



**New College of Florida Board of Trustees
Audit and Compliance Committee Meeting
January 31, 2025 at 10:00am**

Meeting Agenda

1. Call to Order

- A.** Confirm Public Notice of Meeting
- B.** Roll Call
 - Lance Karp, Chair
 - Mark Bauerlein
 - Matthew Spalding
 - Ron Christaldi
 - Debra Jenks (Ex Officio)
- C.** Establish Quorum

2. Consideration of Draft September 13, 2024 Meeting Minutes

- A. Committee Action:** Approve minutes.

3. Annual Performance Funding Metrics Audit Report

- A. Committee Action:** Review and accept the use of the annual data integrity audit, as performed by the independent accounting firm Mauldin and Jenkins CPAs and Advisors, to verify the data submitted for implementing the Performance-based Funding model complies with the data definitions established by the Board of Governors. Note: The Mauldin and Jenkins Audit Report shows zero exceptions.

4. Enterprise Risk Management Program Update

- A. Information Item:** Review consolidated worksheet showing strategic business objective risk ratings and Business Continuity Risk Evaluation Form showing a risk rating improvement.

5. Review results of the Driver and Vehicle Information Database (DAVID) Audit

- A. Information Item:** Review the results of the annual DAVID audit as required by the Florida Department of Highway Safety and Motor Vehicles.

6. Review Accounts Payable Vendor Audit Report

- A. Information Item:** Review the results of the Office of Internal Audit and Compliance audit of university vendors.

7. Review New College Foundation Annual Financial Statements Audit

- A. Information Item:** Review the fiscal year 2023-24 Financial Statements for the New College Foundation as audited by Mauldin & Jenkins.

8. Review the Payroll Timesheet Approval and Remote Work Control Evaluation

- A. Information Item:** Review the results of the evaluation of payroll timesheet and remote work approval controls.

9. Review Post Tenure Review Audit Report Follow-up on Management Responses

- A. Information Item:** Update on status of Post Tenure Review Audit Findings and management's remediation efforts.



**New College of Florida Board of Trustees
Audit and Compliance Committee Meeting
January 31, 2025 at 10:00am**

- 10. Board of Governor's Office of Inspector General and Director of Compliance Report on Foreign Gift Reporting Compliance**
 - A. Information Item:** Review the results of the Office of Inspector General's review of the university's compliance with the Florida Statute 1010.25, Foreign Gifts Reporting.

- 11. Update on Efforts to Comply with Florida Statute 288.860 Foreign Countries of Concern**
 - A. Information Item:** Discuss memo sent to faculty and staff on compliance with the Florida Statute and Board of Governors regulation on Foreign Countries of Concern and Foreign Influence.

- 12. Update on Family Educational Rights and Privacy Act (FERPA) Training**
 - A. Information Item:** Review the FERPA training provided to faculty and staff.

- 13. Review Drug-Free Schools and Campuses Regulations (EDGAR) Biennial Review**
 - A. Information Item:** Review the Counseling & Wellness Services biennial certification of the university's adoption and implementation of programs to prevent the abuse of alcohol and use or distribution of illicit drugs by NCF students and/or employees.

- 14. Annual Compliance Partner Reporting**
 - A. Information Item:** Twelve of thirteen university departments have provided their Annual Compliance Reports. Working with Provosts Office to complete the report. **(No Attachments)**

Other Business

Adjournment



New College of Florida Board of Trustees Audit and Compliance Committee Meeting Minutes for September 30, 2024

1. Call to Order

Chair Karp called the meeting to order at 2:32p.m. over a Zoom conference call. Roll call confirmed that a quorum was present. The Public Notice of the meeting was confirmed by Alexander Tzoumas.

Committee Members in Attendance:

Lance Karp, Chair
Matthew Spalding
Debra Jenks, Ex Officio

Committee Members Not in Attendance:

Mark Bauerlein
Ron Christaldi

Other Board of Trustees in Attendance:

Olivia Mikkelsen
Patrick McDonald

Participating University Staff: President Richard Corcoran; Chief Audit Executive (CAE)/Chief Compliance Officer Alexander G. Tzoumas; VP for Legal Affairs David Brickhouse; Chief of Staff Christie FitzPatrick; Chief Human Resources Officer Erika Worthy; and Controller Melissa Shippee.

Participating Board of Governors Staff: Inspector General and Director of Compliance Julie Leftheris

2. Consideration of Draft Minutes from June 7, 2024 Meeting

A. Committee Action: The June 7, 2024 Audit and Compliance Committee meeting minutes were submitted for approval. Motion to approve by Trustee Jenks and second by Trustee Spaulding. Motion was unanimously approved.

3. Review the results of the New College (NC) Foundation Unrestricted Fund Deficit Investigation

A. Information Item: Review the findings of the NC Foundation unrestricted fund deficit and borrowing of restricted funds investigation. The CAE provided an overview of the report findings and walkthrough several of the recommendations. Trustee Spaulding asked Trustee Karp to present the report findings to the Board of Trustees and answer the questions previously raised by the Board of Trustees with regard to the NC Foundation. Trustee Karp agreed. Trustee Spaulding also asked for clarification as to whether the state of affairs detailed in the report was attributable to the present or past NC Foundation administration. The CAE explained the deficit in unrestricted funds and use of restricted funds for administrative overhead was attributable to the prior NC Foundation administration.

4. Review State of Florida Auditor General Operational Audit Report

A. Information Item: The CAE presented a summary of the results of the Attorney General's Office Audit of the university's operations for the period from January through December 2022. The CAE discussed the remediation efforts in place to cure the findings and the materiality of each finding.



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- 5. Review FY 2023-24 Annual Report of Office of Internal Audit and Compliance Activities**
 - A. Information Item:** The CAE presented the activities of the Office of Internal Audit and Compliance during FY 2023-24. The activities included risk management, internal audit, compliance, investigations, and management assists.

- 6. Review the Annual Fraud Risk Assessment Update**
 - A. Information Item:** The CAE presented the results of the annual Fraud Risk Assessment update using the Association of Certified Fraud Examiners framework. The Fraud Risk Assessment showed an improvement in risk mitigation effort by university management in several areas.

- 7. Review Annual Drug-Free Workplace Act Notice**
 - A. Information Item:** THE CAE presented the Office of Internal Audit and Compliance memo to the university community in compliance with the requirements of the Drug-Free Schools and Communities Amendments of 1989 and the Drug-Free Workplace Act of 1988. The memo was intended to increase student awareness of the hazards of drugs and alcohol use.

- 8. Review the Consumer Information Website Compliance Review**
 - A. Information Item:** The CAE presented the results of the Consumer Information Website Compliance Review. The CAE noted efforts were being made to enhance the university's Conflict of Interest regulation.

- 9. Review the Board of Governor's Office of Inspector General and Director of Compliance Report on Grandparent Tuition Waivers Program Compliance**
 - A. Information Item:** The CAE reviewed the results of the Office of Inspector General's Compliance Review of the university's Grandparent Tuition Waivers program. The CAE pointed out there were zero findings and the Provost was engaged in increasing the awareness of the program to encourage more out-of-state students to enroll.

- 10. Review the Specialty License Plate & Voluntary Contribution Audit**
 - A. Information Item:** The CAE recognized the reinstatement of the Specialty License Plate program for the university and noted there were zero finding from the audit performed by the Specialty License Plate & Voluntary Contribution Audit Unit of the Florida Highway Safety and Motor Vehicles.

- 11. Review New College Foundation's Rothschild Investment Manager Internal Control Environment Report (Tabled at prior AC meeting)**
 - A. Information Item:** The CAE presented the results of an evaluation of Rothschild's Internal Control Environment report as requested by Foundation management.

Other Business

Adjournment

GOING FURTHER

NEW COLLEGE OF FLORIDA

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING
AGREED-UPON PROCEDURES

SEPTEMBER 30, 2024

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Independent Accountant's Report on Applying Agreed-Upon Procedures

**Board of Trustees
New College of Florida
Sarasota, Florida 34243**

We have performed the procedures enumerated below, which were agreed to by the Board of Trustees of New College of Florida (the "College"), solely to assist the College in determining whether the College has processes established to ensure the completeness, accuracy, and timeliness of data submissions to the Board of Governors (the "BOG") which support the Performance Funding Metrics of the College as of September 30, 2024. The College is responsible for all processes and procedures related to the complete, accurate and timely submission of data to the BOG.

New College of Florida has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the College. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our Procedures and Findings

We reviewed the BOG submissions relating to the Performance Funding Metrics identified and published by the State University System of Florida (the "SUS") specific to the certification. See Attachment I for a listing of the submissions management selected for testing in the current year.

a) Testing of data accuracy.

1. Identify and evaluate data validity controls to ensure that data extracted from the primary systems of record are accurate and complete. This may include review of controls over code used to create the data submission. Review each measure's definition and calculation for the consistency of data submissions with the data definitions and guidance provided by the BOG.
2. As appropriate, select samples from data the College has submitted to the BOG for its Performance Funding Model. Vouch selected data to original source documents (this will most likely include the College's student and financial systems used to capture relevant information).
3. Evaluate the results of the testing and conclude on the completeness and accuracy of the submissions examined.

Procedures Performed

- For each metric and submission file identified, listed in Attachment I, we performed the following procedures for the specific metrics identified in the Performance Funding Metrics published by the SUS:
 - Obtained complete submission file for time period being tested;
 - Selected a sample size of thirty (30) data items, or other representative sample, to test for each file submission and each metric specific to the performance funding testing;
 - Verified data reported in the submission files specific to the metrics identified by the SUS agreed to the source system Banner;
 - Verified the data reported for each metric agreed with the SUS data dictionary.
- To determine the completeness of the files being submitted, we performed the following procedures:
 - For each term and reported time frame, we obtained a file which was extracted from Banner and compared to submission files extracted by the Institutional Research and Analysis department. For each comparison we identified any person that was on the Banner report that was not in the file submission. We then selected a sample size based on the size of the file and errors returned and verified the student was properly omitted for the specific submission based on the current data definitions. Selected files and corresponding sample sizes are as follows:
 1. All students who had a degree awarded were compared to the Degrees Awarded (SIFD) files submitted. No differences were identified.

Findings

No exceptions were identified as a result of applying these procedures.

- b) Evaluate the veracity of the College Data Administrator's data submission statements that indicate, "I certify that this file/data represents the position of this College for the term being reported."
1. Interview the College Data Administrator to consider the reasonableness of the various coordination efforts with the Data Administrator's staff, the other Data Custodians' staff, BOG IRM, and other knowledgeable individuals which form the basis for personal and professional satisfaction that data submitted to the BOG is complete, accurate and submitted timely.
 2. Inquire how the Data Administrator knows the key controls are in place and operating effectively. If not already done, consider verifying these key controls are in place and adequate to support the Data Administrator's assertions.

Procedures Performed

- Interviewed the following people who have significant responsibility for the data being reported and submitted to the BOG:
 - Director of Institutional Research and Assessment, Office of Institutional Research and Assessment;
 - Director of Administrative Computing, Office of Information Technology;
 - Registrar, Office of the Registrar;
 - Associate Dean of Enrollment Services and Director of Admissions, Office of Admissions and Financial Aid;
 - Director of Financial Aid, Office of Admissions and Financial Aid.

- Verified communication with the Institutional Research and Assessment department is on-going and clear to ensure accurate and timely data submission. Also, verified the Data Administrator understands the key controls specific to the metrics being tested and that they are functioning. This was performed through review of emails, various correspondence between departments, and discussions with each personnel.
- Verified with the Director of Institutional Research and Assessment their communication with the BOG and IRM to ensure data being submitted meets the data definitions. This was performed through review of correspondence and emails.

Findings

No exceptions were identified as a result of applying these procedures.

We were engaged by New College of Florida to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestations standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the processes and procedures for the complete, accurate and timely submission of data to the BOG. Additionally, the specific accuracy of the current year data submissions was not a part of our review. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the College and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to this engagement.

This report is intended solely for the information and use of New College of Florida’s Board of Trustees and management and is not intended to be and should not be used by anyone other than these specified parties.



Bradenton, Florida
January 21, 2024

New College of Florida

METRIC RELATED SUBMISSIONS

OCTOBER 1, 2023 THROUGH SEPTEMBER 30, 2024

ATTACHMENT I

Performance Based Funding Metrics Tested	
1	Percent of Bachelor's Graduates Enrolled or Employed (\$40,000+)
2	Median Wages of Bachelor's Graduates Employed Full-Time
10g	Percent of FTIC Graduates Completing 3+ HIP's

For the above metrics, the data elements specific to those metrics were tested in the below submission files:

Submissions Tested				
Due Date	Submission	Term or Year	Rept Time Frame	Sample Tested
6/28/2024	SIFD - Degrees Awarded	Spring 2024	202401	30
9/27/2024	SIFD - Degrees Awarded	Summer 2024	202405	5

Metric 10g Calculation Report Tested				
Due Date	Report Tested	Term or Year	Rept Time Frame	Sample Tested
March 1	2022_09_01 metric 10_2022 and beyond	2023	2022-2023	30

Enterprise Risk Management Analysis

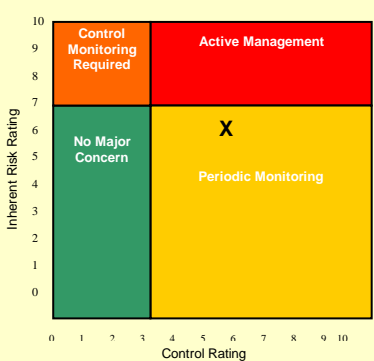
Risk Evaluation Form Title	Business Objective	Inherent Risk Description	Inherent Risk Rating	Control Rating	Risk Ranking Jan 2024	Risk Ranking Jan 2025	Management's Plan to Further Mitigate Risk	Risk Category	Responsible Manager(s)
Human Resources	Implement people-centric strategies that align with the university's objectives. Efficiently manage employee needs while building the talent pool and a positive culture. Design and manage compensation/benefit plans and employee satisfaction strategies that cost effectively attract, retain, and heighten the abilities of employees who consistently achieve the university's strategic goals and objectives.	Employees leave, are ineffective, or untrustworthy exposing New College to under performance, business process interruptions, loss of institutional knowledge, misconduct and increased recruitment and training costs thus hindering the achievement of key university's objectives.	8	7	15	15	Create an Employee Retention Plan that will focus on the following: 1.A company-wide base pay review. 2.Implement manager and supervisory development training to promote employee retention via conflict resolution, coaching, leadership and regulation compliance. 3.Redevlop all HR processes and procedures to enhance the employee experience and to ensure compliance with state and federal regulations. 4.Automate standardized HR systems to reduce manual processing and the risk of error. 5.Continue our partnership with LinkedIn Recruiter to promote our brand and attract employees 6.Centralize the processing of HR actions to ensure consistency with regulations and laws. 7.Create a succession plan that focuses on the development of individuals to meet future business needs.	Business Continuity	Chief Human Officers & all Executives
Facilities	Provide and maintain facilities in accordance with university needs, to quality specifications, in a cost effective/competitive and regulatory compliant manner. New College must improve its infrastructure by adding additional buildings, as well as renovating existing buildings. Inadequate residence halls, aging academic spaces, and growing deferred maintenance make it difficult to recruit top students and faculty. Our technological infrastructure also fails to meet the expectations of students and employees.	Significant age of buildings and budget limitations may result in facilities being disrupted or unable to fulfil university housing and administrative building needs in a timely and quality manner. Delays could cause inability to meet student body and administration demand causing a substantial loss of potential revenue, reputation and personnel dissatisfaction.	8	5	14	14	1.The university is in the process of building new dorms meet student enrolment growth. Dorm design will commence in 2025. During the interim period, students will reside in local hotels. 2.Demolition of dilapidated Palmer C building scheduled to support master plan. 3.Fire alarms and suppression equipment are being inspected and replaced as needed to reduce false alarms. New manager is responsible for system upgrades. 4.HVAC maintenance will be assured via inventory tracking to increase longevity of the units in each building and proactively service or replace as needed. 5.Evaluating opportunities to create more ADA accessibility as financially and physically possible.	Customer Relations & Brand Recognition	AVP Facilities, CFO, CEO
Strategic Growth Initiatives	Consistently improve academic offerings, marketing, infrastructure, co-curriculars, extracurriculars, student life, and food options to achieve enrollment growth, fund raising growth, higher graduate employment compensation, a higher four-year graduation rate to position New College of Florida as the number one public Liberal Arts Honors College in the nation.	Growth initiatives for existing or future enrollment fail to achieve projected results and support university graduation and achievement of targets.	8	5	13	13	1.Market in international markets including Asia and South America to attract foreign students including athletes. 2.Improved applicant communication to facilitate higher conversion rates including personal follow-up calls. 3.Continuously evolve curriculum to higher demand fields while maintaining liberal arts focus. 4.Manage social media posts to improve university's image and target likes and friends for recruitment. 5.Better publicize research, other faculty, and student achievements. 6.Develop the New College Freedom Institute. 7.Add additional master's degrees in demand. 8.Develop student options for Entrepreneurial, A.I., and Venture Capital World including internships and ISPs. 9.Offer online programs.	Asset Productivity and Brand Reputation	President, Provost, VP of Enrolment Management, and Dean of Students
Revenue	Build and maintain a competitive and compliant model to increase revenues from a variety of sources to support the university's strategic plan, objectives and mission, expand university recognition, and fund opportunities for continuous growth.	Inability to achieve required operating revenues due to decreasing enrollment, grant compliance issues or restrictions, lower than projected donations, higher than forecast operating costs, and/or brand reputation damage.	8	5	13	13	1.Increase marketing spend to attract quality students by 10%. 2.Follow-up with quality applicants to determine why they did not enroll. 3.Develop a program to personalized marketing to targeted students. 4.Build relationships with high school counsellors so they understand NCF admittance requirements. 5.Study opportunities to have other Florida universities refer quality students who were not accepted. 6.Improve course offerings in demand by students. 7.Continue to build relationship with Florida legislature.	Asset Productivity	President, CFO, Dean of Students
Cyber Security & Reliability	Demonstrate management's ability to secure protected data, respond to all cyber security breach threats/incidents, and assure reliability and accessibility of all data processing systems and repositories.	Non-public College, personal student and/or employee information is obtained and misused by unauthorized persons resulting in remediation costs, legal expense, regulatory agency sanctions and/or brand reputation damage. Data processing systems cannot be accessed or data lacks integrity.	8	4	12	12	1.Breach response team, (i.e. VP Finance, CAE, Director of App Support & Development, CISO, and Director of Tech Support) will evaluate known causes for cyber losses and enhance policies and process controls to reduce exposures. 2.IT is in the process of implementing ISO 27001 Information Security Management to lessen cyber exposures. 3.Open a retainer with an external incident response team / run table top exercises to simulate breaches and responses. 4.Update existing security awareness training platform. 5.Run internal phishing campaigns to test the efficacy of the training. 6.Personnel are trained how to identify and respond to attacks in the IT Use Policy and the Information Security and Cyber Risk Awareness training.	Asset Security, Regulatory Compliance and Brand Reputation	Chief Information Security Officer, and CFO
Business Contnuty	In the event of an emergency, imminent threat, or disaster, be prepared to identify the risk, quickly respond to minimize harm, and expeditiously restore normal university operations. Develop and Maintain an Emergency Operations Plan that assures the university is continuously able to safely and efficiently educate, conduct research, operate campus services, house students, communicate, and recruit.	Campus community is harmed and/or university operations are disrupted in a manner which adversely impacts the university's ability to maintain a safe environment, delivery its services, preserve public trust, and/or achieve its strategic objectives. 1.Critical business systems become inoperable (i.e. communications, payment processing, financial reporting, information or internet access). 2.Facilities become uninhabitable, unavailable, or destroyed. 3.Students cannot safely attend classes or reside in dorms. 4.Faculty or staff cannot perform essential job functions. 5.Campus support services such as the cafeteria or maintenance cannot provide services. 6.The campus cannot be accessed.	6	6	13	12	Campus will evaluate and improve disaster preparations as follows: 1. Assemble disaster recovery teams and emergency response wardens for all buildings/locations, 2. Conduct severe incident response drills and table top exercise with all campus personnel and a tiered involvement with students to improve awareness and response, 3. Update/renew POs with critical disaster response supply vendors, 4. Develop standing communique to inform public of emergency status.	Business Continuity (also see Cyber Security, Facilities, & Environmental Safety)	Director EH&S and CFO

