New College of Florida Board of Trustees
Tuesday, January 31, at 3:00 – 5:00 pm
Sudakoff Conference Center
5845 General Dougher Pl,
Sarasota, FL 34243
Virtual viewing link:
https://www.youtube.com/@NewCollegeofFL

BOT Meeting Agenda

1. **Call to Order**
   - Roll Call, Establish Quorum, Confirm Public Notice of Meeting, Prayer, Call for Public Comment.

2. **Announcements**

3. **Consent Agenda**

   ACTION ITEMS
   - Approve Minutes of the October 18, 2022, BOT meeting
   - Approve Minutes of the December 6, 2022, Special BOT meeting
   - Approve Student Success Plan Completion: Program Proposals for Research and Experimental Psychology & Econometrics and Quantitative Economics
   - Approve 22-23 Direct Support Organization's (DSO) Budgets for New College Development Corp. Budget and New College Foundation Inc. Budget

   INFORMATIONAL ITEM
   - Review – New College of Florida – Audited Financial Statements

   BOARD MOTION: APPROVAL OF CONSENT AGENDA ACTION ITEMS AND ACCEPTANCE OF CONSENT INFORMATIONAL ITEMS

4. **President's Report –** *Pat Okker, President*

5. **Student Trustee Report –** *Grace Keenan, New College Student Association & NCF Trustee*

6. **Legislative Priorities –** *Christie Fitz-Patrick, Associate Vice President of Government Relations*

7. **Finance and Administration Committee –** *Chris Kinsley, Vice President of Finance and Administration and Erika Worthy, Chief Human Resource Officer*
   - **Action Item:** Approve Ratification of the New College of Florida United Faculty of Florida Collective Bargaining Agreement

8. **Role of Office of Outreach & Inclusive Excellence –** *Christopher Rufo, NCF Trustee*

9. **Other Business**

   - President Okker's Employment Agreement
   - Election of the Board Chair and Vice Chair
   - General Counsel to Board of Trustees

10. **Board of Trustees Committee Assignments** – *BOT Chair*

11. **Adjournment**

New College of Florida Board of Trustees
Sudakoff Conference Center
Draft Minutes for October 18, 2022

Call to Order
The meeting was called to order at 3:04 pm and a quorum was established.

Trustees Present: Mary Ruiz (Chair), Ron Christaldi (Vice Chair), Charlie Lenger, Felipe Colon, James Stewert, Matthew Lepinski, Grace Keenan, Sarah Mackie, Garin Hoover, and Lance Karp. **Trustees Absent:** Mark Aesch.

Acknowledgment of Notice of Meeting
AVP Christie Fitz-Patrick confirmed the meeting had been duly noticed.

Call for Public Comment
No request for public comment was received.

Announcements
Chair Ruiz informed the board that Christie Fitz-Patrick is now the Associate Vice President of Government Relations and Board of Trustees Liaison.

Chair Ruiz then announced that David Smolker will serve as the Interim General Counsel until New College can find a permanent replacement for former General Counsel David Fugett.

Consent Agenda
The Consent Agenda was presented and a request was made by Chair Ruiz that it be approved.

<u>A motion to approve the consent agenda was made, seconded and approved by unanimous vote.</u>

Consent agenda action items approved were as follows:

- <u>Action item: Approve Minutes of the August 27, 2022, BOT meeting</u>
- <u>Action item: Approve the New College of Florida Textbook and Instructional Materials Affordability Annual Report for Academic Year 2021-22</u>

Informational Items provided to the Board for their review as part of the Consent Agenda include:
- Reports from the President's Council, NCSA, and Faculty

President's Report

President Okker provided the latest enrollment numbers for the Fall. The official enrollment is 689 which was above the projected 630 amount provided in the accountability plan. She further noted:

- Enrollment of 78% of First Time In College (FTIC) the Set Sail program;
- Expansion of our group offerings for Independent Study Period (ISP) in January; and
- Reopening of B Dorm.

President Okker stated she is grateful to the Board of Governors for approving the Student Success Plan which provided an initial $907,494 to New College.

President Okker let the Board know that Marjorie Thomas, Vice President of Student Affairs, resigned effective immediately on September 22 and now Dr. Brad Thiessen is Acting Interim Vice President of Student Affairs.

President Okker shared that the campus only suffered minimal damage from Hurricane Ian. As a result of Ian, New College will be reviewing all of our emergency planning efforts to ensure they are ready as needed for future use.

Performance Based Funding Metrics Changes and Student Success Plan Updates Presentation

Chief of Staff Thiessen presented the updates to the Student Success Plan (SSP) and proposed Performance Based Funding Metrics changes. Dr. Thiessen explained that New College was on track to meet the initiatives in the SSP approved by the Board of Governors on September 14, 2022. New College has to submit the final report on the SSP by March 28, 2023 to received the second part of the state investment of $907,494. Four of the ten initiatives have been completed to date. The remaining six are in process and will be completed by March.

Chief of Staff Thiessen then explained the proposed changes to the Performance based Funding Metrics by the Board of Governors. Overall, the changes to the three metrics would make it more difficult for New College to achieve the requested 70 points to receive the full funding for FY 24-25.

Finance and Administration Committee

Approve Revised Operating Budget for FY 2022-23

Vice Chair (and Finance and Administration Committee Chair) Christaldi provided some opening remarks regarding the updates to the budget and work of his committee. VP Kinsley proceeded to explain the proposed changes to the Revised Operating Budget. The Board of Trustees previously approved the 2022 Operating Budget on August 27, 2022. The Operating Budget was based on the 2022-23 approved budget for all budget entities of the College plus any adjustments made by the College or state allocations appropriated by the 2022 Legislature. The Operating Budget has been revised to incorporate the following recently funded items.

1. $907,494 state investment performance-based funding recently released by the BOG after approval of the Student Success Plan.
2. $1,842,737 deferred maintenance funding recently approved by the Legislative Budget Commission.

<u>A motion was made to: 1. Approve the College's Revised Operating Budget for FY 2022-23 as proposed and 2. Authorize the President to make necessary adjustments to these budgets during the operating year. Motion, second and approved by unanimous vote.</u>

Approve Carryforward & FCO Budget for FY 2022-23

Vice Chair Christaldi requested VP Kinsley to explain the Carryforward and Fixed Capital Outlay (FCO) Budget to the Board of Trustees (BOT). VP Kinsley explained this item requires BOT review and approval for consideration by the Board of Governors. The College anticipates using available funds from the Carry Forward Reserve to address important operational as well as critical capital needs.

A motion was made to: 1. Approve the Carryforward & FCO Budget for FY 2022-23 as proposed and 2. Authorize the President to make necessary adjustments to these budgets during the operating year. Motion, second and approved by unanimous vote.

Additionally, VP Kinsley explained that the Board of Governors has authorized state universities to draw down the required 7% reserve to cover the unanticipated expenses from Hurricane Ian of $717,038. Upon receipt of reimbursement to be provided by FEMA, the funds utilized in the 7% reserve will be replaced.

A motion was made to approve the use of $717,038 of the 7% required reserve to cover the recovery efforts cost of Hurricane Ian until the FEMA funding is available. Motion, second and approved by unanimous vote.

Resolution in Recognition of David Harvey
Chair Ruiz presented former Trustee David Harvey with a resolution for his service to the Board of Trustees.

A motion was made, seconded and unanimously approved to adopt a resolution honoring the accomplishments of Dr. Harvey during his service as a trustee.

First Quarter Education & General (E&G) Report
Vice Chair Christaldi requested VP Kinsley to explain the first quarter E & G report to the Board. VP Kinsley stated that New College was on track and had expenditures around 20% as of September 30, 2022.

Civil Discourse
Chair Ruiz requested Yoleidy Rosario-Hernandez, Dean of Diversity, Equity and Inclusion, to explain the Plan for Implementing Civil Discourse.

Dean Rosario-Hernandez explained at the January 2022 Board of Governors meeting, the Board approved recommendations from the Strategic Planning Committee relative to civil discourse. These recommendations are designed to ensure a climate of free expression and civil discourse on each university campus according to the principles set forth in the State University System Free Expression Statement and the Board of Governor's Civil Discourse Final Report. For each recommendation from the Board of Governors, New College is to describe how the college plans to implement the recommendation. Plans must identify the key groups/individuals involved, critical milestones, and expected timeline for accomplishing each milestone. When implementing recommendations regarding the Board's Statement of Free Expression, the statement as it appears in Appendix A of the Board's report on civil discourse should be used at all times. All plans must be approved by university boards of trustees (BOT) prior to submission.

A motion was made to approve the plan for implementing civil discourse recommendations. Motion, second, and approved by unanimous vote.

Board of Trustees Committee Assignments 2022-23
Chair Ruiz explained the New College Regulation 2-1006: Committees, annually requires the standing committees be nominated by the Chair of the BOT and appointed by the BOT.

Trustee Keenan and Trustee Lepinski requested to be added to the Presidential Evaluation Committee.

<u>A motion was made to 1. Add Trustee Keenan and Trustee Lepinski to the Presidential Evaluation Committee for the Board of Trustees Committee Assignments for 2022-23 2. Approve the amended Board of Trustees Committee Assignments for 2022-23. Motion, second and approved by unanimous vote.</u>

New College Challenge Presentation
Marcia Crawley, Co-Chair New College Challenge, David Brain, Co-Chair New College Challenge, Bill Dudley, President's Advisory Council and Marty Hylton, New College Challenge Advisor engaged with the Board of Trustees on a presentation regarding the New College Challenge.

Vice Chair Christaldi departed the meeting. Quorum was still sustained.

Other Business
Chair Ruiz reminded the trustees of the following upcoming events:

- New College Challenge Launch: October 25, 2022, 10:00am, Bayfront Tent
- New College Challenge New Topics: October 26, 2022, 5:30pm-6:30pm, Sainer Pavilion Featuring Harvard's Chris Reed
- New College Challenge Designing for Resilience Symposium: October 28, 2022, 8:30am-4:30pm, Bayfront Tent
- Trustee Summit: November 9, 2022, from 9:00 am – 5:00 pm, at USF Health – Morsani College of Medicine, downtown Tampa.

Adjournment
There being no other business, the meeting was adjourned 5:31 p.m.

Respectfully Submitted,

Christie Fitz-Patrick
AVP Government Relations and BOT Liaison

New College of Florida Board of Trustees
Zoom Webinar
Draft Minutes for December 6, 2022

Call to Order
The meeting was called to order at 9:00 a.m. and a quorum was established.

Trustees Present: Mary Ruiz (Chair), Ron Christaldi (Vice Chair), Mark Aesch, Felipe Colon, Garin Hoover, Grace Keenan, Charlie Lenger, Matthew Lepinski, Sarah Mackie, James Stewart. **Trustees Absent:** Lance Karp

Other Attendees Present: John Derr, Christie Fitz-Patrick, Alex Layton, Deborah Londos, Pat Okker, David Smolker, Alexander Tzoumas

Acknowledgment of Notice of Meeting
AVP Christie Fitz-Patrick confirmed the meeting had been duly noticed.

Call for Public Comment
No request for public comment was received.

Special Board of Trustees Meeting
David Smolker requested the Board go into a nonpublic executive session. The purpose of the session will be to discuss pending litigation and a settlement demand that has been propounded upon both the Board of Trustees and the college in the case of Jane Doe v. New College Board of Trustees and New College. The motion was seconded and approved by unanimous vote.

Other Business
Garin Hoover relayed his farewell remarks as his term ends on January 6, 2023.

Adjournment
There being no other business, the meeting was adjourned 9:57 a.m.

Respectfully Submitted,

Christie Fitz-Patrick
AVP Government Relations and BOT Liaison

NEW COLLEGE OF FLORIDA BOARD OF TRUSTEES

Meeting Date: January 31, 2023

SUBJECT: Student Success Plan Completion: Program Proposals for Research and Experimental Psychology & Econometrics and Quantitative Economics

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PROPOSED BOARD ACTION

Consider approval of proposals for programs in *Research and Experimental Psychology* and *Econometrics and Quantitative Economics*.

BACKGROUND

New College of Florida's Student Success Plan (approved by the BOT on August 10, 2022) calls for the development and approval of two "new" Programs of Strategic Emphasis by March 2023:

(1) Research and Experimental Psychology
(2) Econometrics and Quantitative Economics

Rather than create completely new academic programs, faculty in our existing Psychology and Economics programs are updating these programs to shift these existing Areas of Concentration into Programs of Strategic Emphasis that address critical staffing shortages within Florida. We anticipate these updated programs will attract students to New College and will improve the employment outcomes of our graduates.

These programs will also improve our score on the Performance-Based Funding metrics by increasing the proportion of bachelor's degrees we award in Programs of Strategic Emphasis in the STEM category by 10% each year.

More immediately, approval of these programs will complete the ten initiatives proposed in NCF's Student Success Plan. This makes it likely that the Board of Governors will release $907,493 in Performance-Based Funding to New College of Florida at the March BOG meeting.

Recently completed program reviews provide additional information on the current Psychology and Economics programs. Pre-proposal forms, approved by the Council of Academic Vice Presidents' Academic Coordinating Group, provide additional curricular and employment opportunity information on the proposed programs. If these proposals are approved by the New College Board of Trustees, full proposal forms will be developed, reviewed by the Board of Trustees, and submitted to the Board of Governors for consideration.

Supporting Documentation Included: **Student Success Plan (page/metric #6)**
Program Reviews
Program Pre-Proposal Forms

Other Support Documents Available: N/A

Metric 6: Bachelor's Degrees within Programs of Strategic Emphasis (PSEs)

Recent and Projected Performance

New College of Florida dropped 12% on this metric in 2020-21, but we project a 4-5% increase for 2021-22:

	2018-19	2019-20	2020-21	2021-22 projection
Bachelor's degrees awarded	213	183	158	163
STEM and Environmental Studies	82 (38%)	85 (46%)	60 (38%)	68 (42%)
Intl. Studies & Foreign Languages	30 (14%)	21 (11%)	13 (8%)	14 (9%)
Programs of Strategic Emphasis	**112 (53%)**	**106 (58%)**	**73 (46%)**	**82 (50%)**

The 12% drop in 2020-21 was caused, in part, by shifting student interests to programs that do not count as PSEs for New College. For example, even though we awarded fewer degrees in 2021 than in 2020, the number of degrees awarded to Economics and Econometrics majors more than doubled. Because New College has not yet secured the appropriate CIP code for Econometrics, those majors did not count as earning degrees in PSEs.

Strategy for improvement with actions, goals, and targets

Our strategy to improve on this metric is to more closely align our academic programs with BOG goals and areas with critical staffing shortages within Florida.

As indicated in our 2022 Accountability Plan, we will propose two "new" Programs of Strategic Emphasis: *Research & Experimental Psychology* and *Econometrics & Quantitative Economics*. These programs won't be completely new, as our faculty have expressed an interest in shifting our long-existing Psychology and Economics majors into Programs of Strategic Emphasis that address critical staffing shortages within Florida.

Based on recent student demand in these fields, we anticipate offering these two new PSEs will increase our performance on this metric by nearly 10% each year.

In addition to an immediate increase in the degrees we offer in Programs of Strategic Emphasis, offering these programs will improve the employment outcomes of our students. Occupations directly linked to the Research & Experimental Psychology (CIP 42.2799) include psychologists (27% growth in Florida from 2018-28 with median wages of $105k), postsecondary psychology teachers (12% growth, $78k median salary), and managers (11%, $116k). Occupations linked to Econometrics & Quantitative Economics show similar strong growth, with titles such as statisticians (35%, $92k), data scientists (31%, $98k), economists (13%, $108k), and postsecondary economics teachers (9%, $107k).

Beyond this, we will begin working to propose additional undergraduate programs and a small number of targeted master's degree programs that will be classified as Programs of Strategic Emphasis.

Planned Action	Goal/Target for March 2023
Offer programs in: - Research & Experimental Psychology, and - Econometrics & Quantitative Economics	By March, the New College of Florida Board of Trustees will have approved proposals for both programs.

New Academic Degree Program Authorization Pre-Proposal Form

New Academic Program Pre-Proposal Process

New academic program pre-proposals are initiated and developed by the faculty members. Approval of the pre- proposal must be obtained from department chairs and college deans or equivalent administrators before submission for Academic Affairs level review and consideration for inclusion in the University's Annual Work Plan.

Directions: Please provide a succinct, yet through response to each section. Obtain the Provost's signature, and submit the proposal via CAVP Academic Coordinating Group webpage for review by the Council of Academic Vice President's Academic Coordination Project Workgroup.

Institution	New College of Florida
Degree Program Title (e.g. M.A. in Biology)	B.A. in Psychology
CIP Code	42.2799 (Research and Experimental Psychology, Other)
Proposed Delivery Mode (% online, if applicable)	In person
Enrollment Projections (Headcount): Year 1 and Year 5	Year 1: 15 Year 5: 20
Proposed Implementation Date (e.g. Fall 2017)	Fall 2022
Emphasis: (STEM, Health, Global, other)	STEM
Other Programs in the SUS (Including Enrollment and Degrees):	Currently, UNF offers Bachelor's and Master's degrees and UF offers Master's and Research Doctorate degrees in this CIP code.

Program Summary: (*Briefly describe the proposed program*)

1. Briefly summarize the overall rationale for the new academic program and consider the following in your narrative:
   - Nature of the proposed curriculum, including areas of emphasis.
   - Ways in which the proposed program is distinct from others already offered in the SUS (use the 4-digit CIP as a guide).
   - How this program supports specific university and SUS missions.
   - Collaborative opportunities with other SUS institutions as appropriate (maximum length 250 words).

New College of Florida currently offers a B.A. area of concentration (AOC) in Psychology under CIP code 24.0199 (Liberal Arts and Sciences, General Studies and Humanities, Other). We propose a change to CIP code 42.2799 to emphasize that the Psychology B.A. curriculum at NCF is firmly anchored in research and experimental methods. The new CIP code will more accurately reflect the content of our psychology academic program and better highlight and represent it to prospective students and their families, to employers, and to graduate institutions.

New College's existing psychology curriculum spans the fields of developmental psychology, social psychology, biopsychology, behavioral endocrinology, and cognitive psychology, and strongly emphasizes laboratory and field experimentation and observation, participant interviews, data analysis, archival work, and video and audio analysis. Through introductory and intermediate courses in psychology and additional requirements in statistics, research methods, and a senior seminar, students learn to critically evaluate research designs, formulate questions and hypotheses, collect and analyze data, draw appropriate conclusions, and demonstrate mastery of content. The current psychology program thus aligns with the description of CIP code 42.2799.

Distinctive features of the NCF undergraduate degree include the requirement that every student complete at least three Independent Study or Independent Research Projects (ISPs or IRPs) during January Interterms, and also prepare and orally defend a substantive (in psychology, an empirically-based) thesis during the final year. Students thus have multiple opportunities to develop their independent research, analytical, quantitative, writing, and presentation skills.

Our B.A. program in Research and Experimental Psychology would qualify as a Program of Strategic Emphasis in the STEM category. It would thus support the Florida Board of Governors 2025 System Strategic Plan and NCF's mission of graduating students well equipped to meet area, regional, state, and national workforce needs.

NCF graduates will be well prepared to pursue postbaccalaureate studies at other SUS institutions.

Student Demand: *(Describe the demand in the SUS for the proposed program)*

2. Briefly describe the student demand for the proposed program and consider the following in your narrative:
   - Explain why a student would be interested in this program.
   - Recognizing that programs at different levels may require different degrees of justification (e.g., greater duplication may be warranted at undergraduate and master's degree levels), indicate why duplicative programs should be warranted.
   - Numbers of graduates and students enrolled in similar programs currently offered online or face-to-face. For assistance, see the Board of Governors interactive data source, https://www.flbog.edu/resources/academic/resources-new-program-proposals/.
   - As applicable: place-bound learners, underserved populations in the field/profession, and professional credentials requirements. (maximum length 250 words)

NCF offers over 40 undergraduate Areas of Concentration (AOCs). The existing Psychology AOC is one of the most popular—typically in the top five—comprising 9% of all NCF graduates in May 2021, 5% in May 2020, 8% in May 2019, 6% in May 2018, and 7% in May 2017. Students have thus demonstrated consistent interest in the Psychology AOC, recognizing its value in addressing questions of human and animal cognitive processes and behavior and in helping them develop skills in scientific observation, experimentation, and data analysis.

NCF students have the opportunity to pursue their academic interests in a variety of curricular formats. Whether in full-term courses, independent study projects (ISPs), tutorials, or the required thesis/ capstone project, psychology has been successful in attracting students from a diversity of backgrounds and with an impressive variety of career aspirations. Over the past five years, from the 2016-17 academic year to the 2020-21 academic year, full term enrollment in psychology courses has ranged from 272-345, ISP enrollment from 20-39, and tutorial enrollment from 55-72. The number of students graduating with a Psychology AOC has ranged from 12 to 19.

Academic Year	Full Term Enroll-ment	ISP Enroll-ment	Tutorial Enroll-ment	# of Graduates with Psychology AOC
2016-17	345	36	71	16
2017-18	302	39	62	12
2018-19	298	28	72	19
2019-20	272	20	55	13
2020-21	296	25	57	14

Recent MOUs signed by NCF with State College of Florida, Hillsborough Community College, Florida SouthWestern State College, Lake Sumter State College, and Santa Fe College clarify curricular pathways and guarantee NCF admission to qualified students who wish to earn an AA degree and then transfer to NCF to complete a BA degree. Psychology faculty have defined course pathways for the Psychology AOC and are prepared to welcome increased numbers of transfer students.

This proposal is to reclassify our existing program in psychology to a new CIP code, thereby allaying concerns about duplication.

University of North Florida is the only SUS institution currently offering bachelor's degrees under CIP code 42.2799; its enrollment and degrees awarded are detailed below.

CIP 42.2799 + Old 42.0101	Institu-tion	2016-17	2017-18	2018-19	2019-20	2020-21
Fall Headcount Enrollment (Calculated in August of Academic Year)	UNF	990	950	935	1,031	1,104
Bachelor's degrees awarded	UNF	243	282	299	313	344

Workforce and Economic Development Needs: *(Describe how the proposed program meets workforce and economic development needs)*

3. Briefly describe how the proposed program meets workforce and economic development needs and consider the following in your narrative:
   - Impact of this program (local, state, national, and international).
   - Impact of research funding.
   - Changing of professional credential requirements. (maximum length 250 words)

Graduates of the NCF program in psychology have acquired research, analytical, and communication skills that are highly valued by employers and graduate schools. A psychology concentration prepares students for careers in elementary and postsecondary education, human resources, management, psychology, guidance and career counseling, communications, law, health care, and social work. Many NCF psychology graduates combine their degree in psychology with another AOC such as Neuroscience, Biological Psychology, Computer Science, Applied Mathematics, Economics, Sociology, Political Science, Music, or Art, which provides them with a wide array of career options. Among recent graduates are a social psychology doctoral candidate at Syracuse University, a political science doctoral candidate at Northwestern University, an Analyst at Quire, a Research Assistant at Teachers College of Columbia University, an Activities Assistant at The Palace Group, a Social Media Manager at Ranked Choice Voting, a Policy Project Coordinator at the Center for Open Science, and an Owner/Director of Energize Dance Studio.

A funded contract with a private company has enabled some NCF psychology students to engage in zoo biology training off-site with zoo professionals; students analyze data related to research in zoos, learn new technical and animal training skills, and gain exposure to potential zoo-based employment.

For occupations directly linked to CIP 42.2799 through the CIP-SOC Crosswalk, the outlook, particularly in Florida, is bright for psychology graduates. Projected employment growth from 2018-2028 in Florida is 27% for psychologists, 12% for postsecondary psychology teachers, and 11% for managers (all other).

SOC Standard Occupational Classification for CIP 42.2799: Research and Experimental Psychology, Other

SOC		U.S. Hourly Median Wages (2020)	U.S./Florida Annual Median Wages (2020)	U.S. Projected Annual Job Openings (2020-2030)/Florida Projected Annual Job Openings (2018-2028)
19-3039	Psychologists, All Other	$50.86	$105,780/$100,340	3,700/190
25-1066	Psychology Teachers, Post-secondary	--	$78,180/$72,910	4,700/130
11-9199	Managers, All Other	$55.94	$116,350/$93,800	47,100/4,810

X **I support the exploration of this degree proposal.**

Suzanne Sherman

Print Provost's Name

Provost's Signature

February 15, 2022

Date

Thank you for the privilege of reviewing the Psychology AOC at New College of Florida (NCF). We both enjoyed this assignment greatly, as it afforded us the chance to meet some very dedicated colleagues, tour their laboratories, offices, and classroom facilities, eat some scrumptious meals at your local restaurants, and think carefully about the issues facing this discipline at this college in this moment. We were treated royally as your guests, and we appreciate the warm welcome we received from everyone we talked with.

Faculty in the AOC did an outstanding job assembling the self-study document and related records. Below we present our recommendations and responses to the questions raised by the faculty, the division director, or the provost, **in bold** and embedded in a narrative of our findings and our thoughts about the program. The bottom line, as you will see, is that we believe your AOC faculty are incredibly dedicated to students and one another, are working hard, are making excellent use of the resources they have and in desperate need of some more. We hope our report helps the faculty obtain these much-needed assets, which will further strengthen an already high-performing program.

Curriculum

The overall structure of the AOC is sound and strong. Twelve required courses comprise the requirements, and they are fairly standard ones in undergraduate programs, including introductory psychology seminar, statistics, research methods, four (of seven) intermediate level courses in the various subdivisions of the field (these are Biological, Cognitive, Developmental, Social, and Personality Psychology, Behavioral Endocrinology, and, when available, Psychology of Mental Health), a laboratory course, two advanced-level courses or tutorials, and a Psychology Senior Seminar.

We are intrigued by the small-seminar format of Introductory Psychology, which is customized in focus to the interests of the faculty member teaching it. Faculty feel strongly that this model works much better than the standard large-lecture course (that is often team-taught by a team of instructors). Faculty have collaborated to agree on a common set of topics to be covered in every section, but then leave open the rest of the course to the instructor to engage students in an in-depth exploration of a topic in the instructor's area of expertise. Students are engaged in an empirical project and get to work in depth in a collaborative way with peers and the instructor. We also recognize the practical necessity of the faculty's development of a general psychology survey service course, designed to serve the needs of nonmajors, especially those preparing for the MCAT. Although majors may count General Psychology in place of the smaller seminars, they are strongly encouraged to take the smaller seminars, of which 4-6 sections are offered in the fall.

Breadth in the program comes through the intermediate courses. **We want to raise as an issue worthy of discussion among the faculty whether or not some further structure ought be imposed on student choices**, especially if Psychology of Mental Health becomes a regular offering. That is, should the seven intermediate-level courses be divided into two "buckets," with so-called "softer" psychology courses (Developmental, Personality, Social, Mental Health) in one category, and so-called "hard science" psychology courses (Biological, Cognitive, Behavioral Endocrinology) in the other, with students required to take at least one (or even two) courses in each category? Reasonable psychologists could differ in whether or not this additional structure is warranted; we believe psychology faculty should discuss it and make an intentional decision one way or the other.

In general, student learning outcomes and requirements are very appropriate for a bachelor's degree in Psychology. The outcomes reflect three of the five undergraduate learning goals and outcomes recommended by the American Psychological Association, and are consistent with the outcomes of many peer and aspirational schools. **We believe the faculty are doing an exemplary job of incorporating the career center and issues of planning for the future into their courses** throughout the curriculum, most notably in the introductory psychology seminars and in the senior seminar. It is clear to us that faculty are intentionally conscious of the need to help students think about their future trajectories, and work to give them opportunities and feedback to chart their course. An issue worthy of consideration is one we heard brief mention of, namely, that the faculty are more likely to encourage a path in graduate study than any other path. Not all students have an academic trajectory or career in mind, and these students need to feel faculty acceptance and support of their decisions.

Students expressed appreciation for the faculty's work with them and acknowledged the curricular purposes of various courses and the effort faculty put into teaching them. They expressed an interest in more applied courses, especially in the clinical/counseling area. They also described an interest in having "History of Psychology" (particularly the areas of Freudian psychology/psychoanalysis) in the curriculum. We fully support some of these suggestions (see below).

Psychology faculty and the division chair both asked us to comment on whether it would be appropriate to rename the entire discipline "Research and Experimental Psychology" (CIP code 42.2799). **We believe, first, that this is a question for the faculty to take up and explore both the advantages and disadvantages of. Another possibility we see is changing the CIP code to 42.0101, "Psychology, General." Further, we remind readers that having the AOC switch CIP codes is a separate issue from what the AOC is called on campus. We suggest that the on-campus designation remain "Psychology," which is what this set of courses would be named on most every other campus.**

Finally, psychology faculty raised as a small but seemingly easily resolvable problem: A faculty member in Sociology renamed a course in that AOC "Social Psychology," causing confusion with the psychology course of the same title. Students have enrolled in the sociology version thinking they were fulfilling a psychology requirement when in fact they were not. **This is an issue the division chair could resolve fairly quickly. There seems no good reason to have two different courses bearing the same name.**

Staffing

Students and faculty alike voiced a strong desire to offer the Psychology of Mental Health course much more regularly. We endorse the desirability of this addition to the curriculum. We note that it fulfills a goal of New College to encourage a variety of career paths among AOC concentrators by modelling applications of the study of psychology. **Specifically, we recommend the establishment of a half-time, non-tenure track position** to be held by a licensed psychologist in private practice in the mental health field. That person could develop other specialty courses in the counseling/clinical area, could possibly offer other courses if interested (e.g., General Psychology), and could be a resource to students seeking internships or who wish to pursue a career in the mental health field. **Whether or not such a person should be available to offer tutorials or supervise theses ought to be a discussion topic for faculty and the division chair.**

We were asked to make a recommendation on what the next line in the psychology area ought to be, were one to be made available. **First, we strongly support the addition of another full-time, tenure-track line, given the strong and lasting pattern of enrollments in psychology courses.** Second, given the college's interest in promoting strong career preparation, and taking into consideration the areas of psychology already well covered by existing faculty, **we recommend defining the next position broadly, in an applied, non-clinical area of psychology**. This person might be an industrial-organizational psychologist, a human factors engineering psychologist, or a specialist in some other applied area.

It would be beneficial if this person could also teach the statistics course in psychology, and this combination of skills should not be difficult to find. As both external reviewers are past or current teachers of statistics, we both strongly favor a stats course taught within psychology as the kind of approach psychologists use differs in significant ways from those of other social scientists.

A major issue raised in the self-study along with in several meetings was that of a psychology technician. Currently, one of the psychology faculty has a grant that pays the salary and benefits of this technician. However, this strikes us as unfair as the technician is there to serve the teaching and research needs of all the faculty in the department. It is increasingly common to see psychology departments of this size with technicians, paid for out of regular college funds. **We recommend that this position be established as a regular one with at least half of the support from college funding.**

We heard discussion among faculty of the desirability of establishing a "subject pool" for introductory psychology students, in which each student is expected to participate in, say, three empirical studies over the course of a semester. **The faculty is advised to consider whether students would achieve important learning outcomes by participating in an expected number of scientific investigations by faculty members and other students.** Here, "expected" means that students (e.g., in selected courses) must sign-up for an AOC-determined number of IRB-approved studies each semester OR complete library-research assignments of comparable effort and time commitment, AND that the students retain their right to discontinue or withdraw participation in any study without penalty or loss of benefit to which they are entitled.

