



UNT | SYSTEM™

Board of Regents Board Meeting Agenda

August 15-16, 2013 – 8:30 am

University of North Texas Health Science Center
Room 111, Medical Education and Training Building
1000 Montgomery Street
Fort Worth, Texas

The University of North Texas System Board of Regents will meet from approximately 8:30 am to 5:30 pm on August 15, 2013 and from 9:00 am to 12:00 noon on August 16, 2013.

Agenda items are scheduled to follow each other consecutively and may start earlier or later than the posted time depending on the length of the discussions and the reports of previous items. Please note that the estimated times given in the posting are only approximate and may be adjusted as required with no prior notice.

Any members of the Board may attend committee meetings. Because some Board members who are not committee members may attend committee meetings and thereby create a quorum of the full Board, committee meetings are also being posted as meetings of the full Board.

Thursday, August 15 – Start Time: 8:30 am

Invocation

- Dr. Roy Martin
Assistant Professor, Medical Education/Academic Affairs, TCOM

I. Call to Order and Convene Full Board

II. Election of Officers of the Board of Regents

III. APPROVAL OF MINUTES

Approve Minutes of May 16-17, 2013 Board Meeting, June 12, 2013 Called Meeting, July 12, 2013 Teleconference Meeting, and July 29, 2013 Called Meeting

IV. Chancellor's Remarks

Lee F. Jackson, UNT System Chancellor

- Recognition of New Regents
- Legislative Actions
- Executive Searches
- Schedule for 2013-14

Recess into Executive Session (Room 550, MET Building)

V. EXECUTIVE SESSION*

Government Code, Chapter 551, Section .071 - Consultation with Attorneys Regarding Legal Matters or Pending and/or Contemplated Litigation or Settlement Offers

- Consultation with attorneys regarding confidential legal matters, including pending, threatened, and contemplated litigation or settlement offers; contemplated, ongoing and/or finalized investigations and any findings, conclusions or recommendations related to those investigations

Government Code, Chapter 551, Section .072 - Deliberations Regarding the Purchase, Exchange, Lease or Value of Real Property

- Authorization to acquire by purchase or eminent domain, if necessary, the property and improvements described as being all that certain tract or parcel of land, commonly known and numbered as 1811 Maple Street, Denton, Denton County, Texas, and being described in conveyance deeds as follows: All that certain tract or parcel of land situated on the South side of Maple Street in the City and County of Denton, State of Texas, being a part of Block No. 40 of the original College Addition to said City of Denton, this tract having been previously described in a 63.0 by (called) 218.0 foot tract conveyed by J. C. Dooley et ux to R E. Ford, recorded in Volume 431, Page 147 of the Deed Records, Denton County, Texas, and a 60.0 by (called) 218.0 foot tract conveyed by R. P. McBride et ux to Fred Pugh, recorded in Volume 324, Page 562 of the Deed Records of Denton County, Texas, and being more particularly described in a single tract as follows:
 - BEGINNING at a steel pin on the South line of Maple Street at a point 150.0 feet East of the Northwest corner of said Block No. 40, said beginning corner being the Northwest corner of said 63.0 by 218.0 foot tract;
 - THENCE East with the South line of Maple Street, 123.0 feet to a steel pin for corner;

- THENCE South 219.5 feet to a steel pin at the Southeast corner of said 60.0 by 218.0 foot tract;
 - THENCE West 123.0 feet to a steel pin at the Southwest corner of said 60.0 by 218.0 foot tract;
 - THENCE North 219.5 feet to the PLACE OF BEGINNING; being the two tracts conveyed by J. C. Dooley and wife, Opal Dooley, to R. E. Ford by deed dated July 30, 1957, and shown of record in Volume 431, Page 147 of the Deed Records, Denton County, Texas, and by Mrs. Willa Minnie Hudgins to R. E. Ford, David E. Brown and E. J. Ponder by deed dated April 1, 1963, and shown of record in Volume 492, Page 557 of the Deed Records of Denton County, Texas; and being all that certain property described in Deed dated October 30, 1985, executed by Ponder-Ford-Brown Company, Inc., as grantor, recorded in Volume 1754, Page 620 of the Real Property Records of Denton County, Texas.
- Consideration of matters related to the purchase, exchange, lease and value of real property located in Dallas, Denton, and Tarrant Counties

Government Code, Chapter 551, Section .074 - Personnel Matters Relating to Appointment, Employment, Evaluation, Reassignment, Duties, Discipline, or Dismissal of Officers or Employees

- Consideration of individual personnel matters related to the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of System and Institution officers or employees
- Consideration of individual personnel matters related to the UNT presidential search
- Consideration of individual personnel matters related to the following actions items:

2013-49	UNT	Approval of Tenure Recommendation for New Faculty Appointees
2013-52	UNTD	Approval of Tenure Recommendation for New Faculty Appointee
2013-53	UNTHSC	Regents Professor Nomination
2013-54	UNTHSC	Emeritus Regents Professor Nomination

Reconvene the Board in Open Session (Room 111, MET Building) **to consider action on Executive Session items, if any**

VI. CONSENT AGENDA

2013-49	UNT	Approval of Tenure Recommendation for New Faculty Appointees
2013-50	UNT	Approval to Add the UNT Bachelor of Science Degree Programs with a Major in Speech-Language Pathology
2013-51	UNT	Authorization of UNT Internal Reorganization Involving the College Affiliation of the Department of Sociology and Department of Speech and Hearing Sciences
2013-52	UNTD	Approval of Tenure Recommendation for New Faculty Appointee
2013-53	UNTHSC	Regents Professor Nomination
2013-54	UNTHSC	Emeritus Regents Professor Nomination
2013-55	UNTHSC	Approval to Merge Departments of Biostatistics and Epidemiology
2013-56	UNTS	Statement Expressing Official Intent to Reimburse Costs of the University of North Texas System
2013-57	UNTS	Approval of TexPool Resolution Amending Authorized UNT Representatives

Recess for meetings of the Facilities, Academic Affairs, and Finance Committees

VII. COMMITTEE MEETINGS

Facilities Committee

August 15 at 9:30 am (*approximate*)

Call to Order

Approval of Minutes of May 16, 2013 Meeting

BRIEFINGS

UNT Campus Master Plan 2013 Update

- Lane Rawlins, UNT President
- James Maguire, Vice Chancellor for Facilities Planning and Construction and Chief Architect

ACTION ITEMS

2013-58 UNTS	Approval of the Campus Master Plan 2013 Update for the University of North Texas
2013-59 UNTS	Approval of Project Budget and Delegation of Authority to Select the Construction Manager at Risk for the UNT Residence Hall Project
2013-60 UNT	Selection of Construction Manager at Risk for Materials Science and Engineering Lab Renovation at Discovery Park
2013-61 UNTHSC	Approval of Research and Education Building Renovation Project, Budget, and Delegation of Authority to Select the Design Build Firm

BACKGROUND REPORTS

A.	UNT	Capital Projects Plan Update
B.	UNTHSC	Capital Projects Plan Update
C.	UNTS	Major Projects and Renovations

Recess for Academic Affairs and Student Success Committee

Academic Affairs and Student Success Committee

August 15, 2013 at 10:30 am (*approximate*)

Call to Order

Approval of Minutes of May 16, 2013 Meeting

BRIEFINGS

Enrollment Management: Attracting Academically Talented Students

- Rosemary Haggett, UNT System Vice Chancellor for Academic Affairs and Student Success
- Elizabeth With, UNT Vice President for Student Affairs
- Thad Anglin, UNTD Associate Provost for Student Success
- Thomas Moorman, UNTHSC Vice President for Student Affairs

Update on 2012-2013 Review of Centers and Institutes

- Warren Burggren, UNT Provost and Vice President for Academic Affairs
- Yolanda Flores Niemann, UNT Senior Vice Provost
- Thomas Yorio, UNTHSC Provost and Executive Vice President for Academic Affairs

ACTION ITEMS

2013-62 UNTS Delegation of Authority to Dean of UNT Dallas College of Law

BACKGROUND REPORTS

D. UNT Report of Faculty on Modified Service 2012-2013

Recess for lunch followed by the Finance Committee

Finance Committee

August 15, 2013 at 1:00 pm (*approximate*)

Call to Order

Approval of Minutes of May 16, 2013 Meeting

BRIEFING

Update on UNT System Financial Reporting Project

- J. Puckett, Jose Guevara, and Tyce Henry of Boston Consulting Group
- Board Level Financial Reporting
 - Unified Controller Functional Project

FY 2014 UNT System Budget Briefing

- UNTHSC, President Michael Williams
- UNT Dallas, President Ron Brown
- UNT, President Lane Rawlins
- UNT System, Chancellor Lee Jackson

Quarterly Financial Briefing

Allen Clemson, Interim Vice Chancellor for Finance

- Highlights from Financial Background Reports
- FY14 UNTS System Budgets
- Long Term Investment Pool Performance Report
- Investment of System Funds with Associated Institutions' Endowment Policies

ACTION ITEMS

2013-63	UNTS	Approval of FY 14 UNT System Consolidated Budget
2013-64	UNT	Approval of Amended and Restated Affiliated Entity Agreement between the University of North Texas and the University of North Texas Alumni Association
2013-65	UNTHSC	Delegation of Authority to the Chancellor for Approval of UNTHSC Intergovernmental Transfers (IGT) of Funds for FY 2014 in the Texas Healthcare Transformation and Quality Improvement Program (1115 Transformation Waiver), and Update of Estimated IGT Amounts through FY 2014
2013-66	UNTHSC	UNT Health Self-Insurance Plan Annual Report and Approval of FY 2014 Premium Rates
2013-67	UNTS	UNT Dallas College of Law FY 2015 Tuition Rates
2013-68	UNTS	Approval of Amendments to System Regulation 08.2000, Investment of System Funds and Associated Institution's Endowment Policies
2013-69	UNTS	Authorization for UNT System to Enter into a Multi-Year Contract with the HUB International Insurance Brokerage Firm
2013-70	UNTS	Restated Sixteenth Supplemental Resolution to the Master Resolution Authorizing the Issuance, Sale, and Delivery of Board of Regents of the University of North Texas System Revenue Financing System, in One or More Series, and Approving and Authorizing Instruments and Procedures Relating Thereo

BACKGROUND REPORTS

E. UNTS Strategic Management Report

Recess to Full Board

Reconvene Full Board
3:30 pm (*approximate*)

VIII. UNTHSC Administrator's Report

My Journey to the UNT Health Science Center

- President Michael Williams
- Student Representatives from Texas College of Osteopathic Medicine, School of Public Health, Graduate School of Biomedical Sciences, School of Health Professions, and UNT System School of Pharmacy,

Approve Items Recommended by Facilities, Academic Affairs and Student Success, and Finance Committees:

IX. ACTION ITEMS

Facilities Committee

2013-58 UNTS	Approval of the Campus Master Plan 2013 Update for the University of North Texas
2013-59 UNTS	Approval of Project Budget and Delegation of Authority to select the Construction Manager at Risk for the UNT Residence Hall Project
2013-60 UNT	Selection of Construction Manager at Risk for Materials Science and Engineering Lab Renovation at Discovery Park
2013-61 UNTHSC	Approval of Research and Education Building Renovation Project, Budget, and Delegation of Authority to Select the Design Build Firm

Academic Affairs and Student Success Committee

2013-62 UNTS Delegation of Authority to Dean of UNT Dallas College of Law

Finance Committee

2013-63 UNTS Approval of FY14 UNT System Consolidated Budget

2013-64 UNT Amended and Restated Comprehensive Agreement between the University of North Texas and the University of North Texas Alumni Association

2013-65 UNTHSC Delegation of Authority to the Chancellor for Approval of UNTHSC Intergovernmental Transfers (IGT) of Funds for FY 2014 in the Texas Healthcare Transformation and Quality Improvement Program (1115 Transformation Waiver), and Update of Estimated IGT Amounts through FY 2014

2013-66 UNTHSC UNT Health Self-Insurance Plan Annual Report and Approval of FY 2014 Premium Rates

2013-67 UNTS UNT Dallas College of Law FY 2015 Tuition

2013-68 UNTS Approval of Amendments to System Regulation 08.2000, Investment of System Funds and Associated Institution's Endowment Policies

2013-69 UNTS Authorization for UNT System to Enter into a Multi-Year Contract with HUB International Insurance Brokerage Firm

2013-70 UNTS Restated Sixteenth Supplemental Resolution to the Master Resolution Authorizing the Issuance, Sale, and Delivery of Board of Regents of the University of North Texas System Revenue Financing System, in One or More Series, and Approving and Authorizing Instruments and Procedures Relating Thereto

IX. BACKGROUND REPORTS

A. UNT Capital Projects Plan Update

B. UNTHSC Capital Projects Plan Update

- C. UNTS Major Projects and Renovations
- D. UNT Report of Faculty on Modified Service 2012-2013
- E. UNTS Strategic Management Report

Recess Full Board to reconvene on Friday, August 16 at 8:00 am followed by the meeting of the Audit Committee, with Full Board to resume immediately following adjournment of the Audit Committee

Friday, August 16, 2013 – Start Time: 9:00 am (Room 111 MET Building)

X. Call to Order and Convene Full Board

Recess for meeting of the Audit Committee

Audit Committee

August 16, 2013 at 9:00 am (*approximate*)

Call to Order

Approval of Minutes of May 17, 2013 and June 12, 2013 Meetings

BRIEFINGS

UNTS Quarterly Compliance Report

- Stephen Hill, UNTS Compliance Officer

UNTS Quarterly Audit Report

- Michelle Finley, Chief Internal Auditor

Report on External Audit of UNT Health

- John Harman, Senior Vice President and Chief Financial Officer, UNTHSC
- Tom Watson, Managing Partner, BKD

ACTION ITEMS

2013-71 UNTS **FY 2014 UNT System Compliance Risk Assessment and Work Plan**

2013-72 UNTS **FY 2014 UNT System Internal Audit Risk Assessment and Annual Plan**

BACKGROUND REPORTS

E. UNTS **Quarterly Audit Report**

F. UNTS **Quarterly Compliance Report**

Recess into Executive Session (Room 550, MET Building)

Government Code, Chapter 5551 Section 551.076 - Deliberations
Regarding Security Devices or Security Audits

- Consideration of matters related security testing and improvements to information technology security

Reconvene the Audit Committee in Open Session to consider action on Executive Session items, if any

Recess Audit Committee to Full Board

Reconvene Full Board

Approve Items Recommended by Audit Committee

2013-71 UNTS **FY 2014 UNT System Compliance Risk Assessment and Work Plan**

2013-72 UNTS **FY 2014 UNT System Internal Audit Risk Assessment and Annual Plan**

XI. Adjournment

* Any issue listed for open or executive session may be discussed during either session, if permitted by law.



Board Briefing

Committee: Consent

Date Filed: June 4, 2013

Title: Approval of Tenure Recommendation for New UNT Faculty Appointees

Background:

In accordance with UNT Policy 15.0.1.00000, *Faculty Appointment and the Granting of Tenure and Promotion*,

15.0.2.32000 Maximum Probationary Period

“The maximum probationary period is defined as the maximum amount of time a faculty member may be appointed in probationary ranks in the university. **This period shall be specified for each individual at the time of his or her initial appointment.**

Except as otherwise stated in this and related sections of policy, the maximum probationary period is the equivalent of six years of full-time service in the university at the rank of assistant professor, or three years of full-time service in the university at the rank of associate or full professor.”

“**These provisions do not preclude a recommendation for the granting of tenure or a non-retention decision at any time prior to the expiration of the maximum probationary period.**”

15.0.6.31300 Review of Dossier by Provost

“Recommendations for tenure are sent to the President. The President then transmits his or her recommendations for tenure to the Board of Regents.”

Thomas J. McCoy received his Bachelors of Science degree in Zoology and his Master's degree in Plant Breeding and Genetics from the University of Wisconsin-Madison. He earned his Ph.D. in Plant Breeding and Genetics from the University of Minnesota. Dr. McCoy previously served as Dean of the College of Agriculture and Director of the Agriculture Experiment Station at Montana State University (MSU). He also held a tenured full Professor position at MSU. He served as Department Head and tenured Associate Professor in the Department of Plant, Soil and Environmental Sciences at the University of Arizona. Dr. McCoy was a research geneticist at the United States Department of Agriculture alfalfa production research unit in Reno, Nevada. Most recently, he served as Vice President for Research, Creativity and Technology Transfer at Montana State University. Since his appointment in 1998, Dr. McCoy has overseen the growth of research funding at MSU to approximately \$112 million annually. Dr.

McCoy joined the University of North Texas in July 2013 as Professor in the Department of Biology and Vice President for Research and Economic Development.

LeGrande Slaughter earned his Bachelors of Art in Chemistry from Drew University. He received his Ph.D. in Inorganic Chemistry from Cornell University. He held a Postdoctoral appointment at Stanford University from 2000-2002 and was a Visiting Postdoctoral Scholar at the Technische Universität München in Germany in the summer of 2002. Dr. Slaughter most recently held a tenured Associate Professor position at Oklahoma State University. Dr. Slaughter has a consistent flow of peer-reviewed journal articles in high quality journals and has been highly successful in securing external funding for his research. He has received over \$1.2 million to fund his chemical research program. Dr. Slaughter is actively involved in education outreach activities including a program to teach science concepts and encourage interest in science among Native American middle school students. Dr. Slaughter will join the College of Arts and Sciences in August 2013 as an Associate Professor in the Department of Chemistry.

Financial Analysis/History:

In general, the award of tenure carries with it the assurance of continued employment absent the showing of good cause for termination.

**Andrew M.
Harris**

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of North Texas, ou=VP for Finance and
Administration,
email=Andrew.Harris@unt.edu, c=US
Date: 2013.08.05 15:04:32 -05'00'

Institution Chief Financial Officer

Allen Clemson

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DN: cn=Allen Clemson, o=System, ou=UNTS,
email=allen.clemson@untsystem.edu, c=US
Date: 2013.08.06 15:28:48 -05'00'

Interim Vice Chancellor for Finance

Legal Review:

This item has been reviewed by General Counsel.

Nancy S. Footer

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DN: cn=Nancy S. Footer, o=UNT System,
ou=Office of General Counsel,
email=nancy.footer@untsystem.edu, c=US
Date: 2013.08.07 08:34:23 -05'00'

Vice Chancellor/General Counsel

Schedule:

Tenure for Dr. McCoy and Dr. Slaughter will be effective immediately upon Board approval.

Recommendation:

The President recommends that the Board of Regents authorize and approve the award of tenure for Dr. McCoy and Dr. Slaughter.

Recommended By:

Warren Burggren

Provost and VPAA

**V. Lane
Rawlins**

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DN: cn=V. Lane Rawlins,
o=University of North Texas,
ou=President,
email=v.rawlins@unt.edu, c=US
Date: 2013.08.08 15:25:26 -05'00'

President

**Rosemary R.
Haggett**

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DN: cn=Rosemary R. Haggett, o=University of
North Texas System, ou=Vice Chancellor for
Academic Affairs and Student Success,
email=rosemary.haggett@untsystem.edu,
c=US
Date: 2013.08.06 15:09:01 -05'00'

Vice Chancellor

Chancellor



Board Order

Title: Approval of Tenure Recommendation for New UNT Faculty Appointees

Board of Regents Order 2013-49

At an official meeting of the Board of Regents of the University of North Texas System properly posted and held on Aug 15, 2013, pursuant to a motion made by Regent and seconded by Regent _____, the Board approved the motion presented below:

Whereas, in accordance with UNT Policy 15.0.1.00000, *Faculty Appointment and the Granting of Tenure and Promotion*,

“The maximum probationary period is defined as the maximum amount of time a faculty member may be appointed in probationary ranks in the university,” and

Whereas, this period shall be specified for each individual at the time of his or her initial appointment,” and

Whereas, “these provisions do not preclude a recommendation for the granting of tenure at any time prior to the expiration of the maximum probationary period,” and

Whereas, Dr. McCoy joined UNT in July, 2013, and has the credentials and experience to be awarded tenure as confirmed by the department, college and provost, and

Whereas, Dr. Slaughter joined UNT in August, 2013, and has the credentials and experience to be awarded tenure as confirmed by the department, college and provost, and

Whereas, “the President transmits his or her recommendations for tenure to the Board of Regents,”

Now, Therefore, The Board of Regents authorizes and approves the following:

1. Confer tenure to Dr. Thomas McCoy and Dr. LeGrande Slaughter effective immediately upon Board approval.
-

VOTE: _____ ayes _____ nays _____ abstentions

BOARD ACTION:

Attested By:

Approved By:

Julia A. Boyce, Secretary
Board of Regents

Chairman
Board of Regents



Board Briefing

Committee: Consent

Date Filed: June 17, 2013

Title: Approval to Add the UNT Bachelor of Science Degree Program with a Major in Speech-Language Pathology

Background:

The University of North Texas currently offers a Bachelor of Arts degree program with a major in Speech-Language Pathology/Audiology, and is requesting to add a Bachelor of Science degree program with a major in Speech-Language Pathology/Audiology, effective August 27, 2014.

The Bachelor of Science degree program will have the same requirements as the existing Bachelor of Arts with a major in Speech-Language Pathology/Audiology, including the Foreign Language and Science requirements. The new degree will also include a third choice for hours taken outside of the department by allowing the selection of one of the interdisciplinary specializations (Global Disorders, Child, Adult, or Lifespan) along with the previous choices from the Bachelor of Arts degree program plan (i.e., a minor of at least 18 hours, including at least 6 advanced; or 18 hours, including 9 advanced, selected from two or more departments outside Speech and Hearing Sciences). All departments for required classes outside the Department of Speech and Hearing Sciences have been contacted and grant their approval for using their classes in the requirements. All courses must be selected in consultation with the student's faculty advisor.

The Bachelor of Science with a major in Speech-Language Pathology/Audiology will better align UNT's department with other Communication Disorders departments who require a Bachelor of Science degree. The UNT faculty also feel that the Bachelor of Science with a major in Speech-Language Pathology/Audiology is also a better representation of the course requirements/content rather than the current Bachelor of Arts Degree. Current students following the requirements for the Bachelor of Arts degree program will be allowed to switch to the Bachelor of Science degree program, should they so desire, without taking additional or different classes.

Financial Analysis/History:

Adding the Bachelor of Science with a major in Speech-Language Pathology/Audiology is a degree program change that is essentially cost-neutral as all coursework

required for the degree are already being offered. No additional faculty or departmental resources will be required for this degree program.

This change will not affect any other degree programs or curricular integrity.

