revisions conform to the Board of Governors' regulations on the affordability, transparency, posting, and attestation of textbooks and instructional materials. The revisions add a provision that instructors must review all required course materials for each course they teach every semester and includes a definition of materials. The revisions also add that the textbook listing must be searchable by course subject, course number, course title, instructor name, title of textbook or instructional material, and author of textbook or instructional material; easily downloadable by current and prospective students; and include the syllabus for general education core courses. The title of the proposed regulation is changing to "Textbook and Instructional Materials Affordability and Transparency" to more accurately reflect the content of the regulation.

ADDITIONAL COMMITTEE CONSIDERATIONS

None

Supporting Documentation Included: FSU-5.098 Textbook Adoption and Affordability

Submitted by: Office of the Provost

FSU-5.098 Textbook Adoption and Instructional Materials Affordability and Transparency

(1) The Board of Trustees of Florida State University establishes the following procedures for approving and adopting textbooks and instructional materials and minimizing the cost of textbooks and instructional materials to students while maintaining the quality of their educational experience and continuing to ensure academic freedom.

(a) The term “materials” includes but is not limited to textbooks, test and assignment questions, assigned and supplemental readings, and any other instructional material the instructor plans to assign to students to read and review in the course.

(b) Selection of instructional materials is an instructor’s responsibility, subject to a department’s role over curriculum. As much as possible, the selection of instructional materials should enable students to obtain the highest quality products at the lowest available price. Institutional initiatives for accomplishing this goal may include but are not limited to

1. Purchasing digital textbooks in bulk;
2. Expanding the use of open-access textbooks and instructional materials;
3. Providing rental options for textbooks and instructional materials;
4. Increasing the availability and use of affordable digital textbooks and learning objects;
5. Developing mechanisms to assist in buying, renting, selling, and sharing textbooks, and instructional materials;
6. Assessing the length of time that textbooks and instructional materials remain in use;
7. An evaluation of cost saving for textbooks and instructional materials, which a student may realize if individual students are able to exercise opt-in or opt-out provisions for the purchase of the materials; and
8. The use of innovative pricing techniques and payment options for textbooks and instructional materials in consultation with providers,

including bookstores, which must include an opt-in or opt-out provision for students and may be approved only if there is documented evidence that the options reduce the costs of the textbooks and instructional materials.

(~~a~~c) The Office of the Provost shall notify each college of the textbook and instructional material adoption deadline for each semester. The deadline shall be at least 45 days before the first day of class for each term.

(~~b~~d) ~~Not~~No later than ~~the beginning of course registration for each term~~45 days before the first day of class, the instructor or designee shall identify in the university's textbook assignment application the textbooks and instructional materials both required or recommended for use in each course section. This information will be available online to students through the textbook assignment application.

(~~e~~e) Upon accessing the website to enter this information, the instructor or designee shall confirm that

1. When making a choice between a new edition of a textbook and a previous edition, the instructor has determined that the new edition differs significantly and substantively from the previous edition and that, based ~~upon~~on this review, the adoption of the new edition is warranted; and

2. The instructor or department intends for students to use all instructional materials that are listed as required for a course. When requiring the purchase of a bundled package rather than one or more of its discrete parts, the instructor requires ~~actual~~student use of substantially all of the items that the package contains ~~by the students~~.

(~~d~~f) The textbook listings shall include the following information: the international standard book number (ISBN), the author(s) listed, the title, the publisher, the edition number, the copyright and publication dates, and other relevant information necessary to identify the specific textbook or instructional material ~~both~~that is either required or recommended for each course.

(g) The textbook listings must

1. be searchable by the course subject, the course number, the course title, the name of the instructor of the course, the title of each assigned

textbook or instructional material, and each author of an assigned textbook or instructional material;

2. be easily downloadable by current and prospective students; and

3. for general education core courses identified pursuant to section 1007.25, Florida Statutes, must include the syllabus and contain the course curriculum; the goals, objectives, and student expectations of the course; and how student performance will be measured.

(h) Information in paragraphs (1)(f) and (g) must remain posted in a public, searchable database for at least five academic years.

(i) The University offers dual enrollment courses to eligible students from partner schools which are taught exclusively on the FSU main campus or Panama City branch campus. FSU instructors select all course textbooks and instructional materials in accordance with the Board of Governors regulation and best practices that may reduce the cost of dual enrollment course textbooks and instructional materials.

(ej) College deans will monitor compliance to ensure that each instructor has entered both the required or recommended textbooks and instructional materials by the deadlines established by the Provost. A request for an exception to the textbook adoption deadlines shall be submitted in writing to the Office of the Provost and shall provide a reasonable justification for the exception. A course added less than forty-five (45) days prior to the first day of classes is exempt from this notification requirement.

(fk) The Provost or designee shall determine and report compliance with this regulation to the FSU Board of Trustees.

(fl) Determination of a student's ability to pay for instructional materials will be made through assessment by the Office of Financial Aid. The university shall make required and recommended textbooks and instructional materials for each course offering available to students who otherwise cannot afford the cost of the textbook. Students eligible for financial assistance may elect to have their FSU account credited with the approved funding so they may make textbook and instructional material purchases from the University Bookstore directly.

(2) The instructor of record must review all required course materials for each course they teach each semester.

(a) The instructor of record must attest that they will review all required materials for each course they teach each semester before the materials are presented or assigned to students.

(b) The instructor of record must attest that the materials are appropriate for the course. If the materials for the course have been selected by someone other than the instructor of record, the individual responsible for selecting the materials for the course must complete this attestation.

(c) The Office of Faculty Development and Advancement is responsible for developing and implementing processes to ensure compliance with these requirements.

(23) The university board of trustees shall provide a report, by September 30 of each year, or as otherwise required by current law, to the Chancellor of the State University System, in a format determined by the Chancellor, that details:

(a) The selection process for ~~general education~~ courses with high enrollment;

(b) Specific initiatives of the institution ~~adopted~~ designed to reduce the cost of textbooks and instructional materials;

(c) Policies implemented regarding the posting of textbook and instructional materials for at least 95% of all courses and course sections 45 days before the first day of class;

(~~e~~d) The number of courses and course sections that were not able to meet the posting deadline for the previous academic year;

(e) Compliance with the required components of the textbook and instructional materials list in Florida Board of Governors Regulation 8.003;

(f) Attestation that all required materials have been reviewed each semester;
and

(~~d~~g) Any additional information determined by the Chancellor.

(34) No employee of The Florida State University may demand or receive any payment, loan, subscription, advance, deposit of money, service, or anything of value, present or promised, in exchange for requiring students to make specific purchases.

However, subject to the requirements of the Florida Code of Ethics for Public Officers and Employees and both the outside activity requirements and conflict of interest restrictions set forth in the university's regulations and in collective bargaining agreements, an employee may receive:

- (a) Sample or instructor copies of textbooks or other instructional materials that cannot be sold if they are identified as samples and not for ~~sale~~resale;
- (b) Royalties or other compensation from the sales of textbooks and other instructional resources ~~of which he or she is the author or creator~~that include the instructor's own writing or work provided they follow institutional procedure for approval as outlined in the applicable Faculty Handbook;
- (c) Honoraria for academic peer review of course materials;
- (d) Fees resulting from activities such as reviewing, critiquing, or preparing support materials for textbooks or instructional materials; and
- (e) Training in the use of course materials and learning technologies.

(45) The Provost or designee is delegated authority to implement additional policies and procedures in furtherance of and consistent with the requirements set forth in herein, Florida Board of Governors Regulation 8.003, applicable law, and governing collective bargaining agreements.

Authority: BOG Regulations 1.001(3) (j), 8.003; Sections 1004.085 Florida Statutes, BOG Regulation Procedure July 21, 2005 History New 6-17-2009, Amended 2-19-2010, Amended 9-25-2017, 9-11-2020, XX-XX-XXXX



FLORIDA STATE UNIVERSITY
BOARD OF TRUSTEES

CONSENT ITEM E



FLORIDA STATE UNIVERSITY

BOARD OF TRUSTEES

Advancement Committee

ACTION ITEM III

February 27, 2025

SUBJECT: Approval of DSO Bylaws Amendment for The John and Mable Ringling Museum of Art Foundation, Inc.

PROPOSED BOARD ACTION

Approve DSO Bylaws Amendment

These amendments conform the Board composition to current requirements; incorporate minimum individual philanthropic requirement; clarify staffing of Foundation; clarify Executive Committee authority and reporting actions to the full Board.

AUTHORITY FOR BOARD OF TRUSTEES ACTION

FSU - 2.025 requires Board of Trustees approval of all DSO Bylaw amendments.

BACKGROUND INFORMATION

The DSO Board reviewed its Bylaws to determine compliance with current law and regulation and made appropriate amendments. The Ringling Board of Directors approved the bylaw amendments on January 30, 2025.

ADDITIONAL BOARD CONSIDERATIONS

Florida Board of Governors approval is not required.

Supporting Documentation Included: Proposed Bylaw Amendments – changes blacklined.

Submitted by: The Ringling Board of Directors.

BYLAWS OF
THE BOARD OF DIRECTORS OF
THE JOHN AND MABLE RINGLING MUSEUM OF ART FOUNDATION, INC.

ARTICLE I

NAME

The name of the Corporation is The John and Mable Ringling Museum of Art Foundation, Inc. (sometimes hereinafter referred to as "Foundation").

ARTICLE II

PURPOSES

The purpose and function of The Foundation is to act as the direct support organization for The John and Mable Ringling Museum of Art (sometimes hereinafter referred to as "Museum"), under the direction of The Florida State University (sometimes hereinafter referred to as "FSU") as set forth the in Section 1004.45, Florida Statutes.

ARTICLE III

BOARD OF DIRECTORS

Section 1. Purpose. The Board of Directors of the Foundation (sometimes hereinafter referred to as "Board") is responsible for establishing policy for the Museum under the direction of the university president and overseeing collections of the Museum and all other matters provided under Section 1004.45, Florida Statutes.

Section 2. Number, Term and Appointment of Directors. The Board shall consist of no more than thirty-one members to be appointed by the President of FSU from a list of nominees provided by the Board. The chair of the university board of trustees shall also appoint at least one representative to the board of directors and the executive committee of any direct-support organization established under this section. The president of the university for which the direct-support organization is established, or his or her designee, shall also serve on the board of directors and the executive committee of any direct-support organization established to benefit that university. The Provost of the unieversity shall also serve on the board No less than one-third of the members shall be residents of Sarasota and Manatee Counties and two-thirds may reside elsewhere. The terms of office of the directors shall be three years. No member may serve more than two consecutive terms but may be reappointed to the Board after two ~~one~~ years from the expiration of the member's second term, except a chair or vice chair's second term shall be extended for up to two years to fulfill such positions. It is not required that the maximum authorized thirty-one positions shall be

~~maintained at all times. The Chair of the Decent Advisory Council and the Chair of the Volunteer Services Advisory Council shall also serve as non-voting ex-officio members of the Board which shall not be included within the authorized thirty-one member maximum. Members shall be assigned a term at the time of election so as to balance the classes.~~

Section 3. Duties of the Board of Directors. The Board shall be responsible for developing and monitoring the policies of the Museum in concert with its statutory mandate provided in Section 1004.45, Florida Statutes. The Board shall develop policy for the Museum, subject to the provisions of the John Ringling Will and the overall direction of the President of The Florida State University; and is invested with the power and authority to nominate a Museum Director, who is appointed by and serves at the pleasure of the President of FSU and shall report to the Provost of FSU or his/her designee, or such other individual as may be designated by FSU. Operating under its charter, these bylaws and such contracts as are approved by FSU, the Board shall set policies to maintain and preserve the collections of the Art Museum; the Circus Museum; the furnishings and objects in the Ringling home, referred to as the *Ca' d'Zan*; and other objects of art and artifacts in the custody of the Museum.

The Board shall also set policy for raising funds, submitting requests and receiving grants from various sources; for the receipt, holding, inventory and the administration of property and for the expenditures of such grants and donated funds to and for the benefit of Museum, subject to the approval of FSU as may be required.

Board members also recognize the obligation to support the Museum as individuals, including maintaining active membership, contributing to annual campaigns, and participating in capital and endowment campaigns and meeting minimum individual philanthropic expectations as approved by the Board.

In addition to the foregoing, the Board shall have the following specific duties:

1. Planning
 - (a) Develop and approve a long range plan including a statement of the Board's philosophy and objectives.
 - (b) Conduct periodic reviews of the Board's philosophy and objectives and its long-range plan in achieving these objectives.
 - (c) Annually review and make recommendations for the Museum's plans for funding its strategy.
 - (d) Review and make recommendations for the Museum's five-year financial goals.
 - (e) Annually review and make recommendations to the President regarding the Museum's budget.
2. Operations

- (a) Nominate candidates for the Director of the Museum for approval by the President of FSU, who shall have those responsibilities as outlined in Section 1004.45, Florida Statutes. The Director, and other employees as designated by the Director, shall act as staff to the Foundation and will report to the Board when conducting its authorized business and functions.
- (b) Review the results achieved by management as compared with the Museum's philosophy, annual and long range goals, and the performance of similar institutions and make appropriate recommendations to the President. Review the financial structure of the Museum to assure it is adequate for current needs and long-range strategy and make recommendations to the President, as appropriate.
- (c) Through the chair, provide candid and constructive guidance to support the Director and advise FSU in reviewing the Director's performance, as appropriate.

3. Audit

- (a) Review published reports to ensure they properly reflect the operating results and financial condition of the Museum.
- (b) Annually approve the appointment of independent auditors to conduct audits of the Foundation in compliance with State and Federal regulations; review the findings of the auditors; transmit and make recommendations for improvements or changes to the President of FSU.
- (c) Review compliance with relevant laws materially affecting the Museum.

ARTICLE IV

MEETINGS OF THE BOARD OF DIRECTORS

Section 1. Annual Meetings. The annual meeting of the Board shall be held in the spring of each year at The John and Mable Ringling Museum of Art or at such other place or places as may be determined by the Chair. Newly elected officers shall assume their duties on July 1 of each year. The Board shall approve its annual budget at the annual meeting.

Section 2. Special Meetings. Special meetings of the Board may be called by the Chair or by one-third of the members of the Board for any specific purpose. Written notice shall be given stating the purpose of such meeting and shall be either delivered to each member of the

Board or mailed to the last known address of such Director at least forty-eight hours prior to the meeting date.

Section 3. Regular Meetings. The Board shall hold two regular meetings in addition to the annual meeting. All meetings shall be held at the Museum unless otherwise designated by the Chair. Reasonable notice of such meetings shall be communicated to each member of the Board. Notice may be provided by US mail, email, voice communication, or overnight delivery at last known address. An agenda of the activities to be conducted at such meetings shall be included with and attached to such notice. In addition to the regular meetings, the Board may hold additional meetings during each year for such purposes as the Chair may direct. The Board may approve fewer meetings in any one year.

Section 4. Compliance with The Florida Government-In-The-Sunshine Law. All meetings of the Board and its committees shall be in compliance with the Florida Government-in- the-Sunshine Law, Section 286.011, Florida Statutes.

Section 5. Quorum, Voting. A majority of the members of the Board then in office shall constitute a quorum for the transaction of business. The affirmative vote of a majority of the Directors present shall be considered the act of the Board at any annual, special or regular meeting unless otherwise specified herein. One or more members of the Board may be present for all purposes by means of teleconferencing if they are unable to physically attend any meeting.

Section 6. Resignation. Any Director may resign at any time by giving written notice of such resignation to the Board and the President of FSU.

Section 7. Vacancies. Vacancies occurring on the Board shall be filled by the Board and President of FSU in accordance with Section 1004.45, Florida Statutes

Section 8. Removal, Termination of Office. Any one or more of the Directors may be removed for just cause at any time by the President of FSU upon the recommendation of the Board.

Section 9. Voting of Directors. Each member of the Board shall be entitled to one vote only at any meeting thereof on any issue or matter of business before such meeting. No member may abstain from voting as to an official decision, ruling or other official act except as otherwise provided in Section 286.012, Florida Statutes.

Section 10. Compensation of Directors. Directors of the Board shall receive no compensation for their services but may be reimbursed for authorized board related expenses while in the performance of their duties as authorized by Section 112.061, Florida Statutes.

Section 11. Liability. The Directors of the Board shall not be personally liable for the Foundation's debts, liabilities or other obligations.

Section 12. Rules of Order. Meetings of the Board shall be conducted according to the *Modern Rules of Order*.

ARTICLE V

OFFICERS

Section 1. Officers. The officers of the Board shall include a Chair, Vice-Chair, Treasurer, Secretary, and such other officers as the Board may from time to time determine and elect or appoint. The officers shall be elected annually by and from the Board at its annual meeting. Any vacancy arising in any office, the incumbent of which is chosen by the Board, may be filled at any meeting by the Chair of the Board with the approval of the Board. The terms of officers elected by the Board shall be twelve (12) months or such other term as approved by the Board of Directors. No officer may serve in the same position for more than twenty-four (24) consecutive months. Provided however, if a Director's term as a Board member has expired while said Director is completing his or her term as an officer of the Board, then said Director shall continue to act in the office to which he or she was elected until replaced.

Section 2. Powers and Duties. Individually, the officers designated below shall have the following general powers and duties:

A. Chair of the Board

1. Assure that the Board fulfills its responsibilities as provided in Section 1004.45, Florida Statutes.
2. Optimize the relationship among the Board, FSU and the Director of the Museum.
3. Chair meetings of the Board; see that it functions effectively, interacts with the Director of the Museum and such staff assigned to the Foundation and fulfills all of its duties. With the Director, develop agendas.
4. Establish standing committees or ad hoc committees to review activities in specific areas.
5. With the advice of the Officers, appoint committee chairs. With the advice of committee chairs, appoint members of the standing and ad hoc committees.
6. Assist the Director in recruiting Board and other talent for whatever volunteer assignments are needed.
7. Reflect any concerns the Director of the Museum has in regard to the role of the Board or individual members of the Board. Advise the Director of the concerns of the Board and other constituencies. On an annual basis and with the Vice Chair, provide input to the Provost, the

Provost's designee, or such other individual as may be designated by FSU, regarding the Director's performance.

8. Present to the Board an evaluation of the pace, direction and organizational strength of the Museum.
9. Annually focus the Board's attention on matters of Museum governance that relate to its own structure, role and relationship to management. Be assured that the Board is satisfied it has fulfilled all of its responsibilities.
10. Fulfill such other assignments as the Chair and Director agree are appropriate and desirable for the Chair to perform.

B. Vice Chair

The Vice Chair shall act for the Chair in the Chair's absence. In addition, the Vice Chair shall have and perform such other duties as may be delegated by the Chair.

C. Treasurer

The Treasurer shall be responsible to the Board for review of the collection, receipt, custody and safekeeping of Foundation funds. The Treasurer shall make reports on the financial status of the Foundation to the Chair and to the Board at all meetings of the Board.

D. Secretary

The Secretary shall be responsible for oversight of the recording of the minutes and shall keep accurate records of all proceedings of the Board and all committees thereof; and shall discharge any other duties delegated by the Board or these Bylaws. In the absence of the Secretary, an Assistant Secretary or Secretary Pro Tempore designated by the person presiding at the meeting, shall perform the duties of the Secretary.

E. Director

The Director shall be the Chief Executive Officer of the Museum and the Director and any museum staff designated by the Director ~~designees~~ shall be staff to the Foundation.

Responsibilities

Board of Directors- Individual Members

1. With the Chair of the Board, develop agendas for meetings, so that the Board can fulfill all its responsibilities effectively. Develop an annual calendar to cover all crucial issues in a timely fashion.
2. See that the Board and the Chair are kept fully informed on the condition

- of the Museum and Foundation on all important factors influencing it.
3. Get the best thinking and involvement of each Board member. Stimulate each Director to give his/her best.
4. Work with the Chair to make the committee structure of the Board function effectively.
5. Recommend to the Chair the composition of the Board committees.
6. Review and sign the Board of Directors Annual Expectations Statement.
7. Participate in the Annual Self-Evaluation of the Board, its committees, and the Director.
8. Understand and embrace the Roles and Responsibilities of the Board of Directors.

Section 3. Removal. Any Board officer may be removed from office with or without cause at any duly noticed meeting by a two-third (2/3) majority vote of the entire current Board.

Section 4. Vacancies. In the event of a vacancy occurring in any office on the Board, the Chair with the approval of the Board, shall appoint another Board member to carry out the unexpired term.

ARTICLE VI

COMMITTEES

The following standing committees will be established by the Chair:

Section 1. Budget, Finance and Investment Advisory Committee. Consists of members designated by the Chair. It reviews all budgets, fiscal and business transactions which require action of the Board. The committee shall also oversee the management of the investments of the foundation and make recommendations to the Board.

Section 2. Collections Committee. Consists of members designated by the Chair. The Committee shall review and recommend to the Board the acquisition of all objects of art and artifacts whether by gift or purchase, the deaccession of objects, and the loan of objects from the Museum's collection. It shall review and recommend to the Board, policy regarding acquisition, deaccession, loans, and conservation. It shall also serve as an advocate to the Board of all matters relating to the collections. The Committee will work with the Development Committee to secure funding to underwrite new acquisitions and to seek potential donations of appropriate kind and quality.

Section 3. Strategic Planning Committee. Consists of members designated by the Chair. It shall review, evaluate, and present to the Board of Directors an annual update on progress toward meeting the Strategic Plan. The Committee will review and approve proposed initiatives to achieve goals prior to the annual budgeting process of the staff and Board and make certain these tactics are reflected in the budget. From time to time, the Committee may add additional strategic goals, initiatives, and strategies. Unless otherwise determined by the Board, every 3-5 years a new Strategic Plan will be adopted by the Board.

Section 4. Development Committee. Consists of members designated by the Chair. It shall review, evaluate and present to the Board of Directors proposals for long-range planning for the development program; review, evaluate and present to the Board any proposals for the development of revenue sources for the Museum to support general Museum operations, collections, programs, exhibitions, performances, and outreach; identify such sources; and develop, present and implement such programs as approved by the Board.

Section 5. Facilities Committee. Consists of members designated by the Chair. The Committee shall be familiar with grounds and facilities of The Ringling. The Committee shall review and comment on changes to the master plan for the Museum campus and report to the Board regarding changes to said plan; and on proposed major new construction or renovation projects in terms of need, priority, location, aesthetics, and funding; review and report on proposed capital expenditures, substantial facilities repairs and renovations; and review campus safety, emergency preparation, and property insurance matters as needed. Collection Committee responsibilities related to buildings and grounds have been delegated to the Facilities Committee.