One disincentive to this plan is that someone has to oversee the administration of a subject pool. **We suggest the establishment of a subject pool, to be overseen by the psychology technician.**

Workload

Faculty in Psychology are working hard. Their class enrollments are high, likewise their number of concentrators. This in turn means more narrative reviews each year, more thesis supervision each year, more requests for tutorials, letters of recommendation, and service on baccalaureate committees each year, relative to other college faculty. And yet, beyond course enrollments, little of this effort appears to be captured by official New College performance metrics.

College officials respond to work overloads with younger faculty (we heard, anecdotally) by urging them to "Just say no" to student requests of the sort just described. And indeed, the two reviewers have dispensed just that kind of advice to their younger colleagues at their respective institutions. However, being more guarded about saying "yes" is not going to solve the problem. AOC students need thesis advisors, and baccalaureate committee members, and tutorials, and who better and more natural to ask than faculty they already have relationships with? And given how hard the psychology faculty have worked and are working to attract students to their field and give them a thorough series of educational experiences, how then can they turn away from students in genuine need?

Instead, **we recommend that some formal means be established of counting thesis supervision and tutorial offerings, and that overloads in either be compensated.** Institutional research or the Registrar's office ought to be able to tabulate both things from existing records. Administration needs to compare this aspect of workload in psychology to this aspect of workload in other AOCs and establish fair and equitable ways of compensating them. For example, one could decide that any number of theses or tutorials over the division average, say, would be an overload, and that every X units of overload was worth .Y% of a course release. How best to obtain the data and how to include it meaningfully among other metrics are issues we leave to the faculty and administrators. That said, we can recommend *Equity-minded faculty workloads: What we can and should do now (https://www.acenet.edu/Documents/Equity-Minded-Faculty-Workloads.pdf),* published by the American Council on Education for useful guidance regarding equity-minded workload auditing and assignment practices.

Facilities

The psychology faculty have a clear and commendable "can do"—and "make do"—culture in which they are accomplishing excellent instruction and scholarship in the classrooms and laboratory spaces that are available. In contrast to institutions where faculty can be territorial and where redundancy creates waste, the NCF psychology faculty appear to share laboratory and instructional facilities collegially and effectively. **It is our evaluation that the faculty are making good and efficient use of available space**.

Currently, such sharing of space appears predominantly to be negotiated and coordinated informally between individual faculty members, with AOC-wide discussions for sharing of the primary classroom. **An online scheduling tool could make space-sharing even more efficient and effective, highlighting blocks of time when current space might be vacant and available to serve instructional or research needs.**

Students were not visible in the laboratory spaces during our visit, although the various ways that these spaces are utilized by students were reported to us. Of course, there are natural rhythms of demand on facilities created by class schedules, student experiments, grant funding, new vs. sunsetting research topics, and so forth. **Faculty members should encourage their advisees to use assigned space as much as possible**. Science and instruction are catalyzed when people with common interests occupy adjacent spaces.

In fairness to the students, their utilization of laboratory areas is discouraged by a general state of disrepair. In particular, there are maintenance issues at NCF that must be addressed if the college is to retain strong faculty and students who make productive use of laboratory and classroom spaces.

PMC provides much-needed and well-justified space to the AOC, but is in a state of disrepair that impairs the effectiveness of research and instruction. **If PMC is to be assigned as space for faculty scholarship and mentoring of student research, then it must be repaired immediately and maintained adequately by NCF**. Older buildings require vigilant upkeep, and ongoing maintenance issues (e.g., the leaky roof, the water-damaged door to Dr. Cook's laboratory, ADA compliance, AC, odor and water issues—some of which are shown in photographs at the end of this report) are likely only the most obvious of the issues with this facility, which otherwise would likely be adequate to current needs if it were in good repair. The reception and waiting-room areas also require attention before community participants could be brought to PMC for testing. Maintenance of this building should be a priority. **If it is no longer cost-effective to maintain PMC, immediate alternate accommodation of laboratory space for faculty and student research is imperative, whether in an existing facility on campus or in a new (permanent or temporary) building.**

Psychology space in Bon House is very good in many ways. Of particular note, it provides offices for full-time faculty together in one building. It includes a dedicated classroom and a computer lab that are not assigned as part of the general college inventory, but rather are used for AOC instruction. The building appears generally to be in good repair, attractive, and satisfactory for a psychology faculty of the current size. It is imperative to plan now to augment or supplement this space in anticipation of future growth of the psychology faculty and student body.

The outdoor and storage areas directly behind Bon House are currently wasted opportunities that might instead provide additional usable space for research and instruction. **With minimal investment of funds and effort, it would seem that NCF could make the overgrown patio areas functional, renovate the much-needed storage shed that is in a dangerous state of disrepair, and make better use of the covered parking area that is currently used to store an out-of-service golf cart.** The college should repair and weatherproof the shed so it may be used more effectively for storage, which would then liberate space within Bon House that could, in turn, be used for student research or even another faculty office. Similarly, conversion of the gravel parking area could produce a space that is useful for research (e.g., the proposed student project with dogs) and instruction. More significant renovation might result in expansion of Bon House by enclosing and finishing this covered area. As for the patio area, a single student-and-faculty workday might provide the initial clean-up to make this area functional for psychology use—and, perhaps, further building rapport and cohesiveness within the unit—leaving the NCF grounds employees only the task of maintaining the area.

In addition to these facilities issues and recommendations, it appears that Dr. Cook and Dr. Casto were promised additional laboratory space (in the new science building, which we understand is now fully occupied) that has not been provided. **This should be corrected.**

Laboratory space in Pritzker and research resources at the Mote Lab facility are outstanding, providing unique and valued opportunities for faculty and students to study and to learn about animals. NCF is commended for supporting scholarship and teaching in these signature facilities.

Other Resources

Psychology is a laboratory science and must have research and instructional resources appropriate for laboratory sciences. Growth of the research program in psychology, biopsychology, and behavioral neuroscience can be instrumental in increasing funding to NCF. This funding pathway includes but is not limited to the most obvious route: helping faculty to attract direct and indirect funds through extramural grants contracts. Moreover, the research profile of the faculty can help to attract and to retain outstanding students, thus increasing enrollment and decreasing attrition. Students who are involved in cutting-edge research are also more likely to succeed in gaining acceptance into graduate study and to develop research-related skills that increase the students' market value after graduation—both of which are key factors in Florida's current performance-based funding model. Further, impactful research accomplishments by faculty and students can be leveraged by the Development Office in solicitations for contributions by alumni and friends of NCF.

From our discussions with the psychology faculty and our review of their publications, it is clear that NCF's investments (e.g., through start-up funds and equipment for the most recent hires) are greatly appreciated and that they have yielded both scholarly and instructional returns, with more to come. Faculty members are, however, quite reasonably concerned about ongoing costs associated with (a) preventative maintenance of research equipment, (b) research supplies, (c) participant remuneration, and (d) data or sample analysis. **Such laboratory expenses should be budgeted** following whatever model is currently used for the natural and computational sciences.

We were informed that central support for research-related functions (e.g., grants and contracts, Institutional Review Board) is provided by hard-working, very helpful, but understaffed offices. **Growth of NCF's research portfolio will require investment into central support units**.

We were very favorably impressed with the library leadership team and with NCF's investment into continued access to scholarly databases (e.g., PsycINFO and Web of Science). **Clarity of communication about this transition from access through USF and continued coordination between the AOCs and the library staff is encouraged.**

There exists substantial confusion or uncertainty among the faculty and students alike about work-study opportunities at NCF for the psychology and biopsychology AOCs. Many schools provide departmental student assistants through the work-study program, which contributes considerable support for research, instruction, and administrative functions. **Psychology faculty should investigate the opportunities for increasing students' awareness of and access to work-study positions through this funding mechanism.**

Similarly, psychology faculty were not consistently clear about the NCF indirect rate, the basis on which it was established, or the model by which AOCs and investigators might use indirect cost recovery as a catalyst for additional research. **Psychology faculty should gain clarity on these policies, and should benefit from the indirect funds they generate. Additionally, as research-facility improvements are made, NCF should consider applying for increased Facilities and Administrative rate.**

Internal funding varies greatly across departments and colleges of comparable size. NCF is competing for retention of its AOC faculty with schools that routinely provide professional development funds (e.g., for conference travel for faculty members and students, for professional-association dues, for research or teaching supplies) annually. Internal-grant funding mechanisms are also common for psychology, biopsychology, neuroscience faculty at other institutions, frequently with an overt or implied commitment that such investments should leverage to applications for extramural support. In particular, **a small college like NCF should consider earmarking research funds for costs (e.g., advertising, incentives) associated with recruiting participants from the community or on an online platform like Mechanical Turk.** The instructional-release policy at NCF following successful pre-tenure review is similar or better than the practices in departments and colleges of comparable size.

General Comments

The overall impression afforded by our visit to NCF and by our review of the self-study materials is that the faculty are highly motivated, engaged in impressive scholarship as well as intensive instruction, collegial and supportive of one another, and committed to the college and its students. The dynamic curriculum, with its emphasis on mentorship, seminars, tutorials, undergraduate research, and narrative evaluations, is distinctive. It creates an unusually demanding chronic workload that competes for time and energy with the faculty's concurrent commitment to research productivity—a competition that is exacerbated for the faculty members who, by virtue of their excellence as educators and scholars, attract student advisees, mentees, and apprentices. To protect faculty members from their own willingness to be responsive, AOC- or Division-wide mechanisms should be developed for balancing the dynamic and student-driven aspects of instruction.

It is clear that students adore, respect and appreciate the AOC faculty members, and that the faculty members adore, are proud of, and are greatly invested in the students.

Faculty members are also keenly aware of the difficulties that NCF is facing. Financial woes, declining enrollment, and a rapidly changing educational landscape challenge faculty morale and cohesiveness. Changes in upper administration at NCF over the last few years appear to have provided hope and encouragement. For this and other reasons, as educational institutions adjust to a post-pandemic world, the time seems ideal for establishing the direction and re-committing the support needed for the psychology and biopsychology AOCs to continue to flourish.

Submitted by:
David Washburn
Professor of Psychology
Covenant College

Kathleen Galotti
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William H. Laird Professor of Cognitive Science
Carleton College

BASED ON THE SELF-STUDY AND THE EXTERNAL-REVIEW SITE VISIT, IDENTIFY GOALS YOU WOULD LIKE THE AOC TO ACCOMPLISH OVER THE NEXT 3-5 YEARS TO IMPROVE EFFECTIVENESS. PROPOSE HOW YOU WORK TO ACCOMPLISH EACH GOAL AND IDENTIFY THE RESOURCES YOU WOULD NEED.

Goals	Proposals	Required Resources
Strengthen the curriculum by developing regular solutions to current and anticipated coverage issues.	The faculty should discuss whether to add additional structure on student choices within the AOC, to promote consistency in student experience and preparation while maintaining flexibility and options for progression toward graduation.	Given the number of courses already offered in the social / developmental / clinical areas and in the bio / neuro / cognitive areas, it seems unlikely that additional resources would be directly required for this proposal.
	Regularize the offering of courses on mental-health topics and the opportunities for students to receive mentoring from a faculty member with expertise in these topics, as is found in most other psychology programs. The faculty should discuss whether this person would also offer tutorials or supervise theses.	Create a regular-faculty, half-time, NTT position for a practicing clinical or counseling psychologist. To avoid problems of multiple relationships with students, it is not ideal for this instructor also to be a member of the college clinic.
	Recruit an additional faculty member with complementary research expertise in an applied, non-clinical area (e.g., I/O, community/organizational, human factors), ideally with quantitative skills and interest to address anticipated future needs in statistics instruction and mentoring.	One full-time tenure-track faculty line, with start-up funding for an established program of research in applied psychology that complements AOC strengths and fills needs.
Document and address actual workload and any inequities within and across AOCs	Formal means should be established for counting and compensating overloads in thesis supervision, tutorial offerings, and other aspects of workload. The faculty should discuss and develop new ways to document instructional, professional development and service workloads to as to determine whether they are equitable across faculty members within the AOC and across the division.	Workload-equity audit resources are available. These should be adopted for NCF faculty. These discussions and documentation activities will require time and effort, but can be made part of annual reporting practices. Compensation for progressive overloads either requires additional funding from the college, or requires AOC faculty members to reconceive

		what they are willing or able to offer by way of instruction, service, or research
Build recognition and distinctiveness of the Psychology AOC.	The faculty should discuss the merits and competitive advantages of different CIP-code options, while maintaining the "Psychology" designation on campus.	No additional resources required.
	The Division Chair should resolve the confusing issue of multiple course offerings with the same name but within different AOCs.	No additional resources required.
Develop capacity for psychology to grow as a laboratory science	Ongoing and disruptive maintenance issues in laboratory areas must be corrected.	Correcting the chronic (and any new) maintenance issues in PMC should be prioritized, or alternate and acceptable space should be made available for psychology research and instruction.
	Modifications to Bon House (particularly the areas behind the facility) should make the storage shed, parking area, and patio functional for instruction, research, and storage.	Rather minimal resources required to clean and repair these areas and to make them usable. Long-term growth plans to expand Bon House might involve more significant investment of design, construction, and maintenance resources.
	All space commitments that were made to recent hires within the AOC should be honored.	If laboratory space is no longer available in the Science facility, suitable alternate space should be provided.
	Post and fill a regular staff position (e.g., technician, research tech) to relieve faculty of a myriad of time-consuming tasks ranging from supporting instructional and research technologies (e.g., computers, cameras, laboratory instruments) to administering the participant pool (see below)	AOC faculty has been funding a staff position from grant funds. Stabilizing this position requires a regular half-time budget line (state appropriations or indirect-cost recovery funds not tied to a specific psychology grant) at a competitive salary.
	The faculty should consider benefits for student training and for the research program of establishing a subject pool	Administration of a participant pool requires an investment into software (e.g., SONA)

	through a research-participation requirement. Whether required as part of student instruction or not, establishing a participant pool would greatly facilitate productivity for faculty and student researchers.	and personnel (e.g., regular budget for a psychology technician). Alternatively (or in conjunction with a NCF student subject pool), annual budgetary provision of participant-recruitment incentives from community or online (e.g., Mechanical Turk) sources would catalyze faculty and student research productivity.
	Other regular laboratory expenses should be provided as lines in the regular budget, following the model currently used with the other (i.e., natural and computational) sciences.	Whether through state allocations or indirect-cost recovery models, funds for laboratory maintenance, supply, and analysis needs should be provided.
	Investment into the central NCF research infrastructure (e.g., grants & contracts office, IRB) will be required for future growth.	Staff hiring will be needed to augment the existing personnel in these areas.
	Faculty members should investigate and publicize opportunities for students to work within the AOC through work-study mechanisms.	No additional resources required.

Appendix: Photographs of some of the lab-maintenance issues

Photos of roof leak and water-damaged exterior door in PMC laboratories:

Panoramic photo of Bon House storage shed, with standing water on right:

Photos of under-utilized areas behind Bon House in need of maintenance or development:

New Academic Degree Program Authorization Pre-Proposal Form

New Academic Program Pre-Proposal Process

New academic program pre-proposals are initiated and developed by the faculty members. Approval of the pre- proposal must be obtained from department chairs and college deans or equivalent administrators before submission for Academic Affairs level review and consideration for inclusion in the University's Annual Work Plan.

Directions: Please provide a succinct, yet through response to each section. Obtain the Provost's signature, and submit the proposal via CAVP Academic Coordinating Group webpage for review by the Council of Academic Vice President's Academic Coordination Project Workgroup.

Institution	New College of Florida
Degree Program Title (e.g. M.A. in Biology)	B.A. in Economics
CIP Code	45.0603 (Econometrics and Quantitative Economics)
Proposed Delivery Mode (% online, if applicable)	In person
Enrollment Projections (Headcount): Year 1 and Year 5	Year 1: 10 Year 5: 20
Proposed Implementation Date (e.g. Fall 2017)	Fall 2022
Emphasis: (STEM, Health, Global, other)	STEM
Other Programs in the SUS (Including Enrollment and Degrees):	Only one other institution, USF, currently offers a bachelor's-level degree (a B.S.) with CIP code 45.0603; it was implemented in Fall 2021. UF offers a Ph.D. entitled Food and Resource Economics under this CIP code.

Program Summary: (*Briefly describe the proposed program*)

1. Briefly summarize the overall rationale for the new academic program and consider the following in your narrative:
    - Nature of the proposed curriculum, including areas of emphasis.
    - Ways in which the proposed program is distinct from others already offered in the SUS (use the 4-digit CIP as a guide).
    - How this program supports specific university and SUS missions.
    - Collaborative opportunities with other SUS institutions as appropriate (maximum length 250 words).

New College of Florida currently offers a B.A. area of concentration (AOC) in Economics under CIP code 24.0199 (Liberal Arts and Sciences, General Studies and Humanities, Other). We propose a change to CIP code 45.0603 to more accurately reflect our economics academic program and to better highlight and represent it to prospective students and their families, to employers, and to graduate institutions.

New College's current economics curriculum emphasizes economic analysis and modeling using mathematical tools and statistical inference. Required courses in microeconomics, macroeconomics, statistics, and mathematical economics develop skills in empirical analysis of economic data and theoretical modeling, and include instruction in price theory, cost/benefit analysis, optimization theory, and economic forecasting. NCF's Economics Academic Learning Compact specifies solid knowledge of analytical tools and competency in quantitative methods of analysis as expected educational outcomes. The current economics program thus aligns with the description of CIP code 45.0603.

Distinctive features of the NCF undergraduate degree include the requirement that every student complete at least three Independent Study Projects during January Interterms, and also prepare and orally defend a substantive thesis/capstone project during the final year. Students thus have significant opportunities to develop their independent research, analytical, quantitative, writing, and presentation skills.

NCF's Econometrics and Quantitative Economics B.A. program would qualify as a Program of Strategic Emphasis, in the STEM category under Economic Development. It would thus support the Florida Board of Governors 2025 System Strategic Plan and NCF's mission of graduating students well equipped to meet area, regional, state, and national workforce needs.

NCF graduates will be well prepared to pursue postbaccalaureate studies at other SUS institutions.

Student Demand: *(Describe the demand in the SUS for the proposed program)*

2. Briefly describe the student demand for the proposed program and consider the following in your narrative:
   - Explain why a student would be interested in this program.
   - Recognizing that programs at different levels may require different degrees of justification (e.g., greater duplication may be warranted at undergraduate and master's degree levels), indicate why duplicative programs should be warranted.
   - Numbers of graduates and students enrolled in similar programs currently offered online or face-to-face. For assistance, see the Board of Governors interactive data source, https://www.flbog.edu/resources/academic/resources-new-program-proposals/.
   - As applicable: place-bound learners, underserved populations in the field/profession, and professional credentials requirements. (maximum length 250 words)

NCF offers over 40 undergraduate Areas of Concentration (AOCs). The existing Economics AOC has consistently ranked among the most popular—typically in the top five—comprising, for example, 4.9% of all 2020 graduates earning a bachelor's degree, 6% of 2019 graduates, and 8% of 2018 graduates. Students have thus shown consistent interest in the Economics AOC, recognizing its value in addressing questions of wide practical relevance.

NCF students have the opportunity to pursue their academic interests in a variety of curricular formats. Whether in full-term courses, independent study projects (ISPs), tutorials, or the required thesis/capstone project, economics has been successful in attracting students from a diversity of backgrounds and with an impressive variety of career aspirations. Over the past five years, from the 2016-17 academic year to the 2020-21 academic year, full term enrollment in economics courses has ranged from 123-262; ISP enrollment from 20-39, and tutorial enrollment from 17-64. The number of students graduating with an Economics AOC has ranged from 7 to 16.

Academic Year	Full Term Enroll-ment	ISP Enroll-ment	Tutorial Enroll-ment	# of Graduates with Economics AOC
2016-17	262	36	40	7
2017-18	224	28	17	16
2018-19	235	39	64	15
2019-20	173	20	37	13
2020-21	123	23	33	12

Recent MOUs signed by NCF with State College of Florida, Hillsborough Community College, Florida SouthWestern State College, Lake Sumter State College, and Santa Fe College clarify curricular pathways and guarantee NCF admission to qualified students who wish to earn an AA degree and then transfer to NCF to complete a BA degree. Economics faculty have defined course pathways and completed training in transfer student support to prepare for increased numbers of transfer students.

This proposal is to reclassify our existing program to a new CIP code, thereby allaying concerns about duplication.

USF is the only SUS institution currently offering a bachelor's degree under CIP code 45.0603. Begun in Fall 2021, its fall headcount enrollment for bachelor's degree-seeking students was 17; it has not yet graduated any students.

Workforce and Economic Development Needs: *(Describe how the proposed program meets workforce and economic development needs)*

3. Briefly describe how the proposed program meets workforce and economic development needs and consider the following in your narrative:
    - Impact of this program (local, state, national, and international).
    - Impact of research funding.
    - Changing of professional credential requirements. (maximum length 250 words)

Graduates of the NCF program in economics acquire skills that are highly valued by employers and graduate schools within Florida and elsewhere; an economics concentration prepares students for careers in government, non-profit organizations, public policy, business, journalism, law, and academia. Employers of 2021 graduates include Enterprise Florida, the Center for Economic and Policy Research, Johnson Controls, the US Army, FIS, Lightning Bolt Solutions, and WSLR Radio; one graduate is pursuing a Ph.D. in Public Policy at Georgia State University and another will begin a Ph.D. in Economics at University of Massachusetts, Amherst this fall.

Many NCF graduates over the past five years have pursued joint concentrations, combining, for example, an Economics AOC with another field such as Environmental Studies, International and Area Studies, Political Science, Applied Math, Finance, or Computer Science. These graduates have an even wider range of career options.

For occupations directly linked to CIP 45.0603 through the CIP-SOC Crosswalk, the outlook is bright for economics graduates, with a U.S. projected employment growth from 2020-2030 of 35% for statisticians, 31% for data scientists, 13% for economists, 9% for postsecondary economics teachers, 8% for social science research assistants, and 7% for managers (all other). Projected growth in Florida in these occupations ranges from 40% for statisticians to 12% for economists to 9% for postsecondary economics teachers.

The U.S. Department of Homeland Security has designated CIP code 45.0603 as a STEM field, and thus F-1 international students with this degree may apply for a 24-month extension of their post-completion optional practical training (OPT) (typically 12 months). Offering this degree program could help NCF attract international students.

SOC Standard Occupational Classification for CIP 45.0603

SOC		U.S. Hourly Median Wages (2020)	U.S./Florida Annual Median Wages (2020)	U.S. Projected Annual Job Openings (2020-2030)
11-9199	Managers, All Other	$55.94	$116,350/$93,800	47,000
15-2041	Statisticians	$44.36	$92,270/$72,640	5,000
15-2051	Data Scientists	$47.23	$98,230/$85,540	7,100
19-3011	Economists	$52.09	$108,350/$76,470	1,600

19-4061	Social Science Research Assistants	$23.66	$49,210/$45,960	5,400
25-1063	Economics Teachers, Postsecondary	--	$107,260/$98,420	1,700

☒ **I support the exploration of this degree proposal.**

Suzanne Sherman

Print Provost's Name

Provost's Signature

February 15, 2022

Date

External Review Report
Economics Program
New College of Florida
Fall 2022

Dr. Vikram Kumar
Professor of Economics
Davidson College
November 21, 2022

Summary of Recommendations

Curriculum

1. Replace the two-semester Introductory Micro and Introductory Macro sequence with a one-semester Introductory Economics course.

2. Rename the Internship Capstone, for example, as the "Liberal Arts in Society" Capstone.

3. In the catalog description of the re-named Capstone option, clearly articulate the balance of rigor, intellectual depth and innovation expected from this experience. So that students consider all final project options to be equivalent, ensure that assessments of the Internship Capstone support these expectations.

4. Replace courses that regularly have very low enrollments (with few exceptions, such as Econometrics) with courses that have broader appeal. Consider accommodating low enrollment classes as group tutorials if feasible.

Staffing

5. Submit an application for a tenure-track line in the field of Public Economics to replace the sanctioned visiting position, with preference given to applicants who can contribute to one or more policy areas including but not limited to: environmental economics, labor economics, urban economics, health economics, economics of gender, economics of education, and poverty and inequality.

6. A fifth tenure-track position should be given serious consideration to restore the *status quo ante* Professor Paul's departure once enrollment reverts to normal levels.

7. Ensure successful hiring and retention of highly qualified new faculty by making salary offers commensurate with the tight labor market for Economics PhDs.

Student Engagement

8. Sponsor extracurricular programming at a level feasible with the bandwidth of the faculty, such as "Conversations with Students."

9. Review all elective course titles and course description language to ensure they not only accurately reflect the content but also appeal to students.

10. Take steps to foster a community of scholars by providing, for example, bulletin board space to display pictures of Economics students, highlight interesting elective classes, and display photographs from "Conversations."

I. Introduction

On August 16, 2022, the New College of Florida (NCF) invited me to serve as external reviewer of its Economics program. I visited the campus on October 24 and 25, 2022 as part of the review.

My assessment is holistically based on my review of the program's quality and student learning, the efficacy of the Economics program's structure and processes in achieving its learning outcomes, its strengths and weaknesses, and the sufficiency of resource support provided to it. This assessment serves as a basis for suggested actions to increase the capacity of the program to better serve its goals in support of the mission of the New College of Florida.

In preparation for my visit, I was provided with an Economics Department templated self-study completed in fall 2022, and related supporting documents including the Economics Workload Overview for 2016-22, Economics AOC Assessments for 2015-17 and 2018-19, and the Student Learning Improvement Plan for 2018-21.

Prior to arriving on campus, I had an informal dinner meeting on October 23 with Professor Barbara Hicks, Social Sciences Chair, and Economics Professor Rick Coe. My formal schedule on campus included individual meetings with the Provost, Dr. Suzanne Sherman, Economics program faculty members Professors Tarron Khemraj and Sherry Yu, the Director of the Social Science Research Lab Dr. Duff Cooper, Director of the Quantitative Resource Center Dr. Travis Lee and Political Science Professor Frank Alcock. I had a very productive discussion with a small group of students, met with Economics program faculty members Professor Tracy Collins, Khemraj and Yu as a group, and concluded my site visit with an exit meeting with Professor Hicks.

II. Context and General Impressions

The Economics program at the New College of Florida is foundationally a very strong program that succeeds in fulfilling the learning objectives it has set for itself. These learning objectives, enumerated in the self-study, are consistent with those in mainstream Economics departments and programs including in my home school, Davidson College. The Economics faculty are highly accomplished, deeply committed to the educational mission, and very effective in advancing the interests of the students.

The New College of Florida itself is a small gem in the world of liberal arts that has recently faced headwinds of declining enrollments. The COVID-19 pandemic has posed challenges to institutions of higher learning across the country in direct proportion to their tuition-dependence, but I also understood there were idiosyncratic institutional reasons for enrollment pressures that have now begun to abate.

The Economics program was, not surprisingly, also subject to these larger trends. It appears to have suffered a disproportionate, hopefully temporary, reduction in students. Whereas the college-wide enrollment has fallen by 20% recently, the enrollment in Economics has decreased by 54% between 2016-2018 and 2020-2022 (see page 12). Assuming that Economics FTEs were similar and taking account of the context of the pandemic, I find this to be a cause for concern but not an indication of a crisis. Despite falling enrollments, tutorial enrollments decreased by only about 2% and theses sponsored increased by about 28% over the same period. These data, of course, reflect existing cohorts progressing through the program. However, when the numbers are small to start with, then even small downside variations have very visible proportionate effects. There was optimism that the negative enrollment trends had been reversed in recent data, and awareness that it will take a couple of years for the impact of smaller incoming class sizes in the program to dissipate. The recent introduction of a joint Economics AOC is also expected to bolster the Economics program.

Yet, low recent enrollments that will have lingering effects is a point of stress to the program that requires laser-like focus on reexamining how the program can better serve the students. While there was some natural dispersion in perspectives and approaches amongst Economics faculty, a genuine desire to make appropriate changes was self-evident.

The recommendations below relate firstly to the curriculum, secondly to staffing, and thirdly to student engagement. In no sense should these suggestions convey any disappointment in the program. To the contrary, they reflect my excitement in assisting an impressive program in meeting the moment, thriving, and positioning itself to meet future challenges from a position of strength.

III. Curriculum

Two themes that emerged early and clearly in my conversation with a group of Economics students were (a) the paucity of elective courses, and (b) constraints in their ability to progress through the AOC at a good speed. They expressed a strong desire to have more upper-class course options, as well as for both Introductory Micro and Introductory Macro to be offered every semester. Excellent planning to stay on track for the AOC, while always recommended, was deemed a necessity.

While all small departments and programs naturally face these challenges, economics differs from other social sciences because the AOC is very structured. Not only are faculty resources absorbed in teaching core Introductory and Intermediate Micro and Macro courses, students also must take electives over a shorter timeframe. Therefore, the importance of including the broadest feasible set of electives in engaging student interest cannot be overstated. I found that Economics faculty stretch themselves to an admirable extent in offering an array of electives, but more can be done in this regard.

1. Replace the two-semester Introductory Micro and Introductory Macro sequence with a one-semester Introductory Economics course.

The Economics AOC should replace its two-semester Introductory Micro and Introductory Macro sequence with a one-semester Introductory Economics course. This is a significant curricular change that should be implemented with thoughtful deliberation, but should be made as soon as possible because several advantages flow from it:

- Firstly, room will be made for at least one more elective on a regular basis (which is significant in proportion to existing electives) since current teaching commitment for the Introductory sequence will be reduced. Conversely, two Introductory Economics sections can be offered each year if student demand eventually warrants.

- Secondly, students will have more freedom to take Intermediate Micro or Intermediate Macro the following semester, as well as to take electives earlier in the AOC for courses with an Introductory Economics prerequisite.

- Thirdly, beneficial effects of this change will flow to areas allied with Economics such as International Studies if they desire students with prior training in Economics.

- Fourthly, it is very possible this change will motivate *more* students to take Introductory Economics relative to the number taking the one-year sequence. Reducing the 'price' of Introductory Economics by 50% may well increase its demand! This course has the potential to become a general service course for the college to the extent that students curious and otherwise interested in Economics find that the two-course sequence is a high cost to pay for their investment.

This change will also impose some costs, challenging the faculty to be more selective in content and more efficient in instruction. With good course planning these costs can be mitigated. In my home institution Davidson College, Economics majors (and non-majors) have taken a one-semester Introductory course for decades without discernible disadvantage in their preparation or outcomes. I have shared with some Economics faculty a syllabus used at Davidson as an example of how such a course may be implemented. The merged one-semester course will be more challenging for students also, but I believe that NCF students will be very much up to the task – and even excited to take up this challenge.

