AGENDA

FLORIDA GULF COAST UNIVERSITY BOARD OF TRUSTEES
CONFERENCE CALL MEETING

Tuesday, February 20, 2018

9:30 a.m., or 10 Minutes after Adjournment of Audit and Compliance Committee Meeting

CALL WILL ORIGINATE FROM EDWARDS HALL, ROOM #309
FLORIDA GULF COAST UNIVERSITY

Indicated times within the agenda are approximate and are subject to change. Agenda items may be taken out of order at the call of the Chair and with the concurrence of the Board.

9:30 a.m. Call to Order, and Roll Call – Chair Blake Gable

9:35 a.m. Welcome to New Trustee Stephen Smith – Chair Blake Gable

9:40 a.m. Consent Agenda (Includes Public Comment) – Chair Blake Gable

- Minutes of January 9, 2018 Meeting (TAB #1)

9:45 a.m. Student Success – Enrollment Management Initiative – President Mike Martin

9:50 a.m. Audit and Compliance Committee (Includes Public Comment) – Committee Chair Joseph G. Fogg III

Information:
- Complaints Processing – President Mike Martin
- Relationship between Florida Gulf Coast University Board of Trustees and the University’s Direct Support Organizations – President Mike Martin
Action:

- Program Plan for Compliance and Ethics Office – Chief Compliance and Ethics Officer Stacey Chados (TAB #2)
- IF RECOMMENDED: Regulation: FGCU-PR-TBA Code of Ethics – Chief Compliance and Ethics Officer Stacey Chados (TAB #3)
- IF RECOMMENDED: Code of Conduct – Chief Compliance and Ethics Officer Stacey Chados (TAB #4)
- IF RECOMMENDED: Florida Department of Highway Safety and Motor Vehicles Agreed on Procedures Audit – Director of Internal Audit William Foster (TAB #5)
- IF RECOMMENDED: Florida Board of Governors University Data Integrity Audit – Director of Internal Audit William Foster (TAB #6)

10:15 a.m. Finance, Facilities and Administration Committee Meeting (Includes Public Comment) – Chair Ken Smith

Information:

- Potential Conflict of Interest with Proposals for New Academic Degree Programs – Vice President and General Counsel Vee Leonard (TAB #7)

10:20 a.m. Old Business – Chair Blake Gable

10:25 a.m. New Business – Chair Blake Gable

10:30 a.m. Chair’s Concluding Remarks, and Meeting Adjournment – Chair Blake Gable

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Florida Gulf Coast University Board of Trustees
February 20, 2018

SUBJECT: Minutes of January 9, 2018 Meeting

PROPOSED BOARD ACTION

Approve minutes

BACKGROUND INFORMATION

The Florida Gulf Coast University Board of Trustees met on January 9, 2018. Minutes of the meeting were kept as statutorily required.

Supporting Documentation Included: Minutes of January 9, 2018 Meeting

Prepared by: Transcription Experts

Legal Review: N/A

Submitted by: Vice President and Chief of Staff Susan Evans
FLORIDA GULF COAST UNIVERSITY BOARD OF TRUSTEES

Tuesday, January 9, 2018

COHEN CENTER BALLROOM, ROOM # 203-B
Florida Gulf Coast University

Meeting Minutes

Members:
Present: Trustee Kenneth Smith – Vice Chair and Acting Chair; Trustee Blake Gable – Elected Chair; Trustee Robbie Roepstorff – Elected Vice Chair; Trustee Darleen Cors; Trustee Richard Eide, Jr.; Trustee Joe Fogg III; Trustee Mike McDonald; Trustee Leo Montgomery; Trustee Russell Priddy; Trustee Christian Spilker; and Trustee Jalisa White.

Not Present: Trustee Kevin Price (Excused Absence).

Others:
Foundation Board of Directors Chair David Holmes; and Staff Advisory Council (SAC) President Teri Bigos.

Staff: President Mike Martin; Provost and Vice President for Academic Affairs James Llorens; Vice President for Administrative Services and Finance, and Executive Director of FGCU Financing Corporation Steve Magiera; Vice President for University Advancement, and Executive Director of FGCU Foundation Chris Simoneau; Vice President and Chief of Staff Susan Evans; Vice President and General Counsel Vee Leonard; Chief Compliance and Ethics Officer Stacey Chados; Director of Internal Audit Bill Foster; Project Manager Melissa Pind; Assistant Director of Board Operations Tiffany Jackson; and Director of Operations Tiffany Reynolds.

Item 1: Call to Order, Roll Call, and Opening Remarks
Vice Chair Ken Smith called the meeting to order at 8:33 a.m. stating, for the record, he would be conducting the meeting until the election of new officers as former Chair Dudley Goodlette’s Trustee term ended on January 6, 2018. He added Trustee Goodlette would attend the April 10, 2018 meeting where he would be honored with a Board resolution of appreciation for his leadership and service. Roll call was taken with 11 of 12 members present, thus meeting quorum requirements.
Item 2: Welcome to New Trustee Richard Eide, and Provost and Vice President for Academic Affairs James Llorens

Vice Chair Smith welcomed new Trustee Richard Eide. Trustee Eide thanked Trustee Joseph Fogg and Board of Governors Chair Ned Lautenbach for their encouragement to join the FGCU Board of Trustees. Vice Chair Smith also recognized Provost and Vice President for Academic Affairs James Llorens. Dr. Llorens commented he was excited to be at Florida Gulf Coast University, and looking forward to working with the Board.

Item 3: Student Success Showcase

Vice Chair Smith called on Dr. Llorens to introduce the students in the Showcase. Dr. Llorens introduced Ms. Chelsea Atkins and Ms. Samantha Lloyd, who spoke about their successes at Florida Gulf Coast University. Vice Chair Smith added his compliments to these two outstanding students.

Item 4: Consent Agenda (See Tabs #1-2)

Vice Chair Smith stated there were two items on the consent agenda: (1) Minutes of the December 8, 2017 Meeting; and (2) the FGCU BOT Meeting Dates for 2018-2019 and 2019-2020.

Trustee Darleen Cors made a motion to approve the Consent Agenda. Trustee Leo Montgomery seconded the motion. There was no public comment, or Board discussion. The vote was 11-0 in favor of the motion.

Item 5: Election of Chair and Vice Chair of Florida Gulf Coast University Board of Trustees (See Tabs #3-5)

Vice Chair Smith called on Officers Nominating Committee Chair Leo Montgomery.

Trustee Montgomery stated there were several items to be considered under this item. He said the first item was the Committee’s approval of the Minutes of the December 14, 2017 Officers Nominating Committee meeting.

Trustee Russell Priddy made a motion to approve the Minutes of the Officers Nominating Committee Meeting of December 14, 2017. Trustee Montgomery seconded the motion. There was no public comment or discussion. The vote was 2-0 in favor of the motion, with only Committee members voting on approval of the Committee meeting minutes.

Trustee Montgomery reported by unanimous vote the Committee recommended Trustee Blake Gable as Chair and Trustee Robbie Roepstorff as Vice Chair. He called for a motion to approve this recommendation.
Trustee Christian Spilker made a motion to approve Trustee Blake Gable as Chair and Trustee Robbie Roepstorff as Vice Chair. Trustee Smith seconded the motion. There was no public comment, or Board discussion. The vote was 11-0 in favor of the motion.

Trustee Smith congratulated the newly elected Chair and Vice Chair. He added the Board Bylaws provided an effective date of February 1 for the start of the terms for the Chair and Vice Chair. However, he said since Trustee Goodlette’s Trustee term had ended, the Board could suspend this provision of the Bylaws and vote to make the Chair and Vice Chair terms’ effective date as of today, January 9, 2018.

Trustee Priddy made a motion to suspend the Bylaws as described above with the effective date for the new Chair and Vice Chair to be effective January 9, 2018. Trustee Montgomery seconded the motion. There was no public comment, or Board discussion. The vote was 11-0 in favor of the motion.

Trustee Smith formally turned over the gavel to Chair Gable. Chair Gable thanked everyone and said he and Vice Chair Roepstorff had big shoes to fill following in the steps of Trustee Goodlette and Trustee Smith.

Chair Gable asked Vice Chair Roepstorff for comments. She thanked the Board for its confidence in selecting her as Vice Chair, and she committed to serving with hard work. She stated that she would be dedicated to making sure that FGCU obtains the needed permits from the U.S. Army Corps of Engineers to complete the Student Academic Health and Life Fitness Center. Chair Gable stated for the record that he fully supports this initiative.

**Item 6: President’s Report**

Chair Gable asked President Mike Martin to give the President’s Report.

President Martin began by welcoming his longtime colleague James Llorens to FGCU, who would help with some important changes to advance the institution. He also welcomed Trustee Eide, whom he added would be a strong Board member. He also thanked Trustee Smith for his assistance and support, both during the presidential search and after.

President Martin stated just after FGCU Day at the Capitol, he would be attending the Board of Governors (BOG) meeting to present FGCU’s Strategic Plan. He said the Plan had been approved by the FGCU Board of Trustees, and the BOG had responded positively as well. He provided copies of the principles by which the Task Force had been charged to re-energize the Strategic Plan. He said his objective was not to read the Strategic Plan to the BOG, but to indicate the parameters which had been set forward to update the Strategic Plan.

President Martin reported he had been working with Trustee Fogg on the issue of making sure all understood the ways in which the institution responded to external
concerns, complaints, grievances, whistleblower issues, and the Hotline. He said at the next Board meeting he was hopeful he could give a more precise idea of the corridors and ways in which various offices on campus would respond to these types of issues and concerns. He said at present, it was a bit confusing.

President Martin said he was continuing to work on structuring an approach to heighten commitment to student success and graduation rates. He said he was confident that at the next regular meeting of the Board, there would be a presentation of a set of recommendations from a task force led by Marieb College of Health & Human Services Dean Mitch Cordova, and the president also is being assisted by an outside consultant, Dr. Pam Shockley. He expressed that this task force had done a marvelous job of thinking through the best ways to continue to build student success and to improve the metrics for their own sake, but most assuredly for the performance funding formula.

President Martin said finally he wanted to emphasize FGCU Day at the Capitol, January 22 and 23. He said FGCU would be making a legislative budget request case on two levels. One level was $13.7 million of recurring funding to continue to build academic strength and to catch up in terms of funding per capita. He said the second level was $32.9 million aimed at completing the construction funding for an integrated water and coastal studies building “Academic Building 9 (AB9)”. He said FGCU had received support from the leadership of the Board of Governors (BOG) and pointed out a small card, which each Trustee had been given, that contained some talking points and which could be used in discussing the issues.

President Martin thanked Chair Gable for his help in forming the legislative budget requests information provided to the BOG.

Item 7: Standing Report from United Faculty of Florida (UFF)/FGCU Chapter

Chair Gable introduced Co-Presidents of United Faculty of Florida (UFF)/FGCU Chapter Win Everham and Morgan Paine, whose report was being made in conjunction with the collective bargaining agreement provision that provides an opportunity to speak to Board agenda items which affect the wages, hours, and other terms and conditions of employment of employees, defined as a member of the bargaining unit. He said FGCU was currently engaged in negotiations with UFF, and it would be inappropriate to enter into any kind of discussion.

Dr. Everham thanked Chair Gable and congratulated him on his new position as Chair. He said he would be giving the report solo as Mr. Paine was teaching.

Dr. Everham stated since their last report to the Board, a memorandum of agreement had been processed which had resulted in the faculty who had been promoted last June receiving promotion pay raises. He said thanks to the fast actions of Human Resources, back pay had been received before Christmas.
Dr. Everham said in October the budget had indicated a positive balance of $1.7 million, not including the costs of Hurricane Irma. He said the budget before them indicated a positive balance of $4.5 million, due in part to savings which happened during the time FGCU was closed for the hurricane.

Dr. Everham stated it was important that the Board understood the work of faculty included teaching, service and scholarship. He said the ability to continue to be active scholars had been damaged by budget cuts related to travel. He asked the Board and administration to consider, as FGCU moved forward, restoring some funding to support faculty scholarship.

Dr. Everham continued by saying UFF would like to call attention to two bills filed in the Legislature this year. House Bill 25 raised the possibility of de-certifying the union. He said obviously the United Faculty of Florida (UFF) was not in favor of this bill, and he asked the Board to consider the time and energy which might be necessary to individually negotiate 462 faculty contracts. The second bill introduced was to allow firearms to be legally carried on campus by untrained citizens. He pointed out firearms were already allowed on campus, but were restricted to the trained professionals who protected them. He said he did not feel more guns on campus would make them safer, and this position was supported by the UFF Chapter, the FGCU Faculty Senate, and all of the Police Chiefs of the State University System, and he asked the Board to support this stance as well.

Dr. Everham stated faculty were concerned about the possible hurricane impacts on withdrawal and failure rates for students and how it would impact retention rate and progress toward the performance metrics in upcoming years.

Dr. Everham thanked College of Arts and Sciences Dean Bob Gregerson and Associate Provost and Associate Vice President for Academic Affairs Tony Barringer for helping to create a fundamentally more positive atmosphere for the University over the past 90 days. He said their work had set the stage for constructive, positive, productive conversations and actions that would energize and motivate the teaching and learning environment. He thanked everyone for their commitment to the University.

**Item 8: Standing Report from FGCU Foundation Board of Directors**

Chair Gable asked FGCU Foundation Board of Directors Chair David Holmes to give his report.

Mr. Holmes began his report by stating the Foundation was committed to supporting the University, and he welcomed Trustee Eide, and Dr. Llorens, and congratulated the Chair and Vice Chair in their new positions. He said the Foundation had been busy working with President Martin and introducing him to various constituencies throughout the region. He stated last month he had hosted a day where President Martin came to Charlotte County and met with over 100 business, government and cultural leaders from the community. On the following day, President Martin attended a similar event in...
Hendry County. He said in the coming week, President Martin would be going to the Sanctuary Golf Club and getting to know the people of Sanibel and Captiva; and on February 1, President Martin would attend an event at the home of former FGCU Foundation Board Chair Fred Pezeshkan in Port Royal.

Mr. Holmes stated he had been involved in a number of events over the past several months to continue the introduction of President Martin to Southwest Florida, including the annual Founder’s Cup Golf Tournament at Quail Creek in Naples, which was a resounding success that raised over $120,000. He said another successful event was the President’s Scholarship Luncheon. He said these events further the mission of supporting and advancing the University by making new connections.

Mr. Holmes stated the Foundation’s primary mission was advancement, which included fundraising. He said in the past six months, the Foundation had experienced some headwinds, which were somewhat unexpected. He said the $100 million capital campaign had wrapped up with over $125 million successfully raised. He said following this, they had come to an expected pause in fundraising. His said a new President came onboard and an unexpected hurricane shortly thereafter, which had redirected some philanthropic dollars to social services and other areas. He said he now felt they were in a more typical environment.

Mr. Holmes stated the Foundation also was working on a Strategic Plan to support and align with the University’s Strategic Plan. He said in the coming months, the Foundation would present a comprehensive Strategic Plan to the FGCU Board of Trustees that would align the work of the Foundation with the larger work of the University.

**Item 9: Standing Report from FCGU Financing Corporation Board of Directors**

Chair Gable said Vice President for Administrative Services and Finance, and Executive Director of FGCU Financing Corporation Steve Magiera would be giving the report for the Financing Corporation on behalf of Mr. Joe Catti.

Mr. Magiera said the Financing Board had met on December 6, 2017. He said Larry Hart was unanimously elected as the Treasurer of the Financing Corporation. He said the financial statements and quarterly budgets showed no concerns. He reported the hurricane damage to the boardwalk at North Lake Village was about a half million dollars; the construction company had been hired and repairs should begin before the end of the month. He stated it was expected almost all of the damage would be covered by FEMA or state insurance.

Mr. Magiera stated the Financing Corporation had heard a report on area competition and actions being taken to maintain the market share for student housing. He added the Financing Corporation Board of Directors unanimously approved spending up to $1 million for a full-sized bed program in North Lake Village, which would maintain a competitive edge in the market. He reported the North Lake Village dining hall had
opened; and he added that the Financing Corporation was thankful to Chartwells for providing the funds to build the dining facility.

Mr. Magiera stated the final report on the bond refinancing had been received, and the process had finished and closed at the end of November. He said there had been $54 million of housing bonds and $8 million of parking bonds which were callable in 2017, and they had been refinanced. He said the net present value savings on the housing bonds was $7.6 million, and about $800,000 on the parking bonds. He said the Financing Corporation had received very satisfactory ratings from the various rating agencies. He stated that Fitch gave “A+” ratings for both housing and parking bonds; Moody’s gave “A2” ratings for both housing and parking bonds; and Standard & Poor’s gave an “A-“ rating to the housing bond and an “A” rating to the parking bond.

**Item 10: Presentation on FGCU Student Housing**

Chair Gable introduced Director of Housing Brian Fisher to present this information.

Dr. Fisher gave a brief history of housing at FGCU. He said housing has grown rapidly in a short amount of time.

