5-Year Independent Peer Review of New College of Florida's Compliance and Ethics Program

Report Date: September 3, 2026

EXECUTIVE SUMMARY

An independent external review of the New College of Florida's (NCF) Compliance and Ethics Program was performed by the peer review (PR) team of David Blanton, Chief Audit Executive/Chief Compliance Officer (CAE/CCO) at Florida Polytechnic University, Kate Moore, CCO at the University of North Florida (UNF), and Jillian Litchfield, Director of Compliance at UNF. The objectives of the PR were to determine the effectiveness of the program and extent to which the NCF Compliance and Ethics Program adhered to the requirements previously set forth in accordance with Board of Governors Regulation 4.003 *State University System Compliance and Ethics Programs.*

In order to effectively and faithfully execute the PR in accordance with Board of Governors Regulation 4.003 and subsequent guidance provided by the Florida Board of Governors Office of the Inspector General / Director of Compliance, the PR was performed using the State University System Compliance and Ethics Consortium Effectiveness Tool[1] , which was utilized as the basis for this review.

NCF is one of two state institutions that qualify for an exemption, via Board of Governors Regulation 4.003, to employ a single person to carry out the dual-role of both CAE and CCO.

OPINION AS TO EFFECTIVENESS

In acting as qualified independent external assessors from outside the organization, we are fully independent of NCF and have the necessary skills to perform the assessment. After evaluating the documentation supporting the NCF's self-assessment and conducting interviews with the President, Board Chairperson, Board Audit and Compliance Chairperson, Chief Financial Officer, General Counsel, and other members of senior management, it is our overall opinion that the NCF Compliance and Ethics Program is "Highly Effective" in complying with Board of Governors Regulation 4.003. Additionally, the evaluation identified opportunities for further improvement, details of which are provided in this report.

Ratings Scale:

- "Highly Effective" means the assessor has concluded that the relevant structures, policies and procedures of the activity, as well as the processes by which they are applied, promote ethical conduct and maximize compliance with applicable laws, regulations, rules, policies, and procedures as well as the requirements of the Board of Governors Regulation 4.003 *State University System Compliance and Ethics Programs* in all material aspects.
- "Generally Effective" means deficiencies in practice are noted that are judged to deviate from authoritative sources, but these deficiencies did not preclude the compliance activity from performing its responsibilities in an acceptable manner.

[1] The Effectiveness Tool was developed by a subgroup of the State University System Compliance and Ethics Consortium (SUSCEC) for the purpose of self-assessment and program evaluation against the regulatory requirements established in Board of Governors Regulation 4.003, SUS Compliance and Ethics Programs.

- "Not Currently Effective" means deficiencies in practice are judged to be so significant as to seriously impair or preclude the compliance activity from performing adequately in significant areas of its responsibilities.

SCOPE AND METHODOLOGY

The scope of the PR included the period since the previous NCF Compliance Program Review conducted in August 2021; however, the focus was on activities within the last two years. The work performed was guided by the SUS Evaluation Tool, which provides a detailed framework for compliance with the requirements set forth in Board of Governors Regulation 4.003. This includes the evaluation of the Compliance and Ethics Program planning processes, compliance tools and methodologies, engagement, staff management processes, evaluation of NCF regulations, and a representative sample of the Program work and reports. The evaluation also included interviews from key stakeholders such as Board members, General Counsel, and NCF senior leadership. A listing of key stakeholders is included as **Appendix A** of this report. A series of rating questions were also asked of key stakeholders and the composite score of such questions is included as **Appendix B** of this report.

COMPLIANCE PROGRAM AREAS ASSESSED

The peer review included areas in the Compliance and Ethics Program Required Questions outline as previously referenced. After each section heading, a compliance rating is provided.