Faculty teaching Intermediate Micro and Intermediate Macro will also need to make appropriate adjustments. I found in my group discussion with them that the Economics faculty were highly receptive to seriously considering proactive approaches to usher changes for the benefit of the Economics program, including a one-semester Introductory Economics course.

2. Rename the Internship Capstone, for example, as the "Liberal Arts in Society" Capstone.

3. In the catalog description of the re-named Capstone option, clearly articulate the balance of rigor, intellectual depth and innovation expected from this experience. So that students consider all final project options to be equivalent, ensure that assessments of the Internship Capstone support these expectations.

The Internship Capstone is a relatively new alternative to the Thesis final project, having been in place for two graduating classes. Its newness together with the disruptions caused by the COVID-19 pandemic make it difficult to meaningfully assess student experiences and outcomes (for small sample reasons), though it is assuring to read in the self-study that "numerous students have secured job offer[s] at the completion of the internship."

The description of the program in the self-study shows that it is has been generally well structured. Some concern was expressed about the quality of internships and some dilution of the rigor of this final project option. Separately, worry was expressed (based on anecdotal accounts) that students taking the Internship Capstone option were being “talked down to” by other students who do not consider this option to be intellectually on par with Thesis projects.

Taken together, these concerns indicate the importance of perceptions in sustaining curricular innovations: if students are reticent to take up the Internship Capstone in response to peer narratives, then it will make this curricular innovation less impactful. Thus, this is a good moment to make adjustments to accurately reflect that the requirements of the Capstone option are meant to prepare students to apply high-order thinking to address complex issues, and to prepare them for leadership roles in which they will make ethical decisions that solve society’s pressing problems at the least cost.

The language of its description must better articulate the balance of rigor, intellectual depth, innovation, and standards of quality expected from this experience so that students consider all final project options to, in fact, be equivalent. Since the Internship Capstone alternative to Thesis projects speaks to the aspirations of a good subset of students, the following steps may address the problem at this incipient stage:

- Firstly, labels are important: the name “Internship Capstone” (which was commonly used) does not indicate any intellectual component in the project even though it may be experientially challenging, whereas “Thesis” is conventionally understood to denote an advanced and rigorous product of study. Therefore, **the Internship Capstone should be re-named**. To the best of my knowledge, Internship Capstone projects can span public and private institutions, for-profit and not-for-profit institutions, and domestic and international organizations; the catchment spectrum is very wide. Hence, relabeling it, for example, as the **“Liberal Arts in Society” Capstone** can widen the appeal of this final project option not only within Economics but across the NCF curriculum, and it can help gain the confidence even of students who do not opt for it.

- Secondly, **the course description of the Internship Capstone should be revised** to more clearly, and more deliberatively, reflect the desired balance of intellectual and experiential components, though these are not always separable categories. Needed changes in emphasis, even at the proposal stage, to include a preliminary reading list of academic sources, and then a literature review as part of the final internship report should be considered. (For instance, for-profit-business-related proposals could explore contextualizing the internship in Schumpeterian approaches for an economic-historical-thought emphasis). If such is already standard practice, then it should be emphasized, highlighted, and clearly articulated in the course description. These adjustments will also address to an extent differences of opinion about a “classical” approach to the final project and its more contemporary conceptions.

4. Replace courses that regularly have very low enrollments (with few exceptions such as Econometrics) with courses that have broader appeal. Consider accommodating low enrollment classes as group tutorials if feasible.

If the department regularly offers courses that have very low enrollments, then rebalance the offerings. Such courses should be periodically reviewed by instructors with hard questions asked (and answered) about why the student uptake is low: Are the course content and pedagogy on the frontiers of knowledge? Do students find relevance in its content? Is the instructor sufficiently welcoming to the students in terms of giving them space to grow intellectually? Does the instructor provide sufficient encouragement to experiment with creative approaches to problems without undue fear of failure (however defined)?

I say this as a reminder – though none is needed for this distinguished faculty – that a growth mindset enjoins upon us the task of periodic self-reflection. A curriculum that appeals to students is one that excites their minds, challenges their abilities, and engages them in contemporary issues, so with few exceptions (such as Econometrics), regularly low-enrollment courses must be set aside to make room for others. Alternatively, faculty can consider accommodating low enrollment classes as group tutorials if feasible. Small programs cannot afford the luxury of low-enrollment courses unless they are essential for other reasons.

IV. Staffing

Given the recent departure of Professor Mark Paul, the imminent retirement of Professor Rick Coe will result in a 40% decline in the number of the tenured or tenure-track Economics faculty lines. Economists understand trade-offs well, and while institutional imperatives are many, offering an Economics AOC experience consistent with curricula of quality in the upper echelons of Liberal Arts colleges obliges NCF to offer a reasonable spectrum of courses on a stable basis.

5. Submit an application for a tenure-track line in the field of Public Economics to replace the sanctioned visiting position, with preference given to applicants who can contribute to one or more policy areas including but not limited to: environmental economics, labor economics, urban economics, health economics, economics of gender, economics of education, and poverty and inequality.

6. A fifth tenure-track position should be given serious consideration to restore the *status quo ante* Professor Paul's departure once enrollment reverts to normal levels.

The Provost has approved a visiting position starting in fall 2023. The intervening period should be used for further deliberation to **frame an application for a tenure-track line to replace the sanctioned visiting position**. In the fullness of time, once student subscription for the Economics AOC returns to normal levels, **a fifth tenure-track position should be given serious consideration to restore the *status quo ante*** Professor Paul's departure.

My various conversations revealed a strong desire to hire in the field of Public Finance/Public Sector Economics/Public Economics. I understood that this has been a popular field of study taught by Professor Coe and his departure will leave an important gap in the study of domestic policy. This field is also an important element of the Finance secondary field. Thus, the program should **seek a candidate who specializes in Public Economics, with preference given to applicants who can meaningfully contribute to one or more policy areas** including but not limited to environmental economics, labor economics, urban economics, health economics, economics of gender, economics of education, and poverty and inequality, which are all fields of mainstream economics curricula. Courses in any of these additional areas address vital social issues that will attract student interest.

7. Ensure successful hiring and retention of highly qualified new faculty by making salary offers commensurate with the tight labor market for Economics PhDs.

Successful hiring and retention of accomplished new faculty requires a realistic acknowledgment that the Economics job market is highly competitive. Successful hires of Economics faculty of a quality commensurate with the aspirations of NCF would likely require higher salaries than in other social sciences and humanities. Economics job applicants typically have multiple career pathways outside academics. As noted by the American Economic Association, "Holders of the PhD often also choose research careers outside of academics, including roles at the Federal Reserve, international agencies, and government policy and evaluation departments as well as in private banks, investment houses, and other for-profit ventures.[1]"

Therefore, **an appropriate level of budgetary support for the new hire will be critical.** It is important that hiring efforts be supported by realistic salary offers to attract faculty of high caliber who can uphold the fine reputation of the New College of Florida and serve its students' expectations. Otherwise, a failed search may well result.

I also invite consideration of the fact that **salary equity objectives across disciplines, however worthy, will in the long run inevitably lead to inequities in students' academic-quality experiences** (with Economics students at the lower end) if the quality of new hires becomes uneven across disciplines.

V. Student Engagement

As a social science discipline, Economics integrates with all aspects of study and is often central to broad policy discussions that transcend programs or departments. Taking part in those discussions makes economics exciting, and here there is scope to increase visibility of the Economics program in the broader intellectual life of the New College of Florida. Promoting a culture of engaging broadly with the campus community on policy issues makes the Liberal Arts richer for all students and awakens or reinforces in them a deeper understanding of the relevance of Economics in their lives.

Such engagement can increase the pipeline of students wanting to take Economics courses as a direct benefit, but it is also a *per se* important contribution to NCF's mission of preparing "intellectually curious students for lives of great achievement.[2]" Engaging students who have

[1] American Economic Association (aeaweb.org). Retrieved November 15, 2022.
[2] Mission & Values - New College of Florida (ncf.edu). Retrieved November 18, 2022.

multiple interests and potential distractions is a delicate task and can be frustrating. All approaches will not be successful, so this should be a matter of ongoing conversations and experimentation.

8. Sponsor extracurricular programming at a level feasible with the bandwidth of the faculty, such as "Conversations with Students."

An effective approach can be for the program faculty to **sponsor extracurricular programming at a level feasible with their bandwidth.** Events addressing contemporary issues of an interdisciplinary nature would interest concentrators as well as students who have not yet taken economics.

Each Economics faculty could, once a year, hold what one faculty member called **"Conversations with Students"** on topics of social interest, topics in the news, or those related to compelling economic events in the world. Inflation, development aspects of climate change, inequality and poverty in the context of economic growth, politics and budget priorities, and Gen Z and the changing labor market are a subset of potential topics that would be of compelling interest to a general student audience. The following "impact multipliers" can be helpful:

- Involve Economics students to do outreach, create posters and get the word out. These students could suggest the subject matter of the "Conversations" in consultation with relevant faculty to encourage greater buy-in which will increase their enthusiasm for the work. Students are the best ambassadors in reaching other students.
- Hold the "Conversations" close to the dorms, at a convenient hour in the evening.
- Provide financial support for ice-cream or snacks: food goes well with food for thought.

9. Review all elective course titles and course description language to ensure they not only accurately reflect the content but also appeal to students.

Course titles and descriptions make important first impressions on students. Economics faculty are urged to **review the titles and descriptions of all electives** to make sure that they not only accurately reflect their content, but also illustrate their relevance to human affairs and the social condition in a way that speaks to the priorities of today's students.

10. Take small steps to foster a community of scholars by providing, for example, bulletin board space to display pictures of Economics students, highlight interesting elective classes, and display photographs from "Conversations."

Faculty devote much time and attention to advance learning for Economics students. Students also benefit from being part of a visible community of scholars with a common goal of learning economics. **Fostering a community of scholars** is a good way to increase student engagement in Economics. It can involve simple initiatives like having a bulletin board to display photographs of Economics students, or inviting small groups of students to assemble a one-pager weekly information sheet on an economic issue that can be displayed in dorms and other public spaces.

Alfred Marshall famously said that “Economics is a study of [persons] as they live and move and think in the ordinary business of life.[3]” The ordinary business of life is what young and inquiring minds strive to understand; empowering students to see Economics in this perspective is a worthy goal – and a successful pathway – for student engagement. And student engagement is integral to achieving the educational mission of the New College of Florida.

[3] Marshall, A. (2013). The Substance of Economics. In: Principles of Economics. Palgrave Classics in Economics. Palgrave Macmillan, London. https://doi.org/10.1057/9781137375261_2

Responses to Questions for the External Reviewer in the Self-Study

Responses to questions from the Social Sciences Chair

1) After this year, the field will have two vacancies and no one doing public finance or policy. Assuming that, for the time being, we can only fill one of these lines and that we have to address the gap in these two fields, what options do you see for defining that line?

Please see recommendation 5 and the accompanying discussion.

2) We have a handful of options in the Division and College for Intro Stats or the first-level quantitative analysis course. A few overlap substantially and then have differences shaped by field. In your opinion, what does that first stats/quant course in Economics need to cover – topics that cannot be lost in any attempt to bundle these courses?

Concepts an undergraduate Statistics course for economics students should cover include the following topics:

Probability theory & distributions	Descriptive statistics [mean, median, std dev, variance, CV]
	Population parameters
	Chebyshev's rule
	Covariance, Correlation
	Probability; Conditional Probability
	Bayes' Theorem
	Discrete random variables
	   Bernoulli, Binomial distribution
	   Mathematics of Expectations
	   Permutations, Combinations
	Continuous random variables
	   Uniform, Poisson, Exponential distributions
	   Normal distribution; reading normal distribution tables

Sampling distributions, estimation, and hypothesis testing	Sampling
	   Sample statistics
	   Sampling distribution
	   Central limit theorem
	   Confidence intervals for μ
	   Using z & Student's t distributions
	   Confidence intervals for π
	   Sample size calculations
	Hypothesis testing concepts: tests on μ using z and t

Two-sample tests	Hypothesis tests on π Power Two-sample tests Independent samples, matched pairs Chi-squared tests of independence
Simple regression analysis	OLS estimation method Properties of OLS estimator; unbiasedness, efficiency Gauss-Markov theorem Coefficient interpretation Goodness of fit: R^2, standard error of the model Inferences about β_1; prediction

The description for the Statistics for Economics and the Social Sciences Course in the document **"The Quantitative Skills Programs"** provided by Dr. Travis Lee during my visit with him broadly indicates many of these areas are covered.

Additionally, multiple regression analysis, use of dummy variables and violation of Gauss-Markov assumptions can be included in a Statistics course for Economics students. Discussion of experimental design and randomized controlled trials can serve as a bridge to the Econometrics course and is also useful for other social sciences. These topics are included in the statistics course offered by the Economics department at Davidson College.

Responses to questions from the Provost

1) It is impossible to draw conclusions about faculty workload and needs for faculty based on data from 2016-2018, considering the very different circumstances of NCF at that time compared to now (total college enrollment is down nearly 20%). How have course enrollments, numbers of tutorials, and numbers of graduates changed in AOCs supported by Economics since 2016-2018?

Data provided show that relative to the 2016-2018 averages, the following changes were recorded in the 2020-2022 averages:

	2016-2018 (average)	2020-2022 (average)	Percent change
Full Term Enrollment	243	111.5	-54.1%
Tutorial Enrollment	28.5	28	-1.8%
Theses Sponsored	9	11.5	+27.8%

Please see section II for discussion.

2) In recent years I have noticed some Economics classes with very low enrollment. Can fewer courses be offered while still meeting the needs of students with AOCs in the different pathways of Economics? Could other topics (currently taught as courses) be taught as tutorials with more tutorial options as part of the AOC curricula?

Please see recommendation 4 and accompanying discussion. Also see (3) below.

3) What is the total number of course requirements for an AOC in Economics and an AOC in Quantitative Economics? How does this number compare to the 7-10 courses required at the comparison institutions?

Per the information provided, the Economics AOC requires 11 courses and the Quantitative AOC requires 10 courses. The number of required courses in the NCF Economics program are not unusual. There are no "hidden" prerequisite courses that some schools may have. For instance, the Economics major at my home school Davidson College requires 10 Economics courses, but Calculus is a prerequisite for Intermediate Micro and Macro courses that is not counted in the 10-course major.

Certainly, conversations about the "right" number of required courses for the AOC are appropriate and should be ongoing. A recommendation in this regard is not provided because this decision involves a larger institutional understanding of what constitutes sufficient specialization in a discipline. There are both philosophical and practical issues that require the wider engagement of the institution. Therefore, a change in the required number of courses for the AOC are best considered by Economics in conjunction with all programs at NCF and not necessarily by it in isolation.

4) The internship capstone in Economics is an innovative and flexible option for students that can serve as a model for other AOCs. I would like to know more about the outcomes of these students post-New College. A comparison of these outcomes to those of students who produced a traditional thesis would also be useful, as we work, as a college, towards more flexible options for the senior thesis/project that will create more time for students in their final year to plan their next steps.

I understand that the Internship Capstone has affected two graduating classes. The sample size is very small, for a short time period affected as it has been with disruptions from the pandemic. There is not sufficient information available to draw meaningful inferences about the comparative effectiveness of the Capstone and Thesis options. However, please see recommendations 2 and 3 and the associated discussion regarding the Internship Capstone.

5) I reiterate the Chair's first point about what to prioritize in filling one line in Economics in light of the recent resignation of Professor Paul and the retirement of Professor Coe after this year.

Please see recommendations 5 and 7 and the accompanying discussion.

NEW COLLEGE OF FLORIDA BOARD OF TRUSTEES

Meeting Date: January 31, 2023

SUBJECT: New College Development Corporation, Inc. Annual FY 22-23 Budget pursuant to BOT Regulation 3-7001

PROPOSED BOARD ACTION

Review and approve the New College Development Corporation, Inc's (the "NCDC") 22-23 Budget

BACKGROUND INFORMATION

The Board of Trustees adopted Regulation 3-7001 New College of Florida Direct Support Organizations effective 06/22/22. (https://www.ncf.edu/wp-content/uploads/2022/10/Revised-Regulation-New-College-DSOs-3-7001-DSO.pdf) The regulation requires all DSO provide for an annual budget. The annual budget shall be submitted to the Board of Trustees for review.

The NCDC Board of Directors approved the budget on March 9, 2022 (See attached).

If approved by the board of Trustees, this item will be placed on the next regularly scheduled meeting of the university's board of Trustees.

Supporting Documentation Included:

NCDC FY 2022-2023 Budget

Facilitators/Presenters: VP Kinsley, Chief Audit Executive Alex Tzoumas

New College of Florida Development Corp.
Budget for NCDC
Fiscal Year 2023

Account	Title	FY23 Budget
5901	Interfund Transfers In	$729,321
7000	Expenses	$45,000
7101	Accounting/Auditing Services	$0
7805	Interest on Debt	$678,821
7807	Debt Amortization Expense	$2,492
7812	Debt Service-Agents	$3,008
7814	Swap Payment Cost	$0
	Net Total	$0
The Principle payment is on Housing		$1,020,000

NEW COLLEGE OF FLORIDA BOARD OF TRUSTEES

Meeting Date: January 31, 2023

SUBJECT: Approve New College Foundation Annual FY22-23 Operating Budget pursuant to Board of Trustee Regulation 3-7001 New College of Florida (NCF) Direct Support Organizations

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PROPOSED BOARD ACTION

Consider approval of New College (NC) Foundation annual FY 2022-23 budget including In-kind use of university resources and FY 2021-2022 actual operating budget results.

BACKGROUND

The Board of Trustees adopted Regulation 3-7001 New College of Florida Direct Support Organizations (DSO) effective June 22, 2022. The regulation requires all DSO operating budgets be prepared annually, approved by the DSO Board of Directors, and subsequently be submitted to the university's Board of Trustees for approval. The regulation also requires significant changes in planned expenditures in the approved budget must be reported to the Board of Trustees as soon as practicable.

In accordance with regulation, the NC Foundation is presenting the FY 2022-2023 operating budget, as approved by the NC Foundation Board of Directors, for approval by the Board of Trustees Audit Committee. The NC Foundation is also presenting a report of FY2021-22 operating budget to actual performance to inform the Board of Trustees of expenditure changes from the original budget approved by the NC Foundation Board of Directors.

Supporting Documentation:
- NC Foundation FY 2022-23 Operating Budget
- NC Foundation FY 2022-23 Direct Support Budget

Facilitator(s)/Presenter(s):
Alexander G. Tzoumas, Chief Audit Executive

FY 2023 Operating Budget- Approved by BOD 08/19/22					
	FY 22Actual			FY 2023	
Income/Funding Sources:					
Operating Revenue:					
Unrestricted Contributions	$	390,142		$	650,000
Interest Income Unrestricted only	$	47,280		$	44,000
Pledges (Payments, New Unrestricted Pledges)	$	-		$	-
Bequests (Realized Planned Gifts Unrestricted)	$	-		$	-
Capacity Grant Funding for FY 2021 (offset DAF & MK $42K)	$	173,894		$	92,875
In-Kind PR Offsets FY 22 ML,SW-F, CF	$	41,021		$	108,254
In-Kind Prof Services(IT, Custodial,Grounds, Maint)	$	30,562			
License Plate Offset (Bank Fees & Sponsorship)	$	14,169			
*Special Event & Clambake (net) Add Expenses $82,900	$	114,000		$	114,900
Reunion				$	15,000
Total Operating Revenue	$	811,068		$	1,025,029
All Other Revenue:					
Endowment fee income	$	836,384		$	940,288
Endowment Section C Not Deployed				$	164,145
Rent 58th Street (Offset Interest/Insuance/Tax)	$	47,466		$	48,000
Miscellaneous Income (Royalty & Bequest Fee)				$	-
Total All Other Revenue:	$	883,850		$	1,152,433
Total Revenues	$	1,694,918		$	2,177,462
Expenses:					
Salaries- (FY 2023 Updated 08/09/22)		$1,679,298	72%	$	1,615,087
In-Kind Salaries		$41,021	2%		
Bank Service Fees		$23,808	1%	$	14,000
Dues, Subscriptions & Licenses		$15,633	1%	$	13,000
Professional Services		$47,951	2%	$	47,500
In-Kind Prof Services(IT, Custodial,Grounds, Maint)		$30,562	1%	$	-
Postage & Shipping		$11,667	1%	$	12,550
Office Supplies		$18,374	1%	$	18,300
Software/Software Upgrades (most paid early in FY)		$51,665	2%	$	82,000
Donor Cultivation/Major Gifts		$26,244	1%	$	30,000
Printing		$25,824	1%	$	32,400
Promotional Expenses		$6,226	0%	$	7,500
Development & Entertainment		$1,168	0%	$	-
Sponsorship Expense		$10,000	0%	$	15,000
Advertising		$16,734	1%	$	15,000
Catering		$62,954	3%	$	65,200
Reunion				$	35,000
Travel - Airfare/Train		$9,994	0%	$	11,000
Travel - Lodging		$14,183	1%	$	15,000
Travel - Auto Rental		$5,496	0%	$	4,000
Mileage & Tolls		$3,457	0%	$	2,500

Conference/Education Expenses	$11,585	0%	$ 15,000
Board of Directors Expenses	$8,308	0%	$ 4,000
Depreciation	$57,637	2%	$ -
Insurance (including 58th Street)	$19,734	1%	$ 27,375
Interest & Loan Expense	$15,241	1%	$ 12,000
Administration Fees - FNDN/CRUT	$1,167	0%	$ 1,300
Taxes Paid 990/Property	$86	0%	$ 150
Audit Fees (including Crowe Fees)	$33,217	1%	$ 30,000
Telephone Expenses	$1,757	0%	$ 2,400
Storage	$7,726	0%	$ 7,000
Equipment(On for Budgeting/On Bal Sht for Audit & 990)	$12,314	1%	$ 10,000
Maintenance & Repair	$2,276	0%	$ 2,700
Rental (Mainly FR)	$34,055	1%	$ 16,500
Property Taxes (All paid as of 03/31/22)	$672	0%	$ 700
Utilities - TKC	$13,062	1%	$ 13,300
Miscellaneous			
Total Operating Expenses:	**$2,321,096**	**100%**	**$ 2,177,462**
FY 22 Actual Excess/(Deficit)	$ (626,178)		
Projected Budget Excess/(Deficit)			$ -
Approved Budget per BOD	**$ 2,027,000**		$ -
Capacity Grant Funding for FY 2021 (offset new position???)	$173,894		
Rent 58th Street (Offset Interest/Insuance/Tax)	$47,466		
In-Kind Payroll	$41,021		
In-Kind Professional Services	$30,562		
License Plate Offset for Bank Fees & Sponsorship	$14,169		
Depreciation Non-Cash	$57,637		
Principal paid on 58th Street Mortgage	-$7,585		
Approved Budget per BOD Plus Offsets	$2,384,164		
Under/(Over) Budget for Net Expenditures	**$63,068**		
Lobbyist on DS Budget but paid out Operations	$124,000		

FY 2023 Direct Support Budget

Aproved by BOD 08/19/22

	20 Qtr Avg	Program At 3.25%	Admin At 2.25%
Chair and Grant Funding- Section A			
6017 - Buzzelli Endowed Chair in Pyschology(Heidi Harley-Chair Start Fall (2018)	$1,490,892	$48,454	$33,545
6023 - MacArthur Professorship (Dr. Queen Zabriskie)	$192,787	$6,266	$4,338
6031 - Florsheim Endowed Chair (Steven Shipman-Chair)	$853,768	$27,747	$19,210
6033 - PepsiCo Professorship (Jose Alberto Portugal-Chair)	$525,772	$17,088	$11,830
6037 - Selby Endowed Chair (Tarron Khemraj-Chair)	$898,125	$29,189	$20,208
6041 - Klingenstein Judaic Studies Professorship(Susan Marks-Chair)	$1,051,939	$34,188	$23,669
6043 - Soo Bong Chae Professorship in Mathematics(Necmettin Yildirim-Chair)	$1,136,245	$36,928	$25,566
6045 - Marion Hoppin Chair/Asian Studies(Xia Shi-Chair)	$899,833	$29,245	$20,246
6075 - Peggy Bates Endowment for International Studies	$350,797	$11,401	$7,893
6081 - Dr. Mike Michalson Endowed Chair	$55,937	$1,818	$1,259
6082 - Heidi H Boothe & Sharon Booth Rider Environmental Prgrm End at 25%	$534,167	$17,360	$12,019
Total Chair and Grant Funding- Section A	$7,990,262	$259,684	$179,781
Change from FY 2022		$8,649	
Scholarships- Section B			
6010 - Kit Reilly Memorial Scholarship Fund	$176,733	$5,744	$3,976
6018 - Roland Abraham Jr. Endowed Environmental Studies Scholarship	$91,662	$2,979	$2,062
6019 - Endowed Scholarships	$2,890,728	$93,949	$65,041
6030N - Jay Rudolph Judaic Studies Endowment @ 70%	$213,991	$6,954	$4,815
6035 - PepsiCo Endowed Scholarships	$752,618	$24,460	$16,934
6060 - Charter Class Scholarship Fund	$199,142	$6,472	$4,481
6063 - EJL Anonymous Endowed Scholarship	$97,537	$3,170	$2,195
6064 - Sherry and Douglas Chapman Endowed Scholarship	$253,561	$8,241	$5,705
6065 - Ruth DeLynn Marine Biology Scholarship Fund	$379,724	$12,341	$8,544
6066 - Raymond and Margaret Mason Endowed Scholarship	$1,027,883	$33,406	$23,127
6067 - Robert J.and Elizabeth T. Carucci Memorial Scholarships	$137,638	$4,473	$3,097
6068 - Cameron and John J. Cox Endowed Scholarship Fund	$105,559	$3,431	$2,375
6069 - George and Sarah Savin Endowed Scholarship Fund	$38,264	$1,244	$861
6071 - Robert M. Johnson Endowment	$52,357	$1,702	$1,178
6073 - Scott B. Appleby Endowed Scholarship	$363,244	$11,805	$8,173
6074 - Wm Heath Endowed Educational Scholarship Fund	$34,855	$1,133	$784
6078 - Keith and Linda Monda Endowed Scholarship	$660,536	$21,467	$14,862
6079 - Sanderson Endowed Scholarship	$221,945	$7,213	$4,994
6080 - Cantor Family Endowed Scholarship for the Creative Arts	$183,841	$5,975	$4,136
6082 - Heidi H Boothe & Sharon Booth Rider Environmental Prgrm End at 75%	$1,602,501	$52,081	$36,056
6085 - Akgun Temizer Fund for Turkish Students (No Admin Fee)	$3,058,907	$99,414	$0
6088 - Alexander J. Chester and Sheryan Epperly Chester Scholarship	$118,606	$3,855	$2,669
6089 - John Jakes Scholarships	$209,393	$6,805	$4,711
6092 - Harold E Harris and Antoinette Harris Endowed Scholarship	$171,079	$5,560	$3,849
6093-Christine Felsman Scholrship Unrestricted	$83,197	$2,704	$1,872
6094 - Jack N Priztker Scholarship	$42,929	$1,395	$966
6095 - Selby Foundation Endowed Scholarship	$402,413	$13,078	$9,054
6096 - Christine Felsmann Scholarship - Restricted	$41,446	$1,347	$933
6097 - Howard and Betty Isermann Scholarship for Out of State	$661,865	$21,511	$14,892
6098 - Donal O'shea "Quasi" Endowed Scholarship Fund	$188,660	$6,131	$4,245
6101 - Richard L Coleman Memorial	$28,453	$925	$640
6102 - Judith Kaye Lenttini Endowed Scholarship	$170,939	$5,556	$3,846
8016 - NCAA -Palm Court Endowed Scholarship Fund	$246,149	$8,000	$5,538
8016HA - Henrietta Aligas Palm Court Endowed Scholarship Fund	$29,853	$970	$672
8016JME - John & Mary Elmendorf Palm Court Endowed Scholarship Fund	$30,576	$994	$688
8017 - NCAA- Julia Hypatia Orth Memorial Endowed Scholarship	$255,632	$8,308	$5,752
8018 - Felice Schulaner-Dennis Rees Endowed Scholarship	$504,145	$16,385	$11,343
8019 - NCAA -Abran Steele-Feldman '96 Memorial Scholarship Fund	$33,600	$1,092	$756
8021 - Deborah Marsha Herbstman Endowed In-State Scholarship Fund	$179,292	$5,827	$4,034
8022 - Vir K and Genella Sondhi Endowed Scholarship	$212,238	$6,898	$4,775
Total Scholarships- Section B	$16,153,691	$524,994	$294,633
Total of Endowed and Non End Lines (112-120 Scholarships)		$ 1,125,779	
Change from FY 2022 (All Scholarships)		$37,067	
	20 Qtr Avg	Program At 3.25%	Admin At 2.25%
Discretionary Funding-Section C			
6015 - Associates Endowed Chair	$59,683	$1,940	$1,343
6020 - Rolland & Gwenn Heiser Endowment	$189,387	$6,155	$4,261
6026 - State Match Endowment Fund	$4,696,755	$152,645	$105,677
6029 - Hamilton Endowment Fund 'C'	$219,810	$7,144	$4,946
6039 - Gateway Scholars Endowment#1	$771,657	$25,079	$17,362
6039W - Gateway Scholars - Wachovia	$2,396,335	$77,881	$53,918
6046 - Faculty Development Endowment	$922,352	$29,976	$20,753
6070 - Rhonda Pritzker Endowment Academic Excellence 100%	$3,297,530	$107,170	$74,194
6077 - Bob Johnson Endowment for Academic Excellence	$46,148	$1,500	$1,038
6083 - Ulla R. Searing Endowed Fund for Academic Excellence at 100%	$2,677,033	$87,004	$60,233
8023 - J. Robert & Lee M Peterson "Quasi" Endowed Enhancement	$2,045,893	$66,492	$46,033
Total Discretionary Funding-Section C	$17,322,583	$ 562,984	$ 389,758
Change from FY 2022		$82,478	
Other Programs Support- Section D			
6002 - Dubois-Felsmann -Student Academic Research Endowment	$618,112	$20,089	$13,908
6003 - John B. Hawley Student Research Endowment	$53,774	$1,748	$1,210
6005 - B.H. White Anthropology Awards Endowment	$11,622	$378	$261
6013 - Gerontology Endowed Funds	$126,123	$4,099	$2,838
6013#2 - Anthropology Endowed Funds	$65,866	$2,141	$1,482
6030N - Jay Rudolph Judaic Studies Endowment @ 30%	$91,711	$2,981	$2,063
6032 - Helen N Fagin Holocaust Research Fund	$12,928	$420	$291
6072 - George and Beatrice Schwartzman Endowed Fund for Chemistry	$122,197	$3,971	$2,749
6076 - GIS Technology Training Endowment	$208,580	$6,779	$4,693
6084 - Lee Snyder Memorial Endowed Fund	$91,052	$2,959	$2,049
8002 - NCAA Faculty Development End.	$67,123	$2,181	$1,510
8005 - NCAA - Designated Endowment Fund	$18,429	$599	$415
8007 - NCAA Fellowship Endowment	$117,539	$3,820	$2,645
8008 - NCAA Alumnae/i Student Grants Endowment	$58,369	$1,897	$1,313
8009 - NCAA - Mary Clark Memorial Research Scholarship	$68,054	$2,212	$1,531
8010 - NCAA - Joe Haaf grant	$11,579	$376	$261
8011 - NCAA Alumnae/i Unrestricted Endowment	$35,879	$1,166	$807
8014 - NCAA - Matthew Wahl Memorial Scholarship	$16,396	$533	$369
9005 - NCLA Library Endowment	$1,472,446	$47,854	$33,130
9010 - NCLA John MacDonald Endowment	$22,454	$730	$505
9015 - NCLA Cook Memorial Endowment	$26,660	$866	$600
9016 - NCLA - Endowed Book Fund	$52,128	$1,694	$1,173
9020 - NCLA Jenkins Endowment	$13,924	$453	$313
Total Other Programs Support- Section D	$3,382,945	$109,946	$76,116
Change from FY 2022		$6,385	
Total Endowment Funding	$44,849,481	$1,457,607	$940,288
Non-Endowment Funding- Section E			
5824-Skestos Scholarship Fund - - (Estimated)		$ 131,276	
2100-First Generation Matching Scholarship-(Estimated)		$ 26,379	
5820- Daughters for Life Scholarship - (Estimated)		$ -	
2102-Johnson Foundation Scholarship Fund - Updated 06/10/22		$ 1,815	
0618-Johnson Foundation Scholarship (Match)-License - Updated 06/10/22		$ 1,815	
5822- Novo Scholarship Fund - (Estimated)		$ 275,000	
0278-Other Scholarships (fka Barnes & Noble) - (Estimated)		$ 2,000	
5025-Archimedes Scholars Program (Amount changes annually) Scholarship-NC=$40K, Outside =		$ 40,000	
1327-Barancik Grant (Estimated-Amount Changes Annually) Scholarship		$ 122,500	
5025-Archimedes Scholars Program (Amount changes annually) Enhancement		$ 10,000	
1327-Barancik Grant (Estimated-Amount Changes Annually) Enhancement		$ 40,500	
1221-Nano Lab-Available until Spent - (Estimated)		$ 646	
1270-Stategic Media Relations/Communications-(Paid out of Des) - (Estimated)		$ -	$ -
5812-Lobbyist (Paid out of Des)- (Estimated)		$ 130,000	
5816-Peterson Student Success Fund-Enhancements		$ 100,000	
Total Non-Endowed Funding- Section E		$ 881,931	
Change from 2022 Enhancements only		$ (38,900)	
Grand Total for Direct Support Budget FY 23		$ 2,339,538	$ 940,288
FY 2022 Budget		$2,238,459	$836,113
Total Change from FY 2022		$ 95,679	$ 104,175

Total Direct Support Budget For 2023	
Endowment Funding - FY 2023	$ 2,397,895
Non-Endowmwnt Funding (Estimated) FY 23	$ 881,931
Total Direct Support Budget:	**$ 3,279,826**

STATE OF FLORIDA AUDITOR GENERAL

Financial Audit

Report No. 2023-076
December 2022

NEW COLLEGE OF FLORIDA

For the Fiscal Year Ended
June 30, 2022

Sherrill F. Norman, CPA
Auditor General

Board of Trustees and President

During the 2021-22 fiscal year, Dr. Patricia Okker served as President of New College of Florida and the following individuals served as Members of the Board of Trustees:

[a] Faculty Senate Chair.
[b] Student Body President.