Enterprise Risk Management Analysis

Risk Evaluation Form Title	Business Objective	Inherent Risk Description	Inherent Risk Rating	Control Rating	Risk Ranking Jan 2024	Risk Ranking Jan 2025	Management's Plan to Further Mitigate Risk	Risk Category	Responsible Manager(s)
Campus Safety & Security	To operate the College campus in a safe and secure manner such that personnel, students and visitors feel safe, the College's reputation is supported, costs related to bodily and property harm are minimized, liability insurance rates are the lowest possible, and litigation is minimized.	Stakeholders, personnel, students, or government agency(s) could come to believe the campus is unsafe resulting in decreased enrollment, retention, and the viability of the campus mission; police could be viewed as inaccessible, unavailable or threatening creating tension with student body and/or faculty; insufficient lighting or ineffective camera surveillance adversely affect crime deterrence ; and insurance claims and uncovered losses strain the campus budget.	8	4	12	12	<ol style="list-style-type: none"> Campus administration is considering a scrub barrier/fencing and signage along Hwy 41 to restrict open access to student dorms and social areas. Fill all open police force positions. Increase number of sworn and non-sworn police positions. Purchase body cameras for all sworn personnel. Purchase new police vehicles to ensure reliability and safety for officers and the community. Obtain accreditation through IACLEA. 	Business Continuity, Compliance	President, CFO, & Chief of Police
Environment Safety & Emergency Management	Assure the safety of campus students, personnel, and facilities; as well as, the continuous ability to effectively and efficiently educate and operate campus activities in compliance with local, state, and federal environmental laws and codes.	Key university assets, students, and personnel are placed at risk of damage or injury from hurricanes and other severe storms, rising seas, drinking water contamination, harmful algal bloom, mold, hazardous substances, pandemics, and/or airplane crash.	7	4	11	11	<ol style="list-style-type: none"> The university plans to upgrade generator capacity at the Heiser Natural Science and ACE buildings. Plan to control burn the regenerative forest area. Plan to build new dormitories to replace aged buildings (pending funding approval). These buildings are currently closed, and the displaced students are currently living off campus in hotels. 	Business Continuity, Compliance	President, VP Finance & Admin., & Director EH&S, Director of Facilities
Faculty and Academic Development	To attract faculty with top-notch credentials and scholarly profiles who will design and deliver engaging, effective, and efficient academic programs that meet the educational and developmental needs of high-performing students, support the cost of operations, and increase our impact within the Florida State University System.	<ul style="list-style-type: none"> Failure to create an integrated academic and student residential experience that supports holistic student growth and results in post-graduation student success. New marketable degrees, programs and research are not offered or under consideration to attract faculty and students. Advanced technologies cannot be optimized and brought to bear to enhance education in a timely, quality, and/or cost-effective manner resulting in quality erosion, decreased enrollment and/or increased expenses. The competitiveness of curriculum offered and new student application follow through are not thoroughly vetted resulting in decreased enrollment, low class size, and increase in cost of education per student. Research breakthroughs and Intellectual property are not consistently identified and/or protected. 	7	5	12	12	<p>Summary of Risk Management Plan</p> <ol style="list-style-type: none"> Implement merit-based recognition program within the post-tenure review process. Reward qualifying faculty (those who earn the best rating in their post-tenure reviews) with a \$40k incentive payment (\$8k for each of the next 5 years they stay at New College). This is funded from the state's Faculty Recruitment & Retention funds. Reduce advising burden on faculty by hiring and training Academic Coaches who will advise new first-year and transfer students. Implement new core curriculum aligned with NCF's mission (to be fully implemented by 2025-26). Evaluate the efficiency and effectiveness of current academic programs. Design process to assess student learning, measure post-graduation success, determine career education integration; compare credit hour requirements and cost per student credit hour generated to similar programs at peer institutions. 	Reputation Research	Provost, President,
Code of Conduct & Regulatory Compliance	Create and communicate a tone of ethics, integrity, and awareness from the top of the organization that sponsors a high level of ethical conduct and regulatory compliance.	Non-compliance with the Code of Ethics and Conduct or Federal and State regulatory agency requirements may result in law suits, material errors, fines, sanctions, loss of license(s), loss of revenue, low employee morale, and/or adverse publicity.	7	4	11	11	<ol style="list-style-type: none"> The Chief Compliance Officer maintains the Florida Commission on Ethics database of university Board members, Officers and other personnel with invoice payment approval authority who will be asked to file an annual financial disclosure. Update the university regulations related to ethics and compliance every three years or as external regulatory changes occur. 	Financial Reporting & Compliance	Board of Trustees, President, CFO, Chief Compliance Officer, Legal Counsel
Adverse Legal Action	To operate in a legal and ethical manner, build the university's reputation, and minimize the cost of, or loss from, litigation.	A stakeholder(s), employee(s), student(s), or government agency takes exception to the University's actions or inaction and files a legal action to force a change and/or remedy.	6	5	11	11	<ol style="list-style-type: none"> Management will continue to enhance employee training to support knowledge of, and compliance with, applicable laws and regulations. Office of Legal Counsel is updating all university regulations. 	Compliance	President, CFO, Chief HR Officer & General Counsel
Financial Reporting	Ensure financial results, required footnotes and other disclosure information are reported and presented in a complete, accurate, timely, consistent, fair manner as required by the Government Accounting Standards Board and applicable regulatory guidelines.	Financial statements are presented in a manner that subjects the university to claims of misstatement, violation of accounting standards, fraud, inappropriate oversight, or malfeasance resulting in lawsuits, fines, penalties, higher insurance costs, additional costs, and/or damage to the university's reputation.	6	4	10	10	<ol style="list-style-type: none"> Support continuing education and certifications for accounting team. Support ongoing finance personnel retention and continuity. 	Financial Reporting & Compliance	VP Finance & Admin., Controller, CAE, Audit and Finance Committees
Economic & Political Events	Accurately adjust strategic plans, forecasts, and budgets for economic and/or political events in order to minimize the impact of uncontrollable shifts in State funding, enrolment, research, fundraising, operational costs, and other economic dependent variables.	Uncontrollable economic and/or political events, such as a change in State and Federal spending, consumer spending, interest rates, financial market liquidity, grant and loan availability, government policy, and/or tax regulations adversely impact U.S. and/or State economic stability thus budget funding, financial aid, donations, grant funding, student financial support, and/or other enrolment and funding variables.	5	3	8	8	<ol style="list-style-type: none"> Efforts are being made to diversify non-state funding sources including athletics, leverage of real property, and Foundation donations. Focus on additional operational efficiencies to support growth funding. Obtain exemptions for use of E&G for student housing projects. Develop and offer new academic programs that are in high demand and support the achievement of Performance Funding Metrics. Evaluate Foundation fundraising strategies and investment policy to increase donations and minimize potential investment losses due to concentrations or high-risk investments. 	Asset Productivity	President, CFO

Ranking is from highest present Residual risk of an adverse event to the lowest. The Residual risk ranking is the sum of the Inherent risk that the adverse event will occur plus the rating of the adequacy of controls in place to mitigate the Inherent risk. The higher the Inherent risk rating the more likely it could occur on a scale of 1 - 10. The higher Control rating indicates a less effective control environment from a scale of 1 to 10. The best ranking would be a 2 and the worst a 20. Unchanged risk rankings are in green. Increases in risk rankings are highlighted in red while decreases are highlighted in blue. Risks in light yellow shading have been added since the last report.

Risk Evaluation Form – Business Continuity

New College of Florida Risk Evaluation Form	Division / Operation / Group / etc: VP of Finance and Administration, Director EH&S, Chief of Police, AVP Facilities Date: December 19, 2024				
Business Objectives: In the event of an emergency, imminent threat, or disaster, be prepared to identify the risk, quickly respond to minimize harm, and expeditiously restore normal university operations. Develop and Maintain an Emergency Operations Plan that assures the university is continuously able to safely and efficiently educate, conduct research, operate campus services, house students, communicate, and recruit.					
Risk Category: Business Continuity (also see Cyber Security, Facilities, & Environmental Safety)					
Risk Description/Contributing Factors: Campus community is harmed and/or university operations are disrupted in a manner which adversely impacts the university's ability to maintain a safe environment, delivery its services, preserve public trust, and/or achieve its strategic objectives.					
<ol style="list-style-type: none"> 1. Critical business systems become inoperable (i.e. communications, payment processing, financial reporting, information or internet access). 2. Facilities become uninhabitable, unavailable, or destroyed. 3. Students cannot safely attend classes or reside in dorms. 4. Faculty or staff cannot perform essential job functions. 5. Campus support services such as the cafeteria or maintenance cannot provide services. 6. The campus cannot be accessed. 					
Inherent Risk Rating Table					
Likelihood Rating -	2	Consequence Rating	4	Inherent Risk Rating	6
If the combined rating is 7 or greater continue to the control evaluation section.					
Existing Controls					
<ol style="list-style-type: none"> 1. Campus Police conduct severe incident response drills. 2. Campus Director of Environmental, Health and Safety continuously inspects and advises on safety issues. 3. Personnel are cross trained to perform multiple functions. 4. Residence halls conduct fire and emergency drills. 5. All building conditions are continuously inspected/assessed. 6. The Heiser Natural Science and ACE buildings can withstand category 4 hurricane with emergency generators. 7. Maintain critical supply open blanket purchase orders so orders are already entered during peak disaster seasons. 8. All financial and student system data is backed-up daily off-site and accessible remotely via internet. 9. Redundant network hardware is in place. 10. Alternate cell, radio and satellite voice services are in place. 11. Online learning system is in place for remote education in the event that in class learning is not possible. 12. Emergency communication system is in place and tested to reach all personnel and students via phone, email, and text. 13. Communication plan is in place to inform public on status. 14. Starlink satellite communication is in place for critical IT staff. 					
					
Control Rating Table					
Effectiveness Rating	3	Application Rating	3	Control Rating -	6
Summary of Risk Management Plan Campus will evaluate and improve disaster preparations as follows:					
<ol style="list-style-type: none"> 1. Assemble disaster recovery teams and emergency response wardens for all buildings/locations, 2. Conduct severe incident response drills and tabletop exercise with all campus personnel and a tiered involvement with students to improve awareness and response, 3. Update/renew POs with critical disaster response supply vendors, 4. Develop standing communiques to inform public of emergency status. 					
Employee Responsible: VP of Finance and Admin., VP Legal Affairs		Reviewed by: President		Completion Timetable: Fall 2025	
Signature:		Signature:		Next Review Required: Fall 2025	



Office of Chief Audit Executive and Chief Compliance Officer

September 6, 2024

Richard Corcoran, President
New College of Florida,
5800 Bay Shore Road, Sarasota, FL 34243

Dear President Corcoran,

The university has a contract with the Florida Department of Highway Safety and Motor Vehicles (FLHSMV) which allows us access to Florida registered motor vehicle information. We use the information to send citations to the registered owner(s) of vehicles parked at the university without a permit and to verify residency when in-state tuition is requested.

Each year the FDHSMV requires the university to certify it has evaluated and has adequate controls in place to protect the personal data of registered owners from unauthorized access, distribution, use and modification or disclosure and is in full compliance with the contractual agreement to access the Driver and Vehicle Information Database.

I have conducted the required quarterly audits and have found adequate controls to be in place to protect the personal data of registered owners and zero instances of noncompliance with our contractual agreement.

As such, I am requesting your signature on the FLHSMV Memorandum of Understanding and Attestation Statement which will in turn be forwarded to the FDHSMV as required to maintain our access.

Respectfully,

Alexander G. Tzoumas, Chief Audit Executive and Chief Compliance Officer

Vendor Audit Report

December 13, 2024

Background:

Vendor fraud is increasing at a rapid rate. Fraudsters are constantly trying to impersonate vendors. Employees may also attempt to set-up vendors using aliases to perpetrate fraud or effect an undisclosed conflict of interest. The university is fortunate to have a well experienced and tenacious Director of Procurement Services who has served in the position for almost ten years and effectively manages the vendor set-up and maintenance process. The university is also fortunate to have an experienced Controller who effectively manages the vendor payment process. During the ten-year period, the university has experienced zero fraud losses.

Vendors who are granted significant contract amounts are vetted through a competitive solicitation process. Once a vendor is vetted, they may be used for additional work. The university requires that all new and existing vendors submit a vendor application form electronically. The application form can only be accessed through a link provided by the university's vendor set-up personnel and is sent directly to a known vendor contact. These procedures help ensure fraudsters cannot impersonate a vendor and request an unauthorized change to the vendor mailing address or bank account information.

Some employees are set-up as vendors in order to reimburse them for authorized travel and other university business related expenses. In order for an employee to be reimbursed, they must submit a request for payment through the Dynamic Forms workflow housed on the university's intranet. These submissions include documentation of their expenditures and are routed to their supervisors and through both the procurement and finance and accounting office for approval.

Engagement Objectives:

The objectives of the audit included:

- Evaluating vendor file information and payment activity to identify potential fraudulent vendor activity.
- Identify and test effectiveness of internal controls over vendor account set-up and change.
- Identify university personnel who have set-up vendor accounts using an alias.

Scope:

The scope of the Vendor audit included the search of the vendor database for dormant vendors, vendors without complete information (i.e. mailing address, TIN), and inordinate vendor payment amounts. The scope of our vendor payment review included all vendors receiving payments totaling greater than \$150K during FY 23-24. The scope also included an evaluation of controls over the set-up of new vendor accounts and existing account changes to assure only authorized vendor information changes were accepted. The scope also included a search of the vendor database for employee addresses to confirm employees are not set-up under an unknown alias business name.

Vendor Audit Report

December 13, 2024

Summary of Findings:

Our audit of vendor activity revealed zero instances of fraud, waste or abuse. Controls over the review and approval of the set-up of vendors were sound. Dormant vendors were routinely purged in accordance with sound internal control practices. In those instances where we requested additional vendor payment documentation from Procurement Services, responses were timely, complete, and demonstrated expenditures were appropriately approved and business related.

One area for vendor authentication improvement involved the addition of more foolproof measures to confirm the authenticity of the vendor information change requestor. Fictitious vendor information change requests have become prevalent over the last few years. It has reached a point where it will be the focus of Florida State Attorney General Operational Audit testing. We are working with management to develop more rigorous measures to confirm the legitimacy of these requests in order to prevent fraud losses.

We would like to recognize the cooperation and courtesy extended by Procurement Services and Human Resources management during the audit.

Audit Finding

1. Vendor Information Change

Under the present process, Procurement Services confirms all vendor information change requests with a vendor representative that is already known to be associated with the vendor. Sometimes Procurement Services relies on the respective university departments to confirm who the known vendor contact is, but whoever is working with the vendor should have a contact that the university can reach out to and verify the information request is authentic. However, a written process is not in place to define how a vendor contact is defined to be "known", how the known contact confirmation of the requested change can be effectively confirmed, and where documentation of the confirmation is stored. Absent a trustworthy method of authenticating and documenting the authenticity of a vendor information change request, unauthorized or disputed changes could result in losses to the university.

Recommendation: We recommend Procurement Services develop written procedures regarding the permissible means of identifying a known vendor contact, documenting the known contact's confirmation of any vendor information change(s), and retaining documentation of the confirmation for future audit.

Vendor Audit Report

December 13, 2024

Managements Response:

Procurement Services is evaluating cloud-based vendor onboarding solutions which will allow the university's vendors to make their own information changes using a secure website. All information changes will then go directly into the Banner system. The vendor onboarding solution will also authenticate the vendor using their Tax Identification Number and banking information. A more secure onboarding solution is expected to be in place in the next six months. In the meantime, Procurement Services is reaching out directly to the vendors to confirm information changes.

The audit was conducted in accordance with the Standards of the Institute of Internal Auditors.

Respectfully,

Alexander G. Tzoumas, CIA, CRMA, CISA, CFE, CDPSE
Chief Audit Executive and Chief Compliance Officer

**NEW COLLEGE FOUNDATION, INC.
(A Component Unit of New College of Florida)**

FINANCIAL STATEMENTS

JUNE 30, 2024



MAULDIN & JENKINS

CPAs & ADVISORS

NEW COLLEGE FOUNDATION, INC.

FINANCIAL STATEMENTS

JUNE 30, 2024

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
New College Foundation, Inc.
Sarasota, Florida

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of New College Foundation, Inc. (the "Foundation"), a component unit of New College of Florida, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Foundation's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Foundation, as of June 30, 2024, and the respective changes in financial position and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Foundation and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Foundation's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Foundation's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 10 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 11, 2024, on our consideration of the Foundation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Foundation's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Foundation's internal control over financial reporting and compliance.

Mauldin & Jenkins, LLC

Bradenton, Florida
December 11, 2024

NEW COLLEGE FOUNDATION, INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024

(Unaudited)

INTRODUCTION

The following management's discussion and analysis (MD&A) provides an overview of the financial position and activities of New College Foundation, Inc. (the "Foundation") for the fiscal year ended June 30, 2024, with comparative information for fiscal year ending 2023, and should be read in conjunction with the financial statements and notes thereto. This report includes financial statements presented and prepared with the accounting principles and reporting guidelines established by the Governmental Accounting Standards Board (GASB) as this is the presentation used in the Foundation's annual financial report. The Foundation's management has prepared the financial statements and related note disclosures along with the MD&A. The responsibility for the completeness and fairness of this information rests with the Foundation's management.

