

Agenda
UWF Board of Trustees
Finance, Administration and Audit Committee
International House
1 p.m., Thursday, June 17, 2004

Roll call

Approval of minutes

- 1) March 3, 2004 meeting

Action items

- 1) UWF personnel system
- 2) Strategic Plan modifications
- 3) 2004-05 operating budget
- 4) Waiver and tuition fee rule
- 5) Distance learning waiver policy
- 6) 2005-06 Legislative budget request
- 7) Arcadia Mill
- 8) Dorr house
- 9) Prompt payment guidelines
- 10) 2004-05 auditing work plan
- 11) Continuing Education audit report

Other business

Adjournment

UWF Board of Trustees
Finance, Administration and Audit Committee
June 17, 2004

Issue: Personnel system

Proposed action: Adopt

Background information:

In accordance with Florida statute and Board of Governor's resolution, local university boards of trustees shall establish the personnel programs for all employees of the university, including the president. These programs include compensation and other conditions of employment, recruitment and selection, nonreappointment, standards for performance and conduct, evaluation, benefits and hours of work, leave policies, recognition and awards, inventions and works, travel, learning opportunities, exchange programs, academic freedom and responsibility, promotion, assignment, demotion, transfer, tenure and permanent status, ethical obligations and conflicts of interest, restrictive covenants, disciplinary actions, complaints, appeals and grievance procedures, and separation and termination from employment.

The attached documents provide information on the UWF process in developing the program, changes from existing policy and the actual policies.

Supporting documentation:

- 1) Executive summary of employment policies
- 2) PowerPoint presentation from April 22 townhall meeting. It also can be found at:
http://uwf.edu/ohr/pdf/FILES/PPT_from_THM_04_22_2004.pps
- 3) Proposed employment policy changes
- 4) Proposed personnel system policy

Prepared by: Sherell Hendrickson
850-474-2116

Executive Summary – Proposed New Personnel Policy for UWF

One of President Cavanaugh's first initiatives upon entering the presidency at UWF was to charge the executive vice president, the general counsel and the director of Human Resources to review all personnel policies and practices at UWF with an eye to determining whether reform was needed. As a result of a year-long review, this senior staff group, after significant consultations with the administrative leadership and staff councils of the university, recommended to the president that major reform was needed.

As a result, the president charged the Collegial Culture and Human Resources Committee of the University Planning Council to assist in an effort to propose a sweeping reform of the UWF personnel policies and practices. The Collegial Culture and Human Resources Committee appointed a broadly representative Human Resources Advisory Ad-Hoc Group to assist it in carrying out this task. This group met with a large number of groups and committees throughout the university that are enumerated in the enclosed materials.

Enclosed in your materials, in addition to this executive summary, are several documents that help to explain the reforms that the president is recommending as a result of the aforementioned studies. The first enclosure is a print-out of a Power Point summary of the major provisions of the proposed new personnel policies. The second enclosure is a copy of the "cross-walk" summary, a set of documents that compares the major provisions of the proposed new policies to those of the current policies. Finally, the complete text of the proposed new policies themselves are enclosed.

The Power Point enclosure is a copy of a presentation shown to the campus at the president's April 22, 2004 "town hall" meeting. At this meeting, the President and the Human Resources Advisory Ad-Hoc Group unveiled the proposed new policies. The Human Resources website <http://www.uwf.edu/ohr/broadbanding/> provides contact information for the ad-hoc group. It also contains the questions and answers asked during the town hall meeting and during six follow-up brown bag lunch sessions and 14 workshops that were held around campus. The website also contains other information relevant to the information presented.

On April 15, 2004, the proposed policies were first distributed to the campus through the online policy review system with a 60-day general comment period provided to all campus employees. The policies enclosed in your materials are the draft, proposed policies that were submitted for review to the whole campus. This is because June 14 is the end of the 60 day review period, too late for summaries of all comments or any resulting changes to be reflected in your notebooks. The campus was provided more than 20 training opportunities in which to comment, including the 60 day review period in the policy system. Following the 60 day comment period is another presidential town hall meeting on June 15. Summaries of comments received during the review period and explanations of any changes that may result from the comments and the second town hall meeting will be provided to the Board of Trustees at the Board meetings on June 17.

PowerPoint demonstration

To see the PowerPoint demonstration, simply double click on the graphic below. It should fill your screen. On the lower left side, you'll see the arrows to guide you through the PowerPoint slides. (If you do not see the graphic, simply click on the white space. It will appear.) To end the show, you can simply right click and hit "end show."

If you have problems with this PowerPoint, you can find it at the url listed on the agenda item under "Supporting documentation."



Personnel System Revision

April 22, 2004

Proposed employment policy changes

To read the document, simply double click on the icon below. It is an Adobe Acrobat document, so you will need an Adobe Acrobat reader.



Employment Policies
Crosswalk 051804.pdf

Propose personnel policies (complete text)

To read the document, simply double click on the icon below. It is an Adobe Acrobat document, so you will need an Adobe Acrobat reader.



Proposed
Employment Policies.r

UWF Board of Trustees

Finance, Administration and Audit Committee

June 17, 2004

Issue: UWF Strategic Plan modifications

Proposed action: Approve

Background information: The current UWF Strategic Plan was established by the BOT in 2002 and revised in 2003. It continues to serve UWF well. The University Planning Council (UPC) is charged with reviewing the Strategic Plan annually and recommending modifications. This year the Office of University Planning solicited recommended modifications from the campus community, summarized them and presented them to the UPC for consideration and action.

The University Planning Council Committee on Programs and Resources made a thorough review of the strategic plan and recommended modifications based on Divisional Strategic Plans (as posted in the University Planning Information Center [UPIC]), and based on the results of academic program reviews, accreditation reviews and other activities during the year. Also, the UPC considered recommendations from other groups and from individuals across the campus community. The UPC discussed these recommendations and approved a revised UWF Strategic Plan on April 22.. Attached is a copy of the 2004-2005 UWF Strategic Plan as revised and approved by the UPC and recommended to the BOT. Additions are underlined and ~~deletions~~ are stricken.

The updated Strategic Plan aligns the written document and on-going strategic activities, and it will better reflect the broad application of UWF's Strategic Planning Process. It will be the guide for all that UWF seeks to accomplish during 2004-2005 and beyond.

Supporting documentation: UWF Strategic Plan

Prepared by: Jerry Norris
850-474-2211

THE UNIVERSITY OF WEST FLORIDA

Strategic Plan

Our Vision

To distinguish UWF as the premier creative, student-centered university focused on excellence.

Our Mission

To empower each individual we serve with knowledge and opportunity to contribute responsibly and creatively to a complex world.

Our Values

Caring

Providing a safe and dynamic learning environment that encourages the development of individual potential

Integrity

Doing the right things for the right reasons

Quality

Dedication to uncompromising excellence

Innovation

Dedication to exploring and expanding the boundaries of knowledge

Teamwork

Working together to achieve shared goals

Stewardship

Managing and protecting our resources

Courage

Daring to be different by design

Our Goals and Imperatives

Promote **programs and activities, and a learning and living** environments that encourages the development of individual potential in students, faculty, and staff; **communities of learners; and the valuing of lifelong learning.**

- Attract a high quality, diverse faculty and staff dedicated to putting students first
- Demand excellence in teaching, research, and service
- Create a new standard in education focused on learning outcomes
- Promote integrity through intellectual inquiry and open discourse

Attract and inspire a diverse and talented student body committed to uncompromising academic excellence

- Promote creativity by the exchange of ideas in the spirit of academic freedom and professional responsibility
- Promote diversity through a respect for and appreciation of differences

Provide solutions to educational, cultural, economic, and environmental concerns

- Align University services with community needs and interests through teamwork and collaboration
- Engage in scholarly research and creative activity to solve regional problems and enhance the quality of life
- Develop targeted areas in education and research that address critical national and international objectives

Manage growth **and development** responsibly through focus on continuous quality improvement of programs and processes

- **Promote development of instructional, research, and service sites throughout the University's service area**
- Target markets of opportunity with effective communications programs
- Align financial resources with performance expectations
- Continuously develop and improve processes and methods in delivering the University's brand promise

Our Priorities

The following **twenty-four goals and priorities** will guide UWF in its planning and operational activities during **2003-2004, 2004-2005, and beyond:**

Goal One: Promote Programs and Activities, and a Learning and Living Environments that Encourages the Development of Individual Potential in Students, Faculty, and Staff; Communities of Learners; and the Valuing of Life-Long Learning.

1. Electronic/Technology Enhancement
2. Faculty and Staff Recognition and Rewards
3. Space Acquisition and Utilization
4. Student Enrollment/Retention Increases
5. Quality of the Learning Environment, Academic Experience, and Student Services Enhancements
6. New Campus Master Plan Systematically Effected

1. Offering Highest-Quality Undergraduate, Graduate, and Continuing Education/Distance Education Programs
2. Engaging Students in Career, Experiential Learning, Leadership, and Service Programs that Will Prepare Them to Make Life-Long Contributions to Society
3. Aligning Innovative Curricula and Co-Curricula to the University's Mission
4. Enhancing the Quality of the Learning Environment, Academic Experience, and Student Services
5. Identifying and systematically assessing learning outcomes for curricular and co-curricular programs and activities
6. Systematically Effecting the UWF Information Technology Strategic Plan
7. Providing Faculty and Staff Development, Recognition, and Rewards
8. Acquiring and Utilizing adequate Space to Foster Learning and Living Environments
9. Systematically Effecting the Campus Master Plan

Goal Two: Attract and Inspire a Diverse and Talented Student Body Committed to Uncompromising Academic Excellence.

1. Enrolling Academically Achieved Student
2. Aligning Innovative Curricula to the Strategic Plan
3. Developing Educational Partnerships and Community Services

1. Increasing Student Enrollment and Retention
2. Increasing Enrollment and Retention of Academically Talented Students
3. Marketing to, and Enrolling, and Retaining a Diverse Population – Including Military Populations
4. Aligning Facilities and Other Resources to Strategic Initiatives
5. Delivering the University's Brand Promise (as synthesized in a related document)

Goal Three: Provide Solutions to Educational, Cultural, Economic, and Environmental Concerns.

1. Aligning UWF **Teaching Instruction**, Research, and Service Programs to the Communities **We Serve – Including Military Base Communities**
2. **Assisting Students to Develop and Apply Leadership and Life Skills to the Solution of Community Problems**
3. Converting Research to Products through Technology Transfer
4. Providing Comprehensive Data for Decision-Making
5. Developing Educational Partnerships and Community Services
6. Enhancing Research and Service Centers and Institutes
7. **Identifying and developing programs and centers of excellence**
8. Enhancing Continuing Education/Distance Education (including certificate programs)

Goal Four: Manage Growth **and Development Responsibly through Focus on Continuous Quality Improvement of Programs and Processes.**

1. **Emphasizing Exemplary Customer/Client Service to Students, Faculty, Staff, and External Constituencies**
2. **Acquiring** Outside Funding Enhancements
3. **Continuing Development of Instructional, Research, and Service Sites within the University's Service Area (e.g., Fort Walton, Downtown Pensacola)**
4. **Identifying and Implementing** Campus Safety and Security Improvements
5. **Modifying** Human Resource Systems **Replacements** (includes classification and pay plans)
6. **Enhancing** Faculty and Staff Salary **ties Enhancements**
7. **Enhancing** Institutional Effectiveness, Accountability, and Performance Report**ing**
8. **Implementing New** Governance Structure Improvements

The UWF Strategic Plan was adopted and revised as follows:
University Planning Council (UPC) – adopted May 17, 2002; revised 5-15-2003; revised 4-22-2004.
University Board of Trustees (BOT) - adopted June 7, 2002; revised June 19, 2003.