Note: One Trustee position vacant the entire period.

The Auditor General conducts audits of governmental entities to provide the Legislature, Florida’s citizens, public entity management, and other stakeholders unbiased, timely, and relevant information for use in promoting government accountability and stewardship and improving government operations.

The team leader was Michael D. Hess Jr., CPA, and the audit was supervised by Rachel P. Sellers, CPA.

Please address inquiries regarding this report to Jaime N. Hoelscher, CPA, Audit Manager, by e-mail at jaimehoelscher@aud.state.fl.us or by telephone at (850) 412-2868.

This report and other reports prepared by the Auditor General are available at:

FLAuditor.gov

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State of Florida Auditor General
Claude Pepper Building, Suite G74 · 111 West Madison Street · Tallahassee, FL 32399-1450 · (850) 412-2722

NEW COLLEGE OF FLORIDA

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SUMMARY

Summary of Report on the Audit of the Financial Statements

Our audit disclosed that the basic financial statements of New College of Florida (a component unit of the State of Florida) were presented fairly, in all material respects, in accordance with prescribed financial reporting standards.

Summary of Report on Internal Control and Compliance

Our audit did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses.

The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*, issued by the Comptroller General of the United States.

Audit Objectives and Scope

Our audit objectives were to obtain reasonable assurance about whether the financial statements as a whole were free from material misstatements, whether due to fraud or error, and to issue an auditor's report that included our opinion. In doing so we:

- Exercised professional judgment and maintained professional skepticism throughout the audit.
- Identified and assessed the risks of material misstatement of the financial statements, whether due to fraud or error, and designed and performed audit procedures responsive to those risks.
- Obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the University's internal control.
- Evaluated the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluated the overall presentation of the financial statements.
- Concluded whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the University's ability to continue as a going concern for a reasonable period of time.
- Examined various transactions to determine whether they were executed, in both manner and substance, in accordance with governing provisions of laws, rules, regulations, contracts, and grant agreements.

An examination of Federal awards administered by the University is included within the scope of our Statewide audit of Federal awards administered by the State of Florida.

Audit Methodology

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and applicable standards contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

AUDITOR GENERAL
STATE OF FLORIDA

Claude Denson Pepper Building, Suite G74
111 West Madison Street
Tallahassee, Florida 32399-1450

Sherrill F. Norman, CPA
Auditor General

Phone: (850) 412-2722
Fax: (850) 488-6975

The President of the Senate, the Speaker of the
House of Representatives, and the
Legislative Auditing Committee

INDEPENDENT AUDITOR'S REPORT

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of New College of Florida, a component unit of the State of Florida, and its discretely presented component unit as of and for the fiscal year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the University's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the reports of other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of New College of Florida and of its discretely presented component unit as of June 30, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the blended and discretely presented component units. The financial statements of New College of Florida Development Corporation, a blended component unit, represent 2.6 percent, 0.9 percent, and 2.1 percent, respectively, of the liabilities, net position, and revenues reported for New College of Florida. The financial statements of the discretely presented component unit represent 100 percent of the transactions and account balances of the discretely presented component unit columns. Those financial statements were audited by other auditors whose reports have been furnished to us, and our opinions, insofar as they relate to the amounts included for the blended and discretely presented component units, are based solely on the reports of the other auditors.

Basis for Opinions

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

Emphasis of Matter

As discussed in Note 2. to the financial statements, the University adopted new accounting guidance Governmental Accounting Standards Board Statement No. 87, *Leases*, which is a change in accounting principle that addresses accounting and financial reporting for leases. This affects the comparability of amounts reported for the 2021-22 fiscal year with amounts reported for the 2020-21 fiscal year. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the University's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the University's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the University's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that **MANAGEMENT'S DISCUSSION AND ANALYSIS**, the **Schedule of the University's Proportionate Share of the Total Other Postemployment Benefits Liability**, **Schedule of the University's Proportionate Share of the Net Pension Liability – Florida Retirement System Pension Plan**, **Schedule of University Contributions – Florida Retirement System Pension Plan**, **Schedule of the University's Proportionate Share of the Net Pension Liability – Health Insurance Subsidy Pension Plan**, **Schedule of University Contributions – Health Insurance Subsidy Pension Plan**, and **Notes to Required Supplementary Information**, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 20, 2022, on our consideration of the New College of Florida's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, rules, regulations, contracts, and grant agreements and other matters included under the heading **INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the New College of Florida's internal control over financial reporting and compliance.

Respectfully submitted,

Sherrill F. Norman

Sherrill F. Norman, CPA
Tallahassee, Florida
December 20, 2022

MANAGEMENT'S DISCUSSION AND ANALYSIS

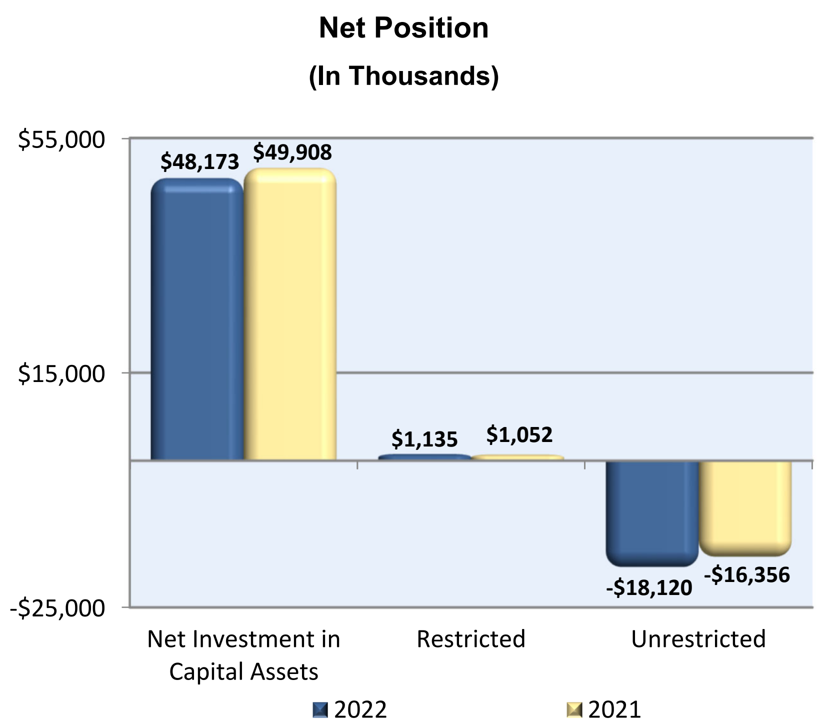
Management's discussion and analysis (MD&A) provides an overview of the financial position and activities of the University for the fiscal year ended June 30, 2022, and should be read in conjunction with the financial statements and notes thereto. The MD&A, and financial statements and notes thereto, are the responsibility of University management. The MD&A contains financial activity of the University for the fiscal years ended June 30, 2022, and June 30, 2021.

FINANCIAL HIGHLIGHTS

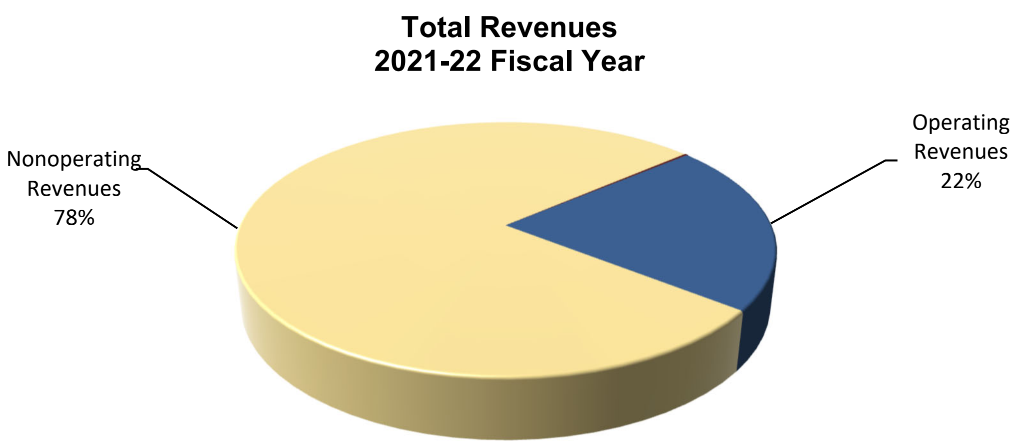
The University's assets and deferred outflows of resources totaled $104.2 million at June 30, 2022. This balance reflects a $5.7 million, or 5.2 percent, decrease as compared to the 2020-21 fiscal year, resulting from decreases in cash and cash equivalents, investments, depreciable capital assets, deferred loss on certificates of participation debt refunding and deferred outflows of pension resources, offset by an increase in accounts receivable and contracts and grants receivable, the addition of the right-to-use land lease asset with the implementation of Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases*, and an increase in deferred outflows of other postemployment benefits resources. While assets and deferred outflow of resources decreased, liabilities and deferred inflows of resources decreased by $2.3 million, or 3 percent, totaling $73 million at June 30, 2022, resulting from decreases in accrued salaries and wages, certificates of participation payable and debt refunding interest rate swap, net pension liability and deferred inflows of other postemployment benefits resources, offset by increases in accounts payable, the addition of the right-to-use land lease payable with the implementation of GASB Statement No. 87, *Leases*, other postemployment benefits payable, and deferred inflows of pension resources. As a result, the University's net position decreased by $3.4 million, resulting in a year-end balance of $31.2 million.

The University's operating revenues totaled $11.3 million for the 2021-22 fiscal year, representing a 34.5 percent increase compared to the 2020-21 fiscal year due mainly to increases in Federal, State, and nongovernmental grants and contracts received, and sales and services of auxiliary enterprises, offset by a decrease in net student tuition and fees as a result of an increase in the tuition scholarship allowance. Operating expenses totaled $53.3 million for the 2021-22 fiscal year, representing an increase of 0.1 percent as compared to the 2020-21 fiscal year due mainly to increases in scholarships and services and supplies expenses, offset by a decrease in compensation and employee benefits due to changes in the actuarial valuation of the Florida Division of State Group Insurance's other postemployment benefits and pension program.

Net position represents the residual interest in the University's assets and deferred outflows of resources after deducting liabilities and deferred inflows of resources. The University's comparative total net position by category for the fiscal years ended June 30, 2022, and June 30, 2021, is shown in the following graph:



The following chart provides a graphical presentation of University revenues by category for the 2021-22 fiscal year:



OVERVIEW OF FINANCIAL STATEMENTS

Pursuant to GASB Statement No. 35, the University's financial report consists of three basic financial statements: the statement of net position; the statement of revenues, expenses, and changes in net position; and the statement of cash flows. The financial statements, and notes thereto, encompass the University and its component units. These component units include: New College Foundation, Inc. (Foundation) and New College of Florida Development Corporation (Development Corporation). Based on the application of the criteria for determining component units, the Development Corporation is included within the University reporting entity as a blended component unit, and the Foundation is included within the University reporting entity as a discretely presented component unit.

Information regarding these component units, is presented in the notes to financial statements. This MD&A focuses on the University, excluding the discretely presented component unit.

The Statement of Net Position

The statement of net position reflects the assets, deferred outflows of resources, liabilities, and deferred inflows of resources of the University, using the accrual basis of accounting, and presents the financial position of the University at a specified time. Assets, plus deferred outflows of resources, less liabilities, less deferred inflows of resources, equals net position, which is one indicator of the University's current financial condition. The changes in net position that occur over time indicate improvement or deterioration in the University's financial condition.

The following summarizes the University's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position at June 30:

Condensed Statement of Net Position at June 30

(In Thousands)

	2022	2021
Assets		
Current Assets	$ 21,195	$ 23,728
Capital Assets, Net	71,333	72,002
Other Noncurrent Assets	596	600
Total Assets	93,124	96,330
Deferred Outflows of Resources	11,038	13,532
Liabilities		
Current Liabilities	4,563	4,859
Noncurrent Liabilities	51,020	61,774
Total Liabilities	55,583	66,633
Deferred Inflows of Resources	17,391	8,625
Net Position		
Net Investment in Capital Assets	48,173	49,908
Restricted	1,135	1,052
Unrestricted	(18,120)	(16,356)
Total Net Position	$ 31,188	$ 34,604

Current assets at June 30, 2022, totaled $21.2 million, compared to $23.7 million at June 30, 2021, reflecting a decrease of $2.5 million. This decrease is due to decreases in cash and cash equivalents and investments of $3.3 million, slightly offset by a combined increase of $0.8 million in accounts receivable, contracts and grants receivable, and other current assets.

Total capital assets of $71.3 million decreased by $0.7 million from the prior fiscal year. This decrease was due to increases related to depreciable capital assets of $3.7 million, offset by an increase in accumulated depreciation and a decrease in construction in progress of $4.4 million.

Deferred outflows of resources decreased by $2.5 million, due mainly to a decrease in pension resources of $2 million and the elimination of the interest rate swap prepayment penalty obligation of $0.7 million, offset by a $0.2 million increase in other postemployment benefits resources.

Liabilities at June 30, 2022, totaled $55.6 million, compared to $66.6 million at June 30, 2021. This represents an $11 million decrease. This decrease is composed primarily of decreases of $12.4 million in pension liability, $1 million in certificates of participation payable, $0.6 million in accrued salaries and wages, $0.7 million eliminating the interest rate swap prepayment penalty obligation and $0.1 million in other current liabilities, offset by increases in accounts payable of $0.3 million, the addition of the right-to-use land lease liability with the implementation of GASB Statement No. 87, of $2 million and $1.5 million in other postemployment benefits liability.

Deferred inflows of resources at June 30, 2022, totaled $17.4 million, compared to $8.6 million at June 30, 2021. This increase is due to an increase in pension resources of $9.3 million, offset by a $0.5 million decrease in other postemployment benefit resources.

In summary, New College of Florida's net position of $31.2 million at June 30, 2022, includes $48.2 million net investment in capital assets, $1.1 million in restricted expendable net position, and a deficit of $18.1 million in unrestricted net position, as disclosed in Note 4.

The Statement of Revenues, Expenses, and Changes in Net Position

The statement of revenues, expenses, and changes in net position presents the University's revenue and expense activity, categorized as operating and nonoperating. Revenues and expenses are recognized when earned or incurred, regardless of when cash is received or paid.

The following summarizes the University's activity for the 2021-22 and 2020-21 fiscal years:

Condensed Statement of Revenues, Expenses, and Changes in Net Position
For the Fiscal Years

(In Thousands)

	2021-22	2020-21
Operating Revenues	$ 11,308	$ 8,424
Less, Operating Expenses	53,321	53,004
Operating Loss	(42,013)	(44,580)
Net Nonoperating Revenues	38,516	38,441
Loss Before Other Revenues	(3,497)	(6,139)
Other Revenues	107	133
Net Decrease In Net Position	(3,390)	(6,006)
Net Position, Beginning of Year	34,604	40,610
Adjustment to Beginning Net Position (1)	(26)	-
Net Position, End of Year	$ 31,188	$ 34,604

(1) Due to the elimination of Furniture and Equipment from the 2020-21 fiscal year, for electronic parts in patrol vehicles.

Operating Revenues

GASB Statement No. 35 categorizes revenues as either operating or nonoperating. Operating revenues generally result from exchange transactions where each of the parties to the transaction either gives or receives something of equal or similar value.

The following summarizes the operating revenues by source that were used to fund operating activities for the 2021-22 and 2020-21 fiscal years:

Operating Revenues
For the Fiscal Years

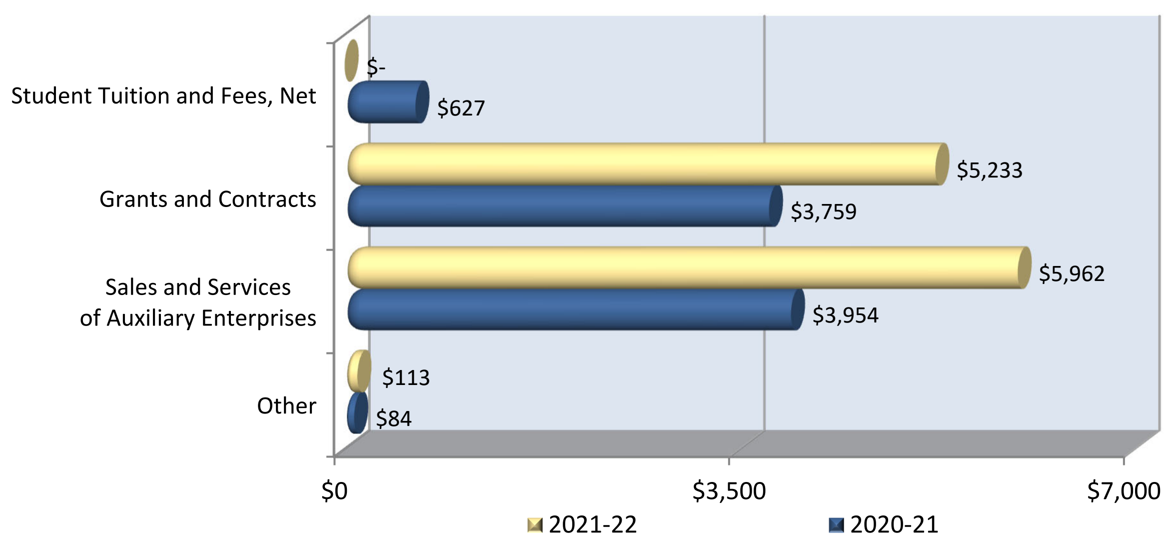
(In Thousands)

	2021-22	2020-21
Student Tuition and Fees, Net	$ -	$ 627
Grants and Contracts	5,233	3,759
Sales and Services of Auxiliary Enterprises	5,962	3,954
Other	113	84
Total Operating Revenues	$ 11,308	$ 8,424

The following chart presents the University's operating revenues for the 2021-22 and 2020-21 fiscal years:

Operating Revenues

(In Thousands)



Total operating revenues increased by $2.9 million in the 2021-22 fiscal year due primarily to increases in sales and services of auxiliary enterprises and Federal, State, and nongovernmental grants and contracts, offset by a decrease in net student tuition and fees.

Operating Expenses

Expenses are categorized as operating or nonoperating. The majority of the University's expenses are operating expenses as defined by GASB Statement No. 35. GASB gives financial reporting entities the choice of reporting operating expenses in the functional or natural classifications. The University has chosen to report the expenses in their natural classification on the statement of revenues, expenses, and changes in net position and has displayed the functional classification in the notes to financial statements.

The following summarizes operating expenses by natural classification for the 2021-22 and 2020-21 fiscal years:

Operating Expenses
For the Fiscal Years

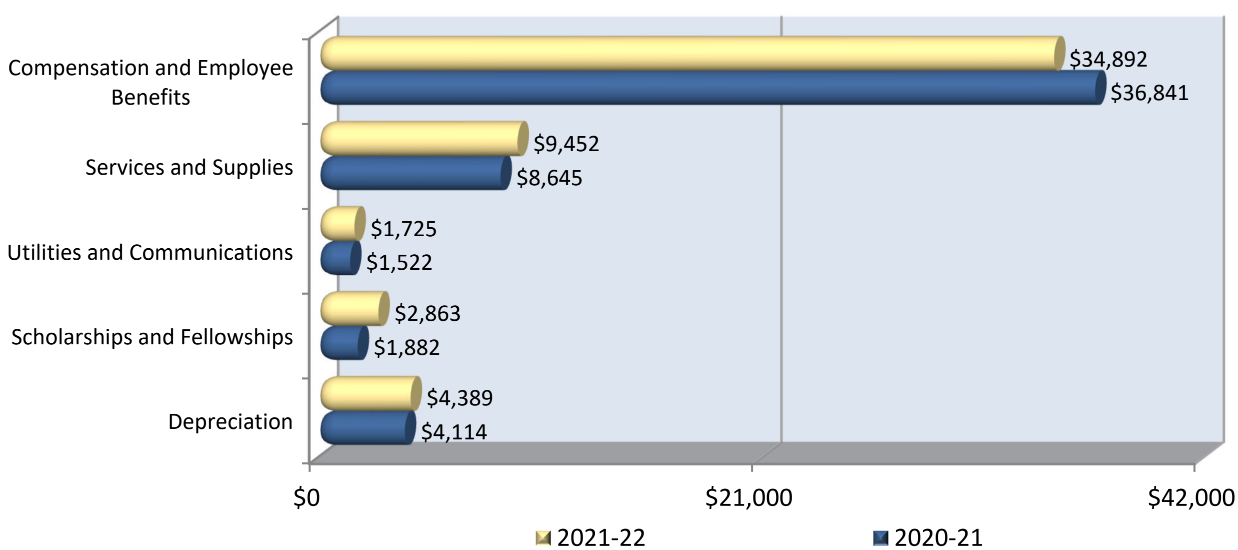
(In Thousands)

	2021-22	2020-21
Compensation and Employee Benefits	$ 34,892	$ 36,841
Services and Supplies	9,452	8,645
Utilities and Communications	1,725	1,522
Scholarships and Fellowships	2,863	1,882
Depreciation	4,389	4,114
Total Operating Expenses	$ 53,321	$ 53,004

The following chart presents the University's operating expenses for the 2021-22 and 2020-21 fiscal years:

Operating Expenses

(In Thousands)



Total operating expenses for the 2021-22 fiscal year were $53.3 million as compared to $53 million for the 2020-21 fiscal year, which is a $0.3 million, or 0.1 percent increase. The increase is due to increases in scholarships and fellowships of $1 million, services and supplies of $0.8 million, depreciation expense of $0.3 million and utilities and communications of $0.2 million, offset almost in its entirety by a decrease in compensation and employee benefits of $1.9 million. The compensation and employee benefits decrease is primarily due to a reduction in the accrual for pension expenses.

Nonoperating Revenues and Expenses

Certain revenue sources that the University relies on to provide funding for operations, including State noncapital appropriations, Federal and State student financial aid, noncapital grants, contracts, and donations, and investment income, are defined by GASB as nonoperating. Nonoperating expenses include capital financing costs and other costs related to capital assets. The following summarizes the University's nonoperating revenues and expenses for the 2021-22 and 2020-21 fiscal years:

Nonoperating Revenues (Expenses)
For the Fiscal Years

(In Thousands)

	2021-22	**2020-21**
State Noncapital Appropriations	$ 35,598	$ 35,375
Federal and State Student Financial Aid	3,114	3,396
Noncapital Grants, Contracts and Donations	1,562	1,400
Investment Loss	(497)	(558)
Other Nonoperating Revenues	459	1,312
Interest on Capital Asset-Related Debt	(1,050)	(1,131)
Other Nonoperating Expenses	(670)	(1,353)
Net Nonoperating Revenues	$ 38,516	$ 38,441

The nonoperating revenues increased less than $0.1 million during the 2021-22 fiscal year. Although the change in this category is minimal, it is worth noting the decrease of $0.7 million in expenses related to reimbursements to students for reasons related to the COVID-19 pandemic, a $0.1 million improvement in investment loss, a $0.2 million increase in non-recurring State noncapital appropriations, and a $0.2 million increase in noncapital grants, contracts and donations, offset by a $0.9 million reduction in the use of Coronavirus Aid, Relief, and Economic Security Act and carry forward funds to cover for losses related to the COVID-19 pandemic, $0.3 million decrease in Federal and State student financial aid, and a $0.1 million decrease in interest expense.

Other Revenues

This category is composed of State capital appropriations. The following summarizes the University's other revenues for the 2021-22 and 2020-21 fiscal years:

Other Revenues
For the Fiscal Years

(In Thousands)

	2021-22	**2020-21**
State Capital Appropriations	$ 107	$ 133
Total	$ 107	$ 133

Total other revenue for the 2021-22 fiscal year remained virtually unchanged compared to the prior fiscal year.

The Statement of Cash Flows

The statement of cash flows provides information about the University's financial results by reporting the major sources and uses of cash and cash equivalents. This statement will assist in evaluating the University's ability to generate net cash flows, its ability to meet its financial obligations as they come due, and its need for external financing. Cash flows from operating activities show the net cash used by the operating activities of the University. Cash flows from capital financing activities include all plant funds and related long-term debt activities. Cash flows from investing activities show the net source and use of cash related to purchasing or selling investments, and earning income on those investments. Cash flows from noncapital financing activities include those activities not covered in other sections.

The following summarizes cash flows for the 2021-22 and 2020-21 fiscal years:

Condensed Statement of Cash Flows
For the Fiscal Years

(In Thousands)

	2021-22	**2020-21**
Cash Provided (Used) by:		
Operating Activities	$ (38,998)	$ (37,027)
Noncapital Financing Activities	40,123	40,108
Capital and Related Financing Activities	(3,921)	(2,945)
Investing Activities	1,980	(294)
Net Decrease in Cash and Cash Equivalents	(816)	(158)
Cash and Cash Equivalents, Beginning of Year	2,510	2,668
Cash and Cash Equivalents, End of Year	$ 1,694	$ 2,510

Major sources of funds came from State noncapital appropriations ($35.6 million), sales and services of auxiliary enterprises ($5.7 million), grants and contracts ($5 million), Federal and State student financial aid ($3.1 million), and noncapital grants, contracts and donations ($1.6 million). Major uses of funds were for payments made to and on behalf of employees totaling $35.9 million; payments to suppliers totaling $11.1 million; payments to students for scholarships and fellowships totaling $2.9 million; and purchase or construction of capital assets totaling $1.9 million. Changes in cash and cash equivalents were the result of the following factors:

- The increase of almost $2 million in net cash used by operations was primarily due to increases in payments to employees by $3.1 million, distribution of scholarship and fellowships to students by $1 million, payments to suppliers by $0.7 million and a reduction in net student tuition and fees by $0.6 million, offset by increases in sales and services of auxiliary enterprises by $1.7 million, grants and contracts received by $1.3 million, and other operating receipts of $0.3 million.
- The net cash provided by noncapital financing activities remained virtually unchanged from the prior fiscal year primarily due to decreases in Federal and State student financial aid of $0.3 million and net other receipts and expenses of $0.1 million, offset by an increase in noncapital grants, contracts, and donations of $0.2 million, and nonrecurring State appropriations of $0.2 million.

- The increase of $1 million in net cash used by capital and related financing activities was primarily due to increases of $0.9 million used for the purchase or construction of capital assets and $0.1 million decrease in State capital appropriations.
- The decrease of $2.3 million in net cash used by investing activities was due to a $2.5 million increase in net proceeds from sales and maturities of investments, offset by a $0.2 million decrease in investment income.

CAPITAL ASSETS, CAPITAL EXPENSES AND COMMITMENTS, AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2022, the University had $142.3 million in capital assets, less accumulated depreciation of $71 million, for net capital assets of $71.3 million. Depreciation charges for the current fiscal year totaled $4.4 million, which includes almost $0.1 million related to the right-to-use land lease amortization from the implementation of GASB Statement No. 87, *Leases*. The following table summarizes the University's capital assets, net of accumulated depreciation, at June 30:

Capital Assets, Net at June 30

(In Thousands)

	2022	**2021**
Land	$ 4,562	$ 4,562
Works of Art and Historical Treasures	77	77
Construction in Progress	521	678
Buildings	59,552	61,964
Infrastructure and Other Improvements	3,956	3,819
Furniture and Equipment	632	895
Right-to-Use Lease Assets	2,024	-
Computer Software	9	7
Capital Assets, Net	$ 71,333	$ 72,002

Additional information about the University's capital assets is presented in the notes to financial statements.

Capital Expenses and Commitments

Major capital expenses through June 30, 2022, were incurred for the Bay Front Dock, Caples HVAC and Renovations, and Career Engagement and Opportunity Space Expansion. The University's construction commitments at June 30, 2022, are as follows:

	Amount (In Thousands)
Total Committed	$ 4,640
Completed to Date	521
Balance Committed	$ 4,119

Additional information about the University's construction commitments is presented in the notes to financial statements.