Dr. Fisher introduced each of the residential communities on campus. He began with South Village, the newest residential community but the largest, and he noted the majority of students living there were first-year students, which provided a unique opportunity to provide programmatic elements to support the transition to University life. He said unique to this community was every student had a private bedroom with a shared living area, which was unattainable at other universities. He shared photos of this facility and highlighted some of its features. He presented North Lake Village, the first student housing facility on campus, which offered apartment style housing, and mostly housed sophomores and student-athletes. He said this was the area where FGCU needed to be competitive to encourage students to continue to live on campus.

He said FGCU had enhanced North Lake Village recently to make it more attractive to students. He shared photos of North Lake Village. Dr. Fisher said the University also offered an apartment complex, West Lake Village adjacent to the Gulf Coast Town Center that was used by upper-class students who were required to sign a one-year lease.

Dr. Fisher emphasized the University offered more to students than a place to live. He shared the mission statement for the Office of Housing & Residence Life and highlighted key elements, which included transitioning into a welcoming community, specialized staff, and inclusive communities which fostered learning. He pointed out the current data showed students who lived on campus were more successful and had improved graduation rates.

Dr. Fisher stated the Housing Office had many dimensions including business operations, a facilities team, and a residence life team. He said in addition to the on-campus staff, there also were many off-campus partners, which included outsourced
services such as housekeeping. He said there was a five-year capital improvement plan. He said although much of the housing was new, FGCU also had some housing which was 20 years old, but his team was working hard to keep facilities “like new.”

Dr. Fisher said the business operations staff was lean and included eight or nine members. He briefly presented a budget overview and highlighted some of the figures.

Dr. Fisher said the residence life staff was the team which made on-campus housing different from off-campus housing. He said his office had worked very hard to recruit a team which was very dedicated to students. He said this team lived on campus and worked tirelessly for students, and it included Resident Assistants and Resident Directors.

Dr. Fisher presented the First Year Residential Experience (FYRE) program. He said this program existed in South Village and included many of the resources needed by first-year students. He said four advisors had their offices in Eagle Hall, and there were five classrooms where classes were taught. He said the faculty who taught classes in Eagle Hall were part of the First Year Residential Experience (FYRE) Fellows Program and held office hours there.

Dr. Fisher said outside of South Village, there were four living and learning communities, which included a Leadership through Service community; an Entrepreneurship community; Honors community; and a Women in Science, Technology, Engineering and Math community.

Dr. Fisher shared that until the last two years, the residence halls had been at full occupancy. He said the fall occupancy was in correlation to off-campus growth. He said in the past 24 months, he and his staff had developed plans to be as ready as they could in an environment where enrollment growth was flat or very slow. He said to be prepared, they had filled a new position, Coordinator for Marketing, to become more assertive in marketing efforts. To become more competitive, he said on-campus housing would be offering full-sized beds as an option. He said efforts to boost summer occupancy also were being pursued.

Dr. Fisher concluded by stating 98 percent occupancy was not something to be disappointed about, but knowing housing offered students a critical piece of learning and could propel them into success, it was important to give students this opportunity. Trustee Priddy commented he supported Dr. Fisher and his staff, and said the Board should appreciate Dr. Fisher’s forward thinking in housing, which was number one in the State. He thanked him for his dedication.

Trustee Spilker asked how the rental rates compared to the private marketplace.

Dr. Fisher responded rental rates for on-campus housing had not been raised since 2012, and the price of on-campus housing was less than the comparable off-campus market.
Trustee Priddy asked if Dr. Fisher had considered cable, Wi-Fi, and other included amenities provided in on-campus housing in his comparison.

Dr. Fisher responded most of the off-campus housing included these also. He said at The Reef and University Village, students were given a utility allowance.

Trustee McDonald thanked Dr. Fisher for his presentation and asked what would be the crisis point for occupancy.

Dr. Fisher stated Housing would not start losing money until it reached 83 percent occupancy with all other things static. He added as revenues declined, it would make it more difficult to invest in the facility.

Trustee Eide complimented Dr. Fisher on his presentation and asked if the ratings from Fitch, Moody’s, and Standard & Poor’s were the same as prior ratings.

Mr. Magiera replied the ratings had not changed, and a stable outlook had been given from all of the agencies.

Trustee Eide asked if any of the ratings included a “watch.”

Mr. Magiera responded in the past this had happened, but it had all been resolved, and there was no longer any “watch.”

Trustee Fogg commented he would have thought proximity to campus and other students would be a massive advantage for on-campus housing.

Dr. Fisher responded “new and close” always beat “old and far.” He said University Village, a new competitive facility, was within walking distance to campus. He said as students mature, they want to move off campus. He said he was supportive of that.

Trustee Spilker mentioned a number of schools have a requirement for students to live on campus in freshman, and sometimes sophomore, year. He asked if this option was something FGCU would consider.

Dr. Fisher responded there were three universities in the State University System (SUS) that currently did this: University of North Florida, Florida Atlantic University, and University of South Florida. He said he was not in favor of this as it created a stigma among students that it was forced on them, and at this time, he was not to the point of considering this option. He added students may not want to come to FGCU if they would be forced to live on campus. He said it was not a simple decision.

President Martin stated if the Strategic Plan succeeded on enrollment management, FGCU would grow organically without adding freshmen.
Trustee Priddy commented one of the drivers for students to move off campus was they did not have to play by the rules of living on campus. Dr. Fisher agreed and said University Housing was supportive of older students living off campus as it is a natural course of development as students grow and mature.

Dr. Fisher invited the Board to visit the housing facilities.

Item 11: Academic/Student/Faculty Affairs Committee (See Tab #6)
Chair Gable introduced Academic/Student/Faculty Affairs Committee Chair Christian Spilker to present this information.

Trustee Spilker said there was one information item which was a presentation on the Soar in 4 results to date. He asked Director of Retention & First Year Experience Ney Arias and Soar in 4 Program Manager Christina Badali to present this information on behalf of Dean of Undergraduate Studies Dawn Kirby.

Mr. Arias said Soar in 4 was a program which made FGCU really special. He said it was an incentive based program which rewarded students for graduating in four years. He said this was done by tracking student contact with offices that enhanced the value of students’ degrees and by participation in programs such as internships and co-ops. He said after students graduate, stay in the State of Florida, and get a job within six months making at least $25,000 a year, they were rebated out-of-pocket tuition costs incurred in the first year for up to 30 credit hours. He said this program allowed FGCU to get in touch with students and require some things which would benefit them. He added it also improved the metrics through retention and reduced the cost of degree.

Mr. Arias continued by saying that students were informed of the program during orientation in the advisement section. He stated plans were under way to change this to make a presentation at the beginning of the day to students and parents. He said students sign a form indicating they have received information about Soar in 4, and the form was scanned into Banner and would be signed over the four years. Mr. Arias said this procedure was no longer ideal for their needs. He introduced Ms. Badali to explain some changes which were being made to change this system.

Ms. Badali said the paper-based program had worked initially, but for long-term use, it would not be sustainable. She said their plan was to become more electronically based, and Soar in 4 had partnered with Business Technology Services (BTS) to accomplish this. She said BTS had helped to bring the vision to life by taking what was currently being used by faculty and staff and integrating it into FGCU’s online Gulfline system. She said her office would be utilizing Banner, Appointment Manager, and Simplicity, so students would be able to track their progress in the program on Gulfline. She said in addition to students being able to see their progress, faculty and staff could view this information as well and be proactive.
Ms. Badali added this new system would enable them to gather usable data regarding Soar in 4 and use it to inform policies and practices to increase the four-year graduation rate.

Mr. Arias said what the new system would allow them to do was monitor students during a semester and more effectively help them.

Mr. Arias explained the results of the first cohort of the Soar in 4 program, which began in 2015, most of whom have not yet graduated. He showed 9 percent of first-year students completed 30 credit hours in 2014, 20 percent in 2015, and in 2016, there was an increase to 33 percent. Nationwide the statistic was 31 percent, which meant FGCU was above the national average.

Trustee Fogg asked what the significance of completing 30 credit hours was. It was explained if students completed 30 credit hours a year, they would complete 120 hours and could graduate in four years.

Ms. Badali stated in an effort to be forward thinking, she had a series of meetings with other state institutions across the country which offer similar incentive programs that have been successful. She said these institutions offer various other incentives to students, and she said in the future FGCU could examine these programs. She continued by saying that the first cohort would graduate in the spring of 2019, and pointed out a few proactive students had already graduated.

Trustee Smith said he was happy to hear Soar in 4 was no longer using paper scanning, and he congratulated them on their good work. He asked if the 30 percent included all first-year students, and the response was affirmative. Trustee Smith asked if the program was being actively marketed to juniors in high school and their parents, so FGCU would have an advantage.

Ms. Badali responded the Office of Admissions did include information about Soar in 4, and at Eagle Expo, the information was presented to parents who were very favorably impressed.

Trustee Montgomery asked what was the highest rate for first-year students at any one university. Ms. Badali responded the data was not publicly available.

Trustee McDonald asked if the program was available to out-of-state students as well, and the response was affirmative.

Chair Gable thanked Ms. Badali and Mr. Arias for their presentation, and said the more parents who can hear about this program, the better.
Item 12: Finance, Facilities and Administration Committee (See Tabs #7-9)

Chair Gable stated there were two Information Items, and one Action Item. He asked Vice President for Administrative Services and Finance, and Executive Director of FGCU Financing Corporation Steve Magiera to present the first two items.

Finance/Budget Update (Tab #7)

Mr. Magiera said the first item was the Financial Budget update for the quarter. He said revenues were a positive variance of $1.7 million, and expenditures of $2.8 million were also positive, which meant less was spent than anticipated. He reported the actuals for revenue were about $1 million, and $2.3 million for expenditures.

Chair Gable asked for questions and there were none.

Block Tuition (Tab #8)

Mr. Magiera said President Martin had asked him to give information about Block Tuition. He said last year the Legislature talked about the possibility of universities looking at block tuition. He said the discussion at that time was about at what amount the tuition would be set. He said if block tuition was set at 12 credit hours, FGCU would lose $7 million; if it were set at 15 credit hours, FGCU would earn about $5 million.

Mr. Magiera stated the Chancellor’s office had asked the universities to come up with some possible plans. He said the Chancellor’s office had been informed that none of the plans, which the universities have put forth, had been endorsed by the Trustees, and these were only options.

Mr. Magiera explained one option was a block tuition set at 15 credit hours, where the student could take anywhere from 12 to 21 credit hours. He said in trying to keep in good faith with the students in cost, any hours which could not be taken in fall or spring semesters, the student could bank and use in summer. He gave an example of a student who could not take more than 12 hours in a semester, who could then take the extra six hours in summer at no charge.

Mr. Magiera added Bright Futures, and Florida Prepaid both indicated they will not participate in a block tuition program. He said right now approximately one-third of FGCU’s students were Bright Futures or Florida Prepaid recipients, so these students would not participate.

Mr. Magiera continued by saying that one of the other plans put forth was a rebate program which stipulated if a student completed 30 credit hours as a freshman, 3 free credit hours would be given in their sophomore year, and this would continue through their junior and senior years, which added up to 9 free credit hours.

Mr. Magiera said he was not sure if the Legislature was trying to get the costs down or if they were trying to get students graduated. He said the rebate program estimate would be about $1.8 million in cost to FGCU. He said the Soar in 4 program would cost about $1.5 million.
Mr. Magiera said eventually he would be back before the Board to ask for its endorsement for a particular program, but he was far from that point now. He said at this time the Legislature was considering giving the universities a choice of options.

Trustee Smith said he wondered if a student from another university within the State University System (SUS) wished to take a course at FGCU, how that would work. Mr. Magiera said that was one of the details being considered.

Trustee Smith asked if online courses could be taken, and the response was affirmative.

Mr. Magiera said the Legislature was expecting this change to take effect in the fall 2018 semester, which presented many complications.

Trustee Roepstorff said she was concerned about Bright Futures not participating, and how this was being handled.

Mr. Magiera responded Bright Futures’ argument was it did not believe it could legally participate as it paid for courses that had actually been taken.

Trustee Roepstorff said she would think the Legislature would work that out before this was put into place.

Trustee Gable said this issue could be a key component of the upcoming Board meeting on February 20, depending on how much information is available then.

Transcript of the Executive Session of January 12, 2016 (Tab #9)

Chair Gable called on Vice President and General Counsel Vee Leonard to present this item.

Ms. Leonard said this was an item to cure an Executive Session transcript for January 12, 2016, which inadvertently was not submitted to the Board, and this was to cure a Sunshine issue.

Trustee Smith made a motion to approve the transcript of the Executive Session of January 12, 2016. Trustee Cors seconded the motion. There was no public comment, or Board discussion. The vote was 11-0 in favor of the motion.

Item 13: Audit and Compliance Committee (See Tabs #10-14)

Chair Gable called on Audit and Compliance Committee Chair Joe Fogg.

Trustee Fogg asked President Martin to make some preliminary remarks. President Martin said after some conversations, it had been decided it would be in the best interest to delay three of the five action items until the faculty and the Faculty Senate had time to consider any input. The three items were: (1) Regulation on Code of Ethics
Trustee Fogg stated that it would be good to take these items up at the February 20 meeting.

Trustee Fogg asked Director of Internal Audit Bill Foster to handle the next agenda items.

Florida Gulf Coast University Financing Corporation Independent Auditor’s Report for the Year Ending June 30, 2017 (Tab #10)

Mr. Foster said the first item was the FGCU Financing Corporation Independent Auditor’s Report. He said the auditors had determined the financial statements fairly presented the financial position of the Financing Corporation, which was a clean opinion. He said there were no deficiencies in internal controls noted, which was excellent. He said also no new debt was incurred.

Mr. Fogg commented there continued to be some confusion on the part of the Audit and Compliance Committee as to what extent the Committee, and the FGCU Board of Trustees, had responsibility for the University’s Direct Support Organizations (DSOs). He asked President Martin for some clarification from the administration on this in the future.

Trustee Smith made a motion to accept the Auditor’s Report for the Financing Corporation for the Year Ending June 30, 2017. Trustee Montgomery seconded the motion. There was no public comment, or Board discussion. The vote was 11-0 in favor of the motion.

Florida Gulf Coast University Foundation Independent Auditor’s Report for the Year Ending June 30, 2017 (Tab #11)

Trustee Fogg called for a motion to approve this Report.

Trustee Smith made a motion to accept the FGCU Foundation Independent Auditor’s Report for the Year Ending June 30, 2017. Trustee Montgomery seconded the motion. There was no public comment, or Board discussion. The vote was 11-0 in favor of the motion.

Trustee Smith said Trustee Fogg’s comment concerning the role of the FGCU Board of Trustees’ oversight to the Direct Support Organizations (DSOs) was important and should be clarified.

Trustee Fogg said the Board of Governors (BOG) had promulgated some recent thoughts on the matter, and he said it was not clear to him what was expected.

President Martin added he was inquiring of other universities within the State University System (SUS) on their interpretation of this matter. He said it had been an ongoing
Chair Gable asked for this item be put on the agenda for the next Board meeting on February 20.

**Item 14: Standing Report from FGCU Faculty Senate**

Chair Gable called on Faculty Senate President Mike McDonald for his report.

Trustee McDonald said over the past few months there had been a few significant actions taken. He said the Faculty Senate developed and approved a resolution to sunset the moratorium on supplies and material fees for laboratory and other experience-based courses. He said the Faculty Senate had recently completed the fall semester funding cycle for the Professional Development Grant Program, and reported the Faculty Senate had received 53 applications and awarded 49 grants with an average award of $908. He said with these funds, faculty would pursue scholarly activities. He said Director of Facilities Planning Tom Mayo would attend the Senate’s next meeting to provide an overview of the plans for Academic Building 9 (AB9).

**Item 15: Standing Report from FGCU Student Government**

Chair Gable called on Student Government President Jalisa White to give her report.

Trustee White reported Student Government would be taking 18 students to FGCU Day at the Capitol. She said the allocation of the Activity and Service (A&S) fees from student tuition, which is $4.2 million, was being completed. She said coming up was the Student Government Welcome Back event, Open Forums, Wings Up Wednesdays, Deans Meetings, as well as Homecoming. She stated Student Government had secured funding for permanent speakers on the lawn, which would eliminate the need to move speakers for events. She invited the trustees to speak at Senate, and to let Vice President Evans know if they were attending so she could notice the public meeting.

**Item 16: Standing Report from FGCU Staff Advisory Council**

Chair Gable called on Staff Advisory Council (SAC) President Teri Bigos to give her report.

Ms. Bigos reported the Staff Advisory Council (SAC) was planning to provide some professional development program monies to staff via a revised application that would reward the money in fall and spring. She said SAC was planning for Soar Into Spring, which would be during spring break week. She thanked Dr. Llorens for meeting with the SAC officers and discussing student success. She also thanked President Martin for continuing to create a culture of shared governance at FGCU.
Item 17: Old Business
There was no old business for discussion.