**UWF Board of Trustees
Finance, Administration and Audit Committee
June 17, 2004**

Issue: Tentative 2004-05 operating budget and related releases

Proposed actions:

1. Approve a tentative (beginning) 2004-05 Operating Budget for the July 1, 2004 to June 30, 2005 fiscal year for appropriated and non-appropriated funds.
Appropriated funds are funds/budgets in the Appropriations Bill.
Educational and General (E&G)
Non-Appropriated funds are funds/budgets not in the Appropriations Bill but approved by consultation with legislative staff per statutory provision.
Student Fee Trust Fund, Auxiliary Trust Fund, Contracts and Grants (C&G), Local Fund Accounts
2. Authorize the president to make subsequent changes to the budget as needed, including the changes between the tentative budget and the budget to be submitted to FBOE by August 15, 2004, and other changes during the fiscal year.

Background information:

The UWF 2004-05 annual operating budget is due to FBOE-DCU on August 15, 2004. The University of West Florida budget reflects the strategic plans of the university and contains Educational and General, Auxiliary Enterprises, Contract & Grants, Student Activity, Concessions, Student Financial Aid and Intercollegiate Athletics budget entities.

As a member of the State University System of Florida, the University of West Florida operates within the policies and rules of the Legislature and the Division of Colleges and Universities. The budget and funds allocated are within the appropriated authority provided in the General Appropriations and Florida Statutes.

Supporting documentation:

Attachment I	Tentative 2004-05 operating budgets
Attachment II	Definition of budget entities
Attachment III	Five year expenditure summary
Attachment IV	2004-05 student fees collection worksheet

Prepared by: Gloria Resmondo & Jerry Norris
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**University of West Florida
Summary of Estimated Budgets
2004 – 2005**

	<u>Amount</u>	<u>Percentage</u>
Educational and General (E&G)	\$ 80,364,317	45.61%
Auxiliary Trust Fund	18,081,261	10.26%
Contracts and Grants (C&G)	39,814,045	22.59%
Local Fund Accounts	<u>37,964,123</u>	<u>21.54%</u>
Total	\$176,223,746	100.00%

**The University of West Florida
Education and General (E&G)
2004 - 2005 Estimated Budget**

	<u>Amount</u>	<u>Percentage</u>
Estimated Resources		
General Revenue	\$ 55,803,749	69.43%
Educational Enhancement	3,765,403	4.69%
Student Fee Trust Fund	<u>20,795,165</u>	<u>25.88%</u>
Total Estimated Resources	\$ 80,364,317	100.00%
Estimated Usage		
Salaries	\$ 61,408,104	76.41%
Operating Expenses	9,066,313	11.28%
Plant Operations and Maintenance	9,442,937	11.75%
Financial Aid	<u>446,963</u>	<u>.56%</u>
Total Estimated Usage	\$ 80,364,317	100.00%

**The University of West Florida
Auxiliary Trust Fund
2004 -2005 Estimated Budget**

	<u>Amount</u>	<u>Percentage</u>
Estimated Resources		
Sales/Fees/Miscellaneous Receipts	<u>\$ 18,081,261</u>	<u>100.00%</u>
Estimated Usage		
Printing and Duplicating	\$ 708,458	3.92%
Postal Services	358,206	1.98%
Student Health Services	660,675	3.65%
Schools for Children	312,575	1.73%
Continuing Education	1,508,448	8.34%
Plant Operations and Maintenance	521,026	2.88%
Telephone/Telecommunications	546,815	3.03%
Traffic/Parking/Transportation	377,901	2.09%
Auxiliary Administration	8,658,825	47.89%
Other Auxiliaries	<u>4,428,332</u>	<u>24.49%</u>
Total Estimated Usage	\$ 18,081,261	100.00%

**University of West Florida
Contract and Grants (C&G)
2004-2005 Estimated Budget**

	<u>Amount</u>	<u>Percentage</u>
Estimated Resources		
Federal Grants	\$ 26,257,761	65.95%
Florida State And City	4,271,649	10.73%
Indirect Cost Collections	5,047,226	12.68%
Private Grants	549,832	1.38%
Investment Earnings	231,718	.58%
Other Receipts	<u>3,455,859</u>	<u>8.68%</u>
Total Estimated Resources	\$ 39,814,045	100.00%
Estimated Usage		
Salaries	\$ 6,269,223	15.75%
Temporary Services	5,112,836	12.84%
Operating Expenses	7,741,611	19.44%
Federal Demonstration Project	1,632,313	4.10%
Capital Equipment	613,724	1.54%
Indirect Cost Distributions	2,000,000	5.02%
Interfund Transfers	<u>16,444,338</u>	<u>41.31%</u>
Total Estimated Usage	\$ 39,814,045	100.00%

**The University of West Florida
Local Fund Accounts
2003-2004 Estimated Budget**

	<u>Amount</u>	<u>Percentage</u>
Estimated Resources		
Student Fees	\$ 5,485,139	14.45%
Federal Funds	26,459,481	69.70%
Transfer In	2,544,654	6.70%
Other Receipts	<u>3,474,849</u>	<u>9.15%</u>
Total Estimated Resources	\$37,964,123	100.00%
Estimated Usage		
Student Activity	\$ 2,914,905	7.68%
Intercollegiate Athletics	3,549,218	9.35%
Student Financial Aid		
University Scholarship	11,000,000	28.97%
University Loan Fund	500,000	1.32%
Direct Loan Fund	<u>20,000,000</u>	<u>52.68%</u>
Total Estimated Usage	\$37,964,123	100.00%

DEFINITION OF BUDGET ENTITIES

Educational and General (E&G) Budget Entity

E&G funding sources include: **General Revenue** (primarily Florida's sales tax); the **Educational Enhancement** Trust Fund (Lottery sales); the **Student and Other Fees** Trust Fund (student matriculation and out-of-state fees, and miscellaneous revenues such as library fines, application fees, late registration fees and a portion of the indirect cost assessed to contract and grant activity).

Auxiliary Trust Fund

Auxiliary Enterprises are self-supporting through fees, payments, and charges.

Contracts and Grants (C&G)

Revenues in this budget entity are generated from Federal, State, and Local government contracts and grants. The University's budget request to the FBOE is for the budget entity as a whole.

Local Fund Accounts:

Student Activity

This budget entity's primary revenue source is Student Government funds collected via the Activity and Service Fee portion of the per credit hour fee (the A&S fee).

Intercollegiate Athletics

Revenues are generated primarily from ticket sales. The students' per-credit-hour athletic fee goes in this budget entity. Also, there is an E&G allocation to support womens' athletics.

Concessions (Campus Vending)

This revenue in this budget entity comes from contract commissions from vendors who provide vending machines on campus (primarily Buffalo Rock). Expenditures are primarily for items related to entertainment and programs in furtherance of university business.

Student Financial Aid

This budget entity includes the University Scholarship Fund, University Loan Fund, and the Direct Loan Fund.

**The University of West Florida
Five Year Expenditure Summary**

	Estimated				
	<u>2003-2004</u>	<u>2002-2003</u>	<u>2001-2002</u>	<u>2000-2001</u>	<u>1999-2000</u>
Education and General	\$ 72,109,521	\$ 68,355,668	\$ 63,074,721	\$ 62,930,407	\$ 59,931,928
Auxiliaries Enterprises	15,430,932	12,468,632	10,923,455	12,874,381	11,351,508
Contract and Grants	26,404,365	23,623,317	22,283,376	18,454,341	14,949,511
Student Activities	2,264,672	1,932,726	1,707,970	1,570,710	1,247,042
Intercollegiate Athletics	2,219,321	1,920,265	1,594,472	1,488,105	1,386,204
Campus Concession	95,357	121,273	133,148	147,554	144,008
Financial Aid	<u>28,585,542</u>	<u>25,173,683</u>	<u>24,008,152</u>	<u>26,451,813</u>	<u>23,182,735</u>
Expenditures—All Funds	\$147,109,710	\$133,595,564	\$123,725,294	\$123,917,311	\$ 112,192,936

Notes:

- Education and General (E&G) expenditures include expenditures and encumbrances.
- Non-E&G expenditures are cash basis expenditures.
- Financial Aid includes Loan Fund, Scholarship Fund, and Direct Loan Fund