Andrew M. Harris

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DN: cn=Andrew M. Harris, o=University of North Texas, ou=VP for Finance and Administration, email=Andrew.Harris@unt.edu, c=US
Date: 2013.08.05 15:05:16 -05'00'

Institution Chief Financial Officer

Allen Clemson

Digitally signed by Allen Clemson
DN: cn=Allen Clemson, o=System, ou=UNTS, email=allen.clemson@untsystem.edu, c=US
Date: 2013.08.06 15:29:34 -05'00'

Interim Vice Chancellor for Finance

Legal Review:

This item has been reviewed by General Counsel.

Nancy S. Footer

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DN: cn=Nancy S. Footer, o=UNT System, ou=Office of General Counsel, email=nancy.footer@untsystem.edu, c=US
Date: 2013.08.07 08:35:08 -05'00'

Vice Chancellor/General Counsel

Schedule:

Fall 2014

Recommendation:

The President recommends that the Board of Regents approve adding the Bachelor of Science degree program with a major in Speech-Language Pathology to the UNT degree program inventory.

Recommended By:

Warren Burggren

Provost and VPAA

V. Lane Rawlins

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DN: cn=V. Lane Rawlins, o=University of North Texas, ou=President, email=v.rawlins@unt.edu, c=US
Date: 2013.08.08 15:27:45 -05'00'

President

Rosemary R. Haggett

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DN: cn=Rosemary R. Haggett, o=University of North Texas System, ou=Vice Chancellor for Academic Affairs and Student Success, email=rosemary.haggett@untsystem.edu, c=US
Date: 2013.08.06 15:10:32 -05'00'

Vice Chancellor

Chancellor



Board Order

Title: Approval to Add a UNT Bachelor of Science Degree Program with a Major in Speech-Language Pathology

Board of Regents Order 2013-50

At an official meeting of the Board of Regents of the University of North Texas System properly posted and held on Aug 15, 2013, pursuant to a motion made by Regent _____ and seconded by Regent _____, the Board approved the motion presented below:

Whereas, UNT faculty have determined that the Bachelor of Science with a major in Speech-Language Pathology/Audiology is a better representation of the course requirements/content than the current Bachelor of Arts Degree, and

Whereas, current students following the requirements for the Bachelor of Arts degree program will be allowed to switch to the Bachelor of Science degree program without taking additional or different coursework, and

Whereas, the Bachelor of Science degree program with a major in Speech-Language Pathology requires no development of additional courses, faculty or departmental resources,

Now, Therefore, The Board of Regents authorizes and approves the following:

1. Add the Bachelor of Science degree program with a major in Speech-Language Pathology to the UNT degree program inventory.
-

VOTE: _____ ayes _____ nays _____ abstentions

BOARD ACTION:

Attested By:

Approved By:

Julia A. Boyce, Secretary
Board of Regents

Chairman
Board of Regents



Board Briefing

Committee: Consent

Date Filed: June 12, 2013

Title: Authorization of UNT Internal Reorganization Involving the College Affiliation of the Department of Sociology and Department of Speech and Hearing Sciences

Background:

1. Department of Sociology

The Department of Sociology is currently located in the College of Public Affairs and Community Service. In reviewing the mission of the department and the college, it has been determined that the Department of Sociology is more closely aligned with the mission of the College of Arts and Sciences. Therefore, the Dean of the College of Public Affairs and Community Service, with the concurrence of the faculty in Sociology and the Dean of the College of Arts and Sciences has recommended to the Provost and Vice President for Academic Affairs that Sociology be moved to the College of Arts and Sciences.

Two of the smaller programs currently housed in the Department of Sociology, Applied Gerontology's Long Term Care and Senior Housing will remain in the College of Public Affairs and Community Service under the supervision of the dean of the college not under a specific department.

2. Department of Speech and Hearing Sciences

The Department of Speech and Hearing Sciences is currently located in the College of Arts and Sciences. In reviewing the mission of the department and the college, it has been determined that the Department of Speech and Hearing Sciences is more closely aligned with the mission of the College of Public Affairs and Community Service. Therefore, the Dean of the College of Arts and Sciences, with the concurrence of the faculty in Speech and Hearing Sciences and the Dean of the College of Public Affairs and Community Service has recommended to the Provost and Vice President for Academic Affairs that the Department of Speech and Hearing Sciences be moved to the College of Public Affairs and Community Service.

Financial Analysis/History:

The movement of the Department of Sociology and the Department of Speech and Hearing Sciences are administrative college affiliation moves only. No physical relocation of the departments is necessary. Therefore these recommendations are essentially cost neutral. It is anticipated that closer alignment with other departments and programs may lead to increase enrollment.

Andrew M.
Harris

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of North Texas, ou=VP for Finance and
Administration,
email=Andrew.Harris@unt.edu, c=US
Date: 2013.08.05 15:06:06 -05'00'

Institution Chief Financial Officer

Allen Clemson

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DN: cn=Allen Clemson, o=System, ou=UNTS,
email=allen.clemson@untsystem.edu, c=US
Date: 2013.08.06 15:30:55 -05'00'

Interim Vice Chancellor for Finance

Legal Review:

This item has been reviewed by General Counsel.

Nancy S. Footer

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DN: cn=Nancy S. Footer, o=UNT System,
ou=Office of General Counsel,
email=nancy.footer@untsystem.edu, c=US
Date: 2013.08.07 08:36:04 -05'00'

Vice Chancellor/General Counsel

Schedule:

If approved the administrative moves will be effective September 1, 2013.

Recommendation:

The President recommends that the Board of Regents authorize and approve the internal reorganizational moves of the Department of Sociology and the Department of Speech and Hearing Sciences.

Recommended By:

Warren Burggren

Provost and VPAA

**V. Lane
Rawlins**

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DN: cn=V. Lane Rawlins,
o=University of North Texas,
ou=President,
email=v.rawlins@unt.edu, c=US
Date: 2013.08.08 15:28:28 -05'00'

President

**Rosemary R.
Haggett**

Digitally signed by Rosemary R. Haggett
DN: cn=Rosemary R. Haggett, o=University of
North Texas System, ou=Vice Chancellor for
Academic Affairs and Student Success,
email=rosemary.haggett@untssystem.edu, c=US
Date: 2013.08.06 15:14:09 -05'00'

Vice Chancellor

Chancellor



Board Order

Title: Authorization of UNT Internal Reorganization Involving the College Affiliation of the Department of Sociology and Department of Speech and Hearing Sciences

Board of Regents Order 2013-51

At an official meeting of the Board of Regents of the University of North Texas System properly posted and held on Aug 15, 2013, pursuant to a motion made by Regent _____ and seconded by Regent _____, the Board approved the motion presented below:

Whereas, determined by the faculty of the Department of Sociology and the Dean of the College of Public Affairs and Community Service and the Dean of the College of Arts and Sciences that the mission of Sociology aligns more closely with the College of Arts and Sciences, and recommended to the Provost and Vice President for Academic Affairs and _____,

Whereas, determined by the faculty of the Department of Speech and Hearing Sciences and the Dean of the College of Public Affairs and Community Service and the Dean of the College of Arts and Sciences that the mission of Speech and Hearing Sciences aligns more closely with the College Public Affairs and Community Service, and recommended to the Provost and Vice President for Academic Affairs and _____,

Whereas, the internal college affiliation moves of Sociology to the College of Arts and Sciences and Speech and Hearing Sciences to the College of Public Affairs and Community Service are essentially cost neutral, _____,

Now, Therefore, The Board of Regents authorizes and approves the following:

1. The internal college affiliation reorganizations of the Department of Sociology to the College of Arts and Sciences and the Department of Speech and Hearing Sciences to the College of Public Affairs and Community Service effective September 1, 2013.
-

VOTE: _____ ayes _____ nays _____ abstentions

BOARD ACTION:

Attested By:

Approved By:

Julia A. Boyce, Secretary
Board of Regents

Chairman
Board of Regents



Board Briefing

Committee: Consent

Date Filed: August 15, 2013

Title: Approval of Tenure for New Faculty Appointee

Background:

In accordance with the University of North Texas at Dallas Policy 6.009 Tenure and/or Promotion Review, “ the President, in consultation with the Provost, is responsible for ensuring that any individual who is considered for tenure before the institution has a sufficient number of faculty with the credentials necessary to establish departmental, division and/or institutional promotion and tenure committees, has demonstrated significant academic work in his or her academic discipline; demonstrated excellence and substantial professional achievements in the areas of teaching and student success, research, scholarly and creative activities, and service and public engagement in the context of, and consistent with, levels expected at peer or aspirational peer programs; and demonstrated a desire to work as a member of a group and understands the nature of membership in a community of scholars. The President may appoint an ad hoc committee on tenure and promotion to assist with this responsibility. “

Dr. Glenda Balas joined the faculty in July 2013 as Dean of Liberal Arts and Life Sciences. Prior to joining UNT Dallas, Dr. Balas served as Chair of the Department of Communication and Journalism at the University of New Mexico. Previously, she served as Chair of the Department of Mass Communication at Sam Houston State University. She also served as Associate Chair and Sequence Head for the Mass Communication Division and the Director of the Doctoral Program in the Department of Communication and Journalism at the University of New Mexico. Dr. Balas was tenured at Sam Houston State University in 2008 and at the University of New Mexico in 2007 and in 2010 when she returned to the university as Chair of the Department of Communication and Journalism.

Dr. Balas earned her Ph.D. in Communication Studies with an emphasis in media studies from The University of Iowa. She earned a Master of Business Administration and a Bachelor of Science in Mass Communications from Eastern New Mexico University.

Dr. Balas has been awarded numerous national and international scholarly and creative awards including the Gold Award and the International MarCom Award for Educational Institution Film and Video in 2012. She also received First Place for Documentary from the National Federation of Press Women and from the New Mexico Press Women in 2008. She was a recipient of the Administrator Award, for outstanding

Research given by Sam Houston State University in 2009. Dr. Balas was a Teaching Fellow at the University of New Mexico from 2005 to 2008.

Dr. Balas was a Fulbright Scholar and Visiting Research Chair of Globalization and Cultural Studies at Dalhousie University. Additionally, she has held several positions in industry in the area of communications trade.

Dr. Balas has published a book, three book chapters, and articles in peer-reviewed journals as well as numerous creative video projects and many documentary screenings/publications. Moreover, Dr. Balas has been the recipient of seven funded research projects.

The Ad Hoc Committee on Tenure and Promotion has reviewed the credentials of Dr. Glenda Balas and recommended to the Provost that she be awarded tenure, subject to approval by the President and the UNT System Board of Regents. The Provost recommended to the President that Dr. Balas be submitted for tenure to the UNT System Board of Regents.

Financial Analysis/History:

The award of tenure carries with it the assurance of continued employment, absent the showing of good cause for termination.

**J. Carlos
Hernandez**

Digitally signed by J. Carlos Hernandez
DN: cn=J. Carlos Hernandez, o=VP for Finance
and Administration, ou=VPFA/CFO,
email=carlos.hernandez@unt.edu, c=US
Date: 2013.08.05 15:36:26 -05'00'

Institution Chief Financial Officer

Allen Clemson

Digitally signed by Allen Clemson
DN: cn=Allen Clemson, o=System, ou=UNTS,
email=allen.clemson@untsystem.edu, c=US
Date: 2013.08.06 15:31:25 -05'00'

Interim Vice Chancellor for Finance

Legal Review:

This item has been reviewed by General Counsel.

Nancy S. Footer

Digitally signed by Nancy S. Footer
DN: cn=Nancy S. Footer, o=UNT System,
ou=Office of General Counsel,
email=nancy.footer@untsystem.edu, c=US
Date: 2013.08.07 08:37:12 -05'00'

Vice Chancellor/General Counsel

Schedule:

Tenure will be effective September 1, 2013.

Recommendation:

The President recommends that the Board of Regents authorize and approve the award of tenure for Dr. Glenda Balas effective September 1, 2013.

Recommended By:

Ronald Hy

Associate Provost

Ronald T.
Brown

Digitally signed by Ronald T. Brown
DN: cn=Ronald T. Brown, o=UNT
Dallas, ou=President,
email=RTBrown@unt.edu, c=US
Date: 2013.08.08 13:27:58 -05'00'

President

Rosemary
R. Haggett

Digitally signed by Rosemary R. Haggett
DN: cn=Rosemary R. Haggett, o=University
of North Texas System, ou=Vice Chancellor
for Academic Affairs and Student Success,
email=rosemary.haggett@untsystem.edu,
c=US
Date: 2013.08.06 15:24:24 -05'00'

Vice Chancellor

Chancellor



Board Order

Title: Approval of Tenure for New Faculty Appointee

Board of Regents Order 2013-52

At an official meeting of the Board of Regents of the University of North Texas System properly posted and held on August 15, 2013, pursuant to a motion made by Regent _____ and seconded by Regent _____, the Board approved the motion presented below:

Whereas, in accordance with the University of North Texas at Dallas Policy 6.009 Tenure and/or Promotion Review, the President, in consultation with the Provost, is responsible for ensuring that any individual who is considered for tenure has the necessary credentials before the institution has a sufficient number of faculty with the credentials necessary to establish departmental, division and/or institutional promotion and tenure committees, and the President may appoint an ad hoc committee on tenure and promotion to assist with this responsibility, and

Whereas, Dr. Glenda Balas has a proven record as an innovative educator and scholar, and

Whereas, Dr. Glenda Balas held tenure and served as faculty and administrators at other accredited academic institutions, and

Whereas, Dr. Glenda Balas has strong academic credentials to serve Dean of the Division of Liberal Arts and Life Sciences, and

Whereas, Dr. Glenda Balas was tenured at Sam Houston State University and the University of New Mexico, and

Whereas, Dr. Glenda Balas is recommended by the Provost and the President _____,

Now, Therefore, The Board of Regents authorizes and approves the following:

1. The conferring of tenure to Dr. Glenda Balas, effective September 1, 2013.
-

VOTE: ____ ayes ____ nays ____ abstentions

BOARD ACTION:

Attested By:

Approved By:

Julia A. Boyce, Secretary
Board of Regents

Chairman
Board of Regents



Board Briefing

Committee: Consent

Date Filed: August 1, 2013

Title: UNTHSC Regents Professor Recommendation

Background:

In accordance with Regents Rule 06.304, *Regents' Professors*:

The Board may award the designation of "Regents' Professor" to provide recognition and salary support for individuals at the rank of professor who have performed outstanding teaching, research and service to the profession, and who have achieved a high level of national and international recognition. To be considered, a candidate must meet the eligibility requirements set by the Institution and be recommended to the Board following the Institution's selection procedures. The Institution shall review Regents' Professors as required by Institution policy to determine continued eligibility for the position.

In accordance with UNT Health Science Center (UNTHSC) Policy 6.102, *Regents Professor, Emeritus Professor, Emeritus Regents Professor, and Emeritus Administrator Designations*,

The purpose of the Regents Professor award at UNTHSC is to provide recognition and salary support for individuals at the rank of professor who have performed outstanding teaching, research and service to the profession, and who have achieved a high level of national and international recognition. To be eligible for this award, an individual must: 1) be a full-time, tenured professor; 2) have a distinguished record of teaching, research, and service to UNTHSC and to the profession, and a high level of national and international recognition; and 3) demonstrate evidence of the potential for continued distinguished performance. Candidates must submit, or have submitted on their behalf, at least four letters of support from full professors at the UNTHSC and two letters from scholars outside UNTHSC attesting to their national and international reputation. Nominations for the designation of Regents Professor shall be made by the department chair to the appropriate school/college promotion and tenure committee. The promotion and tenure committee will conduct its review of the Regents Professor candidate utilizing the promotion/tenure criteria for full professors within that school/college and submit their recommendation to the appropriate dean. The dean will then review the Regents Professor candidate's packet and forward his/her recommendation to the Provost and Executive Vice President for Academic Affairs (Provost). Pending his/her review and support to continue the nomination, the Provost will forward his/her recommendation to the President for recommendation to the UNT

System Board of Regents for approval. Only the Board of Regents may award the designation of Regents Professor.

Having met the above eligibility requirements and selection procedures, the designation of "Regents Professor" is recommended for the following individual:

Dr. Robert Mallet, Professor, Integrative Physiology

Dr. Robert Mallet, full-time tenured Professor, Department of Integrative Physiology has served the UNTHSC for 23 years as a faculty member. He plays an active role in the education of Texas College of Osteopathic Medicine (TCOM) and graduate students and delivers a large number of lectures to medical and graduate students. His contributions have been recognized by numerous teaching awards. He received the Academic Commendation of Excellence Award (2009), the TCOM Basic Science Faculty of the Year Award (2010) and he is a two time recipient of the Outstanding Graduate Faculty Award (2004 and 2009) awarded by the Graduate Student Association (GSA). Dr. Mallet has a consistent record of extramural support for his research and was awarded a five year National Institutes of Health (NIH) RO1 that began in August, 2011. He has maintained a productive collaboration with Dr. Yurvati that serves as a model for basic science-clinical science collaborative work. Their studies of oxidative stress during cardiac bypass and hemorrhagic shock have provided a true translational direction for research at the UNTHSC. He has published over 60 manuscripts and 17 book chapters and has served on American Heart Association (AHA) and NIH study sections. Dr. Mallet is a recognized leader at the UNTHSC. He is asked to serve on important, campus-wide committees that shape the University. Within the past two years he has served on a task force examining our Conflict of Interest policies, the Faculty Workload committee as part of the new compensation plan, and the Graduate School of Biomedical Sciences (GSBS) Promotion and Tenure committee.

Financial Analysis/History:

The Regents Professor award consists of a one-time salary supplement of \$10,000 added to the faculty member's total base compensation.

**John A.
Harman**

Digitally signed by John A. Harman
DN: cn=John A. Harman, o=UNTHSC,
ou=Finance,
email=john.harman@unthsc.edu, c=US
Date: 2013.08.05 16:31:04 -05'00'

Institution Chief Financial Officer

Allen Clemson

Digitally signed by Allen Clemson
DN: cn=Allen Clemson, o=System, ou=UNTS,
email=allen.clemson@untsystem.edu, c=US
Date: 2013.08.06 15:31:54 -05'00'

Interim Vice Chancellor for Finance

Legal Review:

This item has been reviewed by General Counsel.

Nancy S. Footer Digitally signed by Nancy S. Footer
DN: cn=Nancy S. Footer, o=UNT System, ou=Office
of General Counsel,
email=nancy.footer@untsystem.edu, c=US
Date: 2013.08.07 08:38:10 -0500'

Vice Chancellor/General Counsel

Schedule:

Effective September 1, 2013.

Recommendation:

The President recommends that the Board of Regents approve the awarding of "Regents Professor" to Dr. Robert Mallet, effective September 1, 2013.

Recommended By:

Thomas Yorio

Provost and Executive VP for
Academic Affairs

**Michael R.
Williams**

Digitally signed by Michael R. Williams
DN: cn=Michael R. Williams, o=UNTHSC,
ou=President,
email=michael.williams@unthsc.edu, c=US
Date: 2013.08.07 16:44:47 -0500'

President

**Rosemary R.
Haggett**

Digitally signed by Rosemary R. Haggett
DN: cn=Rosemary R. Haggett, o=University of North
Texas System, ou=Vice Chancellor for Academic
Affairs and Student Success,
email=rosemary.haggett@untsystem.edu, c=US
Date: 2013.08.07 11:28:10 -0500'

Vice Chancellor

Chancellor



Board Order

Title: UNTHSC Regents Professor Recommendation

Board of Regents Order 2013-53

At an official meeting of the Board of Regents of the University of North Texas System properly posted and held on August 15, 2013, pursuant to a motion made by Regent and seconded by Regent , the Board approved the motion presented below:

Whereas, in accordance with Regents Rule 06.304, *Regents' Professors*:

The Board may award the designation of "Regents' Professor" to provide recognition and salary support for individuals at the rank of professor who have performed outstanding teaching, research and service to the profession, and who have achieved a high level of national and international recognition, and

Whereas, the eligibility requirements and selection process was followed in accordance with UNT Health Science Center (UNTHSC) Policy 6.102, *Regents Professor, Emeritus Professor, Emeritus Regents Professor, and Emeritus Administrator Designations*,

Now, Therefore, The Board of Regents authorizes and approves the following:

1. The awarding of "Regents Professor" to Dr. Robert Mallet, effective September 1, 2013.

VOTE: _____ ayes _____ nays _____ abstentions

BOARD ACTION:

Attested By:

Approved By:

Julia A. Boyce, Secretary
Board of Regents

Chairman
Board of Regents



Board Briefing

Committee: Consent

Date Filed: August 1, 2013

Title: UNTHSC Emeritus Regents Professor Recommendation

Background:

In accordance with UNT Health Science Center (UNTHSC) Policy 6.102, *Regents Professor, Emeritus Professor, Emeritus Regents Professor, and Emeritus Administrator Designations*,

The designation of Emeritus Regents Professor may be awarded to a faculty member who retires from full-time faculty employment while holding the designation of Regents Professor. To be eligible for this designation, a faculty member must: 1) have retired from full-time faculty employment while holding the designation of Regents Professor; and 2) continue to contribute to the mission of UNTHSC. A candidate's nomination should be based upon evidence of excellence of performance over his or her entire academic career. Nominations for the designation of Emeritus faculty shall be made by the department chair to the appropriate school/college promotion and tenure committee. The promotion and tenure committee will conduct its review of the Emeritus candidate and submit their recommendation to the appropriate dean. The dean will then review the Emeritus candidate's packet and forward his/her recommendation to the Provost and Executive Vice President for Academic Affairs (Provost). Pending his/her review and support to continue the nomination, the Provost will forward his/her recommendation to the President for recommendation to the UNT System Board of Regents for approval. Only the Board of Regents may award the designation of Emeritus.

Having met the above eligibility requirements, Emeritus Regents Professor designation is recommended for the following individual:

Dr. H. Fred Downey, Regents Professor, Integrative Physiology

Dr. H. Fred Downey was named Regents Professor at UNTHSC in 2004. Dr. Downey retired as a full-time faculty member in 2011; however he remains heavily involved in UNTHSC's teaching, research and service missions. Dr. Downey maintained a highly productive research program for over 40 years, with funding from the NIH, AHA, Texas Higher Education Coordinating Board (THECB) and other sources. He was funded continuously by the National Heart, Lung and Blood Institute (NHLBI) from 1978 to 2010 and his research generated more than 120 peer-reviewed articles, over 240 abstract presentations, and 17 book chapters. These studies contributed substantively to current understanding of mechanisms controlling blood flow and oxygen supply and demand in the heart. Dr. Downey has been one of the UNTHSC's most honored educators,

wining numerous teaching awards during his career and he continues to provide important lectures in TCOM and the Graduate School. In 2011, Dr. Downey was nominated by the UNTHSC GSBS Golden Apple teaching award. Over the course of his distinguished career at UNTHSC, Dr. Downey served on almost every faculty committee, and chaired many of them. Recently, Dr. Downey established UNTHSC's scholar exchange program with Moscow State University and this program brings international recognition to UNTHSC. At the national level, Dr. Downey served as Treasurer of the Society for Experimental Biology and Medicine (SEBM) from 2010-2012. In recognition of his service to SEBM, in 2011 Dr. Downey was named Distinguished Scientist of SEBM.