1. Board of Trustees - Highly Effective
2. Audit and Compliance Committee - Highly Effective
3. Chief Compliance Officer - Highly Effective
4. Senior Leadership Team Compliance Partners - Highly Effective
5. Compliance Program Effectiveness - Highly Effective
6. Code of Conduct - Highly Effective
7. Open Lines of Communication - Policies, Regulations, and Laws - Generally Effective (Many policies have not been updated in over nine years)
8. Reporting Expectations, Hotline, Non-Retaliation Policy – Highly Effective
9. Board of Trustee Training - Highly Effective
10. Compliance Training/New Employee Orientation - Highly Effective
11. Audits, Reviews, and other Monitoring Efforts - Highly Effective
12. Issue Investigation - Highly Effective
13. Remediation Corrective Action – Highly Effective
14. Enforcement - Highly Effective
15. Incentives and Disciplinary Measures – Highly Effective
16. Background Checks/Exclusion Screening - Highly Effective

Table 1: Summary of Section Ratings

RATING CATEGORY	RATING
Highly Effective	15
Generally Effective	1
Not Currently Effective	0
Total	16

OBSERVATIONS AND POSITIVE ATTRIBUTIONS

The program evaluation shows the Compliance Program is well-structured and meets the regulatory requirements of the Board of Governors Regulation 4.003, SUS Compliance and Ethics Programs. Management is striving to apply effective risk management, compliance training, active compliance partnering, website information, and university regulations to achieve a sound compliance environment. Some successful practices observed were:

- Clear and consistent communication between the CCO and NCF Senior leaders. CCO Alex Tzoumas was repeatedly praised for his effective communication efforts to progress the mission and goals of the compliance function. New College Vice Presidents and senior leaders receive consistent updates on compliance risks and work collaboratively with the CCO to map out effective risk management strategies based upon their unique risk profile;
- Professional online compliance training including Title IX for Higher Education, Privacy and Information Security, Financial Integrity, Harassment Prevention, FERPA for Higher Education, and Code of Conduct Awareness;
- Extensive Committee of Sponsoring Organizations framework-based Enterprise Risk Management program;
- Regulations on Fraudulent and Other Dishonest Acts; Accident and Injury Loss Prevention; Conflict of Interest; Employee Security Checks and Screening; and Misconduct;
- Well-experienced and credentialled Compliance and Ethics Program leadership;
- A diverse network of Compliance Program partners who provide periodic status reports;
- Maintenance of a "Report a Problem" website where compliance issues can be reported;
- Keeping the Compliance and Ethics Program Plan up to date; and
- Conducting Internal Audits, Advisory Engagements, and Investigations to ensure a strong control environment and appropriate discipline for non-compliant activities.

Consequently, the comments and recommendations that follow are intended to build on this foundation already in place in the Compliance Program.

RECOMMENDATIONS

Recommendations are divided into two groups:

PART I: MATTERS FOR CONSIDERATION FOR EXECUTIVE MANAGEMENT AND BOT AUDIT AND COMPLIANCE COMMITTEE

1. **University Policies and Regulations:** Many university regulations and policies have not been updated for over nine years. The Compliance and Ethics Program at NCF would benefit from more frequent reviews and modifications of University Regulations and Policies to conform to the ever-changing landscape of University-wide compliance requirements and evolving best practices. Best practice for managing this process includes an inventory of policies and regulations, identification of policy owners, last review dates, and status reporting to executive management and the Audit and Compliance Committee. A similar recommendation was reported in the previous 5-year review conducted in 2021. In doing so, the CAE/CCO should be careful not to take ownership of policy development since such activity may impair the independence and objectivity of the CAE/CCO since he serves in a dual role and is responsible for assurance engagements.

PART II: MATTERS FOR CONSIDERATION FOR CHIEF COMPLIANCE OFFICER

1. **Compliance Charter:** Pursuant to BOG Regulation 4.003, NCF's Compliance Charter should be amended to explicitly specify that the Compliance Program shall be:
    a. Reasonably designed to optimize its effectiveness in preventing or detecting noncompliance, unethical behavior, and criminal conduct, as appropriate to the institution's mission, size, activities, and unique risk profile; and
    b. Developed consistent with the Code of Ethics for Public Officers and Employees contained in Part III, Chapter 112, Florida Statutes; other applicable codes of ethics; and the Federal Sentencing Guidelines Manual, Chapter 8.