The Foundation is a 501(c)(3) organization. The Foundation is a Direct Support Organization and a component unit of New College of Florida (the "College"). The Foundation converted from reporting under the Financial Accounting Standards Board (FASB) to reporting under GASB as of July 1, 2018, as mandated by the Florida Legislature for all Direct Support Organizations of the 12 State Universities. The mission of the Foundation is to support the priorities of New College of Florida, Florida's designated Honors College. This is accomplished by securing funds as a result of cultivating and stewarding individuals, foundations, and corporations and through the prudent management of assets.

FINANCIAL HIGHLIGHTS

The Foundation's financial position at June 30, 2024 contained total assets of \$50,064,126 and liabilities and deferred inflows of resources of \$1,076,838, resulting in a net position of \$48,987,288 at June 30, 2024. Net position increased from July 1, 2023 to June 30, 2024 by 1.9%.

The Foundation's financial position at June 30, 2023 contained total assets of \$49,806,812 and liabilities and deferred inflows of resources of \$1,742,599, resulting in a net position of \$48,064,213 at June 30, 2023. Net position increased from July 1, 2022 to June 30, 2023 by 5.7%.

The Foundation's investments showed a return (net of fees) of approximately 7.5% from July 1, 2023 to June 30, 2024 and 12.1% from July 1, 2022 to June 30, 2023.

USING THIS ANNUAL REPORT

The financial statements consist of three basic financial statements: (1) the statement of net position; (2) the statement of revenues, expenses, and changes in net position; and (3) the statement of cash flows. These financial statements are prepared in accordance with GASB accounting principles and guidelines, which establish standards for external financial reporting for public colleges, universities, and other governmental entities. The Foundation is required to prepare its annual report in accordance with GASB due to its formation under Florida Statute 1004.70 and the component unit relationship with the College. These statements present a long-term view of the Foundation's finances.

**NEW COLLEGE FOUNDATION, INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024**

(Unaudited)

THE STATEMENT OF NET POSITION

The statement of net position presents the financial position of the Foundation at the end of the fiscal year and includes all assets, liabilities and deferred inflows of resources of \$48,987,288. Net position, the difference between total assets and total liabilities and deferred inflows of resources, is an indicator of the current financial condition of the Foundation. The change in net position is an indicator of whether the overall financial condition has improved or worsened during the year. Assets and liabilities are generally measured using current values. One notable exception is capital assets, which are stated at historical costs less an allowance for depreciation.

A summarized comparison of the Foundation's assets, liabilities, deferred inflows of resources and net position at June 30, 2024 and 2023 is presented in the following table:

NET POSITION

	For the years ended	
	June 30, 2024	June 30, 2023
Assets		
Current assets	\$ 4,481,300	\$ 6,114,606
Capital assets, net	1,055,899	1,095,943
Other noncurrent assets	44,526,927	42,596,263
Total assets	\$ 50,064,126	\$ 49,806,812
Liabilities		
Current liabilities	\$ 546,942	\$ 986,066
Noncurrent liabilities	365,784	546,483
Total liabilities	\$ 912,726	\$ 1,532,549
Deferred inflows of resources	\$ 164,112	\$ 210,050
Net position		
Invested in capital assets	\$ 742,939	\$ 774,684
Restricted	46,470,515	49,392,966
Unrestricted	1,773,834	(2,103,437)
Total net position	48,987,288	48,064,213
Total liabilities, deferred inflows and net position	\$ 50,064,126	\$ 49,806,812

Current assets primarily consist of cash, cash equivalents, prepaid expenses and investments. Noncurrent assets consist of net capital assets and endowment investments. A review of the Foundation's statement of net position at June 30, 2024 and June 30, 2023, shows that the Foundation's net position increased by 1.9% from 2023 to 2024.

**NEW COLLEGE FOUNDATION, INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024**

(Unaudited)

LOANS FROM DIRECT BORROWINGS

In fiscal year 2021, the Foundation incurred a \$340,000 mortgage debt secured by the real estate purchased. The mortgage is at 4.5% for five years, adjusted to 3.25% over the treasury rate for the next five years. The term is ten years, and the amortization period is 25 years.

CAPITAL ASSETS

The Foundation capitalizes assets with a value of \$1,000 for financial reporting purposes. As of June 30, 2024, there was \$1,055,899 invested in capital assets net of accumulated depreciation. Capital assets of the Foundation at June 30, 2024 and 2023 are presented in the following table:

CAPITAL ASSETS

Capital assets	For the years ended	
	June 30, 2024	June 30, 2023
Nondepreciable capital assets:		
Real estate	\$ 421,832	\$ 421,832
Total nondepreciable capital assets	\$ 421,832	\$ 421,832
Depreciable capital assets:		
Buildings	\$ 1,520,611	\$ 1,520,611
Equipment	125,756	115,772
Total depreciable capital assets	\$ 1,646,367	\$ 1,636,383
Accumulated depreciation	\$ (1,012,300)	\$ (962,272)
Capital assets, net of depreciation	\$ 1,055,899	\$ 1,095,943

**NEW COLLEGE FOUNDATION, INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024**

(Unaudited)

THE STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

The statement of revenues, expenses, and changes in net position presents the Foundation's results of operations. In accordance with GASB reporting principles, revenues and expenses are classified as either operating or nonoperating. A summary of the Foundation's revenues, expenses, and changes in net position for the fiscal years ended June 30, 2024 and 2023 is presented in the following table:

REVENUES, EXPENSES, AND CHANGES IN NET POSITION

	For the years ended	
	<u>June 30, 2024</u>	<u>June 30, 2023</u>
Operating revenues		
Contributions	\$ 1,937,992	\$ 1,678,723
Fundraising support and revenue	494,111	519,813
Other revenue	106,605	76,673
Total operating revenues	<u>2,538,708</u>	<u>2,275,209</u>
Less operating expenses	<u>5,481,071</u>	<u>5,969,411</u>
Operating income (loss)	<u>(2,942,363)</u>	<u>(3,694,202)</u>
Nonoperating revenues		
Investment income, net	565,444	269,214
Unrealized gain (loss) on investments	3,905,745	3,855,455
Realized gain (loss) on investments	(1,129,113)	1,042,402
Changes in value of trust agreements	(28,738)	(30,885)
Nonoperating income, net	<u>3,313,338</u>	<u>5,136,186</u>
Gain before additions to permanent endowments	370,975	1,441,984
Additions to permanent endowments	<u>552,100</u>	<u>1,142,107</u>
Increase in net position	<u>923,075</u>	<u>2,584,091</u>
Net position, beginning of year	<u>48,064,213</u>	<u>45,480,122</u>
Net position, end of year	<u>\$ 48,987,288</u>	<u>\$ 48,064,213</u>
	1.9%	5.7%

NEW COLLEGE FOUNDATION, INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024

(Unaudited)

Operating revenue from fiscal year 2023 to 2024 increased by \$263,499. Total gifts, contributions, and grants increased by \$259,269 from 2023 to 2024. Additions to permanent endowments decreased by \$590,007 from 2023 to 2024. Investment income showed a significant decrease of \$1,822,848 from 2023 to 2024, which is attributed to general investment market conditions and loss resulted from liquidating investment portfolio in certain foreign market.

In fiscal year 2023, the Foundation received new pledges in the amount of \$300,000. In fiscal year 2024, the Foundation received a \$500,000 new pledge; however, since not all eligibility requirements under GASB have been met, no pledges were recorded.

Overall operating expenses decreased by \$488,340 from 2023 to 2024. In total, program support increased by \$221,835 and scholarship expenses paid to the College decreased by \$1,132,575 from fiscal year 2023 to 2024. Allocations for both types of expenses, program support and scholarships, are funded primarily by endowment earnings in accordance with the Foundation's spending policy – awards of up to 1.25%, calculated by using the 20-quarter rolling average balances with the end date of December 31st for each endowment when earnings are available. This decrease in spending from 2023 to 2024 is mainly due to lower spending allocations coming from the endowment.

The Foundation's operating expenses increased by \$422,400, of which \$361,291 is increase in fundraising expenses, from 2022 to 2023. The increase is primarily due to rising cost for goods and services that reflects high inflation and utilizing professional services for grant writing, consulting, and temporary employees to fill positions that remained vacant for an extended time. In addition to new fundraising initiatives, the annual fund campaign remains a focus of the Foundation.

**NEW COLLEGE FOUNDATION, INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024**

(Unaudited)

THE STATEMENT OF CASH FLOWS

The statement of cash flows provides additional information about the Foundation's financial results by reporting the major sources and uses of cash. Its primary purpose is to provide relevant information about the cash receipts and cash payments of an entity during a period. The statement of cash flows also helps users assess:

- An entity's ability to generate future net cash flows.
- Its ability to meet its obligations as they come due.
- Its need for external financing.

A comparative summary of the statement of cash flows for the Foundation for the fiscal years ended June 30, 2024 and 2023 is shown in the following table:

CASH FLOWS

	For the years ended	
	June 30, 2024	June 30, 2023
Cash provided (used) by:		
Operating activities	\$ (3,041,738)	\$ (4,414,325)
Investing activities	1,208,649	2,305,248
Noncapital financing activities	552,100	1,142,107
Capital and related financing	(21,130)	(8,633)
Net increase (decrease) in cash and cash equivalents	(1,302,119)	(975,603)
Cash and cash equivalents, beginning of the year	5,617,747	6,593,350
Cash and cash equivalents, end of year	\$ 4,315,628	\$ 5,617,747

The Foundation's liquidity remained stable during the reporting year. For the purpose of cash flows, the Foundation considers cash equivalents to include time deposits, certificates of deposit and all highly liquid debt instruments with original maturities of three months or less. The following discussion presents an overview of cash flows:

During the fiscal year ended June 30, 2024, cash and cash equivalents decreased by \$1,302,119. The decrease is due to the general increase in expenses. The Foundation has adequate funds on hand to pay invoices upon demand and approval.

NEW COLLEGE FOUNDATION, INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024

(Unaudited)

ECONOMIC FACTORS THAT WILL AFFECT THE FUTURE

The economic position of the Foundation is closely tied to the needs of the College and the investment markets for the endowment.

Investment income plays a key role in generating revenues for the Foundation. Also tied to investment earnings is the ability to provide scholarships and program support to the College through various endowments. The Foundation's investment accounts remain well-diversified and moderately invested, target in, 65% Global Equities, 18% Fixed Income, 14% Alternative Investments and 3% Cash, within the range established for each investment type per the Foundation's Investment Policy.

The Foundation's Board of Directors and management carefully monitor the status of all endowed funds, particularly those underwater funds in which the total fund balance is less than the corpus, or principal. This deficit can only be overcome through positive investment earnings UPMIFA allows for spending of current interest and dividends. As of June 30, 2024, the Foundation held 68 endowed funds and 15 quasi-endowed funds. Of these funds, four were in an underwater status as of the end of the fiscal year due to the temporary investment market conditions.

In fiscal year 2024, the Foundation created initiatives, which include Coaches Club and three signature events focusing on top three fundraising priorities, to support the newly created athletic department, mission critical projects, and the areas of greatest need at the College. As a direct support organization of the College, the Foundation is committed to the growth plan established by the College and its Board of Trustee and is making major efforts to assist in this growth.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the New College Foundation, Inc.'s finances for all those with an interest in the Foundation's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Sydney Gruters, Vice President of Advancement.

NEW COLLEGE FOUNDATION, INC.

STATEMENT OF NET POSITION
JUNE 30, 2024

ASSETS	
CURRENT ASSETS	
Cash	\$ 4,315,628
Beneficial interest in remainder trusts, net	81,015
Prepaid expenses and other assets	84,657
Total current assets	<u>4,481,300</u>
NONCURRENT ASSETS	
Investments	44,526,927
Capital assets, net	1,055,899
Total noncurrent assets	<u>45,582,826</u>
TOTAL ASSETS	<u><u>\$ 50,064,126</u></u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	
CURRENT LIABILITIES	
Accounts payable and accrued expenses	\$ 214,555
Gift annuities payable	10,470
Note payable	8,693
Unearned revenue	313,224
Total current liabilities	<u>546,942</u>
NONCURRENT LIABILITIES	
Gift annuities payable, net of current portion	61,517
Note payable, net of current portion	304,267
Total noncurrent liabilities	<u>365,784</u>
DEFERRED INFLOWS OF RESOURCES	
Gift annuities and charitable remainder unitrust	<u>164,112</u>
NET POSITION	
Net investment in capital assets	742,939
Restricted, nonexpendable, endowment	36,570,592
Restricted, expendable	9,899,923
Unrestricted	1,773,834
Total net position	<u>48,987,288</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	<u><u>\$ 50,064,126</u></u>

See Notes to Financial Statements.

NEW COLLEGE FOUNDATION, INC.

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2024

OPERATING REVENUES

Contributions	\$ 1,937,992
Fundraising support and revenue	494,111
Other revenue	106,605
Total operating revenues	<u>2,538,708</u>

OPERATING EXPENSES

Program	
Scholarships and grants	530,913
Enhancements for programs	2,061,660
College support	983,476
General and administrative	1,020,583
Fundraising	884,439
Total operating expenses	<u>5,481,071</u>

Operating loss (2,942,363)

NONOPERATING REVENUES (EXPENSES)

Investment income, net	565,444
Unrealized gain on investments	3,905,745
Realized loss on investments	(1,129,113)
Changes in value of trust agreements	(28,738)
	<u>3,313,338</u>

Gain before permanent endowment contributions 370,975

Contributions to permanent endowments 552,100

Change in net position 923,075

Net position, beginning of the year 48,064,213

Net position, end of the year \$ 48,987,288

See Notes to Financial Statements.

NEW COLLEGE FOUNDATION, INC.

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2024**

CASH FLOWS FROM OPERATING ACTIVITIES

Received from private donors	\$ 1,685,428
Received from other sources	174,705
Payments for College programs	(3,667,045)
Payments to suppliers for goods and services	(1,234,826)
Net cash used in operating activities	(3,041,738)

CASH FLOWS FROM INVESTING ACTIVITIES

Investment income, net	565,444
Proceeds from sale of investments	2,262,088
Purchase of investments	(1,618,883)
Net cash provided by investing activities	1,208,649

CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES

Endowment contributions	552,100
Net cash provided by noncapital financing activities	552,100

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Purchase of capital assets	(12,831)
Payments on notes payable	(8,299)
Net cash used in capital and related financing activities	(21,130)

Net change in cash (1,302,119)

Cash, beginning of year 5,617,747

Cash, end of year \$ 4,315,628

Reconciliation of operating loss to net cash used in operating activities

Operating loss	\$ (2,942,363)
Adjustments to reconcile operating loss to net cash used in operating activities	
Depreciation	59,875
Deferred inflow of resources related to gift annuities	(45,938)
Changes in assets and liabilities	
Prepaid expenses and other assets	(25,170)
Accounts receivable	168,484
Pledges receivable	304,427
Beneficial interest in remainder trusts	42,373
Accounts payable and other accrued expenses	(433,608)
Unearned revenue	(169,818)
Net cash used in operating activities	\$ (3,041,738)

Noncash investing activities \$ 3,905,745

Net unrealized gain on investments \$ 3,905,745

See Notes to Financial Statements.

NEW COLLEGE FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

New College Foundation, Inc. (the “Foundation”) is a not-for-profit corporation organized under the laws of the State of Florida and operates exclusively for charitable and educational purposes within the meaning of 501(c)(3) of the Internal Revenue Code. The Foundation’s mission is to provide aid in the form of money and other forms of property and services to New College of Florida (the “College”). The Foundation also promotes education and encourages learning and dissemination of information about which the College is involved. As of November 3, 2006, the Foundation has elected to organize and operate as a university direct-support organization as defined in Section 1004.28, Florida Statutes. The Foundation is considered a discrete component unit of the College due to the College’s budgetary oversight responsibility and due to the Foundation’s significant operational and financial relationships with the College.

Basis of Accounting and Presentation

The Foundation’s accounting policies conform to accounting principles generally accepted in the United States of America applicable to colleges and universities as prescribed by the Governmental Accounting Standards Board (GASB).

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The Foundation’s financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, and liabilities resulting from nonexchange activities are generally recognized when all applicable eligibility requirements, including time requirements, are met.

The statement of net position is presented in a classified format to distinguish between current and noncurrent assets and liabilities. When both restricted and unrestricted resources are available to fund certain programs, it is the Foundation’s policy to first apply the restricted resources to such programs followed by the use of the unrestricted resources.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Foundation considers amounts on hand in checking accounts and money market accounts as cash unless held for the purpose of reinvestment. The Foundation considers all short-term, highly liquid investments with original maturities of 90 days or less to be cash equivalents.

NEW COLLEGE FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investments

Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statement of net position. Realized and unrealized gains and losses are included in the statement of revenues, expenses, and changes in net position. Investment income includes interest and dividend income, net of fees, and is included in the statement of revenues, expenses and changes in net position separate from gains and losses. Investment fees were \$302,263 for the year ended June 30, 2024.

Pledges Receivable

The Foundation accounts for its pledges receivable in accordance with GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*. GASB Statement No. 33 establishes reporting standards for nonexchange transactions, whereby unrestricted and restricted contributions receivable are recorded in the statement of net position and endowment contributions receivable are excluded from the statement of net position.

Promises to give are recorded at net realizable value. Unconditional promises to give are recognized as contribution revenue in the period received. Conditional promises to give are recognized when the conditions on which they depend are substantially met. An allowance for doubtful accounts is established based on specific assessment of all amounts that remain unpaid following normal payment periods. All amounts deemed to be uncollectible are charged against the allowance for doubtful accounts in the period the determination is made.

Beneficial Interest in Remainder and Perpetual Trusts

The Foundation's split-interest agreements with donors consist of charitable gift annuities and charitable remainder uni-trusts, which are presented on the statement of net position as gift annuities payable and beneficial interest in remainder trusts. Contributions of split-interest agreements are recorded when the Foundation is informed of the contribution and its interest is irrevocable. Assets are invested and payments are made to donors and/or other beneficiaries in accordance with the respective agreements.

Trust assets, for which the Foundation has been designated trustee, totaled \$155,084 at June 30, 2024 and are recorded in investments on the statement of net position. The related liabilities under trust agreements totaled \$71,987 at June 30, 2024.

The present values of payments to beneficiaries under these charitable gift annuities are calculated using an applicable tax discount rate at year-end of 5.2% for the year ended June 30, 2024.