Debt Administration

As of June 30, 2022, the University had $21.1 million in outstanding certificates of participation payable, representing a decrease of $1 million or 4.5 percent, and an increase in right-to-use leases payable of $2 million from the prior fiscal year.

Additional information about the University's long-term debt is presented in the notes to financial statements.

ECONOMIC FACTORS THAT WILL AFFECT THE FUTURE

The University's economic condition is closely tied to that of the State of Florida, as well as to student enrollment levels. State noncapital and capital appropriations for the 2021-22 fiscal year totaled $35.6 million and are the largest sources of funding. The level of recurring State noncapital support included in the budget the Florida Legislature adopted for the 2022-23 fiscal year is $31.9 million or $3.7 million (10.4 percent) less than the level that was funded in the 2021-22 fiscal year. This includes reductions in base funding of $4.1 million and $0.1 million in risk management insurance support, offset by an increase of $0.4 million in lottery revenue distribution. Due to concerted efforts to attract new students and retain existing students, the University expects to maintain current levels of student enrollment resulting in revenue from student tuition and fees to be similar to the 2021-22 fiscal year. Amounts that can be charged for student tuition and fees are still expected to remain unchanged by the Florida Legislature.

The University received a total of $3.8 million from the Foundation, during the 2021-22 fiscal year, including $1 million in scholarships and $2.2 million in other program support. Included in the $2.2 million of other program support is $0.5 million to subsidize faculty and other personnel costs. These funds are used to support the University's low student to faculty ratio, a feature that has been crucial in attracting students and increasing enrollment at the University. In the unlikely event the Foundation becomes unable to fund these contributions, losing this funding could adversely impact the University if not offset by additional funding appropriated by the Legislature or generated through increases in student tuition and fees.

REQUESTS FOR INFORMATION

Questions concerning information provided in the MD&A or other required supplemental information, and financial statements and notes thereto, or requests for additional financial information should be addressed to the Controller's Office, New College of Florida, 5800 Bay Shore Road, Sarasota, Florida 34243-2109.

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NEW COLLEGE OF FLORIDA
A Component Unit of the State of Florida
Statement of Net Position

June 30, 2022

	University	Component Unit
ASSETS		
Current Assets:		
Cash and Cash Equivalents	$ 1,693,510	$ 6,593,350
Investments	17,431,472	-
Accounts Receivable, Net	960,770	301,100
Due from State	156,363	-
Due from Component Unit	527,469	-
Other Current Assets	425,617	40,710
Total Current Assets	21,195,201	6,935,160
Noncurrent Assets:		
Investments	-	39,606,062
Restricted Investments	595,506	-
Accounts Receivable, Net	-	275,419
Depreciable Capital Assets, Net	64,149,018	730,718
Nondepreciable Capital Assets	5,159,899	421,832
Right-to-Use Land Lease, Net	2,024,396	-
Total Noncurrent Assets	71,928,819	41,034,031
Total Assets	93,124,020	47,969,191
DEFERRED OUTFLOWS OF RESOURCES		
Other Postemployment Benefits	5,707,276	-
Pensions	5,330,534	-
Total Deferred Outflows of Resources	11,037,810	-
LIABILITIES		
Current Liabilities:		
Accounts Payable	660,546	448,503
Construction Contracts Payable	203,055	-
Salary and Wages Payable	1,616,008	-
Deposits Payable	528	-
Due to University	-	527,469
Unearned Revenue	150,496	626,153
Other Current Liabilities	176,074	-
Long-Term Liabilities - Current Portion:		
Certificates of Participation Payable	1,020,000	-
Note Payable	-	7,938
Right-to-Use Land Lease Payable	32,286	-
Compensated Absences Payable	327,659	-
Other Postemployment Benefits Payable	357,306	-
Net Pension Liability	18,603	-
Total Current Liabilities	4,562,561	1,610,063

	University	Component Unit
LIABILITIES (Continued)		
Noncurrent Liabilities:		
Certificates of Participation Payable	20,095,698	-
Note Payable	-	321,954
Right-to-Use Land Lease Payable	2,011,894	-
Compensated Absences Payable	2,690,017	-
Other Postemployment Benefits Payable	20,064,647	-
Net Pension Liability	6,157,763	-
Other Noncurrent Liabilities	-	391,170
Total Noncurrent Liabilities	51,020,019	713,124
Total Liabilities	55,582,580	2,323,187
DEFERRED INFLOWS OF RESOURCES		
Other Postemployment Benefits	7,734,181	-
Pensions	9,657,103	-
Gift Annuities and Charitable Remainder Unitrust	-	165,882
Total Deferred Inflows of Resources	17,391,284	165,882
NET POSITION		
Net Investment in Capital Assets	48,173,435	822,658
Restricted for Nonexpendable:		
Endowment	-	35,390,768
Restricted for Expendable:		
Capital Projects	723,322	-
Other	411,223	7,406,607
Unrestricted	(18,120,014)	1,860,089
TOTAL NET POSITION	$ 31,187,966	$ 45,480,122

The accompanying notes to financial statements are an integral part of this statement.

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NEW COLLEGE OF FLORIDA
A Component Unit of the State of Florida
Statement of Revenues, Expenses, and Changes in Net Position

For the Fiscal Year Ended June 30, 2022

	University	Component Unit
REVENUES		
Operating Revenues:		
Student Tuition and Fees	$ 5,949,231	$ -
Tuition Scholarship Allowance	(5,949,231)	-
Federal Grants and Contracts	2,203,616	-
State and Local Grants and Contracts	56,859	-
Nongovernmental Grants and Contracts	2,972,394	-
Sales and Services of Auxiliary Enterprises ($3,904,092 Pledged for Housing Facility Revenue Certificates of Participation)	5,962,721	-
Gift and Donations	-	2,362,377
Other Operating Revenues	112,968	98,429
Total Operating Revenues	11,308,558	2,460,806
EXPENSES		
Operating Expenses:		
Compensation and Employee Benefits	34,891,921	-
Services and Supplies	9,452,289	-
Utilities and Communications	1,725,041	-
Scholarships and Fellowships	2,863,033	-
Depreciation	4,388,944	-
Other Operating Expenses	-	5,173,148
Total Operating Expenses	53,321,228	5,173,148
Operating Loss	(42,012,670)	(2,712,342)
NONOPERATING REVENUES (EXPENSES)		
State Noncapital Appropriations	35,598,168	-
Federal and State Student Financial Aid	3,114,369	-
Noncapital Grants, Contracts, and Donations	1,561,682	-
Investment Loss	(496,701)	(7,180,864)
Other Nonoperating Revenues	458,820	46,196
Interest on Capital Asset-Related Debt	(1,049,998)	-
Other Nonoperating Expenses	(670,340)	-
Net Nonoperating Revenues (Expenses)	38,516,000	(7,134,668)
Loss Before Other Revenues	(3,496,670)	(9,847,010)
State Capital Appropriations	106,898	-
Contributions to Permanent Endowments	-	42,825
Decrease in Net Position	(3,389,772)	(9,804,185)
Net Position, Beginning of Year	34,604,278	55,284,307
Adjustments to Beginning Net Position	(26,540)	-
Net Position, Beginning of Year, as Restated	34,577,738	55,284,307
Net Position, End of Year	$ 31,187,966	$ 45,480,122

The accompanying notes to financial statements are an integral part of this statement.

NEW COLLEGE OF FLORIDA
A Component Unit of the State of Florida
Statement of Cash Flows

For the Fiscal Year Ended June 30, 2022

	University
CASH FLOWS FROM OPERATING ACTIVITIES	
Student Tuition and Fees, Net	$ (686)
Grants and Contracts	4,961,887
Sales and Services of Auxiliary Enterprises	5,650,422
Other Operating Receipts	226,632
Payments to Employees	(35,923,289)
Payments to Suppliers for Goods and Services	(11,050,172)
Payments to Students for Scholarships and Fellowships	(2,863,033)
Net Cash Used by Operating Activities	(38,998,239)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
State Noncapital Appropriations	35,568,838
Federal and State Student Financial Aid	3,114,369
Noncapital Grants, Contracts and Donations	1,561,036
Federal Direct Loan Program Receipts	813,842
Federal Direct Loan Program Disbursements	(813,842)
Other Nonoperating Receipts	458,819
Other Nonoperating Disbursements	(580,683)
Net Cash Provided by Noncapital Financing Activities	40,122,379
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
State Capital Appropriations	57,960
Purchase or Construction of Capital Assets	(1,912,409)
Principal Paid on Capital Debt and Leases	(1,019,035)
Interest Paid on Capital Debt and Leases	(1,047,506)
Net Cash Used by Capital and Related Financing Activities	(3,920,990)
CASH FLOWS FROM INVESTING ACTIVITIES	
Proceeds from Sales and Maturities of Investments	39,926,391
Purchases of Investments	(38,106,711)
Investment Income	160,726
Net Cash Provided by Investing Activities	1,980,406
Net Decrease in Cash and Cash Equivalents	(816,444)
Cash and Cash Equivalents, Beginning of Year	2,509,954
Cash and Cash Equivalents, End of Year	$ 1,693,510

	University
RECONCILIATION OF OPERATING LOSS TO NET CASH USED BY OPERATING ACTIVITIES	
Operating Loss	$ (42,012,670)
Adjustments to Reconcile Operating Loss to Net Cash Used by Operating Activities:	
Depreciation Expense	4,388,944
Changes in Assets, Liabilities, Deferred Outflows of Resources, and Deferred Inflows of Resources:	
Receivables, Net	(535,169)
Other Assets	(153,781)
Accounts Payable	281,468
Salaries and Wages Payable	(602,641)
Compensated Absences Payable	(66,102)
Unearned Revenue	64,338
Other Postemployment Benefits Payable	1,538,781
Net Pension Liability	(12,466,118)
Deferred Outflows of Resources Related to Other Postemployment Benefits	(181,817)
Deferred Inflows of Resources Related to Other Postemployment Benefits	(515,189)
Deferred Outflows of Resources Related to Pensions	1,980,073
Deferred Inflows of Resources Related to Pensions	9,281,644
NET CASH USED BY OPERATING ACTIVITIES	$ (38,998,239)
SUPPLEMENTAL DISCLOSURE OF NONCASH INVESTING ACTIVITIES	
Unrealized losses on investments were recognized as a reduction to investment income on the statement of revenues, expenses, and changes in net position, but are not cash transactions for the statement of cash flows.	$ (657,428)

The accompanying notes to financial statements are an integral part of this statement.

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

Reporting Entity. The University is a separate public instrumentality that is part of the State university system of public universities, which is under the general direction and control of the Florida Board of Governors. The University is directly governed by a Board of Trustees (Trustees) consisting of 13 members. The Governor appoints 6 citizen members and the Board of Governors appoints 5 citizen members. These members are confirmed by the Florida Senate and serve staggered terms of 5 years. The chair of the faculty senate and the president of the student body of the University are also members. The Board of Governors establishes the powers and duties of the Trustees. The Trustees are responsible for setting policies for the University, which provide governance in accordance with State law and Board of Governors' Regulations, and selecting the University President. The University President serves as the executive officer and the corporate secretary of the Trustees and is responsible for administering the policies prescribed by the Trustees.

Criteria for defining the reporting entity are identified and described in the Governmental Accounting Standards Board's (GASB) *Codification of Governmental Accounting and Financial Reporting Standards*, Sections 2100 and 2600. These criteria were used to evaluate potential component units for which the primary government is financially accountable and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the primary government's financial statements to be misleading. Based on the application of these criteria, the University is a component unit of the State of Florida, and its financial balances and activities are reported in the State's Annual Comprehensive Financial Report by discrete presentation.

Blended Component Unit. Although it is legally separate from the University, the New College of Florida Development Corporation (Development Corporation) is included within the University's reporting entity as a blended component unit, based on the application of the criteria for determining component units. The Development Corporation was created on November 4, 2005, as a not-for-profit Florida corporation under the provisions of Chapter 617, Florida Statutes and as a direct-support organization of the University. The Development Corporation was established to secure, hold, invest, and administer property and to make expenditures for the exclusive benefit of the University. Due to the substantial economic relationship between the Development Corporation and the University, the financial activities of the Development Corporation are included in the University's financial statements. An annual audit of the Development Corporation is conducted by independent certified public accountants and is submitted to the Auditor General and the University Board of Trustees. Additional information on the Development Corporation, including copies of audit reports, is available by contacting the University's Controller's Office. Condensed financial statements for the University's blended component unit are shown in a subsequent note. The condensed financial statements are reported net of eliminations.

Discretely Presented Component Unit. Based on the application of the criteria for determining component units, the New College Foundation, Inc. (Foundation), (as provided for in Section 1004.28, Florida Statutes, and Board of Governors Regulation 9.011) is included within the University's reporting entity as a discretely presented component unit. This legally separate, not-for-profit, corporation is organized and operated exclusively to fund, in whole or in part, academic programs of the University by providing supplemental resources from private gifts and bequests, and grants that may be negotiated annually. The Foundation is governed by a separate board. Florida Statutes authorize the Foundation to receive, hold, invest, and administer property and to make expenditures to or for the benefit of the University.

An annual audit of the Foundation financial statements is conducted by independent certified public accountants. Additional information on the Foundation, including copies of audit reports, is available by contacting the University Controller. Audited financial statements can be obtained from the Controller's Office, New College of Florida, 5800 Bay Shore Rd., Sarasota, Florida 34243-2109.

Basis of Presentation. The University's accounting policies conform with accounting principles generally accepted in the United States of America applicable to public colleges and universities as prescribed by GASB. The National Association of College and University Business Officers (NACUBO) also provides the University with recommendations prescribed in accordance with generally accepted accounting principles promulgated by GASB and the Financial Accounting Standards Board (FASB). GASB allows public universities various reporting options. The University has elected to report as an entity engaged in only business-type activities. This election requires the adoption of the accrual basis of accounting and entity wide reporting including the following components:

- Management's Discussion and Analysis
- Basic Financial Statements:
  - Statement of Net Position
  - Statement of Revenues, Expenses, and Changes in Net Position
  - Statement of Cash Flows
  - Notes to Financial Statements
- Other Required Supplementary Information

Measurement Focus and Basis of Accounting. Basis of accounting refers to when revenues, expenses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources, are recognized in the accounts and reported in the financial statements. Specifically, it relates to the timing of the measurements made, regardless of the measurement focus applied. The University's financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources resulting from nonexchange activities are generally recognized when all applicable eligibility requirements, including time requirements, are met. The University follows GASB standards of accounting and financial reporting.

The University's blended and discretely presented component units use the economic resources measurement focus and the accrual basis of accounting, and follow GASB standards of accounting and financial reporting.

Significant interdepartmental sales between auxiliary service departments and other institutional departments have been eliminated from revenues and expenses for reporting purposes.

The University's principal operating activities consist of instruction, research, and public service. Operating revenues and expenses generally include all fiscal transactions directly related to these activities as well as administration, operation and maintenance of capital assets, and depreciation of capital assets. Nonoperating revenues include State noncapital appropriations, Federal and State student financial aid, and investment income (net of unrealized gains or losses on investments). Interest on capital asset-related debt is a nonoperating expense. Other revenues generally include revenues for capital construction projects.

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

The statement of revenues, expenses, and changes in net position is presented by major sources and is reported net of tuition scholarship allowances. Tuition scholarship allowances are the difference between the stated charge for goods and services provided by the University and the amount that is actually paid by the student or the third-party making payment on behalf of the student. The University applied the "Alternate Method" as prescribed in NACUBO Advisory Report 2000-05 to determine the reported net tuition scholarship allowances. Under this method, the University computes these amounts by allocating the cash payments to students, excluding payments for services, using a ratio of total aid to aid not considered third-party aid.

The statement of cash flows is presented using the direct method in compliance with GASB Statement No. 9, *Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Governmental Entities That Use Proprietary Fund Accounting*.

Cash and Cash Equivalents. Cash and cash equivalents consist of cash on hand and cash in demand accounts. University cash deposits are held in banks qualified as public depositories under Florida law. All such deposits are insured by the Federal Deposit Insurance Corporation, up to specified limits, or collateralized with securities held in Florida's multiple financial institution collateral pool required by Chapter 280, Florida Statutes. Cash and cash equivalents that are externally restricted to make debt service payments, maintain sinking or reserve funds, or to purchase or construct capital or other restricted assets, are classified as restricted.

Capital Assets. University capital assets consist of land, works of art and historical treasures, construction in progress, buildings, infrastructure and other improvements, furniture and equipment, library resources, and computer software. These assets are capitalized and recorded at cost at the date of acquisition or at acquisition value at the date received in the case of gifts and purchases of State surplus property. Additions, improvements, and other outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. The University has a capitalization threshold of $5,000 for tangible personal property and $100,000 for new buildings and other building improvements. Depreciation is computed on the straight-line basis over the following estimated useful lives:

- Buildings – 9 to 50 years
- Infrastructure and Other Improvements – 20 years

- Furniture and Equipment – 3 to 15 years
- Library Resources – 5 to 10 years
- Computer Software – 7 years

Noncurrent Liabilities. Noncurrent liabilities include amounts of certificates of participation payable, compensated absences payable, other postemployment benefits (OPEB) payable, net pension liability, and other noncurrent liabilities (an interest rate swap) that are not scheduled to be paid within the next fiscal year. Certificates of participation payable are reported net of unamortized discounts. The University amortizes debt discounts over the life of the debt using the straight-line method.

Pensions. For purposes of measuring the net pension liabilities, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net positions of the Florida Retirement System (FRS) defined benefit plan and the Health Insurance Subsidy (HIS) defined benefit plan and additions to/deductions from the FRS and HIS fiduciary net positions have been determined on the same basis as they are reported by the FRS and the HIS plans. Benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value.

Leases. The University determines if an arrangement is a lease at inception. Lessee arrangements are included in lease assets and lease liabilities in the statements of net position. Lease assets represent the University's control of the right-to-use an underlying asset for the lease term, as specified in the contract, in an exchange or exchange-like transaction. Lease assets are recognized at the commencement date based on the initial measurement of the lease liability, plus any payments made to the lessor at or before the commencement of the lease term and certain direct costs. Lease assets are amortized in a systematic and rational manner over the shorter of the lease term or the useful life of the underlying asset. Lease liabilities represent the University's obligation to make lease payments arising from the lessee arrangement. Lease liabilities are recognized at the commencement date based on the present value of expected lease payments over the lease term, less any lease incentives. Interest expense is recognized ratably over the contract term. The lease term may include options to extend or terminate the lease when it is reasonably certain that the university will exercise that option. The University recognized payments for short-term leases with a lease term of 12 months or less and leases with a present value of less than a hundred thousand dollars over the life of the lease as expenses as incurred, and these leases are not included as lease liabilities or right-to-use lease assets on the statement of net position.

2. Reporting Change

Governmental Accounting Standards Board Statement No. 87. The University implemented GASB Statement No. 87, *Leases*, which establishes a single model for lease accounting based on the foundational principle that leases are financings of the right-to-use, an underlying asset. Under this statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. The University only participates as lessee in current lease contracts. This change is reflected in Note 9. and Note 12. There was no effect to beginning net position.

3. Adjustment to Beginning Net Position

The beginning net position of the University was decreased by $26,540 due to the elimination of Furniture and Equipment for electronic parts in patrol vehicles from the 2020-21 fiscal year.

4. Deficit Net Position in Individual Funds

The University reported an unrestricted net position which included a deficit in the current funds – unrestricted as shown below. This deficit can be attributed to the full recognition of long-term liabilities (i.e., compensated absences payable, OPEB payable, and net pension liabilities) in the current unrestricted funds.

Fund	Net Position
Current Funds - Unrestricted	$ (21,996,622)
Auxiliary Funds	3,876,608
Total	$ (18,120,014)

5. Investments

Section 1011.42(5), Florida Statutes, authorizes universities to invest funds with the State Treasury and State Board of Administration (SBA) and requires that universities comply with the statutory requirements governing investment of public funds by local governments. Accordingly, universities are subject to the requirements of Chapter 218, Part IV, Florida Statutes. The Board of Trustees has adopted a written investment policy providing that surplus funds of the University shall be invested in those institutions and instruments permitted under the provisions of Florida Statutes. Pursuant to Section 218.415(16), Florida Statutes, the University is authorized to invest in the Florida PRIME investment pool administered by the SBA; Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency; interest-bearing time deposits and savings accounts in qualified public depositories, as defined in Section 280.02, Florida Statutes; direct obligations of the United States Treasury; obligations of Federal agencies and instrumentalities; securities of, or interests in, certain open end or closed end management type investment companies; and other investments approved by the Board of Trustees as authorized by law. Investments set aside to make debt service payments, maintain sinking or reserve funds, or to purchase or construct capital assets are classified as restricted.

The University categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets, Level 2 inputs are significant other observable inputs, and Level 3 inputs are significant unobservable inputs.

All of the University's recurring fair value measurements as of June 30, 2022, are investments with the State Treasury which are valued based on the University's share of the pool (Level 3 inputs).

External Investment Pools.

The University reported investments at fair value totaling $18,026,978 at June 30, 2022, in the State Treasury Special Purpose Investment Account (SPIA) investment pool, representing ownership of a share of the pool, not the underlying securities (Level 3 inputs). Pooled investments with the State Treasury are not registered with the Securities and Exchange Commission. Oversight of the pooled investments with the State Treasury is provided by the Treasury Investment Committee per Section 17.575, Florida Statutes. The authorized investment types are set forth in Section 17.57, Florida Statutes. The State Treasury SPIA investment pool carried a credit rating of AA-f by Standard & Poor's, had an effective duration of 2.66 years, and fair value factor of 0.9479 at June 30, 2022. Participants contribute to the State Treasury SPIA investment pool on a dollar basis. These funds are commingled, and a fair value of the pool is determined from the individual values of the securities. The fair value of the securities is summed and a total pool fair value is determined. A fair value factor is calculated by dividing the pool's total fair value by the pool participant's total cash balances. The fair value factor is the ratio used to determine the fair value of an individual participant's pool balance. The University relies on policies developed by the State Treasury for managing interest rate risk or credit risk for this investment pool. Disclosures for the State Treasury investment pool are included in the notes to financial statements of the State's Annual Comprehensive Financial Report.

Component Unit Investments.

Investments held by the University's discretely presented component unit at June 30, 2022, are reported at fair value as follows:

		Fair Value Measurements Using		
Investments by fair value level	**Amount**	**Quoted Prices in Active Markets for Identical Assets (Level 1)**	**Significant Other Observable Inputs (Level 2)**	**Significant Unobservable Inputs (Level 3)**
Mutual Funds				
Equities	$ 29,108,722	$ 29,108,722	$ -	$ -
Bonds	4,394,035	4,394,035	-	-
Total investments by fair value level	$ 33,502,757	$ 33,502,757	$ -	$ -
Investments measured at the net asset value (NAV)				
Private Equity and Other Investments	6,103,305			
Total investments measured at NAV	6,103,305			
Total investments measured at fair value	$ 39,606,062			

6. Receivables

Accounts Receivable. Accounts receivable represent amounts for contract and grant reimbursements due from third parties, student tuition and fees, and various sales and services provided to students and third parties. As of June 30, 2022, the University reported the following amounts as accounts receivable:

Description	Amount
Student Tuition and Fees	$ 33,627
Contracts and Grants	527,888
Auxiliary Services	439,875
Other	1,938
Total Accounts Receivable	1,003,328
Less: Allowance for Uncollectible Accounts	42,558
Accounts Receivable, Net	$ 960,770

Allowance for Doubtful Receivables. Allowances for doubtful accounts are reported based on management's best estimate as of fiscal year end considering type, age, collection history, and other factors considered appropriate. Accounts receivable are reported net of allowances of $42,558 at June 30, 2022.

No allowance has been accrued for contracts and grants receivable. University management considers these to be fully collectible.

7. Due From State

The amount $156,363 due from State consists of $124,860 from Capital Improvement Fee Trust Fund due from the State to the University for construction of University facilities, $31,250 in State contracts and grants pending at year-end, and $253 in sales tax overpayments to be claimed from the State.

8. Due From Component Unit

The amount due from component unit of $527,469 consists of $539,581 owed to the University by the Foundation for payroll for the fourth quarter and reimbursements for expenses paid for by University sources that are Foundation expenses, and the University owes the Foundation $12,112 as a result of receiving an overpayment for scholarship support.

9. Capital Assets

Capital assets activity for the fiscal year ended June 30, 2022, is shown in the following table:

Description	Beginning Balance	Additions	Reductions	Ending Balance
Nondepreciable Capital Assets:				
Land	$ 4,561,975	$ -	$ -	$ 4,561,975
Works of Art and Historical Treasures	76,840	-	-	76,840
Construction in Progress	678,011	445,618	602,545	521,084
Total Nondepreciable Capital Assets	$ 5,316,826	$ 445,618	$ 602,545	$ 5,159,899
Depreciable Capital Assets:				
Buildings	$ 119,090,095	$ 1,051,387	$ -	$ 120,141,482
Infrastructure and Other Improvements	7,202,724	522,571	-	7,725,295
Furniture and Equipment	6,510,947	236,969	174,446	6,573,470
Right-to-Use Lease Assets (1)	-	2,083,216	-	2,083,216
Library Resources	484,367	-	-	484,367
Computer Software	111,363	10,000	-	121,363
Total Depreciable Capital Assets	133,399,496	3,904,143	174,446	137,129,193
Less, Accumulated Depreciation:				
Buildings	57,126,156	3,462,921	-	60,589,077
Infrastructure and Other Improvements	3,383,704	385,294	-	3,768,998
Furniture and Equipment	5,615,691	473,940	147,905	5,941,726
Library Resources	484,367	-	-	484,367
Right-to-Use Lease Assets (1)	-	58,820	-	58,820
Computer Software	104,822	7,969	-	112,791
Total Accumulated Depreciation	66,714,740	4,388,944	147,905	70,955,779
Total Depreciable Capital Assets, Net	$ 66,684,756	$ (484,801)	$ 26,541	$ 66,173,414

(1) Right-to-Use Lease Assets were added due to implementation of GASB Statement No. 87, *Leases*. Beginning balance was not restated.

10. Unearned Revenue

Unearned revenue at June 30, 2022, includes contracts and grants revenue and student tuition and fees received prior to fiscal year end related to subsequent accounting periods. As of June 30, 2022, the University reported the following amounts as unearned revenue:

Description	Amount
Contracts and Grants	$ 67,500
Student Tuition and Fees	82,996
Total Unearned Revenue	$ 150,496

11. Deferred Outflow / Inflow of Resources

The University's blended component unit (Development Corporation) entered into an interest rate swap agreement in connection with its $30 million certificates of participation issuance to manage the risk of rising interest rates on its variable rate-based debt. For the 2020-21 fiscal year, deferred outflows of resources included the effect of deferring accumulated decreases in fair value of hedging derivatives related to this interest rate swap agreement. The interest rate swap expired on April 1, 2022, and it was not renewed, therefore there is no effect in the deferred outflow of resources in the 2021-22 fiscal year. The other noncurrent liabilities section of Note 12. below includes a complete discussion of the swap agreement.

The deferred outflows and inflows related to pensions are an aggregate of items related to pensions as calculated in accordance with GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*. Total deferred outflows of pension resources were $5,330,534 and total deferred inflows of resources related to pensions were $9,657,103 for the fiscal year ended June 30, 2022. Note 13. includes a complete discussion of defined benefit pension plans.

The deferred outflows and inflows related to OPEB are an aggregate of items related to OPEB as calculated in accordance with GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*. Total deferred outflows of OPEB resources were $5,707,276 and total deferred inflows of resources related to OPEB were $7,734,181 for the fiscal year ended June 30, 2022. Note 12. below includes a complete discussion of OPEB.

12. Long-Term Liabilities

Long-term liabilities of the University at June 30, 2022, include certificates of participation payable, right-to-use land lease payable, compensated absences payable, other postemployment benefits payable, net pension liability, and other noncurrent liabilities (an interest rate swap). Long-term liabilities activity for the fiscal year ended June 30, 2022, is shown in the following table:

Description	Beginning Balance	Additions	Reductions	Ending Balance	Current Portion
Certifications of Participation Payable	$ 22,093,206	$ 2,492	$ 980,000	$ 21,115,698	$ 1,020,000
Right-to-Use Land Leases Payable (1)	-	2,083,216	39,036	2,044,180	32,286
Compensated Absences Payable	3,083,778	359,258	425,360	3,017,676	327,659
Other Postemployment Benefits Payable	18,883,172	2,593,544	1,054,763	20,421,953	357,306
Net Pension Liability	18,642,484	4,330,088	16,796,206	6,176,366	18,603
Other Noncurrent Liabilities	696,318	-	696,318	-	-
Total Long-Term Liabilities	$ 63,398,958	$ 9,368,598	$ 19,991,683	$ 52,775,873	$ 1,755,854

(1) Right-to-Use Land Leases Payable were added due to implementation of GASB Statement No. 87, *Leases*. Beginning balance was not restated.

Certificates of Participation Payable. On April 7, 2006, the Development Corporation issued variable rate Certificates of Participation (COPs), Series 2006, in the amount of $30,110,000. The proceeds were used to finance the acquisition, construction, and equipping of five new residence halls containing approximately 200 new student beds, the renovation and improvement of three existing residence halls (Johnson, Bates, and Rothenberg), comprising the Pei complex, and renovation and improvement to the Hamilton Center, the student activities center.

In April of 2012, the Development Corporation, through resolution of the Board, restructured the existing variable rate COPs as allowed under the master trust indenture. The existing COPs were restructured as a non-bank qualified tax-exempt variable facility (New College of Florida Development Corporation, Series 2012 Conversion), with an interest rate equal to 77 percent of the sum of the 30-day London

Interbank Offered Rate (LIBOR) plus 185 basis points. The revised agreement was for 10 years, which expired in April of 2022. The existing maturity and principal payment requirements pursuant to the original 2006 debt issuance were not restructured.

With the enactment of the Federal Tax Cuts and Jobs Act, the Development Corporation's tax-exempt variable facility did not have the same value as it did prior to this act due to the corporate maximum tax rate being reduced to 21 percent from 35 percent. As such, SunTrust, as Trustee, adjusted the interest rate on the swap, effective April 1, 2018, to be 77 percent of the 30-day LIBOR, fixed at 3.30 percent, plus 93.584 percent of 1.85 percent equaling 1.7313 percent. The sum of these two components provided a total effective fixed interest of 5.0313 percent.

Effective April 1, 2022, the Development Corporation restructured the existing variable rate COPs as allowed under the master trust indenture. The existing COPs were restructured as a non-bank qualified tax-exempt plain refinancing with a fixed interest rate of 3.33 percent. The existing maturity and principal payment requirements were not modified.