Item 18: New Business
Chair Gable stated he would make a few appointments in accordance with the Board’s Bylaws. He asked the following Trustees to serve in the following capacities, and they agreed to do so:

- Trustee Christian Spilker to remain in his current role as Chair of the Academic/Student/Faculty Affairs Committee.
- Trustee Ken Smith to Chair the Finance, Facilities and Administration Committee.
- Trustee Joe Fogg to remain in his current role as Chair of the Audit and Compliance Committee.
- Trustee Leo Montgomery to be the liaison to the FGCU Foundation Board of Directors.
- Trustee Russell Priddy to remain in his current role as the liaison to the FGCU Financing Corporation.

Chair Gable thanked everyone for their assistance.

Item 19: Chair’s Closing Remarks & Meeting Adjournment
Chair Gable stated as the Board moved forward, he had asked President Martin to start each meeting by focusing on the things which have to be done better at the University. He said it was important to acknowledge the areas where there has not been success. He said whatever the President chose to highlight, the Board needed to be focused on that issue. He said ultimately, the Board’s focus needed to be on student success. He stated he had asked for the standing reports from Faculty Senate, Student Government, and Staff Advisory Council (SAC) to be put on hold so the Board can focus on the things it can do to support the President and the administration.

Chair Gable adjourned the meeting at 10:45 a.m.
Minutes prepared by Transcription Experts, and reviewed by Tiffany Reynolds, Director of Operations.

Agenda Items:

A. See Tabs #1 – 14

B. Handouts

Attachment:

A. Record of Votes
Record of Votes
FGCU Board of Trustees
DATE: 1/9/2018

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<th>TRUSTEES</th>
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Florida Gulf Coast University Board of Trustees
February 20, 2018

SUBJECT: Program Plan for the Compliance and Ethics Office

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PROPOSED BOARD ACTION

On recommendation by the Audit and Compliance Committee, approve the Compliance and Ethics Program Plan.

BACKGROUND INFORMATION

The Program Plan outlines how the Compliance and Ethics Office will implement the seven elements of an effective compliance and ethics program; demonstrate due diligence in preventing and detecting criminal conduct, unethical behavior, and noncompliance with rules; and promote an organizational culture that encourages ethical conduct and a commitment to compliance.

Board of Governors Regulations 4.003 (State University System Compliance and Ethics Programs) requires the FGCU Board of Trustees to approve the Program Plan, and upon acceptance, to provide a copy of the Program Plan to the Board of Governors.

______________________________

Supporting Documentation Included: FGCU Compliance and Ethics Program Plan

Prepared by: Chief Compliance and Ethics Officer Stacey Chados

Legal Review by: Vice President and General Counsel Vee Leonard (August 16, 2017)

Submitted by: Audit and Compliance Committee Chair Joseph Fogg III
A. INTRODUCTION
This document serves as a blueprint of an effective compliance and ethics program plan as contained in the Federal Sentencing Guidelines Manual (Chapter 8 §B2.1) and the Board of Governors (BOG) Regulation 4.003, State University System Compliance and Ethics Programs.

In accordance with the Manual and the BOG Regulation, FGCU’s Compliance and Ethics Program Plan (hereinafter referred to as Compliance Plan) outlines the seven elements of an effective compliance and ethics program. The Compliance Plan demonstrates due diligence in preventing and detecting criminal conduct, unethical behavior, and noncompliance with rules; and promoting an organizational culture that encourages ethical conduct and a commitment to compliance. Specifically, the Compliance Plan:

- Implements written standards in the form of a Code of Conduct to promote responsibility and accountability for ethical conduct, as well as the University’s commitment to compliance with applicable laws, regulations, rules, policies, and procedures.
- Establishes an administrative governance framework, including the designation of a Chief Compliance and Ethics Officer, for conducting an effective and diligent compliance program.
- Outlines a commitment to educate University personnel regarding compliance requirements and ethics initiatives.
- Develops effective lines of communication to encourage reporting allegations of wrongdoing without fear of retaliation and to receive and respond to deficiencies and breaches in an efficient and timely manner.
- Implements monitoring and auditing functions to measure the effectiveness of the University’s compliance initiatives.
- Outlines performance incentives and disciplinary measures to promote and enforce the compliance and ethics program.
- Outlines a process to timely review credible allegations of wrongdoing, take corrective actions, and implement appropriate and effective internal controls to prevent further similar misconduct from occurring.

B. THE SEVEN ELEMENTS

1. CODE OF CONDUCT
The University’s Code of Conduct promotes ethical principles derived from federal and state laws and regulations, University regulations and policies, contract and grant requirements, and generally accepted principles of ethical conduct. The Code applies to the FGCU Board of Trustees; President, Cabinet, and University faculty and staff; and volunteers, contractors, vendors and other representatives providing services to or acting on behalf of the University, including the University’s direct support organizations. Deans are responsible for assuring that faculty under their supervision abide by the Code; managers of University administrative functions are responsible for assuring that staff and other representatives under their supervision
abide by the Code. The Chief Compliance and Ethics Officer is responsible for promoting, monitoring, and enforcing the Code.

The Code of Conduct supplements the University’s regulations and policies, and in particular, complements the University’s Regulation on Ethics as well as the FGCU Board of Trustees Ethics Policy, both of which reaffirm the University’s commitment to comply with the Code of Ethics for Public Officers and Employees codified at Title X, Chapter 112, Part III of the Florida Statutes.

A copy of the Code of Conduct is provided as an attachment to the Compliance Plan.

2. COMPLIANCE PROGRAM GOVERNANCE

FGCU displays an appropriate governance structure by ensuring that the FGCU Board of Trustees, through its Audit and Compliance Committee, is knowledgeable about the content and operation of the compliance and ethics program and exercises reasonable oversight over its implementation and effectiveness. A Chief Compliance and Ethics Officer is assigned responsibility for the day-to-day operations of the program and is afforded direct access to the Chair of the Audit and Compliance Committee of the FGCU Board of Trustees, as well as to the President and Cabinet, University employees with compliance responsibilities, and University employees responsible for investigations as follows:

a. Audit and Compliance Committee of the FGCU Board of Trustees
   The Audit and Compliance Committee of the FGCU Board of Trustees is responsible for overseeing the compliance and ethics program and approving of the roles and responsibilities of the Chief Compliance and Ethics Officer. As required by BOG Regulation 4.002(2), the Charter for the Audit and Compliance Committee of the FGCU Board of Trustees describes the Committee’s governance oversight for FGCU’s compliance and ethics program.

b. President of FGCU
   In collaboration with the Chair of the Audit and Compliance Committee of the FGCU Board of Trustees, the President designates a senior-level administrator as the Chief Compliance and Ethics Officer and ensures that the individual selected for the position maintains his/her independence and has adequate resources and authority to perform the responsibilities of the position.

c. Chief Compliance and Ethics Officer
   The Chief Compliance and Ethics Officer is responsible for the day-to-day operations of the compliance and ethics program. To ensure the impartial and unbiased judgment essential to the proper conduct of the compliance and ethics function, the Chief Compliance and Ethics Officer is organizationally independent of the employees and managers who seek the advice and assistance of the
Office. The Chief Compliance and Ethics Officer reports functionally to the Chair of the Audit and Compliance Committee of the FGCU Board of Trustees and administratively to the President; and is afforded unrestricted access to University information, documents, records, and personnel necessary to carry out the duties and responsibilities of the Office. The Charter for the Office of Compliance and Ethics outlines the purpose, authority, mission, scope of work, and responsibilities of the Office.

d. **Vice Presidents (Cabinet)**
The President’s Cabinet, comprised of the University’s Vice Presidents, is responsible for advising and supporting the Chief Compliance and Ethics Officer in the implementation and oversight of the compliance and ethics program. The Vice Presidents set an “appropriate tone at the top” by fostering a culture of ethical conduct and performing their duties in compliance with all applicable laws, regulations, rules, policies, and procedures. In addition, the Vice Presidents ensure that compliance programs under their responsibility have adequate resources to effectively conduct operations.

e. **Compliance Liaisons**
The Compliance Liaisons are University employees designated with carrying out compliance-related responsibilities for a specific program or function within the University, including, but not limited to the following:

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<tr>
<th>Topic</th>
<th>University Unit</th>
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<tr>
<td>Academic Integrity</td>
<td>Dean of Students</td>
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<td>ADA</td>
<td>Adaptive Services</td>
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<td>Athletics and NCAA Rules</td>
<td>Assistant Athletic Director for Compliance</td>
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<td>Biohazardous Waste, Biosafety, and Bloodborne Pathogens</td>
<td>Environmental Health and Safety</td>
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<td>Clergy Act</td>
<td>University Police Department</td>
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<td>Business and Technology Services</td>
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The Compliance Liaisons provide the Chief Compliance and Ethics Officer with immediate notification of suspected or detected non-compliant behavior, unethical behavior, or criminal conduct; and on an annual basis, a summary of compliance initiatives. In addition, University personnel with compliance responsibilities meet on a quarterly basis to discuss program activities and new and supplemental changes to laws, regulations, rules, policies and procedures in order to stay abreast of best practices in the compliance sector. The Chief Compliance and Ethics Officer chairs these meetings.

f. Investigations Working Group
The Chief Compliance and Ethics Officer, Director of Internal Audit, University Chief of Police, Director of Institutional Equity and Compliance, and Director of Human Resources, or their designees, meet on a bi-monthly (once every two months) basis. The Group triages employee concerns in order to refer concerns to an appropriate University entity for review, ensures timely review of concerns, and provides a consistent, institutional response to concerns. The Chief Compliance and Ethics Officer chairs these meetings.

3. EDUCATION/TRAINING
The Chief Compliance and Ethics Officer provides ethics training on a biennial basis to members of the FGCU Board of Trustees, President, Cabinet, faculty, and staff regarding the responsibility and accountability for ethical conduct and compliance with applicable federal and state laws and regulations as well as University policies and regulations. The Chief Compliance and Ethics Officer also provides initial ethics training to new hire employees within the first 90 days of employment to introduce FGCU’s compliance and ethics program, including the Hotline, Code of Ethics contained in Florida Statutes, the University’s Code of Conduct, and other relevant regulations and policies.
4. COMMUNICATION
FGCU displays a proactive commitment to compliance by encouraging open communication of compliance and ethics issues, and the reporting of good-faith concerns of alleged wrongdoing, without fear of retaliation.

a. Communication to Employees
   The Chief Compliance and Ethics Officer disseminates information about FGCU’s compliance and ethics program and FGCU’s Hotline. Compliance Liaisons disseminate information about new legislation and updates to current legislation affecting the programs for which they are responsible. Communication takes the following forms:
   (i) “Ask the Ethics Officer” columns highlighting questions brought forward by University employees and responded to by the Chief Compliance and Ethics Officer that may be of interest or have institutional impact to the University.
   (ii) Correspondence from Compliance Liaisons concerning new or amended legislation regarding NCAA compliance, Clery Act, Title IX, compensation and benefits, sponsored programs, financial aid, whistleblowing, or environmental health and safety, for example.
   (iii) Posters and emails promoting the FGCU Hotline.
   (iv) Training initiatives sponsored by the Chief Compliance and Ethics Office; Office of Institutional Equity and Compliance; or Office of Environmental, Health and Safety, for example.

b. Communication from Employees
   FGCU promotes collaboration by encouraging faculty and staff to bring forward questions or seek clarification on any federal or state law or regulation or FGCU policy or regulation before taking action on a University matter. Employees can ask their supervisor or manager, Vice President and General Counsel, or the Chief Compliance and Ethics Officer for advice and assistance.

c. Communication to President and FGCU Board of Trustees
   The Chief Compliance and Ethics Officer reports at least quarterly to the Chair of the Audit and Compliance Committee of the FGCU Board of Trustees on reports of allegations, results of investigations, and any subsequent discipline or remedial actions taken, training efforts undertaken, compliance monitoring efforts undertaken, and statistical and trending information. The Chief Compliance and Ethics Officer provides the FGCU Board of Trustees with an annual report on the effectiveness of the compliance and ethics program. Upon approval, a copy of the annual report is provided to the Board of Governors. The Chief Compliance and Ethics Officer meets with the President on a biweekly basis and Cabinet on an as-needed basis, but no less than once each semester.
d. **How to Report Concerns**

FGCU’s Hotline is an anonymous reporting system that facilitates reporting of alleged illegal, unethical, or improper conduct when the normal channels of communication have proven ineffective, or are impractical under the circumstances. The Hotline is available to employees and students, as well as contractors, vendors, and members of the southwest Florida community. If an individual is unsure of how to bring forward a concern, he/she can always contact FGCU’s Chief Compliance and Ethics Officer for assistance, but if an individual is uncomfortable reporting through normal channels of communication, or wishes to raise an issue anonymously, he/she should access the Hotline.

The Hotline is available 24 hours a day, 365 days a year, and is run by an independent, third-party provider. The Hotline provides a toll-free telephone number as well as web-based reporting.

An individual can contact the Hotline by:

- Calling the Hotline at (844) 300-1073; or
- Completing an on-line form at the following link: [www.fgcu.ethicspoint.com](http://www.fgcu.ethicspoint.com).

Hotline concerns remain confidential to the extent permitted by law and are only shared with certain University stakeholders and external entities on a need to know basis. The Hotline has no caller identification and does not track IP addresses. FGCU prohibits retaliation, and will take no adverse action, against an individual who uses the Hotline in good faith to report allegations of wrongdoing.

In addition to the Hotline, employees can bring good-faith concerns to:

- Their supervisor or manager;
- University Ombuds for informal, impartial and non-adversarial alternatives concerning conflict management;
- Director of Institutional Equity and Compliance, for harassment, discrimination, retaliation, and sexual misconduct allegations;
- Assistant Athletic Director for Compliance for NCAA compliance concerns;
- Associate Vice President of Research and Dean of Graduate Studies for research misconduct concerns;
- Dean of Students for academic integrity concerns;
- Director of Internal Audit for fraud, waste, and financial mismanagement allegations;
- Director of Environmental Health and Safety for environmental health and safety concerns; or
FLORIDA GULF COAST UNIVERSITY
COMPLIANCE AND ETHICS PROGRAM PLAN

- Chief Compliance and Ethics Officer for violations of University policy or regulation.

5. MONITORING/AUDITING
FGCU implements a self-assessment program to monitor and evaluate compliance functions throughout the University. Through its Compliance Liaisons and Director of Internal Audit, FGCU conducts ongoing efforts to assess, evaluate, monitor, and audit compliance with regulatory requirements and University regulations and policies.

a. Compliance Liaisons
Compliance Liaisons conduct periodic risk assessments to evaluate and prioritize compliance related risks. This assessment entails evaluating factors such as audit results, recent litigation and settlements, compliance concerns, University best business practices, and the existence and sufficiency of regulations and policies covering an area. Based on the risk assessments, Compliance Liaisons monitor high-risk areas under their responsibility. The Chief Compliance and Ethics Officer assists Compliance Liaisons with the implementation of proper and effective internal controls to reduce the risk of noncompliance, and refers high risk areas to Internal Audit for consideration of inclusion in the Annual Audit Plan.

b. Director of Internal Audit
The Director of Internal Audit oversees the performance of value-added, risk-based audits, designed to independently review, test, and evaluate financial, electronic, and operational controls throughout the University in order to examine and assess:
- Business risks facing University leadership;
- Safeguarding and use of University assets;
- Accuracy, reliability, and integrity of University records and reports;
- Suspected fraud, waste, and financial mismanagement; and
- Adequacy of internal controls.

c. Chief Compliance and Ethics Officer
The Chief Compliance and Ethics Officer assesses whether the compliance and ethics program maintains organizational independence, has appropriate access to University records and personnel, disseminates standards and other communication, conducts training, responds appropriately to detected offenses, and implements effective corrective action plans to preclude future similar offenses from occurring.
d. **Background Checks**

FGCU uses reasonable efforts not to include within the University and its affiliated organizations individuals who have engaged in unethical conduct or inappropriate behavior. FGCU’s procurement function reviews state and federal lists of debarred contractors and vendors to prevent them from conducting work or providing services to the University. FGCU’s police department conducts background checks on prospective employees.

6. **INCENTIVES AND DISCIPLINE**

FGCU demonstrates a commitment to compliance by including in job descriptions a requirement to conform to all University policies and regulations as well as the University’s Code of Conduct. In addition, the University incentivizes supervisors who encourage employees to take ethics training and speak openly about concerns in the workplace; and supports employees who act with integrity and make sound decisions in the best interest of the University.

FGCU promotes a speak-up culture by encouraging its employees to use the University’s reporting systems to bring forward good-faith concerns of wrongdoing.

FGCU takes appropriate disciplinary action based on progressive and cumulative discipline as outlined in the University Regulation on Disciplinary Actions, against members of its workforce who violate the University’s Code of Conduct or Regulation on Ethics and who fail to correct their behavior.

In addition, managers and supervisors can be disciplined for failing to adequately instruct subordinate employees or failing to detect non-compliance with applicable policies and legal requirements, where reasonable diligence on the part of the manager or supervisor would have led to the discovery of problems or violations and given the University the opportunity to timely correct the issue(s).

Disciplinary action may include oral or written reprimand, suspension, or separation from employment. Violations may also result in notification to law enforcement officials, BOG Inspector General, regulatory bodies, and accrediting and licensing organizations, as appropriate.