Section 6. Audit Committee. Consists of members designated by the Chair. The Committee shall make recommendations for selection of the Board's independent auditors. The Committee shall meet at least annually with the independent auditors in order to receive directly their comments and reports and review the audit procedures. It shall also review all financial dealings of the Foundation, including the annual audit and review and advise the Board and present recommendations as may be necessary to ensure proper accounting of funds and financial transactions of the Foundation.

Section 7. Board Governance Committee. The Board Governance Committee shall consist of members designated by the Chair. The Committee shall nominate persons for election as officers of the Board and present the Board with its recommendations at the spring Board meeting of each year. Membership of committees and committee chairmen shall be designated by the Chair of the Board. The Committee shall also recommend to the Board individuals to be nominated by the Board as new Directors of the Board for approval by the President of FSU. In addition, the Committee shall be charged with promoting Model Governance for the Board of Directors as a whole and recommending any necessary and useful changes in the Articles of Incorporation, Bylaws or procedures of the Board.

Section 8. Executive Committee. Consists of the Officers of the Board as defined in Article V along with the Chairs of all Standing Committees as listed in ARTICLE VI. The prior Board Chair shall also serve on this Committee providing the prior Chair is still a current member in good standing of the Board. The Committee shall meet at such times as determined by the Board Chair to consider matters that need attention prior to regularly scheduled Board

meetings and cannot await action at the full Board meeting. The Executive Committee shall be authorized to exercise all powers given to the Board by the Florida Statutes, these Bylaws and resolutions previously adopted by the Board, but the Committee shall not be authorized to:

- a. Elect Officers and appoint other officials.
- b. Amend these Bylaws.
- c. Fill vacancies and elect new directors to the Board.
- d. Remove Foundation Officers or Directors.
- e. Authorize any single expenditure of more than \$50,000 annually from Ringling Foundation funds.
- f. Authorize action regarding loans, sale, deaccession or acquisitions of works of art and the pledging of assets except in authorizing the Director with the approval of the Collections Committee Chair to bid at auction for works of art or other time-sensitive acquisitions or loans.

Notice of meetings of the Executive Committee shall be given in the manner provided in these bylaws for meetings for the Board. Any actions taken shall be specifically and separately reported to the full Board by the Board Chair at its next meeting.

Section 9. Special, Ad Hoc, and Task Force Committees. In addition to the foregoing standing committees, special committees, ad hoc committees, or task force committees may be established by the Chair, who shall appoint the members and appoint the Chair of the committee.

Section 10. Committee Rules; Outside Members. All committees shall use a current edition of the Modern Rules of Order and each Committee Chair shall determine the structure, time, and length of its meetings. With the exception of the Governance Committee, the Chair, after conferring with the Director and the Board, may appoint for up to one-year terms with the possibility of reappointment, members of the general public to serve as members of standing or special committees of the Board. However, at no time shall the non-Board members of any committee exceed the number of Board members on any committee, unless approved by the Board, with the exception of the Development Committee, whose non-Board membership may exceed fifty percent (50%) of the committee membership. The Chair of each committee must be a member of the Board. Non-Board members can stand for Board membership after one year following completion of Non-Board member service.

The Chair shall appoint committee chairmen within thirty (30) days after the annual meeting for a one-year term. A committee chair may serve more than two consecutive annual terms if reappointed to his or her position by the Chair.

In the event that a vacancy occurs in the position of a committee chair, then the Chair

shall appoint an individual to carry out the remainder of the terms. Except as otherwise provided by law, 50% of the members of any committee, shall constitute a quorum at all meetings of such committee except the Executive Committee which requires a majority of the members. When a quorum is present at any committee meeting, a vote of the majority of the members present and voting shall be necessary and sufficient for the decision of any question brought before the meeting, except as otherwise provided by law. Minutes of committee meetings will be kept and may be in abbreviated form.

ARTICLE VII BUDGET

No later than the spring regular meeting of each fiscal year, the Director or Director's his designee shall prepare and present to the Budget, Finance and Investment Advisory Committee a recommended Foundation budget for the next fiscal year. The Committee will recommend the Foundation budget to the Board for approval and subsequent review by the President of FSU.

ARTICLE VIII

CONFLICT OF INTEREST

Any duality of interest on the part of any Director should be disclosed to the Board and made a matter of record through an annual procedure and also when the interest becomes a matter of Board action.

Except as otherwise mandated by law, any Director having a duality of interest shall not vote or use his or her personal influence on the matter, and he or she shall not be counted in determining the quorum for the meeting. The minutes of the meeting shall reflect that a disclosure was made, the abstention from voting and the quorum situation. In all cases such Director shall comply with the disclosure requirements under the Florida Government-in-the-Sunshine Law, Section 286.011, Florida Statutes.

ARTICLE IX

FISCAL YEAR

The fiscal year of the Foundation shall be the year ending with the 30th day of June in each year.

ARTICLE X AMENDMENTS

These Bylaws may be amended at any regular or special meetings of the Board by a vote of two-thirds (2/3) of the entire Board then in office with approval by the President of FSU, provided that notice in writing of the proposed change shall have been sent at least ten (10) days in advance of the meeting at which such change is to be considered.

ARTICLE XI INDEMNIFICATION PROVISIONS

Section 1. Indemnification for Directors. Except as otherwise directed by the Board, any Director or officer of the Board made a party to an action or proceeding, whether civil or criminal, by reason of the fact that he or she is or was a Director or officer of the Board, or for any alleged act or omission while in any such capacity, shall be indemnified by the Foundation and Museum to the extent permitted by law and only to the extent that the status of the Foundation as an organization exempt under Section 501(c)(3) of the Internal Revenue Code is not affected thereby. Indemnification shall include expenses, including but not limited to attorneys' fees and disbursements incurred by any such person in defending any such action, suit or proceeding and may be paid from time to time by the Foundation in advance of the final disposition of said action, suit or proceedings.

Section 2. Officers and Employees. By the same procedures set forth in the preceding paragraph, the Board may vote to extend indemnification provisions substantially similar to those rights and subject to those limitations described above to other officers, employees or agents of the Foundation and any such organization in which the Foundation has an interest.

Section 3. Non-Waiver of Other Rights. The right or grant of indemnification hereby provided shall not be exclusive of or affect the protection of sovereign or qualified immunity or any other rights to which any Director, officer, employee or agent may be entitled or which may lawfully be granted to such person. As used herein, the terms "Director," "officer," "employee" and "agent" include their respective executors, administrators and other legal representatives.

Section 4. Insurance. By action of the Board, notwithstanding any interest of the Directors in such action, the Foundation may recommend the purchase and maintenance of insurance, in such amounts as the Board may from time to time deem appropriate, on behalf of any person who is or was a Director, officer, employee or other agent of the Foundation or was serving at the request of the Foundation, as Director, officer, employee or other agent of the Foundation and any other such organization in which the Foundation has an interest, against any liability incurred by such person in any such capacity, or arising out of his or her status as such, whether or not the Foundation would have the power to indemnify such person against such liability.

ARTICLE XII RECORDS

The Board shall maintain correct and proper books and records and shall keep minutes of all the meetings of the Board, at the executive offices of the Museum. All such records may be inspected by any Director, or the agent or the attorney of same, or any proper person, at any reasonable time in accordance with Chapter 119, Florida Statutes.

DATED and **ADOPTED** this 31st day of August, 2000, and **AMENDED**
March 12, 2001, June 27, 2003, April 29, 2005, April 20, 2007, June 25, 2010, April 8, 2011,
June 24, 2011, April 8, 2016, October 13, 2017, May 4, 2018, January 31, 2025

Amendment last Approved by FSU Board of Trustees Directors the 8th day of June,
2018.

BOARD OF DIRECTORS OF THE JOHN AND MABLE RINGLING MUSEUM OF ART FOUNDATION, INC.

By: /s/ Paul Hudson Margaret
Hausberg
Chair

Attest: /s/ Daniel Denton Sarah H.
Pappas
Secretary



FLORIDA STATE UNIVERSITY
BOARD OF TRUSTEES

CONSENT ITEM G



FLORIDA STATE UNIVERSITY

BOARD OF TRUSTEES

Audit and Compliance Committee

ACTION ITEM I

February 27, 2025

SUBJECT: Request for Approval of Office of Audit and Advisory Services (OAAS) Performance-Based Funding Metrics Audit and Preeminent Research University Funding Metrics Audit

PROPOSED COMMITTEE ACTION

FSU OAAS' request for BOT approval of the Performance-Based Funding Metrics Audit and the Preeminent Research University Funding Metrics Audit.

AUTHORITY FOR BOARD OF TRUSTEES ACTION

1. Florida Statute 1001.706(5)(e): Each University shall conduct an annual audit to verify the data submitted pursuant to ss. 1001.7065 and 1001.92 complies with the data definitions established by the board and submit the audits to the Board of Governors Office of Inspector General as part of the annual certification process required by the Board of Governors.
2. BOG Regulation 5.001(8): University chief audit executives shall conduct or cause to have conducted an annual data integrity audit to verify the data submitted for implementing the Performance-Based Funding Model complies with the data definitions established by the Board of Governors. The audit report shall be presented to the University's Board of Trustees for its review, acceptance, and use in completing the data integrity certification. The audit report and data integrity certification are due to the Board of Governors' Office of Inspector General by March 1 each year.

BACKGROUND INFORMATION

ADDITIONAL COMMITTEE CONSIDERATIONS

No additional Committee Considerations

Supporting Documentation Included: Request for Approval I Memo – Performance-Based Funding Metrics Audit, Preeminent Research University Funding Metrics Audit, and Data Integrity Certification form.

Submitted by: Undra Baldwin



Office of Audit and Advisory Services
Westcott – Suite 407
222 South Copeland Street
P.O. Box 3061390
Tallahassee, Florida 32306-1390

MEMORANDUM

TO: Dr. Richard McCullough, President
FROM: Undra Baldwin, Chief Audit Officer
DATE: February 3, 2025
SUBJECT: Consent Agenda Items for the February 28, 2025, BOT Meeting

Please find enclosed the FSU Office of Audit and Advisory Services request for BOT approval of the Performance-Based Funding Metrics and Preeminent Research University Funding Metrics audit reports and recommendation for the President and BOT Chair to sign the Data Integrity Certification Form.

I respectfully request these items to be placed on the BOT Consent Agenda for the February 28, 2025, BOT meeting.

Thank you.

Attachments



Data Integrity Certification

March 2025

In accordance with Board of Governors Regulation 5.001(8), university presidents and boards of trustees are to review, accept, and use the annual data integrity audit to verify the data submitted for implementing the Performance-based Funding model complies with the data definitions established by the Board of Governors.

Given the importance of submitting accurate and reliable data, boards of trustees for those universities designated as preeminent or emerging preeminent are also asked to review, accept, and use the annual data integrity audit of those metrics to verify the data submitted complies with the data definitions established by the Board of Governors.

Applicable Board of Governors Regulations and Florida Statutes: Regulations 1.001(3)(f), 3.007, and 5.001; Sections 1001.706(5)(e), 1001.7065, and 1001.92, Florida Statutes.

Instructions: To complete this certification, university presidents and boards of trustees are to review each representation in the section below and confirm compliance by signing in the appropriate spaces provided at the bottom of the form. Should there be an exception to any of the representations, please describe the exception in the space provided.

Once completed and signed, convert the document to a PDF and ensure it is ADA compliant. Then submit it via the Chief Audit Executives Reports System (CAERS) by the **close of business on March 1, 2025**.

University Name: Florida State University

Data Integrity Certification Representations:

1. I am responsible for establishing and maintaining, and have established and maintained, effective internal controls and monitoring over my university's collection and reporting of data submitted to the Board of Governors Office which will be used by the Board of Governors in Performance-based Funding decision-making and Preeminence or Emerging-preeminence Status.
2. In accordance with Board of Governors Regulation 1.001(3)(f), my Board of Trustees has required that I maintain an effective information system to provide accurate, timely, and cost-effective information about the university, and shall require that all data and reporting requirements of the Board of Governors are met.
3. In accordance with Board of Governors Regulation 3.007, my university provided accurate data to the Board of Governors Office.

Data Integrity Certification, March 2025

4. In accordance with Board of Governors Regulation 3.007, I have tasked my Data Administrator to ensure the data file (prior to submission) is consistent with the criteria established by the Board of Governors. The due diligence includes performing tests on the file using applications, processes, and data definitions provided by the Board Office. A written explanation of any identified critical errors was included with the file submission.
5. In accordance with Board of Governors Regulation 3.007, my Data Administrator has submitted data files to the Board of Governors Office in accordance with the specified schedule.
6. I am responsible for taking timely and appropriate preventive/ corrective actions for deficiencies noted through reviews, audits, and investigations.
7. I recognize that Board of Governors' and statutory requirements for the use of data related to the Performance-based Funding initiative and Preeminence or Emerging-preeminence status consideration will drive university policy on a wide range of university operations – from admissions through graduation. I certify that university policy changes and decisions impacting data used for these purposes have been made to bring the university's operations and practices in line with State University System Strategic Plan goals and have not been made for the purposes of artificially inflating the related metrics.
8. I certify that I agreed to the scope of work for the Performance-based Funding Data Integrity Audit and the Preeminence or Emerging-preeminence Data Integrity Audit (if applicable) conducted by my chief audit executive.
9. In accordance with section 1001.706, Florida Statutes, I certify that the audit conducted verified that the data submitted pursuant to sections 1001.7065 and 1001.92, Florida Statutes [regarding Preeminence and Performance-based Funding, respectively], complies with the data definitions established by the Board of Governors.

Exceptions to Note: While the Preeminent Research University Funding audit identified an opportunity for improvement surrounding the Preeminent Metric K – Number of Post-Doctoral Appointees process, the overall impact on the calculation of the metrics was immaterial.

Data Integrity Certification, March 2025

Data Integrity Certification Representations, Signatures:

I certify that all information provided as part of the Board of Governors Data Integrity Certification for Performance-based Funding and Preeminence or Emerging-preeminence status (if applicable) is true and correct to the best of my knowledge; and I understand that any unsubstantiated, false, misleading, or withheld information relating to these statements render this certification void. My signature below acknowledges that I have read and understand these statements. I certify that this information will be reported to the board of trustees and the Board of Governors.

Certification: _____
University President

Date: _____

I certify that this Board of Governors Data Integrity Certification for Performance-based Funding and Preeminence or Emerging-preeminence status (if applicable) has been approved by the university board of trustees and is true and correct to the best of my knowledge.

Certification: _____
University Board of Trustees Chair

Date: _____

Performance-Based Funding Metrics Data Integrity Audit



**Office of Audit and Advisory Services
Report #AR25-03**

January 6, 2025

Undra Baldwin, Chief Audit Officer

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EXECUTIVE SUMMARY

A. Background

In 2014, the Florida Board of Governors (BOG) approved the Performance-Based Funding (PBF) model. The model includes 10 PBF Metrics that evaluate Universities within the State University System (SUS) of Florida on a range of areas (e.g., graduation rates, job placement, academic progress rate). PBF Metric 10 (see description below) is a choice Metric which was selected by the University's Board of Trustees (BOT) and focuses on areas of improvement or the specific mission of the University. The remaining PBF Metrics are common to all Universities.

The 10 PBF Metrics consist of the following:

- Metric 1: Percent of Bachelor's Graduates Enrolled or Employed One Year After Graduation
- Metric 2: Median Wages of Bachelor's Graduates Employed One Year After Graduation
- Metric 3: Average Cost to the Student (Net Tuition & Fees per 120 Credit Hours for Resident Undergraduates)
- Metric 4: Four-Year Graduation Rate – Full-time, First Time in College (FTIC) Students
- Metric 5: Academic Progress Rate (Second Fall Retention Rate with at Least 2.0 GPA for Full-Time, FTIC Students)
- Metric 6: Percentage of Bachelor's Degrees Awarded within Programs of Strategic Emphasis
- Metric 7: University Access Rate (Percent of Undergraduates with a Pell Grant)
- Metric 8: Percentage of Graduate Degrees Awarded within Programs of Strategic Emphasis
- Metric 9a: Three-Year Graduation Rate - Florida College System (FCS) Associate in Arts Degree (AA) Transfer Students
- Metric 9b: Six-Year Graduation Rate - FTIC Pell Recipient Students
- Metric 10: Number of Bachelor's Graduates who passed an Entrepreneurship Class

Florida Statutes 1001.706, Powers and Duties of the BOG, requires the BOG to define the data components and methodology used to implement Florida Statutes 1001.92, State University System Performance-Based Incentive, and requires each University to conduct an annual audit to verify that the data submitted pursuant to Florida Statutes 1001.92 complies with the data definitions established by the BOG. The BOG has provided methodology documents for all PBF Metrics common to the institutions. The calculations of the PBF Metrics are based on data submitted through the State University Database System. See **Appendix A** for the complete list of data files used for the calculation of each PBF Metric.

B. Objectives and Scope

The specific objectives of this audit were to:

1. Determine whether the processes established by FSU ensure the completeness, accuracy, and timeliness of data submissions to the BOG that support the PBF Metrics.
2. Provide an objective basis of support for the President and BOT Chair to sign the representations made in the PBF Metrics/Preeminent Research University Funding Metrics Data Integrity Certification Letter.

The scope of this audit covered data submissions to the BOG from January 2023 through July 2024. OAAS performed detailed testing on all data submissions to the BOG used for these Metrics.

C. Standards

This audit was conducted in accordance with the *International Standards for the Professional Practice of Internal Auditing*. These standards require that audit departments plan and perform the audit to obtain sufficient, reliable, relevant, and useful evidence. It is our opinion that the evidence obtained during our review provides a basis for the findings and conclusion noted in this report.

D. Overall Conclusion

Overall, it appears that FSU has established adequate controls and processes to:

1. Ensure the completeness, accuracy, and timeliness of data submissions to the BOG, which support FSU's PBF Metrics.
2. Affirm the representations in the Data Integrity Certification Letter.

APPENDIX A – PERFORMANCE-BASED FUNDING METRICS DATA SOURCES

Metric	Description	Data Source Submitted to BOG	Applicable University
1	Percent of Bachelor's Graduates Enrolled or Employed One Year After Graduation	BOG Submission File – Degrees Awarded File (SIFD)	All SUS Universities
2	Median Wages of Bachelor's Graduates Employed One Year After Graduation	BOG Submission File – SIFD	All SUS Universities
3	Average Cost to Student (Net Tuition & Fees per 120 Credit Hours for Resident Undergraduates)	BOG Submission Files – Student Instruction File (SIF), Student Financial Aid File (SFA), Hours to Degree File (HTD)	All SUS Universities
4	Four-Year Graduation Rate (Full-time, FTIC Students)	BOG Submission Files – SIF, SIFD, Retention File	All SUS Universities
5	Academic Progress Rate (Second Fall Retention Rate with at Least 2.0 GPA for Full-Time, FTIC Students)	BOG Submission Files – Fall SIF – two consecutive terms	All SUS Universities
6	Percentage of Bachelor's Degrees Awarded within Programs of Strategic Emphasis	BOG Submission Files – SIFD	All SUS Universities
7	University Access Rate	BOG Submission Files – SIF, SFA	All SUS Universities
8	Percentage of Graduate Degrees Awarded within Programs of Strategic Emphasis	BOG Submission Files – SIFD	All SUS Universities
9a	Three-Year Graduation Rate – FCS AA Transfer Students	BOG Submission Files – SIF, SIFD, Retention File	All SUS Universities
9b	Six-Year Graduation Rate – FTIC Pell Recipient Students	BOG Submission File – SIF, SIFD, SFA, Retention File	All SUS Universities

Metric	Description	Data Source Submitted to BOG	Applicable University
10	Number of Bachelor's Graduates who passed an Entrepreneurship Class	Provided to the BOG by Institutional Research	FSU

Note: The PBF Model includes 10 Metrics that evaluate Universities within the SUS of Florida on a range of issues. The first 9 Metrics are the same for each University. The 10th Metric is University-specific, chosen by each University's Board of Trustees.

APPENDIX B – AUDIT RATINGS

Material:

- Violation of policies/procedures/laws and/or unacceptable level of internal controls that either does or could pose an unacceptable level of exposure to the University.
- Issue(s) could have a high impact on the University.
- Major opportunities to improve effectiveness and efficiency exist.
- Immediate corrective action by management is required.

Significant:

- Violation of policies/procedures/laws and/or lack of internal controls that either do or could pose a substantial level of exposure to the University.
- Issue(s) could have a medium impact on the University.
- Substantial opportunities to improve effectiveness and efficiency exist.
- Prompt corrective action by management is essential in order to address the noted concern(s) and reduce the risk(s) to the University.

Moderate:

- Violation of policies/procedures/laws and/or lack of internal controls that either do or could pose a moderate level of exposure to the University.
- Issue(s) identified are either (a) not likely but could have a medium impact on the University or (b) likely and could have a low impact on the University.
- Notable opportunities to improve effectiveness and efficiency exist.
- Corrective action is needed by management in order to address the noted concern and reduce risks to a more desirable level.

Minor:

- Insignificant or immaterial reportable issue(s) or opportunities for improvement were identified during the audit.



FLORIDA STATE UNIVERSITY
BOARD OF TRUSTEES

CONSENT ITEM H



FLORIDA STATE UNIVERSITY

BOARD OF TRUSTEES

Audit and Compliance Committee

ACTION ITEM I

February 27, 2025

SUBJECT: Request for Approval of Office of Audit and Advisory Services (OAAS) Performance-Based Funding Metrics Audit and Preeminent Research University Funding Metrics Audit

PROPOSED COMMITTEE ACTION

FSU OAAS' request for BOT approval of the Performance-Based Funding Metrics Audit and the Preeminent Research University Funding Metrics Audit.

AUTHORITY FOR BOARD OF TRUSTEES ACTION

1. Florida Statute 1001.706(5)(e): Each University shall conduct an annual audit to verify the data submitted pursuant to ss. 1001.7065 and 1001.92 complies with the data definitions established by the board and submit the audits to the Board of Governors Office of Inspector General as part of the annual certification process required by the Board of Governors.
2. BOG Regulation 5.001(8): University chief audit executives shall conduct or cause to have conducted an annual data integrity audit to verify the data submitted for implementing the Performance-Based Funding Model complies with the data definitions established by the Board of Governors. The audit report shall be presented to the University's Board of Trustees for its review, acceptance, and use in completing the data integrity certification. The audit report and data integrity certification are due to the Board of Governors' Office of Inspector General by March 1 each year.