As a condition of the financing arrangement, the University entered into a Master Ground and Operating Lease Agreement with the Development Corporation. The property covered by the Master Ground lease together with the improvement thereon is leased back by the University to manage and operate through the Master Operating Lease and Facilities Sublease and Management Agreement. The payments on the lease are equal to the annual debt service requirements of the related bond debt and operating costs of the Development Corporation. The lease will terminate on the date the certificates and any related obligations are paid in full. Revenues from student resident facilities are pledged to pay rent to the Development Corporation or its assignees equal to the debt service on the long-term debt and any operating costs. During the 2021-22 fiscal year, student housing revenue totaled $3,904,092.

Principal and interest payment requirements on the COPs outstanding as of June 30, 2022, are as follows:

Fiscal Year Ending June 30	Principal	Interest	Total
2023	1,020,000	678,821	1,698,821
2024	1,065,000	643,731	1,708,731
2025	1,115,000	607,017	1,722,017
2026	1,160,000	568,764	1,728,764
2027	1,220,000	528,637	1,748,637
2028-2032	6,935,000	1,977,312	8,912,312
2033-2037	8,635,000	671,953	9,306,953
Subtotal	21,150,000	5,676,235	26,826,235
Less: Discounts	(34,302)	-	(34,302)
Total	$ 21,115,698	$ 5,676,235	$ 26,791,933

Right-to-Use Land Lease Payable. The University follows GASB Statement No. 87, *Leases*. Land is leased from an external party for various terms under long-term, non-cancelable agreements. The lease expires on November 30, 2056. Currently, the payments are made in monthly installments of $8,322, with an implicit interest rate of 3.33 percent. The University does not have any leases featuring payments tied to an index or market rate, or any leases subject to a residual value guarantee. See Note 9. for right-to-use assets and the associated accumulated depreciation. Future commitments for remaining leases payable as of June 30, 2022, are as follows:

Fiscal Year Ending June 30	Total	Principal	Interest
2023	$ 99,867	$ 32,286	$ 67,581
2024	99,868	33,378	66,490
2025	99,868	34,507	65,361
2026	99,868	35,674	64,194
2027	99,868	36,880	62,988
2028-2032	499,339	203,969	295,370
2033-2037	499,339	240,865	258,474
2038-2042	499,339	284,435	214,904
2043-2047	499,339	335,887	163,452
2048-2052	499,339	396,646	102,693
2053-2057	441,083	409,653	31,430
Total Minimum Lease Payments	$ 3,437,117	$ 2,044,180	$ 1,392,937

Other Noncurrent Liabilities. Other noncurrent liabilities are the liability for an interest rate swap agreement. To protect against the potential of rising interest rates, the Development Corporation entered into an interest rate swap agreement at the time the COPs were issued. The intention of the swap was to effectively change the variable interest rate on the COPs to a synthetic fixed rate. In April of 2022, the existing swap agreement expired and was not renewed as part of a restructured COPs with a fixed interest rate. As of June 30, 2022, there is no liability related to the swap, compared to $0.7 million at June 30, 2021.

Compensated Absences Payable. Employees earn the right to be compensated during absences for annual leave (vacation) and sick leave earned pursuant to Board of Governors' Regulations, University regulations, and bargaining agreements. Leave earned is accrued to the credit of the employee and records are kept on each employee's unpaid (unused) leave balance. The University reports a liability for the accrued leave; however, State noncapital appropriations fund only the portion of accrued leave that is used or paid in the current fiscal year. Although the University expects the liability to be funded primarily from future appropriations, generally accepted accounting principles do not permit the recording of a receivable in anticipation of future appropriations. At June 30, 2022, the estimated liability for compensated absences, which includes the University's share of the Florida Retirement System and FICA contributions, totaled $3,017,676. The current portion of the compensated absences liability, $327,659, is the amount expected to be paid in the coming fiscal year and is based on actual payouts for the last three years calculated as a percentage of those years' compensated absences liability.

Other Postemployment Benefits Payable. The University follows GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, for certain postemployment healthcare benefits administered by the State Group Health Insurance Program.

General Information about the OPEB Plan

Plan Description. The Division of State Group Insurance's Other Postemployment Benefits Plan (OPEB Plan) is a multiple-employer defined benefit plan administered by the State of Florida. Pursuant to the provisions of Section 112.0801, Florida Statutes, all employees who retire from the University are eligible to participate in the State Group Health Insurance Program. Retirees and their eligible dependents shall be offered the same health and hospitalization insurance coverage as is offered to active employees at a premium cost of no more than the premium cost applicable to active employees. A retiree means any officer or employee who retires under a State retirement system or State optional annuity or retirement program or is placed on disability retirement and who begins receiving retirement benefits immediately after retirement from employment. In addition, any officer or employee who retires under the Florida Retirement System Investment Plan is considered a “retiree” if he or she meets the age and service requirements to qualify for normal retirement or has attained the age of 59.5 years and has the years of service required for vesting. The University subsidizes the premium rates paid by retirees by allowing them to participate in the OPEB Plan at reduced or blended group (implicitly subsidized) premium rates for both active and retired employees. These rates provide an implicit subsidy for retirees because retiree healthcare costs are generally greater than active employee healthcare costs. No assets are accumulated in a trust that meet the criteria in paragraph 4 of GASB Statement No. 75. The OPEB Plan contribution requirements and benefit terms necessary for funding the OPEB Plan each year is on a pay-as-you-go basis as established by the Governor’s recommended budget and the General Appropriations Act. Retirees are required to enroll in the Federal Medicare (Medicare) program for their primary coverage as soon as they are eligible.

Benefits Provided. The OPEB Plan provides healthcare benefits for retirees and their dependents. The OPEB Plan only provides an implicit subsidy as described above. For the 2021-22 fiscal year, 27 retirees and beneficiaries received postemployment healthcare benefits.

Proportionate Share of the Total OPEB Liability

The University’s proportionate share of the total OPEB liability of $20,421,953 was measured as of June 30, 2021, and was determined by an actuarial valuation as of July 1, 2020, updated to July 1, 2021, using the actuarial assumptions in the table below. At June 30, 2021, the University’s proportionate share, determined by its proportion of total benefit payments made, was 0.19 percent, which was an increase of 0.01 from its proportionate share reported as of July 1, 2020.

Actuarial Assumptions and Other Inputs. The total OPEB liability was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.6 percent
Salary increases	Varies by FRS Class
Discount rate	2.18 percent
Healthcare cost trend rates	
PPO Plan	7.95 percent for 2022, decreasing to an ultimate rate of 4.04 percent for 2076 and later years
HMO Plan	6.02 percent for 2022, decreasing to an ultimate rate of 4.04 percent for 2076 and later years
Retirees’ share of benefit-related costs	100 percent of projected health insurance premiums for retirees

The discount rate was based on the Standard & Poor's (S&P) Municipal Bond 20-Year High Grade Rate Index.

Mortality rates were based on the PUB-2010 mortality tables with fully generational improvement with Scale MP-2018.

While an experience study had not been completed for the OPEB Plan, the actuarial assumptions that determined the total OPEB liability for the OPEB Plan were based on certain results of the most recent experience study for the FRS Plan.

The following changes have been made since the prior valuation:

- Discount Rate – The discount rate was updated to utilize the mandated discount rate based on a 20-year S&P Municipal Bond Rate Index as of the measurement date, as required under GASB Statement No. 75. The discount rate decreased from 2.66 percent to 2.18 percent.
- Retirement – Retirement rates were updated based on those used in the actuarial valuation of the Florida Retirement System (FRS) conducted by Milliman as of July 1, 2019, with certain adjustments made to reflect the difference in the underlying populations. 60 percent of the Florida Division of State Group Insurance (DSGI) employees are assumed to become eligible for the Deferred Retirement Option Program (DROP), while the remaining 40 percent are assumed to participate in plans which do not offer DROP benefits. Rates were previously those used in Milliman's actuarial valuation of FRS as of July 1, 2015. This change decreased the Total OPEB Liability by about 7 percent as of the valuation date.
- Termination – Termination rates were updated to those used in the actuarial valuation of the FRS conducted by Milliman as of July 1, 2019. Previously, rates were those used in Milliman's actuarial valuation of the FRS as of July 1, 2015. This change increased the Total OPEB Liability by about 3 percent as of the valuation date.
- Disability – Disability rates were updated to those used in the actuarial valuation of the FRS conducted by Milliman as of July 1, 2019. Previously, rates were those used in Milliman's actuarial valuation of FRS as of July 1, 2015. This change increased the Total OPEB Liability by about 0.5 percent as of the valuation date.
- Salary Scale – Salary increase rates were updated to those used in the actuarial valuation of the FRS conducted by Milliman as of July 1, 2019. Previously, rates were those used in Milliman's actuarial valuation of FRS as of July 1, 2015. This change increased the Total OPEB Liability by about 0.2 percent as of the valuation date.
- Active Medical Plan Election Rate – Most actively employed participants in the Plan are health plan subscribers. Those participants are assumed to continue their current health coverage into retirement at a rate of 47 percent. For those who are not currently covered under the health plan, 3.7 percent are assumed to elect medical coverage in retirement. The resulting overall participation rate is 43 percent. Previously, the overall participation rate was 50 percent. This assumption is based on guidance provided by the DSGI on June 23, 2021. This change resulted in an 8 percent decrease in the Total OPEB Liability as of the valuation date.

Sensitivity of the University's Proportionate Share of the Total OPEB Liability to Changes in the Discount Rate. The following table presents the University's proportionate share of the total OPEB liability, as well as what the University's proportionate share of the total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (1.18 percent) or 1 percentage point higher (3.18 percent) than the current rate:

	1% Decrease (1.18%)	Current Discount Rate (2.18%)	1% Increase (3.18%)
University's proportionate share of the total OPEB liability	$25,436,575	$20,421,953	$16,584,308

Sensitivity of the University's Proportionate Share of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates. The following table presents the University's proportionate share of the total OPEB liability, as well as what the University's proportionate share of the total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower or 1 percentage point higher than the current healthcare cost trend rates:

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
University's proportionate share of the total OPEB liability	$15,882,052	$20,421,953	$26,655,357

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB.

For the fiscal year ended June 30, 2022, the University recognized OPEB expense of $1,205,432. At June 30, 2022, the University reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ 970,693
Change of assumptions or other inputs	2,196,387	6,763,488
Changes in proportion and differences between University benefit payments and proportionate share of benefit payments	3,147,232	-
Transactions subsequent to the measurement date	363,657	-
Total	$ 5,707,276	$ 7,734,181

Of the total amount reported as deferred outflows of resources related to OPEB, $363,657 resulting from transactions subsequent to the measurement date and before the end of the fiscal year will be included as a reduction of the total OPEB liability and included in OPEB expense in the year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year Ending June 30	Amount
2023	$ (680,490)
2024	(680,490)
2025	(680,490)
2026	(300,304)
2027	(120,738)
Thereafter	71,950
Total	$ (2,390,562)

Net Pension Liability. As a participating employer in the Florida Retirement System (FRS), the University recognizes its proportionate share of the collective net pension liabilities of the FRS cost-sharing multiple-employer defined benefit plans. As of June 30, 2022, the University's proportionate share of the net pension liabilities totaled $6,176,366. Note 13. includes a complete discussion of defined benefit pension plans.

13. Retirement Plans – Defined Benefit Pension Plans

General Information about the Florida Retirement System (FRS).

The FRS was created in Chapter 121, Florida Statutes, to provide a defined benefit pension plan for participating public employees. The FRS was amended in 1998 to add the Deferred Retirement Option Program (DROP) under the defined benefit plan and amended in 2000 to provide a defined contribution plan alternative to the defined benefit plan for FRS members effective July 1, 2002. This integrated defined contribution pension plan is the FRS Investment Plan. Chapter 121, Florida Statutes, also provides for nonintegrated, optional retirement programs in lieu of the FRS to certain members of the Senior Management Service Class employed by the State and faculty and specified employees in the State university system. Chapter 112, Florida Statutes, established the Retiree Health Insurance Subsidy (HIS) Program, a cost-sharing multiple-employer defined benefit pension plan to assist retired members of any State-administered retirement system in paying the costs of health insurance.

Essentially all regular employees of the University are eligible to enroll as members of the State-administered FRS. Provisions relating to the FRS are established by Chapters 121 and 122, Florida Statutes; Chapter 112, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and FRS Rules, Chapter 60S, Florida Administrative Code; wherein eligibility, contributions, and benefits are defined and described in detail. Such provisions may be amended at any time by further action from the Florida Legislature. The FRS is a single retirement system administered by the Florida Department of Management Services, Division of Retirement, and consists of two cost-sharing multiple-employer defined benefit plans and other nonintegrated programs. An annual comprehensive financial report of the FRS, which includes its financial statements, required supplementary information, actuarial report, and other relevant information, is available from the Florida Department of Management Services Web site (www.dms.myflorida.com).

The University's FRS and HIS pension expense totaled $581,430 for the fiscal year ended June 30, 2022.

FRS Pension Plan

Plan Description. The FRS Pension Plan (Plan) is a cost-sharing multiple-employer defined benefit pension plan, with a DROP for eligible employees. The general classes of membership are as follows:

- *Regular Class* – Members of the FRS who do not qualify for membership in the other classes.
- *Senior Management Service Class* – Members in senior management level positions.
- *Special Risk Class* – Members who are employed as law enforcement officers and meet the criteria to qualify for this class.

Employees enrolled in the Plan prior to July 1, 2011, vest at 6 years of creditable service and employees enrolled in the Plan on or after July 1, 2011, vest at 8 years of creditable service. All vested members, enrolled prior to July 1, 2011, are eligible for normal retirement benefits at age 62 or at any age after 30 years of creditable service, except for members classified as special risk who are eligible for normal retirement benefits at age 55 or at any age after 25 years of creditable service. All members enrolled in the Plan on or after July 1, 2011, once vested, are eligible for normal retirement benefits at age 65 or any time after 33 years of creditable service, except for members classified as special risk who are eligible for normal retirement benefits at age 60 or at any age after 30 years of creditable service. Employees enrolled in the Plan may include up to 4 years of credit for military service toward creditable service. The Plan also includes an early retirement provision; however, there is a benefit reduction for each year a member retires before his or her normal retirement date. The Plan provides retirement, disability, death benefits, and annual cost-of-living adjustments to eligible participants.

The DROP, subject to provisions of Section 121.091, Florida Statutes, permits employees eligible for normal retirement under the Plan to defer receipt of monthly benefit payments while continuing employment with an FRS-participating employer. An employee may participate in DROP for a period not to exceed 60 months after electing to participate. During the period of DROP participation, deferred monthly benefits are held in the FRS Trust Fund and accrue interest. The net pension liability does not include amounts for DROP participants, as these members are considered retired and are not accruing additional pension benefits.

Benefits Provided. Benefits under the Plan are computed on the basis of age, and/or years of service, average final compensation, and credit service. Credit for each year of service is expressed as a percentage of the average final compensation. For members initially enrolled before July 1, 2011, the average final compensation is the average of the 5 highest fiscal years' earnings; for members initially enrolled on or after July 1, 2011, the average final compensation is the average of the 8 highest fiscal years' earnings. The total percentage value of the benefit received is determined by calculating the total value of all service, which is based on retirement plan and/or the class to which the member belonged when the service credit was earned. Members are eligible for in-line-of-duty or regular disability and survivors' benefits. The following table shows the percentage value for each year of service credit earned:

Class, Initial Enrollment, and Retirement Age/Years of Service	% Value
Regular Class members initially enrolled before July 1, 2011	
Retirement up to age 62 or up to 30 years of service	1.60
Retirement at age 63 or with 31 years of service	1.63
Retirement at age 64 or with 32 years of service	1.65
Retirement at age 65 or with 33 or more years of service	1.68
Regular Class members initially enrolled on or after July 1, 2011	
Retirement up to age 65 or up to 33 years of service	1.60
Retirement at age 66 or with 34 years of service	1.63
Retirement at age 67 or with 35 years of service	1.65
Retirement at age 68 or with 36 or more years of service	1.68
Senior Management Service Class	2.00
Special Risk Class	3.00

As provided in Section 121.101, Florida Statutes, if the member was initially enrolled in the Plan before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of-living adjustment is 3 percent per year. If the member was initially enrolled before July 1, 2011, and has service credit on or after July 1, 2011, there is an individually calculated cost-of-living adjustment. The annual cost-of-living adjustment is a proportion of 3 percent determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by 3 percent. Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

Contributions. The Florida Legislature establishes contribution rates for participating employers and employees. Contribution rates during the 2021-22 fiscal year were:

	Percent of Gross Salary	
Class	Employee	Employer (1)
FRS, Regular	3.00	10.82
FRS, Senior Management Service	3.00	29.01
FRS, Special Risk	3.00	25.89
Deferred Retirement Option Program (applicable to members from all of the above classes)	0.00	18.34
FRS, Reemployed Retiree	(2)	(2)

(1) Employer rates include 1.66 percent for the postemployment health insurance subsidy. Also, employer rates, other than for DROP participants, include 0.06 percent for administrative costs of the Investment Plan.

(2) Contribution rates are dependent upon retirement class in which reemployed.

The University's contributions to the Plan totaled $1,608,778 for the fiscal year ended June 30, 2022.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. At June 30, 2022, the University reported a liability of $2,686,296 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2021. The University's proportionate share of the net pension liability was based on the University's 2020-21 fiscal year contributions relative to the total 2020-21 fiscal year contributions of all participating members. At June 30, 2021, the University's proportionate share was 0.035561875 percent, which was an increase of 0.000535892 from its proportionate share measured as of June 30, 2020.

For the year ended June 30, 2022, the University recognized pension expense of $254,600. In addition, the University reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 460,435	$ -
Change of assumptions	1,838,097	-
Net difference between projected and actual earnings on FRS Plan investments	-	9,371,810
Changes in proportion and differences between University contributions and proportionate share of contributions	675,063	70,901
University FRS contributions subsequent to the measurement date	1,608,778	-
Total	$ 4,582,373	$ 9,442,711

The deferred outflows of resources totaling $1,608,778, resulting from University contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ending June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year Ending June 30	Amount
2023	$ (1,027,827)
2024	(1,259,603)
2025	(1,795,764)
2026	(2,421,768)
2027	35,846
Total	$ (6,469,116)

Actuarial Assumptions. The total pension liability in the July 1, 2021, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.40 percent
Salary increases	3.25 percent, average, including inflation
Investment rate of return	6.80 percent, net of pension plan investment expense, including inflation

Mortality rates were based on the PUB-2010 base table, projected generationally with Scale MP-2018.

The actuarial assumptions used in the July 1, 2021, valuation were based on the results of an actuarial experience study for the period July 1, 2013, through June 30, 2018.

The long-term expected rate of return on pension plan investments was not based on historical returns, but instead is based on a forward-looking capital market economic model. The allocation policy's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions, and includes an adjustment for the inflation assumption. The target allocation and best estimates of arithmetic and geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation (1)	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash	1.0%	2.1%	2.1%	1.1%
Fixed Income	20.0%	3.8%	3.7%	3.3%
Global Equity	54.2%	8.2%	6.7%	17.8%
Real Estate (Property)	10.3%	7.1%	6.2%	13.8%
Private Equity	10.8%	11.7%	8.5%	26.4%
Strategic Investments	3.7%	5.7%	5.4%	8.4%
Total	100.0%			
Assumed inflation - Mean			2.4%	1.2%

(1) As outlined in the Plan's investment policy.

Discount Rate. The discount rate used to measure the total pension liability was 6.80 percent. The Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return. The discount rate used in the 2021 valuation was unchanged from the previous valuation.

Sensitivity of the University's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate. The following presents the University's proportionate share of the net pension liability calculated using the discount rate of 6.80 percent, as well as what the University's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (5.80 percent) or 1 percentage point higher (7.80 percent) than the current rate:

	1% Decrease (5.80%)	Current Discount Rate (6.80%)	1% Increase (7.80%)
University's proportionate share of the net pension liability	$12,013,293	$2,686,296	$(5,110,029)

Pension Plan Fiduciary Net Position. Detailed information about the FRS Plan's fiduciary net position is available in the separately issued FRS Pension Plan and Other State Administered Systems Annual Comprehensive Financial Report.

Payables to the Pension Plan. At June 30, 2022, the University reported a payable of $117,737 for the outstanding amount of contributions to the Plan required for the fiscal year ended June 30, 2022.

HIS Pension Plan

Plan Description. The HIS Pension Plan (HIS Plan) is a cost-sharing multiple-employer defined benefit pension plan established under Section 112.363, Florida Statutes, and may be amended by the Florida Legislature at any time. The benefit is a monthly payment to assist retirees of State-administered retirement systems in paying their health insurance costs and is administered by the Florida Department of Management Services, Division of Retirement.

Benefits Provided. For the fiscal year ended June 30, 2022, eligible retirees and beneficiaries received a monthly HIS payment of $5 for each year of creditable service completed at the time of retirement with a minimum HIS payment of $30 and a maximum HIS payment of $150 per month, pursuant to Section 112.363, Florida Statutes. To be eligible to receive a HIS Plan benefit, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which can include Medicare.

Contributions. The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended June 30, 2022, the contribution rate was 1.66 percent of payroll pursuant to Section 112.363, Florida Statutes. The University contributed 100 percent of its statutorily required contributions for the current and preceding 3 years. HIS Plan contributions are deposited in a separate trust fund from which HIS payments are authorized. HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event the legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or canceled.

The University's contributions to the HIS Plan totaled $177,053 for the fiscal year ended June 30, 2022.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. At June 30, 2022, the University reported a liability of $3,490,070 for its proportionate share of the net pension liability. The current portion of the net pension liability is the University's proportionate share of benefit payments expected to be paid within 1 year, net of the University's proportionate share of the HIS Plan's fiduciary net position available to pay that amount. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2020, and update procedures were used to determine the net pension liability as of June 30, 2021. The University's proportionate share of the net pension liability was based on the University's 2020-21 fiscal year contributions relative to the total 2020-21 fiscal year contributions of all participating members. At June 30, 2021, the University's proportionate share was 0.028452038 percent, which was an increase of 0.000100250 from its proportionate share measured as of June 30, 2020.

For the fiscal year ended June 30, 2022, the University recognized pension expense of $326,830. In addition, the University reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 116,787	$ 1,462
Changes in assumptions	274,241	143,800
Net difference between projected and actual earnings on HIS Plan investments	3,638	-
Changes in proportion and differences between University HIS contributions and proportionate share of HIS contributions	176,442	69,130
University HIS contributions subsequent to the measurement date	177,053	-
Total	$ 748,161	$ 214,392

The deferred outflows of resources totaling $177,053, resulting from University contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ending June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year Ending June 30	Amount
2023	$ 125,116
2024	54,225
2025	66,727
2026	67,285
2027	36,413
Thereafter	6,950
Total	$ 356,716

Actuarial Assumptions. The total pension liability in the July 1, 2020, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.40 percent
Salary increases	3.25 percent, average, including inflation
Municipal bond rate	2.16 percent

Mortality rates were based on the PUB-2010 base table, projected generationally with Scale MP-2018.

While an experience study had not been completed for the HIS Plan, the actuarial assumptions that determined the total pension liability for the HIS Plan were based on certain results of the most recent experience study for the FRS Plan.

Discount Rate. The discount rate used to measure the total pension liability was 2.16 percent. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index. The discount rate used in the 2021 valuation was updated from 2.21 percent to 2.16 percent.

Sensitivity of the University's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate. The following presents the University's proportionate share of the net pension liability calculated using the discount rate of 2.16 percent, as well as what the University's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (1.16 percent) or 1 percentage point higher (3.16 percent) than the current rate:

	1% Decrease (1.16%)	Current Discount Rate (2.16%)	1% Increase (3.16%)
University's proportionate share of the net pension liability	$4,034,859	$3,490,070	$3,043,737

Pension Plan Fiduciary Net Position. Detailed information about the HIS Plan's fiduciary net position is available in the separately issued FRS Pension Plan and Other State Administered Annual Comprehensive Financial Report.

14. Retirement Plans – Defined Contribution Pension Plans

FRS Investment Plan. The SBA administers the defined contribution plan officially titled the FRS Investment Plan (Investment Plan). The Investment Plan is reported in the SBA's annual financial statements and in the State's Annual Comprehensive Financial Report.

As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined benefit plan. University employees already participating in the State University System Optional Retirement Program or DROP are not eligible to participate in the Investment Plan. Employer and employee contributions are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Service retirement benefits are based upon the value of the member's account upon retirement. Benefit terms, including contribution requirements, are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contributions, that are based on salary and membership class (Regular Class, Senior Management Service Class, etc.), as the FRS defined benefit plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Costs of administering the Investment Plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.06 percent of payroll and by forfeited benefits of Investment Plan members. Allocations to the Investment Plan member accounts during the 2021-22 fiscal year were as follows:

Class	Percent of Gross Compensation
FRS, Regular	6.30
FRS, Senior Management Service	7.67
FRS, Special Risk Regular	14.00

For all membership classes, employees are immediately vested in their own contributions and are vested after 1 year of service for employer contributions and investment earnings regardless of membership class. If an accumulated benefit obligation for service credit originally earned under the FRS Pension Plan is transferred to the FRS Investment Plan, the member must have the years of service required for FRS Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Nonvested employer contributions are placed in a suspense account for up to 5 years. If the employee returns to FRS-covered employment within the 5-year period, the employee will regain control over their account. If the employee does not return within the 5-year period, the employee will forfeit the accumulated account balance. For the fiscal year ended June 30, 2022, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the University.

After termination and applying to receive benefits, the member may roll over vested funds to another qualified plan, structure a periodic payment under the Investment Plan, receive a lump-sum distribution, leave the funds invested for future distribution, or any combination of these options. Disability coverage is provided in which the member may either transfer the account balance to the FRS Pension Plan when approved for disability retirement to receive guaranteed lifetime monthly benefits under the FRS Pension Plan, or remain in the Investment Plan and rely upon that account balance for retirement income.

The University's Investment Plan pension expense totaled $531,731 for the fiscal year ended June 30, 2022.

State University System Optional Retirement Program. Section 121.35, Florida Statutes, provides for an Optional Retirement Program (Program) for eligible university instructors and administrators. The Program is designed to aid State universities in recruiting employees by offering more portability to employees not expected to remain in the FRS for 8 or more years.

The Program is a defined contribution plan, which provides full and immediate vesting of all contributions submitted to the participating companies on behalf of the participant. Employees in eligible positions can make an irrevocable election to participate in the Program, rather than the FRS, and purchase retirement and death benefits through contracts provided by certain insurance carriers. The employing university contributes 5.14 percent of the participant's salary to the participant's account, 4.19 percent to cover the unfunded actuarial liability of the FRS pension plan, and 0.01 percent to cover administrative costs, for a total of 9.34 percent, and employees contribute 3 percent of the employee's salary. Additionally, the employee may contribute, by payroll deduction, an amount not to exceed the percentage contributed by the University to the participant's annuity account. The contributions are invested in the company or companies selected by the participant to create a fund for the purchase of annuities at retirement.

The University's contributions to the Program totaled $1,154,301, and employee contributions totaled $629,828 for the 2021-22 fiscal year.

15. Construction Commitments

The University's construction commitments at June 30, 2022, were as follows:

Project Description	Total Commitment	Completed to Date	Balance Committed
Caples Mansion Phase 2	$ 2,185,911	$ 6,705	$ 2,179,206
CEO Space Expansion	1,002,300	293,483	708,817
Library Water Intrusion	462,155	16,565	445,590
4 Winds Café Renovations	417,737	29,851	387,886
Access Control Replacement	400,000	10,482	389,518
College Hall Renovations	104,874	96,598	8,276
Subtotal	4,572,977	453,684	4,119,293
Other Projects (1)	67,400	67,400	-
Total	$ 4,640,377	$ 521,084	$ 4,119,293

(1) Individual projects with a current balance committed of less than $100,000 at June 30, 2022.

16. Risk Management Programs

The University is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Pursuant to Section 1001.72(2), Florida Statutes, the University participates in State self-insurance programs providing insurance for property and casualty, workers' compensation, general liability, fleet automotive liability, Federal Civil Rights, and employment discrimination liability. During the 2021-22 fiscal year, for property losses, the State retained the first $2 million per occurrence for all perils except named windstorm and flood. The State retained the first $2 million per occurrence with an annual aggregate retention of $40 million for named windstorm and flood losses. After the annual aggregate retention, losses in excess of $2 million per occurrence were commercially insured up to $57.5 million for named windstorm and flood through February 14, 2022, and decreased to $56.3 million starting February 15, 2022. For perils other than named windstorm and flood, losses in excess of $2 million per occurrence were commercially insured up to $167.5 million through February 14, 2022, and increased to $168.7 million starting February 15, 2022; and losses exceeding those amounts were retained by the State. No excess insurance coverage is provided for workers' compensation, general and automotive liability, Federal Civil Rights and employment action coverage; all losses in these categories are completely self-insured by the State through the State Risk Management Trust Fund established pursuant to Chapter 284, Florida Statutes. Payments on tort claims are limited to $200,000 per person and $300,000 per occurrence as set by Section 768.28(5), Florida Statutes. Calculation of premiums considers the cash needs of the program and the amount of risk exposure for each participant. Settlements have not exceeded insurance coverage during the past 3 fiscal years.

Pursuant to Section 110.123, Florida Statutes, University employees may obtain healthcare services through participation in the State group health insurance plan or through membership in a health maintenance organization plan under contract with the State. The State's risk financing activities associated with State group health insurance, such as risk of loss related to medical and prescription drug claims, are administered through the State Employees Group Health Insurance Trust Fund. It is the practice of the State not to purchase commercial coverage for the risk of loss covered by this Fund. Additional information on the State's group health insurance plan, including the actuarial report, is available from the Florida Department of Management Services, Division of State Group Insurance.