Attachment IV

The University of West Florida											To be used for 2004-2005 Operating Budget		Updated 6-9-04 JN	
2004-2005 Enrollment and Fee Projections														
	2001-2002	2002-2003	2003-2004	2004-2005	Actual 3/4	2004-2005	Percent	Percent	Planned	Planned	Actual	Variance		
Enrollment by Levels	Actual	Actual	Actual	Funded	Minus	Anticipated	Anticipated	Anticipated	Student	Student Fee	Fees as	Variance		
(A)	(B)	(C)	(D)	(E)	Funded 4/5	Credit	above/below	above/below	Fee Rates	Collections	Collected	Between		
			Hours	Hours	Difference	Hours	03-04 Actual	04-05 Funded	2004-2005	2004-2005	2004-2005	Planned & Actual		
							(H)	(I)	(J)	(K)	(L)	(M)		
FTE Enrollments:														
Lower	1,738	1,789	1,920	1,886	34	1,994	3.85%	5.72%						
Upper	2,878	2,953	3,043	3,184	(141)	3,190	4.82%	0.18%						
Graduate	736	698	641	692	(51)	605	-5.58%	-12.54%						
Total FTE's	5,352	5,440	5,604	5,762	(158)	5,789	3.30%	0.46%						
Summer														
Matriculation:														
Lower	8,069	7,198	7,589	7,498	91	7,626	0.49%	1.71%	\$ 63.41	\$ 483,565				
Upper	20,364	20,013	19,904	20,147	(243)	21,098	6.00%	4.72%	\$ 63.41	\$ 1,337,824				
Graduates	6,619	6,159	5,913	7,026	(1,113)	5,144	-13.01%	-26.79%	\$ 170.63	\$ 877,721				
Total Summer	35,052	33,370	33,406	34,671	(1,265)	33,868	1.38%	-2.32%		\$ 2,699,110				
Out Of State:														
Lower	485	345	438	752	(314)	451	2.97%	-40.03%	\$ 350.10	\$ 157,895				
Upper	806	807	688	1,358	(670)	702	2.03%	-48.31%	\$ 350.10	\$ 245,770				
Graduates	329	204	214	518	(305)	210	-1.64%	-59.46%	\$ 542.17	\$ 113,856				
Total Summer	1,620	1,356	1,340	2,628	(1,289)	1,363	1.75%	-48.14%		\$ 517,521				
Fall														
Matriculation: FL Residents														
Lower	30,021	31,595	33,974	32,910	1,064	35,734	5.18%	8.58%	\$ 68.16	\$ 2,435,629				
Upper	44,792	45,952	48,176	48,216	(40)	50,649	5.13%	5.05%	\$ 68.16	\$ 3,452,236				
Graduates	7,680	7,629	6,927	8,080	(1,153)	6,718	-3.02%	-16.86%	\$ 191.95	\$ 1,289,520				
Total Fall	82,493	85,176	89,077	89,206	(129)	93,101	4.52%	4.37%		\$ 7,177,385				
Matriculation: Out Of State														
Lower	3,035	3,150	3,067	3,772	(705)	3,159	3.00%	-16.25%	\$ 71.33	\$ 225,331				
Upper	2,382	2,159	2,091	2,604	(513)	2,132	1.96%	-18.13%	\$ 71.33	\$ 152,076				
Graduates	709	647	515	719	(204)	500	-2.91%	-30.46%	\$ 191.95	\$ 95,975				
Total Fall	6,126	5,956	5,673	7,095	(1,422)	5,791	2.08%	-18.38%		\$ 473,382				
Out Of State Fees:														
Lower	3,035	3,150	3,067	3,772	(705)	3,159	3.00%	-16.25%	\$ 393.86	\$ 1,244,212				
Upper	2,382	2,159	2,091	2,604	(513)	2,132	1.96%	-18.13%	\$ 393.86	\$ 839,715				
Graduates	709	647	515	719	(204)	500	-2.91%	-30.46%	\$ 609.94	\$ 304,971				
Total Fall	6,126	5,956	5,673	7,095	(1,422)	5,791	2.08%	-18.38%		\$ 2,388,897				
Spring														
Matriculation: FL Residents														
Lower	25,932	26,982	29,590	28,748	842	30,478	3.00%	6.02%	\$ 68.16	\$ 2,077,380				
Upper	45,231	47,544	48,503	50,490	(1,987)	51,526	6.23%	2.05%	\$ 68.16	\$ 3,512,012				
Graduates	7,818	7,349	6,744	7,573	(829)	6,537	-3.07%	-13.68%	\$ 191.95	\$ 1,254,777				
Total Spring	78,981	81,875	84,837	86,811	(1,974)	88,541	4.37%	1.99%		\$ 6,844,170				
Matriculation: Out Of State														
Lower	2,455	2,627	2,681	2,512	169	2,761	2.98%	9.91%	\$ 71.33	\$ 196,942				
Upper	2,335	2,468	3,137	2,342	795	2,179	-30.54%	-6.96%	\$ 71.33	\$ 155,428				
Graduates	719	546	478	826	(348)	468	-2.09%	-43.34%	\$ 191.95	\$ 89,833				
Total Spring	5,509	5,641	6,296	5,680	616	5,408	-14.10%	-4.79%		\$ 442,203				
Out Of State Fees:														
Lower	2,455	2,627	2,681	2,512	169	2,761	2.98%	9.91%	\$ 393.86	\$ 1,087,447				
Upper	2,335	2,468	2,137	2,342	(205)	2,179	1.97%	-6.96%	\$ 393.86	\$ 858,221				
Graduates	719	546	478	826	(348)	468	-2.09%	-43.34%	\$ 609.94	\$ 285,452				
Total Spring	5,509	5,641	5,296	5,680	(384)	5,408	2.11%	-4.79%		\$ 2,231,120				
Grand Total (Annual)														
Matriculation:														
Lower	69,512	71,552	76,901	75,440	1,461	79,758	3.72%	5.72%		\$ 5,418,848				
Upper	115,104	118,136	121,811	123,799	(1,988)	127,584	4.74%	3.06%		\$ 8,609,576				
Graduates	23,545	22,330	20,577	24,224	(3,647)	19,367	-5.88%	-20.05%		\$ 3,607,826				
Total	208,161	212,018	219,289	223,463	(4,174)	226,709	3.38%	1.45%		\$ 17,636,250				
Out Of State:														
Lower	5,975	6,122	6,186	7,036	(850)	6,371	2.99%	-9.45%		\$ 2,489,554				
Upper	5,523	5,434	4,916	6,304	(1,388)	5,013	1.97%	-20.48%		\$ 1,943,706				
Graduates	1,757	1,397	1,207	2,063	(857)	1,178	-2.36%	-42.90%		\$ 704,278				
Total	13,255	12,953	12,309	15,403	(3,095)	12,562	2.06%	-18.44%		\$ 5,137,538				
Total Matriculation and O/S Fees														
										\$ 22,773,788				
Less Fee Waivers - State														
										\$ (1,363,684)				
Less Fee Waivers - UWF														
										\$ (1,200,000)				
Alabama Differential Fees														
Summer 2003	396	1,028	1,073	n/a	n/a	1,100			\$ 20.00	\$ 22,000				
Fall 2003	2,005	2,894	3,576	n/a	n/a	3,800			\$ 20.00	\$ 76,000				
Spring 2004	3,108	2,908	3,485	n/a	n/a	3,600			\$ 20.00	\$ 72,000				
Total	5,509	6,830	8,134	n/a	n/a	8,500				\$ 170,000				
Excess Repeat Surcharge														
Summer 2003										\$ 35,000				
Fall 2003										\$ 60,000				
Spring 2004										\$ 63,000				
Total										\$ 158,000				
Sub-Totals														
										\$ 20,538,104				
Other Incidental Revenues:														
Application Fees										\$ 123,386				
Late Registration Fees										\$ 71,464				
Library Fines										\$ 26,366				
Miscellaneous Fees										\$ 10,223				
Sponsored Research O/H										\$ 25,622				
Total Other Incidental Rev										\$ 257,061				
Total Anticipated Collections														
										\$ 20,795,165				

UWF Board of Trustees
Finance, Administration and Audit Committee
June 17, 2004

Issue: Amendment of the following rules
6C6-4.002 Waiver of Tuition and Fees
6C6-4.008 Tuition Rates Fees, Fines and Penalties

Proposed action:

1. Approve proposed **Rule 6C6-4.002 Waiver of Tuition and Fees**
 - a. as an emergency rule, and
 - b. as a permanent rule.
 2. Approve proposed **Rule 6C6-4.008 Tuition Rates, Fees, Fines and Penalties**
 - a. as an emergency rule, and
 - b. as a permanent rule.
-

Background information:

Proposed Rule 6C6-4.002 Waiver of Tuition and Fees. Proposed revisions are necessary in order:

1. to remove unnecessary information regarding Alabama graduate students, as the information will be included in the revisions to rule 6C6-4.008.
2. to add nine additional counties in Alabama whose residents will be eligible for the Alabama differential out-of-state fee.

Proposed Rule 6C6-4.008 Tuition Rates, Fees, Fines and Penalties.

Proposed revisions to the rules are necessary in order:

1. to change the tuition and out-of-state fees in accordance with 2004 legislation*.
2. to include the Alabama differential out-of-state fee for qualified Alabama graduate level students.
3. to reflect a proportional increase in the financial aid fee based on the tuition and out-of-state fee increases (the UWF BOT is authorized to charge an amount not to exceed 5% of the tuition and out-of-state fee. These increases would reflect a desire to continue to exercise such authority to the maximum permitted.)*
4. to update the rule to reflect increases in the Activity and Service Fee, Health Fee and Athletic Fee; such increases were approved by the UWF BOT at its November 7, 2003 meeting.

5. to reflect the increase in the Third Time Repeat fee; this figure is calculated and provided to universities by Tallahassee on an annual basis.
6. to authorize an off campus fee to recover the increased costs to the university by offering designated courses off campus. (UWF BOT is authorized to charge this fee in accordance with Florida Statutes Section 1009.24(12)(k)).
7. to reflect increases in the amount charged to students, faculty and staff for parking permits. The increases are necessary to cover the annual costs related to preventive and routine maintenance of the parking lots. Prior to recommending such increases to the President's Cabinet, a study was done to benchmark our rates against the other Universities in the SUS- it was found that our rates were the lowest. Even after the proposed increases, our rates would remain the lowest in the SUS. The President's Cabinet approved the proposed increases of 15% across the board.

*Note, calculations of increases in tuition and financial aid fees provided by the Chancellor's Office.

Supporting documentation: Proposed rules

Prepared by: Gina DeIulio
850-857-6130

6C6-4.002 Waiver of Tuition and Fees.

(1) The University will waive tuition and fees as required in Section 1009.26, F.S.

(2) The University will waive the tuition, financial aid fee, health fee and athletic fee for Florida residents 60 years of age or older under the conditions set forth in Section 1009.26, F.S.

(3) The University will waive the out-of-state per credit hour fees for qualified graduate students from the Alabama counties listed below, provided those students pay the appropriate a ~~\$20.00~~ differential out-of-state fee per credit hour: Autauga, Baldwin, Barbour, Bullock, Butler, Choctaw, Clarke, Coffee, Conecuh, Covington, Crenshaw, Dale, Dallas, Elmore, Escambia, Geneva, Henry, Houston, Lowndes, Macon, Mobile, Monroe, Montgomery, Pike, ~~and~~ Washington, and Wilcox.

(4) The University will, upon appeal of the student, waive the late registration, late payment and/or reinstatement fee when the University determines:

(a) The University is primarily responsible for the delinquency, or

(b) Extraordinary circumstances beyond the control of the student prevented registration or the payment of fees.

Specific Authority 1001.74(4) FS. Law Implemented 1001.74(10), (11), 1001.75(11), 1009.24, 1009.26 FS. History—New 12-29-80, Formerly 6C6-4.02, Amended 11-2-03, Amended _____ .

6C6-4.008 Tuition Rates, Fees, Fines, and Penalties.