BACKGROUND INFORMATION

ADDITIONAL COMMITTEE CONSIDERATIONS

No additional Committee Considerations

Supporting Documentation Included: Request for Approval I Memo – Performance-Based Funding Metrics Audit, Preeminent Research University Funding Metrics Audit, and Data Integrity Certification form.

Submitted by: Undra Baldwin



Office of Audit and Advisory Services
Westcott – Suite 407
222 South Copeland Street
P.O. Box 3061390
Tallahassee, Florida 32306-1390

MEMORANDUM

TO: Dr. Richard McCullough, President
FROM: Undra Baldwin, Chief Audit Officer
DATE: February 3, 2025
SUBJECT: Consent Agenda Items for the February 28, 2025, BOT Meeting

Please find enclosed the FSU Office of Audit and Advisory Services request for BOT approval of the Performance-Based Funding Metrics and Preeminent Research University Funding Metrics audit reports and recommendation for the President and BOT Chair to sign the Data Integrity Certification Form.

I respectfully request these items to be placed on the BOT Consent Agenda for the February 28, 2025, BOT meeting.

Thank you.

Attachments



Data Integrity Certification

March 2025

In accordance with Board of Governors Regulation 5.001(8), university presidents and boards of trustees are to review, accept, and use the annual data integrity audit to verify the data submitted for implementing the Performance-based Funding model complies with the data definitions established by the Board of Governors.

Given the importance of submitting accurate and reliable data, boards of trustees for those universities designated as preeminent or emerging preeminent are also asked to review, accept, and use the annual data integrity audit of those metrics to verify the data submitted complies with the data definitions established by the Board of Governors.

Applicable Board of Governors Regulations and Florida Statutes: Regulations 1.001(3)(f), 3.007, and 5.001; Sections 1001.706(5)(e), 1001.7065, and 1001.92, Florida Statutes.

Instructions: To complete this certification, university presidents and boards of trustees are to review each representation in the section below and confirm compliance by signing in the appropriate spaces provided at the bottom of the form. Should there be an exception to any of the representations, please describe the exception in the space provided.

Once completed and signed, convert the document to a PDF and ensure it is ADA compliant. Then submit it via the Chief Audit Executives Reports System (CAERS) by the **close of business on March 1, 2025**.

University Name: Florida State University

Data Integrity Certification Representations:

1. I am responsible for establishing and maintaining, and have established and maintained, effective internal controls and monitoring over my university's collection and reporting of data submitted to the Board of Governors Office which will be used by the Board of Governors in Performance-based Funding decision-making and Preeminence or Emerging-preeminence Status.
2. In accordance with Board of Governors Regulation 1.001(3)(f), my Board of Trustees has required that I maintain an effective information system to provide accurate, timely, and cost-effective information about the university, and shall require that all data and reporting requirements of the Board of Governors are met.
3. In accordance with Board of Governors Regulation 3.007, my university provided accurate data to the Board of Governors Office.

Data Integrity Certification, March 2025

4. In accordance with Board of Governors Regulation 3.007, I have tasked my Data Administrator to ensure the data file (prior to submission) is consistent with the criteria established by the Board of Governors. The due diligence includes performing tests on the file using applications, processes, and data definitions provided by the Board Office. A written explanation of any identified critical errors was included with the file submission.
5. In accordance with Board of Governors Regulation 3.007, my Data Administrator has submitted data files to the Board of Governors Office in accordance with the specified schedule.
6. I am responsible for taking timely and appropriate preventive/ corrective actions for deficiencies noted through reviews, audits, and investigations.
7. I recognize that Board of Governors' and statutory requirements for the use of data related to the Performance-based Funding initiative and Preeminence or Emerging-preeminence status consideration will drive university policy on a wide range of university operations – from admissions through graduation. I certify that university policy changes and decisions impacting data used for these purposes have been made to bring the university's operations and practices in line with State University System Strategic Plan goals and have not been made for the purposes of artificially inflating the related metrics.
8. I certify that I agreed to the scope of work for the Performance-based Funding Data Integrity Audit and the Preeminence or Emerging-preeminence Data Integrity Audit (if applicable) conducted by my chief audit executive.
9. In accordance with section 1001.706, Florida Statutes, I certify that the audit conducted verified that the data submitted pursuant to sections 1001.7065 and 1001.92, Florida Statutes [regarding Preeminence and Performance-based Funding, respectively], complies with the data definitions established by the Board of Governors.

Exceptions to Note: While the Preeminent Research University Funding audit identified an opportunity for improvement surrounding the Preeminent Metric K – Number of Post-Doctoral Appointees process, the overall impact on the calculation of the metrics was immaterial.

Data Integrity Certification, March 2025

Data Integrity Certification Representations, Signatures:

I certify that all information provided as part of the Board of Governors Data Integrity Certification for Performance-based Funding and Preeminence or Emerging-preeminence status (if applicable) is true and correct to the best of my knowledge; and I understand that any unsubstantiated, false, misleading, or withheld information relating to these statements render this certification void. My signature below acknowledges that I have read and understand these statements. I certify that this information will be reported to the board of trustees and the Board of Governors.

Certification: _____
University President

Date: _____

I certify that this Board of Governors Data Integrity Certification for Performance-based Funding and Preeminence or Emerging-preeminence status (if applicable) has been approved by the university board of trustees and is true and correct to the best of my knowledge.

Certification: _____
University Board of Trustees Chair

Date: _____

Preeminent Research University Funding Metrics Audit



Office of Audit and Advisory Services Report #AR25-05

January 28, 2025

Undra Baldwin, Chief Audit Officer

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EXECUTIVE SUMMARY

A. Background

In 2013, the Florida Board of Governors (BOG) voted to designate Florida State University (FSU) as a Preeminent State University. Florida Statutes 1001.7065, Preeminent State Research Universities Program, details the 13 academic and research excellence standards established for the program. FSU's performance results related to the Preeminent Research University Funding (PRF) Metrics are reported annually in the Accountability Plan. Universities are eligible for Emerging Preeminent status if they meet 7 of 13 PRF Metrics, and for Preeminent status if they meet 12 of 13 Metrics¹. FSU met all 13 benchmarks in the State University System of Florida 2024 Accountability Plan, which is the most recently available report.

The 13 PRF Metrics consist of the following:

- Metric A: Average Grade Point Average (GPA) and SAT Score
- Metric B: Public University National Rankings
- Metric C: Freshman Retention Rate
- Metric D: Four-Year Graduation Rate
- Metric E: National Academy Memberships
- Metric F: Total Annual Research Expenditures (\$M)
- Metric G: Total Annual Non-Medical Science and Engineering Research Expenditures (\$M)
- Metric H: Number of Broad Disciplines Ranked in Top 100 for Research Expenditures
- Metric I: Utility Patents Awarded
- Metric J: Doctoral Degrees Awarded Annually
- Metric K: Number of Post-Doctoral Appointees
- Metric L: Endowment Size (\$M)
- Metric M: Total Annual Science and Engineering Research Expenditures (\$M)

¹ The University of Central Florida is recognized as having Emerging Preeminent status. Meanwhile, Florida State University, Florida International University, University of Florida, and University of South Florida are designated as "Preeminent Research Universities".

Florida Statutes 1001.706, Powers and Duties of the BOG, requires the BOG to define the data components and methodology used to implement Florida Statutes 1001.7065 and requires each University to conduct an annual audit to verify that the data submitted pursuant to Florida Statutes 1001.7065 complies with the data definitions established by the BOG. The BOG last updated the PRF Metrics Methodology Document in October 2020. The data supporting the PRF Metrics comes from a variety of sources, including:

- Data submitted to the BOG
- Data reported to external entities

See **Appendix A** for the complete list of sources for each PRF Metric.

B. Objectives and Scope

The specific objectives of this audit were to:

1. Determine whether the processes established by FSU ensure the completeness, accuracy, and timeliness of data submissions to the BOG that support the PRF Metrics.
2. Provide an objective basis of support for the President and BOT Chair to sign the representations made in the Performance-Based Funding Metrics/Preeminent Research University Funding Metrics Data Integrity Certification Letter.

The scope of this audit covered data submissions from January 2023 through July 2024. OAAS performed detailed testing on all data submissions used for these Metrics.

C. Standards

This audit was conducted in accordance with the *International Standards for the Professional Practice of Internal Auditing*. These standards require that audit departments plan and perform the audit to obtain sufficient, reliable, relevant, and useful evidence. It is our opinion that the evidence obtained during our review provides a basis for the findings and conclusion noted in this report.

D. Overall Conclusion

Overall, it appears that the University has established adequate controls and processes to:

1. Ensure the completeness, accuracy, and timeliness of data submissions to the BOG and external entities, which support the University's PRF metrics.
2. Affirm the representations in the Data Integrity Certification form.

While we have identified opportunities for improvement regarding the process surrounding Preeminent Metric K – Number of Post-Doctoral Appointees, we view the overall impact on the calculation of the PRF Metrics as immaterial.

SUMMARY OF ISSUES

Issue #1: (Moderate) The Graduate School's process for determining which employees to include in the count for the Preeminent Metric K - Number of Post-Doctoral Appointees needs improvement.

Per Florida Statute 1001.7065, Preeminent State Research Universities Program, Metric K - Number of Post-Doctoral Appointees, is based on having 200 or more postdoctoral (postdoc) appointees annually. The source for this Metric is the National Science Foundation (NSF)/National Institutes of Health Survey of Graduate Students and Post-doctorates in Science and Engineering (Survey).

Each year, the Graduate School submits a postdoc appointee count in the Survey. According to the Survey methodology, "the definition of a postdoc varies by institution. Respondents were instructed to use their institution's definition²."

Several years ago, the Graduate School created the Postdoc Scholar Count Instructions (Count Instructions) for identifying which employees to include in the Survey. The Count Instructions include additional employee job codes to use for the count, as well as additional steps needed to verify the count. The Count Instructions generally align with the NSF definition.

In addition, the Office of Postdoctoral Affairs' created the Handbook for Postdoctoral Fellows (Postdoc Manual), which includes a more restrictive definition than the NSF definition. The Postdoc Manual is located on both the Office of Postdoctoral Affairs' and Office of Human Resources' (HR's) websites.

A postdoc fellow, defined in the Postdoc Manual, includes the following:

- Appointees must be awarded a Ph.D. or equivalent doctorate (e.g., Sc.D., M.D.) in an appropriate field within 5 years prior to appointment. Exceptions can be made on an individual basis when justifiable and accompanied by supporting documents with prior approval from the Office of Postdoctoral Affairs.
- Individuals may not hold an appointment as a postdoc scholar for longer than four years. Under special circumstances, as approved in advance by the Provost, postdoc appointments may be renewed for an additional year for a maximum of five years total.

² NSF defines a postdoc as "meeting both of the following qualifications: (1) holds a recent doctoral degree, generally awarded within the past 5-7 years, such as Ph.D. or equivalent (e.g., Sc.D., D.Eng.), or first-professional degree in a medical or related field (e.g., MD, DDS, DO, DVM), or foreign degree equivalent to a U.S. doctoral degree; and (2) has a limited-term appointment, generally no more than 5-7 years, primarily for training in research or scholarship, and working under the supervision of a senior scholar in a unit affiliated with the institution."

The Postdoc Manual identifies 2 classifications for postdoc appointments: Postdoctoral Scholar Appointments (hired under job code M9189) and Postdoctoral Courtesy Appointments (hired under job code H9189).

In our testing of 50 sampled postdocs for the Fall 2023 postdoc count, we noted the following:

1. **The Count Instructions and the Postdoc Manual are not aligned with each other. In addition, while discussions were held with FSU Leadership regarding the Count Instructions, no documentation was provided to confirm that the Count Instructions or the Postdoc Manual were formally approved.**
2. **Five (5) employees included in the postdoc count were included in non-postdoc job codes per the Count Instructions. However, no documentation was provided of the Graduate School's communication with the departments confirming the employee was performing postdoc duties.** Some departments will move employees out of a postdoc job code classification to another job code in order to provide benefits to that employee. Currently, FSU does not have a specific job code classification for postdocs with benefits. We were unable to determine whether the employee's job duties remained aligned with those of a postdoc. **One (1) of these employees, a Senior Research Associate, should not have been included in the count due to the nature of the employee's position.**
3. **The Count Instructions do not have mechanisms in place to review the length of time an employee can be counted as a postdoc. Three (3) employees included in the postdoc count were included in the Survey for longer than 7 years, which is not aligned with the NSF guidelines. One (1) of these employees, a Senior Research Associate, was discussed above in #2.** Although the Postdoc Manual states that exceptions are allowed (e.g., due to COVID), the Graduate School does not receive documentation concerning whether these postdocs received a waiver or any other type of exception.
4. **The Graduate School could not provide documentation regarding the reason for including 1 postdoc in the Fall 2023 count.** This postdoc's start day was 1/8/2024, which is outside the Fall 2023 term.
5. **The Graduate School uses the effective date rather than the termination date (official last day worked) to determine whether the appointment was active during the Fall term.** This practice could result in a postdoc being included in the Metric, although they may not have actually worked during the term.

DETAILED OBSERVATIONS

Issue #1: The Graduate School's process for determining which employees to include in the count for the Preeminent Metric K - Number of Post-Doctoral Appointees needs improvement.

Rating: Moderate

Condition:

Per Florida Statute 1001.7065, Preeminent State Research Universities Program, Metric K - Number of Post-Doctoral Appointees, is based on having 200 or more postdoc appointees annually. The source for this Metric is the NSF/National Institutes of Health Survey of Graduate Students and Post-doctorates in Science and Engineering (Survey).

Each year, the Graduate School submits a postdoc appointee count in the Survey. According to the Survey methodology, "the definition of a postdoc varies by institution. Respondents were instructed to use their institution's definition³."

Several years ago, the Graduate School created the Postdoc Scholar Count Instructions (Count Instructions) for identifying which employees to include in the Survey. The Count Instructions include additional employee job codes to use for the count, as well as additional steps needed to verify the count. The Count Instructions generally align with the NSF definition.

In addition, the Office of Postdoctoral Affairs' created the Handbook for Postdoctoral Fellows (Postdoc Manual), which includes a more restrictive definition than the NSF definition. The Postdoc Manual is located on both the Office of Postdoctoral Affairs' and HR's websites.

A postdoc fellow, defined in the Postdoc Manual, includes the following:

- Appointees must be awarded a Ph.D. or equivalent doctorate (e.g., Sc.D., M.D.) in an appropriate field within 5 years prior to appointment. Exceptions can be made on an individual basis when justifiable and accompanied by supporting documents with prior approval from the Office of Postdoctoral Affairs.

³ NSF defines a postdoc as "meeting both of the following qualifications: (1) holds a recent doctoral degree, generally awarded within the past 5-7 years, such as Ph.D. or equivalent (e.g., Sc.D., D.Eng.), or first-professional degree in a medical or related field (e.g., MD, DDS, DO, DVM), or foreign degree equivalent to a U.S. doctoral degree; and (2) has a limited-term appointment, generally no more than 5-7 years, primarily for training in research or scholarship, and working under the supervision of a senior scholar in a unit affiliated with the institution."

- Individuals may not hold an appointment as a postdoc scholar for longer than four years. Under special circumstances, as approved in advance by the Provost, postdoc appointments may be renewed for an additional year for a maximum of five years total.

The Postdoc Manual identifies 2 classifications for postdoc appointments: Postdoctoral Scholar Appointments (hired under job code M9189) and Postdoctoral Courtesy Appointments (hired under job code H9189).

The Survey states that the count period is the Fall term. The Graduate School determines the date range for the count by using the Academic Calendar as defined by the Office of Faculty Development. The range for the count is the first day of the faculty appointment calendar of the Fall term, to the last day of the Fall term. The date range used for the Fall 2023 count was 8/7/2023 through 12/20/2023. The postdoc appointment needs to be active at some point during this date range to be counted.

In our testing of 50 sampled postdocs for the Fall 2023 postdoc count, we noted the following:

1. **The Count Instructions and the Postdoc Manual are not aligned with each other. In addition, while discussions were held with FSU Leadership regarding the Count Instructions, no documentation was provided to confirm that the Count Instructions or the Postdoc Manual were formally approved.**
2. **Five (5) employees included in the postdoc count were included in non-postdoc job codes per the Count Instructions. However, no documentation was provided of the Graduate School's communication with the departments confirming the employee was performing postdoc duties.** Some departments will move employees out of a postdoc job code classification to another job code in order to provide benefits to that employee. Currently, FSU does not have a specific job code classification for postdocs with benefits. We were unable to determine whether the employee's job duties remained aligned with those of a postdoc. **One (1) of these employees, a Senior Research Associate, should not have been included in the count due to the nature of the employee's position.**
3. **The Count Instructions do not have mechanisms in place to review the length of time an employee can be counted as a postdoc. Three (3) employees included in the postdoc count were included in the Survey for longer than 7 years, which is not aligned with the NSF guidelines. One (1) of these employees, a Senior Research Associate, was discussed above in #2.** Although the Postdoc Manual states that exceptions are allowed (e.g., due to COVID), the Graduate School does not receive documentation concerning whether these postdocs received a waiver or any other type of exception. The table below identifies the 3 postdocs whose appointments were over 7 years from the start of the Fall 2023 count period (i.e., 8/7/2023).

Employee	Job Code	Job Title	Hire Date	Termination Date
Employee 1	M9189	Postdoctoral Scholar	4/9/2012	9/17/2013
	T004	Researcher	6/24/2019	4/22/2020
	T004/ M9189P/ M9189 ⁴	Researcher/ Postdoctoral Scholar Non- Exempt/ Postdoctoral Scholar	5/1/2013	12/17/2024
Employee 2 <i>Note: This employee is also included in #2.</i>	91659S ⁵	Sr Research Associate	12/23/2013	Active
Employee 3 <i>Note: This employee is also included in #2.</i>	M9189N	Postdoctoral Scholar Research	7/29/2013	12/31/2017
	9080AS	Research Faculty I	1/1/2018	Active

4. The Graduate School could not provide documentation regarding the reason for including 1 postdoc in the Fall 2023 count.

This postdoc's start day was 1/8/2024, which is outside the Fall 2023 term.

5. The Graduate School uses the effective date, rather than the termination date (official last day worked) to determine whether the appointment was active during the Fall term.

This practice could result in a postdoc being included in the Metric, although they may not have actually worked during the term.

Criteria:

- NSF/National Institutes of Health Survey of Graduate Students and Post-doctorates in Science and Engineering
- Postdoc Scholar Count Instructions
- Handbook for Postdoctoral Fellows.

Causes:

The causes are:

⁴ This employee record began as job code T004 (Researcher) on 5/1/2013, was changed to job code M9189P (Post-doctoral Scholar Non-Exempt) on 8/10/2018, and M9189 (Post-doctoral Scholar) on 2/1/2019.

⁵ This employee record began as 91209S (Assoc In) on 8/10/2009, changed to 91669S (Research Associate) on 8/8/2013, and changed to 91659S (Sr. Research Associate) on 12/23/2013.

- The Graduate School's processes for determining the postdoc count are inconsistent with the Postdoc Manual.
- Some postdocs are moved into other job codes for benefits or funding purposes while still performing postdoc duties, which provides challenges in performing the annual count.

Risks/Effects:

Reputational impact due to inaccurate postdoc counts reported.

Recommendations:

- The Graduate School should work with HR to determine a viable course of action concerning postdoc classifications.
- The Graduate School should update the Count Instructions to ensure the correct job codes are listed, proper verification procedures are listed for non-postdoc job codes, and detailed procedures for how the postdoc appointment length is determined and approved. In addition, FSU Leadership should approve the methodology document and any significant changes, including job code changes, to the methodology guidelines going forward.
- The Graduate School should update the Postdoc Manual to align with the Count Instructions. This update should include information regarding any updates to postdoc job codes, as well as prescriptive guidelines defining postdoc conditions, acceptable exceptions, the process for obtaining those exceptions, and who is responsible for approving those exceptions. The updated Postdoc Manual should be approved by FSU Leadership, as well as any significant changes.
- The Graduate School should update the Count Instructions to ensure they have documentation for any employee included in the postdoc count that is considered an exception (i.e., not consistent with FSU's definition).
- The Graduate School should update the Count Instructions to ensure that the termination date at the time of their review is used when identifying active appointments instead of the effective date.

Management's Corrective Action(s):

1. Work with HR to determine a viable course of action concerning postdoc classifications.
2. Codify the Postdoc Scholar Count Instructions as the methodology for generating the NSF Postdoctoral Scholar Survey.
3. Align the language in the Postdoc Manual to be consistent with the Count Instructions.
4. In both the Count Instructions and the Postdoc Manual documents:
 - a. Improve operational definitions and conditions and procedures for waivers and exceptions.
 - b. Define the timing window parameters associated with the classification of being a Postdoctoral Scholar at FSU in consultation with leadership.
 - c. Get Provost approval of final documents.

Name(s) and Title of Employee(s) Responsible for Implementing Corrective Action(s)

Dr. Mark Riley, Dean of the Graduate School

Target Date for Implementing Corrective Action(s):

End of June 2025 prior to the beginning of the Fall 2025 NSF Survey countable period.

APPENDIX A – PREEMINENT RESEARCH UNIVERSITY FUNDING METRICS DATA SOURCES

Metric	Description	Data Source
A	Average GPA and SAT Score for Incoming Freshman in Fall Semester	BOG Submission File – Fall Admissions File
B	Number of Top 50 Public University National Rankings	External Websites - BOG maintains the official list of publications
C	Freshman Retention Rate (Full-time, First Time in College (FTIC))	BOG Submission Files – Fall Student Instruction File (SIF) for two consecutive years
D	Four-Year Graduation Rate (Full-time, FTIC)	BOG Submission Files – Retention File, SIF, and Degrees Awarded File (SIFD)
E	Number of National Academy Memberships	Official Membership Directories on External Websites – BOG maintains a list of acceptable organizations
F	Total Annual Research Expenditures	National Science Foundation (NSF) Higher Education Research and Development (HERD) Survey
G	Total Annual Non-Medical Science and Engineering Research Expenditures	NSF HERD Survey
H	Number of Broad Disciplines Ranked in Top 100 for Research Expenditures	Research expenditure data using the NSF's National Center for Science and Engineering Statistics online data tool
I	Number of Utility Patents Awarded over Three Calendar-Year Period	As reported by the United States Patent and Trademark Office for the most recent three years
J	Number of Doctoral Degrees Awarded Annually	BOG Submission File - SIFD
K	Number of Post-Doctoral Appointees	NSF Survey of Graduate Students and Post-Doctorates in Science and Engineering Survey
L	Endowment Size	National Association of College and University Business Officers (NACUBO) and Commonfund Institute's annual online report of Market Value of Endowment Assets
M	Total Annual Science and Engineering Research Expenditures	NSF HERD Survey

Note: The University of Central Florida is recognized as having Emerging Preeminent status. Meanwhile, Florida State University, Florida International University, University of Florida, and University of South Florida are designated as "Preeminent Research Universities".