Financial Analysis/History:

There are no financial implications for the designation of Emeritus Regents Professor.

John A. Harman Digitally signed by John A. Harman
DN: cn=John A. Harman, o=UNTHSC,
ou=Finance,
email=john.harman@unthsc.edu, c=US
Date: 2013.08.05 16:31:59 -05'00'

Institution Chief Financial Officer

**Allen
Clemson** Digitally signed by Allen Clemson
DN: cn=Allen Clemson, o=System,
ou=UNTS,
email=allen.clemson@untsystem.edu,
c=US
Date: 2013.08.06 15:32:30 -05'00'

Interim Vice Chancellor for Finance

Legal Review:

This item has been reviewed by General Counsel.

Nancy S. Footer Digitally signed by Nancy S. Footer
DN: cn=Nancy S. Footer, o=UNT System, ou=Office of General
Counsel, email=nancy.footer@untsystem.edu, c=US
Date: 2013.08.07 12:41:39 -05'00'

Vice Chancellor/General Counsel

Schedule:

Effective immediately upon Board approval.

Recommendation:

The President recommends that the Board of Regents grant Emeritus Regents Professor designation to Dr. H. Fred Downey, effective immediately upon Board approval.

Recommended By:

Thomas Yorio

Provost and Executive VP for
Academic Affairs

**Michael R.
Williams**

Digitally signed by Michael R. Williams
DN: cn=Michael R. Williams, o=UNTHSC,
ou=President,
email=michael.williams@unthsc.edu, c=US
Date: 2013.08.07 16:46:17 -05'00'

President

**Rosemary
R. Haggett**

Digitally signed by Rosemary R. Haggett
DN: cn=Rosemary R. Haggett, o=University of
North Texas System, ou=Vice Chancellor for
Academic Affairs and Student Success,
email=rosemary.haggett@untsystem.edu,
c=US
Date: 2013.08.07 11:29:16 -05'00'

Vice Chancellor

Chancellor



Board Order

Title: UNTHSC Emeritus Regents Professor Recommendation

Board of Regents Order 2013-54

At an official meeting of the Board of Regents of the University of North Texas System properly posted and held on August 15, 2013, pursuant to a motion made by Regent _____ and seconded by Regent _____, the Board approved the motion presented below:

Whereas, UNT Health Science Center (UNTHSC) Policy 6.102, *Regents Professor, Emeritus Professor, Emeritus Regents Professor, and Emeritus Administrator Designations*, states that the designation of Emeritus Regents Professor may be awarded to a faculty member who retires from full-time faculty employment while holding the designation of Regents Professor, and

Whereas, the eligibility requirements and selection process was followed according to the policy,

Now, Therefore, The Board of Regents authorizes and approves the following:

1. The awarding of "Emeritus Regents Professor" designation to Dr. H. Fred Downey, effective immediately upon Board approval.
-

VOTE: _____ ayes _____ nays _____ abstentions

BOARD ACTION:

Attested By:

Approved By:

Julia A. Boyce, Secretary
Board of Regents

Chairman
Board of Regents



Board Briefing

Committee: Consent

Date Filed: August 1, 2013

Title: UNTHSC Approval to Merge the Departments of Biostatistics and Epidemiology into a Single Unit in the School of Public Health Named the Department of Biostatistics and Epidemiology

Background:

Traditionally, academic public health has been organized with regard to five disciplines: biostatistics, epidemiology, environmental and occupational health, behavioral and community health, and health management and policy. The latter three disciplines are comprised of the concepts, theories, and methods that are relevant to understanding the determinants of health, i.e., our environment, our behavior, and our access to and utilization of health services. The former two disciplines, biostatistics and epidemiology, differ in that they provide the analytical and statistical methods which are used across disciplines to understand and analyze the causes of health outcomes for communities, states, and the nation. Hence, these latter two disciplines are related when they are used in practice by public health professionals in the field.

Because of this relationship, many schools of public health integrate these disciplines into a single department to emphasize and facilitate their application in practice by their graduates. It has become increasingly clear to our faculty that our instruction of these disciplines for our students would benefit from integrating them as we refine and develop courses as well as construct degree programs.

In addition, as a relatively small school with approximately 390 students, simplifying our administrative structure will reduce our costs and clarify our approach to these disciplines for our students and faculty. Moreover, the feasibility of integrating the departments of Biostatistics and Epidemiology into a single unit at this time is facilitated by our recent hiring of Dr. Sharon Homan as Professor and Chair of the Department of Biostatistics. In addition to her biostatistical training, Dr. Homan's training and research has emphasized the use of epidemiological methods. Indeed, were we to seek a new chair for the department, her background would be the model for this position.

Hence, we request approval to merge the Department of Biostatistics and the Department of Epidemiology into a single unit, the Department of Biostatistics and Epidemiology.

Financial Analysis/History:

No additional financial costs will be associated with this merger.

**John A.
Harman**

Digitally signed by John A. Harman
DN: cn=John A. Harman, o=UNTHSC,
ou=Finance,
email=john.harman@unthsc.edu,
c=US
Date: 2013.08.05 16:32:55 -05'00'

Institution Chief Financial Officer

Allen Clemson

Digitally signed by Allen Clemson
DN: cn=Allen Clemson, o=System, ou=UNTS,
email=allen.clemson@untsystem.edu, c=US
Date: 2013.08.06 15:33:04 -05'00'

Interim Vice Chancellor for Finance

Legal Review:

This item has been reviewed by General Counsel.

Nancy S. Footer

Digitally signed by Nancy S. Footer
DN: cn=Nancy S. Footer, o=UNT System, ou=Office of
General Counsel, email=nancy.footer@untsystem.edu, c=US
Date: 2013.08.07 13:32:47 -05'00'

Vice Chancellor/General Counsel

Schedule:

Effective immediately following the Board of Regents and the Texas Higher Education Coordinating Board (THECB) approval.

Recommendation:

The President recommends that the Board of Regents approve the merger of the Department of Biostatistics and the Department of Epidemiology into a single unit named the Department of Biostatistics and Epidemiology.

Recommended By:

Thomas Yorio

Provost and Executive VP for
Academic Affairs

**Michael R.
Williams**

Digitally signed by Michael R. Williams
DN: cn=Michael R. Williams, o=UNTHSC,
ou=President,
email=michael.williams@unthsc.edu, c=US
Date: 2013.08.07 16:46:59 -05'00'

President

**Rosemary R.
Haggett**

Digitally signed by Rosemary R. Haggett
DN: cn=Rosemary R. Haggett, o=University of North Texas
System, ou=Vice Chancellor for Academic Affairs and
Student Success, email=rosemary.haggett@untsystem.edu,
c=US
Date: 2013.08.07 11:30:44 -05'00'

Vice Chancellor

Chancellor



Board Order

Title: UNTHSC Approval to Merge the Departments of Biostatistics and Epidemiology into a Single Unit in the School of Public Health Named the Department of Biostatistics and Epidemiology

Board of Regents Order 2013-55

At an official meeting of the Board of Regents of the University of North Texas System properly posted and held on August 15, 2013, pursuant to a motion made by Regent _____ and seconded by Regent _____, the Board approved the motion presented below:

Whereas, departments of biostatistics and epidemiology share similar education and research interests, and

Whereas, many schools of public health have joint departments of biostatistics and epidemiology,

Now, Therefore, The Board of Regents authorizes and approves the following:

1. The merger of the Department of Biostatistics and the Department of Epidemiology into a single unit named the Department of Biostatistics and Epidemiology in the School of Public Health.
-

VOTE: ____ ayes ____ nays ____ abstentions

BOARD ACTION:

Attested By:

Approved By:

Julia A. Boyce, Secretary
Board of Regents

Chairman
Board of Regents



Board Briefing

Committee: Consent

Date Filed: June 19, 2013

Title: UNTS Statement Expressing Official Intent to Reimburse Costs of the University of North Texas System

Background:

For the University of North Texas System ("System") to proceed expeditiously with the design, planning, acquisition and/or construction of various capital projects, costs (not to exceed \$731,560,000 in FY 2014) will be incurred prior to the issuance of debt obligations, or establishment of other funding mechanisms, to finance the projects.

It is intended that the System reimburse itself for such payments through the issuance of debt obligations, or other funding mechanisms, to finance the projects, as permitted by law, to ensure that adequate reserves are maintained for the institution's operating purposes.

Financial Analysis/History:

The appropriate analysis is provided in the background statement provided above.

Allen Clemson

Digitally signed by Allen Clemson
DN: cn=Allen Clemson, o=System,
ou=UNTS,
email=allen.clemson@untsystem.edu,
c=US
Date: 2013.08.06 15:33:37 -05'00'

Interim Vice Chancellor for Finance

Legal Review:

This item has been reviewed by General Counsel.

Nancy S. Footer

Digitally signed by Nancy S. Footer
DN: cn=Nancy S. Footer, o=UNT System,
ou=Office of General Counsel,
email=nancy.footer@untsystem.edu, c=US
Date: 2013.08.07 13:31:49 -05'00'

Vice Chancellor/General Counsel

Schedule:

N/A

Recommendation:

It is recommended that the Board of Regents authorize UNT System Institutions to reimburse themselves for costs (not to exceed \$731,560,000 in FY 2014) incurred prior to the issuance of debt instruments or other method of project financing.

Recommended By:

Allen Clemson

Interim Vice Chancellor for
Finance

Chancellor



Board Order

Title: UNTS Statement Expressing Official Intent to Reimburse Costs of the University of North Texas System

Board of Regents Order 2013-56

At an official meeting of the Board of Regents of the University of North Texas System properly posted and held on Aug 15, 2013, pursuant to a motion made by Regent _____ and seconded by Regent _____, the Board approved the motion presented below:

Whereas, the University of North Texas System ("System") wishes to proceed expeditiously with the design, planning, acquisition and/or construction of various capital projects, and

Whereas, costs will be incurred prior to the issuance of obligations, or establishment of other funding mechanisms, to finance the projects, and

Now, Therefore, The Board of Regents authorizes and approves the following:

1. UNT System Institutions may reimburse themselves for costs (not to exceed \$731,560,000 in FY 2014) incurred prior to the issuance of debt instruments or other method of project financing.
-

VOTE: _____ ayes _____ nays _____ abstentions

BOARD ACTION:

Attested By:

Approved By:

Julia A. Boyce, Secretary
Board of Regents

Chairman
Board of Regents



Board Briefing

Committee: Consent

Date Filed: June 19, 2013

Title: Approval of TexPool Resolution Amending Authorized UNT Representatives

Background:

The University of North Texas System Administration, University of North Texas, and University of North Texas Dallas participate in TexPool as one of the local government investment pools. TexPool requires the Board to approve the "Resolution Amending Authorized Representatives" to add/delete an authorized representative. This action adds Brenda Cates, UNT Budget Director and Kassie Grubbs, UNT Accountant as authorized representatives.

Financial Analysis/History:

There are no financial implications to this item.

Allen Clemson Digitally signed by Allen Clemson
DN: cn=Allen Clemson, o=System, ou=UNTS,
email=allen.clemson@untssystem.edu, c=US
Date: 2013.08.06 15:34:09 -05'00'

Interim Vice Chancellor for Finance

Legal Review:

This item has been reviewed by General Counsel.

Nancy S. Footer Digitally signed by Nancy S. Footer
DN: cn=Nancy S. Footer, o=UNT System, ou=Office of
General Counsel, email=nancy.footer@untssystem.edu,
c=US
Date: 2013.08.07 12:32:27 -05'00'

Vice Chancellor/General Counsel

Schedule: N/A

Recommendation:

It is recommended that the Board of Regents authorize and approve the following Board Order.

Recommended By:

Allen Clemson

Interim Vice Chancellor for
Finance

Chancellor

Attachments:

- [UNT TexPool Resolution Amending Authorized Representatives](#)
- [UNT Dallas TexPool Resolution Amending Authorized Representatives](#)



Board Order

Title: Approval of TexPool Resolution Amending Authorized UNT Representatives

Board of Regents Order 2013-57

At an official meeting of the Board of Regents of the University of North Texas System properly posted and held on Aug 15, 2013, pursuant to a motion made by Regent _____ and seconded by Regent _____, the Board approved the motion presented below:

Whereas, TexPool requires Board approval of the "Resolution Amending Authorized Representatives" to remove or add an authorized representative, and

Whereas, it is necessary to add authorized representatives, and

Now, Therefore, The Board of Regents authorizes and approves the following:

1. Adoption of the attached TexPool Resolution Amending Authorized Representatives, Brenda Cates and Kassie Grubbs
-

VOTE: ____ ayes ____ nays ____ abstentions

BOARD ACTION:

Attested By:

Approved By:

Julia A. Boyce, Secretary
Board of Regents

Chairman
Board of Regents



RESOLUTION AMENDING AUTHORIZED REPRESENTATIVES

WHEREAS, University of North Texas 77383

(Participant Name & Location Number)

("Participant") is a local government of the State of Texas and is empowered to delegate to a public funds investment pool the authority to invest funds and to act as custodian of investments purchased with local investment funds; and

WHEREAS, it is in the best interest of the Participant to invest local funds in investments that provide for the preservation and safety of principal, liquidity, and yield consistent with the Public Funds Investment Act; and

WHEREAS, the Texas Local Government Investment Pool ("TexPool/ Texpool *Prime*"), a public funds investment pool, were created on behalf of entities whose investment objective in order of priority are preservation and safety of principal, liquidity, and yield consistent with the Public Funds Investment Act.

NOW THEREFORE, be it resolved as follows:

- A. That the individuals, whose signatures appear in this Resolution, are Authorized Representatives of the Participant and are each hereby authorized to transmit funds for investment in TexPool / TexPool *Prime* and are each further authorized to withdraw funds from time to time, to issue letters of instruction, and to take all other actions deemed necessary or appropriate for the investment of local funds.
- B. That an Authorized Representative of the Participant may be deleted by a written instrument signed by two remaining Authorized Representatives provided that the deleted Authorized Representative (1) is assigned job duties that no longer require access to the Participant's TexPool / TexPool *Prime* account or (2) is no longer employed by the Participant; and
- C. That the Participant may by Amending Resolution signed by the Participant add an Authorized Representative provided the additional Authorized Representative is an officer, employee, or agent of the Participant;

List the Authorized Representatives of the Participant. Any new individuals will be issued personal identification numbers to transact business with TexPool Participant Services.

1. Name: Carolyn M. Whitlock Title: Manager, Treasury Services
 Phone/Fax/Email: (940) 565-4040; (940) 565-4913 fax; whitlock@unt.edu
 Signature: *Carolyn M. Whitlock*
2. Name: Charla Friday Title: Executive Assistant to VP Finance
 Phone/Fax/Email: (940) 565-2055; (940) 565-4779 fax; charla@unt.edu
 Signature: *Charla Friday*

ORIGINAL SIGNATURE AND DOCUMENT REQUIRED

TEX – REP

3. Name: Brenda Cates Title: Budget Director
Phone/Fax/Email: (940) 565-2321; (940) 565-4913 fax; brenda.cates@unt.edu
Signature: *Brenda Cates*

4. Name: Kassie Grubbs Title: Accountant III
Phone/Fax/Email: (940) 565-8045; (940) 565-4913 fax; kassie.grubbs@unt.edu
Signature: *Kassie Grubbs*

List the name of the Authorized Representative listed above that will have primary responsibility for performing transactions and receiving confirmations and monthly statements under the Participation Agreement.

Name Carolyn M. Whitlock

In addition and at the option of the Participant, one additional Authorized Representative can be designated to perform only inquiry of selected information. This limited representative cannot perform transactions. If the Participant desires to designate a representative with inquiry rights only, complete the following information.

5. Name: _____ Title: _____
Phone/Fax/Email: _____

D. That this Resolution and its authorization shall continue in full force and effect until amended or revoked by the Participant, and until TexPool Participant Services receives a copy of any such amendment or revocation. This Resolution is hereby introduced and adopted by the Participant at its regular/special meeting held on the _____ day _____, 20__.

NAME OF PARTICIPANT: University of North Texas

BY: _____
Signature

Printed Name

Title

ATTEST: _____
Signature

Printed Name

Title

This document supersedes all prior Authorized Representative designations.



RESOLUTION AMENDING AUTHORIZED REPRESENTATIVES

WHEREAS, University of North Texas Dallas 79327

(Participant Name & Location Number)

("Participant") is a local government of the State of Texas and is empowered to delegate to a public funds investment pool the authority to invest funds and to act as custodian of investments purchased with local investment funds; and

WHEREAS, it is in the best interest of the Participant to invest local funds in investments that provide for the preservation and safety of principal, liquidity, and yield consistent with the Public Funds Investment Act; and

WHEREAS, the Texas Local Government Investment Pool ("TexPool/ Texpool *Prime*"), a public funds investment pool, were created on behalf of entities whose investment objective in order of priority are preservation and safety of principal, liquidity, and yield consistent with the Public Funds Investment Act.

NOW THEREFORE, be it resolved as follows:

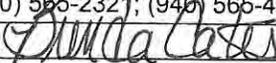
- A. That the individuals, whose signatures appear in this Resolution, are Authorized Representatives of the Participant and are each hereby authorized to transmit funds for investment in TexPool / TexPool *Prime* and are each further authorized to withdraw funds from time to time, to issue letters of instruction, and to take all other actions deemed necessary or appropriate for the investment of local funds.
- B. That an Authorized Representative of the Participant may be deleted by a written instrument signed by two remaining Authorized Representatives provided that the deleted Authorized Representative (1) is assigned job duties that no longer require access to the Participant's TexPool / TexPool *Prime* account or (2) is no longer employed by the Participant; and
- C. That the Participant may by Amending Resolution signed by the Participant add an Authorized Representative provided the additional Authorized Representative is an officer, employee, or agent of the Participant;

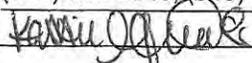
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 Phone/Fax/Email: (940) 565-4040; (940) 565-4913 fax; whitlock@unt.edu
 Signature: *Carolyn M. Whitlock*
2. Name: Charla Friday Title: Executive Assistant to VP Finance
 Phone/Fax/Email: (940) 565-2055; (940) 565-4779 fax; charla@unt.edu
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Phone/Fax/Email: (940) 565-8045; (940) 565-4913 fax; kassie.grubbs@unt.edu
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Name Carolyn M. Whitlock

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5. Name: _____ Title: _____
Phone/Fax/Email: _____

D. That this Resolution and its authorization shall continue in full force and effect until amended or revoked by the Participant, and until TexPool Participant Services receives a copy of any such amendment or revocation. This Resolution is hereby introduced and adopted by the Participant at its regular/special meeting held on the _____ day _____, 20 ____.

NAME OF PARTICIPANT: University of North Texas

BY: _____
Signature

Printed Name

Title

ATTEST: _____
Signature

Printed Name

Title

This document supersedes all prior Authorized Representative designations.

ORIGINAL SIGNATURE AND DOCUMENT REQUIRED

TexPool Participant Services • Federated Investors Inc
1001 Texas Ave., Suite 1400 • Houston, TX 77002 • www.texpool.com • 1-866-839-7665

TEX – REP

07/12



Board Briefing

Committee: Facilities

Date Filed: July 08, 2013

Title: Adoption of the Campus Master Plan 2013 Update for the University of North Texas

Background:

Representatives of the UNT faculty, staff and System as well as the City of Denton and Denton community, participated in the development of an update to the 2005 Campus Master Plan facilitated by the professional planning firm, Ayers Saint Gross. The Board of Regents was briefed on progress of the planning update on February 14, 2013.

An initial evaluation of the 2005 Campus Master Plan indicated that the overall framework has successfully guided the development of the campus since its approval and there were no fundamental flaws that would require a complete new direction in campus development. However, since the adoption of the 2005 master plan significant changes in context have occurred, including: the completion of major projects since the adoption of the 2005 plan, the development of a new strategic plan for the campus, the impacts of the planned widening of I-35, and the upward revision of total projected enrollment. The goal of this update was to revise the plan in light of these issues while also strengthening the overall vision of the continuing development of the campus. The specific objectives for the update include:

- Support UNT's goals as set forth in the new Strategic Plan 2012-2017
- Accommodate enrollment growth to 45,000 students
- Enhance campus circulation and connectivity
- Improve campus identity and sense of place
- Reinforce the UNT campus character, quality, and sustainability through integrated design standards for architecture and landscaped elements
- Plan for the impact of the TXDOT I-35E expansion project.

The new updated plan addresses these objectives and will serve as a guide to the future development of the University for many years. A presentation of the plan will be made during the Facilities Committee of the UNT System Board of Regents at their August meeting.

Regents Rule 11.103 requires Board of Regents approval of campus master plans.

Financial Analysis/History:

N/A

**Andrew M.
Harris**

Digitally signed by Andrew M. Harris
DN: cn=Andrew M. Harris, o=University of
North Texas, ou=VP for Finance and
Administration,
email=Andrew.Harris@unt.edu, c=US
Date: 2013.08.06 16:36:49 -05'00'

Institution Chief Financial Officer

Interim Vice Chancellor for Finance

Legal Review:

This item has been reviewed by General Counsel.

Nancy S. Footer

Digitally signed by Nancy S. Footer
DN: cn=Nancy S. Footer, o=UNT System, ou=Office of General
Counsel, email=nancy.footer@untsystem.edu, c=US
Date: 2013.08.07 13:25:53 -05'00'

Vice Chancellor/General Counsel

Schedule:

N/A

Recommendation:

It is recommended that the Board of Regents authorize and approve the following Board Order.

Recommended By:

James Maguire

Digitally signed by James Maguire
DN: cn=James Maguire, o=UNT System, ou=Vice Chancellor for
Administrative Services, email=james.maguire@untsystem.edu, c=US
Date: 2013.08.07 08:51:23 -05'00'

James Maguire

Vice Chancellor for Facilities
Planning and Construction and Chief Architect

**V. Lane
Rawlins**

Digitally signed by V. Lane Rawlins
DN: cn=V. Lane Rawlins, o=University
of North Texas, ou=President,
email=v.rawlins@unt.edu, c=US
Date: 2013.08.08 15:29:45 -05'00'

President

Chancellor

Attachments:

- [UNT Campus Master Plan 2013 Update](#)



Board Order

Title: Adoption of the Campus Master Plan 2013 Update for the University of North Texas

Board of Regents Order 2013-58

At an official meeting of the Board of Regents of the University of North Texas System properly posted and held on Aug 15, 2013, pursuant to a motion made by Regent _____ and seconded by Regent _____, the Board approved the motion presented below:

Whereas, the University of North Texas System has retained Ayers Saint Gross as a professional planning firm to provide professional expertise and assistance in the development of an update of the 2005 Campus Master Plan for the University of North Texas campus, and

Whereas, the staff and faculty of the campus, as well as community and City of Denton representatives, have participated in the development of the updated plan, and

Whereas, the plan establishes a framework for the development of the campus consistent with the goals of the University as set forth in the 2012-2017 Strategic Plan.