Beginning Fall 2003~~4~~, the matriculation fees for resident students and matriculation plus differential cost or out-of-state fee for non-resident students (“Tuition”) at the University shall be as follows:

Undergraduate Level Coursework:

Undergraduate <u>Resident</u> Matriculation fee per Student Credit Hour (SCH)	\$63.41 <u>\$68.16</u>
Undergraduate Non- Resident or Qualified Alabama Resident Matriculation fee per SCH	<u>\$71.33</u>
Undergraduate Alabama Differential out-of-state fee per SCH	<u>\$20.00</u>
Undergraduate out-of-state fee per SCH	\$350.10 <u>\$393.86</u>

Graduate Level Coursework:

Graduate Matriculation fee per SCH	\$170.63 <u>\$191.95</u>
<u>Graduate Alabama Differential out-of-state fee per SCH</u>	<u>\$20.00</u>
Graduate out-of-state fee per SCH	\$542.17 <u>\$609.94</u>

Tuition and fees for each student shall be the Tuition plus the applicable mandatory fees set forth below and any optional fees charged by the University:

Mandatory Fees:

Student Financial Aid Fee	
Undergraduate Resident per SCH	\$3.17 <u>\$3.40</u>
Undergraduate Non-resident per SCH	\$20.67 <u>\$23.25</u>
Undergraduate Qualified Alabama resident per SCH	\$4.17 <u>\$4.56</u>
Graduate Resident per SCH	\$8.63 <u>\$9.59</u>
Graduate Non-resident per SCH	\$35.64 <u>\$40.09</u>
<u>Graduate Qualified Alabama resident per SCH</u>	<u>\$10.59</u>
Capital Improvement Trust Fund Fee per SCH	<u>\$2.44</u>
Building Fee per SCH	<u>\$2.32</u>
Health Fee per SCH	\$3.00 <u>\$3.19</u>
Athletic Fee per SCH	\$11.60 <u>\$12.05</u>
Activity and Service Fee per SCH	\$8.25 <u>\$8.75</u>
Third Time Repeat Fee (in addition to matriculation fee) per SCH	\$164.54 <u>\$169.12</u>
Transportation Fee per SCH	<u>\$1.00</u>

Optional Fees:

<u>Off-Campus Fee</u>	<u>Based on additional</u>
<u>costs</u>	
Non-Refundable Application Fee	<u>\$30.00</u>
Admissions Deposit Fee	<u>\$200.00</u>
Orientation Fee	<u>\$35.00</u>
Identification Card (Nautilus Card)	
New Card-Initial Cost	<u>\$10.00</u>
Replacement Card	<u>\$15.00</u>
Fee for Transcripts	<u>\$5.00</u>
Fee for Diploma Replacement	<u>\$10.00</u>
Registration Fee for a Zero-Hours Course	
Undergraduate	same as cost to take 1 credit hour
Graduate	same as cost to take 1 credit hour
Returned Check Fee for Unpaid Checks (NSF)	
\$0.00 – \$50.00	<u>\$25.00</u>
\$50.01 – \$300.00	<u>\$30.00</u>
\$300.01 and up	greater of 5% or <u>\$40.00</u>
Late Payment Fee	<u>\$50.00</u>
Late Registration or Reinstatement Fee	<u>\$50.00</u>
Fee for Collection of Overdue Accounts	
Late Charge	<u>6.00%</u>
Collection Charge	<u>4.00%</u>
Collection Agency	<u>25.00%</u>
Credit Card Convenience Fee when paying tuition and fees on line or via telephone	cost
Service Charge for Payment of Tuition in Installments	<u>\$15.00</u>

Fingerprinting	cost
Intern Photo (including Sales Tax)	\$5.00
CEU Certificates	\$3.00
Testing	cost
Materials and Supplies Fee	varies
Student Parking Permits	
Annual	\$20.00 <u>\$23.00</u>
Semester	\$12.00 <u>\$14.00</u>
<u>USPS Parking Permits</u>	
Annual	\$40.00
Semester	\$27.00
<u>Faculty and A&P Parking Permits</u>	
Annual	\$52.00
Semester	\$34.00
<u>Administrative Parking Permits</u>	
Annual	\$63.00
Semester	\$40.00

Fines and Penalties

Library	varies
Traffic	*varies

*as provided in the 2003-2004 Traffic Regulations, University of West Florida brochure incorporated into this rule by reference. The brochure may be obtained at the Cashier's Office in building 20E.

Specific Authority 1001.74(4), (11), 1006.66(2) FS. Law Implemented ~~2003-04~~ 2004-05 General Appropriations Act, 1001.74(24), 1001.75(11), (35), 1006.66, 1009.24, 1009.285 FS. History—New 5-18-03, Amended 8-18-03, Amended

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DRAFT

UWF Board of Trustees
June 17, 2004

Issue: Distance Learning Fee Waiver Policy

Proposed action: Approve

Background information: Competition among universities in the distance learning market is intense, especially for out-of-state students (including the military.) (Reference attached tuition survey) The proposed Distance Learning Waiver Policy will enable UWF to successfully recruit out-of-state students into its distance learning programs. This policy is one of the essential building blocks required for the newly created Academic Technology Center to successfully market several of its specialized distance learning programs for Fall, 2004. Primary goals are to promote the University, increase enrollment, and increase name recognition by marketing highly specialized programs, such as Maritime Studies and Oceanography, to niche markets, particularly the military.

Supporting documentation: Proposed Distance Learning Waiver Policy
Tuition Survey

Prepared by: Pam Northrup
850-474-3255

Distance Learning Waiver Policy Effective Academic Year 2004/2005

Rationale for Policy:

This policy is being developed to encourage increased enrollment (including military personnel) in the distance learning academic degree programs offered at UWF.

Background Information:

- Competition among universities for students in distance learning programs is intense, especially for out-of-state students.
- Often, the addition of the out-of-state fee causes the course to be cost prohibitive for the student.

Proposed Distance Learning Waiver Policy:

The Provost/Designee will identify the online degree(s) and/or certificate program(s) in which the students must be enrolled to be eligible for the Distance Learning Waiver consistent with the following guidelines :

1. Distance Learning Waivers may be granted for non-Florida resident students for enrollment in distance learning courses in a designated degree(s) and/or certificate program(s) (“designated degrees or programs”).
2. To be considered for a Distance Learning Waiver, the student must be officially enrolled in one of the designated degrees or programs. This enrollment may be as
 - a. a degree-seeking student or
 - b. a non-degree seeking student specifically sanctioned by the offering department.
 - Note: A special section of the course will be designated as Distance Learning where CEC will be coded on the RSCO screen under Program 1.
3. The number and value of the Distance Learning Waivers authorized pursuant to this policy will be accounted for separately from other types of waivers and the effectiveness of this policy to achieve the objectives will be reviewed by the Provost/designee annually. These waivers are in addition to and independent of the undergraduate and graduate waiver allocations.

4. The Provost/designee will review all Distance Learning Waivers for approval and the Provost/designee has the authority to set a cap on the number of or maximum value of the Distance Learning Waivers awarded per semester.
5. The Distance Learning Waivers for each course will be approved only when the issuance of such waivers will not result in additional E&G costs to the University. The Provost/designee has the authority to determine whether the Distance Learning Waivers for each course will be partial waivers or full waivers of the out-of-state fee. The Provost/designee also has the authority to approve any Off Campus Fees to be charged to students to recover the increased costs to the University that are incurred in the delivery of the course off campus..
6. Provost staff will provide semester reports to the Provost/designee and Deans on Distance Learning Waivers issued during each semester.

Eligible Programs:

Eligible programs must be authorized by the Provost/designee.

Alternative Pricing for Online Courses

	In-State				Out-of-State			
	Undergraduate		Graduate		Undergraduate		Graduate	
	Semester Rate	Per Semester Hour	Semester Rate	Per Semester Hour	Semester Rate	Per Semester Hour	Semester Rate	Per Semester Hour
University of West Florida Based on on-campus fees	-	95.19	-	207.77	-	462.79	-	777.05 (234.88 with out-of-state waiver)
Troy State University* 12-16 hours ≤ 11 hours	1,765.00 -	147.08 149.00	- -	161.00 161.00	3,530.00 -	294.17 298.00	- -	322.00 322.00
Ft. Hays State University*	-	112.00	-	150.00	-	112.00	-	150.00
Old Dominion* Locations outside of Virginia Within Virginia	- -	173.00 154.00	- -	273.00 235.00	- -	173.00 357.00	- -	273.00 603.00
Thomas Edison* Comprehensive 2 semester rate was given Subsequent years: \$2,805 U & \$4,175 G	1,662.50	138.54	-	-	2,387.50	198.96	-	-
Georgia Southern ≥ 12 hours < 12 hours Web MBA	1,005.00 - -	83.75 84.00 -	1,206.00 - -	100.50 101.00 500.00	4,020.00 - -	335.00 335.00 -	4,824.00 - -	402.00 402.00 500.00
San Diego State University 2 semester rate was given ≤ 6 hours ≥ 6.1 hours	1,244.00 - -	103.67 - -	- - -	659.00 974.00	nav nav nav	nav nav nav	nav nav nav	nav nav nav
Florida State University FSU fees vary per discipline based on the off-campus fee charged	-	139.12 ¹	-	184.97 ²	-	411.37 ¹	-	719.5 ²
FSU Non-Florida, Partial Waiver FSU waives out-of-state for online graduate programs	-	-	-	-	-	-	-	210.42 ²
University of Central Florida	-	94.42	-	207.00	-	462.02	-	776.27
University of North Florida Based on 15 hours	1,456.50	97.10	-	208.44	6,634.05	442.27	-	742.97
University of South Florida	-	96.95	-	209.53	-	464.56	-	778.80

* Navy College Programs

Standard of 12 hours/semester was used to calculate hourly rate when semester rate was given.

¹ Tuition for Computer & Information Science, Information Studies, and Interdisciplinary Social Science

² Tuition for Criminology, Instructional Systems & Mathematics Education

UWF Board of Trustees
Finance, Administration and Audit Committee
June 17, 2004

Issue: 2005-06 Legislative Budget request

Proposed action: Approve

Background information:

Each year in June, the University System Chancellor requests from the universities their Legislative Budget Requests for institution-specific issues and activities. At UWF, our requests are based on unmet needs identified through the Strategic Planning process. A worksheet displays the estimated funds needed to accomplish each strategic goal and each priority. From those needed amounts, the UWF President and Cabinet determine levels of funding to be requested. The Office of University Planning prepares the appropriate narratives and budget forms as requested by the chancellor. The university president submits the UWF Legislative Budget Request to the chancellor. The institutional LBR's are included in the State University System's LBR for consideration by the Legislature during the following spring.

The UWF LBR Worksheet for 2005-2006 displays unmet needs of more than \$26 million to adequately accomplish strategic planning goals and priorities. It is anticipated that UWF will request about one-third of the needed amount from the Legislature each year. UWF recognizes that the Legislature may not fund all of the needs in one year. UWF also recognizes that other funding sources will be needed to accomplish the Strategic Plan. Therefore, this worksheet is a useful tool to use for all funding considerations and deliberations of the University.