APPENDIX B – AUDIT RATINGS

Material:

- Violation of policies/procedures/laws and/or unacceptable level of internal controls that either does or could pose an unacceptable level of exposure to the University.
- Issue(s) could have a high impact on the University.
- Major opportunities to improve effectiveness and efficiency exist.
- Immediate corrective action by management is required.

Significant:

- Violation of policies/procedures/laws and/or lack of internal controls that either do or could pose a substantial level of exposure to the University.
- Issue(s) could have a medium impact on the University.
- Substantial opportunities to improve effectiveness and efficiency exist.
- Prompt corrective action by management is essential in order to address the noted concern(s) and reduce the risk(s) to the University.

Moderate:

- Violation of policies/procedures/laws and/or lack of internal controls that either do or could pose a moderate level of exposure to the University.
- Issue(s) identified are either (a) not likely but could have a medium impact on the University or (b) likely and could have a low impact on the University.
- Notable opportunities to improve effectiveness and efficiency exist.
- Corrective action is needed by management in order to address the noted concern and reduce risks to a more desirable level.

Minor:

- Insignificant or immaterial reportable issue(s) or opportunities for improvement were identified during the audit.



FLORIDA STATE UNIVERSITY
BOARD OF TRUSTEES

CONSENT ITEM I



FLORIDA STATE UNIVERSITY

BOARD OF TRUSTEES

Audit and Compliance Committee

ACTION ITEM II

February 27, 2025

SUBJECT: Request for Approval of Revised Office of Audit and Advisory Services (OAAS) Charter – New Standards Requirement

PROPOSED COMMITTEE ACTION

FSU OAAS' request for BOT approval of the Revised OAAS Charter – New Standards Requirement.

AUTHORITY FOR BOARD OF TRUSTEES ACTION

1. BOG Regulation 4.002(3): Each Board of Trustees shall adopt a charter that 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.
2. BOG Regulation 4.002(3): 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.

BACKGROUND INFORMATION

The International Professional Practices Framework (IPPF), which organizes The IIA's authoritative body of knowledge on the professional practice of internal auditing, was updated in January 2024. The new Global Internal Audit Standards became effective on January 9, 2025, for all organizations that perform audits in accordance with them.

Designed to help elevate internal audit performance, quality, and consistency across sectors, the Standards have been updated with a focus on internal audit strategy, stakeholder relationships, and internal audit performance measurement and accountability. They also introduce the governance conditions essential for effective internal auditing.

ADDITIONAL COMMITTEE CONSIDERATIONS

No additional Committee Considerations

Supporting Documentation Included: Request for Approval II Memo – Revised OAAS Charter – New Standards Requirement.

Submitted by: Undra Baldwin



Office of Audit and Advisory Services
Westcott – Suite 407
222 South Copeland Street
P.O. Box 3061390
Tallahassee, Florida 32306-1390

MEMORANDUM

TO: Dr. Richard McCullough, President
FROM: Undra Baldwin, Chief Audit Officer
DATE: February 3, 2025
SUBJECT: Consent Agenda Item for the February 28, 2025, BOT Meeting

Please find enclosed the FSU Office of Audit and Advisory Services request for BOT approval of the Revised OAAS Charter which aligns with the updated auditing standards that became effective on January 9, 2025.

I respectfully request that this item to be placed on the BOT Consent Agenda for the February 28, 2025, BOT meeting.

Thank you.

Attachments

**Office of Audit and Advisory Services
Audit Charter**

1. Introduction

The Office of Audit and Advisory Services at Florida State University (hereafter referred to as “OAAS” and the “University,” respectively) has prepared this Charter to serve as a guide in the performance of its duties. The Charter does not include, nor is it intended to include, all the duties and responsibilities of OAAS.

Investigations are performed to address alleged fraud, waste, abuse, or other wrongdoing, which could result in the loss or misuse of University resources. Such wrongdoing may come to the attention of OAAS during an audit or investigation or through reporting by University faculty, staff, students, or the general public.

2. Authority for OAAS

In September 2003, the Florida State University President (hereafter referred to as “President”) and the Board of Trustees (hereafter referred to as “BOT”) initially approved a charter for the Office of Audit Services. In November 2016, the Board of Governors (hereafter referred to as “BOG”) adopted Regulation 4.002 – State University System Chief Audit Executives. The BOT reaffirmed the charter in June 2021. On July 1, 2023, the FSU President and the BOT approved the change of the Office name to OAAS.

BOG Regulation 4.002 states, “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.”

3. Purpose

OAAS helps the University accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes. OAAS works in conjunction with other offices and departments to monitor the risk management processes and provide assistance as needed. OAAS assists employees of the University in the effective discharge of their responsibilities, thereby protecting the resources and the students it serves.

4. Strategy

➤ **Strategic and Operational Risk Management**

- a. Identify and assess significant risks that could impact the University's operations, financial performance, and reputation.
- b. Evaluate the adequacy and effectiveness of risk management processes and controls.
- c. Promote a culture of risk awareness and accountability.

- d. Review and assess the efficiency and effectiveness of key business processes and internal controls and compliance with applicable laws, regulations, and policies.
- e. Identify opportunities for improvement and cost savings.
- f. Evaluate the effectiveness of the University's governance framework and internal control systems.

➤ **Implement Supporting Initiatives**

- a. Develop and maintain a comprehensive annual audit plan aligned with the University's strategic goals and risk profile.
- b. Conduct timely and thorough compliance reviews, investigations, and audits, including financial, operational, and information technology.
- c. Integrate data analytics and artificial intelligence tools into audit procedures to enhance accuracy and efficiency.
- d. Prepare clear and concise audit reports highlighting key findings, recommendations, and management action plans.
- e. Follow up on audit recommendations to ensure timely and effective implementation.
- f. Stay current with industry best practices and emerging trends in internal auditing.
- g. Build strong relationships with key stakeholders, including the Board of Trustees, University Leadership, and academic and administrative units.

➤ **Professional Development and Talent Management**

- a. Continuously train and develop staff to increase their auditing knowledge, skills, and abilities.
- b. Promote continued collaborations between auditing staff and University Leadership and stakeholders.
- c. Encourage staff to actively attend local and national professional auditing organizations' meetings and events and seek volunteer positions.
- d. Support staff in obtaining professional auditing certifications.
- e. Develop succession planning for all critical and key auditing positions.

5. Mission

OAAS' mission is to:

- a. Provide an independent, objective, and comprehensive program of auditing and investigations.
- b. Improve the University's operations through the provision of assurance and consulting services and investigations.
- c. Actively work with University Boards and Committees, management, faculty, and staff.

- d. Identify risks, evaluate controls, and make recommendations that promote economic, efficient, effective, unbiased, and ethical delivery of services.
- e. Evaluate and improve the effectiveness of risk management, control, and governance processes.

6. Vision

OAAS' vision is to add value and be trusted advisors for the University and the Board of Trustees. We will accomplish our vision by being an exemplary, professional audit and investigative organization that implements innovative processes, utilizes automation, performs robust risk-based assessments, and promotes ethical behavior.

7. Core Values

OAAS' core values are:

- a. Integrity – Ensure projects are performed with confidentiality, fairness, and objectivity. The basis of our existence, credibility, and effectiveness.
- b. Quality and Accuracy – Demonstrate excellence by performing audits/investigations that are accurate and timely and provide results and recommendations which will enhance operations.
- c. Innovative – Utilize automation and data analytics to support our systematic, disciplined approach of completing audits/investigations.
- d. Teamwork – Accomplish goals and objectives through collaborative efforts with faculty, staff, and external teams.
- e. Value Added – Identify process improvements and promote efficiencies that will result in the overall improvement for the University and/or quantifiable cost savings.

8. Organization

OAAS, headed by the [Chief Audit Executive](#)/Chief Audit Officer (hereafter referred to as CAO), provides a central point in the University for coordinating and carrying out activities that promote accountability, integrity, and objectivity. The CAO will report directly and administratively to the President, functionally to the Chair of the BOT Audit and Compliance Committee (hereafter referred to as Chair A&C) and shall have unrestricted access to the BOT. [This positioning provides the organizational authority and status to bring matters directly to the President and escalate matters, when necessary, to the BOT through the Chair A&C without interference and supports OAAS' ability to maintain objectivity.](#)

The Chair A&C works in concert with the President prior to any action to hire or terminate the CAO. Any allegations related to wrongdoing by the CAO shall be reported to the BOG, President, Chairman of the BOT, and Chair A&C for their review and disposition.

9. Code of Ethics

All OAAS staff shall abide by the Florida Code of Ethics for Public Officers and Employees as provided for in Florida Law, any additional code of ethics or conflict of interest policy of the University, and the Code of Ethics issued by The Institute of Internal Auditors (IIA), Association of Certified Fraud Examiners (ACFE), the Association of Inspectors General (AIG), and the Information Systems Audit and Control Association (ISACA).

The CAO will ensure that internal auditors conform to the *Global Internal Audit Standards*, including the Principles of Ethics and Professionalism: integrity, objectivity, competency, due professional care, and confidentiality.

10. Independence and Objectivity

- a. To permit independence and objectivity in mental attitude and appearance, OAAS will remain free from interference from any element in the University to include matters of topic selection, scope, procedures, frequency, timing, report content, and report issuance. OAAS will have no direct authority or responsibility over any of the activities audited. OAAS will not implement internal controls, develop and write policies or procedures, design or install systems, or engage in any activity that may impair independence or objectivity.
- b. OAAS may review management-initiated projects and provide advice and counsel to University departments. Management assistance activities that OAAS may perform shall meet professional auditing standards and result in management accepting responsibility for actions taken in response to accepted recommendations.
- c. OAAS staff will exhibit the highest level of professional objectivity in gathering, evaluating, and communicating information about the activities or processes being examined.
- d. OAAS staff will make a balanced assessment of all relevant circumstances and not be unduly influenced by their own interests or those of others in forming conclusions on engagement results.

11. Authority and Access to Records

OAAS provides audit and investigative services to all entities of Florida State University, including schools, colleges, departments, auxiliary enterprises, and Direct Support Organizations (DSOs). Accordingly, OAAS is authorized to:

- a. Have unlimited and unrestricted access to all data, books, records, files, property, information systems, and personnel of Florida State University and its DSOs and component units as deemed necessary to carry out its duties and responsibilities.
- b. Have “right-to-audit” language in all University contracts.

- c. Allocate resources, establish schedules, select subjects, determine scopes of work, and apply techniques required to accomplish objectives.
- d. Obtain essential assistance and cooperation from personnel in areas of the University where audits and investigations are performed.

The President and the Chair A&C have the authority to request audits and advisory services to be added to the audit plan at their discretion. Decisions to amend the approved audit plan are made in light of the University's risk profile and available audit resources. Additionally, the CAO has the authority to direct OAAS to audit specific areas of the University.

12. Standards and Professionalism

Audit and compliance activities will be performed, documented, and communicated in accordance with the *International Professional Practices Framework* published by The IIA, which consists of the *Global Internal Audit Standards* and *Topical Requirements*. Other professional auditing standards may be followed, as applicable to OAAS.

Investigative services will be governed by adherence to Principles and Standards for Offices of Inspector General issued by the Association of Inspectors General, and the Standards for Complaint Handling and Investigations for the State University System of Florida.

OAAS will adhere to and be guided by applicable Florida law, as well as State University System Board of Governors, BOT, and University regulations, policies, and procedures.

13. Duties and Responsibilities

OAAS' responsibilities include, but are not limited to, the examination and evaluation of the adequacy and effectiveness of the University's governance, risk management, and internal controls, as well as the quality of performance in carrying out assigned responsibilities to achieve the University's stated goals and objectives. This includes, but is not limited to, the following:

- a. Develop an internal audit plan based on a prioritization of the audit universe using a risk-based methodology, including input from the BOT, President, and Executive Management.
- b. Perform assurance and consulting engagements and investigations in accordance with the annual audit plan, taking into consideration any special tasks or projects requested by the President, the BOT A&C, and University management.
- c. The CAO will review and adjust the plan as necessary in response to changes in the University's activities, risks, operations, programs, systems, and controls. Any significant deviation from the approved audit plan will be discussed with the President and BOT Audit Committee and communicated, as appropriate, to the BOT. In addition,

the CAO will communicate the impact of resource limitations and significant audit plan changes to the BOT A&C.

- d. Document OAAS' strategy, including vision, strategic objectives, and supporting initiatives, and review with the BOT A&C and Executive Management periodically.
- e. Provide the approved audit plan to appropriate University management and the BOG's Office of Inspector General. The audit plan will be revised as needed to meet the requests and needs of the President, BOT, and the University.
- f. Conduct follow-up activities for OAAS-issued audits annually. As warranted by the specific issues, follow-up activities may occur at any time to protect University financial and program operations.
- g. Periodically report in writing and verbally upon request to the BOT, President, and Executive Management on OAAS activities as well as its performance relative to: its audit plan; significant risk exposures and control issues, including fraud/abuse, risk, and governance issues; and other matters as needed or requested.
- h. Report at every BOT A&C meeting or at other times, depending on whether there are significant issues the Committee should be made aware of for their information, discussion, direction, and/or disposition.
- i. Recruit, develop, and retain professional staff with sufficient knowledge, skills, and experience, and professional certifications to fulfill the responsibilities of OAAS and ensure appropriate and required training and education are provided to staff in accordance with applicable professional education standards.
- j. OAAS staff will maintain confidentiality of all audit working papers and notes related to an audit and all information received, produced, or derived from an investigation, until such time as a final audit or investigative report is issued in accordance with applicable law.
- k. Maintain a reporting system that includes mechanisms available for anonymity or confidentiality, whereby University employees, students, vendors, contractors, and other interested parties may report or seek guidance regarding significant abuse, fraud, or criminal conduct, without fear of retaliation. In cases where a component of the reporting system is managed by another operational unit, the CAO shall have access to reported information.
- l. Work cooperatively with the University Compliance and Ethics Officer in the determination of issues that can be addressed most appropriately and efficiently jointly, or by one Office or the other.
- m. Provide training to the University community on internal control, risks management, fraud, abuse, administrative investigations, and other matters for which OAAS has expertise.
- n. Review all DSO financial statements and the related external audit reports issued for completeness and compliance with applicable Generally Accepted Accounting

Principles, Generally Accepted Government Auditing Standards, and applicable laws, rules, and regulations.

- o. Review management's follow-up activities intended to address observations or recommendations of external audit or regulatory agencies to include any reports issued by the Auditor General, the Office of Program Policy Analysis and Government Accountability, a federal audit organization or its subcontractors, DSO external auditors, or others.
- p. Assist and provide technical advice and support to the BOT A&C in its selection of any external auditors/consultants to perform work within the University.
- q. OAAS will have primary responsibility for implementing, coordinating, and managing contracts involving external financial, performance, or compliance audits. OAAS will assist and provide technical advice and support to the BOT A&C in its oversight of DSOs that select external auditors/consultants to perform work for them.
- r. Distribute to the Board of Governors, BOT, President, and Executive Management an Annual Report that describes OAAS' accomplishments and significant audits and investigations conducted during the preceding year. The report shall be issued by September 30 following the end of each fiscal year.

14. OAAS performs three types of projects:

a. Audits

Audits are assurance services defined as examinations of evidence for the purpose of providing an independent assessment of governance, risk management, and control processes for the organization. Examples include:

- Operational – designed to evaluate the effectiveness, efficiency, and reasonableness of a department's operational processes.
- Compliance – designed to determine if activities are in compliance with applicable regulations, policies, procedures, and practices.
- Financial – designed to examine the accounting and reporting of financial transactions.
- Information Systems – designed to examine the accuracy, reliability, access controls, and security of information systems.

b. Advisory and Consulting Services

Advisory and consulting services are designed to add value to and improve the University's risk management and control processes. These engagements are performed upon request by Executive Management or departmental managers. Consulting services offered by OAAS include risk and internal control assessments, workshops, and other services, as requested.

c. Investigations

Investigations are independent evaluations of allegations generally focused on improper organization activities including misuse of University resources, fraud, financial irregularities, significant internal control weaknesses, and unethical behavior or actions. Examples of other duties are as follows:

- Investigate allegations of suspected abuse/fraudulent activities within the University and provide to the BOG, President, University management, and the BOT A&C investigative reports issued. The final OAAS investigative report may also be distributed to any other parties deemed necessary by the CAO.
- Address allegations of waste, fraud, or financial mismanagement. The CAO will use professional judgment in assessing materiality such that it would be appropriate to inform the BOG Office of Inspector General and Director of Compliance of such allegations. Significant and credible allegations shall be addressed to meet the requirements of BOG Regulation 4.001.
- Investigate complaints received under the State Whistle-blowers Act pursuant to sections 112.3187-112.31895, Florida Statutes, as applicable.
- Report allegations received by OAAS that the CAO has reason to believe involve potential violations of criminal law to the University Police, other law enforcement agencies, and other responsible state or federal agencies, as appropriate.
- Report information received of known or suspected child abuse, abandonment, or neglect committed on the property of the University or during an event or function sponsored by the University to the Florida Department of Children and Families.
- Assist University Police and other law enforcement organizations with criminal financial and other investigations as requested.

15. Quality Assurance and Improvement Program

~~OAAS will maintain a quality assurance and improvement program (QAIP) that covers all aspects of the internal audit process. The program will include an evaluation of OAAS' conformance with the Definition of Internal Auditing and the *Standards* and an evaluation of whether staff comply with the *Code of Ethics*. The program also assesses the efficiency and effectiveness of OAAS activity and identifies opportunities for improvement.~~

OAAS will maintain a quality assurance and improvement program (QAIP) that complies with the *Global Internal Audit Standards*, as published by The IIA. The CAE will develop, implement, and maintain a QAIP that covers all aspects of the internal audit function. The program will include internal and external assessments of the internal audit function's conformance with the *Global Internal Audit Standards*, as well as performance measurement to assess the internal audit function's progress toward the achievement of its objectives and promotion of continuous improvement. The program will also assess, if applicable,

compliance with laws and/or regulations relevant to internal auditing. Also, if applicable, the assessment will include plans to address the internal audit function's deficiencies and opportunities for improvement.

~~The CAO will communicate to the President, Chair A&C, and Executive Management on OAAS' quality assurance and improvement program, including results of ongoing internal assessments and external assessments conducted at least every five years.~~

Annually, the CAO will communicate to the President, Chair A&C, and Executive Management on the internal audit function's QAIP, including the results of internal assessments (ongoing monitoring and periodic self-assessments) and external assessments, which are conducted at least every five years, and any action plans to address any identified deficiencies or opportunities for improvement.

_____ President, Florida State University	_____ Date
_____ Board of Trustees' Chair, Audit and Compliance Committee	_____ Date
_____ Chief Audit Officer, Florida State University	_____ Date

History: 9-2003; revised: 8-18-2010; 11-19-2012; 3-4-2016; 6-7-2018; 6-6-2019, 8-30-2023, mm-dd-yy

Note: Charter not changed but reaffirmed: 2-21-17, 6-3-2020



FLORIDA STATE UNIVERSITY
BOARD OF TRUSTEES

CONSENT ITEM J



FLORIDA STATE UNIVERSITY

BOARD OF TRUSTEES

Audit and Compliance Committee

ACTION ITEM III

February 27, 2025

SUBJECT: Request for Approval of the Revised Audit and Compliance Committee Charter – New Standards Requirement

PROPOSED COMMITTEE ACTION

FSU OAAS' request for BOT approval of the Revised Audit and Compliance Committee Charter – New Standards Requirement.

AUTHORITY FOR BOARD OF TRUSTEES ACTION

1. BOG Regulation 4.002(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.
2. BOG Regulation 4.002(3): 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.

BACKGROUND INFORMATION

The International Professional Practices Framework (IPPF), which organizes The IIA's authoritative body of knowledge on the professional practice of internal auditing, was updated in January 2024. The new Global Internal Audit Standards became effective on January 9, 2025, for all organizations that perform audits in accordance with them.

Designed to help elevate internal audit performance, quality, and consistency across sectors, the Standards have been updated with a focus on internal audit strategy, stakeholder relationships, and internal audit performance measurement and accountability. They also introduce the governance conditions essential for effective internal auditing.

ADDITIONAL COMMITTEE CONSIDERATIONS

No additional Committee Considerations

Supporting Documentation Included: Request for Approval III Memo – Revised Audit and Compliance Committee Charter – New Standards Requirement.

Submitted by: Undra Baldwin



Office of Audit and Advisory Services
Westcott – Suite 407
222 South Copeland Street
P.O. Box 3061390
Tallahassee, Florida 32306-1390

MEMORANDUM

TO: Dr. Richard McCullough, President
FROM: Undra Baldwin, Chief Audit Officer
DATE: February 3, 2025
SUBJECT: Consent Agenda Item for the February 28, 2025, BOT Meeting

Please find enclosed the FSU Office of Audit and Advisory Services request for BOT approval of the Revised Audit and Compliance Committee Charter which aligns with the updated auditing standards that became effective on January 9, 2025.

I respectfully request that this item to be placed on the BOT Consent Agenda for the February 28, 2025, BOT meeting.

Thank you.

Attachments

Florida State University

Audit and Compliance Committee Charter

1. Purpose

The Audit and Compliance Committee (the Committee) is a standing committee of the Florida State University Board of Trustees (BOT). The purpose of the Committee is to provide assurances to the BOT regarding University risk management, control, and governance processes thereby assisting the BOT in fulfilling its statutory, fiduciary, and oversight responsibilities. Additionally, the Committee shall provide oversight and direction to the Office of Audit and Advisory Services (OAAS) and the Office of Compliance and Ethics (OCE).