17. Functional Distribution of Operating Expenses

The functional classification of an operating expense (instruction, research, etc.) is assigned to a department based on the nature of the activity, which represents the material portion of the activity attributable to the department. For example, activities of an academic department for which the primary departmental function is instruction may include some activities other than direct instruction such as research and public service. However, when the primary mission of the department consists of instructional program elements, all expenses of the department are reported under the instruction classification. The operating expenses on the statement of revenues, expenses, and changes in net position are presented by natural classifications. The following are those same expenses presented in functional classifications as recommended by NACUBO:

Functional Classification	Amount
Instruction	$ 14,181,956
Research	1,387,004
Academic Support	3,522,038
Student Services	5,787,027
Institutional Support	11,716,068
Operation and Maintenance of Plant	4,632,760
Scholarships and Fellowships	2,863,033
Auxiliary Enterprises	4,842,398
Depreciation	4,388,944
Total Operating Expenses	$ 53,321,228

18. Blended Component Unit

The University has one blended component unit as discussed in Note 1. The following financial information is presented net of eliminations for the University's blended component unit:

Condensed Statement of Net Position

	New College of Florida Development Corporation	University	Eliminations	Total Primary Government
Assets:				
Due From University / Blended CU	$ 1,742,639	$ -	$ (1,742,639)	$ -
Other Current Assets	1,698,821	21,195,201	(1,698,821)	21,195,201
Capital Assets, Net	-	71,333,313	-	71,333,313
Other Noncurrent Assets	18,134,060	595,506	(18,134,060)	595,506
Total Assets	21,575,520	93,124,020	(21,575,520)	93,124,020
Deferred Outflows of Resources	-	11,037,810	-	11,037,810
Liabilities:				
Due To University / Blended CU	-	1,742,639	(1,742,639)	-
Other Current Liabilities	1,196,074	3,366,487	-	4,562,561
Noncurrent Liabilities	20,095,697	50,757,203	(19,832,881)	51,020,019
Total Liabilities	21,291,771	55,866,329	(21,575,520)	55,582,580
Deferred Inflows of Resources	-	17,391,284	-	17,391,284
Net Position:				
Net Investment in Capital Assets	-	48,173,435	-	48,173,435
Restricted - Expendable	283,749	850,796	-	1,134,545
Unrestricted	-	(18,120,014)	-	(18,120,014)
Total Net Position	$ 283,749	$ 30,904,217	$ -	$ 31,187,966

Condensed Statement of Revenues, Expenses, and Changes in Net Position

	New College of Florida Development Corporation	University	Eliminations	Total Primary Government
Operating Revenues	$ 1,083,804	$ 10,224,754	$ -	$ 11,308,558
Depreciation Expense	-	(4,388,944)	-	(4,388,944)
Other Operating Expenses	(23,683)	(48,908,601)	-	(48,932,284)
Operating Income (Loss)	1,060,121	(43,072,791)	-	(42,012,670)
Nonoperating Revenues (Expenses):				
Nonoperating Revenue	-	40,236,338	-	40,236,338
Interest Revenue (Expense)	(1,060,121)	10,123	-	(1,049,998)
Other Nonoperating Expense	(2,491)	(667,849)	-	(670,340)
Net Nonoperating Revenues (Expenses)	(1,062,612)	39,578,612	-	38,516,000
Other Revenues	-	106,898	-	106,898
Decrease in Net Position	(2,491)	(3,387,281)	-	(3,389,772)
Net Position, Beginning of Year	286,240	34,318,038	-	34,604,278
Adjustments to Beginning Net Position	-	(26,540)	-	(26,540)
Net Position, Beginning of Year, as Restated	286,240	34,291,498	-	34,577,738
Net Position, End of Year	$ 283,749	$ 30,904,217	$ -	$ 31,187,966

Condensed Statement of Cash Flows

	New College of Florida Development Corporation	University	Eliminations	Total Primary Government
Net Cash Provided (Used) by:				
Operating Activities	$ 2,040,121	$ (41,038,360)	$ -	$ (38,998,239)
Noncapital Financing Activities	-	40,122,379	-	40,122,379
Capital and Related Financing Activities	(2,040,121)	(1,880,869)	-	(3,920,990)
Investing Activities	-	1,980,406	-	1,980,406
Net Decrease in Cash and Cash Equivalents	-	(816,444)	-	(816,444)
Cash and Cash Equivalents, Beginning of Year	-	2,509,954	-	2,509,954
Cash and Cash Equivalents, End of Year	$ -	$ 1,693,510	$ -	$ 1,693,510

19. Discretely Presented Component Unit

The University has one discretely presented component unit as discussed in Note 1. This component unit comprises 100 percent of the transactions and account balances of the discretely presented component unit column of the financial statements.

Schedule of the University’s Proportionate Share of the Total Other Postemployment Benefits Liability

	2021 (1)	**2020** (1)	**2019** (1)	**2018** (1)	**2017** (1)
University's proportion of the total other postemployment benefits liability	0.19%	0.18%	0.17%	0.16%	0.16%
University's proportionate share of the total other postemployment benefits liability	$20,421,953	$18,883,172	$21,102,038	$16,882,000	$16,780,000
University's covered-employee payroll	$22,305,942	$21,022,328	$20,086,194	$17,432,167	$16,540,148
University's proportionate share of the total other postemployment benefits liability as a percentage of its covered-employee payroll	91.55%	89.82%	105.06%	96.84%	101.45%

(1) The amounts presented for each fiscal year were determined as of June 30.

Schedule of the University's Proportionate Share of the Net Pension Liability – Florida Retirement System Pension Plan

	2021 (1)	2020 (1)	2019 (1)	2018 (1)
University's proportion of the FRS net pension liability	0.035561875%	0.035025983%	0.035447000%	0.032983616%
University's proportionate share of the FRS net pension liability	$ 2,686,296	$ 15,180,777	$ 12,207,453	$ 9,934,836
University's covered payroll (2)	$ 22,305,842	$ 21,022,328	$ 20,086,194	$ 17,432,167
University's proportionate share of the FRS net pension liability as a percentage of its covered payroll	12.04%	72.21%	60.78%	56.99%
FRS Plan fiduciary net position as a percentage of the FRS total pension liability	96.40%	78.85%	82.61%	84.26%

(1) The amounts presented for each fiscal year were determined as of June 30.

(2) Covered payroll includes defined benefit plan actives, investment plan members, State university system optional retirement program members, and members in DROP because total employer contributions are determined on a uniform basis (blended rate) as required by Part III of Chapter 121, Florida Statutes.

Schedule of University Contributions – Florida Retirement System Pension Plan

	2022 (1)	2021 (1)	2020 (1)	2019 (1)
Contractually required FRS contribution	$ 1,608,778	$ 1,354,754	$ 1,163,758	$ 1,099,113
FRS contributions in relation to the contractually required contribution	(1,608,778)	(1,354,754)	(1,163,758)	(1,099,113)
FRS contribution deficiency (excess)	$ -	$ -	$ -	$ -
University's covered payroll (2)	$ 22,927,507	$ 22,305,842	$ 21,022,328	$ 20,086,194
FRS contributions as a percentage of covered payroll	7.02%	6.07%	5.54%	5.47%

(1) The amounts presented for each fiscal year were determined as of June 30.

(2) Covered payroll includes defined benefit plan actives, investment plan members, State university system optional retirement plan members, and members in DROP because total employer contributions are determined on a uniform basis (blended rate) as required by Part III of Chapter 121, Florida Statutes.

2017 (1)	2016 (1)	2015 (1)	2014 (1)	2013 (1)
0.029416862%	0.028903737%	0.026926709%	0.025391772%	0.019864042%
$ 8,701,310	$ 7,298,216	$ 3,477,946	$ 1,549,271	$ 3,419,486
$ 16,540,148	$ 15,940,855	$ 15,302,021	$ 14,276,629	$ 13,288,324
52.61%	45.78%	22.73%	10.85%	25.73%
83.89%	84.88%	92.00%	96.09%	88.54%

2018 (1)	2017 (1)	2016 (1)	2015 (1)	2014 (1)
$ 940,007	$ 765,793	$ 704,864	$ 656,496	$ 556,188
(940,007)	(765,793)	(704,864)	(656,496)	(556,188)
$ -	$ -	$ -	$ -	$ -
$ 17,432,167	$ 16,540,148	$ 15,940,855	$ 15,302,021	$ 14,276,629
5.39%	4.63%	4.42%	4.29%	3.90%

Schedule of the University's Proportionate Share of the Net Pension Liability – Health Insurance Subsidy Pension Plan

	2021 (1)	**2020** (1)	**2019** (1)	**2018** (1)
University's proportion of the HIS net pension liability	0.028452038%	0.028351788%	0.029248158%	0.028157684%
University's proportionate share of the HIS net pension liability	$ 3,490,070	$ 3,461,707	$ 3,272,576	$ 2,980,241
University's covered payroll (2)	$ 9,980,315	$ 9,844,244	$ 9,786,732	$ 8,933,439
University's proportionate share of the HIS net pension liability as a percentage of its covered payroll	34.97%	35.16%	33.44%	33.36%
HIS Plan fiduciary net position as a percentage of the HIS total pension liability	3.56%	3.00%	2.63%	2.15%

(1) The amounts presented for each fiscal year were determined as of June 30.

(2) Covered payroll includes defined benefit plan actives, investment plan members, and members in DROP.

Schedule of University Contributions – Health Insurance Subsidy Pension Plan

	2022 (1)	**2021** (1)	**2020** (1)	**2019** (1)
Contractually required HIS contribution	$ 177,053	$ 167,241	$ 163,378	$ 162,412
HIS contributions in relation to the contractually required HIS contribution	(177,053)	(167,241)	(163,378)	(162,412)
HIS contribution deficiency (excess)	$ -	$ -	$ -	$ -
University's covered payroll (2)	$ 10,557,053	$ 9,980,315	$ 9,844,244	$ 9,786,732
HIS contributions as a percentage of covered payroll	1.68%	1.68%	1.66%	1.66%

(1) The amounts presented for each fiscal year were determined as of June 30.

(2) Covered payroll includes defined benefit plan actives, investment plan members, and members in DROP.

2017 (1)	2016 (1)	2015 (1)	2014 (1)	2013 (1)
0.027024071%	0.026488765%	0.024606111%	0.022834094%	0.020786550%
$ 2,889,538	$ 3,087,156	$ 2,509,436	$ 2,135,044	$ 1,809,742
$ 8,350,415	$ 7,904,077	$ 7,215,699	$ 6,641,607	$ 6,011,544
34.60%	39.06%	34.78%	32.15%	30.10%
1.64%	0.97%	0.50%	0.99%	1.78%

2018 (1)	2017 (1)	2016 (1)	2015 (1)	2014 (1)
$ 152,700	$ 143,019	$ 135,772	$ 94,060	$ 78,222
(152,700)	(143,019)	(135,772)	(94,060)	(78,222)
$ -	$ -	$ -	$ -	$ -
$ 8,933,439	$ 8,350,415	$ 7,904,077	$ 7,215,699	$ 6,641,607
1.71%	1.71%	1.72%	1.30%	1.18%

1. Schedule of the University's Proportionate Share of the Total Other Postemployment Benefits Liability

No assets are accumulated in a trust that meet the criteria in paragraph 4 of GASB Statement No. 75 to pay related benefits.

Changes of Assumptions. The discount rate was updated to utilize the mandated discount rate based on a 20-year S&P Municipal Bond rate index as of the measurement date, as required under GASB Statement No. 75. The discount rate decreased from 2.66 percent to 2.18 percent.

Other changes of assumptions since the prior valuation were updates to retirement, termination, disability and salary scale rates to those used in the actuarial valuation of the Florida Retirement System (FRS) conducted by Milliman as of July 1, 2019, as well as the medical plan election percentages. Refer to Note 12. in the notes to financial statements for further detail.

2. Schedule of Net Pension Liability and Schedule of Contributions – Florida Retirement System Pension Plan

Changes of Assumptions. In 2021, the maximum amortization period was decreased to 20 years for all current and future amortization bases.

3. Schedule of Net Pension Liability and Schedule of Contributions – Health Insurance Subsidy Pension Plan

Changes of Assumptions. In 2021, the municipal rate used to determine total pension liability decreased from 2.21 percent to 2.16 percent.

Sherrill F. Norman, CPA
Auditor General

AUDITOR GENERAL
STATE OF FLORIDA

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The President of the Senate, the Speaker of the
House of Representatives, and the
Legislative Auditing Committee

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the New College of Florida, a component unit of the State of Florida, and its discretely presented component unit as of and for the fiscal year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the University's basic financial statements, and have issued our report thereon dated December 20, 2022, included under the heading **INDEPENDENT AUDITOR'S REPORT**. Our report includes a reference to other auditors who audited the financial statements of the blended and discretely presented component units, as described in our report on the University's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

Respectfully submitted,

Sherrill F. Norman

Sherrill F. Norman, CPA
Tallahassee, Florida
December 20, 2022

NEW COLLEGE OF FLORIDA

2023 LEGISLATIVE PRIORITIES

Hamilton Classroom Building Renovation/Remodel – $5,882,388

- #1 ranked on the Board of Governor's list of Fixed Capital Outlay Projects (PECO).
- Funds will address significant code and functional deficiencies of a 40- plus-year-old facility.

Pritzker Marine Biology Service Remodel – $5,776,771

- #7 ranked on the Board of Governor's list of Fixed Capital Outlay Projects (PECO).
- Resolves structural issues including ADA and provides mitigation for further erosion issues.

Universities of Distinction – Educating for 21st-Century Work – $1,240,000

Revolutionize career preparation in higher education and make a lasting, positive impact on the state and local economy through this request to fund three initiatives:

1. New Admit Internship Scholarships
2. Work-based Learning Pathways to Careers
3. Experiential Learning through Digital & Virtual Reality Technology

Equipped with an exceptional education, personalized career preparation and entrepreneurial thinking, students graduate ready for real-world, 21st-century success.

CONTACTS

New College THE HONORS COLLEGE of Florida

Christie Fitz-Patrick
AVP Government Relations

CAPITAL CITY CONSULTING

Nick Iarossi

Chris Schoonover

NEW COLLEGE OF FLORIDA BOARD OF TRUSTEES

Meeting Date: January 31, 2023

SUBJECT: Ratification of Changes to the Collective Bargaining Agreement between New College of Florida and the United Faculty of Florida

PROPOSED BOARD ACTION

Ratification of changes to the current Collective Bargaining Agreement (Agreement) between New College of Florida (NCF) and the United Faculty of Florida (UFF), as recommended by the College's management representatives.

BACKGROUND

Following duly noticed negotiating sessions regarding an update to the current three-year Agreement, NCF's management representatives and the UFF collective bargaining unit representatives have reached a tentative agreement on changes to articles in the current agreement as set forth below and within the attachments provided.

The changes to the Agreement have been ratified by majority vote of the collective bargaining unit members. The UFF confirmed its ratification of the tentative agreements on January 19, 2023.

Summary of the Changes in the 2021-2024 Collective Bargaining Agreement Between New College of Florida and the United Faculty of Florida

The most important fiscal component of the Agreement involves **Article 23 – Salaries.** The recurring salary increase affects 101 employees covered under the UFF collective bargaining agreement totals approximately $86,158 comprising an across-the-board base increase as detailed below. Taxes and benefits add approximately $13,804 for a total all-in cost of $99,962 for Fiscal Year 2023. These changes average out to a 4.51% increase. If annualized, this cost is approximately $246,167. Taxes and benefits add approximately $43,343 for a total all-in cost of $289,510. These changes, if approved by the Board of Trustees, would be effective on February 5, 2023, and are not retroactive.

Details of the across the board increase are:

(a) Employees making less than $60,000.00 will receive a 3.5% increase in base salary.
(b) Employees making $60,000.00 to $99,999.99 will receive a 3.25% increase in base salary.
(c) Employees making $100,000.00 or more will receive a $1,500 increase in base salary.

Tentative agreement was also reached on a one-time lump sum payment to all 9-month faculty paid over 9 months for a pay differential tied to FY 2021. This non-recurring cost is approximately $100,700. Taxes and benefits add approximately $89,029 for a total all-in cost of $189,729.

The faculty also agreed to begin work one week earlier in Fall 2023 to allow more time for faculty to prepare for classes and interact with students. This will be a one-time adjustment to pay with a cost of $197,243. Taxes and benefits add approximately $34,632 for a total all-in cost of $231,875.

For comparison, the previous increase approved last year was an average of 3.16% and was retroactive to the beginning of the Academic Year. The annualized recurring salary increase for 107 employees covered under the UFF collective bargaining agreement totaled approximately $164,659, comprised of a 2.0% across-the-board base increase. Eligible employees also received a $2,000 one-time lump sum, non-recurring bonus. Taxes and benefits added approximately $28,496 for a total all-in annualized recurring cost of $193,155. It was comprised of the following:

(a) Employees making $70,000.00 or less received a 3.5% increase in base salary.
(b) Employees making $70,000.01 to $99,999.99 received a 3% increase in base salary.
(c) Employees making $100,000.00 or more received a 2% increase in base salary.

This request is a strategic emphasis to ensure New College is competitive in attracting world-class faculty and staff.

Proposed language in <u>underline</u> format and deleted language in ~~strike through~~ format is provided for reference. A summary of the proposed amendments is as follows:

Article 8.4(c) – Appointment, Extra College Compensation Appointments
This section affirms the College's commitment to post all opportunities for extra compensation to allow qualified individuals to apply and to be considered for the appointment.

Article 17.5 – Leaves, Holidays
This section adds three (3) Federal holidays to the paid holidays provided to employees effective 06/01/23. This is an added value of approximately $70,172.

Article 17.10 – Leaves, Administrative Leave
This section provides five days of bereavement leave to employees.

Article 23 – Salaries
This section sets forth a competitive base pay adjustment for bargaining unit members with an effective date of February 5, 2023.

Article 30 – Amendment and Duration
This section sets the dates for renegotiations of the Agreement.

Supporting Documentation Included:

Proposed collective bargaining agreement changes between New College of Florida and the United Faculty of Florida, for 2023-2025 (REDLINE VERSION).

Additional Supporting Documentation Available:

Executed Tentative Agreements covering each proposed amendment.

Facilitators/Presenters:

Erika Worthy, Chief Human Resources Officer/Chair of Management Team

Other Members of NCF's Management Bargaining Team:
Chris Kinsley, CFO
Gail Farb, Williams Parker
Kimbrell Hines, Williams Parker
Lara Sladick, Director, Human Resources
Justin Miller, Director, Office of Research Programs & Services

Board of Trustees – UFF 2022-2023 Redline Version of All Amendments

Article 8 – Appointment

8.4 Appointments

(c) Extra College Compensation Appointments. Extra College compensation is defined as College compensation for any duties in excess of a full appointment (1.0 FTE). Available extra College compensation appointments shall be offered equitably and as appropriate to qualified employees in sufficient time to allow voluntary acceptance or rejection. The College will post all opportunities for extra compensation not already specified by grant funding on the internal Employment website for a minimum of seven (7) days to allow qualified individuals to apply to be considered for the appointment.

Article 17 - Leaves

17.5 Holidays.

The following days of the year are established as paid holidays:

- New Year's Day (January 1)
- Martin Luther King's Birthday (third Monday in January)
- Washington's Birthday (third Monday in February) (NEW)
- Memorial Day (last Monday in May)
- Juneteenth National Independence Day (June 19) (NEW)
- Independence Day (July 4)
- Labor Day (First Monday in September)
- Columbus Day (second Monday in October) (NEW)
- Veteran's Day (November 11)
- Thanksgiving Day (fourth Thursday in November)
- Friday after Thanksgiving
- Christmas Day (December 25)

Winter Break - At the discretion of the College's Board of Trustee's, work days between Christmas and New Year's Day and certain other work days may be established as paid holidays.

If the holiday falls on Saturday, the holiday is observed on Friday. If the holiday falls on Sunday, the holiday is observed on Monday. Classes not held because of a holiday shall not be rescheduled.

(a) Supervisors are encouraged not to require an employee to perform duties on holidays; however, an employee required to perform duties on holidays shall have the employee's schedule adjusted to provide equivalent time off, up to a maximum of eight (8) hours for each holiday worked.

(b) If an employee who has performed duties on a holiday terminates employment prior to being given time off, the employee shall be paid, upon termination, for the holiday hours worked within the previous twelve (12) month period.

Article 17 – Leaves

17.10 Administrative Leaves

(f) Bereavement Leave

An employee upon request shall be granted up to five (5) days of authorized bereavement leave with pay upon the death of a member of his or her immediate family. Death must have occurred while the employee is employed by New College.

A. Immediate family is defined to include spouse or domestic partner; and their parents, children, brothers, sisters, mother-in-law, father-in-law, sister-in-law, brother-in-law, grandparents, grandchildren, stepchildren, stepparents, stepbrothers, stepsisters, aunt, uncle, niece, or nephew.

B. A copy of an obituary, worship bulletin or certificate of death will be required in order to approve the Bereavement Leave.

Article 23 - Salaries

Academic Year 2022-2023

Base Salary Increase
1. Effective February 5, 2023, each eligible employee shall receive an increase to base salary as detailed below. Increases will be reflected in the February 24, 2023, paycheck.

- Eligible employees making less than $60,000 shall receive a 3.5% increase to base salary.
- Eligible employees making $60,000.00-$99,999.99 shall receive a 3.25% increase to base salary.
- Eligible employees $100,000.00 or more as of February 4, 2023, will receive a maximum increase of $1,500.00, except for the eligible employee making $100,600.34, whose salary will be increased to $102,602.62.

2. To receive the base salary increase authorized by this section, the employee must have been a regular employee on or before July 1, 2022, and must be continuously employed by the College through February 4, 2023. If an employee submits a notice of resignation from the College or receives a notice of adverse action to terminate prior to February 4, 2023, but continues working up to and including February 4, 2023, he/she will not receive the base salary increase.

3. Eligible employees must have received a satisfactory or better annual evaluation for Academic Year 2021-22. A satisfactory evaluation is when a majority of the employee's assigned duties are evaluated as satisfactory or better.

Earlier Start Date
As of the 2023-2024 academic year, contracts for 9-month faculty will begin one-week before the week of orientation to provide additional time for faculty to prepare for classes and to interact with students. Faculty employed in the 2022-2023 academic year who will continue to provide services during the 2023-2024 academic year will receive a base salary increase equivalent to one additional week of pay effective at the start of the 2023-2024 academic year.

This one extra week will allow faculty twice as much time to accomplish the activities required before classes begin, including:

- Contacting new advisees
- New course preparation and completing/updating syllabi
- Creating and submitting mini-class videos

- Interaction with current advisees
- Potential participation in College-sponsored faculty development workshops
- Potential participation in College-sponsored orientation week activities

Differential Pay in Academic Year 2020-2021

In order to equalize treatment across the bargaining unit, NCF and UFF agree to provide all 9-month faculty paid over 9 months a one-time retroactive payment, which will be provided in a separate detailed list. Eligible employees are those hired prior to August 1, 2021, and who are currently employed by the College.

Article 30 – Amendment and Duration

30.1 Effective Date.

This Agreement shall become effective on the date it is ratified by both parties and remain in effect through June 30, ~~2021~~ 2024.

a. Renegotiations for this Agreement term July 1, ~~2018~~ 2021 (~~2019, 2020~~ 2022, 2023 respectively) through June 30, ~~2019~~ 2022 (~~2020, 2021~~ 2023, 2024 respectively), shall begin no later than October 1, ~~2018~~ 2021 (~~2019, 2020~~ 2022, 2023) respectively, and shall include Articles 23 and 24 and up to three additional articles to be chosen by each party.

a. The parties may agree to include other subjects in their renegotiations.

30.2 Amendments.

In the event the College and the UFF negotiate a mutually acceptable amendment to this Agreement, such amendment shall be put in writing and become part of this Agreement upon ratification by both parties.

JANUARY 2023

MI

Issue Brief

Abolish DEI Bureaucracies and Restore Colorblind Equality in Public Universities

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Introduction

There is a lot that state legislatures can do to reverse the illiberal takeover of higher education through Diversity, Equity, Inclusion (DEI) offices that, ironically, stifle intellectual diversity, prevent equal opportunity, and exclude anyone who dissents from a rigid orthodoxy. Here are four proposals for reforming public universities:

1. Abolish DEI bureaucracies.
2. End mandatory diversity training.
3. Curtail political coercion.
4. End identity-based preferences.

These rather straightforward reforms would go far in pushing back on some of the negative trends that have afflicted higher education.[1]

Proposal 1: Abolish DEI Bureaucracies

SECTION 1. PURPOSE

So-called Diversity, Equity, and Inclusion (DEI) bureaucracies at public universities operate as divisive ideological commissariats, promulgating and enforcing Critical Race Theory and related political orthodoxies as official campus policy. Yet recent scientific surveys of universities in the Power Five athletic conferences demonstrate that students feel *less welcome*, not more welcome, at universities with larger DEI staffs.[2]

Administrative DEI offices within universities are not covered by norms of academic freedom and are in fact a threat to academic freedom and academic integrity. Administrators in public institutions of higher education should maintain institutional neutrality on controversial political questions extraneous to the business of educating students. Contrary to this obligation, DEI advances primarily political aims rather than educational aims. Additionally, the growth of DEI bureaucracies has fueled bureaucratic bloat and rising costs, contributing to the indebtedness of students and parents.

The purpose of this policy document is to ensure that public universities succeed in their mission to promote the search for truth and knowledge while maintaining academic freedom and integrity, without being transformed into factories of ideological conformity. To this end, the DEI bureaucracies within public universities must be dismantled.

SECTION 2. MODEL LEGISLATIVE TEXT

A. Public or land-grant institutions of higher education in the state of [STATE] may not expend appropriated funds or otherwise expend any funds derived from bequests, charges, deposits, donations, endowments, fees, grants, gifts, income, receipts, tuition, or any other source, to establish, sustain, support, or staff a diversity, equity, and inclusion office or to contract, employ, engage, or hire an individual to serve as a diversity, equity, and inclusion officer.

B. For the avoidance of doubt, nothing in this section shall be construed to cover or affect an institution of higher education's funding of:

1. Academic course instruction;

2. Research and creative works by the institution's students, faculty, or other research personnel, and the dissemination thereof;

3. Activities of registered student organizations;

4. Arrangements for guest speakers and performers with short-term engagements;

5. Mental or physical health services provided by licensed professionals.

C. For purposes of this section, "diversity, equity, and inclusion" include:

1. Any effort to manipulate or otherwise influence the composition of the faculty or student body with reference to race, sex, color, or ethnicity, apart from ensuring colorblind and sex-neutral admissions and hiring in accordance with state and federal anti-discrimination laws;

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2. Any effort to promote differential treatment of or provide special benefits to individuals on the basis of race, color, or ethnicity.

3. Any effort to promote or promulgate policies and procedures designed and/or implemented with reference to race, color, or ethnicity;

4. Any effort to promote or promulgate trainings, programming, or activities designed and/or implemented with reference to race, color, ethnicity, gender identity, or sexual orientation;

5. Any effort to promote as the official position of the administration, the college, the university, or any administrative unit thereof, a particular, widely contested opinion referencing unconscious or implicit bias, cultural appropriation, allyship, transgender ideology, microaggressions, group marginalization, anti-racism, systemic oppression, social justice, intersectionality, neo-pronouns, heteronormativity, disparate impact, gender theory, racial or sexual privilege, or any related formulation of these concepts.

D. For purposes of this section, a "diversity, equity, and inclusion office" is any division, office, center, or other unit of an institution of higher education or component thereof which is responsible for creating, developing, designing, implementing, organizing, planning, or promoting policies, programming, training, practices, activities, and procedures relating to diversity, equity, and inclusion.

E. For the purposes of this section, a "diversity, equity, and inclusion office" does not include:

1. An office staffed exclusively by licensed attorneys (except for paralegal and secretarial support) and certified by the attorney general of the state of [STATE] as operating with the sole and exclusive mission of ensuring legal compliance with the institution of higher education's obligations under Title IX of the Education Amendments of 1972, as amended, the Americans with Disabilities Act, as amended, the Age Discrimination in Employment Act, as amended, Title VI of the Civil Rights Act of 1964, applicable court order, or other applicable state and federal law.

2. An academic department defined as a unit of an institution of higher education that exists primarily for the purpose of offering courses for degree credit and that does not establish policy or procedures to which other units of the institution are subject.

3. An office solely engaged in new student recruitment.

4. A registered student organization.

F. For purposes of this section, a "diversity, equity, and inclusion officer" is an individual:

1. Who is:

   i. A full or part-time employee of an institution of higher education or component thereof; or

   ii. An independent contractor of an institution of higher education.

2. Whose duties for the institution include coordinating, creating, developing, designing, implementing, organizing, planning, or promoting policies, programming, training, practices, activities, and procedures relating to diversity, equity, and inclusion.

G. For the purposes of this section, "diversity, equity, and inclusion officer" does not include:

1. Any full or part-time employee who is a licensed attorney and whose sole job duties related to diversity, equity, and inclusion are to ensure compliance with the institution of higher education's obligations under Title IX of the Education Amendments of 1972, as amended, the Americans with Disabilities Act, as amended, the Age Discrimination in Employment Act, as amended, Title VI of the Civil Rights Act of 1964, applicable court order, or other applicable state and federal law.

2. Any faculty member while engaged in teaching, research, and the production of creative works; the dissemination of their research and creative works; or advising a registered student organization.

3. A guest speaker or performer with a short-term engagement.

H. For the purposes of this section, "diversity equity, and inclusion office" includes at least the following offices:

1. [DEI Division at Public University A.]

2. [DEI Division at Public University B.]

I. For the purposes of this section, "diversity, equity, and inclusion officer" includes at least the following positions:

1. [VP for DEI at Public University A.]

2. [VP for DEI at Public University B.]

J. Nothing in this section shall be interpreted as prohibiting bona fide qualifications based on sex which are reasonably necessary to the normal operation of public higher education.

K. Any funds that would otherwise have been expended on diversity, equity, and inclusion offices or diversity, equity, and inclusion officers in Fiscal Year 2023 may be reallocated, at the discretion of the governing board of the institution of higher education, to merit scholarships for lower- and middle-income students, and to reduce tuition for in-state students.

L. None of the funds appropriated by this Act for Fiscal Year [20XX] may be expended by an institution of higher education until its governing board has filed a report with the Department of Education, which discloses (i) the steps taken to comply with this section by the governing board and its staff, the administration, staff, and faculty of the institutions under the board's governance, (ii) the number and job titles of the individuals deemed to be required by the institution of higher education's obligations to comply with Title IX of the Education Amendments of 1972, as amended, the Americans with Disabilities Act, as amended, the Age Discrimination in Employment Act, as amended, Title VI of the Civil Rights Act of 1964, applicable court order, or other applicable state and federal law; and (iii) certifies that the institutions of higher education under the board's governance are fully compliant with this section. The institution of higher education shall also make such report available for the public on its website.

M. Attorney General.

1. Any person may notify the attorney general of a violation or potential violation of this chapter by an institution of higher education.

2. The attorney general may file suit for a writ of mandamus compelling the institution of higher education to comply with this section.

N. Cause of Action.

1. Any student enrolled in a degree program at an institution of higher education, any faculty member of an institution of higher education, or any alumnus/alumna of an institution of higher education may bring an action against that institution of higher education if it violates this section.

2. If the claimant shows that the institution of higher education violated this section, the claimant is entitled to injunctive relief.

O. Venue.

1. Notwithstanding any other law, a civil action brought under this section may be brought in:

   i. The county in which all or a substantial part of the events or omissions giving rise to the claim occurred;

   ii. The county of residence in this state for any one of the natural person defendants at the time the cause of action accrued;

   iii. The county of the principal office in this state of any one of the defendants that is not a natural person; or

   iv. The county of residence for the claimant if the claimant is a natural person residing in this state.

P. If any provision of this chapter, or the application of any provision to any person or circumstance, is held to be invalid, the remainder of this chapter and the application of its provisions to any other person or circumstance shall not be affected thereby.

SECTION 3: RATIONALE

There is a widespread consensus among conservative academics and higher education experts, as well as many centrist faculty, that university DEI offices are the nerve center of woke ideology on university campuses. DEI officers form a kind of revolutionary vanguard on campuses; their livelihood can only be justified by discovering—*i.e.*, manufacturing—new inequities to be remedied.