Now, Therefore, The Board of Regents authorizes and approves the following:

1. Adoption of the UNT Campus Master Plan 2013 Update.
-

VOTE: _____ ayes _____ nays _____ abstentions

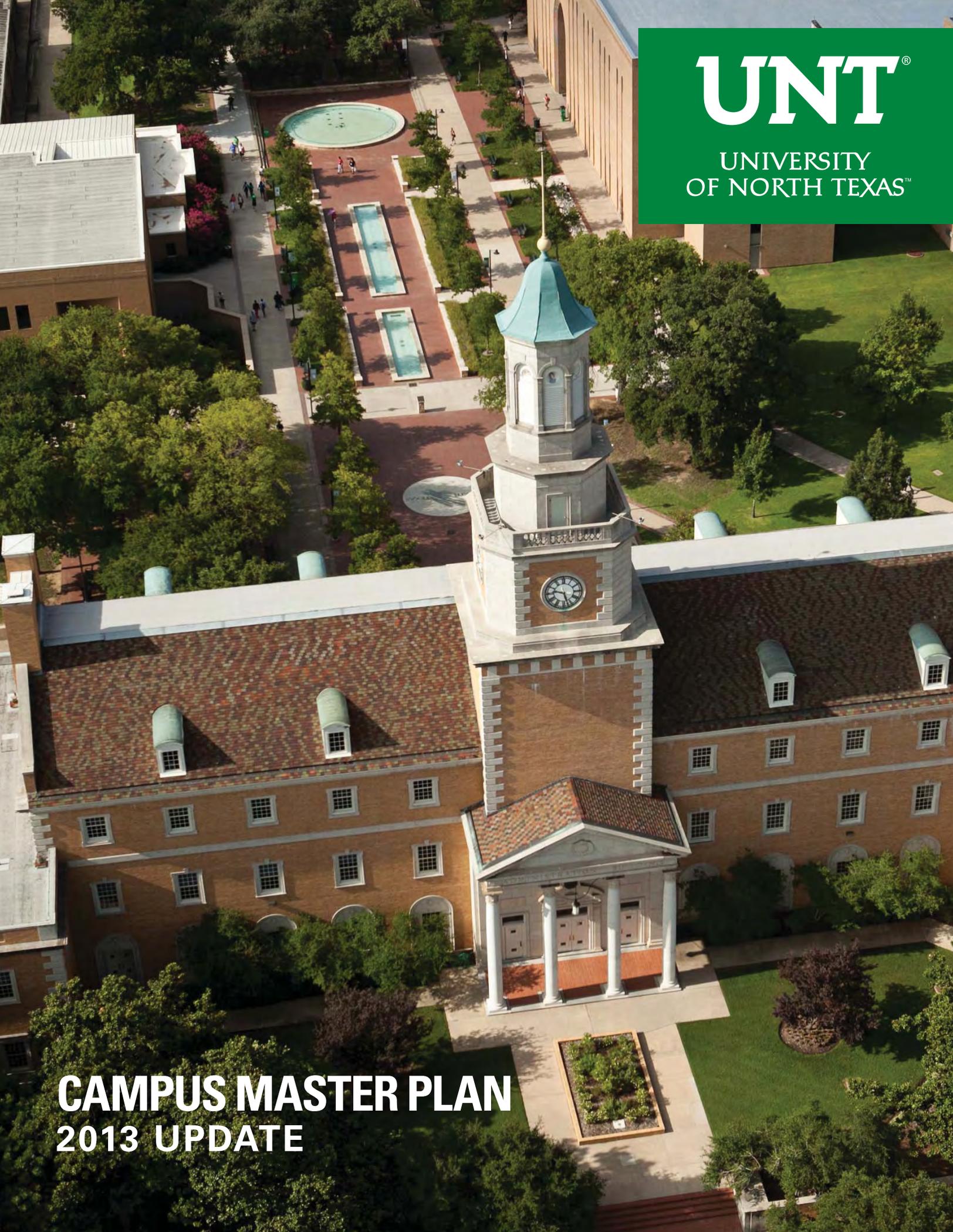
BOARD ACTION:

Attested By:

Approved By:

Julia A. Boyce, Secretary
Board of Regents

Chairman
Board of Regents



UNT[®]

UNIVERSITY
OF NORTH TEXAS[™]

**CAMPUS MASTER PLAN
2013 UPDATE**



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The 2013 Campus Master Plan Update is an update of the 2005 Campus Master Plan. This document references the previous plan for the purpose of understanding changes since 2005 and for looking back at the growth and development of the campus. Elements of the 2005 plan which did not change have been fully integrated into the 2013 update. The Appendix includes a matrix comparing the Table of Contents of the two documents for reference. But this document replaces the 'Denton Campus Master Plan - 2005' for the purpose of moving forward with projects furthering the development of the campus.

LETTER FROM THE CHANCELLOR



One of the key values in our System Strategic Plan is summarized in a single word – Purposeful. We strive to be as intentional as possible in everything we do, not relying on chance to shape our services and our growth, but instead considering and choosing to pursue our very best opportunities.

Our beautiful UNT campus has grown over the years in size as the region and the University have grown. We've added facilities, housing, landscaping, and transportation services, but until 2005 there was not a carefully considered Master Plan to guide this growth. In the years since that master plan, many good things happened in the growth of the UNT campus, but some less ideal accidents of development, some less than purposeful decisions, occurred as well. This is a good time to update the 2005 Master Plan because we have some important opportunities. The City of Denton is growing and developing around us, the interstate highway is being rebuilt, and UNT can choose to shape its next stages of campus development in exciting ways. With this 2013 Master Plan Update we continue to strengthen our vision for our campus and you can feel the pride growing each year.

The UNT campus in Denton is blessed with a natural beauty that is very distinctive among Texas universities. Its hills and large trees and graceful historic buildings make an impressive home for one of Texas' largest universities. Residential growth on campus has brought an increase in pedestrian life on the streets and sidewalks, and cars are slowly moving to the edge of campus and into parking structures.

This plan recognizes some great opportunities to create a more unifying and consistent architectural language for our buildings. It proposes more distinct major entry points into campus, a well-defined campus perimeter to mark the special environment of a college campus, and a better central pedestrian path or park to knit the campus together.

I appreciate all the members of our UNT community who have participated in the development of this plan, along with the planning professionals who have assisted us. It is a plan we can be proud of and will help us continue to build and improve a great flagship university.

A handwritten signature in black ink that reads "Lee F. Jackson". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

Lee F. Jackson
UNT System Chancellor

LETTER FROM THE PRESIDENT

From our humble beginning in 1890 as a teacher's training school to our standing today as the nation's 25th largest university, UNT is transforming itself into a university of the future.

Our progress is defined by growth and excellence, which are embodied in our state of mind and in our physical environment. UNT's strategic plan and four bold goals lay out our vision for education and research. Our new campus master plan lays out our vision for facilities. Both will help us to fulfill our mission to provide an excellent educational experience for our students.

UNT's new campus master plan will be the compass that sets our direction and points us to the future. This campus master plan is carefully thought out and is consistent with our priorities for academic excellence and growth.

I'm pleased that the master plan addresses the borders of the UNT campus, paying particular attention to creating a more visible "front door" to our campus. With expansion and upgrades being planned for Interstate 35E, UNT has an opportunity to create a first impression that cements its role as the largest, most comprehensive university in the North Texas region.

I'm glad I had the opportunity to participate in this process and I'm thankful for the efforts of the master plan team. I'm especially pleased with the input we had from our campus community, the Denton community and other interested parties.

The master plan is an important tool and we should not underestimate its power to inform and inspire us. I believe that as this plan is implemented, UNT's campus will become even better by being more efficient and more supportive of our mission to educate and serve the public.

Sincerely,

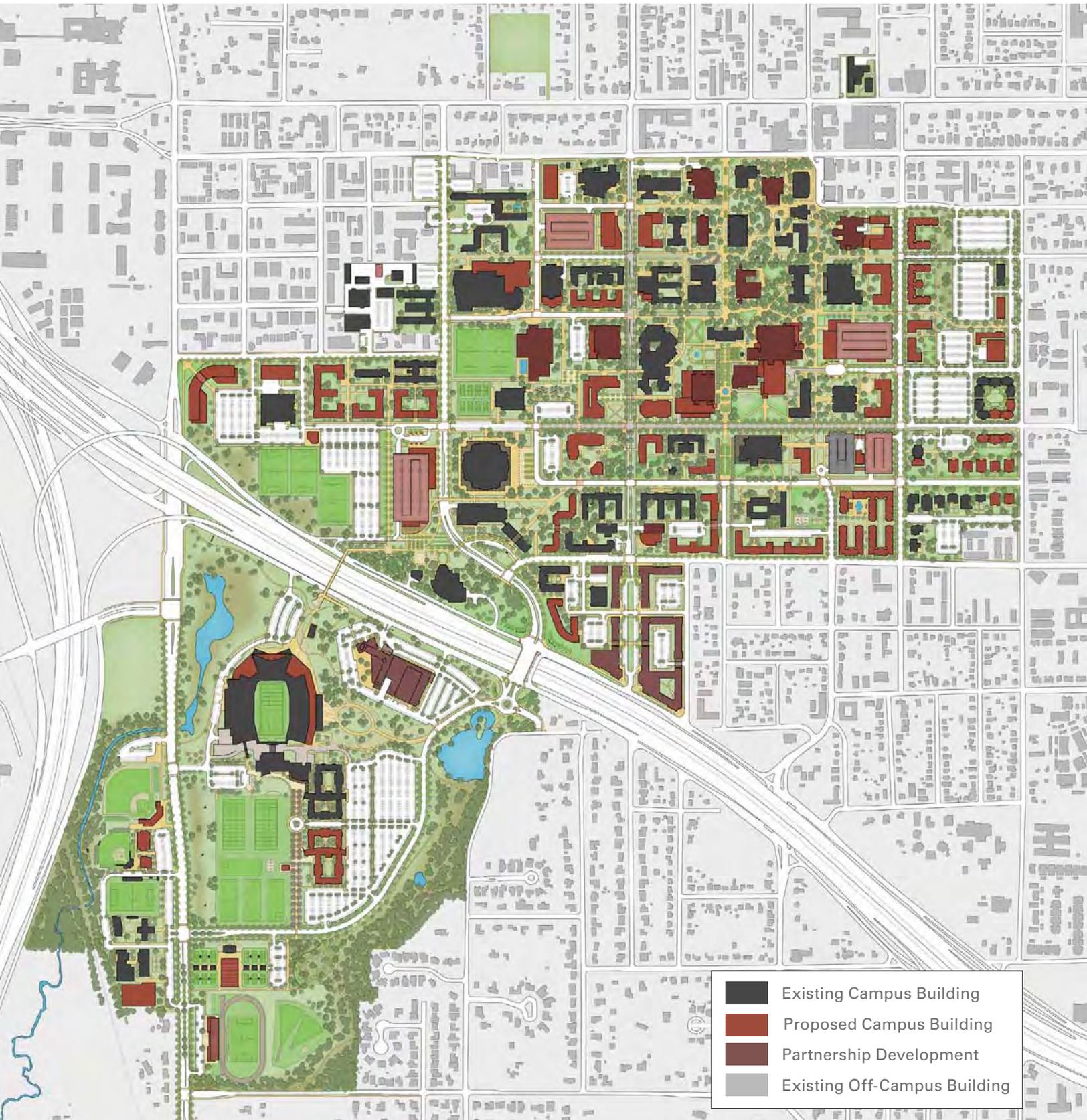


V. Lane Rawlins
UNT President





INTRODUCTION **1**



2013 Campus Master Plan

1

"We're raising the stakes and embracing the challenge because we know that to continue attracting and cultivating ever-better students, we must be an ever-better institution. With this plan, UNT is focused on becoming a national research university that excels at teaching and research. You can't have one without the other to be truly great."

UNT Provost Warren Burggren

INTRODUCTION

In mid-2012, the University of North Texas (UNT) embarked on a comprehensive UPDATE to the campus master plan, in conjunction with the newly adopted 2012-17 Strategic Plan. In the seven years since the adoption of the 2005 Campus Master Plan UNT, like colleges across the state and the nation, has experienced: record numbers of high school graduates who are under increasing pressure to obtain a college degree; the economic roller coaster sending many older adults back to college in search of new skills to start a second career; and the rapid transformations in the delivery of education at colleges and universities. All of these changes translate to growth in enrollment and additional pressure on UNT's facilities to meet the needs of an increasingly diverse student body.

The 2013 master planning team was charged with developing a plan that would build on prior planning efforts, incorporating the many projects and improvements completed since 2005 as well as those currently underway. As an update, the 2013 plan relies on the detailed analysis and findings from the prior plan, except where changes since 2005 suggested the need to revisit a specific issue or area (like the Texas Department of Transportation Interstate 35 project which is about to commence). The result is a campus master plan that adds detail to early priority projects, and in some areas, a fresh vision about the long-range development of the campus and its character over the next 20 years and beyond.

Through guidance and direction from university and System leadership, along with input from students, staff, faculty, surrounding neighborhoods and Denton community, the update required a full year of inclusive planning, consisting of meetings, workshops and open forums.

A group of graduates in black caps and gowns, with a young woman in the foreground smiling.

A green light to greatness.™

MISSION : UNT is a major public research university deeply committed to advancing educational excellence and preparing students to become thoughtful, engaged citizens of the world.

“The strategic plan and the new theme line aren’t just about increasing our quality and cultivating our image. They also represent our ultimate promise to students: To be a place where you can become the best because of all that we provide.”

UNT President V. Lane Rawlins

STRATEGIC PLAN 2013-17

Continuing the journey to greater excellence, the University of North Texas (UNT) unveiled a new five-year Strategic Plan in February 2013. The “2013-17 Strategic Plan: A Green Light to Greatness” set four “bold” goals aimed at helping UNT provide the best education and to become one of the best public research universities in the nation. The Strategic Plan sets the direction for planning by determining what is needed. The where and how these needs will be met by the campus physical plan. The 2013 Master Plan Update supports the following Strategic Plan Bold Goals:

Goal 1: Provide the best undergraduate educational experience in Texas.

Goal 2: Provide superior graduate education, scholarship and artistic endeavors, and achieve status among the nation’s tier-one research institutions.

Goal 3: Become a national leader among universities in student support, employee relations, operational effectiveness and service to constituencies.

Goal 4: Establish UNT as a nationally recognized, engaged university and regional leader by building and expanding mutually beneficial partnerships and resources.

As a comprehensive public research university providing a top quality education in one of the nation’s largest, most dynamic regions, UNT will be celebrated for its academics, arts and athletics. UNT will be a diverse and inclusive institution, creating knowledge and innovations that will shape the future while cultivating excellence in the next generation of scholars and leaders for the global community.



“The stewardship of this special place and the continuing creation and evolution of these places is the ultimate purpose of the master plan.”

James M. Maguire
 UNT System Vice Chancellor of Facilities
 Planning and Construction and Chief Architect

GOALS + PRINCIPLES

A master plan physically expresses the mission of the University. The plan must be forward-looking and, at the same time, based on today’s pragmatic realities. It must balance a visionary and realistic approach to the growth and future development of the campus. To focus and ground the planning process, goals were established for the 2013 update as follows:

Master Plan Goals:

- Support strategic initiatives and the Strategic Plan’s “bold” goals
- Accommodate enrollment growth
- Enhance campus circulation and connectivity
- Improve campus identity and sense of place (especially at gateways and edges)
- Reinforce UNT campus character, quality and sense of place, with integrated design standards for architecture, landscape, hardscape, site furnishings, lighting and sustainability

This plan update builds on and advances the framework established by the 2005 Campus Master Plan strengthening and reinforcing the principles underlying past campus plans, while addressing the changing needs of today’s campus and projections for the future. The 2005 plan aimed to accommodate 41,000 students by 2015, while the 2013 update anticipates 45,000 total enrollment beyond 2020 (current enrollment at the start of this plan update was 36,000). In conjunction with the master planning process, UNT undertook a Campus Space Assessment to confirm the enrollment growth projections and better define the academic, research and student life facilities required to support that growth.



VISION

The task of creating PLACE, an appropriate setting for the university mission and the experiences of students on their academic and personal journeys, demands a VISION of a transcendent environment equal to the transformation that is the educational process.

The master plan is the tool for shaping and guiding the evolution of the campus as a place that can support this transformation while also addressing the pragmatic concerns of high-performance buildings; durable materials; beautiful outdoor space; efficient land use; appropriate utility system support; excellent transportation; infrastructure for pedestrians, bicycles and vehicles; and provisions for development into the future.

The careful application of the principles of the plan is critical in creating places for the intense academic experience and personal growth that support the university's mission. The stewardship of this special place and its evolution is the ultimate purpose of the master plan.

This vision of the campus was established through the collaborative efforts of the planning group, administrators, faculty, staff, and most importantly, students, with the goal of supporting the mission of the university and its goals for the future.

PRINCIPLES

Active planning must be guided by a consistent set of values and principles, against which all concepts and proposed solutions are measured. These principles are the foundation for any revisions to the plan and will guide the development of updated design standards. The planning team, based on its understanding of UNT's values, goals and objectives, developed three primary principles to guide the 2013 planning effort as follows:

I. VISION DRIVEN BY THE UNT MISSION

- Ensure best undergraduate education
- Plan for growth
- Support excellence
- Connect with our community

II. REINFORCE + UNIFY CAMPUS IDENTITY

- Establish unique sense of place and tradition
- Organize framework of connected landscaped malls, quadrangles and courtyards
- Honor campus character and quality with integrated design standards for architecture, landscape, hardscape, site furnishings, lighting and sustainability
- Integrate student life to make the campus a vibrant place to live, play and study

III. RESPONSIBLE AND SUSTAINABLE

- Support pedestrian-oriented campus with multi-modal transportation systems
- Plan for investment in new and existing facilities to conserve resources
- Support UNT green goals with standards for resource-efficient buildings and landscapes



The process began in May 2012 with data gathering, a site visit and a kick-off workshop to observe the changes made on the UNT campus over the previous seven years, as well as noting where improvements are still needed. This initial analysis included updating the existing conditions plans by identifying the recommendations of the 2005 plan that had been implemented and completed; and projects in the design or planning phases. All of these projects were to be included in the 2013 master plan. As the master planning was starting, the Strategic Plan was being completed and a Campus Space Assessment Study, identifying space and facilities needs was well underway.

Four workshops were held on campus over the course of the planning process, culminating in open forums in February 2013 for students, faculty, staff and community at large. Starting with the Observations phase of the planning process, the Master Planning Group developed the principles on which the effort would be based. Analysis of all aspects of the campus (circulation, transportation, land uses, parking, etc) provided the framework for understanding the organization of the existing campus.

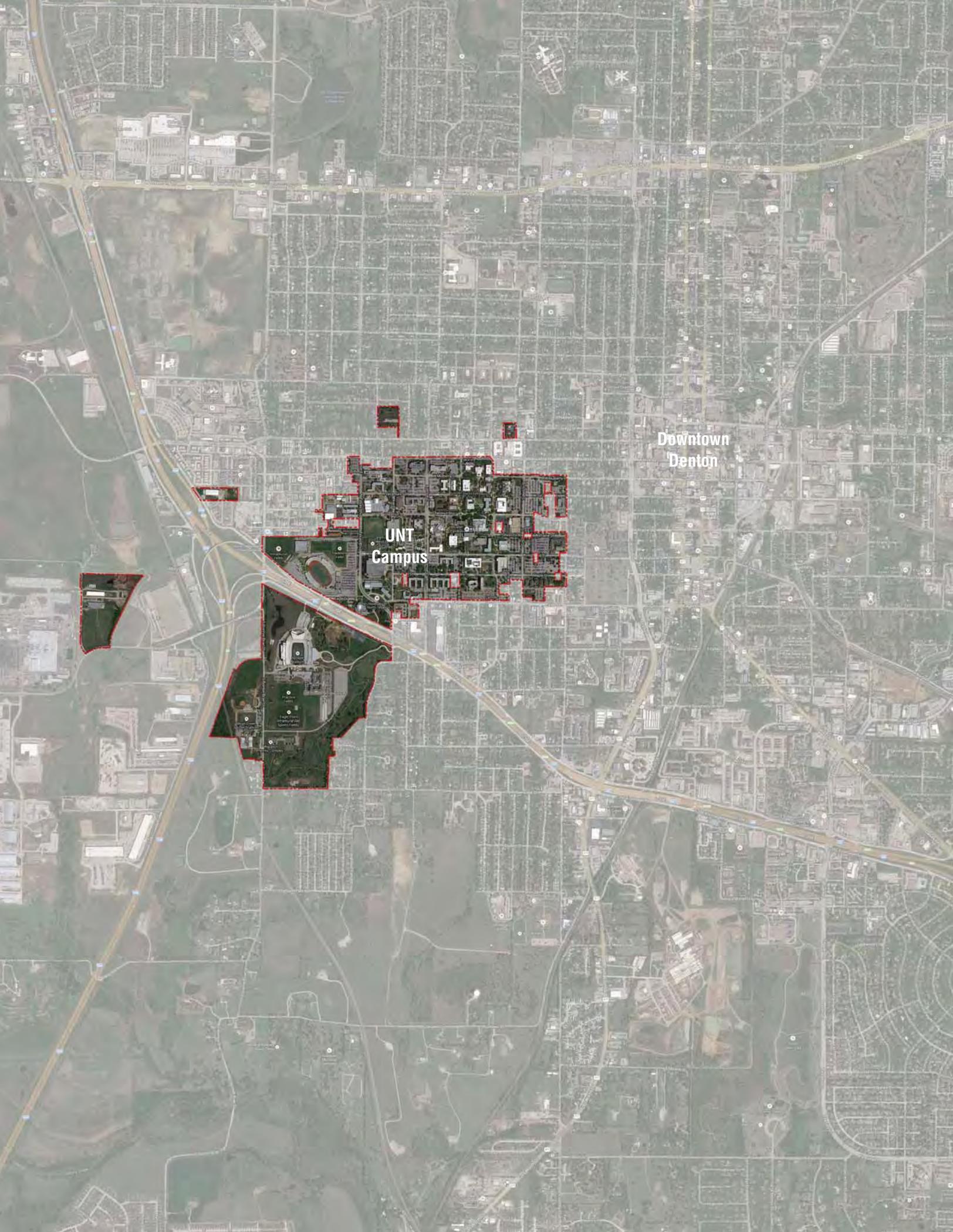
Focus sessions on specific topics were held on resident life, landscape and open space, sustainability, parking and transportation and athletics. During the course of the planning process, community workshops were also held to open lines of communication and address concerns about the university's future plans.