7. **RESPONDING TO DETECTED OFFENSES**

The Chief Compliance and Ethics Officer serves as the administrator for all allegations of potential wrongdoing reported through the University’s Hotline. In collaboration with members of the Investigations Working Group, the Chief Compliance and Ethics Officer determines the appropriate resources required to conduct an investigation commensurate with the gravity of the allegation and refers certain matters to an appropriate investigatory body for review and disposition. The Director of Internal Audit is responsible for conducting reviews pertaining to credible
allegations of fraud, waste, and financial mismanagement; and the Director of Institutional Equity and Compliance is responsible for conducting reviews pertaining to harassment, retaliation, and discrimination concerns.

Investigation records will contain:

- Documentation of the alleged violation,
- Documentation of referral to an internal or external investigatory body,
- Description of the investigative process,
- Interview notes and copies of key documents,
- A log of witnesses interviewed and documents reviewed, and
- Results of the investigation.

If the investigation indicates that a violation has occurred, FGCU will take appropriate corrective action, as necessary, including:

- Prompt restitution of any overpayments,
- Notification to a grantor agency,
- Review of FGCU regulations and policies to determine if clarification is needed,
- System modifications,
- Staff training,
- Notification to BOG Inspector General, and
- Disciplinary action of involved employees.

BOG Regulation 4.001(5), University System Processes for Complaints of Waste, Fraud, or Financial Mismanagement, requires timely notification to the BOG Inspector General of any significant and credible allegations of fraud, waste, mismanagement, misconduct and other abuses made against the President or a member of the FGCU Board of Trustees.

BOG Regulation 4.001(6) requires that FGCU develop a Regulation that articulates how the University will address any significant and credible allegations of fraud, waste, mismanagement, misconduct, and other abuses made against the Director of Internal Audit and the Chief Compliance and Ethics Officer.
FLORIDA GULF COAST UNIVERSITY
COMPLIANCE AND ETHICS PROGRAM PLAN

Prepared By

__________________________________________________
Stacey P. Chados, Chief Compliance and Ethics Officer                        Date

Reviewed By

__________________________________________________
Michael V. Martin, President                                                                  Date

__________________________________________________
Joseph G. Fogg, III, Chair, Audit and Compliance Committee               Date

Approved By

__________________________________________________
Blake Gable, Chair, Board of Trustees                                        Date
ITEM: 3

Florida Gulf Coast University Board of Trustees
February 20, 2018

SUBJECT: Regulation FGCU-PR-TBA Code of Ethics

PROPOSED BOARD ACTION

On recommendation by the Audit and Compliance Committee, approve the Regulation on the Code of Ethics, as amended.

The following revisions have been made to the Regulation since the document was removed from the Agenda of the January 9, 2018 BOT meeting; the revisions have been approved by the Audit and Compliance Committee:

- The word “corruptly” was added to the Misuse of Public Position section and a definition of “Corruptly” was added to the Definitions section;
- The definition of “Relative” was expanded to include “any person who the employee intends to marry or form a household”;
- The term “Directors” was deleted from the Lobbying section under Post Employment Restrictions; and
- The phrase “Directors, Assistant or Deputy Directors under each University office or program” was deleted from the Who Must File section under Public Disclosure of Financial Interests and the following phrase was added: “Directors of University offices or programs primarily responsible for financial matters.”

BACKGROUND INFORMATION

The Code of Ethics Regulation summarizes information contained in the Code of Ethics for Public Officers and Employees codified in the Florida Statutes (Chapter 112, Part III), and is intended to ensure that FGCU employees conduct themselves in the best interest of the University and do not use their University position for personal gain other than compensation provided by law.

Supporting Documentation Included: Regulation FGCU-PR-TBA Code of Ethics

Prepared by: Chief Compliance and Ethics Officer Stacey Chados

Legal Review by: Vice President and General Counsel Vee Leonard (February 6, 2018)

Submitted by: Audit and Compliance Committee Chair Joseph Fogg III
A. GENERAL STATEMENT

Florida Gulf Coast University (FGCU) is firmly committed to fair and ethical behavior, and as such, prescribes to the Code of Ethics for Public Officers and Employees, adopted by the Legislature as Part III of Chapter 112, Florida Statutes. The ethics laws generally consist of two types of provisions, those prohibiting certain actions or conduct and those requiring that certain disclosures be made to the public. This Code of Ethics is intended to ensure that University employees conduct themselves independently, impartially, and in the best interest of the University; and do not use their University position for personal gain other than compensation provided by law.

B. COVERAGE

The laws summarized below apply to the President, Vice Presidents, Deans, Directors, Faculty, and Staff, hereinafter referred to as the employees of the University. The descriptions of these laws have been simplified to provide employees with a brief notification of the requirements. Employees should consult the full citation of the law and/or University policy [as shown in the brackets below], or the University’s Vice President and General Counsel or Chief Compliance and Ethics Officer for clarification, as necessary.

This Code of Ethics applies to all University employees and is complemented by FGCU’s Code of Conduct. The FGCU Board of Trustees also has a Code of Ethics.

C. DEFINITIONS

1. **Agency**: means any state, regional, county, local, or municipal government entity of Florida, including a state University.

2. **Business Entity**: means any corporation, partnership, limited partnership, company, limited liability company, proprietorship, firm, enterprise, franchise, association, self-employed individual, or trust, whether fictitiously named or not, doing business in Florida.

3. **Conflict or Conflict of Interest**: means a situation in which regard for a private interest tends to lead to disregard of a public duty or interest.
4. **Corruptly**: means done with a wrongful intent and for the purpose of obtaining, or compensating or receiving compensation for, any benefit resulting from some act or omission of a public servant, which is inconsistent with the proper performance of his or her public duties.

5. **Gift**: means a tangible or intangible item that is paid for or given to an employee, or to any other person on his/her behalf, by a person or entity that either does or seeks to do business with FGCU, for which equal or greater consideration is not given within 90 days of receipt of the gift. Gift, for purposes of ethics in government and financial disclosure required by law, is further defined in Section 112.312 (12) (a), (b) Fla. Stat., also available at the following link: http://www.leg.state.fl.us/statutes/index.cfm?App_mode=Display_Statute&Search_String=&URL=0100-0199/0112/Sections/0112.312.html

6. **Honorarium**: means a payment of money or anything of value given to an employee, directly or indirectly, as consideration for a speech or other oral presentation or for any writing other than a book that has been published or is intended to be published.

7. **Material Interest**: means direct or indirect ownership of more than five (5) percent of the total assets or capital stock of any Business Entity.

8. **Purchasing Agent**: means a University employee having the authority to commit the expenditure of funds through a contract for, or the purchase of, any goods, services, or interest in real property for FGCU, as opposed to the authority to request or requisition a contract or purchase by another person.

9. **Relative**: means an individual who is related to an employee as father, mother, son, daughter, brother, sister, uncle, aunt, first cousin, nephew, niece, husband, wife, father-in-law, mother-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, stepfather, stepmother, stepson, stepdaughter, stepbrother, stepsister, half-brother, half-sister, any person who the employee intends to marry or form a household, or any other person having the same legal residence as the employee.

**D. CODE OF ETHICS FOR UNIVERSITY EMPLOYEES**

1. **Prohibited Actions or Conduct**

   a. Solicitation or Acceptance of Gifts and Honoraria

      1) You may not solicit, directly or indirectly, any Gift or Honorarium for personal benefit from a person or entity that does or seeks to do business with FGCU. [FGCU Policy 1.012 (V) (A)]

      2) You may not accept a Gift or Honorarium with a value greater than one hundred dollars ($100) for personal benefit when acceptance gives the
appearance of influencing your objectivity with respect to University business. [FGCU Policy 1.012 (V) (B)]

3) If you file a Statement of Financial Interests with the Florida Commission on Ethics or serve as a Purchasing Agent on behalf of FGCU, you may not accept a Gift or an Honorarium worth more than $100 from a political committee, lobbyist, or vendor doing business with FGCU. [Sections 112.3148 and 112.3149, Fla. Stat.]

4) If you file a Statement of Financial Interests with the Florida Commission on Ethics or serve as a Purchasing Agent on behalf of FGCU, you may accept a Gift valued at more than $25 but not exceeding $100 from a lobbyist, political committee, or vendor doing business with FGCU. However, the donor (the person who gives you the Gift) must report the Gift on Commission on Ethics Form 9 (Quarterly Gift Disclosure) by the last day of the quarter for Gifts given in the preceding quarter, and the donor must inform you that the Gift will be disclosed. [Section 112.3148(6), Fla. Stat.]

5) If you file a Statement of Financial Interests with the Florida Commission on Ethics or serve as a Purchasing Agent on behalf of FGCU; and if you receive a payment for expenses related to an Honorarium event from someone who is prohibited from giving you an Honorarium, you must disclose on Commission on Ethics Form 10 (Annual Disclosure of Gifts from Governmental Entities and Direct Support Organizations and Honorarium Event Related Expenses), the name, address, and affiliation of the donor, the amount of the expenses, the date of the event, and the total value of the expenses. The donor paying the expenses must provide you with a statement about the expenses within 60 days of the Honorarium event, and the statement should be attached to the Form 10. [Section 112.3149(6), Fla. Stat.]

6) The decision to accept a Gift which is made for tax deductible purposes shall be made by the University Foundation. The decision to accept any other Gifts to the University shall be made in consultation with administration of the relevant University component and the University Foundation. [FGCU Policy 1.012 (V) (D)]

b. Unauthorized Compensation

You, as well as your spouse and minor child, are prohibited from accepting any compensation, payment, or thing of value when you know or, with the exercise of reasonable care should know, that the unauthorized compensation is given to you or your spouse or minor child, to influence your vote or other official action. [Section 112.313(4), Fla. Stat.]
c. Misuse of Public Position

You may not corruptly use or attempt to use your FGCU position, or the resources thereof, to obtain a special privilege or benefit for yourself or others. [Section 112.313(6), Fla. Stat.]

d. Disclosure or Use of Certain Information

You may not disclose or use information not available to the public and obtained by reason of your FGCU position for the personal benefit of yourself or others. [Section 112.313(8), Fla. Stat.]

2. Prohibited Employment and Business Relationships

a. Doing Business with FGCU. You may not rent, lease, or sell any realty, goods, or services to FGCU while acting in your private capacity. In addition, if you serve as a Purchasing Agent on behalf of FGCU, you may not purchase, rent, or lease any realty, goods, or services for the University from a Business Entity in which you or your spouse or child owns a Material Interest. [Section 112.313(3), Fla. Stat.]

b. Conflicting Employment or Contractual Relationship. You may not be employed by, or hold a contract with, any Business Entity or Agency doing business with FGCU. In addition, you may not hold any employment or have a contractual relationship which poses a frequently recurring conflict between your private interests and your FGCU duties, or which impedes the full and faithful discharge of your FGCU duties. [Section 112.313(7), Fla. Stat.]

c. The conflicts discussed in the preceding paragraph may not apply when:

1) The business is rotated among all qualified suppliers within a city or county.
2) The contract is awarded by sealed, competitive bidding to the lowest or best bidder and neither you nor your spouse or child, participated in or influenced the determination of the bid specifications or the lowest or best bidder.
3) An emergency purchase must be made to protect the public.
4) The aggregate of any such transactions does not exceed $500 in a calendar year. [Section 112.313(12), Fla. Stat.]

3. Restrictions on Employing and Contracting with Relatives

a. Nepotism. Employment of Relatives at FGCU is permitted, provided there is no direct supervisory responsibility between related persons and the functions
of their positions do not create a Conflict of Interest. You are considered to be
in the direct supervisory line of a Relative even when you are separated by
intermediary positions within the chain of command. [Section 112.3135, Fla.
Stat.; FGCU-PR5.010]

b. Ownership Interest. You are prohibited from procuring contractual services
on behalf of FGCU from a Business Entity in which a Relative is an officer,
partner, director, or proprietor, or in which you, your spouse, or child owns a
Material Interest. [Section 112.3185(6), Fla. Stat.]

4. Post Employment Restrictions

a. Lobbying. The President, Vice Presidents, and Deans and Directors of FGCU
are prohibited from being compensated for personally representing another
person or entity before the University for a period of 2 years after leaving their
position, unless employed by another Agency of state government. [Section
112.313(9), Fla. Stat.]

b. Lifetime Representational Ban. Once you leave FGCU, you are prohibited
from having an employment or contractual relationship with any Business
Entity (other than a public Agency) in connection with a contract for services
in which you participated personally and substantially through decision,
approval, disapproval, recommendation, rendering of advice, or investigation,
while an FGCU employee. However, if your position is eliminated and your
duties are subsequently performed by the Business Entity, under certain
conditions you may enter into an employment or contractual relationship with
the Business Entity, if the President provides a written determination that the
best interests of FGCU will be served. [Section 112.3185(3), Fla. Stat.]

c. Two Year Representational Ban. For two years after you leave FGCU, you
are prohibited from having an employment or contractual relationship with
any Business Entity (other than a public Agency) in connection with a
contract for services that was within your responsibility while serving as an
FGCU employee. However, if your position is eliminated and your duties are
subsequently performed by the Business Entity, this subsection may be
waived if the President provides a written determination that the best interests
of FGCU will be served. [Section 112.3185(4), Fla. Stat.]

d. Contractual Services to FGCU. If you terminate employment from FGCU (by
retiring or resigning from your position) and then return under a contractual
arrangement, you are prohibited during your first year after leaving FGCU
from being paid more than the annual salary you received at the time of your
termination. This subsection may be waived if the President determines that
such waiver will result in significant time or cost savings to FGCU. [Section
112.3185(5), Fla. Stat.]
5. Public Disclosure of Financial Interests

a. Overview

Conflicts of Interest can occur when you make decisions in your capacity as a University employee that affect your personal financial interests. To demonstrate transparency and avoid Conflicts of Interest, certain University officials and employees must file a Statement of Financial Interests with the Florida Commission on Ethics. The disclosure process serves to remind you of the obligation to put your University employment above personal gain. It also helps citizens to monitor the considerations of employees who participate in University policy decisions encumbering and expending tax dollars.

b. Who Must File

The President, Vice Presidents, Director of Internal Audit, Chief Compliance and Ethics Officer, Deans, Directors, and Assistant or Deputy Directors of each University offices or programs primarily responsible for financial matters, as well as business managers and Purchasing Agents with the authority to make a purchase exceeding the threshold amount provided for in Section 287.017, Fla. Stat. for CATEGORY ONE, must file a Statement of Financial Interests with the Florida Commission on Ethics. [Section 112.3145, Fla. Stat.]

c. What Must Be Disclosed

The disclosure requirements are set forth fully on the Commission on Ethics Form 1, Statement of Financial Interests. In general, you are required to report the name of your employer(s), addresses of real property holdings, and certain relationships with, and ownership interests in, specified types of businesses such as banks, insurance companies, and utility companies. Although you will provide specific information about your income, real and personal property, and business arrangements, you are not required to disclose any dollar amounts. [CE Form 1, Statement of Financial Interests]

d. When Must an Employee File

You must file an initial financial disclosure report within 30 days of your appointment or the beginning of your employment. Thereafter, you must file an annual financial disclosure report by July 1 following each calendar year in which you held the position. Finally, you must file a final financial disclosure report within 60 days of leaving your position. [Section 112.3144, Fla. Stat.]
E. PENALTIES

Violation(s) of this Regulation could subject you to progressive and cumulative discipline as outlined in the University’s Regulation on Disciplinary Actions or in the Collective Bargaining Agreement, as applicable. In addition, the State of Florida could subject you to civil fines and punishment as contained in Section 112.317, Florida Statutes, as well as a fine for failing to timely file a Statement of Financial Interests with the Florida Commission on Ethics as contained in Section 112.3144, Florida Statutes.

Action by Florida Gulf Coast University Board of Trustees
Approved:

Specific Authority
Sections 112.312 (12) (a) & (b), 112.313(6), 112.3135, 112.3144, 112.3145, 112.3148, 112.3149, 112.3185(3), 112.3185(4), 112.3185(5), 112.313(9), Fla. Stat.; FGCU-PR 5.010, Nepotism, FGCU Policy 1.012, Gifts and Honoraria

History of Regulation
New

Effective Date of Regulation

______________________
SUBJECT: Code of Conduct

PROPOSED BOARD ACTION

On recommendation by the Audit and Compliance Committee, approve the Code of Conduct and Acknowledgement Form.

Based on a January 26, 2018 meeting with the Faculty Senate, a few changes were made to the Code of Conduct, primarily on Page 12, concerning Outside Activities. The term “manager” was changed to “supervisor” and the terms “receive approval” and “obtain approval” were changed to “notify my supervisor.”

At the suggestion of Trustee Price, an Acknowledgement Form was developed and will accompany the electronic distribution of the Code.

At the suggestion of Trustee Fogg, a memo highlighting conflicts of interest and acceptance of gifts will accompany the distribution of the Code of Conduct to the members of the FGCU BOT in order to remind members of important sections of the Code to which they should be aware.