The absurdity of the status quo can be illustrated by way of a simple counterfactual: Imagine a world in which UC Berkeley had an administrative division, funded at $25 million per year, whose sole purpose was to train students, faculty, and staff in conservative ideology; to create political tests in faculty hiring; and to publicly shame students or faculty who violated traditionalist pieties. California's Democratic state legislators would abolish this bureaucracy before breakfast on their first day in session. Republican legislators, by contrast, have allowed analogous bureaucracies to emerge and metastasize at nearly all their public universities.

There is no reliable evidence to support the view that large DEI offices have a positive impact on minority students' sense of belonging. In fact, the standard DEI narrative aims to persuade minority students that they are oppressed and unwelcome. Research has shown that the presence of this bureaucracy has *no positive impact*, and potentially a negative impact, on minority students' sense of belonging at universities. Comparing DEI headcount against campus climate survey data, one analysis found that "student reports on campus climate are no better—and often worse, especially for minority students—at universities with larger DEI staff levels."[3]

In addition to these fundamental problems, it is worth noting that much of the growth in administrative bloat at universities has come from bloated DEI bureaucracies.[4] Cutting this unnecessary bureaucracy down to size is just good government.

Proposal 2: End Mandatory Diversity Training

SECTION 1. PURPOSE

The state of [STATE] is committed to ending discrimination in all its forms; critical to this commitment is the obligation to treat citizens as individuals, not simply as components of a racial, religious, sexual, or national class. As part of this obligation, the state of [STATE] is dedicated to providing higher education to all on equal terms.

Across American academia, a discriminatory ideology antithetical to the state's commitment to nondiscrimination, has grown popular under the guise of "diversity, equity, and inclusion," or DEI. Although DEI sounds innocuous and even salutary, it's an Orwellian phrase that in reality prevents intellectual diversity, impedes equal opportunity, and excludes those who don't conform to progressive orthodoxy. Students and employees have the constitutional right to adopt such a discriminatory ideology on their own, but the state of [STATE] will not make adherence to any ideology, let alone a discriminatory one, a prerequisite to equal access to public institutions of higher education as a student or as an employee.

Public institutions of higher education are strengthened, not weakened, by diversity of thought, ideas, and expression. Furthermore, since the speech made by employees of public institutions of higher education while conducting mandatory training sessions is speech made in the performance of their duties as employees of the State, the legislature must ensure that this speech is not discriminatory.

SECTION 2: MODEL LEGISLATIVE TEXT

A. A public or land-grant institution of higher education may not make diversity training mandatory.

B. For the purposes of this section:

1. "Institution of higher education" has the meaning assigned by [appropriate section in the state code].

2. "Mandatory" means a requirement of any kind imposed on a student, employee, or applicant for employment, including but not limited to:

    i. A requirement, the nonfulfillment of which, may adversely affect the status, salary, or benefits of an employee or applicant for employment at the institution of higher education or component thereof;

ii. A requirement to participate in any administrative process or decision-making body of the university, such as a hiring committee;

iii. A requirement to participate in any otherwise available program sponsored by the institution of higher education or component thereof;

iv. A requirement to receive any generally available benefit offered by the institution of higher education or component thereof;

v. A requirement to live in any residential facility used exclusively for housing or boarding students or faculty;

vi. A requirement for the application or receipt of any scholarship, loan, grant, financial aid, or forgiveness program.

3. "Diversity, equity, and inclusion" refer to interrelated concepts:

i. Purporting to describe or expose structures, systems, or relations of power, privilege, or subordination on the basis of race, sex, color, gender, ethnicity, gender identity, or sexual orientation; or

ii. Purporting to describe methods to identify, dismantle, or oppose such structures, systems, or relations; or

iii. Justifying differential treatment or special benefits conferred on the basis of race, sex, color, gender, ethnicity, gender identity, or sexual orientation;

iv. Including unconscious or implicit bias, cultural appropriation, allyship, transgenderism, microaggressions, micro-invalidation, group marginalization, anti-racism, systemic oppression, ethnocentrism, structural racism, structural inequity, social justice, intersectionality, neo-pronouns, inclusive language, heteronormativity, disparate impact, gender identity, gender theory, racial or sexual privilege, or related formulations of these concepts.

4. "Diversity training" includes a training, seminar, discussion group, workshop, or other instructional program, whether provided in-person, online, or by any other means, with a purpose of advising, counseling, demonstrating, explaining, instructing, or teaching participants about diversity, equity, and inclusion.

5. "Diversity training" does not include:

i. An academic course offered for credit;

ii. Activities of a registered student organization affecting only its members.

C. Attorney General.

1. Any person may notify the attorney general of a violation or potential violation of this chapter by an institution of higher education.

2. The attorney general may file suit for a writ of mandamus compelling the institution of higher education to comply with this section.

D. Cause of Action.

1. Any student enrolled in a degree program at an institution of higher education, any faculty member of an institution of higher education, or any alumnus/alumna of an institution of higher education may bring an action against that institution of higher education if it violates this section.

2. If the claimant shows that the institution of higher education violated this section, the claimant is entitled to injunctive relief.

E. Venue.

1. Notwithstanding any other law, a civil action brought under this section may be brought in:

   i. The county in which all or a substantial part of the events or omissions giving rise to the claim occurred;

   ii. The county of residence in this state for any one of the natural person defendants at the time the cause of action accrued;

   iii. The county of the principal office in this state of any one of the defendants that is not a natural person; or

   iv. The county of residence for the claimant if the claimant is a natural person residing in this state.

F. This section shall not be construed to:

1. Limit the academic freedom of any individual faculty member to direct the instruction within his or her own course;

2. Prohibit any program or training scripted by licensed attorneys and required to comply with the institution of higher education's obligations under Title IX of the Education Amendments of 1972, as amended, the Americans with Disabilities Act, as amended, the Age Discrimination in Employment Act, as amended, Title VI of the Civil Rights Act of 1964, applicable court order, or other applicable state and federal law, provided the institution of higher education makes the materials for the program publicly available on the institution of higher education's website.

G. If any provision of this chapter, or the application of any provision to any person or circumstance, is held to be invalid, the remainder of this chapter and the application of its provisions to any other person or circumstance shall not be affected thereby.

SECTION 3. RATIONALE

DEI ideology shapes a campus largely through mandatory training. DEI training is required for students, faculty, and staff. Even when DEI officials claim their training is "voluntary," it is often in fact required for faculty who wish to perform the most basic roles on campus. For example, at most leading public universities, DEI training is mandatory for faculty who wish to serve on any hiring committee, which is a function nearly all faculty perform. Typical DEI training includes unscientific claims about so-called microaggressions and implicit bias, and it rejects the basic American premise that everyone should be treated equally.

DEI has morphed into a state-subsidized ideology of grievance, racial division, and anti-Americanism.

Proposal 3: Curtail Political Coercion

SECTION 1. PURPOSE

The use of so-called "diversity statements" in university employment processes serves as a political litmus test to exclude applicants who do not adhere to CRT and other favored beliefs about American social systems and history.[5]

The U.S. Supreme Court determined that requiring loyalty oaths in public education is unconstitutional, stating in *Keyishian v. Board of Regents* (1967) that the First Amendment "does not tolerate laws that cast a pall of orthodoxy over the classroom."[6] Despite that ruling, a University of California Berkeley self-survey of the 2018–19 academic year found that 76% percent of applicants for faculty positions in the life sciences were eliminated on the basis of their diversity statements alone.[7] More recently, a 2021 survey by the Center for the Study of Partisanship and Ideology found that over one third of U.S. faculty openly admit that they would discriminate on the basis of political ideology in a professional context.[8]

The purpose of this policy document is to maintain the spirit of free inquiry that lies at the heart of the liberal arts. Banning mandatory diversity statements at public institutions of higher education would protect students, faculty, and classrooms against political orthodoxy.

SECTION 2. MODEL LEGISLATIVE TEXT

A. No diversity statement shall ever be required or solicited as part of an admissions process, employment application process, hiring process, contract renewal process, or promotion process; or as a condition of participation in any administrative or decision-making function of any public or land-grant post-secondary educational institution of the state.

B. For the purposes of this section, "diversity statement" means any written or oral statement discussing:

1. The applicant or candidate's race, sex, color, ethnicity, gender identity, or sexual orientation; or

2. The applicant or candidate's views on, experience with, or contributions to diversity, equity, and/or inclusion; marginalized groups; anti-racism; social justice; intersectionality; confessing one's race-based privilege; or related concepts; or

3. The applicant or candidate's views on or experience with the race, sex, color, ethnicity, gender identity, or sexual orientation of students and co-workers; or

4. The applicant or candidate's support for any theory or practice that advocates for the differential treatment of any individual or groups of individuals based on race, sex, color, gender, ethnicity, gender identity, or sexual orientation.

C. No public or land-grant institution of higher education shall grant preferential consideration to an applicant, teacher, employee, or student for opinions expressed or action taken in support of another individual or a group of individuals in which the institution's consideration is based on race, sex, color, ethnicity, gender identity, or sexual orientation of those other individuals.

D. For avoidance of doubt, nothing in this law shall be construed to:

1. Prevent an institution requiring applicants and candidates:

    i. To disclose or discuss the content of their scholarly research or creative works;

    ii. To certify compliance with state and federal anti-discrimination law;

    iii. To discuss pedagogical approaches or experience with students with mental or physical disabilities;

    iv. To affirm fidelity to or provide an oath to uphold the Constitution and laws of the state of [STATE] and the United States.

2. Prevent an applicant or candidate from providing, of his or her own initiative, any information described in subsection (2) of this law.

E. Every public university's Office of General Counsel shall annually transmit a report on compliance with this law in writing to the speaker of the House and president of the Senate.

F. Attorney General.

1. Any person may notify the attorney general of a violation or potential violation of this chapter by an institution of higher education.

2. The attorney general may file suit for a writ of mandamus compelling the institution of higher education to comply with this section.

G. Cause of Action.

1. Any student enrolled in a degree program at an institution of higher education, any faculty member of an institution of higher education, or any alumnus/alumna of an institution of higher education may bring an action against that institution of higher education if it violates this section.

2. If the claimant shows that the institution of higher education violated this section, the claimant is entitled to injunctive relief.

H. Venue.

1. Notwithstanding any other law, a civil action brought under this section may be brought in:

    i. The county in which all or a substantial part of the events or omissions giving rise to the claim occurred;

    ii. The county of residence in this state for any one of the natural person defendants at the time the cause of action accrued;

    iii. The county of the principal office in this state of any one of the defendants that is not a natural person; or

    iv. The county of residence for the claimant if the claimant is a natural person residing in this state.

I. If any provision of this chapter, or the application of any provision to any person or circumstance, is held to be invalid, the remainder of this chapter and the application of its provisions to any other person or circumstance shall not be affected thereby.

SECTION 3. RATIONALE

Through their use of diversity statements, public universities across the country increasingly require the equivalent of political loyalty oaths in their faculty hiring processes.

These loyalty oaths compromise our constitutional protections and the very spirit of intellectual freedom that lies at the foundation of the liberal arts. A bill banning the requirement of diversity statements at public institutions of higher education would defend the classroom against orthodoxy while protecting arenas in which faculty applicants can exercise the very freedom of mind cultivated in their own classrooms. (Legislatures should also consider instituting such a prohibition in any state government or government-funded agency, for that matter.)

The American Enterprise Institute reported in 2021 that 19% of postings on leading university job boards require diversity statements. The figure is 40% for universities ranked in the top 100 by *U.S. News & World Report*.[9] It is clear that many universities condition their hiring decisions on the applicant's conformity (or a lack thereof) to DEI-shaped ideologies.

As Kenin M. Spivak reported, such loyalty oaths often require that applicants "state their belief in the importance of DEI, cite prior efforts to promote DEI, and pledge to integrate DEI into their role as a faculty member." DEI efforts are also required or being proposed at institutions like the National Science Foundation, the National Institutes of Health, most college accreditation agencies, the American Bar Association, and the American Medical Association.[10]

In *Wooley v. Maynard* (1977), the Supreme Court held that the "government cannot compel individuals to subscribe to political doctrines, even if broadly acceptable."[11] Diversity statements, which have been criticized as political tests by the Academic Freedom Alliance and the Foundation for Individual Rights in Education, cannot meet even that basic constitutional standard.

This proposal for curtailing political coercion in public universities builds on the work of the Martin Center and Goldwater Institute.[12]

Proposal 4: End Identity-Based Preferences

SECTION 1. PURPOSE

The purpose of this policy document is to ensure that public institutions of higher education in the state of [STATE] will not discriminate based on identity in admissions or employment.

SECTION 2. MODEL LEGISLATIVE TEXT

A. Notwithstanding any other provision of law, no public or land-grant institution of higher education shall grant preference to any applicant for admission or employment on the basis of race, sex, color, ethnicity, or national origin.

B. Nothing in this section shall be interpreted as prohibiting bona fide qualifications based on sex which are conducive to the normal operation of institutions of public education.

C. Attorney General.

1. Any person may notify the attorney general of a violation or potential violation of this chapter by an institution of higher education.

2. The attorney general may file suit for a writ of mandamus compelling the institution of higher education to comply with this section.

D. Cause of Action.

1. Any student enrolled in a degree program at an institution of higher education, any faculty member of an institution of higher education, or any alumnus/alumna of an institution of higher education may bring an action against that institution of higher education if it violates this section.

2. If the claimant shows that the institution of higher education violated this section, the claimant is entitled to injunctive relief.

E. Venue.

1. Notwithstanding any other law, a civil action brought under this section may be brought in:

   i. The county in which all or a substantial part of the events or omissions giving rise to the claim occurred;

   ii. The county of residence in this state for any one of the natural person defendants at the time the cause of action accrued;

   iii. The county of the principal office in this state of any one of the defendants that is not a natural person; or

   iv. The county of residence for the claimant if the claimant is a natural person residing in this state.

SECTION 3. RATIONALE

This simple legislation is based on California's Proposition 209,[13] a constitutional ban on racial quotas and preferences in public higher education (among other areas).

Endnotes

1 This model legislation was developed in close cooperation with the National Association of Scholars.

2 Jay Greene and James Paul, "Diversity University: DEI Bloat in the Academy," Heritage Foundation, July 27, 2021.

3 Ibid.

4 American Council of Trustees and Alumni, "How Colleges Spend Money," 2020.

5 See, e.g., Abigail Thompson, "The University's New Loyalty Oath," *Wall Street Journal*, Dec. 19, 2019.

6 *Keyishian v. Board of Regents*, 385 U.S. 589 (1967).

7 Rebecca Heald and Mary Wildermuth, "Year End Summary Report: 2018-2019," Initiative to Advance Faculty Diversity, Equity and Inclusion in the Life Sciences.

8 Eric Kaufmann, "Academic Freedom in Crisis: Punishment, Political Discrimination, and Self-Censorship," Center for the Study of Partisanship and Ideology, March 1, 2021.

9 James D. Paul and Robert Maranto, "Other Than Merit: The Prevalence of Diversity, Equity, and Inclusion Statements in University Hiring," American Enterprise Institute, November 2021.

10 Kenin M. Spivak, "The New Loyalty Oaths," *National Review*, Nov. 13, 2021.

11 *Wooley v. Maynard,* 430 U.S. 705 (1977).

12 See, e.g., "End Political Litmus Tests in Education Act: Model Legislation," James G. Martin Center for Academic Renewal and the Goldwater Institute, February 2022.

13 Proposition 209: Prohibition Against Discrimination or Preferential Treatment by State and Other Public Entities

AMENDMENT TO EMPLOYMENT AGREEMENT

This AMENDMENT TO EMPLOYMENT AGREEMENT ("Amendment to Agreement") is entered into this 31st day of January, 2023 by and between the Board of Trustees (the Board") of New College of Florida (the "College") and Patricia Okker (the "President" or "Dr. Okker"), individually.

BACKGROUND

WHEREAS, the College is a state assisted degree-granting institution of higher education: and.

WHEREAS, on April 28th, 2021, the College and Dr. Okker entered into that certain Employment Agreement (the "Agreement"); and,

WHEREAS, the Board wishes to terminate Dr. Okker's employment as President of the College and to amend the terms of the Agreement accordingly; and

WHEREAS, Dr. Okker and the College have freely negotiated their respective terms and conditions of such termination and have reached agreement on such matters; and,

WHEREAS, it is the intent of the parties that this Amendment to Agreement supersede those terms set forth in the Agreement to the extent such terms are no longer applicable, inconsistent with, or are being amended as set forth herein; and

WHEREAS, the College will perform some of its obligations through the New College Foundation. a Florida 501(c)(3) Direct Support Organization of the College;

NOW, THEREFORE, in consideration of promises, covenants and agreements of the parties contained herein. the parties intending to be legally bound, agree that the above recitals are correct and further agree as follows:

TERMS

1. Termination of Employment as President of the College

Effective January 31st, 2023, Dr. Okker's employment as President of the College is terminated subject to the terms and conditions of this Amendment to Agreement and she is relieved of all duties and responsibilities as President.

a. Effective February 1, 2023, Dr. Okker will commence a one-year (12 month) professional development leave compensated at her current base salary and current benefits including medical insurance benefits, retirement benefits, life insurance benefits, disability benefits, automobile, housing and other benefits equal to those under plans provided to members of the New College of Florida Executive Service classification, as such plans may be amended. Payment shall be made in equal installments in accordance with the College's customary payroll practices for salary and benefits.

b. If Dr. Okker accepts full-time employment with an entity other than the College prior to the conclusion of her professional development leave, then such professional development leave shall immediately cease effective on the date that the new employment commences and no further compensation for professional development leave will be owed. Consulting, speaking honoraria or payments for published works shall be permitted during her professional development leave.

c. <u>Employment as Fully Tenured Faculty Member</u>

  a. On June 5, 2021, Dr. Okker was approved by the New College of Florida Board of Trustees as New College of Florida's Division of Humanities at the rank of full Professor. Effective with the fall term of 2024, Dr. Okker shall take on a full-lime teaching position as a faculty member of the College as tenured Professor of English and will report to the Chair of the Division of Humanities. In her teaching position, Dr. Okker shall perform all reasonable duties that would ordinarily be associated with such a position including. but not limited to. teaching requirements as established by College regulations and policies. In addition to the ordinary employment-related benefits provided to full-time teaching faculty members, Dr. Okker shall receive an initial base salary of $150,000 or an initial base salary equal to the average of the base salary of the top three highest paid faculty members at the time she assumes full time teaching faculty responsibilities. whichever is higher. Thereafter, Dr. Okker will be eligible for any salary increases and benefits provided regular, full-time teaching faculty members.

2. <u>Status of Prior Employment Agreement</u>

  a. Paragraphs 1.a.-c., 2.a-f., 3.a-b, 4.a-c, 5.a.-e. and 6.g. of the Agreement are either no longer applicable, superseded or amended by this Amendment to Agreement as the context requires.

3. <u>Release of Liability</u>

  a. Upon the Board's and the College's satisfaction of the terms and conditions of this Amendment to Agreement, Dr. Okker hereby releases the College, the Board and their members, officers and employees of any and all liabilities arising from her termination hereunder.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment to Employment or caused this Amendment to Employment Agreement to be executed this 31st day of January, 2023.

NEW COLLEGE OF FLORIDA	PRESIDENT
__________________________	____________________
Chair, Board of Trustees	Patricia Okker

New College of Florida
Board of Trustees Committee Description

Audit & Compliance Standing Committee

- The Audit and Compliance Committee shall be responsible for all matters relating to NCF's financial reporting and internal controls as well as any direct support organization. It shall provide oversight of the integrity of financial statements and reporting; the independence and qualifications of its Independent Auditor; the performance of internal audit process; interaction with the State Auditor General's Office; risk management; and Program of Compliance and Ethics. At least one member of the Committee shall be designated as the Committee's financial expert. Additional duties outlined in 2.1006, NCF Regulations.

Academic, Student and External Affairs Standing Committee

- The Academic, Student and External Student Affairs Committee shall have responsibility in all matters relating to educational policies and programs and nonacademic student affairs as required under this regulation. Additional duties outlined in 2.1006, NCF Regulations.

Finance and Administration Standing Committee

- The Finance and Administration Committee shall be responsible for all matters relating to NCF's financial affairs and business operations, including all matters relating to buildings and grounds. The Committee shall continually analyze the various financial operations, activities, and plans of NCF and make appropriate recommendations to the BOT to ensure achievement of NCF's stated goals and objectives. It shall be responsible for in-process guidance, review and analysis of the preparation of NCF's annual budget, capital outlay budget, and other budget requests for submission to the BOG. The Committee shall conduct the same type of review and analysis of the annual maintenance and operation budget. Additional duties outlined in 2.1006, NCF Regulations.

Presidential Evaluation Standing Committee

- The Presidential Evaluation Committee is responsible for developing the criteria for the Presidential Evaluation and Retention Bonus for the full board to consider.

Strategic Planning Committee

- The Strategic Planning Committee shall be responsible for defining and developing a strategic plan for NCF and recommending the plan to the full BOT, as provided by law, specifying the institutional goals and objectives of NCF. Additional duties outlined in 2.1006, NCF Regulations.

CHAPTER 2 - The Board of Trustees

2-1006 Committees

The committee system of the BOT shall be composed of standing committees, and special committees. In addition to the appointed members, the Chair of the BOT shall be an ex-officio member of all standing and special committees.

1) Standing Committees. The standing committees of the BOT shall consist of the Finance and Administration Committee; Audit and Compliance Committee; Academic, Student and External Affairs Committee; and the Strategic Planning Committee. The number to be appointed to each standing committee shall be determined by the Chair of the BOT at the time of appointment. However, no committee shall consist of fewer than three (3) members. The Chair of the BOT may appoint non-BOT members to any standing committee, except that no College management or other employees may serve on the Audit Committee; provided, however, that only BOT members shall chair standing committees.

   a. The standing committees shall be nominated by the Chair of the BOT and appointed at the Annual Meeting of each year or as soon as practicable. At the time of appointment, the BOT shall elect the chair of each committee. A vacancy on any committee shall be filled by the Chair of the BOT for the unexpired term, and the Chair of the BOT shall have the power to change the membership of any standing committee at any time. Each standing committee shall meet at the call of the committee chair, or the Chair or the Secretary of the BOT.

   b. The committee shall prepare an agenda for each committee meeting in consultation with the Chair which shall be available to and all members of the BOT with sufficient notice so that any member of the BOT may attend the meeting.

   c. In addition to the duties of the standing committees as listed below, each committee shall consider such other matters as may be referred to it by the BOT, the Chair of the BOT, the President, or the committee chair, and shall make and report its recommendations as required to the BOT and to the President. No standing committee has power or authority to commit the BOT to any policy or action unless specifically granted such power or authority by the BOT.

2) Finance and Administration Committee. The Finance and Administration Committee shall be responsible for all matters relating to NCF's financial affairs and business operations, including all matters relating to buildings and grounds. The Committee shall continually analyze the various financial operations, activities, and plans of NCF and make appropriate recommendations to the BOT to ensure achievement of NCF's stated goals and objectives. It shall be responsible for in-process guidance, review and analysis of the preparation of NCF's annual budget, capital outlay budget, and other budget requests for submission to the BOG. The Committee shall conduct the same type of review and analysis of the annual maintenance and operation budget.

   a. It shall review and make a recommendation to the BOT concerning the annual budget and the setting of tuition rates, student fees, and other student charges. The Committee shall ensure that budget materials are submitted to the BOT in a way that is timely and facilitates BOT review.

b. On behalf of the BOT, it shall approve the investment of College funds, the purchase of real and personal property, and it shall make progress reports to the BOT on its actions.

c. The Committee shall review the contractual policies of NCF to ensure conformance with State regulations and with sound business and ethical practices. It shall review and make recommendations to the BOT on proposed contracts or agreements which are major and/or not routine and which the Committee shall consider to be of particular interest or concern to the BOT.

d. It shall ensure that NCF complies with restrictions on gifts to the College and report periodically to the BOT on those gifts.

e. It shall exercise oversight over the care, maintenance, and security of NCF's buildings and grounds; the selection of architects and the construction and naming of new buildings; the care and preservation of all furnishings and equipment; and such other matters relating to the buildings and grounds of NCF as may come before it.

3) Audit and Compliance Committee. The Audit and Compliance Committee shall be responsible for all matters relating to NCF's financial reporting and internal controls as well as any direct support organization. It shall provide oversight of the integrity of financial statements and reporting; the independence and qualifications of its Independent Auditor; the performance of internal audit process; interaction with the State Auditor General's Office; risk management; and Program of Compliance and Ethics. At least one member of the Committee shall be designated as the Committee's financial expert.

a. The Committee shall be responsible for the appointment, compensation, retention, dismissal and oversight of the work of any public accounting firm engaged (including the resolution of disagreements between management and the auditor regarding financial reporting) for the purpose of preparing or issuing an audit report or performing other audit, review or attest services. The Independent Auditor shall report directly to the Committee.

b. The Committee shall review the annual audited financial statements with management and the Auditor General, including disclosures; review with management and the Independent Auditor the scope of any audit and significant accounting policies and audit conclusions; provide a basis for direct exchanges of views and information between the Committee and the Independent Auditor or Auditor General concerning unresolved differences between management and the Independent Auditor or Auditor General arising from any audit, any failure of internal controls, or any other significant financial or accounting matters or any other matter which, in the opinion of the Auditor, are not receiving adequate management attention.

c. The Committee shall review and approve the audit plan prepared by the Independent Auditor regarding objectives and activities, including any major changes to the scope of the audit plan.

d. The Committee shall review, both internally and externally, the effectiveness of the College's Program of Compliance and Ethics as well as that of any direct support organization, including program design, fitness, and compliance with applicable laws, rules, and regulations. Upon external review of the Program, the Committee shall implement changes as necessary to address any findings of inefficiency or noncompliance.

e. The Committee shall bear ultimate responsibility for the process of investigating complaints regarding unethical behavior, criminal conduct, and/or noncompliance.

   1. The Committee will ensure that timely notification is provided to the BOG when significant and credible allegations of fraud, waste, mismanagement, misconduct, and other abuses are made against the President or a trustee. Such allegations will be addressed as follows:

      a. The Chair of the BOT, in consultation with the chair of the BOG, shall review allegations against the President and may ask the BOG Office of Inspector General to conduct a preliminary inquiry. If it is determined that an investigation is warranted, such investigation will either be conducted by the OIG, or by an independent external firm that is hired by the BOT and that is guided and monitored by the OIG.

      b. If the alleged fraud, waste, mismanagement, misconduct, and other abuses involve the Chair of the BOT, then the Chair of the Audit and Compliance Committee will consult with the Chair of the BOG, as required in the preceding Section.

      c. At the conclusion of such investigation, the report shall be submitted to the subject of the investigation, who shall have twenty (20) working days from the date of the report to submit a written response to the investigator. The subject's response and the investigator's rebuttal, if any, shall be included in the final report. Such report shall be presented to the Chair of the BOT and the BOG Audit and Compliance Committee.

   2. If allegations of fraud, waste, mismanagement, misconduct, or other abuses are made against the Chief Audit Executive and/or the Chief Compliance Officer, the Chair of the Audit and Compliance Committee shall address such allegations and coordinate the investigation as necessary and appropriate.

   3. The BOT and the College are firmly committed to a policy that encourages timely disclosure of such concerns and prohibits retribution or retaliation against any person who, in good faith, reports such concerns. Any employee who, in good faith, reports such incidents described above will be protected from retaliation, threats of retaliation, discharge, or other discrimination that are directly related to the disclosure of such information.

f. The Committee is subject to requirements of Chapters 119 and 286, Florida Statutes, regarding public records and public meetings. However, pursuant to Chapter 119.07, Florida Statutes, certain records are confidential and exempt from the public record. The Chief Audit Executive and Chief Compliance Officer will communicate directly with the Committee on matters considered to be confidential and exempt. Such exemptions include, but are not limited to:

1. Documents and reports created pursuant to Chapter 112, Florida Statutes (the Florida Whistle-blower Act);

2. Complaints of discrimination and misconduct pursuant to Chapter 119.071, Florida Statutes; and

3. Enterprise security of data and information technology pursuant to Chapter 286, Florida Statutes.

4) Academic and Student Affairs Committee. The Academic, Student and External Student Affairs Committee shall have responsibility in all matters relating to educational policies and programs and nonacademic student affairs as required under this regulation.

   a. As to Academic Affairs, its powers shall include but not be limited to: appraising all proposed new programs and degrees and monitoring the conduct of existing programs; reviewing policies concerning the selection, appointment, compensation, tenure, rights and responsibilities, conditions, development, and retention of the faculty; reviewing procedures governing the appointment and promotion of faculty for use by the President; reviewing all proposals for the organization of the academic structure of NCF; reviewing the adequacy of instructional facilities; reviewing policies governing the admission of students to NCF; and periodically reviewing experience with application of such policies and such other matters relating to the policies and programs as may be brought before it by the President or referred to it by the BOT. As a general matter, the Academic Affairs Committee will not sit in review of specific salary complaints or other faculty grievances. Faculty members will be expected to follow the procedures set out specifically for faculty to resolve such complaints.

   b. As to Student Affairs, the Committee shall also exercise oversight of student conduct, residential and social life, student government, student organizations, extracurricular activities, student publications, food services, health, and such other matters relating to student affairs as may be brought to its attention. The Committee shall also have oversight of athletic policy and programs, both intramural and intercollegiate.

   c. As to External Affairs, the Committee shall have responsibility for all matters pertaining to public communications It shall consult and coordinate with the New College Foundation in matters pertaining to College development, alumni affairs, and programs that promote private donations to and alumni support of NCF, including related activities undertaken directly by NCF offices on NCF's behalf.

5) Strategic Planning Committee. The Strategic Planning Committee shall be responsible for defining and developing a strategic plan for NCF and recommending the plan to the full BOT, as provided by law, specifying the institutional goals and objectives of NCF.

6) Special Committees. The Chair of the BOT may appoint special committees of the BOT as required for the benefit of the BOT and NCF. Such committees shall consist of no fewer than three (3) members appointed by the Chair of the BOT and shall have a life of no more than one year unless renewed for a specific period by action of either the BOT or the Chair of the BOT. At the time a special committee is created, its mission shall be specifically established either by action of the BOT or written direction of the Chair of the BOT and the resolution shall specify the time the special committee is to make its report to the BOT. The Chair may appoint non-BOT members to any special committees; provided, however, that only BOT members shall chair special committees.

7) Quorum. A quorum for all standing and special committees of the BOT shall consist of one-third of the appointed members of the Committee, except in no case shall the number be fewer than two.

8) Service on Committees. The maximum number of standing committees a trustee may serve on shall be three (3). Unless otherwise stipulated, committee members shall be appointed for one (1) year. No BOT member shall be chair of more than one (1) committee.

9) BOT Discretion Regarding Committees. The duties, responsibilities, and terms of membership on committees of the BOT shall be defined by the BOT and may be changed from time to time.

Authority: Article IX, Sec. 7, Fla. Constitution; Fla. Board of Governors Regulations 1.001 and 4.003

History: Adopted 09-29-01, as By-laws of the Board of Trustees of NCF; Revised 11-03-01, 05-2502, 07- 15-02, 08-24-02, 02-08-03, 02-05-05; Revised and renumbered 11-04-05; Revised 11-0610, 06-10-17, 10-20-18, 04-19-22.