2. Authority

The Board authorizes the Committee to:

- 2.1 Perform activities within the scope of this charter.
- 2.2 Participate, through the Chair, in the process of appointment, evaluation, and/or dismissal of the Chief Audit Officer (CAO) or the Chief Compliance and Ethics Officer (CCEO).
- 2.3 Have unrestricted access to management, faculty, and employees of the university and its component units, all of whom are directed to cooperate with the Committee's request.
- 2.4 Meet as needed with those persons responsible for university compliance with state and federal laws and applicable rules, regulations, and policies.
- 2.5 Have access to all books, records, and facilities thereof of the University.
- 2.6 Study or investigate any matter related to audit, compliance, or related concerns such as potential fraud or conflicts of interest that the Committee deems appropriate.
- 2.7 Retain independent counsel, or others to advise the Committee or assist in the conduct of an investigation upon approval of the BOT.
- 2.8 Meet with the University's General Counsel to review any legal matters that may have a significant impact on the University's overall finances, operations, and compliance with regulatory agencies.
- 2.9 Provide oversight and direction to the OAAS and the OCE to include reviewing and recommending BOT approval of the annual work plan.
- 2.10 Provide oversight of audits performed of the University and its component units by state and federal auditors, to include the Auditor General, as well as external auditors.
- 2.11 Review and approve this Charter at least once every three (3) years for consistency with applicable law, BOG, and University regulations and policies, professional standards, and best practices.
- 2.12 Nothing in this Charter shall be construed to limit the authority of the BOT or the Committee.

3. Organization

Composition

- 3.1 The Committee shall be appointed and comprised of members of the Florida State University Board of Trustees as provided for in the BOT Operating Procedures.

- 3.2 The members will be free from any financial, family, or other material personal relationships, including relationships with members of university management, University Office of Audit and Advisory Services and Office of Compliance and Ethics staff, and other professional consultants that would interfere with the exercise of his or her independence to perform assigned duties and responsibilities.
- 3.3 The majority of the Committee members will be financially literate and collectively having experience in accounting, finance, business, internal controls, risk management, and ethics.
- 3.4 If possible, the Committee will include at least one member who is considered an accounting or financial expert having an understanding of generally accepted accounting principles and financial statements, internal controls, and the role and responsibilities of internal and external auditors.

Meetings

- 3.5 A simple majority of the members of the Committee will constitute a quorum for the transaction of business.
- 3.6 The Committee will meet during regularly scheduled BOT meeting days, or at a minimum of three times per year. Additional meetings may occur as circumstances dictate.
- 3.7 The Committee Chair will approve the meeting agenda prior to each meeting subject to amendment at the Committee meeting.
- 3.8 The Committee shall maintain written minutes of meetings.
- 3.9 The Committee will look to the CAO and the CCEO for staffing and other administrative needs relating to Committee operation.

4. Internal Controls

The Committee will:

- 4.1 Evaluate the overall effectiveness of the University's system of internal control to include the control environment, risk assessment, control activities, information and communications systems, and monitoring thereof.
- 4.2 Provide oversight of the University's internal control structure and the processes in place to ensure the effectiveness and reliability of business, financial and information systems controls.
- 4.3 Understand the internal control system implemented by management for the University and each component unit for the approval of transactions and the recording and processing of financial data.

5. Risk Management

The Committee will:

- 5.1 Provide oversight of the University's enterprise risk management process by reviewing procedures in place to assess and minimize significant risk.
- 5.2 Review and consider the effectiveness of the University's process for identifying significant financial, operational, reputational, strategic, compliance and regulatory risk or exposure and management's plans and efforts to control and monitor such risks.

- 5.3 Obtain management assurances that internal controls have been established to mitigate major identified risks.
- 5.4 Evaluate the University's monitoring of insurance coverage and the process used to identify and manage any uninsured risks.

6. Compliance with Laws, Rules, Regulations, Contracts, and Agreements

The Committee will:

- 6.1 Review the effectiveness of management's system for monitoring compliance with laws, rules, regulations, contracts and agreements and for follow-up on any reported non-compliance, fraud, abuse, or ethics violations.
- 6.2 Obtain regular updates from management and legal counsel regarding compliance matters that may have a material impact on the University's operations, financial statements, programs, or ethics policies.
- 6.3 Review and discuss any significant results of compliance audits; any significant matters of litigation or contingencies that may materially affect the University's financial statements; and any legal, tax or regulatory matters that may have a material impact on University operations, financial statements, policies and programs.
- 6.4 Ensure that significant compliance findings and recommendations made by the university compliance officer or audit officer are received, discussed, and appropriately acted upon.
- 6.5 Review the effectiveness of the system for monitoring compliance with laws and regulations and follow-up (including disciplinary action) of significant wrongful acts or non-compliance.
- 6.6 Ascertain whether the University has an effective process for determining risks and exposure from asserted and unasserted litigation and other claims of noncompliance with laws and regulations.
- 6.7 Obtain reports concerning financial fraud resulting in losses in excess of \$10,000 or of any amount involving a member of senior management.
- 6.8 Obtain regular updates from the CCEO and CAO regarding compliance matters that may have a material impact on the organization's financial statements, compliance program, conflict of interest, or ethics policies.
- 6.9 Review and approve procedures for the receipt, retention, and treatment of complaints regarding financial, compliance, ethics, and conflict of interest matters.
- 6.10 Review the University's monitoring of compliance with University policies and standards of ethical conduct and conflict of interest policies.
- 6.11 Review findings of any examinations by state and federal regulatory agencies.
- 6.12 Review the University's process for monitoring contracts and agreements significant to university operations.

7. Ethics and Business Conduct

The Committee will:

- 7.1 Review University processes to ensure actual or potential conflicts of interest are clearly defined.

- 7.2 Review the process followed to assure the University's code of conduct and is communicated to all employees on an annual basis.
- 7.3 Review University processes to require the reporting and approval of outside businesses' involvement, employment, and consulting services.
- 7.4 Review University policies relating to ethics and business conduct, financial disclosure, and environmental health and safety.

8. Financial Reporting

Financial Statements and Reports

Management is responsible for the preparation, presentation, and integrity of the University's financial statements and for the appropriateness of the accounting principles and reporting policies used by the University. The following shall be the principle duties and responsibilities of the Committee regarding financial statements:

- 8.1 Review the annual audited financial statements and ensure that significant findings and recommendations made by the auditors and management's response are received, discussed, and appropriately acted upon.
- 8.2 Make inquiries of management and auditors concerning the adequacy and effectiveness of the University's systems of financial reporting and internal control and compliance.
- 8.3 Discuss with management, the State Auditor General, and/or other external auditors the appropriateness of accounting principles used by the University and component units.
- 8.4 Review the audit report on Federal Awards as required by OMB Circular A-133 and State Awards required by Section 215.97, Florida Statutes.
- 8.5 Review the annual audit reports of component units, including management responses and corrective action plans to address the resulting recommendations.
- 8.6 Review significant accounting and reporting issues and recent professional regulatory pronouncements, and the impact on the financial statements of the University.
- 8.7 Review compliance with federal and state guidelines for financial reporting.

9. External Auditors

- 9.1 Monitor the work of the State Auditor General and other external auditors engaged to perform work within the University.
- 9.2 Review and assist in resolution of any disagreements between management and the external auditors regarding financial reporting.
- 9.3 Inquire of management as to whether external audits of DSO's are being acquired in accordance with BOT Regulation 2.025.
- 9.4 Inquire of management as to whether external audits of auxiliaries are being acquired within the spirit and intent of BOT Regulation 2.025 that is applicable to DSO's.
- 9.5 Provide oversight of component units (DSO's and auxiliaries) that select external auditors to perform audit work.

10. Office of Audit and Advisory Services

10.1 Review and approve the annual work plan, ensuring it addresses key areas of risk.

~~10.2 Approve and periodically review the charter, staffing, and activities of the OAAS.~~

10.2 Revised: Approve and periodically review the charter, staffing, budget, resources, and activities of the OAAS.

10.3 Review a summary of significant findings and recommendations of completed work, including management's response and time frame for corrective actions and the appropriateness of proposed actions.

10.4 Obtain periodic progress reports on the status of execution of work plans.

10.5 Review significant changes or deviations from approved work plans.

10.6 Determine the degree of implementation of past recommendations and the sufficiency of actions taken in addressing those recommendations.

~~10.7 Ensure there are no unjustified restrictions or limitations on the scope of work.~~

10.7 Revised: Work with senior management to ensure there are no unjustified restrictions to data, records, information, personnel, and physical properties or limitations on the scope of work.

10.8 Through the Chair and with Committee input, provide the President an annual assessment of the performance of the CAO.

~~10.9 Discuss with the CAO any difficulties encountered in the course of work, including restrictions on the scope of work or access to required information, and any lack of cooperation.~~

10.9 Revised: Address any challenges or difficulties faced by OAAS, and ensure the CAO has the necessary support to overcome these challenges.

~~10.10 Review the results of periodic quality assurance reviews performed by external organizations that assess whether the work of the OAAS meets professional standards.~~

10.10 Revised: Ensure periodic quality assurance reviews are conducted by external organizations. Review the results and address any identified deficiencies.

10.11 Identify areas warranting policy changes, if any, and make recommendations to the BOT.

~~10.12 Meet with the CAO to discuss any issues of concern.~~

10.12 Revised: Hold regular meetings with the CAO to discuss any issues of concern. Provide support and guidance as needed.

10.13 Review controls and guidelines for receiving and investigating reported fraud waste, or abuse.

10.14 Review guidelines for the CAO receiving and investigating complaints relating to the Whistle-blower's Act pursuant to Chapter 112, Florida Statutes.

10.15 Require the CAO to annually report in writing on the activities of the OAAS.

- New: Ensure OAAS functions comply with applicable state law, professional standards, and best practices.
- New: Collaborate with the CAO and senior management to define OAAS' mandate, specifying its authority, role, and responsibilities.
- New: Review OAAS' strategy, including vision, strategic objectives, and supporting initiatives with the CAO and senior management periodically.
- New: Establish agreed-upon criteria with the CAO to determine what constitutes a significant error or omission in final engagement communications.
- New: Engage with senior management to appoint a CAO with the necessary qualifications and competencies.
- New: Review and approve any additional roles or responsibilities assigned to the CAO, and establish safeguards to maintain OAAS' independence.

11. Office of Compliance and Ethics

- 11.1 Provide governance oversight of the compliance program.
- 11.2 Review at least every three (3) years and approve the OCE charter and any subsequent revisions.
- 11.3 Review and approve the OCE Program Plan and any subsequent changes.
- 11.4 Review a summary of significant findings and recommendations of completed work including management's response and time frame for corrective actions and the appropriateness of proposed actions.
- 11.5 Review the independence, qualifications, activities, resources, and structure of the compliance and ethics function and ensure no unjustified restrictions or limitations are made.
- 11.6 Determine the degree of implementation of past recommendations and the sufficiency of actions taken in addressing those recommendations.
- 11.7 Through the Chair, and with input from the Committee provide the President an annual assessment of the performance of the CCEO.
- 11.8 Review the CCEO's annual report on the effectiveness of the compliance program.
- 11.9 Review the effectiveness of the University's efforts to comply with BOG regulations and any applicable federal, state, and local laws, rules, and regulations.
- 11.10 Review the effectiveness of the compliance and ethics program in preventing and detecting noncompliance, unethical behavior, and criminal misconduct and ensure that it has appropriate standing and visibility across the University.
- 11.11 Identify areas warranting policy changes, if any, and make recommendations to the BOT.
- 11.12 Obtain regular updates from the CCEO regarding compliance and ethics matters that may have a material impact on the University's financial statements or compliance policies.
- 11.13 Review controls and guidelines for receiving and investigating reported compliance, or ethics complaints.

- 11.14 Review guidelines relating to CCEO responsibilities under applicable sections of the Federal Sentencing Guidelines.
- 11.15 Require the CCEO to annually report in writing on the activities of the OCE.
- 11.16 Review at least once every five years, an external evaluation of the OCE program's design and effectiveness and approve any recommendations for improvement.

This Audit and Compliance Committee Charter is hereby adopted on July 1, 2023.

Board of Trustee Chair

Date

President

Date

Audit and Compliance Committee Chair

Date



FLORIDA STATE UNIVERSITY
BOARD OF TRUSTEES

CONSENT ITEM K



FLORIDA STATE UNIVERSITY

BOARD OF TRUSTEES

Finance and Business Committee

ACTION ITEM I

February 27, 2025

SUBJECT: Fiscal year 2025-2026 Budget Projections for Auxiliaries with Outstanding Bonds

PROPOSED COMMITTEE ACTION

1. Approve the 2025-2026 budget projections for auxiliaries with outstanding revenue bonds.

AUTHORITY FOR BOARD OF TRUSTEES ACTION

Board of Governors – Regulation 9.008 University Auxiliary Facilities with Outstanding Revenue Bonds

BACKGROUND INFORMATION

Board of Governors (BOG) Regulation 9.008 was amended in 2017, to include additional language regarding maintenance and equipment reserves, as well as reporting requirement clarification for certain auxiliary revenue bond issues.

The University's Housing and Parking Systems auxiliary revenue bonds contain covenant language requiring an annual Income and Expenditure statement to be submitted to the BOG for approval. The operating budgets for these auxiliary facilities must be approved by the University Board of Trustees in advance of submission to the BOG.

ADDITIONAL COMMITTEE CONSIDERATIONS

Supporting Documentation Included: Attachment – Housing and Parking 2025-2026 Budget Projections

Submitted by: Kyle Clark, Senior Vice President Finance and Administration

**HOUSING SYSTEM REVENUE BONDS
INCOME AND EXPENDITURE STATEMENT**

	2023-2024	2024-2025	2025-2026
	Actual	Estimated	Projected
Revenue			
Operating Revenues	\$ 53,815,586	\$ 54,910,429	\$ 57,959,559
Interest Income - Operating Funds	2,517,282	805,196	1,207,794
Interest Income - Reserve Funds	2,568,777	2,042,789	2,183,838
Other	745,604	563,052	568,605
Total Revenues	59,647,249	58,321,466	61,919,796
Expenditures			
Salaries and Matching	8,060,274	7,104,856	7,460,099
Other Personal Services	3,029,402	3,762,730	4,112,730
Operating Expenses	11,643,634	16,310,396	16,976,737
Repairs and Maintenance	2,334,295	2,300,000	2,415,000
Debt Service	13,809,545	13,885,000	13,894,953
Repair and Replacement Expense	5,000,734	5,750,000	5,750,000
Operating Capital Outlay	0	90,750	90,750
Other Expense & Transfers Out	3,583,118	3,788,568	4,034,013
Total Expenditures	47,461,002	52,992,300	54,734,282
Transfers Out From Reserve Fund	0	(5,000,000)	(3,000,000)
Net Income	12,186,247	329,166	4,185,514
Beginning Balance	89,112,691	101,298,938	101,628,104
Ending Balance	\$ 101,298,938	\$ 101,628,104	\$ 105,813,618

	2023-2024	2024-2025	2025-2026
	Actual	Estimated	Projected
Reserve Fund - Beginning Balance	\$ 57,317,043	\$ 63,184,157	\$ 63,499,273
Interest Income	2,568,777	2,042,789	2,183,838
Transfers In	3,298,337	3,272,327	5,001,676
Transfers Out	0	(5,000,000)	(3,000,000)
Reserve Fund - Ending Balance	\$ 63,184,157	\$ 63,499,273	\$ 67,684,787

**PARKING SYSTEM REVENUE BONDS
INCOME AND EXPENDITURE STATEMENT**

	2023-2024 Actual	2024-2025 Estimated	2025-2026 Projected
Revenue			
Operating Revenues	\$ 13,009,379	\$ 14,388,311	\$ 14,535,536
Interest Income - Operating Funds	584,921	686,978	622,190
Interest Income - Reserve Funds	178,562	219,982	219,982
Other	2,664	0	0
Total Revenues	13,775,526	15,295,271	15,377,708
Expenditures			
Salaries and Matching	1,613,400	1,537,550	1,583,677
Other Personal Services	65,467	116,379	110,200
Operating Expenses	6,624,590	7,557,808	7,577,848
Repairs and Maintenance	472,114	462,439	437,503
Debt Service	2,591,500	2,883,300	1,977,750
Repair and Replacement Expense	636,609	225,000	1,300,000
Operating Capital Outlay	59,681	60,000	60,000
Other Expense & Transfers Out	1,321,146	1,318,216	1,473,912
Total Expenditures	13,384,507	14,160,692	14,520,890
Transfers Out From Reserve Fund	0	0	0
Net Income	391,019	1,134,579	856,818
Beginning Balance	18,609,136	19,000,155	20,134,734
Ending Balance	\$ 19,000,155	\$ 20,134,734	\$ 20,991,552

	2023-2024 Actual	2024-2025 Estimated	2025-2026 Projected
Reserve Fund - Beginning Balance	\$ 3,882,333	\$ 4,210,895	\$ 4,630,877
Interest Income	178,562	219,982	219,982
Transfers In	150,000	200,000	150,000
Transfers Out	0	0	0
Reserve Fund - Ending Balance	\$ 4,210,895	\$ 4,630,877	\$ 5,000,859



FLORIDA STATE UNIVERSITY
BOARD OF TRUSTEES

CONSENT ITEM L



FLORIDA STATE UNIVERSITY
BOARD OF TRUSTEES
Governance Committee

ACTION ITEM II

February 27, 2025

SUBJECT: Request for Approval of Institutional Risk Management Charter

PROPOSED COMMITTEE ACTION

Request approval of the Institutional Risk Management Charter

AUTHORITY FOR BOARD OF TRUSTEES ACTION

Florida Constitution, Art. IX, Sec. 7; Chapter 1001, Part IV, Florida Statutes; Board of Governors Regulation 1.001; FSU Policy 1-1

BACKGROUND INFORMATION

At the direction of the Board of Trustees, the University has established an Institutional Risk Management (IRM) Program and IRM Committee. The IRM Charter sets forth the authority and outlines the purpose, objectives, responsibilities, composition and meeting frequency of the IRM Committee. The IRM Committee will assist the Board of Trustees in fulfilling its oversight responsibilities regarding the identification, assessment, review, monitoring, management, and mitigation of institutional risk.

ADDITIONAL COMMITTEE CONSIDERATIONS

Supporting Documentation Included:

1. Institutional Risk Management Charter (Draft)

Submitted by: Office of Audit & Advisory Services



INSTITUTIONAL RISK MANAGEMENT CHARTER

INTRODUCTION

The Institutional Risk Management Charter (hereafter referred to as Charter) sets forth the authority and outlines the purpose, objectives, responsibilities, composition, and meeting frequency of the Institutional Risk Management Committee (hereafter referred to as Committee). The Committee will assist the Board of Trustees (hereafter referred to as BOT) in fulfilling its oversight responsibilities regarding the identification, assessment, review, monitoring, management, and mitigation of institutional risks.

PURPOSE

The Florida State University (hereafter referred to as University) BOT understands that effective risk management is critical to the strategic success of the University. The purpose of this Charter is to outline the objectives and approach to the Institutional Risk Management program (hereafter referred to as IRM) and provide guidance to the Committee regarding its goals and responsibilities.

Management is responsible for the day-to-day activities of identifying, planning, and managing risks that can prevent their area of responsibility and the University from achieving its strategic objective. The Committee Chair, with support from the Committee, is responsible for implementing an IRM, monitoring its activity, and ensuring compliance with this Charter.

OBJECTIVES

The Committee will utilize the Enterprise Risk Management – Integrated Framework developed by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). The COSO framework assists the Committee in developing and establishing a systematic approach to identify, assess, review, monitor, manage, and mitigate institutional risks. The IRM is a proactive function that will help:

- Proactively manage risks at the college and department levels.
- Assist the University President and BOT in making strategic decisions by providing a comprehensive assessment of critical risks and the relationship between critical risks.
- Assist with promoting a culture of integrity and accountability that increases risk awareness and encourages the proactive identification of risks and controls throughout the University.
- Incorporate key risk considerations into strategic decisions.

AUTHORITY

The Committee will serve in an advisement and recommendation role to the University President and BOT. The Committee will have the resources and authority to carry out its responsibilities, including direct and unrestricted access to the University's management and non-management personnel. In addition, the Committee may seek advice and assistance to fulfill its responsibilities, as needed.



RESPONSIBILITIES

Examples of the Committee tasks shall include the following:

1. Increase awareness of the IRM across the University and recognition of emerging operational and strategic risks.
2. Monitor, understand, and communicate the strategic plan, risk appetite, and risk profile.
3. Develop, maintain, and periodically update the University risk register.
4. Oversee the University's implementation, oversight, and adherence to the significant risk limits and tolerances.
5. Monitor, manage, and review the effectiveness of the IRM.
6. Assign risk owners and approve action plans.
7. Receive periodic reports on the development, implementation, and progress of mitigation plans.
8. Resolve conflicting interests and priorities.

In carrying out these responsibilities and duties, the Committee will foster an environment that encourages faculty and staff to freely raise risk issues without retaliation.

COMPOSITION

The University President selects the Chair and members of the Committee. The Sr. Vice President of Finance & Administration has been appointed as the Chair of the Committee. The following Divisions are currently represented on the Committee:

- Office of Research
- Office of General Counsel
- The Graduate School
- Division of Undergraduate Studies
- Division of Student Affairs
- Environmental, Health, & Safety
- Office of Compliance and Ethics
- University Business Administrators
- College of Medicine
- College of Arts and Sciences
- Information Technology Services
- University Advancement
- International Travel, Safety, and Risk



FLORIDA STATE UNIVERSITY
OFFICE OF THE PRESIDENT

- Athletics Department
- Office of Human Resources
- Division of Finance and Administration

Other members may be added to or removed from the Committee based on the University's current risk environment and strategic goals and initiatives.

The Chief Audit Executive will monitor the activities of the Committee to reasonably ensure compliance, internal controls, and audit concerns are considered. In addition, the results of the annual risk assessment performed by the Office of Audit and Advisory Services will be taken into consideration when developing the University risk register.

MEETINGS

Meetings will be scheduled on a regularly occurring basis and will generally be held every three months. As a goal, agenda items will be identified and provided to the Committee at least one day prior to the scheduled meeting.

The President, the Chair, or the Chief Audit Executive may call a meeting. The Chair shall preside over all meetings and in the absence of the Chair, the Chief Audit Executive will serve as the Chair.

CHARTER REVIEW

The Charter shall be reviewed annually, updated (e.g., new risks, changes in risk appetite(s), changes in strategy, etc.), and approved.

ADDITIONAL RESOURCES

- [International Organization for Standardization \(ISO\)](#)
- [Committee of Sponsoring Organizations of the Treadway Commission \(COSO\)](#)
- [Florida Department of Financial Services](#)



FLORIDA STATE UNIVERSITY
OFFICE OF THE PRESIDENT

APPROVAL

President, Florida State University

Date

FSU Board of Trustees, Chair, Governance Committee

Date

Institutional Risk Management Committee, Chair

Date

History:

- Submitted to the Governance Committee for approval on 02/27/2025.