BACKGROUND INFORMATION

The Code of Conduct serves as the foundation of an effective compliance and ethics program. The Code reiterates the University’s mission, vision, and guiding principles and articulates the values the University wishes to foster in its leaders and employees. The Code serves as a guidance document to support day-to-day decision-making; empowers employees to handle ethical dilemmas, helps employees locate policies and regulations, and provides employees with a list of resource references to ask questions or bring forward good-faith concerns without fear of retaliation.

Supporting Documentation Included: (1) FGCU Code of Conduct; (2) Acknowledgement Form; and (3) Memo

Prepared by: Chief Compliance and Ethics Officer Stacey Chados
Legal Review by: Vice President and General Counsel Vee Leonard (February 6, 2018)

Submitted by: Audit and Compliance Committee Chair Joseph Fogg III
SOAR WITH INTEGRITY

CODE OF CONDUCT
# FGCU CODE OF CONDUCT

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2 FGCU CODE OF CONDUCT
A MESSAGE FROM THE PRESIDENT

We take seriously our responsibility to prepare our students for gainful employment and successful lives as responsible, civically engaged, and environmentally conscious citizens. We uphold our fiduciary responsibility to be good stewards of the public funds we receive to conduct our operations. We pride ourselves on a diverse and inclusive culture that embraces learning and fosters trust, while concurrently remaining inquisitive. We successfully forge partnerships with the southwest Florida business community. We practice and promote environmental sustainability. We possess the capabilities, skills, passion, and expertise to help our students achieve better lives.

However, none of this matters unless we do it in the right way. The manner in which we conduct our operations, meet our obligations, and show respect for one another matters. How we behave and treat one another and make decisions matters. That is where this Code of Conduct comes into play. This Code of Conduct serves as the foundation for our unwavering commitment to acting with integrity, displaying ethical conduct, and complying with laws, regulations, rules, policies, and procedures. The Code holds you to the highest ethical standards, assists you with recognizing and resolving ethical issues that arise in the workplace, and encourages you to ask questions and raise concerns without fear of retaliation. The Code assists you with making decisions that are in the best interest of our University and align with our Vision, Mission, and Guiding Principles.

Please join me in sustaining a University environment where we are proud to work, where we know we have done the right thing by acting honestly and treating each other and our students fairly and with dignity and respect.

Together, we can soar with integrity.

Michael V. Martin, Ph.D.
President, Florida Gulf Coast University
#GoEagles
Florida Gulf Coast University, a comprehensive institution of higher education, offers undergraduate and graduate degree programs of strategic importance to Southwest Florida and beyond. FGCU seeks academic excellence in the development of selected programs and centers of distinction in science, technology, engineering and mathematics (STEM) disciplines, health professions, business, and marine and environmental sciences.

Outstanding faculty and staff supported by a strong community of advisors prepare students for gainful employment and successful lives as responsible, productive and engaged citizens.

FGCU emphasizes innovative, student-centered teaching and learning, promotes and practices environmental sustainability, embraces diversity, nurtures community partnerships, values public service, encourages civic responsibility, and cultivates habits of lifelong learning and the discovery of new knowledge.

MISSION

Florida Gulf Coast University, a comprehensive institution of higher education, offers undergraduate and graduate degree programs of strategic importance to Southwest Florida and beyond.

FGCU seeks academic excellence in the development of selected programs and centers of distinction in science, technology, engineering and mathematics (STEM) disciplines, health professions, business, and marine and environmental sciences.

Outstanding faculty and staff supported by a strong community of advisors prepare students for gainful employment and successful lives as responsible, productive and engaged citizens.

FGCU emphasizes innovative, student-centered teaching and learning, promotes and practices environmental sustainability, embraces diversity, nurtures community partnerships, values public service, encourages civic responsibility, and cultivates habits of lifelong learning and the discovery of new knowledge.
STUDENT SUCCESS
is at the center of all University endeavors.

ACADEMIC FREEDOM
is the foundation for the transmission and advancement of knowledge.

DIVERSITY
is a source of renewal and vitality.

INFORMED AND ENGAGED CITIZENS
are essential to the creation of a civil and sustainable society.

SERVICE TO SOUTHWEST FLORIDA,
including access to the University, is a public trust.

TECHNOLOGY IS A FUNDAMENTAL TOOL
in achieving educational quality, efficiency, and distribution.

CONNECTED KNOWING AND COLLABORATIVE LEARNING
are basic to being well educated.

ASSESSMENT OF ALL FUNCTIONS
is necessary for improvement and continual renewal.
FGCU'S CODE OF CONDUCT

**FGCU’s Code of Conduct**

is designed to help you recognize and resolve compliance and ethics issues. The Code provides general information and practical advice about behavior expectations, and it highlights some of the FGCU policies and regulations you must follow. The Code contains links to informational resources and provides you with a list of employees to whom you may bring forward a question or concern. Consider this Code your roadmap for doing things the right way and soaring with integrity.

Our Code governs all University decisions and actions, whether in our administrative offices, classrooms, laboratories, sports facilities, or open spaces on campus.

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**Our Code applies to the following members of the University community:**

- FGCU Board of Trustees or a committee of the FGCU Board of Trustees;
- President, Cabinet, faculty, staff, and student employees;
- FGCU Foundation Board of Directors;
- FGCU Financing Corporation Board of Directors; and
- Volunteers, contractors, vendors, and other representatives providing services to or acting on behalf of FGCU.

FGCU’s Chief Compliance and Ethics Officer is responsible for promoting, monitoring, and enforcing our Code, and each of you is responsible for abiding by the Code to promote and sustain FGCU’s ethical culture of excellence.

A separate Student Code of Conduct governs our students when acting as students in an academic or campus setting.

**Student Code of Conduct**

*Be civil, show respect, cherish the environment in which our beautiful campus resides, practice sustainability, make our students the priority, take pride in green and blue, and watch out for alligators.*
YOUR RESPONSIBILITIES

EMPLOYEES

▷ Know and comply with the rules applicable to the work you do and the decisions you make;
▷ Be familiar with University policies and regulations and state and federal laws, rules and regulations governing FGCU;
▷ Be familiar with the University's Regulation on Ethics and this Code of Conduct;
▷ Be sensitive to situations that could lead, or appear to lead, you or others to engage in illegal, improper, or unethical behavior;
▷ Report illegal, improper, or unethical behavior; and
▷ Cooperate with internal reviews of unethical behavior.

VICE PRESIDENTS, DEANS, DIRECTORS, MANAGERS, AND SUPERVISORS

▷ Lead by example;
▷ Honor integrity;
▷ Encourage ethical decision making;
▷ Create an open atmosphere in which subordinate employees are comfortable raising good-faith concerns;
▷ Communicate clearly that the University neither tolerates nor condones improper behavior;
▷ Inform employees about resources that may help them in addressing ethical concerns;
▷ Prevent retaliation against employees who bring forward good-faith concerns; and
▷ Take appropriate corrective and/or disciplinary action for Code violations, when necessary.

We rely on our leaders to reinforce the principles of our Code throughout all areas of the University.
ETHICAL STANDARDS

FGCU relies on you to represent the institution and its vision, mission, and guiding principles. You are expected to conduct yourself and the University’s operations with honesty and integrity and in conformance with University policies and regulations, as well as state and federal laws, rules, and regulations.

Following are some ethical principles of fairness, good faith, and respect to assist you in interacting with internal and external constituents:

- Treat others with respect and dignity; be respectful, fair, and civil to coworkers, students, vendors, contractors, volunteers and all others with whom you interact on behalf of the University.
- Earn trust by accepting and honoring agreements and keeping promises.
- Work to understand the University’s vision, mission, guiding principles, and strategic plan and proactively support these initiatives through discussion, communication, and action.
- Never undermine a supervisor/manager, colleague, subordinate, or student.
- Work jointly and in good faith to resolve disagreements.
- Contribute constructively by exercising the highest level of professional and ethical behavior.
- Promote informal conflict resolution.
RESPECT FOR OTHERS

FGCU is committed to equal treatment, opportunity, and respect for its faculty, administrators, staff, students, and all others who come in contact with the University. As someone employed by or associated with FGCU, you are prohibited from discriminating against another individual based solely upon the individual's race, color, religion, age, disability, sex, national origin, marital status, genetic predisposition, sexual orientation, gender identity/gender expression, veteran status, or any other legally protected status; physically assaulting, emotionally abusing, or harassing anyone; and depriving anyone of rights to his/her physical or intellectual property.

FGCU strives to attract, develop and retain faculty and staff that are as diverse as FGCU’s student population.

You promote diversity and inclusion when you:

- Respect the talent, ability, and experience of others;
- Value the input of others; and
- Foster an atmosphere of trust, openness, and candor.

COMPLIANCE WITH LAWS

You are expected to comply with all University policies and regulations and state and federal laws, rules, and regulations governing higher education, FGCU, and your area of responsibility. If you have a question about the applicability or interpretation of a particular policy, regulation, law, or rule, please contact your supervisor, Vice President and General Counsel, or the Chief Compliance and Ethics Officer.

- FGCU Policies
- FGCU Regulations
- Code of Ethics for Public Officer and Employee
PRINCIPLES OF ETHICS AND INTEGRITY

CONFLICTS OF INTEREST
You are expected to devote your primary professional allegiance to FGCU; ensure that decisions pertaining to FGCU are made in an impartial manner, considering only the best interest of the University; and ensure that outside activities do not interfere with your University duties. In addition, you may not use your position with the University for your own personal benefit or for the personal gain or benefit of any other person or business entity; and you are expected to avoid situations in which your financial or other relationships could create a conflict of interest between the University and your own private interests or cause harm to the University's reputation.

Situations that create a conflict of interest must be disclosed and then mitigated or avoided. Having a conflict is not necessarily wrong, but failing to disclose it is.

Here are some scenarios in which a conflict may arise:

- You, or a family member, either work for a company or have a substantial investment interest in a company that does or seeks to do business with FGCU.
- You use FGCU time and/or resources to support activities outside the scope of your FGCU responsibilities.
- You are a purchasing agent for FGCU and you frequently accept gifts from a company that does business with FGCU.

To determine if you have a conflict of interest that should be disclosed, you should ask yourself these questions:

- Do my outside interests influence, or appear to influence, my ability to make sound business decisions on behalf of FGCU?
- Do I stand to benefit from my involvement in the situation?
- Does a family member stand to benefit from my involvement in the situation?
- Does my participation in this activity interfere with my ability to do my job?
- Is the situation causing me to put my own interests ahead of FGCU’s interests?
- If the situation showed up on the front page of the local newspaper or a blog, would I be embarrassed? Would FGCU be embarrassed?
PRINCIPLES OF ETHICS AND INTEGRITY

GIFTS AND HONORARIA

We serve as stewards of the public funds that FGCU receives from state and federal entities; therefore, we must avoid the perception that favorable treatment is sought, received, or given in exchange for business courtesies.

You may not solicit or accept anything of value, such as a gift or honoraria, when acceptance gives the appearance of inappropriately influencing your objectivity with respect to University business. And, your spouse or minor child may not solicit or accept anything of value on your behalf when you know, or reasonably should know, the gift was given to influence an action on your part.

What is a gift?

“Gift” means anything accepted by you or on your behalf, whether directly or indirectly, for your benefit, and for which equal or greater consideration is not given within 90 days of the receipt of the gift.

“Gift” includes real property or the use thereof; tangible or intangible personal property or the use thereof; a preferential rate or term on a transaction not available to the general public; forgiveness of a debt; transportation, lodging, or parking costs unrelated to official University business; food or beverage; dues, fees, and tickets; plants and flowers; personal services for which a fee is normally charged by the provider; and any other thing or service having an attributable value.

What is an honorarium?

“Honorarium” means a payment of money or anything of value given to you, directly or indirectly, as consideration for a speech or other oral presentation or for any writing other than a book which has been published or is intended to be published.

Gift and Honoraria Policy

Side note: University Advancement employees responsible for fundraising on behalf of FGCU may accept gifts on behalf of the University through the FGCU Foundation.

In general, there is no prohibition against providing or accepting promotional items of nominal value (e.g., coffee mugs, pens, calendars or similar tokens) provided the gifts are allowed by law. In deciding whether a gift is appropriate, consider its value and whether the public disclosure of the gift could be perceived as an attempt to influence a University matter.
OUTSIDE ACTIVITIES
An outside activity is a professional or business activity, including additional teaching and research, conducted outside the normal course and scope of your University position that may or may not involve compensation.

While there generally is no prohibition against a University employee conducting an outside activity, you must remember that your primary loyalty and duty must be to your University position. Accordingly, your outside activity cannot materially interfere with your obligation to the University.

What behavior is expected?

Inform your supervisor, in writing, about your outside activity by completing an Outside Activity Form.

Be aware of potential conflict of interest situations and contact your supervisor or the Chief Compliance and Ethics Officer with any questions or concerns.

Avoid any outside activity that interferes with the proper and effective performance of your University duties.

Ensure all outside activities are conducted on your own time using your own resources, unless you obtain pre-approval from your supervisor to use University resources.

Executive Service, Administrative and Professional, and Support Personnel employees, as well as out-of-unit faculty should refer to the University’s Regulation on Outside Activities/Employment for the requirements to receive approval for an outside activity.

In-unit faculty should refer to the collective bargaining agreement (Article 19 Conflict of Interest/Outside Activity), which provides criteria by which a faculty member’s Outside Activity Form will be reviewed by the University.

FGCU encourages its employees to engage in activities beyond their regular University duties when such activities contribute to individual growth, extend knowledge, or advance the mission of the University. To avoid conflicts of interest, submit an Outside Activity Form to your supervisor.

Q I have a Support Personnel position at FGCU and belong to the YMCA where I coach a youth basketball league. Do I need to obtain approval to conduct this activity?

A No. Volunteer activities that involve hobbies, sports, civic, or religious non-profit organizations and do not relate in any way to the University or its mission are not considered outside activities.

Q I am a professor at FGCU conducting research under a sponsored program. I have been asked by a pharmaceutical company in SW Florida to perform similar research. Do I need to notify my supervisor about this activity?

A Yes. Whenever you conduct an outside activity that is similar to or relates to your FGCU position or duties, you must submit an Outside Activity Form to your supervisor for conflict of interest considerations. In addition, as the recipient of sponsored program funds, FGCU has a fiduciary responsibility to safeguard the intellectual property that could result from the research.

Q How do I obtain approval for an outside activity?

A You should complete the Request for Approval of Outside Activity form.

• Outside Activity Form
ACADEMIC FREEDOM

FGCU promotes academic freedom, including the freedom to discuss all relevant matters in the classroom; explore all avenues of scholarship, research, and creative expression; speak openly on all matters of University governance; and speak or write as a private citizen without institutional restraint or discipline.

You are expected to foster intellectual honesty and freedom of inquiry, respect those with differing views, and acknowledge when speaking as a private citizen that you neither represent nor speak for the University.

Academic freedom means that:

- FGCU faculty and students may engage in intellectual debate without fear of censorship or retaliation.
- FGCU faculty and students have the right to challenge one another’s views and not be penalized for holding differing views.
- FGCU faculty have latitude in deciding how to teach the courses for which they are responsible.

Academic freedom does NOT mean that:

- FGCU faculty may harass, threaten, intimidate, ridicule, or impose their views on students.
- FGCU faculty have the right to ignore University regulations and policy.
- FGCU faculty are protected from disciplinary action for misconduct and sanction violations proven through due process investigations.

FGCU faculty members help the University meet its commitment to maintaining an environment that respects diversity and is free from discrimination and harassment.

Source: Article 5, Academic Freedom and Responsibility, CBA. Article on Defining Academic Freedom; Cary Nelson, AAUP President; December 21, 2010
PRINCIPLES OF ETHICS AND INTEGRITY

RESPONSIBLE CONDUCT IN RESEARCH

You are responsible for ensuring the integrity of the research process, including the conduct and reporting of research, in order to sustain the highest degree of intellectual honesty and integrity and appropriate regard for human and animal subjects. FGCU adheres to Federal guidelines that prohibit research misconduct. You are not to fabricate data or results; change or knowingly omit data or results to misrepresent results in the research record; or intentionally misappropriate the ideas, writings, research, or findings of others. You are also expected to demonstrate accountability for sponsored research funds and comply with specific terms and conditions of contract and grant fund requirements.

Behavior expectations:

Exercise intellectual honesty, discipline, adherence to professional ethics and good judgment in extending the boundaries of knowledge and in transmitting and applying new information.

For information on intellectual property, responsible conduct in research, and information on the FGCU Institutional Review Board, contact the Associate Vice President for Research and Dean of Graduate Studies.
PRINCIPLES OF ETHICS AND INTEGRITY

ACCURATE REPORTING

All FGCU records including but not limited to accounting, financial, and tax matters; expense, timesheet, and effort reports; analyses that show support for and progress towards meeting BOG metrics; and all those submitted to a state or federal entity for compliance or other purposes, must be accurate and complete. All published financial reports will make full, fair, accurate, and timely disclosures, as required.