**NEW COLLEGE FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

**NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

Beneficial Interest in Remainder and Perpetual Trusts (Continued)

Charitable remainder uni-trusts are classified as restricted net position. Once the beneficial interest is passed to the Foundation, the remaining assets are released for unrestricted use. Charitable gift annuities are classified as unrestricted or restricted net position based upon the individual gift agreements as appropriate. Distributions of the annuities are paid from income first then as a release of principal, if necessary.

Gains or losses resulting from changes in actuarial assumptions and accretions of the discount are recorded as changes in the value of trust agreements in the statement of revenues, expenses and changes in net position and resulted in a net loss of approximately \$28,738 for the year ended June 30, 2024. The change in the value of trust agreements and the related assets and liabilities are based on estimated maturity of the agreements. Actual results could differ from those estimates.

Unearned Revenue

Amounts received under contracts with third parties are considered unearned revenue until such a time as the Foundation expends amounts on eligible items and recognizes the amount as revenue.

Capital Assets

The Foundation's capital assets consist of land, buildings, furniture, and equipment and are stated at historical cost or acquisition value for donated assets or acquired at nominal cost. The Foundation has a capitalization threshold of \$1,000 for capital assets. Depreciation is computed on the straight-line basis over the following estimated useful lives:

Buildings	40 Years
Equipment	3-5 Years

The Foundation owns real estate received through a gift of approximately 188 acres of land on Tidy Island situated in Manatee County, Florida during the year ended June 30, 1984. The conveyance was subject to deed restrictions including that the land not be built upon and that it be used solely for educational, research and study purposes. This property is used as an outdoor classroom by the New College Environmental Studies Program.

Capital assets are reviewed for impairment whenever events or changes in circumstances indicate that the related carrying amount may not be recoverable. When assets are impaired, asset values are reduced for this impairment. There was no impairment recognized on capital assets for the year ended June 30, 2024.

NEW COLLEGE FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred Inflows of Resources

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net assets that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The Foundation has one item that meets the criterion for this category related to gift annuity payments. This amount is deferred and recognized as an inflow of resources in the period that the amount becomes available.

Contributions

Contributions are recognized as increases in net position when pledged provided all eligibility requirements have been met, with the exception of contributions to endowments which are recognized when received. Assets donated to the Foundation are recorded at their estimated acquisition value at the date of donation. Revenues associated with irrevocable split-interest agreements are recognized when the resources become applicable to the reporting period.

Donated services are only recorded if the services received create or enhance nonfinancial assets or required specialized skills and would typically need to be purchased if not provided by donation. Other volunteer services are not recorded as revenue and expense since they do not create or enhance financial assets or require specialized skills. In-kind donations for services of approximately \$612,005 were recognized in the year ended June 30, 2024, and are included in contributions on the accompanying statement of revenues, expenses and changes in net position.

Net Position

Net position, gains, and losses are classified based on the existence or absence of donor or grantor imposed restrictions. Accordingly, net position and changes therein are classified and reported as follows:

Net Investment in Capital Assets – Net investment in capital assets includes capital assets, net of accumulated depreciation and reduced by any outstanding debt balances that are attributable to the acquisition, construction, or improvement of those assets.

Restricted – Restricted net position includes funds externally restricted by donors that are expendable and nonexpendable endowments. Expendable includes funds that are subject to donor-imposed stipulations that can be fulfilled by actions of the Foundation pursuant to those stipulations, or that expire by passage of time. Nonexpendable endowments includes funds subject to donor-imposed stipulations that they be maintained permanently by the Foundation to use all or part of the related investment return for general or specific purposes in support of the College.

NEW COLLEGE FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Unrestricted – Unrestricted net position includes funds that do not meet the definition of restricted or invested in capital assets.

Tax Status

The Foundation is generally exempt from federal income and state income taxes under Section 501(c)(3) of the Internal Revenue Code and comparable state law. The Foundation is required to pay income taxes on the excess of revenues derived from activities unrelated to the tax exempt purpose of the Foundation over the related expenses.

Operating and Nonoperating Activities

The Foundation's operating income includes all revenues and expenses associated with the Foundation's daily activities. Interest and net investment earnings are excluded from operating income and classified as nonoperating revenues. Contributions received for endowments or from state matching funds are also excluded from operating and nonoperating activities and are classified as endowment contributions.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, deferred inflows of resources and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Subsequent Events

The Foundation has evaluated all subsequent events through December 11, 2024 the date the financial statements were available to be issued.

**NEW COLLEGE FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 2. COMMITMENTS TO NEW COLLEGE FOR 2024-2025 ACADEMIC YEAR

For the academic year ending June 30, 2024, the Foundation has budgeted to provide direct support to the College as follows:

Academic programs and enhancements	\$	2,375,085
Endowed chairs, professorships and fellowships		90,030
New College library and library association		23,632
Scholarship and student grants		500,000
Other		360,000
	<u>\$</u>	<u>3,348,747</u>

The Foundation will fulfill this obligation using anticipated endowment income and designated contributions.

NOTE 3. CAPITAL ASSETS

Capital assets activity for the year ended June 30, 2024 is shown as follows:

	Balance June 30, 2023	Increases	Decreases	Balance June 30, 2024
Capital assets not being depreciated:				
Real estate	\$ 421,832	\$ -	\$ -	\$ 421,832
Total capital assets not being depreciated	<u>421,832</u>	<u>-</u>	<u>-</u>	<u>421,832</u>
Capital assets being depreciated:				
Buildings	1,520,611	-	-	1,520,611
Equipment	115,772	19,831	(9,847)	125,756
Total capital assets being depreciated	<u>1,636,383</u>	<u>19,831</u>	<u>(9,847)</u>	<u>1,646,367</u>
Less accumulated depreciation for:				
Buildings	(852,264)	(49,155)		(901,419)
Equipment	(110,008)	(10,720)	9,847	(110,881)
	<u>(962,272)</u>	<u>(59,875)</u>	<u>9,847</u>	<u>(1,012,300)</u>
Total capital assets being depreciated, net	<u>674,111</u>	<u>(40,044)</u>	<u>-</u>	<u>634,067</u>
Total capital assets, net	<u>\$ 1,095,943</u>	<u>\$ (40,044)</u>	<u>\$ -</u>	<u>\$ 1,055,899</u>

NEW COLLEGE FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 4. RESTRICTED NET POSITION

Expendable restricted net position is restricted for scholarships or other similar purposes and totaled \$9,899,923 for the year ended June 30, 2024.

Nonexpendable restricted net position (endowments) is donor-directed contributions restricted in perpetuity for a variety of purposes to provide support to the College. Nonexpendable restricted net position totaled \$36,570,592 for the year ended June 30, 2024.

The Board of Directors of the Foundation has interpreted the Florida Uniform Prudent Management of Institutional Funds Act (FUPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment fund, absent donor stipulations to the contrary. As a result of this interpretation, the Foundation classifies as nonexpendable restricted net position: (a) the original value of the gift donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

The Foundation has adopted investment and spending policies for endowment assets that attempt to protect the principal of the fund, provide consistent long-term income returns and protect the Foundation against long-term inflation trends. The desired investment objective is a long-term real rate of return on assets that is 7.5-8.0%. The target rate of return for the Foundation has been based upon an analysis of historical returns supplemented with an economic and structural review for each asset class. The objective is based on a ten-year investment horizon, so that interim fluctuations should be viewed with appropriate perspective.

Actual returns in any given year may vary from this amount. To satisfy its long-term rate-of-return objectives, the Foundation relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Foundation targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

The Foundation has a spending policy of annually appropriating for distribution a percentage of its endowment funds based on the average endowment fair value of the five preceding years, as computed on December 31st. In establishing this policy, the Foundation considered the long-term expected return on its endowment. The spending policy established for the year ended June 30, 2024 was 3.50% (1.25% to the College and 2.25% to the Foundation for an administrative fee). This is consistent with the Foundation's objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term as well as to provide additional real growth through new gifts and investment return.

NEW COLLEGE FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 5. RELATED PARTY TRANSACTIONS

Beginning in November 2013, employees of the Foundation became employees of the College, an affiliated entity, and the Foundation began reimbursing the College for the cost of services received from personnel of the College. Salaries reimbursed to the College totaled \$472,307 for the year ended June 30, 2024.

The Foundation received \$607,913 of in-kind services for payroll, grounds maintenance and custodial services for the year ended June 30, 2024. In July 2023, the Foundation provided office space for a department of the College. The fair market value of the donated office space and the associated expenses is estimated at \$62,581 for the year ended June 30, 2024.

The Foundation provided direct support to the College in the amount of \$2,592,573 for the year ended June 30, 2024. Of that amount, \$259,456 was provided for lobbyists. At June 30, 2024, the Foundation had an outstanding balance of \$112,202 payable to the College.

NOTE 6. NONCURRENT LIABILITIES

The Foundation manages charitable gift annuities. These annuities are irrevocable split-interest agreements where the Foundation is the remainder interest beneficiary that makes distributions to the annuitants. Noncurrent liabilities consist of gift annuities payable as of June 30, 2024. GASB Statement No. 81 established financial reporting standards for irrevocable split-interest to include assets, liabilities, and deferred inflows of resources. The asset is the market value of resources received; the liability is the present value of future payments to annuitants; the deferred inflow of resources is the difference between the asset and the liability. There is also a portion of unearned revenue that is not expected to be recognized as revenue in the upcoming year.

A summary of the changes in the noncurrent liabilities is as follows:

	Balance June 30, 2023	Increases	Decreases	Balance June 30, 2024	Current Portion
Unearned revenue	\$ 483,042	\$ 16,555	\$ (186,373)	\$ 313,224	\$ 313,224
Gift annuities payable	80,085	-	(8,098)	71,987	10,470
	<u>\$ 563,127</u>	<u>\$ 16,555</u>	<u>\$ (194,471)</u>	<u>\$ 385,211</u>	<u>\$ 323,694</u>

NEW COLLEGE FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 7. NOTE PAYABLE

During 2021, the Foundation entered into an agreement with a local financial institution to borrow \$340,000 to acquire real property in Sarasota, Florida. The note payable is due in 60 monthly payments of \$1,902 including interest at 4.50% followed by 59 monthly payments estimated at \$1,773 including interest at the prevailing U.S. Treasury Note Yield plus 3.25% with a balloon payment in February 2031 and is secured by certain real property. The balance on the note from a direct borrowing at June 30, 2024 was \$312,960. Total principal paid during the year ended June 30, 2024 was \$8,299.

Aggregate maturities on the long-term debt at June 30, 2024 are as follows:

	Principal	Interest
2025	\$ 8,693	14,132
2026	9,378	12,932
2027	10,366	10,913
2028	10,733	10,547
2029	11,172	10,108
2030-2031	262,618	15,933
	\$ 312,960	\$ 74,565

NOTE 8. FAIR VALUE MEASUREMENTS

Deposits – Custodial credit risk is the risk that in the event of a bank failure, the Foundation’s deposits may not be returned. The Foundation’s policy regarding custodial risk is to hold noninvested cash in a financial institution covered by the Federal Deposit Insurance Corporation (FDIC) not exceeding the limit of FDIC coverage.

Noninvested cash in excess of FDIC coverage will be held in a certified Qualified Public Depository (QPD) as identified by the Florida Security for Public Deposits Act, Chapter 280, Florida Statute. At June 30, 2024, the bank balance was approximately \$1,175,644. Of the bank balance, \$925,644 was in excess of the amount covered by the FDIC and thus collateralized under the Florida Security for Public Deposits Act.

The Foundation has an account with the State Treasury Special Purpose Investment Account (SPIA). This account represents ownership of a share of the Florida Treasury Investment Pool, not the underlying securities. At June 30, 2024, the Florida Treasury Investment Pool carried a credit rating of AA-f by Standard & Poor’s and had an effective duration of 3.23. At June 30, 2024, the Foundation had cash equivalents of \$3,221,511 with the State Treasury SPIA.

NEW COLLEGE FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 8. FAIR VALUE MEASUREMENTS (CONTINUED)

Investments – The Foundation’s investment policy allows for investments in domestic equities, international equities, fixed income and alternatives. For fixed income instruments, the Foundation’s investment policy allows for investment in domestic, global, U.S. inflation projected, U.S. high yield, emerging market bonds, short-term bonds, multi-sector bonds, unconstrained bonds, and cash equivalents. For alternative instruments, the Foundation’s investment policy allows for private equity, absolute return (hedge funds), real assets and commodities.

The following methods and assumptions were used by the Foundation in estimating the fair value of its financial instruments:

Mutual Funds – The fair value is measured based on quoted prices in principal active markets for identical assets as of the valuation date (Level 1).

Alternative Foreign Equity and Private Equity Funds – These investments are valued using the NAV provided by the administrator of the fund, as a practical expedient. The NAV is based on the value of the underlying assets owned by the fund, minus its liabilities and then divided by the number of shares outstanding. The NAV is excluded from the valuation hierarchy.

Investments held by the Foundation are reported at fair value and were as follows at June 30, 2024:

	Level 1	Level 2	Level 3	Net Asset Value	Total at June 30, 2024
Investments					
Cash and cash equivalents	\$ 1,214,656	\$ -	\$ -	\$ -	\$ 1,214,656
Mutual funds - fixed income	8,158,157	-	-	-	8,158,157
Mutual funds - equities	153,334	-	-	-	153,334
Domestic equities	17,602,846	-	-	-	17,602,846
International equities	11,472,008	-	-	-	11,472,008
Total mutual funds - fixed income	<u>38,601,001</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>38,601,001</u>
Investments at net asset value					
Alternative foreign equity, private equity and other funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,925,926</u>	<u>5,925,926</u>
Total investments	<u>\$ 38,601,001</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,925,926</u>	<u>\$ 44,526,927</u>

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Foundation believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different estimate of fair value at the reporting date.

Interest Rate Risk – Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment.

NEW COLLEGE FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 8. FAIR VALUE MEASUREMENTS (CONTINUED)

Custodial Credit Risk – The Foundation utilizes the services of an investment advisor and several investment managers to manage its portfolio. For an investment, custodial credit risk is the risk that, in the event of a failure of the counterparty, the Foundation will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. The investment in mutual funds are not categorized as to custodial credit risk as they are not evidenced by securities that exist in physical or book entry form. These mutual funds are not rated by a nationally statistical rating organization. There were no losses due to default by counterparties to investment transactions during the year ended June 30, 2024.

Credit Risk – Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Foundation's investment policy manages credit risk by limiting the Foundation to investment in mutual funds as opposed to direct investment in bonds.

Concentration of Credit Risk – Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The Foundation's investment policy requires that investments are to be diversified to the extent that no more than 7% of the funds may be invested in any one security and a maximum of 5% may be invested in the obligations of a single issuer (excluding U.S. Government and its agencies).

Other Information – For management control, investments are pooled. Gains, losses and investment income from the pool are allocated monthly to the funds that participate in the pool based upon each fund's average monthly balance.

NEW COLLEGE FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 9. FUNCTIONAL CLASSIFICATION OF EXPENSES

The expenses recognized by the Foundation in the statement of revenues, expenses and changes in net position are classified by function, that is, the purpose for which they are incurred. The Foundation's expenses based on function classification are as follows as of June 30, 2024:

	Program Services	General and Administrative	Fundraising	Total
Enhancements	\$ 1,802,204	\$ -	\$ -	\$ 1,802,204
Lobbyist	259,456	-	-	259,456
Scholarships - College budget	433,954	-	-	433,954
Grants	96,959	-	-	96,959
Salaries	344,595	379,956	209,077	933,628
Depreciation	-	59,875	-	59,875
Insurance	-	12,610	-	12,610
Interest	-	14,527	-	14,527
Admin fees	-	1,105	-	1,105
Bank service fees	1,265	7,412	10,772	19,449
Dues and subscriptions	5,458	5,661	576	11,695
Professional services	-	208,698	136,127	344,825
Miscellaneous Expense	-	-	7,396	7,396
Audit fees	-	38,000	-	38,000
In-kind professional services	-	146,592	-	146,592
Postage and shipping	495	2,072	-	2,567
Telephone expense	-	66	-	66
Office supplies	122	5,407	1,053	6,582
Software/software upgrades	-	49,792	32,105	81,897
Storage	-	6,954	-	6,954
Equipment	-	4,604	-	4,604
Maintenance and repair	1,397	1,799	-	3,196
Rental	-	5,078	4,561	9,639
Taxes - property	-	325	-	325
Donor cultivation major gifts	37,018	2,315	20,374	59,707
Development - Regional Gathering	3,608	-	-	3,608
Printing	-	44,476	1,190	45,666
Utilities - TKC	12,584	8,499	-	21,083
Promotional expense	9,143	-	-	9,143
Development and entertainment	-	867	600	1,467
Sponsorship expense	50,711	5,000	3,203	58,914
Advertising	57,167	6,200	8,257	71,624
Catering	4,503	578	131,286	136,367
Travel - airfare/training	1,871	-	-	1,871
Travel - lodging	1,334	-	-	1,334
Mileage and toll reimbursement	-	5	-	5
Travel - auto rental	326	-	-	326
Donation Expense	448,038	-	-	448,038
Gift-in-kind expense	3,841	-	13,071	16,912
Board of Directors expense	-	2,110	364	2,474
Pledge write offs	-	-	304,427	304,427
	<u>\$ 3,576,049</u>	<u>\$ 1,020,583</u>	<u>\$ 884,439</u>	<u>\$ 5,481,071</u>

OTHER INDEPENDENT AUDITOR'S REPORT



**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

**Board of Directors
New College Foundation, Inc.
Sarasota, Florida**

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of New College Foundation, Inc. (the "Foundation"), a component unit of New College of Florida, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Foundation's basic financial statements, and have issued our report thereon dated December 11, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Foundation's internal control over financial reporting (internal control) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control. Accordingly, we do not express an opinion on the effectiveness of the Foundation's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Foundation's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Foundation's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Mauldin & Jenkins, LLC

Bradenton, Florida
December 11, 2024



**NEW COLLEGE OF FLORIDA
INTERNAL AUDIT DEPARTMENT**

MANAGEMENT CONSULTING

**PAYROLL TIMESHEET APPROVAL
AND REMOTE WORK CONTROL
EVALUATION REPORT**

January 21, 2025



January 25, 2025

Erin Fisher, Associate Vice President of Human Resources and Digital Learning & Dual Enrollment
New College of Florida

Re: Management Consultation: Payroll Timesheet Approval and Remote Work Controls

Background:

The Chief Human Resources Officer (CHRO) requested the support of the Office of Internal Audit and Compliance (OIAC) to improve the extent to which employees and supervisors were submitting and approving bi-weekly payroll timesheets within the established guidelines. The CHRO had noted a rise in the number of instances where Human Resource (HR) Department personnel had to override timesheet supervisor approvals in order to process the bi-weekly payroll in a timely manner.