Supporting documentation: The University of West Florida Legislative Budget Request (LBR) Worksheet for 2005-2006

Prepared by: Jerry Norris
850-474-2211

LBR -- INTERNAL WORKING DOCUMENT					This Worksheet DRAFT Updated 6-2-2004.jn	
1	The University of West Florida					
2	2005-2006 Legislative Budget Request - Local Initiatives Worksheet to Promote Understanding			(At July, 2004)		
3	Based on UWF Strategic Plan Goals and Priorities			Includes Estimates of Actual Needs	Estimates in Column D Under Review by the Following Estimators	University Planning Request for Estimates of Funding Enhancements Needed
4	June 2004					Potential Request for 2005-2006 LBR for Local Initiatives
5						
6						
7	Strategic					
8	Goals			Strategic Priorities		Comments
9	(A)	(B)	(C)	(D)	(E)	(F)
10	Goal One: Promote programs and activities, and learning and living environments that encourage the development of individual potential in students, faculty, and staff; communities of learners; and the valuing of lifelong learning.					
11	Goal One Priorities:					
12	1	Offering highest-quality undergraduate, graduate, and continuing education/distance education programs	Little	\$ 400,000	\$ 132,000	Providing Support for electronic and distance learning issues and activities (On-line programs/courses)
13	2	Engaging students in career, experiential learning, leadership, and service programs that will prepare them to make life-long contributions to society	Little/Ford	\$ 850,000	\$ 280,500	Expanding and Enhancing Student Learning Opportunities (expansion of CLOVE and other opportunities)
14	3	Aligning innovative curricula and co-curricula to the University's mission	Little	\$ 1,000,000	\$ 330,000	Developing New and Critically-Needed Programs and Activities (see list of programs under consideration)
15	4	Enhancing the quality of the learning environment, academic experience, and student services	Little/Ford	\$ 4,200,000	\$ 990,000	Enhancing Course and Program Access, Academic Excellence, and Resolving Demand Issues (Add'l Faculty)
16	5	Identifying and systematically assessing learning outcomes for curricular and co-curricular programs and activities	Little/Ford/Backman	\$ 1,800,000	\$ 450,000	Developing and Implementing UWF's Quality Improvement Plan (as developed for SACS)
17	6	Systematically effecting the UWF Information Technology Strategic Plan	White/Little/Dieckmann	\$ 2,400,000	\$ 792,000	Providing Quality Course Delivery, Course Access Expansion, other IT Plan implementations (see IT Strat Plan)
18	7	Providing faculty and staff development, recognition, and rewards	Cavanaugh/White/Wooten	\$ 250,000	\$ 82,500	Improving Quality Service, Customer Focus, and Performance (Baptist Institute Initiative, etc.)
19	8	Acquiring and utilizing adequate space to foster learning and living environments	Wooten/Barnett	\$ 7,500,000		Providing Facilities Enhancements and Additions (PECO and other sources)
20	9	Systematically effecting the Campus Master Plan	Wooten/Barnett	\$ 200,000	\$ 66,000	Upgrading Facilities Access, Improving Customer Services, and Resolving Safety/Security Issues
21	Totals for Strategic Goal One			\$ 18,600,000	\$ 3,123,000	Total Request for UWF's First Strategic Goal
22						
23						
24	Goal Two: Attract and inspire a diverse and talented student body committed to uncompromising academic excellence					
25	Goal Two Priorities:					
26	1	Increasing student enrollment and retention	Little/Metarko/Ford	\$ 1,000,000	\$ 280,000	Developing and Implementing a Student Enrollment and Retention Strategic Plan
27	2	Increasing enrollment and retention of academically talented students	Little/Ford/Metarko	\$ 400,000	\$ 99,000	Developing and Implementing a Special Enrollment/Retention Plan for Talented Students
28	3	Marketing to, enrolling, and retaining a diverse population -- including military populations	Crawford/Ford/Metarko	\$ 200,000	\$ 66,000	Developing and Implementing a Special Enrollment/Retention Plan for Military/Other Populations
29	4	Aligning facilities and other resources to strategic initiatives	Little/Ford/Wooten	\$ 800,000	\$ 264,000	Responding to Academic Life and Student Life Quality Issues (enhance faculty/staff positions)
30	5	Delivering the University's Brand Promise (as synthesized in a related document)	White/Crawford	\$ 100,000	\$ 33,000	Developing and Implementing Faculty/Staff Training and Accountability Activities
31	Totals for Strategic Goal Two			\$ 2,500,000	\$ 742,000	Total Request for UWF's Second Strategic Goal
32						
33	Goal Three: Provide solutions to educational, cultural, economic, and environmental concerns					
34	Goal Three Priorities:					
35	1	Aligning UWF instruction, research, and service programs to the communities we serve -- including military base communities	Little	\$ 1,000,000	\$ 330,000	Enhancing Program/Course/Activity offerings to military bases and other populations (Program Mix Development)
36	2	Assisting students to develop and apply leadership and life skills to the solution of community problems	Little/Ford	\$ 250,000	\$ 82,500	Establishing Partnerships between students/student groups to solve community problems
37	3	Converting research to products through technology transfer	Little/White	\$ 150,000	\$ 49,500	Providing Research Results and other Technology for Transfer to the Public Sector
38	4	Providing comprehensive data for decision-making	Little/White/Dieckmann/Norris	\$ 600,000	\$ 145,000	Providing for Institutional and Economic Research transfer to the campus for decision-making
39	5	Developing educational partnerships and community services	Little/Van Galen/Cushing	\$ 400,000	\$ 99,000	Developing Campus/Community Partnerships to resolve common problems and needs
40	6	Enhancing research and service centers and institutes	Little	\$ 1,000,000	\$ 330,000	Solving critical problems by enhancing research and service centers and institutes
41	7	Identifying and developing programs and centers of excellence	Cavanaugh/Cabinet	\$ 1,200,000	\$ 400,000	Six Programs or Centers enhancements funded at an average of \$200,000 each
42	8	Enhancing continuing education/distance education (including certificate programs)	Little	\$ 150,000	\$ 69,500	Providing Access to the Military and other populations through CEDE Institute Support
43	Totals for Strategic Goal Three			\$ 4,750,000	\$ 1,505,500	Total Request for UWF's Third Strategic Goal
44						
45	Goal Four: Manage growth and development responsibly through focus on continuous quality improvement of programs and processes					
46	Goal Four Priorities:					
47	1	Emphasizing exemplary customer/client service to students, faculty, staff, and external constituencies				
48	2	Acquiring outside funding enhancements	Van Galen	\$ 100,000	\$ 85,442	Upgrading programs and staffing in support of the Capital Campaign and related Activities
49	3	Continuing development of instructional, research, and service sites within the University's service area (e.g., Fort Walton Beach, Downtown Pensacola, etc.)	Little/Ford/Wooten	\$ 1,000,000	\$ 250,000	Enhancing Programs, Courses, and Activities at Branch Campus/Downtown and other sites.
50	4	Identifying and implementing campus safety and security improvements	Wooten	\$ 150,000	\$ 49,500	Upgrading Safety and Security Programs and Quality of Life Issues
51	5	Modifying human resource systems (includes classification and pay plans)	White/Wooten	\$ 5,000,000	\$ 1,500,000	Providing for Upgrade/Purchase of Human Resources and Financial Systems, Etc., (Banner)
52	6	Enhancing faculty and staff salaries	Cavanaugh	\$ 1,287,400	\$ 1,287,400	Providing for Quality Enhancements via Faculty and Staff Salary Equity Upgrades (Equity Panels Reports)
53	7	Enhancing institutional effectiveness, accountability, and performance reporting	Norris/Backman	\$ 150,000	\$ 49,500	Providing for the development and implementation of Performance and Accountability Issues (State Accountability)
54	8	Implementing governance structure improvements	Cavanaugh/White	\$ 250,000	\$ 82,500	Upgrading the Quality of the Organization and its Instructional Support Functions (Organizational Efficiency Shifts)
55	Totals for Strategic Goal Four			\$ 7,937,400	\$ 3,304,342	Total Request for UWF's Fourth Strategic Goal
56						
57						
58	Total Estimated Need (Column "E"; July 2004)			\$ 33,787,400	\$ 8,674,842	Request as a % of Total Unmet Need,
59	Total Legislative Budget Request for Local Initiatives (Column "F")			\$ 26,287,400		Less Space Issues, Line 21:
60						33%
61						
62						
63	Office of University Planning: LBR - Local Initiatives 2005-2006 Worksheet at 6-1-2004 JN:AX					

**UWF Board of Trustees
Finance, Administration and Audit Committee
June 17, 2004**

Issue: Arcadia Mill site acceptance

Proposed action: Approve

Background information:

The Arcadia Mill site, located in Pace, is an important archaeological and historic site currently owned by the Santa Rosa Historical Society. The Society wants to donate the 36-acre site, valued at about \$350,000, to the University of West Florida, providing the University agrees to use the site for educational, historic and archaeological purposes.

The proposed transaction would entail the UWF Foundation accepting the property and then immediately lease it to the University, which brings it under the university's liability insurance coverage. Within the next year, the property would then be transferred from the Foundation to the University.

Board action required to complete this transaction is an endorsement of the acceptance of the Arcadia Mill site by the Foundation and a pledge for the University to lease the property and eventually accept ownership from the Foundation.

Supporting documentation: None

Prepared by: Keith Goldschmidt
850-474-2368

**UWF Board of Trustees
Finance, Administration and Audit Committee
June 17, 2004**

Issue: Dorr House renovation into presidential home/president's contract

Proposed action: Approve

Background information:

The Dorr House, which is managed by the West Florida Historic Preservation Inc, is located at 311 S. Adams St, on the corner of Adams and Church streets. Built in 1871, it is a prime example of Greek Revival architecture and a jewel in the downtown area.

Plans for the house are to renovate it so it can be used as a presidential home. The West Florida Historic Preservation Board has approved the plan, and the UWF Foundation Board of Directors will be brought a proposal to pay for the renovations.

Having a presidential home in the heart of the downtown Historic District has many advantages. It raises the profile of the University in our newest campus and provides greater opportunity for entertaining dignitaries in a scenic area.

The Board of Trustees authorized payment of an annual housing subsidy for the president. By providing a presidential home, the annual subsidy ceases. For this plan to proceed, the Board of Trustees would need to amend the president's contract to reflect he is being provided a home, and the annual housing subsidy is terminated when the home is ready for occupancy.

Supporting documentation: None

Prepared by: Keith Goldschmidt
850-474-2368

**UWF Board of Trustees
Finance, Administration and Audit Committee
June 17, 2004**

Issue: Prompt payment policy and guidelines

Proposed action: Adopt

Background information:

Because of the devolution of authority to university boards of trustees, the statutory provisions governing payment of vendors and contractors no longer will apply. Boards of trustees are required to adopt policies and guidelines regarding such payment.

As to all vendors and contractors, the proposed prompt payment policy specifies the obligations of the university in making payments and the obligations of the contractors to pay subcontractors. It provides timelines and procedures to be followed by the university in making payments to vendors or reimbursing university employees. The policy must be approved prior to July 1, 2004, the date the university has the authority to process its own vendor payments.

As to construction contractors, proposed legislation on prompt payment by universities failed to pass during the recent legislative session. However, each of the 11 institutions in the State University System agreed to adopt internal policies that are similar to the guidelines used by Florida's community colleges. The guidelines are to ensure the universities to pay contractors in a timely manner and require by contract that such contractors in turn pay their subcontractors in a timely manner.

Supporting documentation: Proposed prompt payment policy
Proposed prompt payment guidelines

Prepared by: Jan Woody
850-474-3025

PROMPT PAYMENT POLICY

1. All payments made by the University are subject to University Policy and Rules as approved by the University's Board of Trustees. It is the policy of the University that documentation authorizing payment of an invoice shall be approved for payment not later than 40 days, after receipt of the invoice and receipt, inspection, and approval of the goods or services, except that in the case of a bona fide dispute the voucher shall contain a statement of the dispute and authorize payment for only the undisputed amount. All payments shall be disbursed within 40 days after approval for payment.