Reports include:
- Time records
- Revenue and expense reports
- Employment applications
- Performance on metrics for the Board of Governors
- Responses to audits and inquiries

Behavior Expectations:
- Accurately and honestly provide information in reports and records
- Do not mislead or misinform others by supplying inaccurate information in University records
- Comply with public records requests but do not compromise proprietary or confidential information

RECORDS MANAGEMENT

University records and documents, including both hardcopy and electronic, must be retained, secured, and disposed of in accordance with University policy, as well as state and federal law.

For further information, refer to Records Management Policy 3.032.

- Records Management Policy
PRINCIPLES OF ETHICS AND INTEGRITY

EMAIL, INTERNET AND INFORMATION SYSTEMS

You must use University email and internet accounts responsibly and protect the security of our information systems.

FGCU’s information technology systems are a key component of our University operations and are provided for authorized business purposes. Your use of these systems must comply with our and Email Policy.

• Acceptable Use Policy

You may engage in reasonable incidental personal use of phone, email and the internet as long as such usage does not:

- Consume large amounts of time and resources
- Interfere with your work performance or that of others
- Involve illegal, sexually explicit, discriminatory or otherwise inappropriate material
- Relate to outside business interests
- Violate any University policy or regulation

To safeguard FGCU information systems, you should never:

- Share your University system passwords with anyone
- Leave laptops or other mobile devices unattended while traveling or in an exposed location where they can be stolen
- Download unauthorized or unlicensed software on University computers

If you suspect a data breach or become aware of any situation in which data has been compromised, including the loss or theft of a laptop or handheld device, immediately report the situation to the Business Technology Services Help Desk: (239) 590-1188 or helpdesk@fgcu.edu.
ENVIRONMENTAL HEALTH AND SAFETY

You are expected to comply with all applicable environmental laws and regulations which govern environmental health and safety; make every reasonable effort to ensure that students, faculty, staff, and visitors are protected from undue health risks and unsafe conditions; ensure that FGCU has obtained all necessary licenses, permits, and approvals for environmental matters; and employ the proper procedures and controls in the handling and disposition of radioactive and toxic materials and the handling and disposition of hazardous and biohazardous wastes.

You should always speak up and raise a concern if you:

- Are asked to complete a task you consider unsafe
- Are asked to complete a task for which you are not properly trained and that may harm you or others
- Suspect that a golf cart or piece of equipment is not operating properly and may be unsafe
- Observe or are made aware of an unsafe condition or a potential danger to yourself or others

Safety is everyone’s responsibility; support FGCU’s efforts to maintain a healthy and safe workplace.
**PRINCIPLES OF ETHICS AND INTEGRITY**

**SUSTAINABILITY**

FGCU promotes and practices environmental sustainability and is dedicated to environmental operations that foster a sustainable future and lead to improvements in SW Florida. We provide our students with the knowledge and skills to be environmentally responsible citizens. We are committed to continuous improvements in:

- Demonstrating institutional practices that promote sustainability, protecting our natural resources, and actively reducing our environmental impact.
- Enhancing the health of campus ecosystems and increasing the diversity of native species.
- Promoting health, productivity, and safety practices on campus through education, maintenance, and design of campus buildings.
- Incorporating environmentally responsible concerns in University decision making.

The FGCU sustainability symbol is representative of the words sustainability and stewardship. The “S” in the shape of the infinity symbol represents unlimited capacity, energy, excellence, or knowledge.

**SUBSTANCE ABUSE**

FGCU prohibits you from:

- Being under the influence of alcohol, illegal drugs, or controlled substances while on campus;
- Possessing, selling, using, transferring, or distributing illegal drugs or controlled substances while on campus; and
- Using tobacco products and smoking devices on campus.

Consuming alcohol and/or using an illegal substance can negatively impact your ability to perform safely, be productive, and serve as a role model to our students.

- **FGCU Drug Free Environment**
- **FGCU Smoke Free and Tobacco Free Campus**
- **FGCU Alcohol Policy**

The FGCU **EMERALD GREEN** and **COBALT BLUE** school colors are symbols of the earth and water, in keeping with the University’s environmental mission.
If you have a concern and cannot find an answer in this Code of Conduct, or if you have questions on how to interpret the Code, please seek guidance. Similarly, if you are aware of something that may be a violation of our guiding principles, Code of Conduct, University policies or regulations, or state or federal laws or regulations, you should speak up and report it so the matter can be addressed.

You have several resources to seek guidance or make a report:

- Your supervisor or manager
- University Ombuds for informal conflict resolution
- Director of Institutional Equity and Compliance for harassment, discrimination, and sexual misconduct allegations
- Director of Internal Audit for fraud, waste, and abuse allegations
- Chief Compliance and Ethics Officer for violations of University policies or regulations and state or federal laws, regulations, and rules

If you choose to use one of the University’s internal resources to seek guidance or make a report, you have the right to remain confidential to the extent permitted under the law.

In addition to the resources listed above, you may ask questions, raise concerns, or make reports of suspected violations through the university’s EthicsPoint Hotline. If you choose to use the Hotline, you have the option of remaining anonymous.
When should you seek guidance?

If you are about to take action on a University matter and you are not sure it is the appropriate action, ask yourself:

- Am I sure this course of action is legal?
- Is it consistent with the University’s mission, vision, and guiding principles?
- Does it align with the University’s Code of Conduct, policies, and regulations?
- Could it be considered unethical or dishonest?
- Could it hurt FGCU’s reputation?
- If it winds up on the front page of a local newspaper or on a blog, how will it make my parents, my spouse, or my children feel?

If you are not sure about the answers to any of the above questions, please seek additional guidance to make the right decision before you take action on behalf of FGCU.
The Hotline is an alternative mechanism for any employee, student, vendor, contractor, or concerned citizen to ask questions; report good-faith concerns alleging fraud, waste, or abuse of University resources; or report violations of University policies or regulations or state or federal laws or regulations.

FGCU has collaborated with third party provider Navex Global to offer the EthicsPoint case management reporting system for individuals who may be reluctant to report suspected misconduct to University administrators. The EthicsPoint Hotline is available 24 hours a day, 365 days a year and offers a way to report with complete anonymity. EthicsPoint does not generate or maintain any internal connection logs to identify IP addresses, and telephone calls are not traced or recorded.

You can contact the EthicsPoint Hotline by:

› Calling the Hotline at (844) 300-1073 or

› Completing an online form at the following link:
  • FGCU Ethics Point

After you submit your report, you will be assigned a unique code called a “report key.” You will use this report key along with the password of your choosing to return to EthicsPoint through the website or telephone to get a response to your question, review follow up questions based on the information you provided, submit more information, or receive a status update.

You should provide as much information as possible regarding suspected violations and you should expect some follow-up questions to clarify the information you provide. Your confidentiality will be protected to the extent permitted under the law or you may choose to remain anonymous. What matters is what is being reported, not who reports it.
NO RETALIATION

The University prohibits retaliation and will take no adverse action against an employee who in good-faith:

- Reports a suspected violation of this Code, our policies or regulations, or the law;
- Raises a compliance question or seeks advice about a particular University business practice; or
- Cooperates in an investigation of a potential violation

What is an adverse action?
An adverse employment action occurs when the terms and conditions of your FGCU employment are materially affected for bringing forward a protected activity and there is a connection between bringing forward a concern and the adverse action. An adverse action includes things like termination, demotion, change in job duties, reassignment to a less desirable task, or a disciplinary suspension.

What is a good-faith report?
A good-faith report is the honest belief that the information you provide about a potential violation is truthful based on your knowledge of a situation.

Conversely, you are not operating in good faith if you report a potential violation or make statements during an investigation that are knowingly false or that involve willful disregard or purposeful ignorance of the facts. Moreover, disciplinary action can be taken against you if you attempt to use the Hotline, or any other University reporting process, to intentionally harm or slander another employee through false accusations.

What is retaliation?
Retaliation is an adverse employment action (or credible threat of an adverse employment action) taken against a University employee for raising a good-faith concern or participating in an investigation of a potential violation.

What happens when I contact the EthicsPoint Hotline?
EthicsPoint Hotline calls are answered by an independent third party with expertise in handling hotline calls. An interview specialist will ask you questions and then send a report to FGCU’s Chief Compliance and Ethics Officer for review. Appropriate university compliance liaisons will investigate concerns, and if warranted, remedial actions will be taken.
Code of Conduct
Acknowledgment Form

I acknowledge that I have received a copy of the FGCU Code of Conduct and that I have read, understand, and will abide by the Code. I know that I can contact the Chief Compliance and Ethics Officer, at the telephone number, email address, or office location listed above, with questions about the Code, any other ethics-related matter, or to bring forward a good faith concern without fear of retaliation. I also understand that violations of the Code are cause for corrective action, which may result in disciplinary action in accordance with FGCU Regulation FGCU-PR5.016, Disciplinary Actions, and/or Article 16, Disciplinary Action and Job Abandonment, of the Collective Bargaining Agreement.

Printed Name: ______________________________

Signature: ______________________________

Position Title: ______________________________

Date: ______________________________
February 20, 2018

To: Joseph G. Fogg III, Trustee and Chair, Audit and Compliance Committee
From: Stacey Chados, Chief Compliance Officer
Subject: Applicability of the Code of Conduct to the Members of the FGCU BOT

FGCU’s Code of Conduct (Code) outlines the Mission, Vision, and Guiding Principles of the University, and it articulates ethical principles of fairness, good faith, and respect the University wishes to foster in its leaders and employees. The Code highlights some Regulations and Policies leaders and employees must follow, and it provides a list of resources to whom our leaders and employees can bring forward concerns and ask questions.

Many of the specific passages contained in the Code are not applicable to you or the other members of the FGCU Board of Trustees. Nonetheless, in order to support the University’s comprehensive compliance and ethics program promulgated by the Board of Governors, and to comply with your fiduciary responsibilities outlined in the Association of Governing Boards of Universities and Colleges, you should be cognizant of the information contained in the Code in order to make careful, good-faith decisions in the best interest of the University.

Specifically, you and the other members of the FGCU Board of Trustees should avoid situations in which your financial or other relationships could create a conflict of interest between the University and your own private interests, or cause harm to the University’s reputation. In addition, you and the other members of the FGCU Board of Trustees should refrain from soliciting or accepting anything of value, such as a gift or honoraria, when acceptance gives the appearance of inappropriately influencing your objectivity with respect to University business.

Regarding University athletic and other student events, please be advised that these events provide you and the other members of the FGCU Board of Trustees with the opportunity to engage donors, supporters, regional state officials, and business leaders in the advancement of the University’s teaching, research, and community engagement mission.
When attending these events, you and the other members of the FGCU Board of Trustees do so in your official capacity on behalf of the University. Accordingly, it is permissible for you and the other members of the FGCU Board of Trustees to accept, from time to time, a reasonable number of tickets to attend such University events without breaching the Code. In addition, post-season participation in athletic events is a means to further recognize and promote the University and its athletic programs. Post-season activities shall be undertaken consistent with state law, University policy, conference/NCAA rules, and prudent management.

Finally, you and the other members of the FGCU Board of Trustees should abide by the Ethical Standards, Respect for Others, Compliance with Laws, Conflicts of Interest, Gifts and Honoraria, Accurate Reporting, Records Management, and Email, Internet and Information Systems sections of the Code, as applicable. When actual or apparent conflict of interest situations arise, you should refer to the Code or Ethics Policy for the FGCU Board of Trustees, and you should direct any questions to me or the Vice President and General Counsel.

I hope this information is helpful; thanks to you and the other members of the FGCU Board of Trustees for embracing the values expressed in the Code.
Florida Gulf Coast University Board of Trustees
February 20, 2018

SUBJECT: Florida Highway Safety and Motor Vehicles Agreed on Procedures Audit

PROPOSED COMMITTEE ACTION

If recommended by the Audit and Compliance Committee which meets immediately before this meeting, accept the Florida Highway Safety and Motor Vehicles Agreed on Procedures Audit Report dated January 16, 2018.

BACKGROUND INFORMATION

This report presents the results of the audit required by the Florida Department of Highway Safety and Motor Vehicles (DHSMV) to assess the adequacy of internal controls when FGCU’s departments of Undergraduate Admissions, Graduate Admissions and Registrar access DHSMV data.

If accepted by the FCGU Board of Trustees, a copy of the report will sent to the Florida DHSMV and Board of Governors as required.


Prepared by: Director of Internal Audit William Foster

Legal Review by: Vice President and General Counsel Vee Leonard (January 18, 2018)

Submitted by: Audit and Compliance Committee Chair Joseph Fogg III
INTEROFFICE MEMORANDUM

To: Susan Byars, University Registrar
   Marc Laviolette, Director, Admissions
   Francisco Marquez, Director, Graduate Studies

Cc: Dr. Michael Martin, President
    Susan Evans, Vice President & Chief of Staff

From: Viviana Lauke, Staff Auditor
      William Foster, Director, Internal Audit

Date: January 16, 2018

Re: Florida Highway Safety and Motor Vehicles Agreed on Procedures Audit (FINAL REPORT)

Please see the attached final report of the Florida Highway Safety and Motor Vehicles Agreed on Procedures Audit. On January 18, 2018, Vee Leonard, General Counsel, completed a legal review of the audit report.

The audit was performed by Viviana Lauke, Staff Auditor and reviewed by William Foster, Director, Internal Audit.
MEMORANDUM

To: Ms. Teresa Mann, Florida Department of Highway Safety and Motor Vehicles

From: William D. Foster, MBA, CPA, CIA, CGAP, CFE, CRMA, CCSA
Director, Internal Audit

Date: January 16, 2018

Re: Agreed on Procedures Audit of Internal Controls over Personal Data Pursuant to Florida Department of Highway Safety and Motor Vehicles Contract Number HSMV-0363-15

Pursuant to your request, we have performed an agreed on procedures audit of the adequacy of internal controls over personal data accessed and used by Florida Gulf Coast University’s (FGCU) departments of Undergraduate Admissions, Graduate Admissions and Registrar. Based on our evaluation, we have concluded that the system of controls is adequate to protect personal data from unauthorized access, distribution, use, modification, or disclosure.

Background

The departments of Undergraduate Admissions, Graduate Admissions and Registrar access driver license and motor vehicle information under authorization by a Memorandum of Understanding (MOU) with the Florida Department of Highway Safety and Motor Vehicles (DHSMV). The MOU establishes specific requirements regarding the University’s access to, use of, and safeguarding of the driver information. The MOU permits authorized University employees to access certain driver license data for assisting in the enrollment process to verify residency information through the DHSMV’s Driver and Vehicle Information Database (DAVID).

According to Section VI, Part A, Compliance and Control Measures of the MOU, the agreement is contingent upon the departments having appropriate internal controls over personal data. In furtherance of this requirement, the DHSMV requested FGCU to submit an attestation form from either a certified public accounting firm or its internal auditor.
Objective Scope and Methodology

Our audit of the three departments was conducted in accordance with the Driver and Vehicle Information Database Audit Guideline provided by DHSMV.

During the audit, we reviewed the MOU, conducted interviews, obtained and reviewed procedures, inquired about current practices, and tested selected activity reports.

This agreed on procedures audit was conducted in accordance with the Driver and Vehicle Information Database Audit Guideline provided by DHSMV and included tests of the records and other audit procedures as we considered necessary in the circumstances. Audit fieldwork was conducted during November 2017.

Conclusion

During the audit, we identified opportunities for the three departments to further strengthen their internal controls. We discussed our detailed observations and recommendations that pertain to quarterly quality control reviews, annual confidential data access training and acknowledgement and timely removal of employee access upon termination or re-assignment.

Prior to the conclusion of our work, we determined the three departments effectively implemented stronger controls for the areas identified. Therefore, we are satisfied the current internal controls are adequate to protect the personal data obtained from the DAVID database from unauthorized access, distribution, use, modification, or disclosure.

Attachment: Attestation Statement

Audit Performed by: Viviana Lauke, Staff Auditor
Audit Reviewed by: William Foster, MBA, CPA, CIA, CGAP, CFE, CRMA, CCSA
            Director, Internal Audit
ATTESTATION STATEMENT

Contract Number  HSMV-0363-15

In accordance with Section VI, Part B, of the Memorandum of Understanding between Department of Highway Safety and Motor Vehicles and Florida Gulf Coast University Board of Trustees (Requesting Agency), this MOU is contingent upon the Requesting Party having appropriate internal controls over personal data sold or used by the Requesting Party to protect the personal data from unauthorized access, distribution, use, modification, or disclosure. Upon request from the Providing Agency, the Requesting Party must submit an attestation stating that a currently licensed Certified Public Accountant performed an audit in accordance with the American Institute of Certified Public Accountants (AICPA), “Statements on Standards for Attestation Engagement.” In lieu of submitting the attestation from a currently licensed Certified Public Accountant, the Requesting Party may submit an alternate certification with pre-approval from the Department. In the event the Requesting Party is a governmental entity, the attestation may be provided by the entity’s internal auditor or inspector general. The attestation must indicate that the internal controls over personal data have been evaluated and are adequate to protect the personal data from unauthorized access, distribution, use, modification, or disclosure. The attestation must be received by the Providing Agency within 180 days of the written request. The Providing Agency may extend the time to submit attestation upon written request and for good cause shown by the Requesting Agency.