DRAFT



FLORIDA STATE UNIVERSITY
BOARD OF TRUSTEES

CONSENT ITEM M



FLORIDA STATE UNIVERSITY

BOARD OF TRUSTEES

Student Affairs Committee

ACTION ITEM I

Thursday, February 27, 2025

SUBJECT: Repeal of FSU- 3.006 University Defender

PROPOSED COMMITTEE ACTION

Approve Regulation Repeal

This regulation is out of date and has no functional purpose or need. There will no longer be a University Defender or, if one is needed, this Regulation is not needed to create or define the position.

AUTHORITY FOR BOARD OF TRUSTEES ACTION

BOG 1.001 (3)(j), (4), gives the Board of Trustees authority to adopt regulations. BOG 1.001 (5) (a) provides Board authority on matters relating to student conduct and the student government organizations.

BACKGROUND INFORMATION

ADDITIONAL COMMITTEE CONSIDERATIONS

Florida Board of Governors approval is not required.

Supporting Documentation Included: Proposed Regulation Repeal FSU-3.006 University Defender.

Submitted by: Dr. Amy Hect, Vice President for Student Affairs

~~FSU-3.006 The University Defender.~~

~~(1) The University Defender shall be appointed by the Chief Justice of the Supreme Court, subject to ratification by the Student Senate.~~

~~(2) It shall be his function to: (a) Serve as Chief Defense Counsel for the Student Judicial System.~~

~~(b) Maintain and supervise a staff of defense investigators.~~

~~(c) Counsel each defendant as to his rights under the law, and to appoint a defense counselor to the case.~~

~~Specific Authority BOG Regulation 1.001(3)(j) ; Reg. Procedure July 21, 2005 Law Implemented 1001.74(2)(f), , 1006.60 FS. History New 9-30-75, Formerly 6C2-3.06.~~



FLORIDA STATE UNIVERSITY
BOARD OF TRUSTEES

Finance & Business Committee ACTION ITEM I



FLORIDA STATE UNIVERSITY

BOARD OF TRUSTEES

Finance and Business Committee

ACTION ITEM II

February 27, 2025

SUBJECT: Amend FSU Athletic Association's 2023 Doak Campbell Stadium Debt Resolution

PROPOSED COMMITTEE ACTION

1. Approve amendment to the FSU Athletic Associations, Inc. 2023 Debt Resolution.

AUTHORITY FOR BOARD OF TRUSTEES ACTION

Florida Statute 1010.62 Revenue Bonds and Debt
Board of Governors Debt Management Guidelines

BACKGROUND INFORMATION

On October 27, 2023 the Board of Trustees approved a resolution authorizing the FSU Athletic Association, Inc to issue debt not to exceed \$265,000,000 for the purpose of financing (i) the renovation of the west side and south endzone of Doak S. Campbell Stadium; (ii) a debt service reserve, if necessary; (iii) capitalized interest, if any; and (iv) certain costs relating to the issuance of the bonds. Stadium improvements included new club seating, a commissary kitchen, suites, lounges, and upgrades to antiquated infrastructure. In July 2024, the Association issued \$325.2M in taxable and tax-exempt debt, which included \$221.8M for the Stadium Improvement project.

The Project has achieved significant savings and the FSU Athletics Association, Inc. is requesting to amend the resolution to allow repairs and/or replacement of damaged or obsolete infrastructure, technology, and equipment throughout the Stadium.

ADDITIONAL COMMITTEE CONSIDERATIONS

Florida Board of Governors Approval Required

Supporting Documentation Included: Attachment – Amended resolution authorizing the issuance of debt and requesting the Florida Board of Governors to approve the issuance of such debt to finance the renovation of Doak S. Campbell Stadium.

Submitted by: Kyle Clark, Senior Vice President Finance and Administration

**AN AMENDED RESOLUTION AUTHORIZING THE
ISSUANCE OF DEBT AND REQUESTING THE FLORIDA
BOARD OF GOVERNORS TO APPROVE THE
ISSUANCE OF SUCH DEBT TO FINANCE THE
RENOVATION OF DOAK S. CAMPBELL STADIUM ON
THE MAIN CAMPUS OF FLORIDA STATE UNIVERSITY;
AND PROVIDING AN EFFECTIVE DATE.**

BE IT RESOLVED BY THE FLORIDA STATE UNIVERSITY BOARD OF TRUSTEES:

Section 1. The Florida State University Board of Trustees (the “Board of Trustees”) hereby authorizes the issuance of taxable and/or tax-exempt debt by the Division of Bond Finance of the State Board of Administration of Florida (the “Division”) on behalf of Florida State University Athletics Association, Inc. (“FSUAA”), a University direct support organization (“DSO”), and requests the State University System Board of Governors (the “Board of Governors”) to approve the issuance of taxable and/or tax-exempt debt in an amount not to exceed \$265,000,000 (the “Bonds”) for the purpose of financing (i) the renovation of the west side and south endzone of Doak S. Campbell Stadium (the “Project”), a football stadium located on the main campus of Florida State University (the “University” or “FSU”); (ii) a debt service reserve, if necessary; (iii) capitalized interest, if any; and (iv) certain costs relating to the issuance of the Bonds.

Section 2. The Project will primarily result in a full renovation of the west side of Doak S. Campbell Stadium, removing approximately 27,000 seats and adding back over 16,000 seats. Improvements to the west side of the stadium will include new club seating, a commissary and kitchen, suites, lounges, and upgrades to antiquated infrastructure. The Project will also result in a renovation of the south endzone of the stadium, which will include the addition of loge boxes and the installation of breathable mesh seats. In addition to upgrading fan amenities throughout the stadium, the Project will also result in repairs to or replacements of antiquated or damaged infrastructure, technology, and equipment, except that bond proceeds utilized to replace antiquated or damaged technology and equipment shall be derived from the first four (4) maturities of the Bonds. The Project is reflected on the approved master plan for the University and is consistent with the mission and strategic plan of the University because it will benefit the University’s athletics program. Project construction is expected to commence in November 2023 and is expected to be completed by September 2025. Proceeds of the Bonds will not pay for all the costs of construction of the Project; as of August 9, 2023, approximately \$8.0 million in private capital gifts to the University and/or Seminole Boosters, Inc. (“Seminole Boosters”) have been received. FSU also projects receiving additional donations in Fiscal Years 2024 through 2028 totaling \$22.0 million, which are expected to be pledged to pay debt service on the Bonds. The Project received legislative approval in the 2023-24 General Appropriations Act. Proceeds of the Bonds will not be used to finance operating expenses of the University or its athletics DSOs.

The Board of Trustees hereby expresses its intention for the University to be reimbursed from proceeds of this tax-exempt financing for capital expenditures to be paid by the University in connection with the incurrence of debt for the purpose of acquiring, constructing, equipping, and installing the Project. The University expects to use legally available funds to pay such costs, including, but not limited to, capital expenditures, costs of design, engineering, retrofitting, and other costs associated with the incurrence of debt. It is reasonably expected that the total amount of debt to be incurred, in one or more financings, by the University with respect to the Project will not exceed \$265,000,000. This Resolution shall constitute a “declaration of official intent” within the meaning of Treas. Reg. § 1.150-2 (Proceeds of bonds used for reimbursement) promulgated pursuant to the Internal Revenue Code of 1986, as amended, with respect to the debt incurred, in one or more financings, to finance the Project.

Section 3. The Bonds will be secured by certain revenue streams contractually pledged to FSUAA by FSU’s athletics department and Seminole Boosters, including athletic conference distribution revenue, recurring annual Seminole Booster membership fees, Project-specific donations received within 5 years of issuance, sponsorships and advertising money, proceeds from ticket sales, and game guarantees (collectively, the “Pledged Revenues”). The University is committed to ensuring that sufficient revenue will be generated to fulfill FSUAA’s debt service obligations with respect to the Bonds.

Section 4. It is expected that the Bonds will be sold through a competitive sale. The Bonds will mature not more than 30 years after issuance, including any extensions or renewals thereof. The Project has an estimated useful life of 80 years, which exceeds the anticipated final maturity of the Bonds. It is expected that the Bonds will bear interest at a fixed interest rate.

Section 5. The Board of Trustees will comply with all requirements of federal and state law relating to the Bonds, including, but not limited to, laws relating to maintaining any exemption from taxation of interest payments on the Bonds and continuing secondary market disclosure of information regarding the Bonds, if necessary. The University will promptly notify the Division of any information required to be disclosed pursuant to the Continuing Disclosure Agreement for the Bonds and will respond to requests for information from the Division in a timely manner.

Section 6. The University and FSUAA will comply with the Board of Governors’ Debt Management Guidelines and the debt management policy of the University.

Section 7. The Chair and Chief Executive Officer of FSUAA, the University President, the University Vice President, the Senior Vice President for Finance

and Administration, and other authorized representatives of FSUAA, the University, and the Board of Trustees are hereby authorized to take all actions and steps, to execute all instruments, documents, and contracts, and to take all or actions, as necessary or desirable in connection with the execution, sale, and delivery of the Bonds.

Section 8. The Board of Trustees hereby declares that the Bonds shall have a first lien on the Pledged Revenues and such lien shall be senior in priority to any obligations created by that certain internal loan agreement between the University and the University's athletics department dated March 31, 2016, including any amendments or modifications thereto.

Section 9. In making the determination to finance the Project, the Board of Trustees has reviewed the information attached to Appendix A, attached hereto.

Section 10. This Resolution shall become effective immediately upon its adoption.

ADOPTED this ____ day of _____, 2025.

APPENDIX A

The following documents have been reviewed by the Board of Trustees prior to the execution of this Resolution:

- (a) The Project program, feasibility study, or consultant report.
- (b) A draw schedule for the Project.
- (c) Sources and uses of funds for the Project.
- (d) An estimated debt service schedule.
- (e) A description of the security supporting repayment of the Bonds and the lien position the Bonds will have on that security.
- (f) A five year projection of the Pledged Revenues and the debt service coverage.
- (g) Statement of legislative approval for the Project.
- (h) A competitive versus negotiated sale analysis.
- (i) Analysis of the Project's expected return on investment.



FLORIDA STATE UNIVERSITY
BOARD OF TRUSTEES

Governance Committee

ACTION ITEM I



FLORIDA STATE UNIVERSITY
BOARD OF TRUSTEES
Governance Committee

ACTION ITEM I
February 27, 2025

SUBJECT: Request for Approval to Seek a New Institutional Accreditor

PROPOSED COMMITTEE ACTION

Request authorization to seek approval from the United States Department of Education (ED) to apply for membership with the Higher Learning Commission

AUTHORITY FOR BOARD OF TRUSTEES ACTION

Section 1008.47, Florida Statutes (Postsecondary Education Institution Accreditation), and Board of Governors Regulation 3.006 (Accreditation)

BACKGROUND INFORMATION

In 2020, federal regulations removed the geographic restrictions associated with accreditation of higher education institutions in the United States. As a result, institutions were permitted to seek accreditation with a federally recognized institutional accreditor from outside their geographic region. There are six federally recognized institutional accreditors, including the university's current institutional accreditor, the Southern Association of Schools and Colleges Commission on Colleges (SACSCOC).

Consistent with the change in federal regulations, the Florida Legislature enacted a 2022 law that removed the requirement for all Florida public institutions of higher education to be accredited by SACSCOC. Additionally, the law requires each public Florida institution of higher education to seek membership with another federally recognized accreditor following its decennial reaffirmation with SACSCOC.

SACSCOC reaffirmed the accreditation of Florida State University in December 2024 for a ten-year period, allowing the institution to begin the process of seeking another institutional accreditor. The institution's current accreditation with SACSCOC expires in 2034.

The process for changing institutional accreditation agencies begins with approval by the FSU Board of Trustees to pursue membership with another institutional accreditor selected by the university. Then, the institution submits a formal request to the DE which states the voluntary nature of the change, demonstrates reasonable cause for the change, and explains how the change will strengthen the university and benefit students. If approved by the FSU Board of Trustees and the DE, the institution will begin the application process with the Higher Learning Commission (HLC).

The reasons for requesting to change to HLC include the following:

1. HLC membership includes more public institutions in the Association of American Universities (AAU) and highly ranked in U.S. News and World Report than any other accrediting body, which expands the pool of peer reviewers from similarly accomplished and aspirational institutions, who are evaluating FSU
2. HLC has a strong shared governance process in which member institutions actively engage in the development and vetting of policies and standards, along with implementation timelines that are well-planned and synchronized with the academic year
3. HLC has the administrative infrastructure to accept new members, has offered high-quality accreditation workshops and meetings for potential member institutions, and has provided resources to facilitate the process

The time frame for changing institutional accreditors is dependent on several factors including the length of time that it takes for the DE approval, the preparation and submission of materials by the institution, and the subsequent review by HLC staff and peer reviewers. It is anticipated that, following the review and approval (if granted) by DE, it may take at least 24 months to obtain membership with HLC.

The anticipated cost for the accelerated process for initial accreditation with HLC is the following: \$5,000 for the application fee, \$10,000 for the preliminary peer review, and \$7,900 plus expenses for the comprehensive evaluation for initial accreditation. The application fee is credited against the comprehensive evaluation. The annual dues for HLC membership would be approximately \$34,000 (compared to approximately \$25,148 for SACSCOC). These costs do not include the personnel costs to handle the increased workload which is indeterminate.

Florida State University will be required to maintain compliance with the SACSCOC policies and standards and simultaneously ensure compliance with the HLC policies and standards until initial accreditation is achieved with HLC.

ADDITIONAL COMMITTEE CONSIDERATIONS

N/A

Supporting Documentation:

1. Code of Federal Regulations 34 CFR 600.11 (Special Rules Regarding Institutional Accreditation or Preaccreditation)
2. Section 1008.47, Florida Statutes (Postsecondary Education Institution Accreditation)
3. Board of Governors Regulation 3.006 (Accreditation)
4. U.S. Department of Education Letter to Accrediting Agencies
5. U.S. Department of Education Guidance for Institutions Seeking to Change or Add Accrediting Agencies
6. U.S. Department of Education Procedures for Institutions Seeking Approval of a Request to Change or Add Accrediting Agencies
7. Higher Learning Commission – Accelerated Process for Initial Accreditation, Policy Number: INST.B.20.032

Submitted by: Office of the Provost

This content is from the eCFR and is authoritative but unofficial.

Title 34 — Education

Subtitle B — Regulations of the Offices of the Department of Education

Chapter VI — Office of Postsecondary Education, Department of Education

Part 600 — Institutional Eligibility Under the Higher Education Act of 1965, as Amended

Subpart A — General

Source: 59 FR 22336, Apr. 29, 1994, unless otherwise noted.

Authority: 20 U.S.C. 1001, 1002, 1003, 1088, 1091, 1094, 1099b, and 1099c, unless otherwise noted.

Source: 53 FR 11210, Apr. 5, 1988, unless otherwise noted.

§ 600.11 Special rules regarding institutional accreditation or preaccreditation.

(a) *Change of accrediting agencies.*

- (1) For purposes of §§ 600.4(a)(5)(i), 600.5(a)(6), and 600.6(a)(5)(i), the Secretary does not recognize the accreditation or preaccreditation of an otherwise eligible institution if that institution is in the process of changing its accrediting agency, unless the institution provides the following to the Secretary and receives approval:
 - (i) All materials related to its prior accreditation or preaccreditation.
 - (ii) Materials demonstrating reasonable cause for changing its accrediting agency. The Secretary will not determine such cause to be reasonable if the institution—
 - (A) Has had its accreditation withdrawn, revoked, or otherwise terminated for cause during the preceding 24 months, unless such withdrawal, revocation, or termination has been rescinded by the same accrediting agency; or
 - (B) Has been subject to a probation or equivalent, show cause order, or suspension order during the preceding 24 months.
- (2) Notwithstanding paragraph (a)(1)(ii) of this section, the Secretary may determine the institution's cause for changing its accrediting agency to be reasonable if the agency did not provide the institution its due process rights as defined in § 602.25, the agency applied its standards and criteria inconsistently, or if the adverse action or show cause or suspension order was the result of an agency's failure to respect an institution's stated mission, including religious mission.

(b) *Multiple accreditation.* The Secretary does not recognize the accreditation or preaccreditation of an otherwise eligible institution if that institution is accredited or preaccredited as an institution by more than one accrediting agency, unless the institution—

- (1) Provides to each such accrediting agency and the Secretary the reasons for that multiple accreditation or preaccreditation;
- (2) Demonstrates to the Secretary reasonable cause for that multiple accreditation or preaccreditation.
 - (i) The Secretary determines the institution's cause for multiple accreditation to be reasonable unless the institution—

Special rules regarding institutional accreditation or preaccreditation.

- (A) Has had its accreditation withdrawn, revoked, or otherwise terminated for cause during the preceding 24 months, unless such withdrawal, revocation, or termination has been rescinded by the same accrediting agency; or
 - (B) Has been subject to a probation or equivalent, show cause order, or suspension order during the preceding 24 months.
- (ii) Notwithstanding paragraphs (b)(2)(i)(A) and (B) of this section, the Secretary may determine the institution's cause for seeking multiple accreditation or preaccreditation to be reasonable if the institution's primary interest in seeking multiple accreditation is based on that agency's geographic area, program-area focus, or mission; and
- (3) Designates to the Secretary which agency's accreditation or preaccreditation the institution uses to establish its eligibility under this part.

(c) *Loss of accreditation or preaccreditation.*

- (1) An institution may not be considered eligible for 24 months after it has had its accreditation or preaccreditation withdrawn, revoked, or otherwise terminated for cause, unless the accrediting agency that took that action rescinds that action.
- (2) An institution may not be considered eligible for 24 months after it has withdrawn voluntarily from its accreditation or preaccreditation status under a show-cause or suspension order issued by an accrediting agency, unless that agency rescinds its order.

(d) *Religious exception.*

- (1) If an otherwise eligible institution loses its accreditation or preaccreditation, the Secretary considers the institution to be accredited or preaccredited for purposes of complying with the provisions of §§ 600.4, 600.5, and 600.6 if the Secretary determines that its loss of accreditation or preaccreditation—
 - (i) Is related to the religious mission or affiliation of the institution; and
 - (ii) Is not related to its failure to satisfy the accrediting agency's standards.
- (2) If the Secretary considers an unaccredited institution to be accredited or preaccredited under the provisions of paragraph (d)(1) of this section, the Secretary will consider that unaccredited institution to be accredited or preaccredited for a period sufficient to allow the institution to obtain alternative accreditation or preaccreditation, except that period may not exceed 18 months.

(Authority: 20 U.S.C. 1099b)

[59 FR 22336, Apr. 29, 1994, as amended at 85 FR 58916, Nov. 1, 2019]

Select Year: 2024 ▼

The 2024 Florida Statutes

[Title XLVIII](#)[Chapter 1008](#)[View Entire Chapter](#)

EARLY LEARNING-20 EDUCATION CODE ASSESSMENT AND ACCOUNTABILITY

1008.47 Postsecondary education institution accreditation.—

(1) **DEFINITION.**—As used in this section, the term “postsecondary education institution” means a Florida College System institution, state university, or nonpublic postsecondary education institution that receives state funds.

(2) **ACCREDITATION.**—

(a) By September 1, 2022, the Board of Governors or the State Board of Education, as applicable, shall identify and determine the accrediting agencies or associations best suited to serve as an accreditor for public postsecondary institutions. Such accrediting agencies or associations must be recognized by the database created and maintained by the United States Department of Education. In the year following reaffirmation or fifth-year review by its accrediting agencies or associations, each public postsecondary institution must seek and obtain accreditation from an accrediting agency or association identified by the Board of Governors or State Board of Education, respectively, before its next reaffirmation or fifth-year review date. The requirements in this section are limited to a one-time change in accreditation. The requirements of this subsection are not applicable to those professional, graduate, departmental, or certificate programs at public postsecondary institutions that have specific accreditation requirements or best practices, including, but not limited to, law, pharmacy, engineering, or other similarly situated educational programs.

(b) Once a public postsecondary institution is required to seek and obtain accreditation from an agency or association identified pursuant to paragraph (a), the institution shall seek accreditation from a regional accrediting agency or association and provide quarterly reports of its progress to the Board of Governors or State Board of Education, as applicable. If each regional accreditation agency or association identified pursuant to paragraph (a) has refused to grant candidacy status to an institution, the institution must seek and obtain accreditation from any accrediting agency or association that is different from its current accrediting agency or association and is recognized by the database created and maintained by the United States Department of Education. If a public postsecondary institution is not granted candidacy status before its next reaffirmation or fifth-year review date, the institution may remain with its current accrediting agency or association.

(c) This subsection expires December 31, 2032.

(3) **PROHIBITION.**—An accrediting agency or association may not compel any public postsecondary institution to violate state law, and any adverse action upon the institution based upon the institution’s compliance with state law constitutes a violation of this section that may be enforced through subsection (4), except to the extent that state law is preempted by a federal law that recognizes the necessity of the accreditation standard or requirement.

(4) **CAUSE OF ACTION.**—A postsecondary education institution negatively impacted by retaliatory or adverse action taken against the postsecondary education institution by an accrediting agency or association may bring an action against the accrediting agency or association in a court of competent jurisdiction and may obtain liquidated damages in the amount of federal financial aid received by the postsecondary education institution, court costs, and reasonable attorney fees.

(5) **EXPIRATION.**—This section expires December 31, 2032.

History.—s. 4, ch. 2022-70; s. 171, ch. 2023-8; s. 11, ch. 2023-82.

3.006 Accreditation.

- (1) Each university board of trustees shall develop policies on accreditation that are consistent with the mission of the institution and Board of Governors' guidelines.
- (2) Regional accreditation
 - (a) Each institution shall seek and take action to maintain regional accreditation with the Southern Association of Colleges and Schools Commission on Colleges (SACSCOC).
 - (b) Each president shall immediately inform the Chancellor upon verbal or written notification of any visit scheduled or any action taken by SACSCOC related to the institution's compliance certification or interim report.
 - (c) Each institution shall provide a copy of the certification letter for initial accreditation or accreditation reaffirmation to the Board of Governors immediately upon receipt from SACSCOC.
 - (d) Upon request, an institution shall provide the Office of the Board of Governors with a copy of any institution response to SACSCOC.
- (3) Discipline-Specific Accreditation
 - (a) Each institution is encouraged to seek and take action to maintain national or discipline-specific accreditation for its colleges, schools, and academic programs for which there are established standards for programmatic accreditation.
 - (b) Discipline-specific accreditation is required for academic programs in which graduation from an accredited program is a prerequisite to achieving licensure or certification for professional practice.
 - (c) Each institution must provide immediate notification to the Office of the Board of Governors when an accredited academic program is placed on warning or probation, or when the accreditation status is revoked by a discipline-specific accrediting body. The notification must include a report of any adverse accreditation findings provided by the discipline-specific accrediting body that outline the basis for the change in accreditation status.
- (4) Each institution shall submit annually the State University System Accreditation Survey to the Office of the Board of Governors.