- b. a. Approval and inspection of goods or services shall take no longer than five (5) days unless the bid specifications, purchase order, or contract specifies otherwise. The 40-day payment requirement may be waived in whole or in part by the University Controller on a showing of exceptional circumstances in accordance with rules, policies and procedures of the University. For the purposes of determining the receipt of invoice date, the department is deemed to receive an invoice on the date on which a proper invoice is first received at the location previously specified to the vendor or contractor ("vendor") by the University.
- c. The University is deemed to have received an invoice on the date of the invoice, if the department has failed to annotate the invoice with the date of receipt at the time the department actually received the invoice, or the department failed, at the time the order was placed or the contract was entered into with vendor, to designate a specific location to which the invoice was to be delivered.
- d. The University may make partial payments to a contractor upon partial delivery of goods or services or upon partial completion of construction when a request for such partial payment is made by the contractor and approved by the Controller.
- e. If the terms of the invoice provide for a discount when payment is made by the University within a specified number of days, the University shall preferentially process it and use all diligence to obtain the savings by complying with such payment terms.
- f. Reimbursements to University officers and employees must be paid in the same timeframes and process as payments to vendors under this policy.
- g. This policy does not apply to payments made to State agencies or other governmental entities within the State of Florida.
- h. The Director of Procurement and Contracts may authorize advance payments for goods and services, including, but not limited to, maintenance agreements and subscriptions only when it is in the best interest of the University to make payments in advance and it has been determined there is adequate protection to ensure that such goods or services will be provided.
- i. Payments not made on a timely basis are subject to an interest penalty payment at a rate established under Florida Statutes Section 55.03(1). The interest penalty will only be applied on the unpaid balance from the expiration of such 40-day period until such time as the payment is issued to the vendor.
- j. All agreements between the University and vendors shall include a statement of the vendor's rights and the University's responsibilities under

this policy. The vendor's rights shall include being provided with the telephone number of the University's vendor ombudsman and such information will also be placed on all purchase orders.

- k. Invoices received from vendors, who have failed to supply the University with a complete and accurate W-9, will be deemed insufficient for payment until such information has been provided.
- l. For goods or services that are acquired using a University contract with a pre-approved cost per item, inspection and approval is not required. Upon certification of receipt by the department, payment will be issued by the Financial and Accounting Services within the timeframe necessary to meet the terms and conditions of this policy.

DRAFT

Guidelines for Contractual Provisions for Prompt Payment on University of West Florida Construction Contracts

Adopted by the UWF Board of Trustees on June 17, 2004

The following provisions are recommended to be included in all University construction contracts in order to promote timely payments to subcontractors for work satisfactorily completed.

Subcontractors, forty-five (45) calendar days after satisfactory completion of their work on the Contractor's project, can invoice the Contractor for the remainder of unpaid work, including the full value of the retainage related to their work, less the value of any item contested in accordance with the terms and conditions of the construction Contract. The Subcontractor shall include a conditional, partial release of lien and all appropriate warranties and closeout documentation with this final payment invoice to the Contractor. The Contractor must include this subcontractor payment request in the next Application for Payment in the pay application cycle to the Architect following the receipt of the subcontractor payment request, if deemed to be complete and in compliance with this section. The University shall process the payment request within thirty (30) calendar days of receipt of the Certificate for Payment from the Architect, and shall include payment of the retainage, less the value of any contested item, in its next payment to the Contractor. When a Contractor receives payment from the University for labor, services, or materials furnished by subcontractors and suppliers hired by the Contractor, the Contractor shall remit payment due to those subcontractors and suppliers, less the value of any item contested in accordance with the terms and conditions of the construction Contract, within ten (10) calendar days after the Contractor's receipt of payment.

The University should require the contractor to include the following provision in all construction contracts to promote timely payments to subcontractors for services properly completed to the University:

“When the Contractor receives payment from the University for labor, services, or materials furnished by subcontractors and suppliers hired by the Contractor for the project, the Contractor shall remit payment due to those subcontractors and suppliers, less the value of any item contested in accordance with the Contract, within ten (10) calendar days after the Contractor’s receipt of payment from the University. When the payment due the subcontractor is for final payment, including retainage, the subcontractor must include with the invoice for final payment a conditional release of lien and all appropriate warranties and closeout documentation. When the subcontractor receives payment from the Contractor for labor, services, or materials furnished by subcontractors and suppliers hired by the subcontractor, the subcontractor shall remit payment due to those subcontractors and suppliers, less the value of any item contested in

accordance with the Contract, within ten (10) calendar days after the subcontractors receipt of payment.”

This provision shall not be construed to create a contractual relationship of any kind (1) between the Architect and Contractor, (2) between the University and a Subcontractor or Sub-subcontractor (et al.) (3) between the University and Architect or (4) between any persons or entities other than the University and Contractor.

DRAFT

**UWF Board of Trustees
Finance, Administration and Audit Committee
June 17, 2004**

Issue: 2004-05 Internal Auditing and Management Consulting work plan

Proposed action: Approve at committee level only

Background information:

The office of Internal Auditing and Management Consulting prepares and submits for approval a two-year work plan, which is reviewed periodically. The 2004-05 fiscal year is the second in the two-year cycle, and the work plan has been submitted and approved by the UWF president.

Supporting documentation: Letter to President Cavanaugh
2004-05 Internal Auditing and Management Consulting work plan

Prepared by: Betsy Bowers
850-474-2637

June 1, 2004

To: President John Cavanaugh
From: Betsy Bowers, associate vice president IAMC
Subject: Internal Auditing & Management Consulting Work Plan for 2004/05 Fiscal Year

Attached is the proposed work plan for UWF Internal Auditing & Management Consulting for the 2004/05 fiscal year. This is year two of the two-year cycle and a limited updating of the work plan was performed. Accordingly, a thorough risk assessment will be conducted prior to the onset of the 2005/06 fiscal year.

Based upon meetings with key UWF managers and my assessment of current operations, the following changes to the work plan have been incorporated.

1. Continue to provide extensive consulting/auditing activities to the Banner implementation, as financial goes live July 1, 2004, and personnel goes live January 1, 2005.
2. Included an audit of construction which will focus upon minor construction and possibly the HLS building.
3. Continue to participate in evaluation of rules/policies and procedures and any changes needed for UWF.
4. Added a MAS related to cashiering activities, as UWF becomes self-sufficient from the state and since UWF did not purchase the ERP student modules (which has the cashiering function); therefore, we will observe the crosswalks between CICS and Banner closely.
5. Pending the funding of an IT auditor position, an audit of information technology security has been scheduled. Continuing Education management advisory service to evaluate the development and start-up of the continuing education program because UWF's former Controller (Charles Clark) is overseeing the implementation of the daily operations. Based upon our past audit work with this employee, we are relying upon his ability to establish strong internal controls with appropriate checks and balances. This area will be placed into the risk universe for the 2003/04 risk assessment.

Upon your approval, a copy of this plan will be transmitted to the UWF Board of Trustees Finance and Audit Committee chairman for acceptance and presentation to the Board of Trustees.

As in the past, we will evaluate the work plan in December 2004 and make any necessary adjustments. We look forward to working with you and the Board of Trustees during the upcoming fiscal year.

Cc: Trustee K.C. Clark, chairman Finance and Audit Committee
Board of Trustees file

**UWF Internal Auditing & Management Consulting
Work Plan for 2004/05 (update)**

Activity	2004/05
AUDIT:	
Construction: Minor Projects and/or HLS	X
Information Technology Security *	X
Audit Planned	2
ACCOUNTABILITY ACTIVITIES:	
Performance Based Budgeting	X
Follow-Up Activities	X
MANAGEMENT ADVISORY SERVICES:	
ERP: SCT implementation	X
Transition: Evaluation of Rules/Policies/Changes Needed	X
Fiscal Year End Inventories Observations/Test Counts	X
Cashiering: Operational/ Workflow/Policies/Rules	X
IHMC Transition	X
SACS Accreditation Process	X
INVESTIGATIONS:	
Campus Referred Reviews	X
Get Lean	X
Whistleblower	X

NOTE: No total is given for Management Advisory Services and Investigations because they are not quantifiable as to the volume or the magnitude of each. These are unpredictable areas.

APPROVED:

John C. Cavanaugh, President UWF

K.C. Clark, Chairman Finance, Administration & Audit Committee
UWF Board of Trustees

* If IT auditor position is funded for FY 2004/05, this position will perform this engagement, as well as assisting heavily in ERP activities for Internal Auditing.

**UWF Internal Auditing & Management Consulting
2004/05 Time Analysis**

ACTIVITY	BUDGET	BOWERS	HUDSON	New IA	New IT auditor
Total Hours	7,830	2,088	2,088	1,566	2,088
Less: Holidays & Leave					
Holidays	288	72	72	72	72
Annual Leave	704	176	176	176	176
Sick Leave	416	104	104	104	104
Educational Leave	0	0	0	0	0
Leave without Pay	160	0	0	160	0
Work Hours Available	6,582	1,736	1,736	1,054	1,736
Less:					
Administration	400	200	100	50	50
Training:					
ACUA	160	40	40	40	40
SUS	160	40	40	40	40
Local/Campus	64	16	16	16	16
Subtotal for Training	384	96	96	96	96
Hours Available for Audits, MAS, Investigations, & Accountability activities	5798	1440	1540	908	1590
Management Advisory Services:					
ERP: SCT Implementation	2,200	800	800	200	400
Transition: Eval Rules/Policies/Changes	325	200	50	25	50
Fiscal Year End Inventories Observations/Test Counts	135	25	25	10	75
Cashiering: Operational/ Workflow/Policies/Rules	43	10	10	13	10
IHMC Transition	60	25	25	0	10
SACS Accrediation Process	250	60	85	20	85
Miscellaneous MAS activities	375	100	100	75	100
Subtotal for MAS (minimum of 20%/employee)	3388	1220	1095	343	730
Follow-Up Activities	185	10	25	110	40
Investigations	170	50	50	20	50
Other	225	50	100	25	50
Contingency	135	40	45	0	50
Carry-Over Audits	0	0	0	0	0
Total Hours	715	150	220	155	190
Time Available for University Internal Audits	1895	70	225	410	670
Less University Audits					
Construction	530	20	100	400	10
Information Technology Security	845	50	125	10	660
Difference (Time Available for Unscheduled Work)	320	0	0	0	0

**UWF Board of Trustees
Finance, Administration and Audit Committee
June 17, 2004**

Issue: Continuing Education audit report

Proposed action: Accept

Background information:

In accordance with the 2003-04 workplan, Internal Auditing and Management Consulting completed the audit of the UWF Continuing and Distance Education operations for the period July 1, 2002-June 30, 2004. The report includes six recommendations, with which CDE management has concurred and has begun corrective actions.