Florida Gulf Coast University Board of Trustees (Requesting Agency) hereby attests that Requesting Agency has evaluated and has adequate controls in place to protect the personal data from unauthorized access, distribution, use and modification or disclosure and is in full compliance as required in the contractual agreement.

Signature of Authorized Official

William Foster, MBA, CPA, CIA, CGAP, CFE, CRMA, CCSA
Printed Name
Director, Internal Audit
Title
01/16/2018
Date
Florida Gulf Coast University Board of Trustees
NAME OF AGENCY
Florida Gulf Coast University Board of Trustees
February 20, 2018

SUBJECT: Florida Board of Governors University Data Integrity Audit

PROPOSED BOARD ACTION

If recommended by the Audit and Compliance Committee which meets immediately before this meeting, accept the Florida Board of Governors University Data Integrity Audit Report dated January 31, 2018.

BACKGROUND INFORMATION

This report presents the results of the audit required by the Board of Governors (BOG) in its letter dated June 30, 2017 to then President Wilson Bradshaw and FGCU Board of Trustees Chair Dudley Goodlette. The purpose of the audit was to determine whether the University’s processes operate effectively to provide complete, accurate, and timely data submissions that support the Performance Funding Metrics to the BOG.

If accepted by the FGCU Board of Trustees, a copy of the report and the Performance Based Funding Data Integrity Certification signed by President Martin and Chair Gable will be sent to the BOG as required.

Supporting Documentation Included: (1) Performance Based Funding Data Integrity Audit issued January 31, 2018; (2) Performance Based Funding Data Integrity Certification Form; and (3) Florida Board of Governors Letter dated June 30, 2017 to President Bradshaw and Chair Goodlette including Attachment 1

Prepared by: Director of Internal Audit William Foster

Legal Review by: N/A

Submitted by: Audit and Compliance Committee Chair Joseph Fogg III
Performance Based Funding
Data Integrity Audit

Florida Gulf Coast University

January 31, 2018
William Foster, MBA, CPA, CIA, CGAP, CFE, CRMA, CCSA
Director, Internal Audit
Executive Summary

At the direction of the Florida Board of Governors (BOG), audit procedures were performed to determine whether Florida Gulf Coast University (University) has effective internal controls, processes and procedures in operation to ensure the completeness, accuracy, and timeliness of the data submissions to the BOG which support the University’s Performance Funding Metrics. Certain procedures were applied to the data submitted during the period October 1, 2016 through September 30, 2017. The procedures were originally established jointly by the State University Internal Audit leaders to ensure that the audit guidelines provided by the BOG were fully addressed.

Specifically, responsible management and other personnel were interviewed, detailed narratives related to data compilation and submission were reviewed, and various samples of data reported to the BOG were verified. These procedures were performed by Mauldin & Jenkins, an independent audit firm, as an Agreed Upon Procedures Engagement performed in accordance with the attestation standards established by the American Institute of Certified Public Accountants. The Mauldin & Jenkins report, which appears as Appendix A to this report, is intended solely for the information and use of Florida Gulf Coast University.

It is the University’s responsibility to conclude on the completeness, accuracy, and timeliness of the data submissions based upon the procedures applied. The University was involved in the development of the appropriate audit procedures to be applied, in accordance with the International Standards for the Professional Practice of Internal Auditing, issued by the Institute of Internal Auditors, and in the implementation of the agreed upon procedures. Internal Audit personnel acted as liaison between Mauldin & Jenkins auditors and University management and staff. Our responsibilities included ensuring that accurate information was provided by University personnel to Mauldin & Jenkins and that any initial anomalies during testing were appropriately resolved.

Our audit, which incorporates the Mauldin & Jenkins Agreed Upon Procedures Report, was conducted in accordance with the International Standards for the Professional Practice of Internal Auditing, issued by the Institute of Internal Auditors. The audit procedures provided a reasonable basis for my opinion and the following reportable observations.

Background

The Florida Board of Governors (BOG) has broad governance responsibilities that affect administrative and budgetary matters for Florida’s public universities. Beginning in fiscal year 2013–14, the BOG instituted a performance funding program which is based on 10 performance metrics used to evaluate the institutions on a range of issues.
The 2016-17 metrics are listed below:

<table>
<thead>
<tr>
<th>No.</th>
<th>Performance Based Funding 2016-17 Metrics</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Percent of Bachelor’s Graduates Enrolled or Employed, earning at least $25,000</td>
</tr>
<tr>
<td>2</td>
<td>Median Wages of Bachelor’s Graduates Employed Full-Time One Year After Graduation</td>
</tr>
<tr>
<td>3</td>
<td>Cost to Student, net tuition and fees per 120 credit hours</td>
</tr>
<tr>
<td>4</td>
<td>Six Year FTIC Graduation Rate</td>
</tr>
<tr>
<td>5</td>
<td>Academic Progress Rate, FTIC 2nd year retention, GPA above 2.0</td>
</tr>
<tr>
<td>6</td>
<td>Bachelor’s Degrees within Programs of Strategic Emphasis</td>
</tr>
<tr>
<td>7</td>
<td>University Access Rate, percentage of undergraduates with Pell grants</td>
</tr>
<tr>
<td>8</td>
<td>Graduate Degrees within Programs of Strategic Emphasis</td>
</tr>
<tr>
<td>9</td>
<td>Percent of Bachelor’s Degrees Without Excess Hours (Board of Governors’ Choice)</td>
</tr>
<tr>
<td>10</td>
<td>Bachelor’s Degrees Awarded to Minorities (Board of Trustees’ Choice)</td>
</tr>
</tbody>
</table>

According to information published by the BOG in March 2016, the following are key components of the funding model:

- Institutions are evaluated on either Excellence or Improvement for each metric.
- Data is based on one-year data.
- The benchmarks for Excellence are based on the Board of Governors 2025 System Strategic Plan goals and analysis of relevant data trends, whereas the benchmarks for Improvement were determined after reviewing data trends for each metric.
- The Florida Legislature and Governor determine the amount of new state funding and an amount of institutional funding that will come from each university’s recurring state base appropriation.

The amount of the state investment appropriated by the Legislature and Governor for performance funding will be matched by an amount reallocated from the university system base budget. Starting in 2016-17, the highest point value for each metric is 10 points. All 10 of the metrics have equal weight. From a total possible 100 points, a university is required to earn more than 50 points and not be in the bottom three in order to be eligible for new funding.

Universities need to be strategic in the investment of performance funds to focus on improving metrics.

The Agreed Upon Procedures report included as part of this report discloses two observations regarding one late submission and one data entry change at the departmental level due to revised information from the student.
Observations

Hours to Degree Submission (HTD): Academic Administration directed Institutional Research & Analysis (IRA) to hold the Hours to Degree submission for additional reviews of the data to ensure that the University received every possible credit for its performance. The submission is critical to FGCU’s Performance Metrics score, and compiling the data is time intensive. Management wanted a final review at the highest level to ensure accurate data.

<table>
<thead>
<tr>
<th>Submission</th>
<th>Term or Year</th>
<th>Due Date</th>
<th>Date Submitted</th>
<th>Business Days Late</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hours to Degree (HTD)</td>
<td>Annual 2015 – 2016</td>
<td>10/21/2016</td>
<td>11/30/2016</td>
<td>27</td>
</tr>
</tbody>
</table>

Student Instruction Preliminary Submission (SIFP): Of the thousands of data elements tested by Mauldin & Jenkins, only one piece of data, that the student was a first time in college applicant, was inaccurately provided by one student to Admissions. When conflicting information was later verified, all but one piece of data was corrected.

In my opinion, these observations did not affect the overall integrity of the data submissions. These observations do not require Management to create a new corrective action plan to address the observations. Overall, FGCU staff provide accurate and timely information to the Board of Governors.

Conclusion

In my opinion, based upon the work performed, the internal controls, processes and procedures Florida Gulf Coast University has in place to ensure the completeness, accuracy, and overall timeliness of data submissions to the BOG that affect performance based funding metrics are operating effectively.

Audit Report Prepared by: William Foster, MBA, CPA, CIA, CGAP, CFE, CRMA, CCSA, Director, Internal Audit.

APPENDIX A
FLORIDA GULF COAST UNIVERSITY
INDEPENDENT ACCOUNTANT’S REPORT
ON APPLYING
AGREED-UPON PROCEDURES

January 19, 2018
<table>
<thead>
<tr>
<th>TABLE OF CONTENTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>INDEPENDENT ACCOUNTANT’S REPORT ON APPLYING AGREED-UPON PROCEDURES</td>
</tr>
<tr>
<td>Attachment I</td>
</tr>
</tbody>
</table>
INDEPENDENT ACCOUNTANT’S REPORT ON APPLYING AGREED-UPON PROCEDURES

Joseph G. Fogg III, Chair Audit and Compliance Committee
Florida Gulf Coast University
Fort Myers, Florida 33965-6565

We have performed the procedures enumerated below, which were agreed to by the Board of Trustees of Florida Gulf Coast University (the “University”), solely to assist the University in determining whether the University has processes established to ensure the completeness, accuracy and timeliness of data submissions to the Board of Governors (BOG) which support the Performance Funding Metrics of the University as of September 30, 2017. The University’s management is responsible for all processes and procedures for the complete, accurate and timely submission of data to the BOG. This agreed-upon procedures engagement was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings are as follows:

We reviewed all of the BOG submissions relating to the Performance Funding Metrics identified and published by the State University System of Florida specific to the certification. See Attachment I for a listing of the submissions tested as provided by the University to us.

a) *Verify the appointment of the Data Administrator by the University President and that duties related to these responsibilities are incorporated into the Data Administrator’s official position description.*

1. Review the Data Administrator’s position description; note details of the description, paying special attention to responsibilities related to coordinating the gathering of data from departmental sources, quality assurance procedures applied and other data integrity checks prior to submission to the BOG.
2. Determine if the Data Administrator was appointed by the President.
3. Conclude on whether the Institutional Data Administrator’s responsibilities include the requirements identified in BOG Regulation 3.007, SUS Management: Information System. (For example, verify the Data Administrator’s data submission statements indicated, “I certify that this file/data represents the position of this University for the term being reported.”).
Florida Gulf Coast University
January 24, 2018

Procedures Performed

- Reviewed the Position Description for the Director of Institutional Research and Analysis dated February 18, 2016. Verified description included the requirements identified in the BOG Regulation 3.007.
- Reviewed the original appointment for the Director of Institutional Research by the Provost dated April 23, 2004. Also, reviewed the re-affirmation appointment by the President dated September 8, 2014.
- Observed the SUDS submission screen and the “Submit for Approval” button that represents the University’s certification of complying with BOG regulation 3.007.

Findings

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

b) Review the processes used by the Data Administrator to ensure the completeness, accuracy and timely submission of data to the Board of Governors.

1. Interview the Data Administrator and other key data managers to understand the internal processes in place to gather, test and ensure that only valid data, as defined by the BOG, is timely submitted to the BOG.
2. Identify and evaluate key processes over data input and submission. Consider evaluating the processes from the point of incoming information to the submission of the data file to the BOG.
3. Review internal records such as time management schedules and relevant correspondence which purport to demonstrate that complete and accurate data is timely submitted to the BOG. (See due dates addressed in the SUS data workshop).
4. According to BOG Regulation 3.007, prior to submitting the file, the universities shall ensure the file is consistent with the criteria established in the specifications document by performing tests on the file using applications/processes provided by the BOG Information Resource Management (IRM) office. Review process for timely and accurately addressing data file error reports.
5. Evaluate the results and document your conclusion on the Data Administrator’s processes.

Procedures Performed

- Interviewed the following people who are key in the data being reported and submitted to the BOG:
  - Director of Institutional Research and Analysis
  - Associate Vice President and IT Officer
Florida Gulf Coast University
January 24, 2018

- Director, University Budgets
- University Registrar
- Associate Vice President, Academic and Curriculum Support
- Associate Director, Undergraduate Admissions
- Director, Student Financial Services

- For those interviewed, we discussed key internal controls and processes in place over data input, Banner access, State University Database System (SUDS) access, validation tables, data submission procedures, error resolution, staff training, and other controls specific to the department and submission of accurate and timely data. Detailed review and evaluation of these processes is performed by the internal audit department during their normal internal audit reviews.
- Reviewed the metrics specific to each department to ensure controls are in place and a clear understanding exists to ensure only valid data is being submitted based on the data definitions.
- Reviewed weekly email communications (the “HitList”) from the Institutional Research and Analysis (IRA) department to department heads. These emails detail the upcoming submissions due in the next two (2) months to the BOG and who is responsible for the data being submitted. Department heads review the data requests and are responsible to ensure the data is accurate and ready for timely submission.
- Reviewed submission schedule maintained by the IRA department.
- Verified submission files tested were submitted by the Due Date as published by the State University System of Florida (SUS) and identified on the SUDS website.
- Tested the submission file criteria definitions used by the University to ensure they meet the data definitions published by the SUDS.
- Obtained the data definition tables from the SUDS website and verified tables documented in the University processes agreed to the SUDS tables.
- Reviewed processes over testing and validating data submissions and procedures for the resolution of errors prior to the final submission.

**Findings**
We identified the following file that was not submitted by the required due date:

<table>
<thead>
<tr>
<th>Submission</th>
<th>Term or Year</th>
<th>Reporting Time Frame</th>
<th>Due Date</th>
<th>Date Submitted</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hours to Degree</td>
<td>Annual 2015</td>
<td>20152016</td>
<td>10/21/2016</td>
<td>11/30/2016</td>
</tr>
</tbody>
</table>
Florida Gulf Coast University  
January 24, 2018

c) **Evaluate any available documentation including policies, procedures, and desk manuals of appropriate staff; and assess their adequacy for ensuring data integrity for University data submissions to the Board of Governors.**

1. Request the Data Administrator provide its policies, procedures, minutes of meetings, and any other written documentation used as resources to ensure data integrity; note whether these documents are sufficiently detailed, up-to-date, and distributed to appropriate staff.
2. Evaluate the results and document your conclusion. If necessary, consider benchmarking with peer universities.

**Procedures Performed**

- Discussed key processes with those interviewed to ensure procedures are in place to ensure data accuracy for their department.
- Ensured each department, that is key to the submission process, had written policy and procedures regarding data they are responsible for.
- Reviewed the project meeting minutes for each meeting that was held in regards to the Performance Funding project and verified data integrity was a significant objective.
- We do not perform benchmarking as this is a process the University would perform.

**Findings**

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

d) **Review system access controls and user privileges to evaluate if they are properly assigned and periodically reviewed to ensure only those authorized to make data changes do so.**

1. Obtain a list of individuals that have access to the State University Database System (SUDS).
3. Review the procedures to grant system access and/or initiate, monitor and cancel user privileges.
4. Perform a test of system access controls and/or user privileges to determine if only appropriate employees have access or need the privilege.
5. Consider other IT systems and related system access controls or user privileges that may impact the data elements used for each measure reviewed.
6. Evaluate the results and conclude on the reasonableness of procedures and practices in place for the setup and maintenance of system access, specifically addressing employees with SUDS access.
Florida Gulf Coast University
January 24, 2018

Procedures Performed

- Obtained a current listing of all those individuals who have access to the SUDS system from the BOG’s application portal manager.
- Obtained the role definitions in the SUDS system for each type of user.
- Discussed procedures with the Director of Institutional Research and Analysis for granting access to the SUDS system and monitoring to ensure user privileges are cancelled in a timely manner. Reviewed current listing of SUDS users and obtained reason for any new additions.
- Reviewed user listing and discussed with the Director of Institutional Research and Analysis to ensure only personnel that need access have access to the SUDS system, and only a limited amount have the ability to submit data.
- Reviewed Banner access/termination procedures with each department listed in section b of this report and ensured procedures are in place for authorization of adding a new user and timeliness of terminating personnel access.
- Reviewed email sent to department heads informing them the Banner Security Class Reports were created and stored on the common drive for them to review. Reports are created on a quarterly basis and we reviewed a sample of reports that were on the drive.
- Selected a sample of users who are significant to the submissions being tested and verified authorization was obtained for the new user, proper workorder was initiated by an authorized person, and determined the class approved agreed to their current Banner access privileges.
- Discussed procedures for terminating a Banner user with the Associate Vice President and IT Officer.

Findings

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

e) Testing of data accuracy

1. Identify and evaluate data validity controls to ensure that data extracted from the primary systems of record are accurate and complete. This may include review of controls over code used to create the data submission. Review each measure’s definition and calculation for the consistency of data submissions with the data definitions and guidance provided by the BOG.
2. As appropriate, select samples from data the University has submitted to the BOG for its Performance Funding Model. Vouch selected data to original source documents.
3. Evaluate the results of the testing and conclude on the completeness and accuracy of the submissions examined.
Florida Gulf Coast University  
January 24, 2018

**Procedures Performed**

For each submission file listed in Attachment I we performed the following procedures for the specific metrics identified in the Performance Funding Metrics published by the SUS:

- Obtained complete submission file for time period being tested.
- Selected a sample size of thirty (30) data items to test for each file submission and each metric specific to the performance funding testing.
- Verified data reported in the submission files specific to the metrics identified by the SUS agreed to the source system Banner.
- Verified the data reported for each metric agreed with the SUDS data dictionary.