Authority: Section 7(d), Art. IX, Fla. Const. History – Formerly 6C-2.57 and 6C-3.06, 11-18-70, 12-17-74, 8-11-85, Amended and Renumbered 1-29-09, Amended 1-22-15.



UNITED STATES DEPARTMENT OF EDUCATION
OFFICE OF POSTSECONDARY EDUCATION
ACCREDITATION GROUP

July 19, 2022

Institutional Accrediting Agencies:

Recently, the Department of Education (Department) has received inquiries regarding the “voluntary membership” requirement for federally recognized accrediting agencies in 34 C.F.R. § 602.14(a). In this letter, we respond to those inquiries and clarify the voluntary membership requirement of the accreditation regulations.

Historically, accreditation in the United States began with a voluntary association of institutions of higher education that sought to develop a consensus on the content of the educational programs offered by postsecondary educational institutions and on the distinctions between educational offerings at secondary and postsecondary institutions.¹ By the 1970s, most institutions of higher education voluntarily participated in the accreditation process to ensure a mark of quality and a common level of academic standards for their respective institutions.²

Congress, in creating the overall statutory schema for higher education starting with the Higher Education Act of 1965 (HEA), recognized the importance of an institution of higher education's voluntary membership in an accrediting agency or accrediting association beginning with the Higher Education Amendments Act of 1992.³ Indeed, a voluntary association for quality assurance, as opposed to a compelled one, or even one centralized through or by the federal government, is one of the unique features of American higher education. This voluntary association is intended to engender a willing and cooperative environment for the review and improvement of educational programs at American institutions of higher education.

Similarly, through the Higher Education Amendments Act of 1992, Congress established the concept of the program integrity triad, consisting of States, accrediting agencies, and the Department. The members of the triad work together to ensure quality in higher education, but with distinct principal areas of responsibility for each member.

The Department, following the statutory schema of the 1992 HEA reauthorization, included the voluntary requirement in its initial accreditation regulations in 1994.⁴ Today, “voluntary membership” remains a requirement for the Secretary’s recognition of accrediting agencies under § 602.14(a)(2), (a)(3), and (a)(4). As used in § 602.14, the word “voluntary” is important

¹ CRS report, *An Overview of Accreditation of Higher Education in the United States* at 1, available at <https://crsreports.congress.gov/product/pdf/R/R43826/10>.

² *Id.* at 2.

³ See 20 USC § 1099b(a)(2) (1994).

⁴ See 59 FR 3580 (January 24, 1994), available at <https://www.govinfo.gov/content/pkg/FR-1994-01-24/pdf/FR-1994-01-24.pdf>.

in defining the expected nature and quality of the relationship between an accrediting agency and the institutions it accredits.

Because the requirement of voluntary association between accrediting agencies and institutions has been an accepted norm, the Department has not previously had reason to further consider the requirement. However, Florida law SB 7044, which took effect on July 1, 2022, requires public institutions in Florida to seek new accrediting agencies, which potentially undermines the voluntary nature of the relationship and the independent roles of the various actors in the triad. Thus, the Department has reexamined the issue of voluntary membership in two circumstances: when institutions seek to change accrediting agencies (or seek multiple accreditation) and when the Department reviews accrediting agencies as part of the recognition process.

Under 20 USC 1099b(h) and (i) and § 600.11(a) and (b), institutions must submit materials to the Department demonstrating reasonable cause for changing their accrediting agency or for having multiple accrediting agencies. This requirement provides critical protections for students and taxpayers by ensuring that institutions do not switch accrediting agencies simply to evade accountability, avoid open inquiries, or seek approval from an agency with less rigorous standards. In a Dear Colleague Letter (DCL) published today, the Department has clarified that institutions must submit to the Department such materials **and** receive Departmental approval **prior to** submitting their application to a new accrediting agency.⁵ The Department has further clarified that, as part of its review, it will consider the rationale provided, the institution's history of compliance, and past accrediting agency actions.⁶ Because the Department only recognizes accrediting agencies that have a voluntary membership of institutions of higher education, in reviewing for "reasonable cause" for changing or adding accreditors, the Department will also consider whether the materials provided support a finding that the institution's membership in the new accrediting agency would be voluntary. Following its review of the materials, the Department will notify the institution whether the Department has determined there is reasonable cause for the change (or multiple accreditation).

As required under § 602.14, the Department will also examine the issue of voluntariness when it conducts its agency recognition review. Even if the Department has found, based on the information available to the Department at the time of review, reasonable cause under § 600.11, ***agencies should conduct their own independent evaluation of whether an institutional change of accrediting agencies (or multiple accreditation) is voluntary.*** Because an accrediting agency's relationships with its member institutions are case- and fact-specific, the agency may come to a different conclusion than the Department. To help avoid a finding of noncompliance with § 602.14, agencies should consider whether accrediting an institution will compromise the voluntary nature of their membership **prior to** approving a membership application.

Even if the Department has found reasonable cause with respect to an agency's member institutions pursuant to a review under § 600.11, it will again consider all relevant factors, based on the most recently available information, when conducting a recognition review under § 602.14. If, after having reviewed all the relevant factors, the Department determines that an

⁵ <https://fsapartners.ed.gov/knowledge-center/library/dear-colleague-letters/2022-07-19/procedures-institutions-seeking-approval-request-change-or-add-accrediting-agencies>

⁶ <https://fsapartners.ed.gov/knowledge-center/library/dear-colleague-letters/2022-07-19/guidance-institutions-seeking-change-or-add-accrediting-agencies>

accrediting agency does not have a voluntary membership, as required for recognition by the Department under section 1099b(a)(2) of the HEA and § 602.14(a), the Department will be unable to recognize the accrediting agency.

We hope that this letter provides clarification regarding these questions to the accreditation community, and we thank you for your engagement with the Department as we all work to address and participate in a changing landscape consistent with existing law.

Sincerely,

/s/

Herman Bounds Jr., Ed.S
Director, Accreditation Group

Federal Student Aid

An OFFICE of the U.S. DEPARTMENT of EDUCATION

Published on <https://fsapartners.ed.gov/knowledge-center/library/dear-colleague-letters/2022-07-19/guidance-institutions-seeking-change-or-add-accrediting-agencies>

PUBLICATION DATE: July 19, 2022

DCL ID: GEN-22-10

SUBJECT: Guidance for Institutions Seeking to Change or Add Accrediting Agencies

SUMMARY: The Department has recently received several inquiries regarding the standards and procedures for an institution seeking to change its primary accrediting agency or obtain multiple accreditations. The purpose of this announcement is to reiterate the statutory and regulatory standards and to provide examples of factors Federal Student Aid (FSA) may consider in determining whether an institution has provided sufficient materials demonstrating reasonable cause for changing or adding an accrediting agency.

Please note that companion [DCL ID GEN-22-11, dated July 19, 2022](#), describes the procedures institutions must follow to change or add an accrediting agency.

Dear Colleague:

Under section 496(h) of the Higher Education Act of 1965, as amended, (HEA) (20 U.S.C. 1099b(h)), an institution seeking to change its accrediting agency must submit to FSA all materials relating to the prior accreditation and materials demonstrating reasonable cause for changing the accrediting agency. This requirement helps prevent an erosion of accrediting agency standards and provides critical protections for students and taxpayers by ensuring that institutions do not switch accrediting agencies simply to evade accountability, avoid open inquiries, or seek approval from an agency with less rigorous or easier-to-meet standards.

The Department has implemented this statutory requirement via [34 CFR § 600.11\(a\)](#), [§ 600.11\(a\)](#), which requires an institution to provide all materials related to its prior accreditation or preaccreditation, to provide materials demonstrating reasonable cause for changing its accrediting agency, and to receive the Department's approval prior to switching accrediting agencies. In this announcement, the Department is further detailing its expectations and requirements to ensure that institutions are aware of the standards to which they will be held if they seek to change their accrediting agency-of-record with FSA and/or maintain accreditation with multiple institutional agencies. We remind institutions that, in evaluating an institution's demonstration of reasonable cause for doing so, the Department will consider the institution's history of compliance, past accrediting agency actions, open inquiries, and the rationale provided, as described further in this guidance.

Reasonable Cause

To carry out its responsibilities under [34 CFR § 600.11](#), [§ 600.11](#), FSA must make a reasonable cause determination.


Under [§ 600.11](#), [§ 600.11\(a\)](#) and (b), except in the circumstances described in the following paragraph, FSA will **not** determine an institution's cause to be reasonable if the institution:



- Has had its accreditation withdrawn, revoked, or otherwise terminated for cause during the preceding 24 months, unless such withdrawal, revocation, or termination has been rescinded by the same accrediting agency.
- Has been subject to a probation or equivalent, show cause order, or suspension order during the preceding 24 months.

Notwithstanding the foregoing, under [34 CFR § 600.11](#), [§ 600.11](#), FSA may determine the institution's cause for changing its accrediting agency to be reasonable under such circumstances if the existing agency did not provide the institution its due process rights as defined in [34 CFR § 602.25](#), [§ 602.25](#), the agency applied its standards and criteria inconsistently, or if the adverse action or show cause or suspension order was the result of an agency's failure to respect an institution's stated mission, including religious mission. Further, FSA may determine the institution's cause for seeking multiple accreditations to be reasonable if the institution's primary interest in seeking multiple accreditations is based on its geographic area, program area focus, or mission.

In all other cases, in making a reasonable cause determination, FSA must review the specific circumstances of the institution, which may include the institution's past history of compliance with the requirements of its accrediting agency, the Department, or other oversight agencies; the institution's financial stability; and other information about the institution available to FSA. FSA


may consider factors such as the following when evaluating a proposed change in accrediting agencies (or an application to have more than one institutional accrediting agency):

1. The institution's stated reason for the proposed change or multiple accreditations.
2. Whether the institution is seeking to change accrediting agencies or multiple accreditations to lessen oversight or rigor, evade inquiries or sanctions, or the risk of inquiries or sanctions by its existing accrediting agency.
3. Whether the proposed change of agencies or multiple accreditations would strengthen institutional quality.
4. Whether the institution is seeking to change agencies or seeking multiple accreditations because the new agency and its standards are more closely aligned with the institution's mission than the current accrediting agency.
5. Whether the proposed change or addition involves an accrediting agency that has been subject to Department action.
6. Whether, if ultimately approved by the Department and the accrediting agency, the institution's membership in the accrediting agency would be voluntary, as required for recognition of the accrediting agency under [34 CFR § 602.14\(a\)](#). .

The Department sent a letter to federally recognized institutional accrediting agencies further detailing the significance of voluntary membership in accrediting decisions as required under [34 CFR § 602.14\(a\)](#). . That letter is available at the Office of Postsecondary Education's [website](#) .

As part of its reasonable cause determination, FSA may request records from the institution's current accrediting agency. In all cases, it is incumbent on the institution to provide sufficient evidence to demonstrate the reasonableness of the requested change.

Contact Information

For more information, please contact the Department at CaseTeams@ed.gov .

Sincerely,

Annmarie Weisman
Deputy Assistant Secretary for Policy, Planning, and Innovation
Office of Postsecondary Education

Federal Student Aid

An OFFICE of the U.S. DEPARTMENT of EDUCATION

Published on <https://fsapartners.ed.gov/knowledge-center/library/dear-colleague-letters/2022-07-19/procedures-institutions-seeking-approval-request-change-or-add-accrediting-agencies-updated-sept-26-2022>

PUBLICATION DATE: July 19, 2022

DCL ID: GEN-22-11

SUBJECT: Procedures for Institutions Seeking Approval of a Request to Change or Add Accrediting Agencies (Updated Sept. 26, 2022)

SUMMARY: This letter provides guidance on the process institutions must follow that are seeking to change primary accrediting agencies or that are adding multiple accrediting agencies.

Note

On Sept. 26, 2022, we updated the numbered list in the third paragraph of this Dear Colleague Letter to provide additional guidance regarding the information an institution needs to submit to the School Participation Division for its initial request to change accrediting agencies before the institution submits an application to the new agency. The School Participation Division may also request additional documents or information to complete its review.

Please note that companion [DCL ID GEN-22-10, dated July 19, 2022](#), describes the policy guidance institutions must follow to change or add an accrediting agency.

Dear Colleague:

In a previous [Electronic Announcement](#) published Aug. 5, 2016, the Department reminded institutions of the requirements for seeking FSA approval of a change of primary accrediting agency, including the documentation an institution must submit to FSA in support of a request to change a primary accrediting agency. The Department also specified the procedures for submitting such documentation. This communication updates the procedures for submitting documentation to change or add an accrediting agency by requiring an institution to submit the required documentation to the Department **prior to** submitting an application to a new accrediting agency. Accordingly, this communication revokes and supersedes the Aug. 5, 2016, announcement. To the extent institutions have begun the process of changing or adding an accrediting agency and relied on the 2016 EA, they must immediately inform the Department consistent with the procedures described below.

Under [34 CFR § 600.11\(a\)](#), [\(b\)](#), and [\(c\)](#), respectively, the Secretary does “not recognize the accreditation or preaccreditation” of an institution “that is **in the process** of changing accrediting agencies” or that is accredited or preaccredited “by more than one accrediting agency” unless the institution provides the Department information demonstrating “reasonable cause” for changing or adding accrediting agencies and receives Department approval. Therefore, to ensure that an institution maintains recognition of its accreditation or preaccreditation under 34 CFR § 600.11, an institution must provide the required information and obtain the Department’s approval **prior to** submitting an application to a new accrediting agency. We believe that these procedures are in better alignment with the requirements of 34 CFR § 600.11, will provide clarity to institutions and afford them earlier information about Department approval, and will help protect institutions from an inadvertent loss of Title IV eligibility.

Accordingly, an institution must take the following steps to change its primary accrediting agency or add a new accrediting agency:

1. **Prior to submitting an application to the new accrediting agency**, an institution must notify FSA in writing of its intent to change its primary accrediting agency or add a new accrediting agency. With its notification, the institution must submit to FSA documentation of its current accreditation and materials demonstrating reasonable cause for changing or adding an accrediting agency. Institutions should submit this notification and required documentation via email to CaseTeams@ed.gov with a subject line "Notification Regarding Accreditation." An institution should include with this notification the materials required by [34 CFR 600.11\(a\)\(1\)](#), for a change of primary accrediting agency or [34 CFR 600.11\(b\)\(1\) through \(3\)](#), for multiple accrediting agencies, including a cover letter that includes the following:

- a. The name of the institution's current primary accrediting agency and the name of the institution's proposed new agency;
- b. Whether the institution is seeking to change primary accrediting agencies or seeking multiple accreditation;
- c. If the institution is seeking multiple accreditation, whether the institution plans to relinquish accreditation by its current primary accrediting agency and, if so, the timeframe for relinquishment;
- d. The date that the institution's current accreditation is set to expire;
- e. The reason(s) the institution is seeking the change;
- f. If applicable, an explanation of how the institution believes the new agency would strengthen institutional quality; and
- g. If applicable, how the new agency's standards are more closely aligned with the institution's mission.

The institution must also provide supporting materials demonstrating reasonable cause for the change, including documentation to support the institution's claim that it has reasonable cause to change accrediting agencies (or have multiple accrediting agencies).

The institution must include the following documentation from its current primary accrediting agency:

- a. Most recent determination letter;
- b. Documentation that the institution remains in good standing since the determination letter; and
- c. Any substantive correspondence or other communications with the agency relating to the institution's accreditation status, requests for information, or inquiries since the most recent determination letter.

Finally, the institution must provide any substantive correspondence or other communications with the new accrediting agency, including any substantive correspondence or other communications with the agency relating to the institution's planned application. Note that non-substantive communications — such as routine scheduling — do not need to be provided.

2. Prior to submitting its application to the new accrediting agency, the institution must receive notification from FSA that the institution (a) has provided all the required documentation, (b) has demonstrated reasonable cause for changing its primary accrediting agency or for maintaining accreditation by multiple agencies, and (c) has the Department's approval under [34 CFR 600.11](#).

3. Once the institution has received the notification from FSA described in Step 2 and has **secured new accreditation** (or, for nonprofit or public institutions, preaccreditation by an agency that is recognized by the Department to grant preaccreditation status), it must formally notify FSA of the new accreditation in the online electronic application (E-App) and update the "primary accreditor" indicator if it is changing. The institution should include documentation of its accreditation or preaccreditation by the new agency as part of the supporting information it provides to FSA through the E-App process. The institution must also submit a copy of the notification that it received from FSA in response to the first step of these procedures. The institution was required to receive this notification before submitting an application to the new accrediting agency.

An institution should not drop its association with its current accrediting agency until after (a) the Department has approved the institution's request to change its primary accrediting agency or add an accrediting agency, (b) the new agency has granted accreditation to the institution, and (c) the Department has provided written notice that it acknowledges the new accrediting agency as the institution's primary accrediting agency or the multiple accreditations. Failure to comply with these procedures may result in the institution's accreditation status not being recognized by the Secretary and could result in a loss of Title IV eligibility.

Contact Information

For more information, please contact the Department at CaseTeams@ed.gov.

Sincerely,

Richard Cordray
Chief Operating Officer
Federal Student Aid

Accelerated Process for Initial Accreditation Process Overview

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Basic Information

The Accelerated Process for Initial Accreditation features a reduced timeline to achieving accreditation while still assuring rigor and protection for student success. The process is only available to institutions that meet certain qualifications prior to and throughout the process. This includes being currently accredited by a historically regional accreditor or a state entity recognized by the USDE as an institutional accreditor, and being in good standing with that accreditor. Institutions that do not meet the qualifications for the Accelerated Process for Initial Accreditation may pursue accreditation through HLC's traditional [Eligibility Process](#).

An institution undertaking the Accelerated Process for Initial Accreditation must complete all of the steps in the process within the time frames prescribed; must adhere to HLC guidelines related to each step, including guidelines related to the submission of documents; and must receive a positive decision by HLC before moving to each next step.

Institutions participating in the Accelerated Process for Initial Accreditation do not hold any status with HLC until awarded initial accreditation.

An institution must adhere to HLC's guidelines regarding public statements about the fact that the institution is seeking accreditation.

Fees apply at a number of steps throughout the Accelerated Process for Initial Accreditation. A complete list of these fees can be found in the current [HLC Dues and Fees Schedule](#). Where applicable, fees must accompany the submission of materials or are due at the start of a step in the process. An institution will not be permitted to proceed in the process until the required fees are received.

If at any point in the process the institution misses a required deadline, voluntarily withdraws from the process, or fails to achieve the next step in the process, the institution must start from the beginning of the Accelerated Process for Initial Accreditation. As detailed in HLC policy, an institution that completes the process but is denied initial accreditation by the HLC Board of Trustees may reapply to participate in the accelerated process after taking steps to remedy the circumstances that led to the denial of initial accreditation, or may elect to pursue membership through HLC's traditional [Eligibility Process](#). The institution must generally wait one year before pursuing either process, unless the HLC Board has provided otherwise.

At various steps in the process, the institution will be asked to provide an institutional response to recommendations, as provided in HLC policy. Additionally, certain determinations within the process are subject to appeal, as provided in HLC policy.

The content in this document is supplemental to HLC policy. Institutions should familiarize themselves with applicable HLC policies as they proceed through the process. Institutions should also familiarize themselves with the [HLC Glossary](#). Many terms in this document are defined in HLC policy or the Glossary.

HLC will maintain all documents submitted by institutions in accordance with applicable HLC policies.

Maintaining Relationship With Current Accreditor

HLC expects institutions participating in the Accelerated Process for Seeking Initial Accreditation to adhere to all of their current institutional accrediting agency's requirements throughout the process of seeking accreditation with HLC.

This includes adhering to requirements regarding substantive change. Institutions must keep HLC informed about all substantive changes in process and anticipated while seeking accreditation with HLC so that HLC can track all such changes in the institution's records.

All substantive changes requiring approval should be timed so as to have final approval by the original accreditation agency prior to the award of Initial Accreditation by HLC. Significant changes undertaken and not made known to HLC in advance may result in cancellation of any scheduled aspect of the process and may require that the institution restart the accelerated process for initial accreditation.

Sharing Information About Seeking Accreditation With HLC

As applicable, the institution maintains responsibility for keeping entities such as state higher education agencies, the U.S. Department of Education (USDE) and, if applicable, other accreditors informed throughout the process.

To ensure that students and other stakeholders have a clear understanding of an institution's accreditation status, HLC requires that institutions follow guidelines

when publicly discussing their accreditation status and plans. After an institution that is participating in HLC's Accelerated Process for Seeking Accreditation has submitted its application to HLC, it may publicly disclose that it has done so and may indicate a general timeline for the process. The institution should refer others to [HLC's website](#) for a consistent description of the process and should not speculate as to the outcome. Institutions participating in HLC's Accelerated Process for Seeking Initial Accreditation are, by definition, concurrently accredited by another institutional accreditor and should be transparent about that accreditation status.

HLC may indicate publicly that an institution participating in the Accelerated Process for Seeking Accreditation has applied, but will generally not provide additional details about the institution's participation in the process unless the institution is no longer seeking accreditation with HLC or as otherwise consistent with HLC policy.

Questions

Questions about the process may be directed to seekingaccreditation@hlcommission.org. Institutions are encouraged to attend applicable programming, for example at HLC's [annual conference](#), before beginning the Accelerated Process for Initial Accreditation.

Accelerated Process for Initial Accreditation

The Process at a Glance

The following chart summarizes the three main steps involved in the Accelerated Process for Initial Accreditation. Additional information regarding each of the tasks immediately follows the chart.