Supporting documentation:

Prepared by: Betsy Bowers
850-474-2637

[index.doc](#)

University of West Florida
Audit of
Continuing and Distance Education
For the Period
July 1, 2002-June 30, 2003
UWF-03/04-02

June 7, 2004

Prepared by
UWF Internal Auditing & Management Consulting

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Executive Summary

We conducted an operational audit of the University's Continuing and Distance Education (CDE) to examine and evaluate the adequacy and effectiveness of the department's system of internal control and the quality of performance in carrying out assigned responsibilities in the following areas of scope: a) Reliability and integrity of information; b) Compliance with policies, plans, procedures, laws, and regulations; and c) Safeguarding of assets. Our specific objectives were to:

- ◆ Gather the necessary information to obtain a basic understanding of the UWF CDE operations; to determine and refine the scope and objective of the audit.
- ◆ Determine if adequate internal controls and operating procedures exist and are being implemented. Including determining:
 - a) receipts were properly recorded in the University's records;
 - b) registrants were properly recorded in the department's registration system;
 - c) refunds and expenses were authentic and properly negotiated and documented; and
 - d) certification of CDE courses were properly issued and controlled
- ◆ Determine that CDE enrollment is not replacing funded FTE enrollment.
- ◆ Determine that the CDE operation is conducted within established UWF and state policies, procedures and guidelines.
- ◆ Evaluate the general effectiveness and efficiency of CDE operations.
- ◆ Determine whether CDE's goals and objectives are:
 - a) consistent with the mission, goals and objectives of UWF,
 - b) measurable, and
 - c) measured.
- ◆ Make recommendations to improve operations or correct deficiencies.

Our audit period was July 1, 2002, through June 30, 2003. We conducted our audit in accordance with the *Standards for the Professional Practice of Internal Auditing*. Field work was conducted from September 11, 2003, through February 25, 2004.

Results of Audit

Our audit results indicated that management appeared committed to maintaining the essential elements of an effective control environment. However, we noted several instances where departmental procedures and controls could be strengthened. Our audit indicated the following:

- Administrative duties can be further segregated to enhance internal controls.

- CDE needs to develop written internal policies and procedures that are unique for the unit.
- Improvements are needed in the cash collections procedures.
- Documentation needs to be improved for cancelled courses.
- Improvements are needed regarding issuance and reconciliation of CEU certificates.

Although the UWF annualized FTE enrollment for graduate students for academic year 2003/04 has initially fallen below corridor, we did not find a correlation to the courses of CDE which students took for credit. We do not believe that the CDE courses students take for credit are negatively impacting the overall funded enrollment for the university.

During our fieldwork, management took immediate action to correct significant internal control weaknesses. First, they secured a locking money bag that would be used for the collection of course fees. Second, third party sponsors held classes all over the state of Florida with UWF's CDE operation being the certifying agency. Because of the logistics involved, the internal control structure was severely impaired. Management recognizing the problem, took immediate actions by eliminating the use of third party sponsors for CEU courses. We commend management upon their prompt action to remedy these internal control issues.

Accordingly, recommendations contained in this report relate to UWF's strategic imperative to "*continuously develop and improve processes and methods in delivering the university's brand promise*" and the transfer of operations from the main campus. Overall, our report includes five recommendations which will strengthen existing internal controls, as well as improving the efficiency of current operating procedures. Our comments and recommendations are discussed in detail in the **Comments & Recommendations** section of this report, beginning on page six (6).

We noted an operational strength in this audit. At the onset of the engagement, transactions going through the university's accounts receivable system were not able to be reconciled on an individual basis with the CDE's Peopleware Pro® (PWP) software. This reconciliation of fees between PWP and CICS was not possible to perform because of the lack of detailed information. Only daily batch totals were available from the CICS, which made it a monumental task to reconcile back to individual students. This was brought to the attention of university management, who promptly re-programmed the printout for CDE to show individual transactions vs. batch information. **However, the report is currently not functioning properly, and ITS is focusing their energies on the Banner implementation rather than resolving this current glitch. Reconciling remains a major concern.**

Scope & Objectives of the Audit

We conducted our audit in accordance with *Standards for the Professional Practice of Internal Auditing*. Accordingly, we performed such tests and procedures as considered necessary in the circumstances. The field work was conducted from September 11, 2003, through February 25, 2004.

Our operational audit was to examine and evaluate the adequacy and effectiveness of the department's system of internal control and the quality of performance in carrying out assigned responsibilities in the following areas of scope: a) Reliability and integrity of information; b) Compliance with policies, plans, procedures, laws, and regulations; and c) Safeguarding of assets. Our specific objectives were to:

- ◆ Gather the necessary information to obtain a basic understanding of the UWF Continuing and Distance Education (CDE) operations; to determine and refine the scope and objective of the audit.
- ◆ Determine if adequate internal controls and operating procedures exist and are being implemented. Including determining:
 - a) receipts were properly recorded in the University's records;
 - b) registrants were properly recorded in the department's registration system;
 - c) refunds and expenses were authentic and properly negotiated and documented;
 - d) certification of CDE courses were properly issued and controlled.
- ◆ Determine that CDE enrollment is not replacing funded FTE enrollment.
- ◆ Determine that the CDE operation is conducted within established UWF and state policies, procedures and guidelines.
- ◆ Evaluate the general effectiveness and efficiency of CDE operations.
- ◆ Determine whether CDE's goals and objectives are:
 - a) consistent with the mission, goals and objectives of UWF,
 - b) measurable and
 - c) measured.
- ◆ Make recommendations to improve operations or correct deficiencies.

The scope of our audit excluded the Community and University Partnerships (C/UP) division of this department, as we audited C/UP within the past five years. Please refer to UWF Internal Audit "Departmental Audit: C/UP- UWF-99/00-06" issued January 18, 2000. Five recommendations were made and have been adequately implemented.

Use of Report

We are employed by the University of West Florida. This report is intended solely for the internal use of the University of West Florida, UWF Board of Trustees, the Florida Board of Education, Division of Colleges and Universities and is not intended to be used for any other purpose. This restriction is not intended to limit the distribution of this report which is a matter of public record.

Methodology

An operational audit was conducted of the UWF Continuing and Distance Education (CDE). Non-statistical samples of transactions related to CDE courses offered and enrollment were tested. During our audit, we met with key administrative personnel; examined policies, procedures, and other documents; and observed the general operations of the continuing education function. Based on these activities, we have assessed the adequacy of internal controls.

Background

The UWF CDE department is managed by the division of Academic Affairs and reports to the Provost. This function had been dormant for a period of five years and was reopened during fiscal year 2000/01.

CDE's mission is "to provide quality credit and noncredit education and training opportunities in order to meet the individual, community, and regional needs of both diverse and nontraditional students. CDE is committed to enhancing and complimenting the broader teaching and community service of the university through the development of campus, community, and business partnerships to meet our regional educational and economic development needs that might not otherwise be met."

Accordingly, CDE's vision is "to serve as the university's catalyst to identify and respond to the changing education and training needs of a diverse high-tech 21st Century learner and society."

Staffing of the CDE department includes 5.5 full time employees as follows: a director, an associate director, a coordinator (technology and distance education), two coordinators, and an administrative assistant. Additionally, under the CDE operations, two auxiliary operations exist (C/UP and Elderhostel) with these personnel: a director (education/training/community/university partnerships) and a coordinator (Elderhostel).

Report on Internal Controls

Management is responsible for establishing and maintaining an internal control structure. An effective internal control structure ensures that management's goals and objectives will be achieved. Fundamental managerial goals and objectives are to protect university resources; allow for sound decision making; promote efficient and effective operations; comply with applicable laws, rules, and regulations; and maintain and report timely, accurate, complete, and reliable information on the university's operations. We found opportunities where segregation of duties should be enhanced to provide for an adequate internal control structure. Please refer to our recommendations, beginning on page 6.

Comments & Areas for Improvement

Operational Strength

The reconciliation of fees between the CDE Peopleware Pro software and the university's CICS system was fixed to be performed on an individual basis, rather than in batch totals.

At the onset of the engagement, transactions going through the university's accounts receivable system were not able to be reconciled on an individual basis with the CDE's PWP software. This reconciliation of fees between PWP and CICS was not possible to perform because of the lack of detailed information. Only daily batch totals were available from the CICS, which made it a monumental task to reconcile back to individual students. This was brought to the attention of university management, who promptly re-programmed the printout for CDE to show individual transactions vs. batch totals. They were able to reconcile the daily printouts and tie them to the UWF ledger on an individual, detailed basis. ***However, the report has since developed a glitch and is currently not functioning properly. ITS is focusing their energies on the Banner implementation rather than resolving this current glitch. Reconciling remains a major concern.***

COMMENT

The effect of CDE enrollment on Funded FTE Enrollment is negligible.

To determine if CDE enrollment is replacing funded FTE enrollment, we conducted a thorough review that revealed CDE courses are not used in the funded FTE calculations. Additionally upon reviewing the University's "Green Report," we noted the university's FTE level for Fall 2003 fell below corridor (less than 95% of the BOE's expected enrollment) for graduate level students. Given this analysis, we were desirous of learning if there was a correlation to these events and if the CDE courses did affect funded FTE. As noted above, there was an increase in the number of CDE courses being taken for credit within the Escambia County Alternative Certificate program, human performance technician and clinical ethics programs. However, a review of the enrollment

data provided by the Provost's Office revealed the significant decreases in graduate enrollment were not within the disciplines that CDE students were taking the course for credit. (The significant drops in graduate enrollment were found to be in computer science, accounting, and administrative studies.)

To answer our questions regarding whether CDE courses that a student takes for UWF credit could be used in calculating our achievement of corridor enrollment (thus FTE funding), we asked UWF General Counsel for an opinion. Per our General Counsel, those CDE courses may not and cannot be used in any calculation toward FTE funding or toward meeting our corridor enrollment. However, if the tuition and fees are transferred, CDE courses may be used in the FTE funding calculation.

Although the UWF annualized FTE enrollment for graduate students for academic year 2003/04 has initially fallen below corridor, we did not find a correlation to the courses of CDE which students took for credit. We do not believe that the CDE courses students take for credit are negatively impacting the overall funded enrollment for the university. However, management should remain aware of the potential that expanding CDE enrollment where students earn UWF credit could negatively impact FTE/corridor in the future.

Areas for Improvement

1. **Administrative duties can be further segregated to enhance the internal control environment.**

Because of limited staffing, the administrative assistant performs some incompatible functions such as:

- preparing the invoices,
- opening mail,
- entering the enrollment into the PWP system,
- preparing and making bank deposits,
- preparing certificates of attendance, and
- authorizing purchases and ordering items.

Duties are considered to be incompatible if a single person can carry out and conceal errors and/or irregularities in the course of performing day-to-day activities. Assignments of responsibilities should provide a cross-check of duties.