The planners' central challenge was how to connect the pedestrian-oriented center of the campus to its surroundings, including the Eagle Point precinct area on the south side of Interstate 35, downtown Denton and the new transit center and A-train connection to Dallas. That effort began with the 2005 campus plan recommendation for a pedestrian bridge over I-35. The construction of that bridge began as the master planning

was getting started. One of the goals set for this plan was to assist the university in integrating the new bridge into existing and future campus circulation patterns. As a result, much of the planning focused on the southwest corner of the campus, studying the North Texas Boulevard Gateway area, Fouts Field and I-35 edge. The 2013 plan also incorporates the Texas Department of Transportation's (TXDOT) preliminary plans for the I-35 expansion/improvement project along with UNT's recommendations for modifications. These modifications include a proposed traffic circle to connect the new hotel and stadium parking access with the relocated North Texas Boulevard bridge over I-35 (south of the interstate); and the potential for partnership development as a campus gateway in the Avenue C area (north of the interstate).

In February 2013, the draft plan was presented for feedback and discussion in open forums held on campus for faculty, staff, students and Denton community. The UNT Master Planning Group reviewed and confirmed phasing priorities and the draft plan was finalized. In March 2013, the draft of the final master plan was reviewed by the President and the Systems Chancellor, prior to developing the final plan documents.

In April, the Chancellor, President and Associate Dean of the College of Visual Arts and Design participated in "Campus Dialogue: Traditions and Transformations," a lively panel discussion with faculty, staff and students about campus aesthetics, materials, architectural style, landscape and overall character. The 2013 design guidelines were drafted with input from that dialogue. The final plan was submitted for approval by the UNT System Board of Regents at the August 2013 meeting.



UNT
Campus

Downtown
Denton

OBSERVATIONS **2**



2

“To acquire knowledge, one must study;
but to acquire wisdom, one must observe.”

Marilyn Vos Savant
American columnist and author

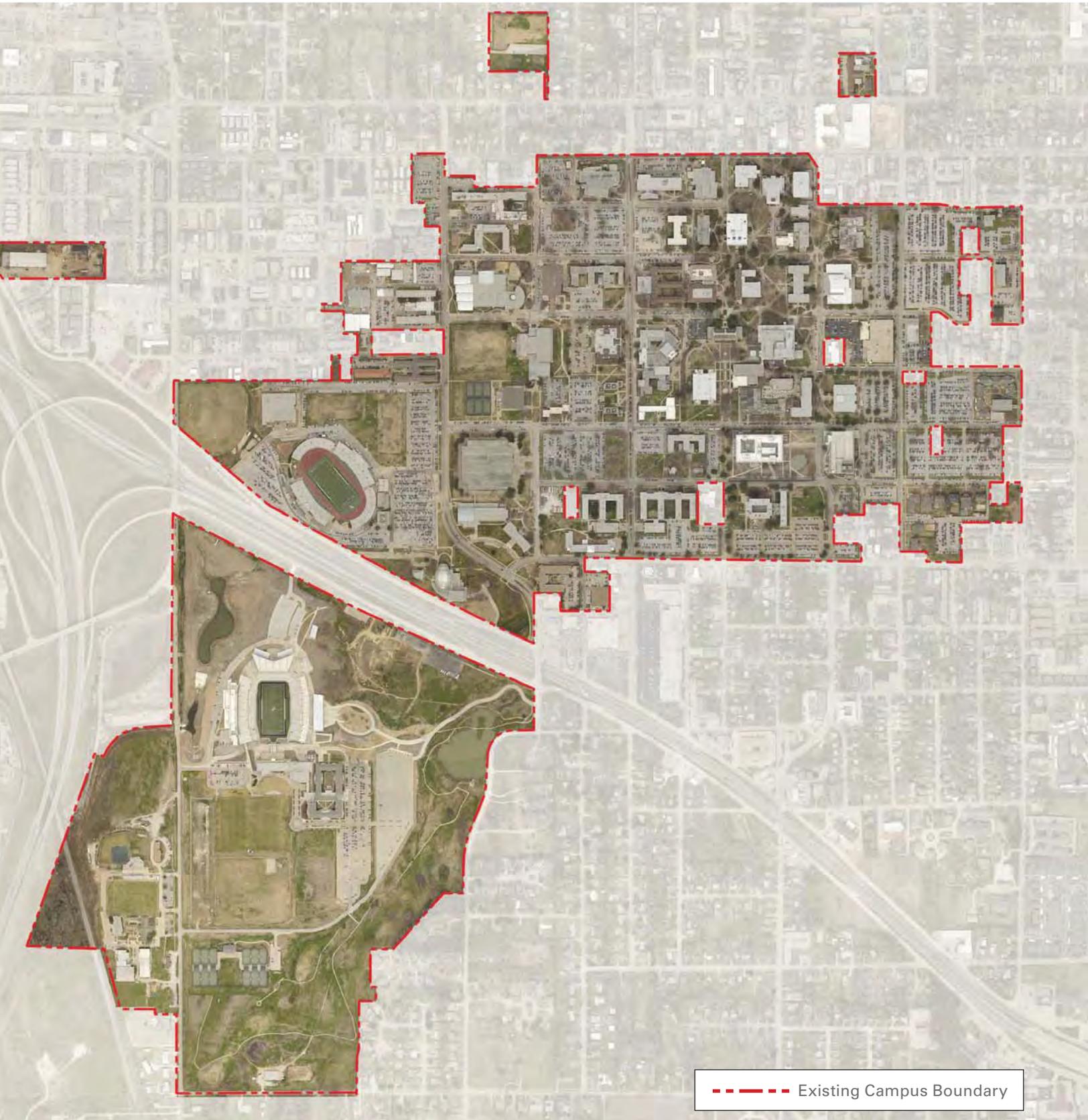
CAMPUS OBSERVATIONS

The master planning process started with observations, data gathering and analysis of the existing conditions and context. The 2013 Master Plan Update focused on the changes subsequent to the 2005 Campus Plan. The data, analysis and observations from 2004-2005 that were still considered valid and relevant were not repeated. However, some of the planning anticipating future changes on the campus (such as the I-35 expansion) required re-evaluation, as these impacts are starting to be felt. Other changes could not have been foreseen in 2005, such as the economic recession and its impact on enrollment; or the exponential growth in online classes (which to date, has not reduced the number of students coming to campus).

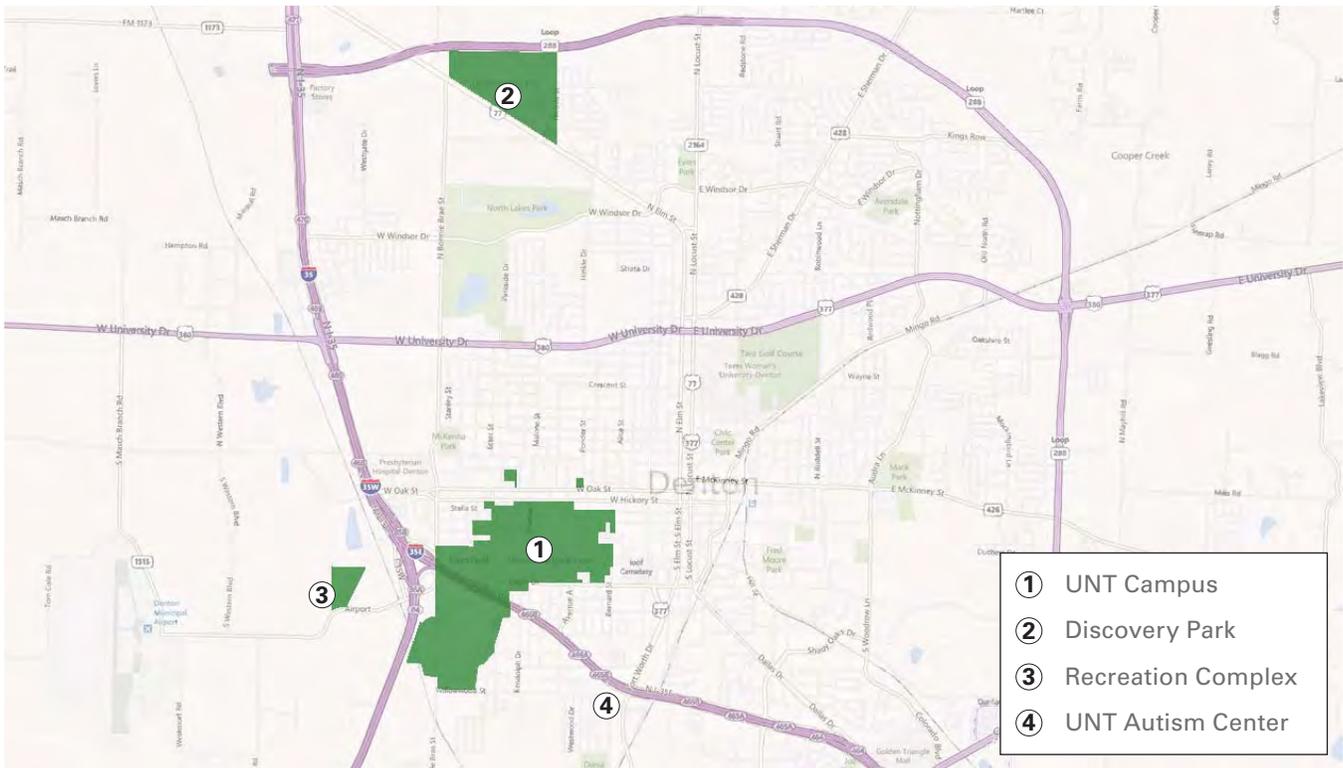
As far back as 1998, the UNT master plans have considered the potential impact of technology on enrollment trends, including increasing numbers of part-time and non-traditional students. Although technology has affected learning and teaching methods, students still seek out the bricks-and-mortar campus and a significant portion of online classes are taken by students who also attend traditional classes on campus. Enrollment must continue to be monitored and assessed, and the time line for implementation of the master plan should be adjusted as needed to meet associated facilities needs.

ANALYSIS + OBSERVATIONS

The 2013 plan update started with analysis of the 2005 Campus Master Plan, which had guided development of the campus successfully over seven years. That evaluation determined that the previous plan was fundamentally sound and most of the content could be carried forward. However, areas of the 2005 plan could be strengthened and recent changes in the planning context warranted an update.



Aerial photograph of campus



The 2013 update is limited to the campus in Denton and does not include Discovery Park or other UNT-owned property outside the main campus.

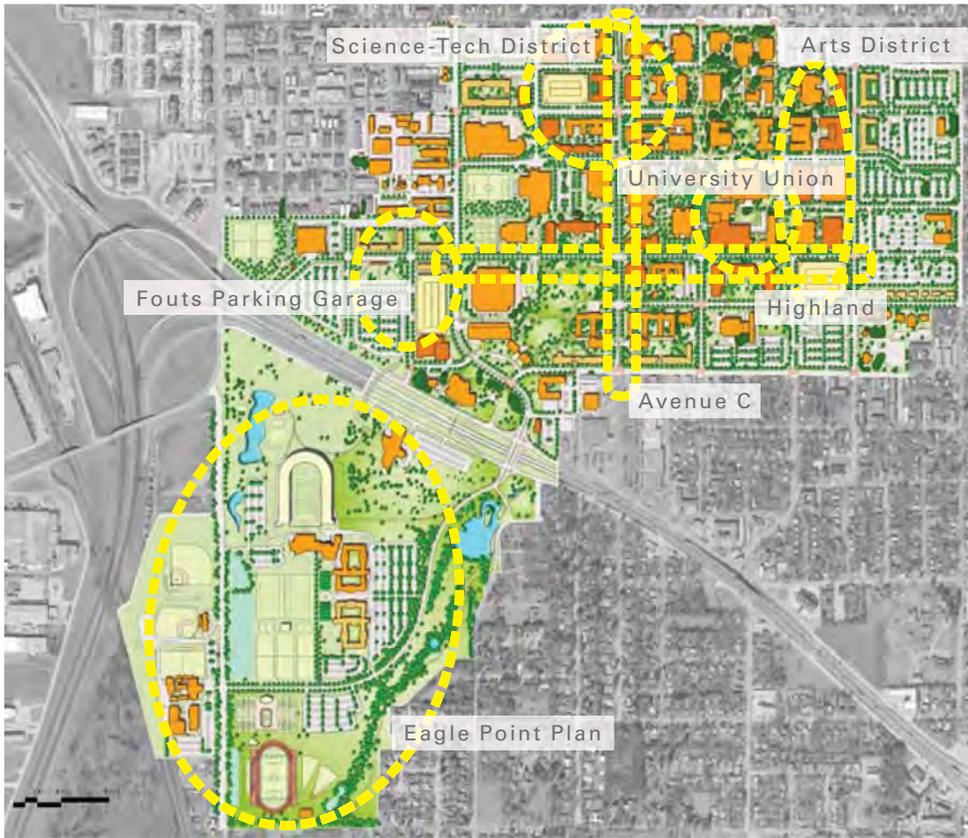
In identifying the need for updating the campus master plan, the university cited several areas where conditions or priorities have changed or where the 2005 plan needed strengthening, including the following:

- Growth: to accommodate increasing the enrollment target by 4,000 students; reflect the results of the space assessment needs study; support strategic goals including increased research; and evaluation of the land acquisition boundary
- Housing: capacity, needs and options
- Pedestrian and traffic circulation and parking: suggested street closures and I-35 expansion project impact, especially on campus gateways
- Architectural and Landscape design guidelines: Strengthen design language for building design, open spaces, entryways and campus perimeter
- Sustainability: Continued emphasis on sustainable principles and include building preservation

The detailed data gathering, documentation and analysis completed in 2005 (available for reference in the 2005 Campus Master Plan document) includes the following:

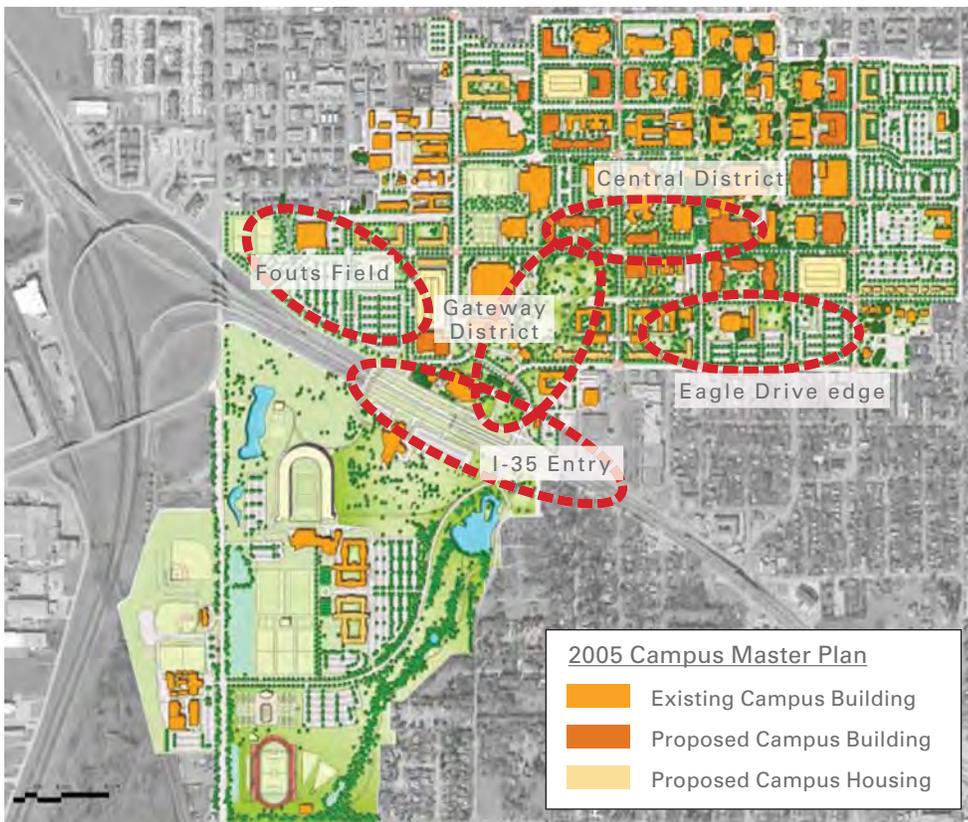
- Historical development of the campus
- Existing building inventory, types, character
- Existing housing conditions and unit types
- Educational programs assessment
- Traffic counts; parking counts and utilization analysis; and parking demand analysis

This work is still valid and relevant, so the 2013 update builds on the earlier analysis, but also works with the new projections. To confirm UNT enrollment goals and projections, support the 2013 Strategic Plan and identify specific facility needs for the next five years, the university undertook a Campus Space Assessment study. This analysis of physical space on the Denton campus is intended to help the university better understand its needs.



At left top:
2005 Campus Master Plan highlighting areas incorporated into 2013 Plan with little or no change.

- Arts district
- Science-Tech district
- University Union master plan
- Parking garage sites
- Street Improvements
 - Highland
 - Ave C
- Eagle Point Plan



At left bottom:
2005 Campus Master Plan highlighting areas to be re-considered in the 2013 Plan Update.

- I-35 Entry area
- Gateway district
- Central district
 - Library master plan
 - Music facilities needs
- Eagle Drive edge
- Fouts Field

2005 CAMPUS MASTER PLAN

The 2005 Campus Master Plan for the University of North Texas set a development strategy and vision for the university's Denton and Eagle Point campuses looking toward 2020. The plan includes projections for academic facilities, housing and parking facilities for the target enrollment of 41,000 students. It offers an open space and landscape framework, building siting recommendations, circulation and parking recommendations, architectural and landscape guidelines and a general implementation strategy. The master plan was intended to provide a framework for decision-making as the university moved forward with a 2004 Strategic Plan outlining major new program and facilities initiatives to support planned growth.

2005 Plan Goals

Goals identified for the campus master plan in 2005 that are still relevant include the following:

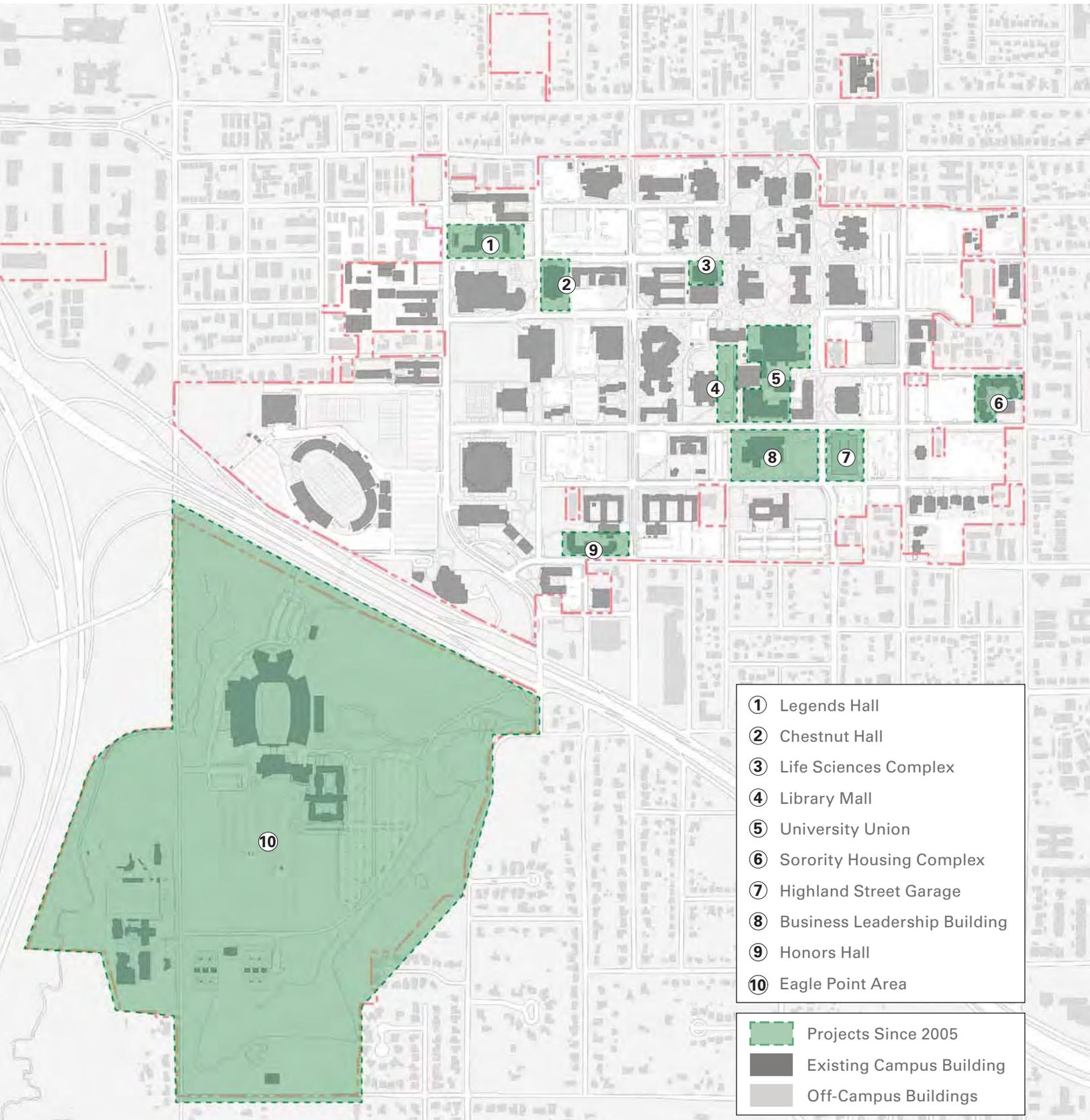
- Develop a master plan based on sustainable design principles
- Develop a vision that supports the academic and research mission of the university
- Develop an open space framework to accommodate future growth
- Engage the Denia neighborhood and the City of Denton to transform the campus into a unique district within the city
- Develop an integrated transportation strategy
- Develop strategies to integrate the Eagle Point with the main campus
- Establish campus boundaries and consistent design guidelines for architecture and landscapes
- Provide the services and amenities to support the various population groups of the university

2002 Plan Goals

The 2005 plan was based on the underlying framework of the 2002 plan, therefore the 2005 planning process began with the goals and objectives from 2002 as follows:

- Increase of 50 percent growth in facilities on the Denton campus
- Maintain a walkable campus by keeping academic facilities within a 10-15-minute walk
- Respond to the needs of nontraditional, married, adult and full-time/part-time students
- Balance distance learning, off-campus learning centers, other "connectivity" options
- Promote collaboration by integrating undergraduate and graduate learning, research and faculty with academic facilities
- Identify land acquisition priorities; public/private redevelopment opportunities
- Establish environmentally sensitive, pedestrian-oriented connections with parking on the perimeter, restricted traffic in the core
- Provide for high-quality landscape and visual unity through attractive campus gateways; defined campus edges; continuity of pedestrian and landscape spaces
- Supply architectural guidelines for scale, materials and design objectives

It is worth noting the continuing themes underlying more than a decade of planning: pedestrian-oriented, walkable environments, with high quality open space and landscapes. While each plan addresses growth and the changes of different time periods, both the 2002 and 2005 plans focus on improving the quality of the campus environment through similar priorities.