    The Charter should also be amended to align with the upcoming revisions of BOG Regulation 4.003, which have not been published as of the date of this report but the revised regulation is expected by the end of the year.

    Although the NCF Compliance Program is structured and operating pursuant to the Federal Sentencing Guidelines and the Code of Ethics, incorporating these program mandates into the Charter would help to better educate the BOT and other members of the University community about program structure and requirements.

2. **Fraud Risk Reporting:** BOG Regulation 3.003, Fraud Prevention and Detection, requires periodic evaluation and reporting to the BOT, at least annually of the status of the antifraud framework used and any necessary revisions to improve the framework. Although the CAE/CCO incorporates fraud risk into his annual risk assessment and reported to the BOT in February 2026 on fraud risk assessment, as prescribed by the COSO framework, such reporting could be expanded to cover other core principles of the COSO framework. (e.g. Fraud Risk Governance, Fraud Control Activities, and Fraud Investigation and Corrective Action). The inclusion of the COSO fraud risk governance principle, when reporting to the BOT on fraud, aligns with the BOG requirement to evaluate the antifraud framework and identify any necessary revisions. Additionally, this recommendation enhances the Compliance and Ethics Program at NCF by optimizing its effectiveness in preventing or detecting unethical behavior and acts of dishonesty.

Respectfully submitted by:





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Chief Audit Executive

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Chief Compliance Officer

Jillian Litchfield

Jillian Litchfield, CIA, CFE
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Director of Compliance and Ethics

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Appendix A
Key Stakeholder Interviews

Debra Jenks, Chair, Board of Trustees

Lance A. Karp, Chair of Audit and Compliance Committee

Richard Corcoran, President

David Brickhouse, Vice President of Legal Affairs

David Rohrbacher, Provost

Christie FitzPatrick, Chief of Staff and Vice President of Finance

Almeda Jacks, Vice President of Student Services

David Rancourt, Vice President of Advancement and Foundation Executive Director

Erin Fisher, Associate Vice President of Human Resources

Alex Tzoumas, CAE/CCO

Appendix B
Interview Questions with Average Ratings

Key stakeholders (listed in **Appendix A** and excluding the CAE/CCO) were asked the following questions and asked to score each question on a scale of 1 to 5, with 5 being the highest score. Stakeholder responses were then averaged to arrive at the composite scores reflected in the table below. This information was collected and tabulated to provide a qualitative measurement of Program effectiveness from the perspective of University senior leadership.

	RATING QUESTION	AVERAGE RATING
1.	The Compliance & Ethics Program at NCF is operating effectively.	4.94
2.	The Compliance function effectively promotes appropriate compliance and ethics values within our organization.	4.89
3.	The CCO communicates effectively. (Oral, written, and presentations)	4.89
4.	The CCO has a high level of professional objectivity in performing their work, makes a balanced assessment of all relevant facts and circumstances, and is not influenced by their own interests or by others in forming judgements.	4.89
5.	The CCO has free and unrestricted access to records, information, locations, and employees during the performance of their responsibilities.	4.94
6.	The Compliance function respects the value and ownership of information received and does not disclose information without appropriate authority unless there is a legal or professional obligation to do so.	4.94
7.	The compliance function is perceived as adding value and helping our organization accomplish its strategic objectives.	4.78
8.	What is your level of confidence in the compliance reporting mechanism/hotline that reported matters are given due consideration and appropriately handled?	4.94
9.	The CCO keeps up to date with changes in our business, our industry, and the relevant regulatory issues.	4.94
10.	Organizational placement of the Compliance function ensures its independence, objectivity, and ability to fulfill its responsibilities.	5.00