Step and Associated Activities	Time Frame
<p>1. Application</p> <p>An institution begins the accelerated process for initial accreditation by submitting an application along with required Accelerated Process Application Evidence to demonstrate that it meets the qualifications for the process and that it meets other specific HLC requirements.</p> <p>HLC staff assess the institution's application to determine whether the institution meets the qualifications for the Accelerated Process for Initial Accreditation and whether it can demonstrate that it has certain essential characteristics that would make it eligible for HLC membership. This includes the opportunity for interaction with HLC staff through a combination of email, phone, or video-enabled conversations as needed.</p> <p>This step culminates in a decision regarding whether the institution may proceed to the preliminary peer review.</p> <p><i>See page 5 for further details.</i></p>	<p>HLC staff will review the application and respond to the institution, typically within one month.</p>

Step and Associated Activities	Time Frame
<p>2. Preliminary Peer Review</p> <p>The preliminary peer review includes the following components:</p> <ul style="list-style-type: none"> • Abbreviated Assurance Filing demonstrating that the institution has provided sufficient narrative and evidence regarding each of HLC's Criteria for Accreditation to proceed • Institutional Data Form • Compliance With Eligibility Requirements Form • Compliance With Assumed Practices Form <p>Peer reviewers preliminarily evaluate the narrative and evidence provided by the institution. There is no in-person visit or other interaction between the institution and peer reviewers.</p> <p>This step culminates in a decision regarding whether the institution may proceed to a comprehensive evaluation for initial accreditation. If the institution continues, it is assigned an HLC staff liaison at the conclusion of this step.</p> <p><i>See page 6 for further details.</i></p>	<p>HLC anticipates that institutions will prepare and submit the required narrative and evidence within approximately three months following HLC's response to the institution's application (step 1).</p> <p>Institutions must submit these materials within no more than one year following HLC's response to the institution's application.</p> <p>Upon submission of materials required for the preliminary peer review, the peer review panel takes approximately one month to evaluate the materials and determine the institution's ability to continue with the process.</p>
<p>3. Comprehensive Evaluation for Initial Accreditation</p> <p>The institution submits its comprehensive evaluation materials and hosts an on-site visit by a peer review team. The evaluation includes the following components:</p> <ul style="list-style-type: none"> • Full Assurance Filing demonstrating the institution's compliance with the Criteria for Accreditation and all Core Components • Institutional Data Form • Compliance With Eligibility Requirements Form • Compliance With Assumed Practices Form • Federal Compliance Filing • On-site visit, including if applicable, a Multi-Campus Visit • Student Opinion Survey • Institutional Actions Council (IAC) Hearing • HLC Board decision <p><i>See page 7 for further details.</i></p>	<p>Institutions should prepare for a comprehensive evaluation within approximately nine months after being informed by HLC that the institution may do so and must undergo the comprehensive evaluation within no more than one year from that time.</p> <p>Visit timing will be coordinated with the institution to proceed on as accelerated a timeline as the institution desires, and as is practical, inclusive of the timing for the necessary IAC Hearing and Board meeting where the Board will consider the institution for initial accreditation.</p>

The following sections provide more detailed information for the tasks summarized in the chart above.

1. Application

The Accelerated Process for Initial Accreditation begins with an institution submitting an application and providing the required application fee. An institution's application will not be considered complete until the application fee is received. For institutions successful in proceeding through the preliminary peer review, this fee will be credited toward the institution's fee for the comprehensive evaluation for initial accreditation. See HLC's Dues and Fees Schedule and the payment information on page 7 of this document for more information.

Accelerated Process Application Evidence

The institution's application will include documentation demonstrating that the institution meets the qualifications to participate in the accelerated process, as well as other specific HLC requirements. The Accelerated Process Application Evidence must be submitted through the application form as a single PDF file labeled with the file name: (name of institution) ApplicationEvidence.pdf. It should include the following:

1. All official communications between the institution and its current accreditor for the previous 12 months. This includes, but is not limited to: action letters, other official correspondence, reports submitted by the institution, evaluations and other analyses from the accreditor, etc.
2. To the extent not already provided in item 1, documentation showing that the institution, in its current form, is currently institutionally accredited by an accrediting agency that is recognized by the USDE and that is historically known as a regional accreditor, or by a state entity that is recognized by the USDE as an institutional accreditor of degree-granting institutions of higher education.
3. To the extent not already provided in item 1, (a) documentation showing that the institution, in its current form, has undergone one reaffirmation of accreditation with its current institutional accreditor or (b) if an institution has not, in its current form, undergone one reaffirmation of accreditation with its current institutional accreditor, documentation demonstrating other indicia of continuity and stability in the institution's accreditation history.

4. To the extent not already provided in item 1, documentation showing that the institution has not been placed on a sanction, show-cause order, or other similar negative action with its current institutional accreditor for at least the past five years, and its current institutional accreditor is not currently considering placing the institution on sanction, show-cause order or other similar negative action.
5. Documentation from Federal Student Aid indicating that the institution has demonstrated reasonable cause for changing its primary accrediting agency or for maintaining accreditation by multiple agencies and has the approval of FSA under federal regulations to seek accreditation with HLC.
6. A description explaining how the institution's decision to change its primary accrediting agency or to maintain accreditation by multiple agencies is voluntary. Information to be included as part of this explanation could include, but is not limited to, the institution's rationale for seeking accreditation with HLC, an analysis of any external factors that are affecting the institution's decision to seek accreditation with HLC, and a description of the institution's decision-making process for choosing to seek accreditation with HLC.
7. Completed Substantial Presence Worksheet.
8. Documentation showing the incorporation of the institution within HLC's jurisdiction in accordance with HLC policy.
9. Documentation showing legal status to operate as an institution offering higher learning in at least one state, sovereign nation or jurisdiction within HLC's jurisdiction in accordance with HLC policy and, if applicable, evidence of state authorization in good standing to offer higher learning in any other location in which it is required by state law or regulation to be authorized. Disclosure of any state action to suspend, limit or terminate the corporate status or higher education authorization of the institution or any related entity within the previous five years.
10. List of all degree and certificate programs offered, including noting which programs are offered by distance or correspondence education.
11. Information about specific current enrollments in all degree and certificate programs shown by program, location and mode of delivery.

12. Letter from the institution's governing board confirming its intention to seek accreditation with HLC and a copy of the minutes from the Board meeting in which the Board approved seeking accreditation. The institution must make clear whether it is seeking system accreditation for a multi-corporate structure involving multiple institutions or seeking accreditation for a single corporate structure involving only one institution. HLC will make the final decision on whether the requested scope of accreditation is appropriate.
13. List of other current accreditation relationships, including status, and information regarding any other official interactions with other accreditors in the past five years.

After the institution submits the application and the application fee, HLC staff evaluate the institution's application and evidence to determine whether the institution meets the qualifications for the accelerated process and can demonstrate that it has certain essential characteristics that would make it eligible for HLC membership, as noted in HLC policy. Throughout this period, the institution has access to HLC staff for consultation through a combination of email, phone or video-enabled conversations as needed.

This step concludes with a decision on whether or not the institution may move to the next step, preliminary peer review. This decision is final.

2. Preliminary Peer Review

HLC anticipates that institutions will prepare and submit the required narrative and evidence for the preliminary peer review within approximately three months following HLC's response to the institution's application (step 1). An institution must submit these materials within no more than one year following HLC's response to the institution's application.

During the preliminary peer review, the institution is provided a site in HLC's online Assurance System, which is where the institution will provide:

- [Institutional Data Form](#)
- [Compliance With Eligibility Requirements Form](#)
- [Compliance With Assumed Practices Form](#)
- Assurance Argument with narrative focused only at the Criteria "summary" level (not the Core Component level, which occurs later) and evidentiary documents linked to the narrative for the Criteria

Details on submission requirements for the preliminary peer review can be found in the Required Materials and Submission Procedures on page 7.

A peer review panel evaluates the narrative and evidence provided by the institution. There is no in-person visit or other interaction among the institution and peer reviewers at this step. A fee applies at the beginning of this step; see [HLC's Dues and Fees Schedule](#) for more information.

Once the institution has submitted the materials required for the preliminary peer review, the peer review panel takes approximately four weeks to evaluate the materials and determine the institution's ability to continue with the process.

The preliminary peer review is focused on whether there is sufficient evidence such that the institution appears likely to meet HLC requirements and is sufficiently prepared to host a comprehensive evaluation for initial accreditation. In some cases, peer reviewers may request additional information for relatively small issues or when an obviously missing item of information is needed.

The preliminary peer review concludes with a determination that either (1) authorizes the institution to move to the comprehensive evaluation for initial accreditation; or (2) indicates that the institution may not move forward with the accelerated process for initial accreditation. This is a final decision and is not considered an appealable adverse action as detailed in HLC policies.

If the institution proceeds with the accelerated process for initial accreditation, HLC will assign the institution an HLC staff liaison at the conclusion of this step. The staff liaison serves as the primary contact for the institution henceforward and as a resource regarding HLC policies and procedures. In addition, the staff liaison also assists the institution through various logistical aspects of reviews, HLC's decision-making process and other HLC processes.

If it is determined that the institution may not move forward with the accelerated process, the institution may choose to proceed by initiating HLC's traditional [Eligibility Process](#).

3. Comprehensive Evaluation for Initial Accreditation

Institutions should prepare for and undergo a comprehensive evaluation within approximately nine months after being informed by HLC that the institution may do so, and must undergo the comprehensive evaluation within no more than one year from that time. Timing for the on-site evaluation will be coordinated with the institution to proceed on as accelerated a timeline as the institution desires, and as is practical, inclusive of the timing for the necessary IAC Hearing and the Board meeting where the Board will consider the institution for initial accreditation.

In a comprehensive evaluation for initial accreditation, an institution must demonstrate evidence that it meets all of the Criteria for Accreditation, including all Core Components. An institution must also demonstrate evidence that it meets the Eligibility Requirements, Assumed Practices and Federal Compliance Requirements. Initial accreditation is achieved through submission of comprehensive evaluation materials, participating in HLC's Student Opinion Survey process, hosting an on-site evaluation by a peer review team to the institution's main campus and, if applicable, a selection of its branch campuses, participating in a hearing by the IAC and action by the HLC Board of Trustees. Each of these steps of the process is conducted in accordance with HLC policy. Regular fees, for example those related to comprehensive evaluations and IAC hearings, apply throughout this step. See HLC's HLC Dues and Fees Schedule for more information.

During the comprehensive evaluation for initial accreditation, the institution will provide:

- Institutional Data Form
- Compliance With Eligibility Requirements Form
- Compliance With Assumed Practices Form
- Assurance Argument with narrative focused at Core Component level, and evidentiary documents linked to the narrative
- Federal Compliance Filing
- Multi-Campus Visit Report (if applicable)

Details on submission requirements for the comprehensive evaluation for initial accreditation can be found in the Required Materials and Submission Procedures on this page. Additional information about the comprehensive evaluation process is available on HLC's website.

After the comprehensive evaluation, the peer review team's report and recommendation, along with the entire record, will be routed through HLC's decision-making process. This includes review by an IAC Hearing, where team and institutional representatives participate, and action by HLC's Board. As provided in HLC policy, the institution is afforded the opportunity to submit an institutional response following both the team report and the IAC Hearing.

Institutions participating in the Accelerated Process for Initial Accreditation must meet all HLC requirements in order to be granted initial accreditation; this may include findings of "met" or "met with concerns" with respect to the Criteria for Accreditation.

If the Board grants initial accreditation, the institution becomes accredited by HLC. Such accreditation may, in the Board's discretion, be subject to interim monitoring, restrictions on institutional growth or substantive change, or other contingencies.

If the Board denies initial accreditation, the institution may reapply to participate in the accelerated process after taking steps to remedy the circumstances that led to the denial of initial accreditation, or may elect to pursue membership through HLC's traditional Eligibility Process. The institution must generally wait one year before pursuing either process, unless the Board has provided otherwise. Denial of accreditation by the Board is an adverse action that is subject to appeal as detailed in HLC's policies.

Required Materials and Submission Procedures

General Requirements and Information

- Except for the Assurance Argument and associated evidence file materials, HLC requires that all institutional materials be submitted electronically as PDF documents. Ensure that electronic documents are paginated, bookmarked and searchable with internal document links that allow for ease of movement across chapters, sections and subsections. Do not scan printed documents to create a PDF document, as this will result in a document that is large in file size and not text

searchable. Electronic documents should be prepared by an individual with expertise in using appropriate PDF software, such as Adobe Acrobat.

- Include internal document organizational strategies (such as headings or lists of linked documents) that make it easy for the reader to navigate within the electronic document.
- Unless instructed otherwise, avoid links to websites or other materials. Links to external materials should offer only supplemental information. **Reviewers are not required to pursue external links.**
- Only use graphics and pictures if they provide specific evidence. Optimize graphics and pictures to reduce the size of the document.
- Ensure that software settings are set to create clear text and graphics, yet not make the file size too large.
- Please review HLC's guidelines regarding personally identifiable information (PII) prior to submitting any materials to HLC.
- Submit only the requested documents. If documents are applicable to more than one item in a filing, submit them once and cross-reference appropriately.
- Do not apply password protection to PDF documents.
- It is the institution's responsibility to ensure that HLC has those documents necessary to provide a complete and accurate understanding of the institution's compliance with HLC's requirements. If the institution has relevant information that has not been specifically requested, it should contact HLC staff for instructions about the appropriateness of submitting the information.
- Documents will be submitted via HLC's website, a file-sharing link or through the Assurance System. Do not send any documents by email to HLC.
- The application fee should be submitted as detailed below. HLC will issue invoices for all other payments. Contact finance@hlcommission.org or 312.881.8119 for instructions on submitting a wire/ ACH payment or with other financial inquiries.

The application fee may be submitted by wire/ACH or mailed to:

Higher Learning Commission
P.O. Box 735331
Chicago, IL 60673-5331

General Notes on the Assurance System

HLC's online Assurance System allows institutions to assemble an Assurance Filing and provide any other required forms and materials. The Assurance Filing includes a narrative (Assurance Argument) and supporting evidentiary documents (Evidence File) in a framework built around the Criteria for Accreditation. Institutions use this system to demonstrate their compliance with the Criteria for Accreditation and other HLC requirements. Narrative in the Assurance System should be evaluative in nature and substantiated with clear, specific evidence (versus general references to documents that may contain evidence).

Extensive training is available on HLC's website about using the Assurance System effectively, and HLC staff are available to assist institutions.

All materials for the preliminary peer review and the comprehensive evaluation for initial accreditation are submitted through the Assurance System. All materials must be submitted to the Assurance System before the institution's lock date. For the preliminary peer review, the lock date will be the start date of the peer review panel's online review. For the comprehensive evaluation for initial accreditation, the lock date will be four weeks in advance of the peer review team's on-site visit. After the lock date, the institution will may view, but will no longer be able to edit its Assurance Filing at that step of the process.

Peer reviewers will access all materials from the Assurance System.

The Assurance System allows for the institution to upload additional material requested by peer reviewers through an Addendum feature that is activated by the peer reviewers when needed.

The institution should not otherwise provide materials to peer reviewers, as peer reviewers are expected to work from the Assurance System in preparation for and throughout an evaluation.

Additional information about the Assurance System can be found in the Assurance System Manual.

Required Materials for Preliminary Peer Review

The materials submitted for the preliminary peer review are as follows.

1. Institutional Data Form

- This form is completed by the institution to provide basic institutional data.
- Download the Institutional Data Form from the Forms Tab of the Assurance System.
- Complete and upload the form to the Forms Tab of the Assurance System. If including other materials to respond to the data requested by the form, combine all documents (including the form) into a single PDF file before uploading it to the Forms Tab. (Peer reviewers will be able to access the form through the Forms Tab. There is no need to provide a link to this document in the narrative of the Assurance Argument.)

2. Compliance With Eligibility Requirements Form

- This form is completed by the institution to provide information on its compliance with the Eligibility Requirements.
- Download the Compliance With Eligibility Requirements Form from the Forms Tab of the Assurance System.
- Complete and upload the form and supporting evidence to the Forms Tab of the Assurance System. (Peer reviewers will be able to access the form through the Forms Tab. There is no need to provide a link to this document in the narrative of the Assurance Argument.)

3. Compliance With Assumed Practices Form

- This form is completed by the institution to provide information on its compliance with the Assumed Practices.
- Download the Compliance With Assumed Practices Form from the Forms Tab of the Assurance System.
- Complete and upload the form and any supporting documentation to the Forms Tab of the Assurance System. (Peer reviewers will be able to access the form through the Forms Tab. There is no need to provide a link to this document in the narrative of the Assurance Argument.)

4. Assurance Filing (Introduction, Assurance Argument at the Summary Criteria level and associated Evidence File)

- An overview of institutional history and context is entered in the Introduction Tab of the Assurance System.
- For the preliminary peer review, institutions will provide narrative focused at the Criteria "summary" level (not the Core Component level, which occurs later).
- The word limit for the narrative for the preliminary peer review should be approximately 1,500 words or fewer per Criterion summary.
- Other than specific forms provided by HLC, documents in the Assurance System related to the Assurance Argument are managed through the Evidence File. Materials in the Evidence File must be linked to at least one section of the institutional narrative. Peer reviewers cannot view documents in the Evidence File that are not linked to the narrative.

Access to HLC's Assurance System during the preliminary peer review not only provides an opportunity for the institution to demonstrate its readiness to host a comprehensive evaluation for initial accreditation, but also allows the institution to become acquainted with the Assurance System and to start assembling narrative and evidentiary files for deeper evaluation to occur during the comprehensive evaluation for initial accreditation, during which the institution will write fully to each Criterion's Core Components. In this way, the institution may choose to simultaneously complete requirements for the preliminary peer review and begin drafting its fuller narrative as required for the comprehensive evaluation for initial accreditation.

Although the institution may begin drafting narrative at the Core Component level during the preliminary peer review, peer reviewers will refrain from reviewing anything in the Assurance System at the Core Component level. Reviewers will only review and evaluate the institution's responses to the five Criteria summaries at this stage.

Required Materials for Comprehensive Evaluation for Initial Accreditation

The materials submitted for the comprehensive evaluation for initial accreditation are as follows.

1. Institutional Data Form

- This form is completed by the institution to provide basic institutional data.
- Download the Institutional Data Form from the Forms Tab of the Assurance System.
- If the institution chooses to use a previously completed Institutional Data Form, ensure that it is updated appropriately regarding any information that has changed since the original submission, as well as the time frames for which data is requested.
- Complete and upload the form to the Forms Tab of the Assurance System. If including other materials to respond to the data requested by the form, combine all documents (including the form) into a single PDF file before uploading it to the Forms Tab. (Peer reviewers will be able to access the form through the Forms Tab. There is no need to provide a link to this document in the narrative of the Assurance Argument.)

2. Compliance With Eligibility Requirements Form

- This form is completed by the institution to provide information on its compliance with the Eligibility Requirements.
- Download the Compliance With Eligibility Requirements Form from the Forms Tab of the Assurance System.
- When updating the Compliance With Eligibility Requirements Form, institutions should clearly identify for peer reviewers any items that have been updated since the preliminary peer review and, as needed, include information explaining how the institution continues to meet the Eligibility Requirements despite the noted changes.
- Upload the form in the Forms Tab of the Assurance System. (Peer reviewers will be able to access the form through the Forms Tab. There is no need to provide a link to this document in the narrative of the Assurance Argument.)

3. Compliance With Assumed Practices Form

- This form is completed by the institution to provide information on its compliance with the Assumed Practices.
- Download the Compliance With Assumed Practices Form from the Forms Tab of the Assurance System.
- When updating the Compliance With Assumed Practices Form, institutions should clearly identify for peer reviewers any items that have been updated in the document since the preliminary peer review and, as needed, include information explaining how the institution continues to meet the Assumed Practices despite the noted changes.
- Upload the form and any supporting documentation to the Forms Tab of the Assurance System. (Peer reviewers will be able to access the form through the Forms Tab. There is no need to provide a link to this document in the narrative of the Assurance Argument.)

4. Assurance Filing (Introduction, Assurance Argument at the Core Component level and associated Evidence File)

- When the preliminary peer review step is complete and HLC notifies the institution that it may proceed, the institution regains full access to its site in the Assurance System and any work it has already completed toward satisfying the requirements of the comprehensive evaluation for initial accreditation.
- An overview of institutional history and context is entered (or updated) in the Introduction Tab of the Assurance System.
- At this step of the process, institutions will provide a full Assurance Filing, including detailed narrative—complete with linked evidence—regarding all Core Components.
- Because institutions write in detail to every Core Component for the comprehensive evaluation for initial accreditation, institutions should focus their efforts on narrative and evidence in those sections, rather than the Criterion summaries. To this end, institutions are encouraged to revise the Criteria summaries that were written for the preliminary peer review so that they are brief and concise (often just a paragraph). This helps ensure that the focus shifts to the Core Components, which are the areas of focus during this step.

- The word limit for the entire Assurance Argument for the comprehensive evaluation is 40,000 words.
- Other than specific forms provided by HLC, documents in the Assurance System related to the Assurance Argument are managed through the Evidence File. Materials in the Evidence File must be linked to at least one section of the institutional narrative. Peer reviewers cannot view documents in the Evidence File that are not linked to the narrative.

5. Supplemental Materials:

- Include the following Supplemental Materials as hyperlinks in the Assurance Argument, as described in the [Assurance System Manual](#):
 - All current faculty and staff handbook(s)
 - All current student handbook(s)
 - All current institutional catalog(s) or course bulletin(s)
- Further, include audited financial statements for the two most recent fiscal periods as PDFs

in the Evidence File and provide a link within the Assurance Argument in the applicable Core Component section.

6. Federal Compliance Requirements

- Download the Federal Compliance Filing Form from HLC's website.
- Upload the completed Filing Form and related appendix, if required, to the Federal Compliance Tab of the Assurance System. (There is no need to provide a link to this document in the narrative of the Assurance Argument.)

7. Multi-Campus Report (if applicable)

- If the comprehensive evaluation includes a multi-campus visit, prepare a report that addresses each campus being reviewed. See the [Multi-Campus Visit procedure](#) for details on preparing the report.
- Upload the report to the Forms tab of the Assurance System. (There is no need to provide a link to the report in the narrative of the Assurance Argument.)

Related Policies and Documents

Policies

[Eligibility Requirements](#) (CRRT.A.10.010)

[Criteria for Accreditation](#) (CRRT.B.10.010)

[Assumed Practices](#) (CRRT.C.10.010)

[Obligations of Membership](#) (CRRT.D.10.010)

[Federal Compliance Requirements](#)

[Jurisdiction](#) (INST.B.10.010)

[Eligibility Process](#) (INST.B.20.010)

[Candidacy and Initial Accreditation](#) (INST.B.20.020)

[Accelerated Process for Initial Accreditation](#)
(INST.B.20.032)

[Dues and Fees](#) (INST.B.40.010)

[Denial or Withdrawal of Status](#) (INST.E.60.010)

[Reapplication Following a Denial or Withdrawal of Status](#) (INST.E.80.010)

[Appeals](#) (INST.E.90.010)

[Substantive Change](#) (INST.G.10.010)

Documents

[Substantial Presence Form](#)

[Institutional Data Form](#)

[Compliance With Eligibility Requirements Form](#)

[Compliance With Assumed Practices Form](#)

[Federal Compliance Overview and Filing Form](#)

[Dues and Fees Schedule](#)