Projects completed since 2005

2005 PLAN IMPLEMENTED

The 2005 Campus Master Plan successfully set the direction for development on the campus and a significant number of its recommended building and site improvement projects have been completed. In 2007, Chestnut Hall was opened and Legends Hall and Honors Hall added more than 700 units of student housing.

In 2005, the University acquired 17 acres south of I-35, previously the site of Liberty Christian School, now part of the Eagle Point campus. In 2005, Victory Hall student housing and the new Athletic Center opened and the next phase of development continued the implementation of the athletics master plan, adding tennis courts and practice fields, along with repurposing existing school buildings to support the UNT program.

In 2008, UNT became the first large public university in Texas to sign the American College and University Presidents Climate Commitment. This resulted in new standards for the sustainable construction of UNT facilities, under the United States Green Building Council, Leadership in Energy & Environmental Design (LEED) standards. The Life Science Building, Business Leadership Building and Highland Street Parking Garage completed in 2010 and 2011 earned LEED Gold. Also in 2011 the new Apogee Stadium and parking, with the signature Eagle Point wind turbines, opened earning a LEED Platinum rating.

The Library Mall improvement may have been the most transformative project to come out of the 2005 plan, dramatically enlivening that space. A new master plan for the library as well as one for the University Union was also completed and expansion and improvements to the University Union facility are now underway.



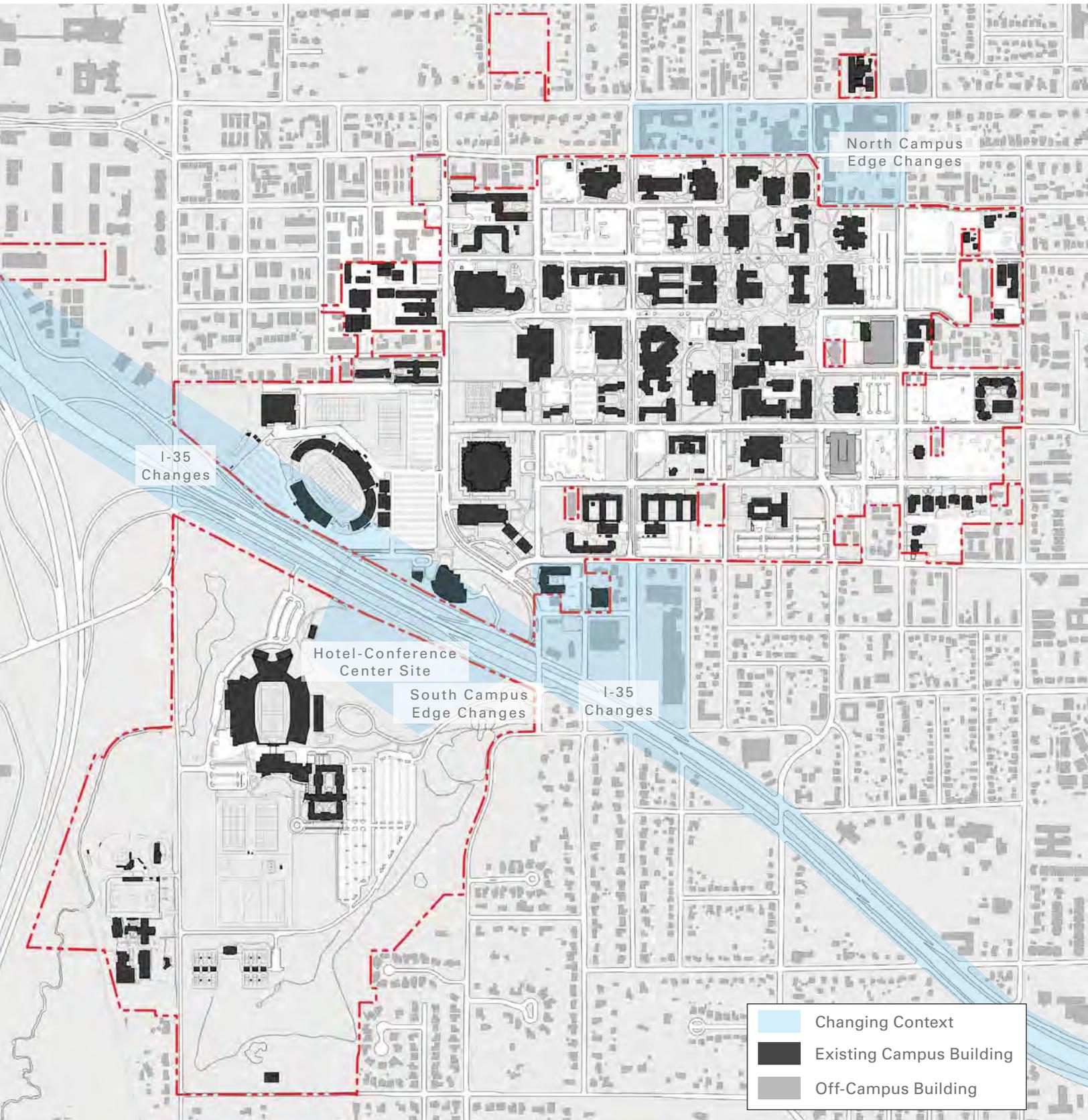
Apogee Stadium



2005 vision for library mall



Completed improvements to library mall



Existing campus plan, 2013

CAMPUS CONTEXT CHANGES

The histories of the University of North Texas campus and the City of Denton have been intertwined since the new teachers school or normal college was established in 1890.

Regional Transit

Originally, the campus was served by trolley lines on Hickory Avenue and Avenue C, providing a direct connection to downtown Denton to the east. Today regional transit is increasingly important to the campus, including the light rail A-Train connecting Denton to Dallas and the link connection from the Denton County Transportation Authority (DCTA) station to downtown and the campus. Improving transit is a transportation priority, but over time Interstate-35 has continued to be the major driver of growth for both the campus and the city.

Northern Campus Edge Development

The northeast edge of the campus abuts three historic districts: the Oak-Hickory Historic District, Fry Street District and West Oak Historic District. Since 2005, these neighborhoods have witnessed several new development projects, including student housing and mixed-use buildings incorporating ground-level commercial/retail and structured parking. While the proposed projects present concerns for these historic neighborhoods, they can be seen as complementary to the growth of the campus by offering the town-gown interaction sought by students. The university and city meet regularly to develop collaborative approaches to encouraging desirable, quality new development (or redevelopment) near the campus, while minimizing impacts on the adjacent residential neighborhoods and historic districts.

Southern Campus Edge Development

South of I-35, the campus is adjacent to Denton neighborhoods whose residents actively turned out for the community workshops associated with this update. The 2005 planning team concentrated much of its efforts on this precinct, working with the adjacent Denia neighborhood. Accordingly the 2013 update did not restudy this area and the

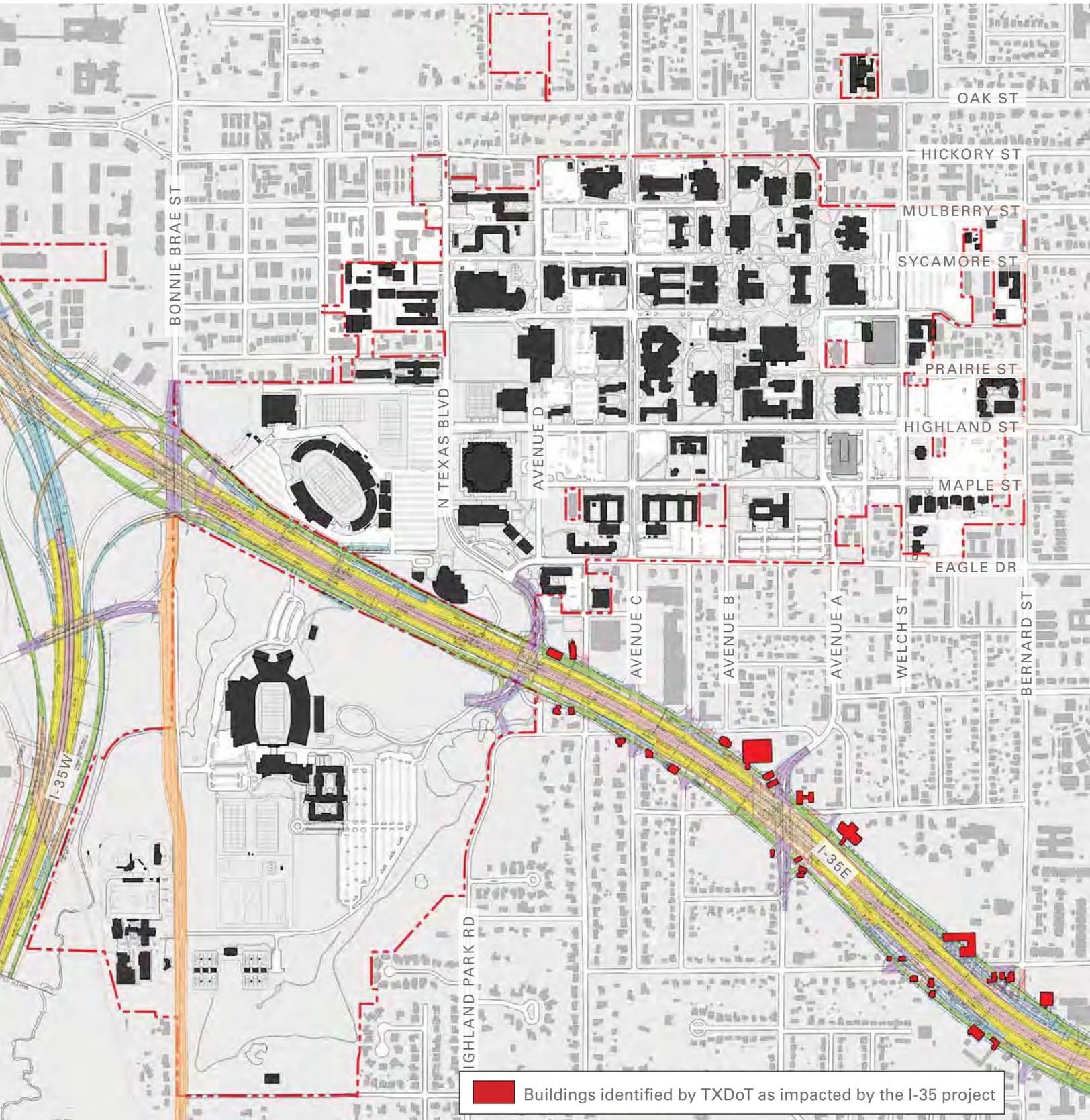
plan reflects implementation of the earlier plan. Consistent with the 2005 plan, a new hotel and conference center facility along the I-35 south frontage road is in the development and approvals phase with the city. This project is a private-public partnership that complements the stadium use and other UNT programs.

I-35 Expansion Impacts and Opportunities

The future I-35 expansion and modernization project was reflected conceptually in the 2005 plan. But now that the I-35 plans are further developed and the project is moving into the implementation phase, the campus master plan must respond to the changes considering both the immediate and longer-term impacts in many areas including: on campus access and circulation, gateways and identity when approaching the campus, and the overall campus edge and future growth and development opportunities along the interstate.

The Texas Department of Transportation (TXDOT) will expand the I-35 corridor between Dallas and Denton. This \$4.8-billion project will improve and widen 28 miles of the highway, including the entire frontage along the university and its interchange with I-35W. Currently two lanes in each direction, the interstate will be expanded to four regular and two toll/HOV lanes in each direction. As a result, some properties will be taken for right-of-way (ROW). Even though no university facilities will be affected by the proposed ROW expansion, the updated campus plan incorporates the new ROW as the basis for design and construction.

Generally, the I-35 improvements will increase safety by elongating on and off ramps to allow for better transitions. The plans currently indicate that while some exits will be relocated, other entry/exit points will be completely removed. Once these changes are fully implemented, the primary campus exits coming from the south will be Avenue A, North Texas Boulevard and Bonnie Brae; and from the north, Bonnie Brae. Notably the bridge at North Texas Boulevard will be reoriented (shifted west to be perpendicular to the interstate) and access reduced.



I-35 expansion and City of Denton Bonnie Brae roadway improvements



I-35 exit configuration changes

In addition to the I-35 changes, the City of Denton is currently planning to improve Bonnie Brae. With the changes realized, this edge of campus will provide an increasing important access to the university. The planned changes are illustrated in the graphic above.

As previously mentioned, the I-35 project will require TXDoT’s acquisition of additional rights-of-way (see the map at left) and TXDoT has identified several locations where whole parcels will be acquired and frontage buildings (gas stations, convenience stores and fast food) removed. These changes suggest there may be an opportunity for improvements at the interstate exit and frontage road, such as identity elements (UNT signage, streetscaping, etc.).

There may also be opportunities for new

development or redevelopment of the older, less attractive commercial areas along the frontage road. New development oriented to the campus (and not just the interstate), would add to the image of the university as an active, vibrant place to live, work and study. Mixed-use development could include retail, restaurants, hospitality and entertainment uses (which attract students and make living on campus, near these amenities, more desirable) and offer a range of housing options for graduate students, young faculty or retirement housing for UNT alumnus. Private sector development of multi-family housing, oriented toward students, has continued around the campus and developer and investor interest will only increase as the campus grows and the I-35 improvements are completed.



Signage monument marking the entrance to the campus at the North Texas exit/entrance from I-35.



This monument on Avenue C and Chestnut welcomes visitors to the Hurley Administration building but expansion to the west has resulted in this 'gateway' being located in the middle of the campus.

IDENTITY + GATEWAYS + EDGES

UNT identity is most evident along the interstate, defined by a combination of monument signs, notable landmarks and views across green open space into the campus. These views of the campus convey substance, commitment to sustainability and a Texas-sized love of sports. But much of this frontage is also cluttered by parking lots, utility poles and the I-35 frontage road. Arriving from the north, the UNT Mean Green brand is reinforced by the stadium new stadium signage and views. But visitors from the south (coming from Dallas) will not see the campus until they have passed the first two exits signed for UNT access, and then the Murchison Performing Arts Center sign identifies the landmark and the campus. This north edge along I-35 (adjacent to Fouts Field) looks very tired, but the new pedestrian bridge is a welcome improvement.

Well-defined campus gateways establish a front door and reinforce university identity or brand, aid in wayfinding and reinforce a sense of place. The entrance ramp from the freeway to North Texas Boulevard is well signed and welcoming, and the monumental character of the Gateway Center sets a strong tone for the campus.

However, most streets leading into the campus do not have formal markers (see map pg. 56 for streets and gateways) or UNT identity signage. There are no formal gateways welcoming visitors on the city side of the campus (Hickory or Welch Streets or Eagle Drive) and minimal signs identifying the campus street entrances or edges. There is a beautiful gateway on Avenue C at Chestnut Street (where visitors to the administration building park) but this is buried well within the campus.

The UNT campus would benefit from the addition of consistent identity-gateway and signage elements at each entrance. Ideally, major gateways would include provisions for visitors, such as visitor parking permits, maps and campus guides for pedestrians, cyclists and campus transit.



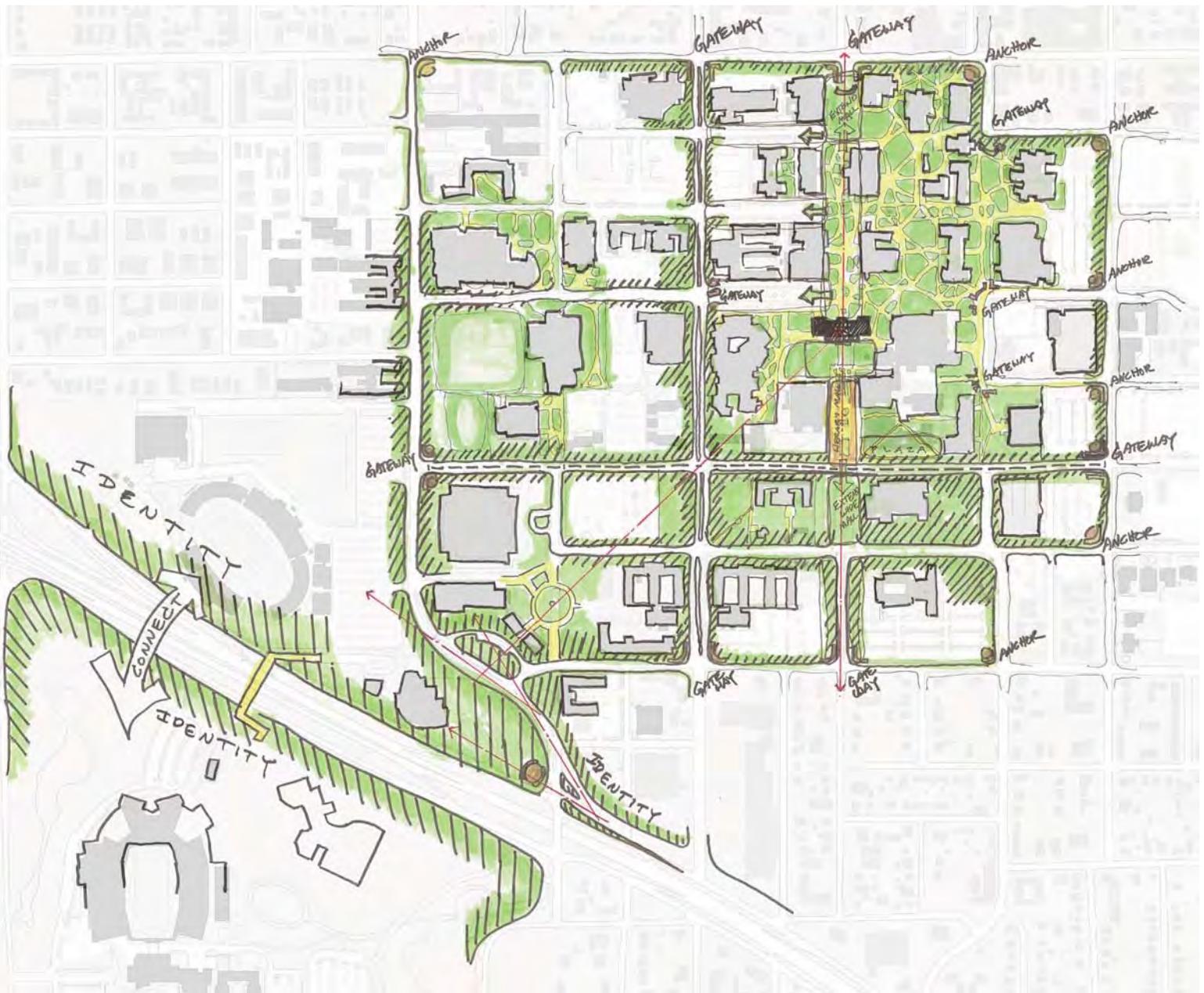
UNT signage along the south side of the I-35 frontage



Stadium identity along I-35 from the north approach to campus



UNT identity from I-35 frontage at the southern edge of the campus.



Campus Edges + Identity + Gateways concepts diagram illustrating:

- UNT 'green' identity along the interstate and the need for improved visual and physical connectivity
- the perceived campus 'edge' which should be 'greened' with additional street trees and landscape \
- locations for identity elements to 'anchor' campus corners
- locations for identity + gateway elements to mark entrances into the campus

CAMPUS EDGES

The most visible public edge to the campus is adjacent to I-35 where a combination of landmarks, signs and monuments, along with views across mostly green open space with sports and rec facilities conveys the UNT “green” brand. But parking lots, utility poles and service drives around the other perimeter edges detract from campus views and any sense of nature on the campus edges.

In most areas, the UNT parking lot restriction signs are the most visible evidence that you have reached the campus. With the exception of the southern approach from the interstate, streets leading into the campus do not have gates or formal markers. Sidewalks with a planting strip between the street and sidewalk extend around most of the campus. The east, south and west edges of the campus are dominated by parking lots, where a consistent landscape buffer is lacking. Low walls or fences to screen the lots while maintaining sight-lines for security could dramatically improve these campus edges. The addition of consistently spaced street trees and UNT-standard pedestrian-scale lights with banner poles could make a big difference on the major streets lining the edges of the campus.

Hickory Street is the historic northern edge of campus. This sidewalk-lined, active college street leading into downtown, provides a relatively shady edge to the campus. It would benefit from more consistent street trees, lights, paving, and buffers to parking lots. The northeastern corner of the campus is being transformed by new development with street level retail and student housing above. This area offers opportunities for the university and city to encourage a higher-quality, mixed-use district directly adjacent to the campus arts precinct. The planned College of Visual Arts and Design Building could also be an opportunity to engage the town-gown edge with a strong presence to create a unique pedestrian gateway on this corner of the campus.



UNT parking signs mark the northwest corner of the campus.