The New College of Florida (NCF) has recently implemented an upgrade of the Banner Human Resources / Payroll Self Service Employee application. The new version allows personnel to enter their timesheets for supervisor approval using a Self-Service Portal on the NCF network within its firewall. Once an employee submits their timesheet for approval, the timesheet is automatically routed to the supervisor, as designated in the application. The approved timesheet is then processed during the bi-weekly payroll cycle and the employee is paid for the submitted hours worked, annual leave and sick leave taken.

While the new application is designed to work seamlessly and efficiently, there are a number of issues and internal control concerns that can arise if all the parties involved do not perform their responsibilities in a timely manner. More specifically, issues and control concerns arise if employees do not enter their time and/or submit their timesheets before the submission deadline, supervisors do not approve their employee timesheets before the submission deadline, and the approving supervisor/authority leaves the university without another supervisor being substituted in the Banner system in a timely manner. When these process issues occur, Payroll personnel are required to use their Banner application override authority to force timesheets to be processed that have not been approved by a supervisor with direct knowledge of the hours worked by the employee.

While performing a separate Vendor audit, where we compared vendor addresses with personnel addresses, we identified a significant number of personnel with a home address outside of the state of Florida. Upon further review it was determined a portion of those addresses were outdated and the personnel now resided in the state of Florida. As such, we are including the observation in this report in hopes of improving the timeliness of personnel addresses updates and the identification of personnel living out-of-state for management's evaluation.

In addition to the above matters, Human Resources was unable to provide a report or documentation detailing those personnel presently authorized to work remotely.

Furthermore, in studying personnel addresses, we also identified personnel without an apparent family



relationship living at the same home address.

From an operating risk and internal control perspective, the above process issues may compromise the validation of payroll accuracy and circumvent controls intended to prevent the submission of hours not worked, the omission of leave taken, the continued payment of employees after they are terminated, and the detection of fictitious employees on the payroll.

Engagement Objectives:

The objectives of the engagement were to:

- 1) Confirm that employees are submitting their timesheets for supervisor approval before the bi-weekly payroll processing deadlines.
- 2) Confirm supervisors were approving the timesheets of employees assigned to them before the bi-weekly payroll processing deadlines.
- 3) Gain an understanding as to why supervisors may be missing the established timesheet approval deadlines.
- 4) Confirm the supervisors assigned timesheet approval are appropriate (i.e. continue to work for the university, do not have payroll processing duties, have knowledge of the employee's hours worked).
- 5) Review approvals for university personnel who continue to work remotely and/or live out of the state of Florida.

Scope:

At the request of management, the scope of the engagement included the payroll timesheet approval controls, including the bi-weekly payroll overrides which occurred during September 2024. At the request of management, the scope of the separate Vendor audit was expanded to identify employees with home addresses outside the state of Florida who may be working remotely without required executive approvals.

Procedures Performed:

The OIAC obtained Banner HR / Payroll application reports listing all the instances where a timesheet approval had to be overridden in order to process the bi-weekly payroll during the two payrolls that cycled during September 2024. The OIAC then contacted a sample of those managers listed on the override report to gain an understanding as to why they were not able to consistently approve their employees' timesheets within the established deadlines. The OIAC then met with the CHRO, Vice President of Legal Affairs and Human Resources, and Chief of Staff to discuss options to improve the timely supervisor approval of employee timesheets. With regard to personnel living out-of-state and working remotely, the OIAC studied Banner system reports detailing the current home address of all active personnel. The OIAC then contacted the respective personnel managers to determine if the personnel currently showing out-of-state addresses were actually living out-of-state. The OIAC also requested a report from Human Resources on all personnel authorized to work remotely.

Consulting Engagement Observations

The CHRO and HR Department team were very supportive and open to opportunities to enhance the timesheet approval process and control environment. In fact, a number of control and operational process improvements were already being considered when the consulting engagement commenced. The following outlines our observations of the current state of controls and enhancements for consideration.

Observation No. 1 – Notification of Pending Timesheet Approval

While the HR Department was sending out a bi-weekly courtesy reminder e-mail apprising employees and supervisors it is time to complete, submit, and approve timesheets, the reminder did not specifically notify the individual supervisors that they had a submitted timesheet(s) pending their approval. Since many supervisors do not have to approve timesheets for each payroll unless their exempt subordinates submit a leave request, they may ignore the bi-weekly reminder. As a result, for each bi-weekly payroll period, there are roughly 60 to 70 timesheet overrides that have to be performed by HR personnel. The absence of a timesheet approval, by a supervisor who does not have Banner Payroll application authority to run payroll, circumvents controls designed to assure all employees have submitted accurate timesheets and are authorized to be on the university's payroll.

Recommendation No. 1 – Automated Notice of Timesheet Pending Approval

On October 18, 2024, the CHRO requested the Director, Application Support and Development (DASD) program the Banner Payroll application to automatically forward a notice to each supervisor whenever a timesheet is submitted for their approval. The DASD immediately advised the CHRO that the Banner Communications Management software could be utilized to send out such a notification. The notification was implemented on December 6, 2024.

Observation No. 2 – Continuous Update of Banner System Timesheet Approval Supervisors

During the OIAC review of those instances where a HR Department override was necessary to process the payroll, it was noted that several of the supervisors designated in the Banner HR / Payroll application as a timesheet approver were no longer working for the university or on extended leave. While the HR policy is to assign a proxy to approve timesheets for these supervisors, it does not appear that the proxies have accepted their assigned responsibilities. As such, employees submitting their timesheets to those approvers were not confirmed as accurate and approved.

Recommendation No. 2 – Timely Update of Banner System Timesheet Approval Supervisors

In those instances when a Banner system designated timesheet approver is terminated, placed on extended leave, or otherwise unable to log into the Banner HR / Payroll application to approve timesheets for an extended period, we recommend either their supervisor or another approver who has first-hand knowledge of the employee's hours worked / leave taken and has accepted the approver



responsibility, be immediately substituted in the Banner system for the departing/absent supervisor. In

support of this recommendation, and to ensure that approval supervisors are maintained when terminations occur, the CHRO added a task to the termination checklist where it is now the responsibility of a specific HR representative to verify a new approving supervisor is established until a replacement supervisor is hired.

Observation No. 3 - Out of State Home Addresses

Review of personnel addresses identified roughly 60 active personnel with home addresses outside the state of Florida and two with addresses outside the country. While university policy allows personnel to work a flexible work schedule, the majority of personnel are required to perform a portion of their duties on campus each week. When conferring with managers regarding those personnel showing home addresses outside the state of Florida, it appeared many of these personnel now have a Florida address, but their Banner system personnel records have not been updated with a current address. Employees residing outside the state of Florida represent a higher risk of payroll tax and employment law issues as well as inadequate supervision. Outdated personnel home address information similarly increases the risk of tax and employment law issues as well as the inability to deliver official university, healthcare, and tax related information to the personnel at their Banner system home address.

Recommendation No. 3 – Real-time Update of Employee Home Address

We recommend Human Resources notify all personnel of the need to update their home address every time it changes. We further recommend Human Resources periodically require all personnel to update their current home address and other emergency contact information whenever it changes and semiannually confirm with all employees their home address information in the Banner Payroll system is accurate and complete.

Observation No. 4 - Monitoring of Remote Personnel

We requested a report on personnel who were approved for partial or full remote work schedules in order to identify which personnel who were expected to be on campus each week and which were approved to reside outside the local area or state of Florida. Human Resources was not able to provide the information. We were advised that the university is in the process of developing a new remote work request form which all personnel will be required to submit for remote work authorization. Absent a remote work approval process and record of granted approvals, personnel may be absent for extended periods without a clear expectation of the days they are expected to be on campus, days actually worked, and other performance criteria. Remote workers may also represent an added cyber security risk as well as challenges with blurred work-life boundaries, supervisor communication, and networking opportunities with other university personnel. While there are well recognized benefits of allowing personnel to work remotely, including a competitive employment advantage, personnel satisfaction, and retention, a structured remote work approval and tracking program should be in place to avoid fraud and abuse.



Recommendation No. 4 – Remote Work Approval

We recommend Human Resources develop and implement a remote work regulation inclusive of an approval form, means of tracking approvals, and means of confirming adherence to the approved remote work schedule.

Observation No. 5 - Disclosure of Personnel Personal Relationships

During our review of personnel and vendor addresses in the Banner system, we observed instances where multiple personnel report the same home address. After conferring with Human Resources, it appears university personnel are not required to disclose when they have a personal relationship with other university personnel, even if a reporting relationship exists between those personnel. While the university certainly wants to respect the privacy of its personnel, undisclosed personal relationships can materially increase the risk of fraud and abuse. Most internal controls and personnel regulations rely on an arm's length relationship between personnel submitting expense reports, timesheets, and a myriad of other documents for approval to an independent and unbiased supervisor for approval. Absent an understanding of a compromise of supervisor independence, from a personal relation, compensating controls may not be put in place to maintain sound internal controls and an objective supervisory relationship.

Recommendation No. 5 – Reporting Compromise of Reporting Relationship

We recommend the development and implementation of a university regulation requiring all personnel to report personal relations with other subordinates, contractors, students, and other university affiliates that could lead to potential conflicts of interest, violation of university regulation, and perceptions of favoritism.

Respectfully,

Alexander G. Tzoumas, CIA, CISA, CFE, CRMA, CDPSE
Chief Audit Executive & Chief Compliance Officer, NCF

cc: Christie FitzPatrick, Chief of Staff & Vice President of Finance & Administration
David Brickhouse, Vice President for Legal Affairs & Human Resources
Bob Schaedel, Director, Application Support and Development

Post Tenure Review Audit Report

May 20, 2024

Background:

The New College of Florida previously performed reviews for tenured faculty every seven years. These reviews consisted of the faculty members compiling a dossier of their research and publishing activity and letters of recommendation from internal and/or external faculty. The respective college Chairs then write a letter to the Provost Advisory Committee (PAC) recounting the faculty member's research and/or publishing activities, service to the university, and student evaluation comments. The PAC then sends a letter to the Provost indicating whether the faculty member has performed to the expectations of their respective division.

On March 29, 2023, the Florida State University System (SUS) Board of Governors issued regulation 10.003, Post-Tenure Faculty Review (Regulation). The Regulation requires beginning January 1, 2024, and continuing every three years thereafter, each university must conduct an audit of the comprehensive post-tenure review process for the prior fiscal year and submit a final report to the university's Board of Trustees by July 1. The auditor must provide the university Board of Trustees with a report that includes the number of tenured faculty in each of the four performance rating categories and findings of non-compliance with the Board of Governors' regulations. The auditor will present the audit report to the Board of Trustees. If the auditor finds that a university is out of compliance with the Board of Governors' regulations the auditor must present the report to the Board of Governors at its next regularly scheduled meeting.

Because many of the SUS universities did not have a post-tenure review regulation in place or the review in place significantly differed from the requirements of the new regulation, the Chief Audit Executives of all the universities sent a letter to the Board of Governors Office of the Inspector General essentially indicating an audit of the FY 2023-24 post-tenure review program would be problematic. The Inspector General's response indicates "We understand that each university will vary in its progress in implementing Regulation 10.003. The Board Office, in consultation with Governor Tim Cerio, Chair of Academic and Student Affairs, recognizes that the first cycle audit reports will reflect this and as such will not require auditors to report issues of non-compliance at a Board of Governors meeting. We do, however, expect that from the audit reports, the Board Office should be able to assess and evaluate each university's compliance or progress in compliance with each aspect of the regulation."

In cooperation with the spirit of the Inspector General's determination, the below is a report of the progress made by the New College of Florida as of the report date. Please keep in mind that during the new regulation period, the university has had three different Provosts, or interim provosts, focused on substantial faculty recruitment efforts, and is required to bargain some of the new regulation requirements with the faculty union. As such, while there are still a number of required review process enhancements still in the process of being implemented, as outlined in this report, I am convinced of the university's commitment to achieve compliance with the Regulation over the next few months.

Engagement Objectives:

The objectives of the audit included:

- Confirming standards of quality and productivity for tenured faculty in each faculty position level are well established and communicated.
- Determine whether tenured faculty members are meeting the standards, responsibilities, and

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expectations associated with assigned duties in research, teaching, and service, including compliance with state laws, Board of Governors' regulations, and university regulations and policies.

- Confirm post tenure review and promotion documentation supports the performance ratings assigned by the Chair, Provost, and President.
- Refocus academic and professional efforts and take appropriate employment action when performance does not meet expectations.
- Confirm compliance with the overall requirements of the Board of Governors' regulation 10.003.

Scope:

The scope of the Post Tenure Review audit includes the post-tenured faculty review process applied in the Fiscal year 2022-23 as well as the actions planned and applied in fiscal year 2023-24 to achieve compliance with regulation 10.003.

Audit Findings

1. Frequency of Post-Tenure Review

Prior to the implementation of Board of Governors Regulation 10.003, Post-Tenure Faculty Review (Regulation), the university's policy was to conduct a faculty post-tenure review every seven years. However, we noted only four of the nine seven-year post tenure reviews due were performed for the 2022-2023 fiscal year.

In adopting the new Regulation, the new interim Provost intends to complete post-tenure reviews for all full-time faculty who have not received a review in the last five years. However, due to the prior administration's inadequate record keeping, the date of each faculty member's latest promotion or post-tenure review is not well documented and/or readily available.

Recommendation: We recommend the university confirm the latest promotion or post-tenure review date for each full-time tenured faculty member to ensure all faculty due for their five-year post-tenure review are included in the cohort.

Managements Response:

Post-tenure reviews for all full-time tenured faculty who have not had a review within the last five-years will be completed by October 31, 2024. **Follow-up Update: Projected completion date is now August 1, 2025. Note: The volume of post tenure reviews involved was inordinately high.**

2. Tenured Faculty in Administrative Roles Performance Reviews

The Regulation requires the performance of tenured faculty in an administrative role to be evaluated annually. When administrative performance reviews were requested, the Offices of the Provost and Human Resources could only produce performance reviews for the period from March 20, 2023 through June 30, 2023. Performance reviews prior to March 20, 2023, could not be located. In addition, the administrative performance reviews for the Chairs for the period from March 20, 2023 through June 30, 2023 contained virtually identical wording for the Areas to Improve section of the

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review. The Areas to Improve as identified in the review were to make the Chairs' workload manageable and see that they are compensated fairly. There were zero recommendations as to how the Chairs could improve management, communication, coaching, compliance, administrative, or relationship performance. All the Chairs received the same "Commendable" rating.

Recommendation: We recommend the Provost perform and retain annual performance reviews for all tenured faculty serving in administrative roles. We further recommend Human Resources receive a copy of those reviews and place them in separate employee specific personnel files in order to be able to recall and produce the reviews when needed to document performance over time and evaluate performance trends. We also recommend the performance reviews include a discussion of the faculty member's compliance with state laws, Board of Governor regulations, and university regulations; as well as any student complaints involving the faculty member. Tenured faculty performing administrative roles would include the Provost, Deans, Chairs, Provost Office tenured faculty personnel, etc.

Management Response:

Effective immediately, the Provost, in consultation with Human Resources, will perform and retain a copy of all performance reviews for all tenured faculty in administrative roles and provide Human Resources with a copy. Performance reviews will include faculty specific discussions of opportunities for employee improvement and the faculty member's compliance with state laws, Board of Governor regulations, and university regulations; as well as any student complaints involving the faculty member. The Office of Human Resources will retain tenured faculty performance reviews in an employee specific personnel file for reference as needed. **Follow-up Update: The performance reviews prepared for the FY2024-25 will be forwarded to Human Resources by August 1, 2025.**

3. Post-Tenure Review Timing Exception Approvals

While extensions of the post-tenure review timing are permissible for extenuating or unforeseen circumstances per the Regulation, exceptions are not disclosed to the President by the Chief Academic Officer (CAO) in writing. In addition, we noted that when faculty do not work full-time every year for both semesters during the review period, there may be inadequate activity to support a meets expectations five-year performance rating, especially when faculty miss an entire year during the five-year period. While extended absences were noted in the post-tenure review summary letters, a meets expectation rating was still assigned even though there was a gap in teaching and service.

Recommendation: We recommend the Chief Academic Officer discuss post-tenure review extensions in their annual report to the President and Board of Trustees. The annual report disclosure would include an explanation of the rationale for the extension and the date when the post-tenure review will be conducted. We further recommend that in these instances where the faculty member has experienced extended leave during the five-year review period, either an extension be granted such that a complete five-year period of full employment can be considered in the review, or a performance improvement plan be developed to ensure the faculty member makes-up the leave period workload when appropriate.

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Management Response:

The Chief Academic Officer will discuss post-tenure review extensions granted in their annual post-tenure review report to the President and consider the extent to which five-years of full-time work was performed in the post-tenure review rating. **Follow-up Update: New process is in place.**

4. Post-Tenure Review Content

While the present post-tenure review program includes faculty research, teaching, and service accomplishments, the review does not include:

- A. Quantifiable university, college, department criteria to support the consistent awarding of each performance rating,
- B. A discussion of the faculty member's compliance with university and Board of Governor regulations, state laws and Federal regulations,
- C. A discussion of absenteeism,
- D. A discussion of student complaints,
- E. An independently written letter by the Provost or Chief Academic Officer assessing the faculty member's achievements and level of contribution to the university's mission during the five-year review period and recommended performance rating, with a performance improvement plan when the rating is does not meet expectations.

Recommendation: We recommend the post-tenure review program include quantifiable performance metrics, as well as discussions of faculty compliance with established policies, regulations and laws, absenteeism, student complaints, and a Provost or Chief Academic Officer recommended rating using the following scale as referenced in the Regulation:

- Exceeds expectations: a clear and significant level of accomplishment beyond the average performance of faculty across the faculty member's discipline and unit.
- Meets expectations: expected level of accomplishment compared to faculty across the faculty member's discipline and unit.
- Does not meet expectations: performance falls below the normal range of annual variation in performance compared to faculty across the faculty member's discipline and unit but is capable of improvement.
- Unsatisfactory: failure to meet expectations that reflect disregard or failure to follow previous advice or other efforts to provide correction or assistance, or performance involves incompetence or misconduct as defined in applicable university regulations and policies.

Management Response:

The university will work with the faculty to develop quantifiable performance metrics for the FY 2023-2024 reviews. Post-tenure reviews will include faculty member compliance with policies, regulations and laws as well as absenteeism, student commentary, and one of the performance ratings required in the Regulation. **Follow-up Update: Qualifiable performance metrics, as proposed by faculty, will be in place for the FY 2025-26 post tenure reviews.**

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5. Post-Tenure Review Record Retention

When requesting prior post-tenure review records, neither the Office of the Provost nor the college Chairs could locate the latest review or promotion documentation for four of the faculty members. In some instances, the latest review packet had been disassembled to create an upcoming promotion packet. When the office of Human Resources was asked about the latest post-tenure review documentation, we were informed the prior Provost and Chairs completely excluded Human Resources from the process and did not provide a complete set of review documentation for inclusion in the faculty member's personnel file.