To ensure completeness of the files being submitted we performed the following procedures:

- For each term and reported time frame we obtained, from the Business Technology Services department, a file which was extracted from Banner and compared to submission files extracted by the Institutional Research and Analysis department. For each comparison, we identified any person that was on the Banner report that was not in the file submission. We then selected a sample size based on the size of the file and errors returned and verified the student was properly omitted for the specific submission based on the current data definitions. Selected files and corresponding sample sizes are as follows:

1. All students enrolled were compared to the Student Instruction (SIF) files submitted. Three (3) differences were identified and reconciled.
2. All students who received Pell grants were compared to the Student Financial Aid (SFA) files submitted. Two (2) differences were identified and reconciled.
3. All students who had a degree awarded were compared to the Degrees Awarded (SIFD) files submitted. We selected ten (10) variances and all were reconciled.
4. All students admitted were compared to the Admissions (ADM) files submitted. We selected ten (10) variances and all were reconciled.

**Findings**

We identified one (1) variance:

<table>
<thead>
<tr>
<th>File Submission</th>
<th>UNIV ID</th>
<th>Data Definition Number</th>
<th>Field Name</th>
<th>Banner Screen</th>
<th>In Banner</th>
<th>In Submission</th>
</tr>
</thead>
<tbody>
<tr>
<td>SIFP</td>
<td>D-166796</td>
<td>01067</td>
<td>Last Institution</td>
<td>SOAPCOL</td>
<td>France</td>
<td>F1000000</td>
</tr>
</tbody>
</table>
Florida Gulf Coast University
January 24, 2018

f) Evaluate the veracity of the University Data Administrator’s data submission statements that indicate, “I certify that this file/data represents the position of this University for the term being reported.”

1. Interview the University Data Administrator to consider the reasonableness of the various coordination efforts with the Data Administrator’s staff, the other data custodians’ staff, BOG IRM, and other knowledgeable individuals which form the basis for personal and professional satisfaction that data submitted to the BOG is complete, accurate and submitted timely.

2. Inquire how the Data Administrator knows the key controls are in place and operating effectively. If not already done, consider verifying these key controls are in place and adequate to support the Data Administrator’s assertions.

Procedures Performed

- Interviewed personnel listed in section b. of this report and verified communication with the Institutional Research and Analysis is on-going and clear to ensure accurate and timely data submission. Also verified controls are in place specific to the metrics being tested.
- Verified with the Director of Institutional Research and Analysis communication with the BOG and IRM to ensure data being submitted meets the data definitions.

Findings

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

g) Review the consistency of data submissions with the data definitions and guidance provided by the Board of Governors through the Data Committee and communications from data workshops.

1. Evaluate the University’s procedures for periodically obtaining and communicating definitions and due dates as provided by the BOG through the Data Committee and communications from data workshops.

2. Verify with the University Data Administrator that the most current data file definitions are used as a basis for preparation of data to be submitted to the BOG.


4. Request evidence of the most recent formal staff training/workshops, internal discussions or communications with other responsible employees and the BOG Data Committee necessary to ensure the overall integrity of data to be submitted to the BOG.

5. Conclude as to the consistency of the submissions.
Florida Gulf Coast University
January 24, 2018

Procedures Performed

- Reviewed email communications (the “HitList”) from the Institutional Research and Analysis (IRA) department to department heads. These emails detail the upcoming submissions due in the next two (2) months to the BOG and who is responsible for the data being submitted. Department heads review the data requests and are responsible to ensure the data is accurate and ready for timely submission.
- Obtained the most recent data definition tables on the SUDS website and verified data definitions outlined in the file processes agreed to the SUDS data tables.
- Verified process with the Institutional Research and Analysis department of their communication to department heads of the data definitions and communication of any new or changed metric.
- Obtained the SUDS release notes and workshop agendas during the testing period and verified any changes were properly incorporated into the data file submissions.
- Reviewed staff training with each personnel interviewed as listed in section b. in relation to both Banner and SUDS security and knowledge training.
- Our testing was performed on all file submissions from October 1, 2016 through September 30, 2017, for the specific metrics tested to review for consistency among data submissions.

Findings

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

h) Review the University Data Administrator’s data resubmissions to the Board of Governors with a view toward ensuring these resubmissions are both necessary and authorized. This review should also evaluate how to minimize the need for data resubmissions.

1. Interview the University Data Administrator about the types and quantity of recent data resubmissions and the level(s) of approvals necessary for corrective action.
2. Request and examine any correspondence between the University and the BOG IRM office related to data resubmissions that pertain to the performance metrics. Determine if these resubmission problems tend to be reoccurring and what, if any, actions management has taken or plans to take in order to reduce them.
3. Conclude as to the frequency, need and authorization of the resubmission process.

Procedures Performed

- Interviewed the Director of Institutional Research and Analysis about the resubmission process followed by the department.
- There were no resubmissions during our testing period.

Findings

No exceptions were identified as a result of applying these procedures.
Florida Gulf Coast University
January 24, 2018

i) Provide an objective basis of support for the president and board of trustees chair to sign the representations made in the Performance Based Funding—Data Integrity Certification

1. Review the Performance Based Funding Data Integrity Certification statement to identify additional procedures that should be designed to support the representations.

Procedures Performed

• We reviewed the Data Integrity Certification and performed procedures agreed upon by Florida Gulf Coast University’s Board of Trustees to meet the objectives of the certification.

Findings

Mauldin & Jenkins was engaged to perform procedures that were provided by you and were outlined in our engagement letter. Management has identified these procedures to meet the objectives of the certification. The Board of Trustees must conclude as to the adequacy of these procedures and findings in meeting their certification objectives.

We were not engaged to and did not perform an audit, the objective of which would be the expression of an opinion on the processes and procedures for the complete, accurate and timely submission of data to the BOG. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

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

Bradenton, Florida
January 24, 2018
**Florida Gulf Coast University**  
**Metric Related Submissions**  
10/1/2016-9/30/2017

### Submissions Tested

<table>
<thead>
<tr>
<th>Due Date</th>
<th>Submission</th>
<th>Term or Year</th>
<th>Rept Time Frame</th>
</tr>
</thead>
<tbody>
<tr>
<td>10/14/2016</td>
<td>Degrees Awarded (SIFD)</td>
<td>Summer 2016</td>
<td>2016/2017</td>
</tr>
<tr>
<td>10/21/2016</td>
<td>Student Instruction Preliminary (SIFP)</td>
<td>Fall 2016</td>
<td>2016/2017</td>
</tr>
<tr>
<td>10/21/2016</td>
<td>Hours to Degree (HTD)</td>
<td>Annual 2015</td>
<td>2015/2016</td>
</tr>
<tr>
<td>1/23/2017</td>
<td>Student Instruction (SIF)</td>
<td>Fall 2016</td>
<td>2016/2017</td>
</tr>
<tr>
<td>2/10/2017</td>
<td>Degrees Awarded (SIFD)</td>
<td>Fall 2016</td>
<td>2016/2017</td>
</tr>
<tr>
<td>2/24/2017</td>
<td>Admissions (ADM)</td>
<td>Spring 2017</td>
<td>2017/2017</td>
</tr>
<tr>
<td>6/19/2017</td>
<td>Student Instruction (SIF)</td>
<td>Spring 2017</td>
<td>2017/2017</td>
</tr>
<tr>
<td>9/22/2017</td>
<td>Admissions (ADM)</td>
<td>Summer 2017</td>
<td>2017/2017</td>
</tr>
<tr>
<td>9/29/2017</td>
<td>Student Instruction (SIF)</td>
<td>Summer 2017</td>
<td>2017/2017</td>
</tr>
</tbody>
</table>
Name of University: Florida Gulf Coast University

INSTRUCTIONS: Please respond “Yes” or “No” for each representation below. Explain any “No” responses to ensure clarity of the representation you are making to the Board of Governors. Modify representations to reflect any noted audit findings.

<table>
<thead>
<tr>
<th>Performance Based Funding Data Integrity Certification Representations</th>
<th>Yes</th>
<th>No</th>
<th>Comment / Reference</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. I am responsible for establishing and maintaining, and have established and maintained, effective internal controls and monitoring over my university’s collection and reporting of data submitted to the Board of Governors Office which will be used by the Board of Governors in Performance Based Funding decision-making.</td>
<td>☒</td>
<td>☐</td>
<td></td>
</tr>
<tr>
<td>2. These internal controls and monitoring activities include, but are not limited to, reliable processes, controls, and procedures designed to ensure that data required in reports filed with my Board of Trustees and the Board of Governors are recorded, processed, summarized, and reported in a manner which ensures its accuracy and completeness.</td>
<td>☒</td>
<td>☐</td>
<td></td>
</tr>
<tr>
<td>3. In accordance with Board of Governors Regulation 1.001(3)(f), my Board of Trustees has required that I maintain an effective information system to provide accurate, timely, and cost-effective information about the university, and shall require that all data and reporting requirements of the Board of Governors are met.</td>
<td>☒</td>
<td>☐</td>
<td>1 student indicated he was FTIC (less than 12 credits) on his application. When his transcript subsequently arrived from a school in France, it had 16 credits.</td>
</tr>
<tr>
<td>4. In accordance with Board of Governors Regulation 3.007, my university shall provide accurate data to the Board of Governors Office.</td>
<td>☒</td>
<td>☐</td>
<td></td>
</tr>
<tr>
<td>5. In accordance with Board of Governors Regulation 3.007, I have appointed a Data Administrator to certify and manage the submission of data to the Board of Governors Office.</td>
<td>☒</td>
<td>☐</td>
<td></td>
</tr>
</tbody>
</table>
## Performance Based Funding Data Integrity Certification

### Performance Based Funding Data Integrity Certification Representations

<table>
<thead>
<tr>
<th>Representations</th>
<th>Yes</th>
<th>No</th>
<th>Comment / Reference</th>
</tr>
</thead>
<tbody>
<tr>
<td>6. In accordance with Board of Governors Regulation 3.007, I have tasked my Data Administrator to ensure the data file (prior to submission) is consistent with the criteria established by the Board of Governors Data Committee. The due diligence includes performing tests on the file using applications/processes provided by the Board Office.</td>
<td>☒</td>
<td>☐</td>
<td></td>
</tr>
<tr>
<td>7. When critical errors have been identified, through the processes identified in item #6, a written explanation of the critical errors was included with the file submission.</td>
<td>☒</td>
<td>☐</td>
<td></td>
</tr>
<tr>
<td>8. In accordance with Board of Governors Regulation 3.007, my Data Administrator has submitted data files to the Board of Governors Office in accordance with the specified schedule.</td>
<td>☐</td>
<td>☒</td>
<td>There was 1 late submission.</td>
</tr>
<tr>
<td>9. In accordance with Board of Governors Regulation 3.007, my Data Administrator electronically certifies data submissions in the State University Data System by acknowledging the following statement, “Ready to submit: Pressing <strong>Submit for Approval</strong> represents electronic certification of this data per Board of Governors Regulation 3.007.”</td>
<td>☒</td>
<td>☐</td>
<td></td>
</tr>
<tr>
<td>10. I am responsible for taking timely and appropriate preventive / corrective actions for deficiencies noted through reviews, audits, and investigations.</td>
<td>☒</td>
<td>☐</td>
<td></td>
</tr>
<tr>
<td>11. I recognize that the Board’s Performance Based Funding initiative will drive university policy on a wide range of university operations – from admissions through graduation. I certify that university policy changes and decisions impacting this initiative have been made to bring the university’s operations and practices in line with State University System Strategic Plan goals and have not been made for the purposes of artificially inflating performance metrics.</td>
<td>☒</td>
<td>☐</td>
<td></td>
</tr>
</tbody>
</table>
Performance Based Funding
Data Integrity Certification

<table>
<thead>
<tr>
<th>Performance Based Funding Data Integrity Certification Representations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Representations</td>
</tr>
<tr>
<td>----------------------------------</td>
</tr>
<tr>
<td>I certify that all information provided as part of the Board of Governors Performance Based Funding Data Integrity Certification is true and correct to the best of my knowledge; and I understand that any unsubstantiated, false, misleading, or withheld information relating to these statements render this certification void. My signature below acknowledges that I have read and understand these statements. I certify that this information will be reported to the board of trustees and the Board of Governors.</td>
</tr>
</tbody>
</table>

Certification: _____________________________ Date __________________
President

I certify that this Board of Governors Performance Based Funding Data Integrity Certification has been approved by the university board of trustees and is true and correct to the best of my knowledge.

Certification: _____________________________ Date __________________
Board of Trustees Chair
MEMORANDUM

To: Chairs, University Boards of Trustees
    University Presidents

From: Tom Kuntz, Chair

Subject: Performance Based Funding
         Data Integrity Certification Process and Audit

June 30, 2017

Since it was approved by the Board of Governors in January 2014, the Performance Based Funding Model has incentivized universities and their boards of trustees to achieve excellence and performance improvements in key areas aligned to the SUS Strategic Plan goals. Over the past five years, the Performance Based Funding state investment has totaled $720 million in additional state funding, demonstrating unprecedented support for the System. This is a great testament to the value of the state university system to educational and economic growth of this great state. These investments have allowed the system to keep tuition flat for our students.

For the 2017-2018 fiscal year, performance based funding investment has grown to an all-time high of $520 million including $245 million in state investment and $275 million in institutional investment. With this investment, universities have demonstrated the ability to achieve excellence and improvements in the 10 key metrics, including graduation and retention rates. Because of your focus and attention on these key metrics, we continue to demonstrate to our elected leaders that the Performance Based Funding Model works!

This October, we will again evaluate tweaks to components of the model with a goal for continued improvement while not radically changing the model that has served us so well.
June 30, 2017
Page 2

A key component of the model’s success is the ability of the Board of Governors to rely on information you provide for Performance Based Funding decision-making. I would like to commend you, your Data Administrators, and the many university staff responsible for ensuring reliable, accurate, and complete information is timely submitted to the Board of Governors. I would also like to thank your Chief Audit Executives for focusing a significant portion of their office’s resources to auditing your university’s Performance Based Funding-related controls, processes, and data submissions. Collectively, these efforts allow you to confidently certify data submissions to the Board of Governors and enhance public trust and confidence in this process.

As a result, I am asking that each university President again complete a Data Integrity Certification (attached). When completing this certification, you should evaluate each of the prepared representations. If you are able to affirm the representation, do so. If you are not able to make the representation as prepared, provide an explanation or modification in the space provided. It is important that representations be modified to reflect audit findings. The certification document shall be signed by the President and board of trustees Chair after being approved by the board of trustees. The completed Data Integrity Certification shall be submitted to the Office of Inspector General and Director of Compliance.

To make such certifications meaningful, university boards of trustees shall direct the university Chief Audit Executive to perform, or cause to have performed by an independent audit firm, an audit of the university’s processes that ensure the completeness, accuracy, and timeliness of data submissions. It is our intent that such audits include testing of data that supports performance funding metrics. Such testing is essential to determining if processes are in place and working as intended.

The scope and objectives of the audit should be set jointly between the Chair of the university board of trustees and the university Chief Audit Executive. The audit shall be performed in accordance with the current International Standards for the Professional Practice of Internal Auditing as published by the Institute of Internal Auditors, Inc.

The results of this audit shall be provided to the Board of Governors after being accepted by the university’s board of trustees. The audit report shall include the university’s corrective action plan designed to correct any audit findings. The audit results shall support the President’s certification which shall include any noted audit findings. The completed Data Integrity Certification and audit report shall be
June 30, 2017
Page 3

submitted to the Office of Inspector General and Director of Compliance no later than March 1, 2018.
I ask that you consider this deadline when establishing dates for your 2018 board of trustees meetings as we will need these audits and certifications included in our March Board of Governors meeting materials.

We appreciate your cooperation and assistance in ensuring the integrity of the performance funding process.

If you have questions regarding these requirements, please do not hesitate to contact the Board of Governors Inspector General at BOGInspectorGeneral@flbog.edu or 850-245-0466.

TGK/jkm

Attachment
ITEM: 7

Florida Gulf Coast University Board of Trustees
February 20, 2018

SUBJECT: Potential Conflict of Interest with Proposals for New Academic Degree Programs

PROPOSED BOARD ACTION

For Information Only

BACKGROUND INFORMATION

On March 28, 2017, the Inspector General of the Board of Governors released an Investigative Report. Part of that Report recommended that, when Trustees desire to propose a new academic degree program, they first speak with the Vice President and General Counsel, and the Chief Compliance Officer to ascertain if a conflict of interest may exist.

Supporting Documentation Included: N/A

Prepared by: Vice President and General Counsel Vee Leonard

Legal Review by: N/A

Submitted by: Vice President and General Counsel Vee Leonard