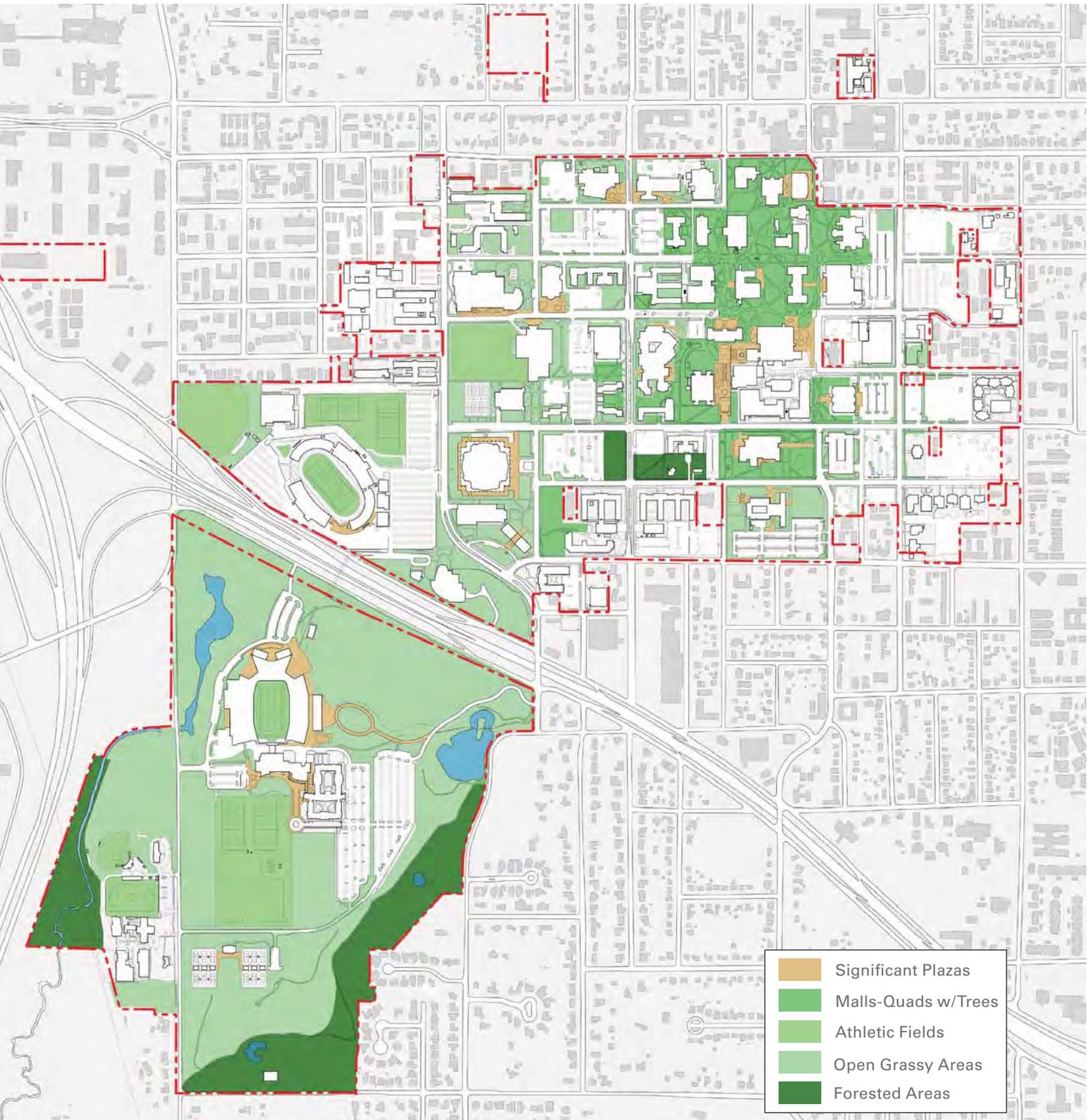
Welch Avenue, parking lots on the east edge of the campus.



Avenue C at Eagle Drive on the south edge of the campus.



North Texas Boulevard



Existing campus open space types

OPEN SPACE

The master planners and landscape architects toured the campus to evaluate the existing landscape character, including its condition as well as the edge and gateway definition. They assessed the arrangement of open spaces and landscape elements, and special outdoor features.

The team noted the changes made since the 2005 plan, including the library mall and implementation of sustainable practices such as water conservation, rainwater harvesting, tree locations and planting materials, species selection, massing and overall landscape development. Several highly sustainable projects have been completed since 2005, and the landscape around these projects varies in quality and type from the rest of the campus. Revisions to the landscape design standards to incorporate current best practices and sustainability principles, while retaining the unique character of the campus, could facilitate greater landscape consistency.

While some progress has been made since 2005, in most areas of the campus, the earlier plan's landscape goals for campus development still need to be applied, including the following:

- Better define attractive edges and gateways
 - Add trees, plantings
 - Improve sidewalks and paving
 - Direct visitors with signage and banners
 - Welcome with signage, entry portals
 - Install pedestrian-scale lighting
- Reinforce and extend open space
 - Enhance places for people
 - Improve pedestrian experience (more shade trees, walkways, lighting)
 - Expand pedestrian malls (Ave B, Chestnut, Sycamore)
- Support continuity with pedestrian paths that link formal and informal landscaped spaces.



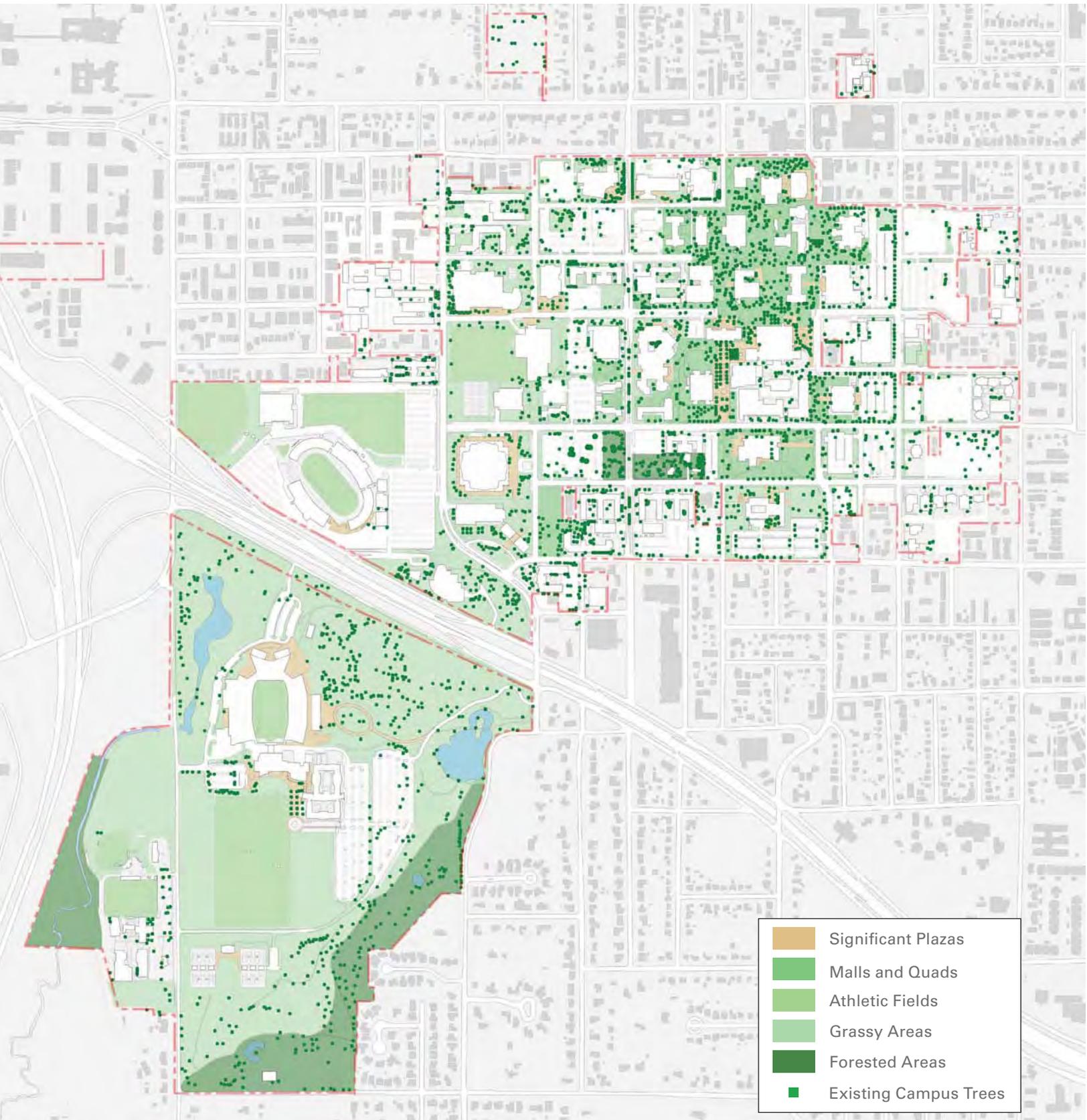
Completed Library Mall project.



Sustainable planting at Highland Street Parking Garage



Campus edge which would benefit from landscape improvements.



Existing campus open space with existing trees shown (over 7,000 trees on campus)



Pedestrian mall with mature tree canopy, crisscrossing paths, areas of sparse grass and ground cover, and a variety of site furnishings.

TREES AND OPEN SPACE

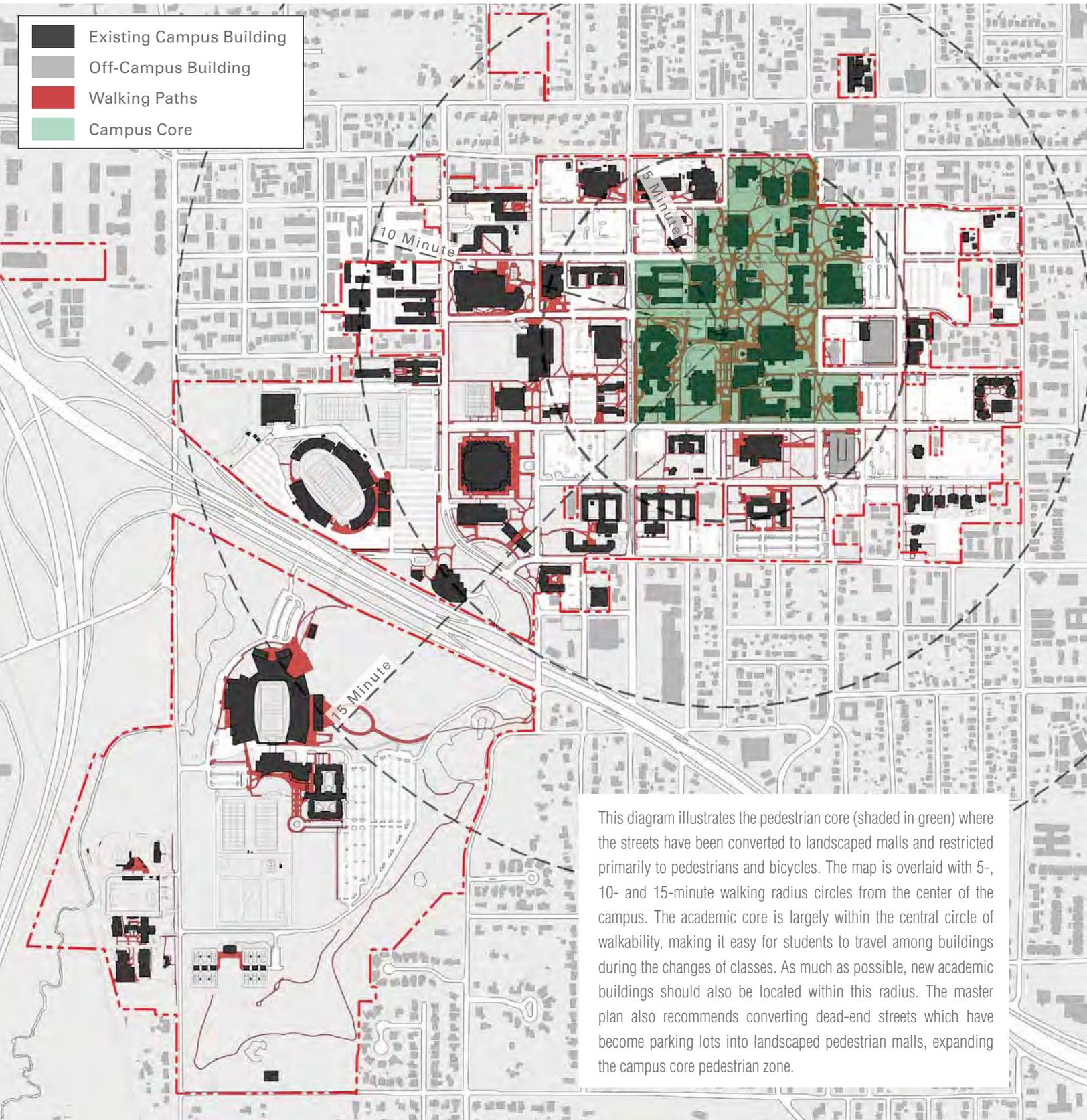
The master planners invited current UNT students to walk the campus and discuss what drew them to the campus. Each student noted an attraction to the UNT trees and open spaces. They described falling in love with the shady, green center of the campus, crisscrossed by a variety of walkways, on their very first visit. The campus is indeed distinguished by a mature tree canopy, including several Post Oak groves, but it lacks a consistent open-space hierarchy.

In the North Texas climate, trees make a significant contribution to the livability of a campus, shading walkways and creating a micro-climate in the popular campus courtyards, quadrangles and malls. Unfortunately, many mature trees conflict with proposed building sites. The university has a tree replacement policy similar to the city code, which seems to be misunderstood as

preventing development of sites with mature trees. The landscape design guidelines and standards should include recommendations for clarifying, amending and expanding the policy, and upholding the intent of maintaining a green, well shaded campus while supporting planned campus development. Suggestions include a tree fund or bank with a plan for locating replacement trees where needed most across the campus.

The landscape architects cited a notable gap in the open space structure immediately east of the Gateway Center (where the 2005 campus plan called for a new park) and west between the Eagle Point and main campuses, indicating the need to provide a better connection between the new pedestrian bridge and the main campus with enhanced walkways and landscape.

- Existing Campus Building
- Off-Campus Building
- Walking Paths
- Campus Core



This diagram illustrates the pedestrian core (shaded in green) where the streets have been converted to landscaped malls and restricted primarily to pedestrians and bicycles. The map is overlaid with 5-, 10- and 15-minute walking radius circles from the center of the campus. The academic core is largely within the central circle of walkability, making it easy for students to travel among buildings during the changes of classes. As much as possible, new academic buildings should also be located within this radius. The master plan also recommends converting dead-end streets which have become parking lots into landscaped pedestrian malls, expanding the campus core pedestrian zone.

Existing campus walkability analysis



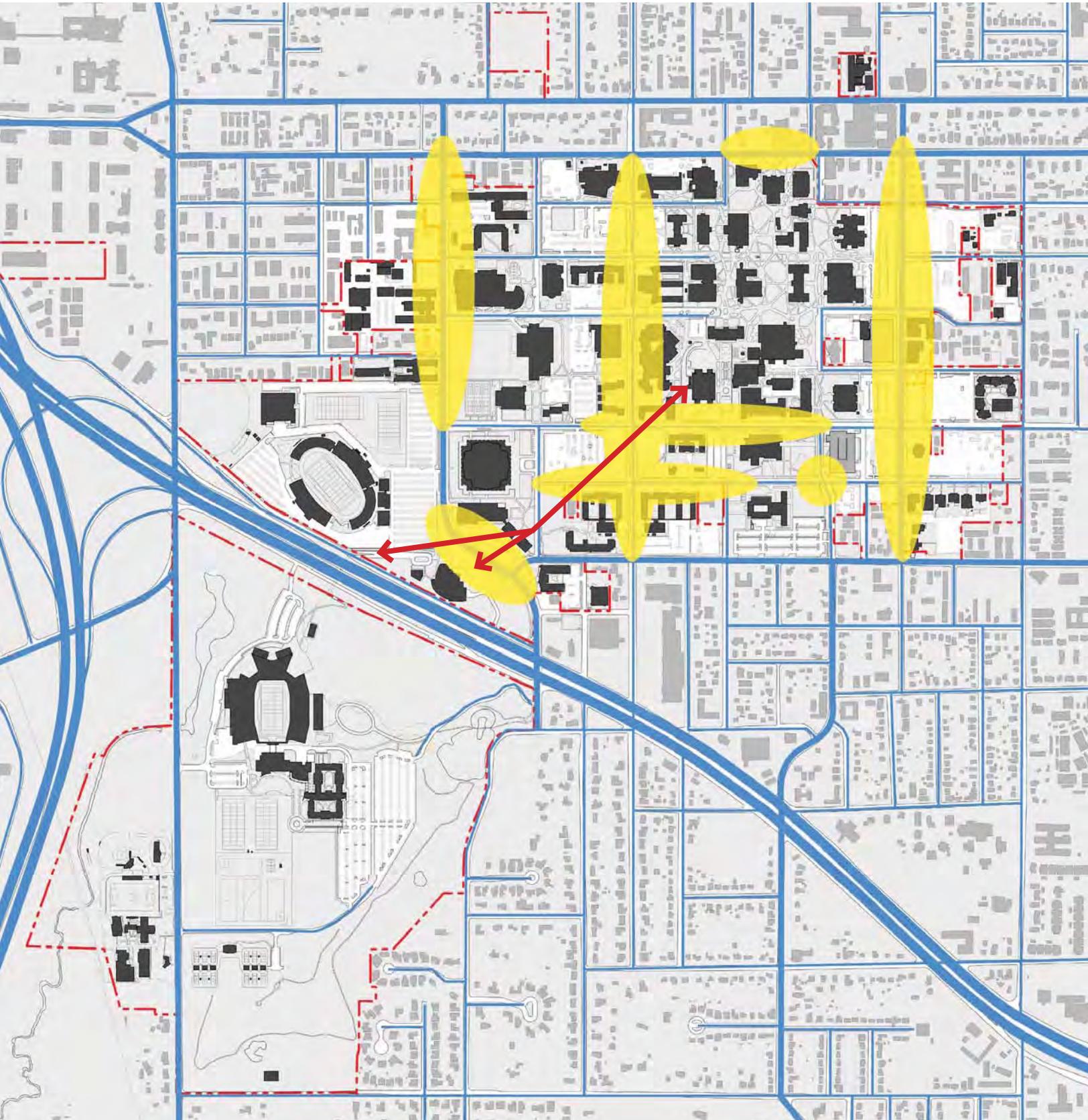
PEDESTRIAN CIRCULATION

The academic core of the UNT campus is a very compact, walkable 12-block core. It features malls and courtyards shaped by the historic architecture and distinguished by shady trees and small lawns crisscrossed by walkways used year round. This is the part of the campus that students talk about when they describe what first drew them to the campus - specifically, the trees.

Walking the campus reveals how changes in the quality of the space (materials, landscape, width of the walkway, and especially shade trees) make a difference in perception of distance and travel time. Where there are shade trees, it is noticeably more comfortable to be outside and walking is easy. But while the center of the campus benefits from groves of trees, the pedestrian malls suffer from too many paths of varying sizes and materials. The open space is less usable when carved up by such walkways and wayfinding is more difficult.

On the other hand, the perimeter of the campus, especially west of Avenue C, where the street trees are sparse, walking feels like a long hike across a vast, empty space. This area of the campus is newer (circa 1950-60s) and feels very different than the older campus center. The lack of active uses along the streets and large surface parking lots give the impression of a commuter campus. Around the parking lots, curbs are broken or missing, and there is evidence of flood and damage from storm water run-off.

Consistency and improvements in paving and materials can make a big difference in walkability. Pedestrian malls should also include walkways designed to provide access for service or emergency vehicles. Where streets are vacated for pedestrians and bicycles, these spaces will benefit enormously from design guidelines and standards for paving, site furnishings and landscaping.



Existing campus streets and parking, highlighting areas experiencing conflicts between pedestrians and vehicular traffic; the red arrows indicate one of the most highly traveled pedestrian routes with significant conflicts, which was cited for study in the master plan update.

STREETS

Streets are a vital and an often under-appreciated element of public space and civic life. The quality and character of the fine-grained street network is what allows the Denton downtown to succeed as an urban environment and a place of commerce. Conversely, one of the most distinguishing characteristics of the most beloved university campuses is the replacement of that urban street network with landscaped open spaces and an even finer grained weave of pedestrian walks and pathways.

The UNT campus is organized by a straightforward street grid that over time has been converted to pedestrian malls, although the underlying street network still exists in sections and fragments. As part of the goal to make the campus a more livable and pedestrian-centric place, these dead-end drives and streets, which have essentially become parking lots, should be removed and replaced by pedestrian malls. Each new building added to the central core should require the relocation of parking to perimeter parking lots and garages, so that the pedestrian realm is expanded.

All campus streets are currently managed and maintained by the City of Denton, so the gradual conversion or removal of streets will require university and city cooperation. Of necessity, utilities will remain in the street right-of-way and emergency and service vehicular access will need to be maintained.

Pedestrian + Vehicle Conflicts

North Texas Boulevard is a busy thoroughfare on the western edge of the campus, crossed by a large number of students every day (not always using designated crosswalks). The planning team studied this area to consider immediate improvements to direct students to marked pedestrian crossings (see Section 3, Gateway Precinct for this plan) as well as longer-term concepts for reducing or eliminating conflicts

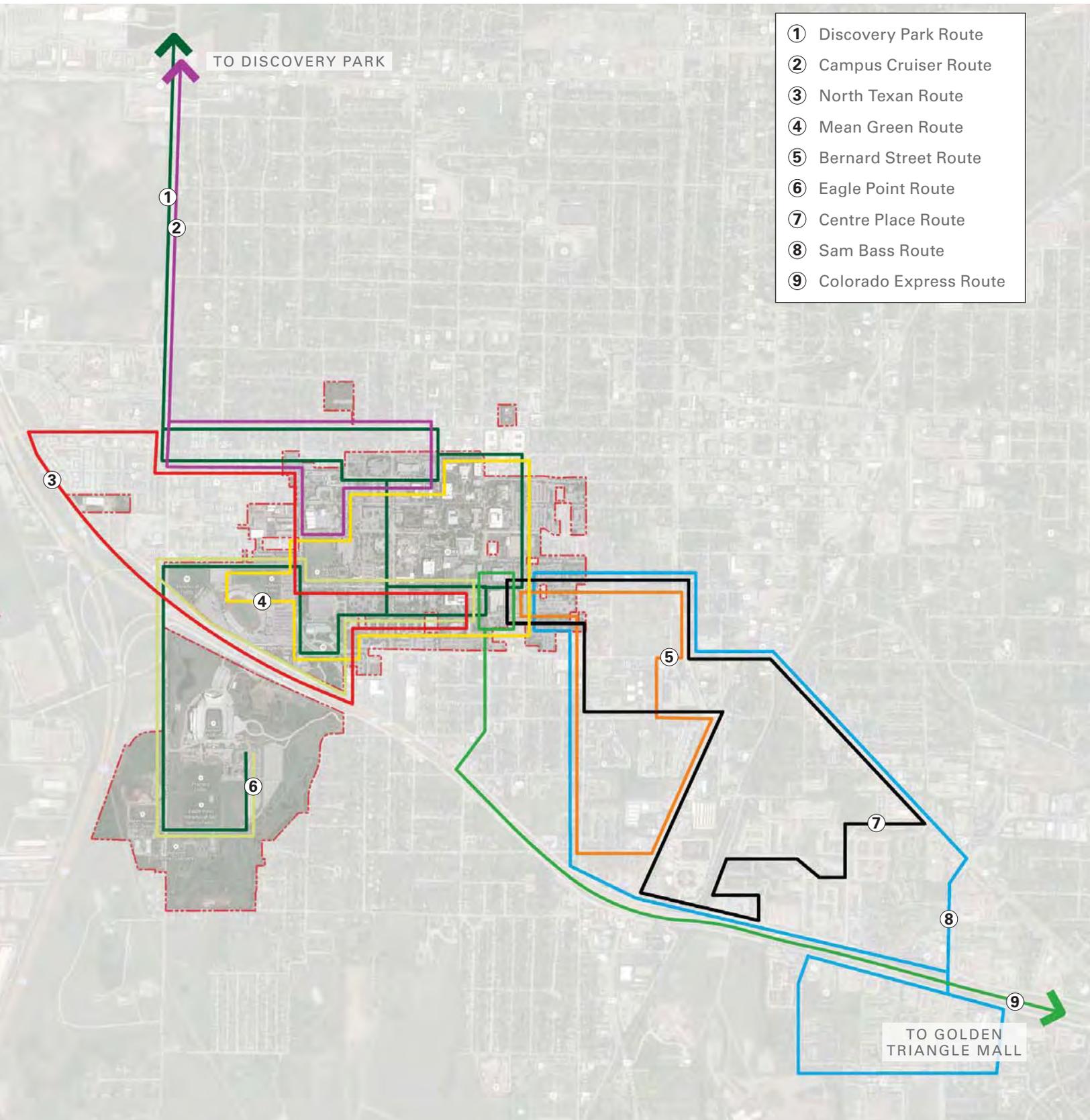
between pedestrians and vehicles in this heavily traveled corridor.