Recommendation: We recommend all completed post-tenure review documentation be retained by the Office of the Provost and a complete copy be provided to the Human Resources department for inclusion in the faculty member's personnel file. In addition, we recommend the Office of Human Resources be included in the post-tenure review and promotion processes in order to ensure any history of personnel or compliance related issues are included in the post-tenure review as required by the Regulation.

Management Response:

Effective immediately, the Office of Human Resources will receive and maintain a complete documentation packet for all post-tenure reviews. **Follow-up Update: Process has been put in place.**

6. Post-Tenure Review Faculty Letters of Recommendation

In our study of available post-tenure review documentation, we noted instances where faculty members would write favorable letters of recommendation for one another. While it is beneficial for faculty members to provide input on the success of their peers, there is an appearance of a conflict of interest when faculty members exchange favorable reviews for one another.

Recommendation: We recommend favorable letters from faculty members who have just received a favorable letter from the same faculty member be noted as such by the reviewer and considered only as secondary support for performance evaluation.

Management Response:

Commencing with the FY 2023-2024 review period, the CAO will consider the merits of utilizing internal letters of recommendation from faculty recommending one another. **Follow-up Update: Completed.**

7. Chief Academic Officer Report

In accordance with the Regulation, CAO plans to develop a report which presents the President and Board of Trustees with an overview of the outcomes of the post-tenure reviews for each annual review.

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Recommendation: We recommend the CAO's post-tenure review report include the number of faculty in each performance rating category and the university's response in those instances where the faculty member's rating does not meet expectations or is unsatisfactory.

Management Response:

Commencing with the FY 2023-2024 review period, the CAO will prepare an annual post-tenure review report for the President and Board of Trustees in accordance with the Regulation. **Follow-up Update: The Provost will complete the annual report for the FY2024-25 post tenure review cycle.**

8. Teaching Excellence Support

We noted that when assessing teaching excellence, there was often limited support available to document the rationale for the conclusion. The determination of excellence often relied upon a handful of student evaluations. When faculty experienced declining student enrollment in their class offerings, the decline was attributed to the university's declining student enrollment rather than a reflection on the faculty member's ability to attract and retain students.

Recommendation: The November 21, 2023 Internal Audit Report on Instructional Evaluations highlighted a need for the university to increase the student response rates. However, while student instructional evaluations provide valuable insight into each faculty members teaching proficiency and style, we recommend the CAO consider the addition of other quantitative metrics such as student enrollment trends to support the evaluation of faculty teaching excellence.

Management Response:

The CAO will support the effort to increase student instructional evaluation response rate and develop other measures to evaluate faculty teaching proficiency and success for the FY 2024-2025 review period. **Follow-up Update: A new instructional evaluation program has been implemented. Additional measures to evaluate teaching proficiency are now in place and will continue to evolve.**

9. Distribution of FY 2023-24 Review Ratings

The following Post-Tenure Review performance ratings were assigned by the respective college chairs or the Provost's Advisory Committee (PAC) during the FY 2022-23 promotion and/or tenure reviews.

Exceed expectations – 1

Meets expectations – 2*

Does not meet expectations – 1**

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*Note: In those instances when the faculty member was recommended for promotion, a post-tenure review rating of meets expectation was assumed.

**Note: A does not meet expectations performance rating requires a performance plan be developed to improve performance. A plan was not on file for the faculty member assigned below expectations rating.

Recommendation: We recommend a performance plan be developed for all tenured faculty members who previously received a does not meet expectations rating.

Management Response:

The Provost will develop a performance improvement plan for all faculty who received a “does not meet expectations” performance rating by August 30, 2024. **Follow-up Update: Human Resources is now involved in light of medical issues.**

The audit was conducted in accordance with the Standards of the Institute of Internal Auditors.

Respectfully,

Alexander G. Tzoumas, CIA, CRMA, CISA, CFE, CDPSE
Chief Audit Executive and Chief Compliance Officer

Compliance Review: Foreign Gifts Inspection



Prepared by
The State University System of Florida
Board of Governors
Office of Inspector General and Director of Compliance
(OIGC Project No. 25-001)

December 11, 2024

Introduction

In accordance with section 1010.25, Florida Statutes, and the *Office of Inspector General and Director of Compliance 2024-2025 Work Plan*, we conducted an inspection of the foreign gifts disclosed by institutions of higher education¹ (IHEs) affiliated with the State University System (SUS) of Florida. The purpose of the inspection was to evaluate the IHE's compliance with the statutory reporting requirements related to foreign gifts and foreign gift agreements.

Background

Legislation

In 2021, the Florida Legislature established a series of statutes requiring greater disclosure of foreign support for public entities, examination of grant applicants and vendors of goods and services with foreign connections, and scrutiny of foreign applicants for research positions and of foreign travel and activities of employees of major research institutions.

This report relates only to section 1010.25, Florida Statutes, which requires the Board of Governors inspector general to annually inspect or audit at least five percent of the total number of gifts disclosed by or gift agreements received from IHEs to determine their compliance with the statutory requirements with respect to the gifts and gift agreements reviewed.

In addition to the Board of Governors' inspector general's inspection, the law includes the following oversight and accountability provisions:

- Enforcement, sanctions, and civil penalties for noncompliance; and
- Rewards for whistle-blowers who make a report of undisclosed foreign gifts.

Foreign Gifts Reporting Requirements

Paragraph (2) of section 1010.25, Florida Statutes, requires IHE's in the State of Florida to report biannually to either the Board of Governors or the State Board of Education any direct or indirect gift with a value of \$50,000 or more that is received from a foreign source during the fiscal year. The reporting threshold is cumulative, meaning that if a foreign source provides more than one gift directly or indirectly to an IHE in a single fiscal year

¹ Institutions of Higher Education ("IHE") are defined in section 1010.25(1)(g), Florida Statutes, as a state university, an entity listed in subpart B of part II of chapter 1004 that has its own governing board, a Florida College System institution, an independent nonprofit college or university that is located in and chartered by the state and grants baccalaureate or higher degrees, any other institution that has a physical presence in the state and is required to report foreign gifts or contracts pursuant to 20 U.S.C. s. 1011f, or an affiliate organization of an institution of higher education.

and the total value of those gifts equals \$50,000 or more, all gifts from that foreign source must be reported.

The IHEs that must report their foreign gifts to the Board of Governors include the state's 12 public universities and their affiliate and support organizations, as well as the Shands Teaching Hospital and Clinics (Shands), Consortium for Medical Marijuana Clinical Outcomes Research, H. Lee Moffitt Cancer Center and Research Institute (Moffitt), and the Florida Institute for Human and Machine Cognition (IHMC). For this report, we collectively refer to these entities as the State University System of Florida institutions of higher education (SUS IHEs).

SUS IHEs must disclose information about the source, value, timing, purpose, and conditions or restrictions of the foreign gift(s). The statute provides the following pertinent definitions:

- Gift means any contract, gift, grant, endowment, award, or donation of money or property of any kind, or any combination thereof, including a conditional or an unconditional pledge of such contract, gift, grant, endowment, award, or donation. For purposes of this paragraph, the term "pledge" means a promise, an agreement, or an expressed intention to give a gift.
- Contract means any agreement for the acquisition by purchase, lease, or barter of property or services by the foreign source, for the direct benefit or use of either of the parties, and any purchase, lease or barter of property or services from a foreign country of concern as defined in section 286.101(1)(b), Florida Statutes.

As part of the reporting process, SUS IHEs report procurement contracts meeting the monetary threshold when:

- The SUS IHE purchases, leases, or barter for property or services from a foreign country of concern; or
- Any foreign source purchases, leases, or barter for property or services from an SUS IHE.

Pursuant to section 1010.25(3)(d)1, Florida Statutes, information that is otherwise prohibited or deemed confidential under the law may be redacted and summarized in an abstract to fulfill the reporting requirements related to the gift agreement between the foreign source and the SUS IHE.

Board of Governors Office Reporting Process

All foreign gift report submissions are required to be made semi-annually. Foreign gifts received by an SUS IHE between July 1st and December 31st must be reported by January 31st the following year. Foreign gifts received by an SUS IHE between January 1st and June 30th must be reported by July 31st of the same year. SUS IHEs must contact the OIGC if they become aware of a reportable gift that was erroneously excluded from one of their submissions.

Shands and the Consortium for Medical Marijuana Clinical Outcomes Research coordinate their foreign gift reporting through the University of Florida. Moffitt coordinates its foreign gift reporting through the University of South Florida, and the IHMC through the University of West Florida.

Foreign Gifts Report Summary

The OIGC received a total of 1,193 foreign gift disclosures for the 2023-2024 Fiscal Year from 10 SUS IHEs: Florida Agricultural and Mechanical University (FAMU), Florida Atlantic University (FAU), Florida International University (FIU), Florida Polytechnic University (FL Poly), Florida State University (FSU), Moffitt Cancer Center (Moffitt), New College of Florida (NCF), University of Central Florida (UCF), University of Florida (UF), and University of South Florida (USF).

The remaining SUS IHEs, which included the Consortium for Medical Marijuana Clinical Outcomes Research, Florida Gulf Coast University (FGCU), IHMC, Shands, University of North Florida (UNF), and University of West Florida (UWF), certified that they did not receive any reportable foreign gifts directly or indirectly from any foreign source during the reporting period.

The total amount of foreign gifts reported for the 2023-2024 Fiscal Year equaled approximately \$99.5 million. The foreign gifts reported included contracts for goods and services; agreements for clinical research trials or other research; awards, pledges, or donations; and student sponsorships.

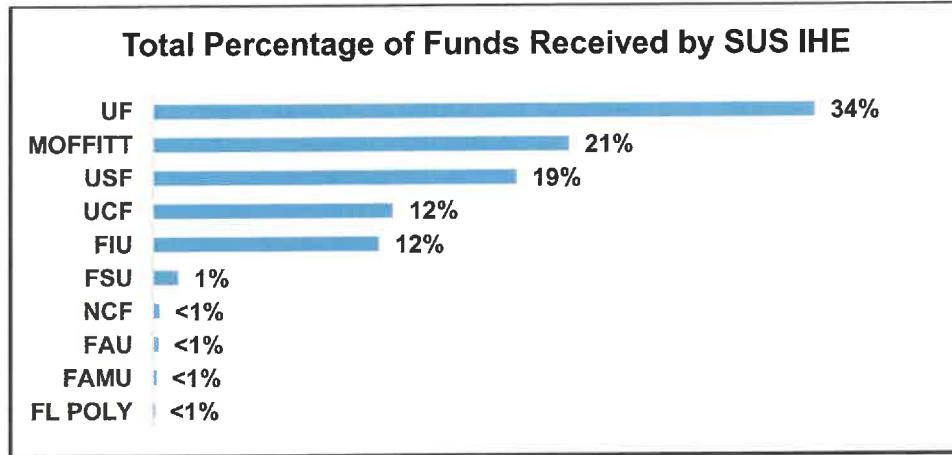
Table 1 demonstrates the volume and types of foreign gifts reported by each of the 10 SUS IHEs who had reportable gifts, as well as the total value of those gifts.

Table 1: Reportable foreign gifts and total value.

SUS IHE	Foreign Gift Types			Total Gift Disclosures	Total Value
	Contracts	Gifts	Student Sponsorships		
FAMU	0	0	2	2	\$210,394
FAU	0	0	3	3	\$319,013
FIU	19	7	5	31	\$11,560,939
FL POLY	2	0	0	2	\$116,893
FSU	9	1	3	13	\$1,330,497
MOFFITT	168	0	0	168	\$21,148,914
NCF	3	0	0	3	\$359,990
UCF	91	0	6	97	\$12,266,438
UF	755	10	27	792	\$33,672,498
USF	63	7	12	82	\$18,477,929
Total	1,110	25	58	1,193	\$99,463,505

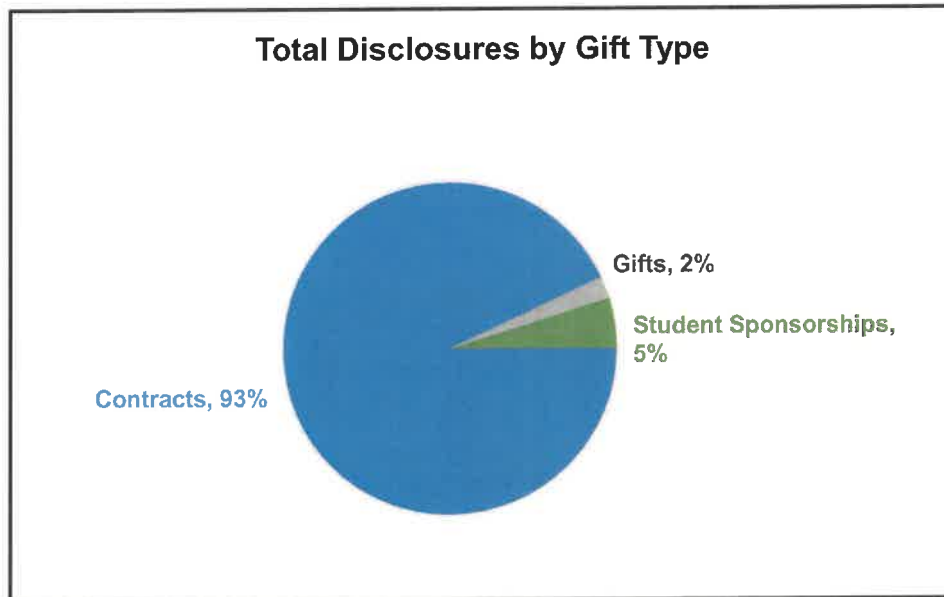
As shown in Figure 1, the funds received by UF and Moffitt accounted for over half of the foreign gift funds received by the SUS IHEs.

Figure 1: Total percentage of funds received by SUS IHE



Approximately 93% of the reported foreign gifts were related to contracts, 5% to student sponsorships, and 2% to other types of gifts, as shown in Figure 2.

Figure 2: Total disclosures by gift type



The sources of the SUS IHEs' foreign gifts, on a global scale, are shown in Figure 3. The darker shades of color indicate a higher frequency of gifts from those foreign countries. The most foreign gifts reported came from the United Kingdom, with 194 gifts reported. Switzerland was the second highest source of foreign gifts, at 168 gifts, and Germany was the third highest source, at 140 gifts.

Figure 3: Gift disclosures by foreign country

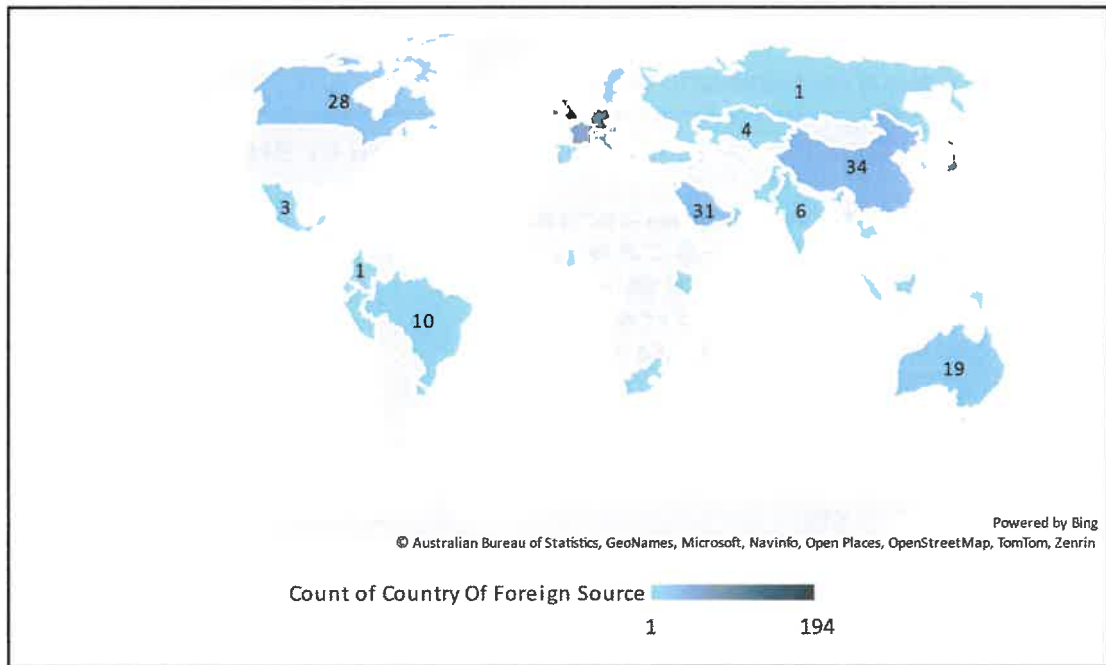
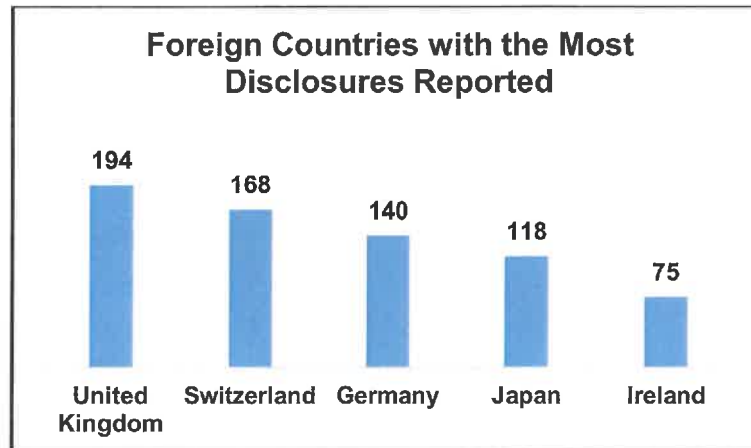


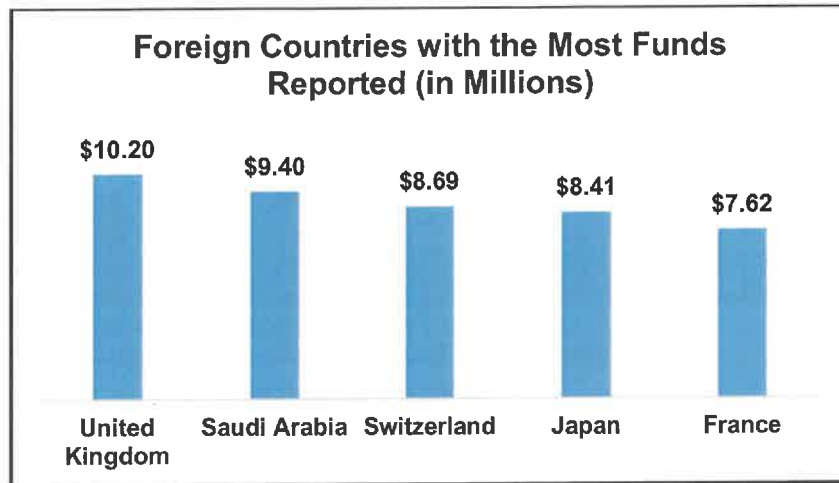
Figure 4 reflects the top five countries with the most reported gifts, which accounted for approximately 58% of the disclosed foreign gifts.