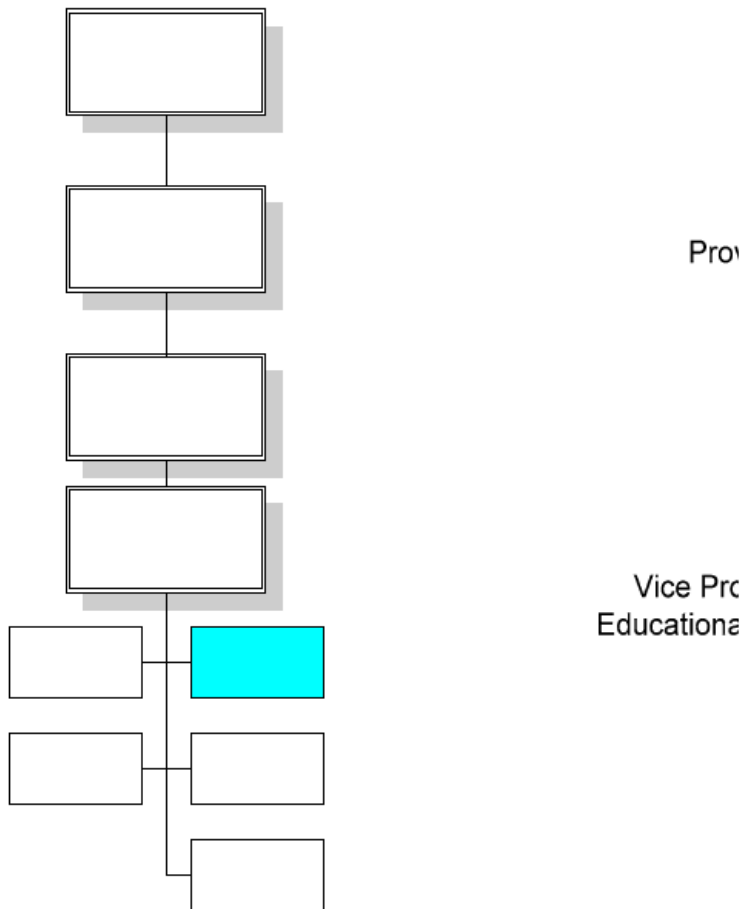
Segregation of duties is a basic, key internal control and one of the most difficult to achieve. This is especially true in a small operation. No single individual should have control over all phases of a transaction. Ideally, the incompatible functional responsibilities of authorization (execution), custody of assets and record-keeping should be the responsibility of three different individuals. Although the staff sizing prevents an ideal segregation of duties, we believe mitigating controls can be implemented to strengthen the internal control structure.

Additionally, the administrative assistant does not have back-up should an extended leave be necessary. Support staff within this division could work cross-functionally to enhance separation of duties.

A department should separate the functional responsibilities creating a deterrent to fraud. The associate director and administrative assistant positions do not demonstrate good separation of duties. For example, the administrative assistant is currently responsible for invoicing, receiving the mail, opening the mail and making the deposits. Another example would be the associate director is sometimes does registrations and performs reconciliations. This weakened control allows the potential for fraud.

Proper division of responsibility should provide that the work of one individual is independently verified in the course of another individual's regular duties. Although optimum separation of duties may not always be practicable, we believe, at a minimum the duties of billing chargebacks and reconciliations should be separated.

With the experienced CDE department personnel overseeing the daily tasks of the department, CDE has the opportunity to enhance its operations and structure. The talent shared among few individuals has allowed the department to achieve outstanding growth in the past two years and excel in its effectiveness as a department. However, some staff are expected to retire soon within the next eighteen months. This will leave the department very shorthanded. An additional position to manage the business/budget side of the department may be very necessary. We believe the current structure should be evaluated as these functions are not likely to be easily replaced when staff retires. This assessment would also assist with the separation of duties issue. Staffing should be scrutinized to provide the best solution for everyone. Accordingly, one solution would be to implement the following structure:



Pro

Vice Pro
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Director, Co
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Continuing
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RECOMMENDATION

Management should review the current employees to further segregate them to enhance the internal control environment. Consideration should be given to adequate staffing levels to meet these needs.

MANAGEMENT'S ACTION PLANNED

We fully recognize that internal control would be better served if duties and responsibilities were more separated among employees. However, until such time that additional staffing is added to

the Division, it will be virtually impossible to further segregate duties and be able to continue meeting workload demands. We have requested additional staffing to meet workload requirements. If this request is approved, we will be able to fully implement this recommendation.

2. **CDE needs to develop written internal policies and procedures that are unique for the unit.**

No written policies and procedures exist for CDE. At the entrance conference management asked our assistance in identifying some best practices found within higher education. Accordingly, CDE established a committee to assemble continuing education policies and procedures and write UWF's procedures. However, the committee has since become inactive.

To have an efficient operation, good internal controls require that key activities and procedures be documented. Furthermore, should any one employee be on extended absence from the office, critical tasks could go unattended, and/or procedures could be inconsistently applied. This could result in dissatisfied clients/customers and/or violation of university or state policies/procedures. With CDE being recently re-established, the employees focused upon getting up and running, rather than developing written policies and procedures. Current, comprehensive, approved, and organized policies and procedures set a standard against which to judge performance and progress. Further, well-documented methods simplify the smooth conduct of business activities in times of change and turnover as well as lessen chances for misunderstanding or misdirection, and to avoid noncompliance situations from arising.

RECOMMENDATION

To preserve what has been learned over time and refined through process application, to assure an adequate record of intended responsibilities and controls exist for future and ongoing reference, and to ultimately reduce dependency on the retention of present employees for the continuity of operational functions, we recommend policies and processes for CDE operations be thoroughly documented.

Further, periodic monitoring of the policies and procedures should be established and performed.

MANAGEMENT'S ACTION PLANNED

We concur with this recommendation. The current draft of policies and procedures will be updated and re-submitted to the Provost for approval.

3. **Improvements are needed in the cash collection procedures**

The CEU registration form provides an excellent control for the collection of fees. However, we noted that the payment information (amount, check number or payment method, receipt number, and initials of collecting agent) is not completed for each individual, primarily for cash payments. Since cash is the most liquid of assets, it is imperative that adequate procedures are in place to ensure its safeguarding. By not completing the CEU form with the information of the cash-paying

student, weakens the internal controls and creates the risk that the monies may never be deposited to the university.

During our fieldwork, management took immediate action to correct two significant internal control weaknesses. First, they secured a locking money bag that would be used for the collection of course fees. Second, third party sponsors held classes all over the state of Florida with UWF's CDE operation being the certifying agency. Because of the logistics involved, the internal control structure was severely impaired. Management recognizing this problem took immediate actions by eliminating the use of third party sponsors for CEU courses.

Whatever method of collection (receipts, mail log, on-site at classes), certain controls must be maintained: access to assets must be limited (safeguarding and accountability); accountability for funds during transfer must be maintained, funds collected should be balanced and deposited; and deposits should be counted and reconciled. Additionally, to assist the UWF Cashiers in processing payments received, we believe wording could be included on the CDE invoice indicating the enrollment is for a non-credit student. Good internal controls require adequate steps be taken to secure the monies collected.

RECOMMENDATION

Accountability for monies, once established, should be maintained throughout the procedures until deposited with the university cashiers. Management should consider including wording on the CDE invoices/registration forms that state these are for non-credit courses, which would facilitate proper processing by the UWF Cashiers.

MANAGEMENT'S PLANNED ACTION

Procedures have been changed to name events/sub-vents (courses and programs using a naming convention that will cause the Peopleware Pro software to include the words "non-credit" on invoices and receipts.

4. Documentation needs to be improved for the cancelled courses.

Cancelled courses are not properly documented in the course file. We examined 17 files for cancelled courses and found them lacking pertinent information. For example, the *date* the course was cancelled or *reason* why were not documented. Additionally, no documentation showing *proper authorization* for cancellation was included. If students had paid for the course and it was subsequently cancelled, documentation was not kept with the file showing the payment and refund information. Adequate documentation of cancelled courses is a good managerial planning tool. With this information readily available, it would help CDE management to assess the viability of offering this course in the future. Without documentation showing the details for the cancelled courses, no evidence exists to mitigate accusations of fraud that the course monies were collected, the course never held and the monies never returned to the students. We believe maintaining documentation on cancelled courses is just as important as records kept on courses that were held.

Authorization, approval, and record-keeping procedures that give control over assets and liabilities are vital components of internal control. The CDE department does an adequate job of having the proper approval and maintaining the correct records in most cases. However, there are a few areas of weakness such as the approval for cancelled courses.

RECOMMENDATION

More thorough documentation (date cancelled, reason, authorization, etc.) is needed regarding cancelled courses. Further, additional procedures are needed to bring this control to the level needed to assure the safeguarding of assets and achieving economy and efficiency in CDE operations.

MANAGEMENT'S PLANNED ACTION

Procedures have been changed to update description for each program Peopleware Pro event/subevent (courses and non-credit programs) that is canceled to state the reason the event/sub event is canceled, the date canceled and the individual's initials that updates the file. This will provide proper documentation of program cancellation actions. Further, a record will be made in the program files to support program cancellation actions. PLANNED IMPLEMENTATION DATE: Procedural change implemented approximately April 1, 2004.

5. Authorization, approval, and record-keeping procedures need to be improved for control over assets and liabilities.

The process of awarding CEU certificates needs improvement. We examined six seminars sponsored by third parties. These third party sponsors held classes all over the state of Florida with UWF's CDE operation being the certifying agency. When testing these seminars, we determined CEU certificates had been issued without receipt of payment, and the department received payments and failed to issue the CEU certificates to the individuals. As noted earlier in this report regarding the third party sponsored seminars, management took immediate action to eliminate the use of third party sponsors for CEU courses.

We also determined that a student had overpaid for a course and a refund was not issued. We informed management, who immediately issued a refund to the student.

RECOMMENDATION

The director should verify and approve a listing of certificates to be prepared to the Peopleware system's accounting of the eligibility. Upon signing the certificates, the director should compare certificates to the approved listing. This additional procedure would bring the internal controls to the level needed to assure reliability of data, accuracy of recordkeeping and securing of assets.

MANAGEMENT'S PLANNED ACTION

We concur with this recommendation; however, either the Director or Associate Director will be responsible for this verification and approval.

Prior Audit Findings

We reviewed prior internal and external audit reports for the past five years. Although no audit of continuing education has occurred during this time period, we did perform an audit on a division of CDE: Community and University Partnerships. This operational audit was for the period July 1, 1998-September 10, 1999. The report was issued on January 18, 2000, and included five findings. Each has been adequately implemented.

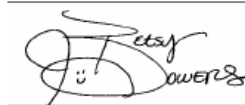
Conclusion

We determined that the overall internal control structure has several opportunities for improvement. Further, by enhancing them, it will provide reasonable assurance that the reliability and integrity of information is ensured; policies, procedures, rules and regulations are complied with; and assets are adequately safeguarded.

Our tests of compliance indicated that the university complied, in all material respects, with applicable provisions of state laws and university policies. Nothing came to our attention which caused us to believe that untested items were not substantially in compliance.

We appreciate the extensive support, cooperation, professionalism, and responsiveness we received during our audit from the staff in the Continuing and Distance Education department. Their eagerness and enthusiasm for ideas to improve services will enhance the upcoming changes in the department.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "J. Betsy Bowers". The signature is written in a cursive style with a horizontal line underneath it.

J. Betsy Bowers, CIA CFE CGFM
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