Figure 4: Top five foreign source countries with the most disclosures reported



The top five countries with the highest dollar value in foreign gifts are represented in Figure 5. The United Kingdom provided the most funds, \$10.20 million, through their foreign gifts.

Figure 5: Foreign countries with the most funds reported (in millions)



Thirty-five (3%) of the foreign gifts reported came from foreign countries of concern. As defined in Florida Statutes, foreign countries of concern include the People’s Republic of China, the Russian Federation, the Islamic Republic of Iran, the Democratic People’s Republic of Korea, the Republic of Cuba, the Venezuelan regime of Nicolas Maduro, and the Syrian Arab Republic. As reflected in Figure 6, SUS IHEs reported foreign gifts from only two foreign countries of concern: the People’s Republic of China (34) and Russia (1).

Figure 6: Total disclosures involving foreign countries of concern

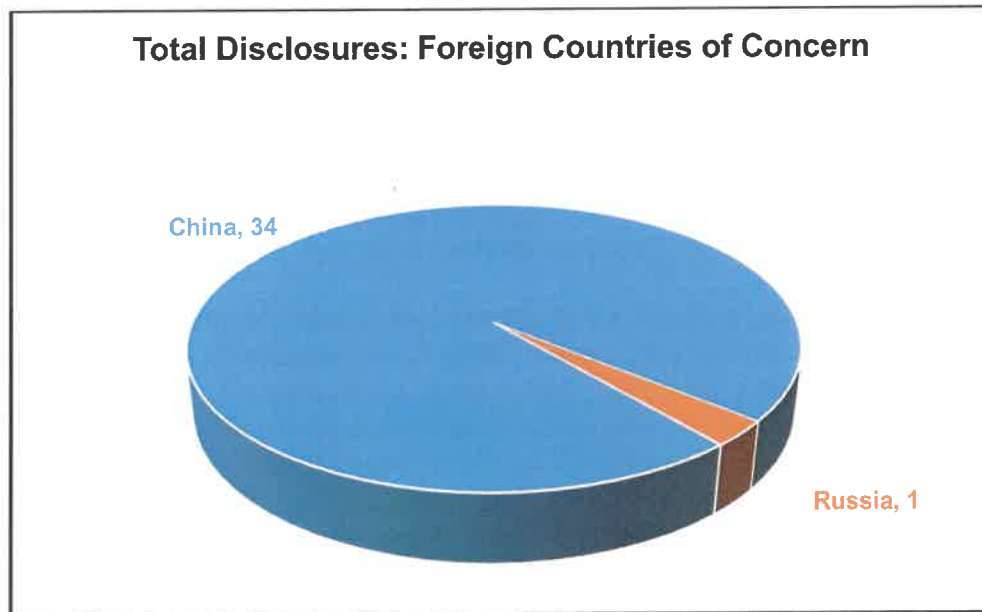


Table 2 denotes the purposes, volume, and associated values of the reported gifts from foreign countries of concern for each SUS IHE that disclosed such a gift. The total amount reported for the 35 disclosures equaled approximately \$5M, or 5.10%, of the total amount reported for all foreign gifts.

Table 2: Foreign countries of concern, gift purposes, total number, and cumulative value

SUS IHE	Foreign Gift Types		Total Value
	Contracts	Purpose	
FIU	2	Dual Degree Program (terminated effective 12/31/2023); and Goods or Services Bought or Leased from a Private Company	\$318,985
FSU	1	Goods or Services Bought or Leased from a Private Company	\$70,000
MOFFITT	16	Clinical Trials or Other Research Agreements	\$3,888,334
UCF	6	Goods or Services Bought or Leased from a Private Company	\$105,635
UF	3	Goods or Services Bought or Leased from a Private Company	\$118,700
USF	7	Clinical Trials or Other Research Agreements	\$540,260
Total	35		\$5,041,924

During Florida’s 2023 Legislative Session, section 288.860, Florida Statutes, was amended to prohibit state universities from accepting any grants from or participating in any agreements or partnerships with any colleges or universities based in a foreign country of concern or with any foreign principal, beginning July 1, 2023, and December 1, 2023, respectively, unless the agreement or partnership is approved by the Board of Governors. The Board of Governors may approve an agreement or partnership if it is deemed to be valuable to students and the state university and is not detrimental to the safety or security of the United States or its residents.

The effective dates associated with any agreements or partnerships in Table 2 that may be subject to the new requirement for the Board of Governors’ approval pre-date the amended law. The Board Office issued a guidance document² for university activity with foreign countries of concern in October 2023 for any agreements starting or renewing after July 1, 2023, and any partnerships or grants starting or renewing after December 1, 2023. During the period under review for this inspection, the Board of Governors did not review any requests to approve the execution of any new agreements or partnerships or the renewal of any pre-existing agreements or partnerships between a university and a foreign county of concern.

² https://www.flbog.edu/wp-content/uploads/2023/10/Foreign-Influence-Guidance-Document_101923.pdf.

OIGC Statutory Inspection

Methodology

As required by section 1010.25(3)(d)2., Florida Statutes, the OIGC inspected the foreign gift disclosures of foreign gift agreements received from SUS IHEs during the previous year to determine the SUS IHEs' compliance with reporting requirements.

OIGC staff randomly selected gifts from each of the SUS IHEs who had reportable gifts, resulting in a sample of 68 (5.7%) gifts for the inspection. Table 3 shows the number of gifts selected from each SUS IHE. The number of gifts from each SUS IHE selected for the inspection sample was proportional to each SUS IHEs number of disclosures compared to the total number of disclosures for the period. The total amount reported for the 68 gifts in the sample equaled approximately \$6.5 million, or 6.5% of the total amount reported for all foreign gifts.

Table 3: Foreign gifts, OIGC selected samples

SUS IHE	Total Gifts Disclosed FY 2023-2024	Total Samples Included
FAMU	2	1
FAU	3	1
FIU	31	4
FL Poly	2	1
FSU	13	1
Moffitt	168	9
NCF	3	1
UCF	97	5
UF	792	40
USF	82	5
Total	1193	68

Table 4 provides information concerning the types of foreign gifts included in our sample and the cumulative value of those gifts for their respective SUS IHE. Fifteen percent (15%) of the selected samples related to gifts from foreign countries of concern.

Table 4: Selected samples, gift types, and cumulative values

SUS IHE	Contracts	Gifts	Student Sponsorships	Foreign Countries of Concern	Cumulative Monetary Value of Samples Selected
FAMU	0	0	1	0	\$124,471
FAU	0	0	1	0	\$55,256
FIU	4	0	0	2	\$599,028
FL Poly	1	0	0	0	\$50,000
FSU	1	0	0	1	\$70,000
Moffitt	9	0	0	2	\$1,182,029
NCF	1	0	0	0	\$120,000
UCF	5	0	0	2	\$197,539
UF	40	0	0	2	\$3,158,334
USF	5	0	0	1	\$911,657
Total	66	0	2	10	\$6,468,314

Results

For the January 31, 2024, reporting period, all the foreign gift disclosures were made in a timely manner in accordance with the prescribed method. For the July 31, 2024, reporting period, one university submitted its disclosures six days late, and another was one day late. Each of the foreign gift disclosures reviewed during our inspection were compliant with the reporting requirements of section 1010.25(3)(a), (b), and (c), Florida Statutes. However, while validating the accuracy of the information reported, we noted some discrepancies as described in the following paragraphs.

Upon our inquiry, three universities corrected the country of foreign sources initially reported. In one of those instances, the university had suspected the country of the foreign source to be the People’s Republic of China; however, after further investigation, the university determined the correct country of the foreign source was the Cayman Islands.

There were many instances of incorrect dates used for the contract start dates and gift or contract received dates. Our office will continue to work with the SUS IHEs to clarify which dates to use in future reporting.

As foreign gift reporting processes mature, the OIGC continues to encounter and address unique circumstances that require further exploration or guidance regarding the roles and responsibilities of the Board Office and the SUS IHEs, and how to report the necessary information.

Acknowledgments

We wish to thank the State University System of Florida institutions of higher education for their cooperation and assistance, which contributed to the successful completion of this compliance review.

Respectfully submitted by:



Julie Leftheris, CPA, CIG, CIA, CFE, CISA
Inspector General and Director of Compliance



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Email: BOGInspectorGeneral@fbog.edu
Website: www.fbog.edu

To: All Faculty and Staff

From: [Alexander Tzoumas](#), Chief Compliance Officer
New College of Florida
David Brickhouse, Vice President for Legal Affairs

SUBJECT: Foreign Countries of Concern

In May 2023, the Florida legislature amended section 288.860, Florida Statutes, which outlines requirements for participating in partnerships, agreements, or receiving grants from foreign countries of concern. The amended statute specifies that any state university authorized to expend state-appropriated funds may not accept any grant from or participate in any partnership with any foreign principal based in a foreign country of concern without the approval of the Board of Governors. Consistent with the change in Florida Statute, in September 2023, the Florida State University System Board of Governors amended its regulation 9.012 concerning Foreign Influence. The amended regulation outlines restrictions on accepting gifts from foreign countries of concern, reporting of such gifts, screening foreign researchers, and pre-approvals required for travel to foreign countries of concern. Please carefully read the attached Florida statute, Board of Governor revised regulation, and Board of Governors Activity with Foreign Countries of Concern Guidance Document which provides further clarification on the revised regulation.

Compliance: New College of Florida and its employees are required to strictly adhere to Florida Statutes and Board of Governor regulations. As such, any faculty or staff relationship with a foreign country of concern should be vetted in advance with the Office of the General Counsel, Human Resources, the Office of Research Programs and Services, and the Office of Internal Audit and Compliance. Foreign countries of concern include: The People's Republic of China, The Russian Federation, The Islamic Republic of Iran, The People's Republic of Korea, the Republic of Cuba, The Venezuelan Regime of Nicolas Maduro, and The Syrian Arab Republic. A foreign country of concern includes any agency or **any other entity under significant control** of the foreign country of concern. In addition, New College and its faculty may not enter into an agreement expressing mutual interest in academic or research collaboration with a university based in a foreign country of concern or with a foreign principal without prior approval. A foreign principal includes the government or an official of the government of a foreign country of concern; a political party or a member of a political party in a foreign country of concern; a partnership, association, corporation, organization or other combination of persons organized under the laws of or having its principal place of business in a foreign country of concern; or a person who is domiciled in a foreign country of concern and is not a citizen or lawful permanent resident of the United States.

Accountability: Failure to comply with Florida Statute and Board of Governor regulation can result in the removal of the responsible party from office and employment with the State of Florida. Fines and penalties may also be assessed.

Risk: The university is dependent upon Florida State funding. Entering into a prohibited relationship with a foreign country of concern can jeopardize the university's future funding as well as its ability to obtain grants and gifts. It is essential all proposals for relationships, accepting

gifts, travel and other involvement with foreign countries of concern be vetted with an authority that is well versed with the applicable Florida Statutes and Board of Governor regulations.

With these points in mind, please also be sure to disclose all relationships with foreign countries of concern in the annual Conflict of Interest Disclosure requests distributed by the Office of Research Programs and Services.

Thank you for your assistance. If you have any questions, please contact [Alex Tzoumas or Bennett Miller](#).

DATE: October 22, 2024

TO: All Employees Who Handle Student Records or Interact with Educational Data

FROM: [David Rancourt](#), Interim Provost & Vice President of Academic Affairs
[Alexander Tzoumas](#), Chief Compliance Officer
 New College of Florida

SUBJECT: MANDATORY Family Educational Rights and Privacy Act (FERPA) Training

In collaboration with our Chief Compliance Officer, Alex Tzoumas, the Registrar’s Office, and Human Resources, are pleased to announce an upcoming training session on the Family Educational Rights and Privacy Act (FERPA), which is essential for our compliance with federal law regarding the protection of student educational information and records.

Presenter Information:

[LeRoy Rooker](#), American Association of Collegiate Registrars and Admissions Officers (AACRAO) Senior Fellow and Director of the Department of Education's Family Policy Compliance Office for 21 years, will visit New College on the following dates and times to provide the FERPA training sessions for faculty and staff.

General Sessions:

Please make it a priority to attend one of the three (3) scheduled sessions, as this is crucial for our continued compliance and for safeguarding our students’ information and privacy rights.

This training is **mandatory for employees who handle student records or interact with educational data**. It will provide valuable information on how to maintain the confidentiality and security of student information, as well as the rights of students under FERPA.

Focused Q&A Sessions:

In addition to the General Sessions, we are offering Focused Q&A sessions that will provide in-depth information for specific departments. Ideally these groupings will allow for discussion relating specifically to student information within the specific areas.

Training Details		
General Sessions: Choose 1 General Session to attend		
General Session 1	General Session 2	General Session 3
Date: Nov. 6, 2024 Time: 9:00 - 11:00 am Location: Sainer Auditorium	Date: Nov. 6, 2024 Time: 2:00 - 4:00 pm Location: Sainer Auditorium	Date: Nov. 7, 2024 Time: 8:30 - 10:30 am Location: Sudakoff Auditorium
Focused Q&A Sessions: Choose the Focused Q&A Session for the Division that includes your department		
11:00 -11:30 am Focused Q&A session for specific Divisions: Student Affairs,	4:00 - 4:30 pm Focused Q&A session for specific Divisions: Legal Affairs & Human	10:30-11:00 am Focused Q&A session for specific Divisions: Athletics

Enrollment Services, Provost & Academic Affairs	Resources, Finance & Administration, Foundation	
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Registration:

In order to accommodate the various audience attendees, please register for a session using the following link: **INSERT HERE**. There will be a sign in sheet at each training session for all attendees.

Supervisors:

If you supervise employees (including student employees) who have access to student information, it is mandatory for you and them to attend one of the training sessions. This training will provide important guidelines on handling every-day student information and ensure we maintain compliance with privacy regulations.

Thank you for your attention to this important matter. We look forward to seeing you at one of the training sessions. If you have any questions or need additional information, please contact HR@ncf.edu.

Day 1 (Nov 6)

8:30-10:30 am General session 1 with Q&A

10:30-11am In-depth session with.. possibly Student Affairs

11:00-1:00 lunch - can be a working lunch discussion

1:00-3:00 pm General session 2 with Q&A

3:00 - 3:30 pm In-depth Session with.. possibly Athletics

Day 2 (Nov 7):

8:30-10:30 am General session 1 with Q&A

10:30-11:00 am In-depth session with.. possibly other offices

11:30-12:00p wrap up debrief with Registrar, others who would like to take part

Part 86, Drug-Free Schools and Campuses Regulations (EDGAR)

New College of Florida

Biennial Review
2022-2024

Prepared by:

Emily Parsons, MA, Assistant Director of Prevention & Health Promotion
New College of Florida's Counseling & Wellness Center

Introduction

The purpose of the Drug and Alcohol Abuse Prevention regulations is to implement section 22 of the Drug-Free Schools and Communities Act Amendments of 1989, which added section 1213 to the Higher Education Act. These amendments require that, as a condition of receiving funds or any other form of financial assistance under any Federal program, an institution of higher education (IHE) such as New College of Florida (NCF) to certify that it has adopted and implemented programs to prevent the abuse of alcohol and use or distribution of illicit drugs both by NCF students and employees both on its premises and as part of any of its activities. As a condition of receiving funds or any other form of financial assistance under any federal program, an institution of higher education must implement a drug prevention program that addresses the following:

- A. The annual distribution in writing to each employee, and to each student who is taking one or more classes for any type of academic credit except for continuing education units, regardless of the length of the student's program of study, of —
 - 1. Standards of conduct that clearly prohibit, at a minimum, the unlawful possession, use, or distribution of illicit drugs and alcohol by students and employees on its property or as part of any of its activities;
 - 2. A description of the applicable legal sanctions under local, State, or Federal law for the unlawful possession or distribution of illicit drugs and alcohol;
 - 3. A description of the health risks associated with the use of illicit drugs and the abuse of alcohol;
 - 4. A description of any drug or alcohol counseling, treatment, or rehabilitation or re-entry programs that are available to employees or students; and
 - 5. A clear statement that the IHE will impose disciplinary sanctions on students and employees (consistent with local, State, and Federal law), and a description of those sanctions, up to and including expulsion or termination of employment and referral for prosecution, for violations of the standards of conduct required by paragraph (a)(1) of this section. For the purpose of this section, a disciplinary sanction may include the completion of an appropriate rehabilitation program.
- B. The Drug and Alcohol Abuse Prevention Regulations require that a biennial review by the IHE of its program with the following objectives:
 - 1. Determine its effectiveness and implement changes to the program if they are needed; and
 - 2. Ensure that the disciplinary sanctions developed are consistently enforced.

New College of Florida is therefore conducting a biennial review covering Academic Years 2022-2024 according to the Drug-Free Schools and Communities Act to demonstrate that NCF has implemented a drug prevention program and is adhering to the rules set forth by the Drug Free Schools and Campuses Regulations. The intention of this document is to meet the legal requirements of conducting a biennial review and also summarize the programs and activities related to alcohol and drug prevention at NCF's campus during the Academic Years 2022-2024.

Copies of the Biennial Review Reports are kept on the Counseling & Wellness Center's Private Drive. Parties interested in obtaining information from current and previous Biennial Reports can contact the Counseling & Wellness Center at wellness@ncf.edu. Reports are kept on file for three years after the fiscal year in which the record was created.

Program Elements

1. The Employee Assistance Program (EAP)
 - a. Managed by Espyr is 24 hours a day, 7 days per week it is a confidential help line for employees and their families who may need assistance with life, family or financial challenges. The EAP offers free, short-term counseling for personal or work-related issues. A licensed counselor is available 24 hours a day. Employees and their eligible family members are entitled to four EAP sessions, per issue, each year. Counselors are located within the surrounding community. To access online services, visit www.espyr.com and request the log in information, or contact Espyr by calling (800) 869-0276. The New College of Florida provides this service to employees to assist them in taking action and dealing with issues early.
2. Counseling & Wellness Center Case Management
 - a. The Counseling and Wellness Center, located at 5805 Bay Shore Road, Sarasota, FL 34243 can coordinate drug or alcohol counseling and treatment or rehabilitation program services. Counseling services are free and confidential to New College of Florida students. Counseling services do not provide specialized drug or alcohol treatment and students, faculty, and staff will be referred to local resources by the case manager. Further information pertaining to education, prevention, and awareness programs are available on line at <https://www.ncf.edu/cwc/>.
3. eCHECKUP TO GO for Alcohol and Cannabis
 - a. Developed by psychologists at San Diego State University, the eCHECKUP TO GO programs are personalized, evidence-based online interventions that are designed to motivate users to make positive changes and enhance overall well-being. The Alcohol & Cannabis eCHECKUP TO GO is an interactive, online program that provides immediate, personalized feedback about alcohol use and related variables. We launched this program in Fall 2024 for student employee groups in Student Affairs and for students who have been issued sanctions related to alcohol and cannabis.
4. Alcohol and Other Drug (AOD) Student Orientation
 - a. All students new to New College of Florida are required to participate in a orientation program, which offers programs and activities that provide information, educational, and assistance in transitioning to NCF. Sessions presented by the Division of Student Affairs and the New College Police Department include information on drug and alcohol abuse policies; the Student Code of Conduct, relevant local, state and federal laws and violations and sanctions of these laws and policies. Additional information regarding Parental Notification of alcohol violations, the [Medical Amnesty Policy](#), prevention and personal safety is also provided.
 - b. The Counseling & Wellness Center holds a 30 minutes Alcohol & Other Drugs & Medical Amnesty presentation to the entire incoming class. The presentation covers blood alcohol content, alcohol poisoning, cannabis, vaping, medical amnesty, and free resources related to AOD.
5. AOD Health Promotion Consultation
 - a. Consultation services refers to any direct educational services provided to the student in order to prevent and educate on wellness topics including, but not limited to, mental health, interpersonal relationships, and alcohol and other drugs. This service assesses the student's concerns, determine desired outcomes, and inform the student of the appropriate resources.

In cases of educational sanctions, this service will discuss the alcohol and other drug usage surrounding the conduct case and provide education on the risks associated with use.

6. Alcohol 101+
 - a. A free, digital alcohol education program for colleges to use with their college-aged students. The structure covers the basics, decision making, guidance, and wrapping up all within the foundations of the stages of change model. This program aims to increase student awareness of the potential hazards of binge drinking, increase student intention to change drinking behaviors, contribute to behavior change by decreasing binge drinking, recognize multiple consequences for engaging in harmful drinking, and increase empathy and understanding that personal drinking choices impact others. This has been provided in my resources lists for presentations.
7. Wellness Wednesdays or Thriving Thursdays
 - a. Weekly tabling events where students can engage in an interactive activity around various wellness topics. During this review period, table topics have been the following: “Enjoy Mocktails”, “Measure Up”, “Balanced Buds”. These topics covered standard drinks sizes, alternatives to alcoholic drinks, and education on THC levels in products.
8. RA Training: Behind Closed Doors
 - a. Professional Staff act out scenarios where Resident Assistant’s are expected to act in accordance to the guidelines set in their initial training. Scenarios include, “You are doing 2:00am walks through the 1st floor, and you see a few people inside a room with the door open making a lot of noise. As you get closer to the room you notice some of the students are holding Keystone Light beer cans and there are people inside the room playing beer pong.” The RAs are expected to verify their identity, have the residents dispose of the alcohol, document the situation, and follow up with the residents. This happens during their Fall training.
9. Wall/COUPS Hosts AOD Training
 - a. Every week there is a “Wall” party and during key events there are Center of the Universe Parties (COUP) that students submit themes for. The themes that are selected become the hosts of the party and must plan it. The New College Student Alliance requires that hosts attend a AOD training prior to their party to educate them about the campus policies, overdose signs, and bystander intervention. These training sessions are held in the Fall and the Spring semesters.

Program Goals and Achievements

1. Goals
 - a. Increase collaborations with Human Resources to provide annual notification procedures and referral procedures for those struggling with substance use.
 - b. Expand the eCHECKUPTOGO program requirement to the at-risk populations such as athletics and incoming freshman to aid in prevention.
 - c. Create more programming around the Alcohol 101+ program by creating a table around the Virtual Bar simulator in the program and creating a late-night event around the Thursday Night interactive game.
2. Achievements
 - a. We have a Student Support Team that is coordinated by our Case Manager that reviews student concern reports and connect students to resources on and off campus for assistance including those who may be struggling with substance use.
 - b. Four AOD health promotion consultations this calendar year which was a new endeavor for the new role of Assistant Director of Prevention and Health Promotion. The procedure and processes have been smooth for all involved.
 - c. Weekly tabling series with one professional staff member to cover areas of concern mentioned in the National College Health Assessment survey which was completed in Spring 2024.
 - d. Integrated AOD trainings for crucial student groups such as Resident Assistants and Wall/COUPs Hosts that have been established as a semesterly program.

Program Strengths & Weaknesses

1. Strengths
 - a. We have a standardized implementation for the student employees in Student Affairs to complete the eCHECKUPTOGO program semesterly for alcohol and cannabis.
 - b. We have an educational sanctions options list for community boards that hear AOD cases.
 - c. We are conducting weekly tabling with specific and generalized information for AOD.
 - d. We are training Wall/COUP hosts to be active bystanders and know the policies on campus to enforce them at high-risk events.
2. Challenges
 - a. We do not have an active peer education program at this time which we plan to revive in the Spring semester. This could increase our outreach efforts and provide more offerings around AOD.
 - b. A new athletics program has begun within the last year and we have not been able to integrate our services with limited staffing.

Enforcement of Policies & Programs

1. The Student Affairs Division has a requirement that students who have an upper-level conduct violation are not eligible to be student employees or volunteers. This is written in student employee manuals that allows us to enforce these policies during their employment.
2. Resident Assistants (RAs) complete rounds and when alcohol is noted, the RA confirms that the residents consuming the alcohol are 21. If it is determined or suspected that residents under the age of 21 are consuming alcohol, or that residents over the age of 21 are distributing alcohol to underage residents, the RA calls NCF Police and Professional Staff on Call. NCF Police will respond and investigate and ID the residents and address the situation which may lead to enforcing the policies set forth. The RA notes what they witnessed and observed and report it in an incident report.
3. If an RA witnesses any illegal resident drug use or has reasonable suspicion of use (smell of odor in a hallway), they are told to call NCF PD and the Professional Staff on Call. While waiting for assistance, RAs document the incident.
4. The Director of Community Education & Standards assesses instances of infractions via incident reports or otherwise per the Student Code of Conduct and determines appropriate sanctions. The current Director is Dr. Dorothea Mack is qualified to enforce these sanctions as she has been elected to the Association of Student Conduct Administration Board of Directors. ASCA is the leading voice for student conduct in higher education. ASCA and its members are dedicated to upholding the integrity of the student conduct process, resulting in the ability to build safer educational communities and positively impact the higher education experience.

Policy & Program Effectiveness

1. The Alcohol eCHECKUP TO GO Program is recognized as a highly-effective, low-cost intervention by National Institute on Alcohol Abuse and Alcoholism.
2. The Cannabis eCHECKUP TO GO Program is designed using up-to-date, peer-reviewed publications, and implemented utilizing proven and effective modalities.
3. Students found in violation of polices in housing or on campus are seen by the Director of Community Education & Standards which allows our staff to meet with the students to determine if additional resources are needed.
4. The eCHECKUP TO GO program provides verification of completion data that asks specific questions around student perceptions about alcohol and cannabis use on campus and within themselves. After completing the program, students reported the following which attests to the programs ability to effectively educate students on their usage and the usage of those around them:
 - a. "I significantly overestimated how much other people drink."
 - b. "I was surprised to know about nuanced effects of alcohol on myself, [like] BAC."
 - c. "Since my first year of college my drinking habits have changed a lot. This eCHECKUP helped me see that my drinking habits now are way better..."
 - d. "I like that it calculated how much I spend on alcohol each month and year, I never would have thought to check that out before."
5. Comparing the National College Health Assessment results for New College of Florida from 2020 and 2024 in regards to cannabis and alcohol usage in the last 3 months, cannabis (32.1% to

28.1%) and alcohol (73.8% to 61.5%) shows a decline in usage on our campus during the past two biennial review cycles.

6. In 2022, there was one arrest for a drug violation that was on campus. In 2023, there were two arrests both off campus for drug violations. We have been effective in reducing arrests on our campus.

Procedures & Copy of Annual Notification

New College of Florida provides information on Alcohol and Drug policies and procedures to students via email at the beginning of each semester to ensure we catch new students and employees.

New College of Florida intends to support a safe and productive living, learning, and working environment for all faculty, staff, and students. To that end, our institution is a Drug-and Alcohol-Free Workplace and prohibits the illicit possession and/or use of drugs and alcohol on campus.

The Drug-Free Schools and Communities Amendments of 1989 and the Drug-Free Workplace Act of 1988 require institutions of higher education to distribute the following information on an annual basis. The notification contains information about the following:

1. Standards of Conduct
2. Legal Sanctions and Penalties
3. Health Risks
4. Resources
5. Discipline
6. Appendix

1. Standards of Conduct

New College of Florida (NCF) is committed to providing a campus environment free from the abuse, illegal use, and possession of controlled substances; the unlawful possession and use of alcohol; and the use of smoke and tobacco products on campus. Students who work for NCF may be covered by employee policies. The following is a list of applicable NCF regulations and policies pertaining to a drug-free environment; the possession, service, or consumption of alcohol; and the prohibition on the use of smoke and tobacco products on campus. These policies apply to all on-campus activities and off-campus activities officially sponsored by NCF, including student-sponsored social activities and professional meetings attended by employees.

- [6-3004 Alcohol and Other Drugs](#)
- [3-4021 Drug- and Alcohol-Free Workplace](#)
- [3-4020 Smoking in Buildings](#)
- [Student Event Host Policy](#)
- [Housing Contract 2024-2025 \(Appendix A\)](#)

2. Legal Sanctions and Penalties

Federal, state, and local laws outlaw possession, use and distribution of illegal drugs, including but not limited to cocaine, heroin, LSD, PCP, marijuana, and other narcotic drugs. Additionally, these laws prohibit possession and use of alcohol by underage persons, distribution of alcohol to underage persons, sale of alcohol without a license, and driving under the influence of alcohol or illicit substances.

Penalties for violation of drug laws include fines, imprisonment, and other restrictions and removal of civil liberties and privileges. If any unlawful distribution of drugs gives rise to the unlawful death of a human being, it is punishable as a capital felony. Penalties for violation of alcohol laws may include the revocation of driving privileges, fines, and imprisonment. A student or employee who violates the 6-3004 Alcohol and Other Drugs policy is subject both to the institution’s sanctions and to criminal sanctions provided by federal, state, and local law. Additionally, students with criminal convictions have limited eligibility for federal student aid.

Following is a list of important local and state statutes:

- Sarasota County Ordinances
 - [Chapter 6 – Alcoholic Beverages](#)
 - [Chapter 86 – Offenses and Miscellaneous Provisions – Division 3. – Prohibited Drugs](#)
- Florida Statutes
 - [Chapter 561: Beverage Law: Administration](#)
 - [Chapter 562: Beverage Law: Enforcement](#)
 - [Chapter 563: Beer and Malt Beverages](#)
 - [Chapter 564: Wine](#)
 - [Chapter 565: Liquor](#)
 - [Chapter 856: Drunkenness; Open House Parties; Loitering; Prowling; Desertion](#)
 - [Chapter 893: Drug Abuse Prevention & Control](#)
- Financial Aid
 - [Impact on Financial Aid due to Criminal Convictions](#)

3. Health Risks

The use of alcohol and drugs can result in the following health concerns:

Drug	Health Risks
Alcohol	<ul style="list-style-type: none"> ● Alcohol use disorder ● Liver disease ● Heart disease ● Depression ● Stroke ● Stomach bleeding ● Sleep disorders ● High blood pressure ● Increased risk of drowning and injuries from violence, falls, and motor vehicle crashes ● Increased risk of oral cancers and female breast cancer
Cannabis/Marijuana	<ul style="list-style-type: none"> ● Slowed reaction time ● Problems with balance and coordination

	<ul style="list-style-type: none"> ● Increased heart rate and appetite ● Problems with learning and memory ● Anxiety ● Chronic cough ● Frequent respiratory infections
Hallucinogens (Ketamine, LSD, Psilocybin)	<ul style="list-style-type: none"> ● Problems with attention, learning, and memory ● Raised blood pressure ● Dangerously slowed breathing ● Depression ● Ulcers ● Kidney problems ● Loss of appetite ● Tremors ● Frightening flashbacks ● Paranoia ● Mood swings ● Muscle weakness
MDMA (Ecstasy/Molly)	<ul style="list-style-type: none"> ● Sharp rise in body temperature leading to kidney failure or death ● Long lasting confusion ● Depression ● Problems with attention, memory, and sleep ● Increased anxiety
Tobacco	<ul style="list-style-type: none"> ● Increased blood pressure, breathing, and heart rate ● Exposes lungs to a variety of chemicals. Vaping also exposes lungs to metallic vapors created by heating the coils in the device ● Increased risk of cancer, especially lung cancer when smoked and oral cancers when chewed ● Chronic bronchitis ● Emphysema ● Heart disease ● Leukemia ● Cataracts ● Pneumonia

Note: Data from National Institute on Drug Abuse (September, 2023). Retrieved from: <https://nida.nih.gov/research-topics/commonly-used-drugs-charts>

4. Resources:

1. Immediate Need/Emergency:

For immediate assistance due to the danger associated with drugs or alcohol, please contact the NCF Police Department. From an on-campus phone, dial 4210; from any other phone, dial 487-4210. Information about [Medical Amnesty - Section 5](#).

2. University Education & Prevention:

Counseling and Wellness Center (CWC) is located on the Bayfront Campus.

The CWC offers counseling services, victim advocate services, student health services, case management, and health promotion services. Students can reach out for consultations and appointments. The contact information for CWC is: 941-487-4254, wellness@ncf.edu, <https://www.ncf.edu/cwc/>, 24/7 Crisis Hotline (941-487-4254, Option 2).

ESPYR (Employee Assistance Program) is available 24/7 and is a free benefit that provides information, training, health education, short-term counseling services to employees, and more. To access online services, visit www.espyr.com and request the login information, or contact ESPYR by calling 800-869-0276.

3. Off Campus Intervention & Treatment:

[Tobacco Free Florida's Area Health Education Center](#)

[Smart Recovery](#)

[Moderation Management](#)

[Alcoholics Anonymous](#)

[Narcotics Anonymous](#)

[Suncoast NA](#)

Centerstone: 941-782-4600, <https://centerstone.org/>

Mindsol Wellness Center: 941-256-3725, <https://mindsolsarasota.com/>

Substance Abuse and Mental Health Services Administration National Helpline
Free, confidential, 24/7, 365-day-a-year treatment referral and information service (in English and Spanish) for individuals and families facing mental and/or substance use disorders: 1-800-662-HELP (4357)

5. Discipline

NCF will impose sanctions on students and employees consistent with local, State, and Federal law up to and including expulsion or termination of employment and referral for prosecution, for violations of the standards of conduct.

4. Employees

In accordance with the 3-4021 [Drug- and Alcohol-Free Workplace](#), 3-4014 [Disciplinary Action](#), and 3-4007 [Misconduct](#) policies or the Collective Bargaining Agreement (as

applicable), employees shall be subject to appropriate disciplinary action by College authorities as set forth in the applicable rules and laws governing such actions. Actions may include a written reprimand, suspension, or dismissal.

5. Students

In accordance with 6-3005 NCF [Student Code of Conduct](#) and the Student Conduct Process and Procedures, when a student allegedly violates the 6-3004 Alcohol and Other Drugs policy or the related provisions in the Student Code of Conduct, they will be referred to the Division of Student Affairs, which will handle the matter in accordance with established procedures. The Office of Student Affairs will investigate and determine responsibility and if determined, sanctions will be imposed. NCF may make disclosures to the parent of a student regarding the student's violation of any federal, state, or local law, or any rule or policy of the institution, governing the use or possession of alcohol or a controlled substance without the student's consent, if it is determined that the student committed a disciplinary violation with respect to that use or possession.

6. Appendix

- **A - Housing Contract 2024-2025**

- 5. g.

- Authorized New College of Florida personnel may enter assigned rooms for routine procedures such as cleaning, pest control, and maintenance replacement (e.g. air filters or fire alarm checks). When possible, 24-hour written notice to occupants will be given via email for these purposes. All rooms will be inspected at least twice per semester before, during, or after scheduled closures and/or breaks. If a violation of the code of conduct has been identified during a room/suite inspection, authorized New College of Florida personnel will document and/or confiscate the violation and follow up via email with the resident(s) regarding the alleged violation. Authorized New College of Florida personnel may return within 30 days to conduct a follow up inspection at the discretion of the Director of Housing and Residence Life or Designee. College officials may enter a room without notification when a clear and present danger exists to students and/or property, to recover stolen property, and when there is a clear and present violation of the College's drug and alcohol policy or State law, as identified by College officials and the Police.

- 5. i.

- No open flames, no smoking, vaping, candles, flexible extension cords, drug paraphernalia, deep fryers, gas powered appliances/vehicles, toaster ovens, hot plates, or other open element appliances are allowed in residential or common areas. Smoking and vaping are NOT permitted on campus. Students may NOT smoke in doorways, balconies or entrance ways of any dorm. Rooms/Suites identified as having been smoked in will be repainted and furniture professionally cleaned. The cost for this service will be billed to the resident's student account. Students found smoking/vaping on campus may receive a warning for the first offense and may be fined for each subsequent violation. This includes any cigarette containers left out in front of an assigned residential space.

- 14.
 - FERPA and Drugs/Alcohol. New College of Florida may make disclosures to the parent of a student regarding the student's violation of any federal, state, or local law, or any rule or policy of the institution, governing the use or possession of alcohol or a controlled substance without the student's consent, if it is determined that the student committed a disciplinary violation with respect to that use or possession. (See 34 CFR 99.31(15)). Refer to <https://www.ncf.edu/life-at-new/safety-conduct/> for policies, procedures, and other announcements.

Recommendations for Revising AOD Programs

1. Meet with Athletic leadership to construct a systematic programming effort that educates athletes on basics for AOD use and its impact on their school and athletic performance
2. Construct an active peer education program with Certified Peer Educators from NASPA and train them on alcohol and other drugs to educate their fellow students
3. Hire a work study program assistant to aid in outreach efforts and the peer education program
4. Reach out to more campus departments and resident student organizations for collaborations to increase AOD education throughout the campus
5. Review the annual Campus Crime Report to determine gaps in programmatic efforts
6. Continue NCHA survey to determine risks areas
7. Create a task force early in the review year to plant seeds of what data will need to be collected and using that task force to implement goals for the future