Welch Avenue is similarly challenging with many intersections, driveways and crosswalks which combined with high vehicular and pedestrian traffic, create significant challenges on the eastern side of campus.

Hickory Street and Eagle Drive, the north and south edge streets, are major through-routes into Denton and heavily traveled, but present different pedestrian issues. Both streets have commercial/retail uses attractive to students. They could benefit from crossing improvements at the intersections, elimination of all or most on-street parking and added streetscaping, including street trees, pedestrian-scaled lights, wider sidewalks and landscaping.

The 2005 Campus Master Plan proposed converting part of Highland Street to a limited-access transit mall when the city completes scheduled utilities upgrades. The transit mall should be designed to accommodate both busses and cyclists, with bike lanes on both sides and improved crossing for pedestrians. Avenue C was also recommended for access limits and pedestrian improvements. This update includes these changes with refinements to retain the existing curb lines and right-of-way, and address specific accessibility concerns.

The 2005 plan suggested closing internal streets within the campus and most of those recommendations are carried forward in the 2013 update. However, maintaining flexibility in the circulation network was a frequently expressed concern in planning workshops. Accordingly, the update looks carefully at options for shared or multi-use and limited or managed access Options. Some internal parking areas (especially for ADA spaces) and entrance/exits will be carefully considered to retain a strong circulation network.



Existing campus bus routes



CAMPUS TRANSIT

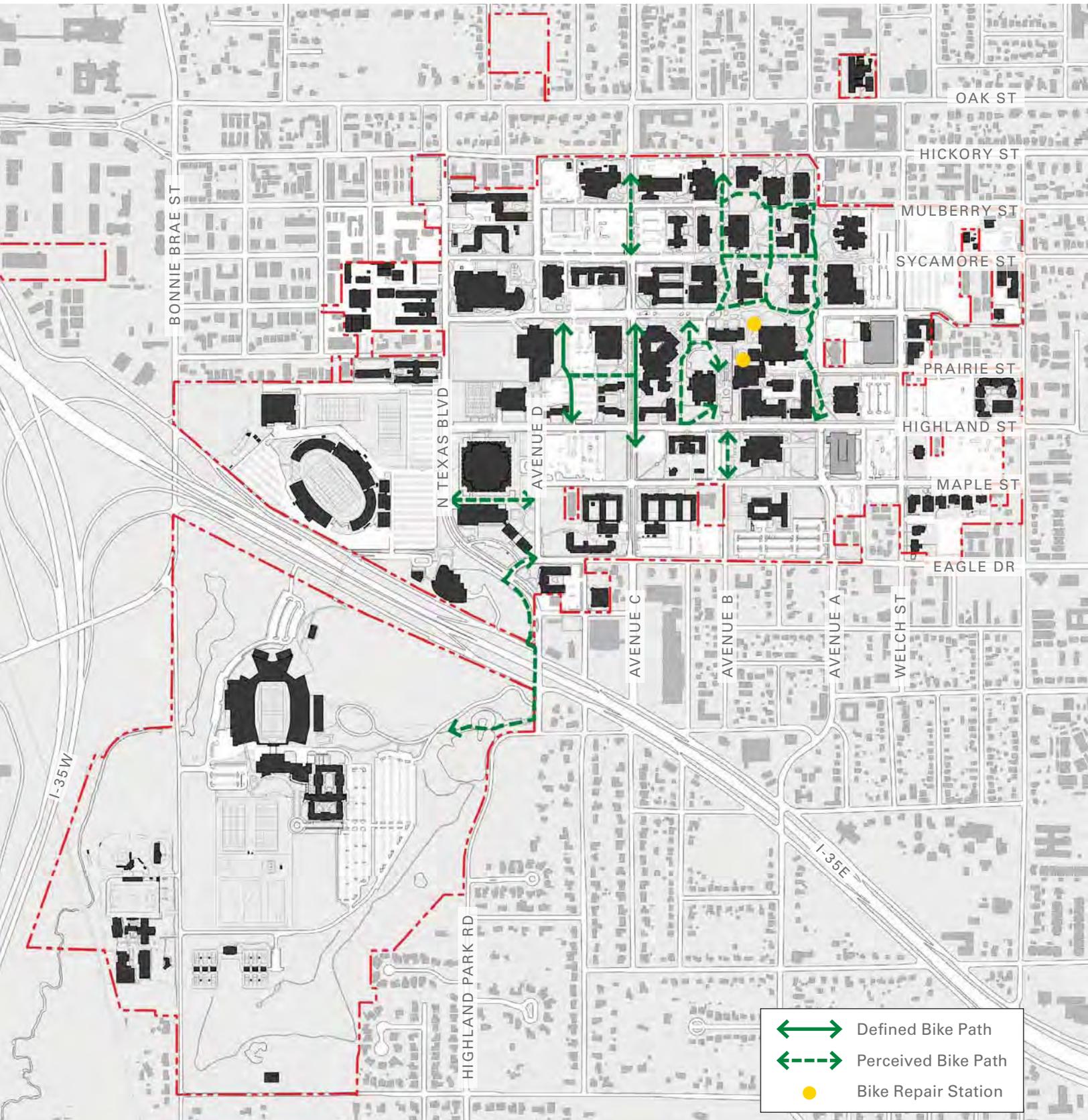
UNT and the Denton County Transportation Authority (DCTA) partner to provide a campus transit service, with nine bus routes around the main campus and to other high demand locations, including the Discovery Park Campus. The routes generally circulate around the campus perimeter but some cut through the core. Annual ridership exceeds 1.5 million trips and regularly exceeds capacity on certain routes during peak hours. Limited solutions exist to address excess demand at peak class change times between 10am and 2pm on weekdays. Bus stops are located throughout the campus and it can be challenging to navigate the different routes. Few bus shelters exist and not all stops have benches.

According to the UNT's 2011 Greenhouse Gas Inventory, 25 percent of students used transit while 38 percent rode alone in a vehicle; for faculty, those figures were 11 percent and 62 percent respectively. While transit ridership continues to rise (confirmed by counts from previous studies), discussion at master plan workshops suggests there is room for improvement. Students said they had moved beyond the bus lines to find affordable housing, but they would prefer taking a bus to driving.



CITY/REGIONAL TRANSIT

UNT and DCTA also partner in supporting regional bus service for students. Since UNT ridership greatly exceeds the DCTA's and the authority's limited budget, more funding is needed to meet the university's growing needs. With the recent addition of the A-Train connecting Downtown Denton and Dallas, more commuter students can travel to campus without the use of a car. The A-Train terminates at the Downtown Denton Transit Center and is connected to the campus via DCTA Routes 7, 8 and 9. Students are able to ride DCTA busses "fare free" and the A-Train at a reduced price. The university continues to seek ways to increase campus connections to the A-Train and other forms of transit to reduce on-campus parking needs and expand the geographic area from which they can draw students.



Existing bicycle network



BIKEWAYS + BIKE LANES

Several students suggested that the bicycle is the most efficient way to travel on the UNT campus. The university supports this sustainable means of transportation with bicycle infrastructure, including bike racks, bike “tune-up” stations and a student-run bicycle repair shop.

However, while many students, faculty, staff and members of the community choose to bike to and throughout the campus, the number of dedicated, well-marked and safe bikeways is surprisingly limited. There are only a few marked bike paths or lanes. The lack of connectivity not only creates confusion with wayfinding, it creates potentially dangerous bike-pedestrian conflicts as bike riders traverse sidewalks and pedestrian malls.

The City of Denton has long promoted a “share the road” policy. Recently, city bike routes have been identified so planned on-campus routes could connect with these local and regional bike routes.

The 2005 Campus Master Plan proposed a network of bike routes, with striped bike lanes on Avenue C and Highland Street. A Bicycle Master Plan was developed in 2006 and many of the recommendations from that study have been incorporated into this 2013 master plan update. Safety, continuity and connectivity are all critical to encouraging cycling as an alternative to cars on campus.

LAND + BUILDING USE

In many ways, the UNT campus is a typical American campus with a time-tested organization and hierarchy. Its compact core of academic uses centers on an administration building, library and university union; housing surrounds this core; and athletics, student recreational facilities and parking occupy the edges of the campus.

Academic, Research + Student Support

The original historic blocks of the campus still form the academic heart of the University. The northeast edge of the campus has been constrained by adjacent historic districts; therefore, campus growth has mostly been to the south and west. On the east side of the campus, Welch Avenue forms the edge, even though parking lots, Greek-life houses and some clinical outreach programs are located immediately east of Welch.

The diagram on the opposite page illustrates how the campus has grown to the west over the years, even stretching the academic core (although the academic uses south of I-35, should be relocated closer to the campus center). The concentration of academic functions helps both students and faculty engage, making it easier to connect and interact. Recent academic and research buildings, including Life Sciences and the Business Leadership Building, have increased density in the core. The 2005 Campus Master Plan recommended locating new academic buildings close to the core to reinforce the academic center of the University.

Critical to student success are the support services and functions concentrated in and around the Administration Building, University Union and Eagle Student Services Center, and the academic support of the main library. Additions and renovations to these buildings, while logistically challenging, are sound strategies for retaining the central location and accessibility.

Residence Life

The diagram on the opposite page shows how student housing stretches across the campus, north and south of the academic core. New housing has been built to the north of the student recreation center and along Eagle, west of Avenue C. Grouping housing around student services, like the recreation center and new Chestnut Hall wellness facilities, is a great way to build a sense of community. The 2005 plan recommended a variety of housing types, including traditional dorms, semi-suites and student apartments, for graduate and family housing.

Athletics + Recreation

Most of the recreation and athletic functions are situated on the west side of the campus. These locations are highly visible and have excellent access from the interstate, but are located nearly one mile away and are therefore isolated and removed from the core of campus. The 2013 opening of the new pedestrian bridge over I-35 is a huge step toward knitting the southern portion of Eagle Point precinct into the core of the campus. The 2005 plan developed a new approach to this precinct and implementation continues to move forward successfully.

As the new athletics facilities are completed, the old stadium buildings on Fouts Field are being demolished and the redevelopment plans for this area can start to be implemented. In light of those changes, the planning team re-evaluated plans for this area. The team considered options for phasing improvements and the longer range potential for increased building density and presence on this prominent campus edge.

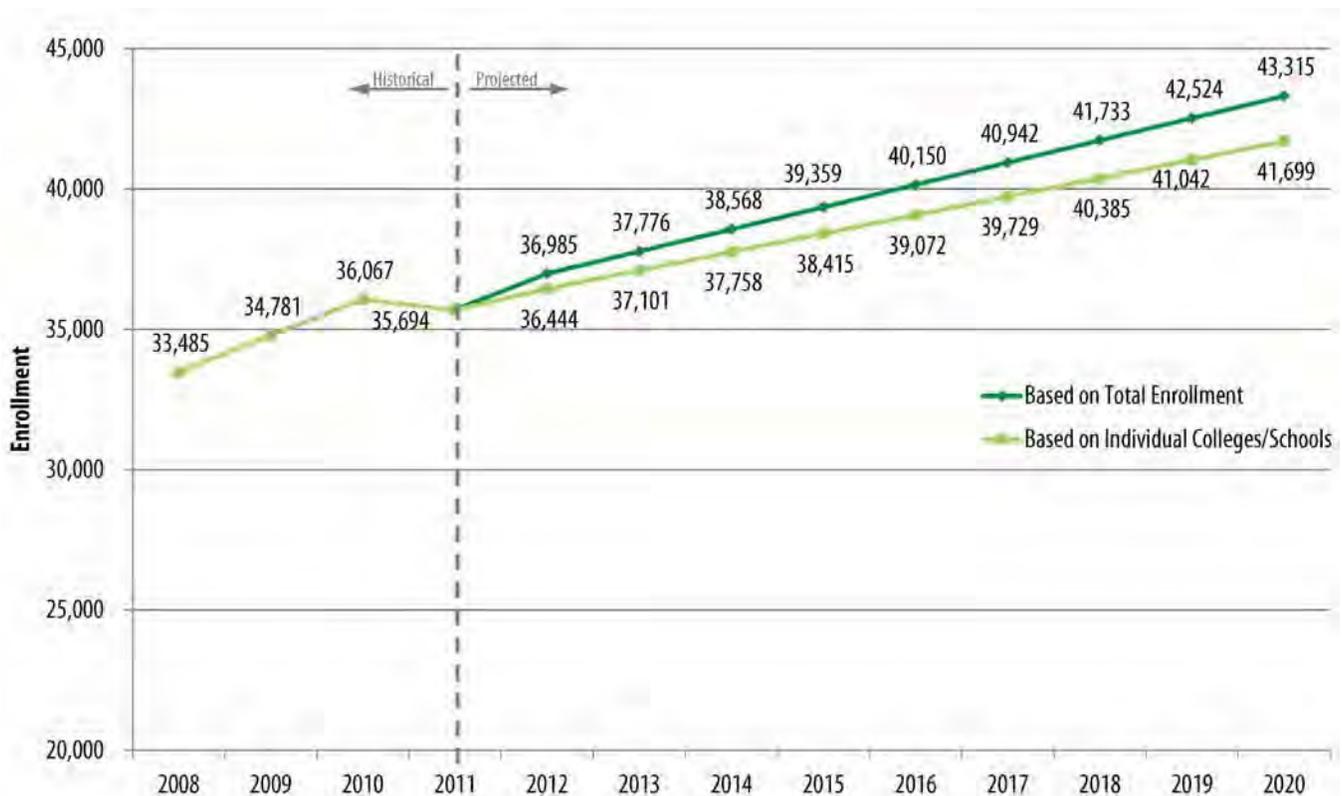
GROWTH AND ENROLLMENT

The UNT campus in Denton is the flagship campus for the UNT System and has seen remarkable growth in recent years. In the 2005 Campus Master Plan, the anticipated enrollment goal was 41,000 students. As the planning started, enrollment was already reaching 37,000, exceeding expectations. For the 2013 master plan, UNT has set a new target enrollment at 45,000.

An understanding of enrollment growth and trends contributes to the development of space requests and projections by division and by college. The Space Assessment confirmed that the university goal of reaching 45,000 students is achievable but, no sooner than 2020. Looking at historic enrollment growth and taking into account enrollment projections provided by the colleges, it is feasible to surmise that UNT may reach 45,000 students between the years 2020 and 2021.

In order to accommodate these students, sufficient and appropriate facilities must be planned well in advance.

A critical aspect of accommodating enrollment growth is providing sufficient housing and resident life facilities, especially for new students and freshman. Living on campus increases student engagement and correlates to higher retention rates. UNT set a target of housing 25 percent of the student body on campus, an increase from the approximately 18 percent currently housed on campus.



Campus Space Assessment, projected enrollment

TOTAL CAMPUS	Total Existing Area	Current Need		5 Year Need		Total Current + Future Need Difference (Sq/Ft)
		Total Area (Sq/Ft)	Difference (Sq/Ft)	Total Area (Sq/Ft)	Difference (Sq/Ft)	
Academic Spaces	1,307,721	1,581,072	273,351	1,806,336	225,264	498,615
Non-Academic Spaces	370,938	405,539	34,601	444,404	38,865	73,466
Classroom Spaces	178,062	178,062	0	238,812	60,750	60,750
Total	1,856,721	2,164,673	307,952	2,489,552	324,879	632,831

Campus Space Assessment projected space needs

SPACE NEEDS

Physical facilities are essential to support the strategic and academic plans of the university, so the Campus Space Assessment addressed the needs of the Denton campus from a physical space perspective.

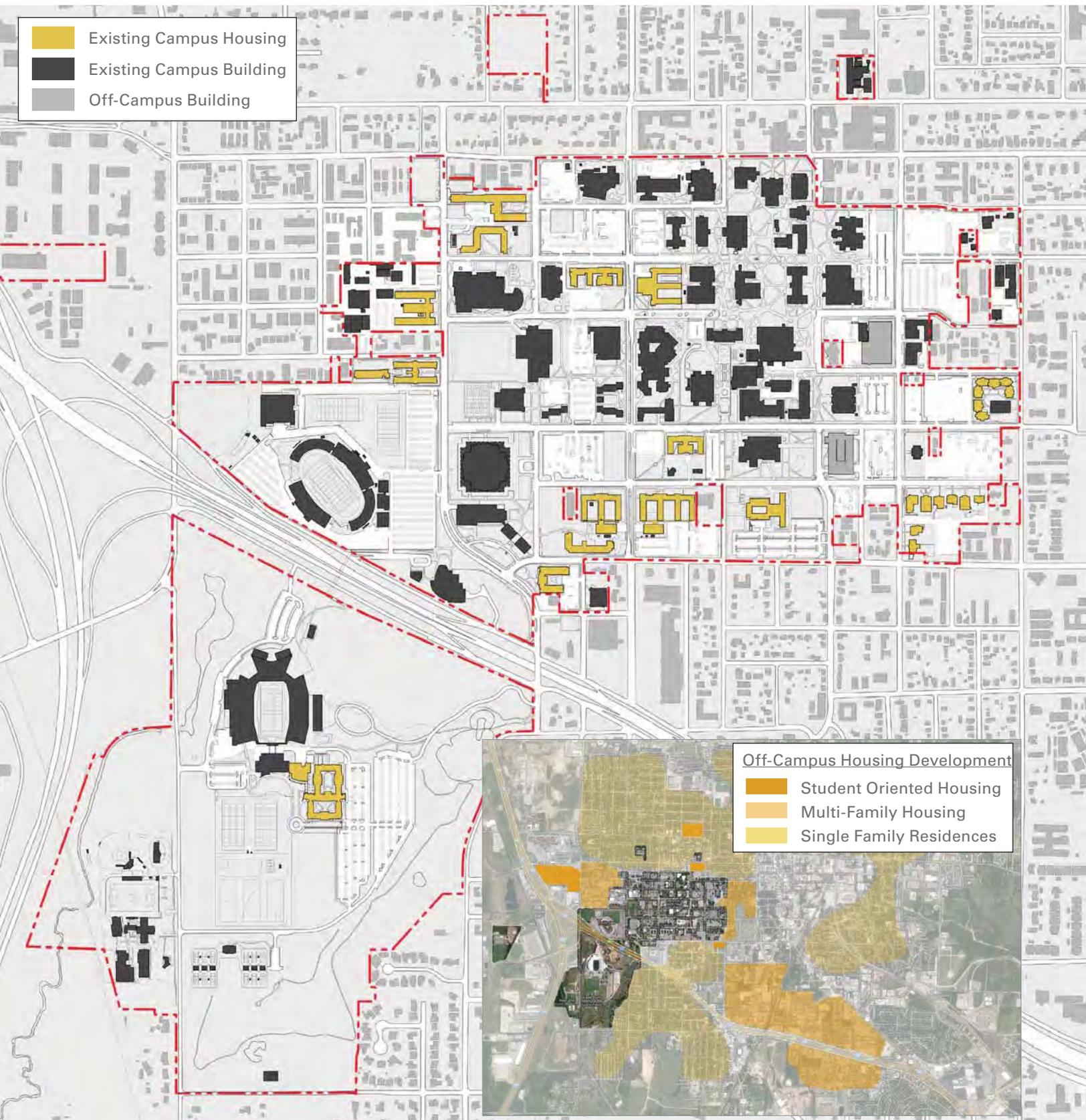
The Campus Space Assessment identified a total 6,971,945 gross square feet (GSF) of existing facilities in 168 buildings, with a total of 2,221,206 Education and General net square feet. It identified current and projected five-year needs for an additional 632,831 net square feet (academic, non-academic support and classrooms space).

Several peer institutions, both in-state and out-of-state, were benchmarked as part of this analysis. The average total campus GSF-per-student headcount of identified peer institutions is 231 GSF/student. UNT has only 198 GSF/student. This is a 14 percent difference and clearly indicates that growth in new facilities is warranted if UNT wishes to compete with its peers.

The Campus Space Assessment also noted that the 2013 master plan should identify potential new building sites for specific identified needs (such as a visual arts addition and new science building), as well as general academic, classroom and educational resource buildings.

Additional space concerns identified in the assessment interviews included the following:

- Significant need for additional class labs. The lack of class labs is interfering with some students’ schedules and may preclude non-majors from enrolling in certain courses.
- Additional research space is needed to attract desired faculty. When hiring research-intensive faculty, the equipment, graduate students and technicians must be appropriately accommodated, including office and support space.
- Newer and growing colleges require additional administrative space as well as space for student gatherings, class labs and support.
- Additional housing and student recreation facilities were identified as needs.



Existing on-campus housing

Existing off-campus housing areas

	TOTAL ENROLLMENT	UNDERGRADUATE ENROLLMENT	UNDERGRADUATE BEDS	OTHER BEDS	TOTAL BEDS
2011	+/- 34,560	28,283 (81%)	5,487 (19%)	367	5,854
			+663	+125	+778
2015	37,500	30,000 (80%)	6,150 (20%)	492	6,642
			+1,230	+172	+1,402
2020	41,000	32,800 (80%)	7,380 (22%)	750	8,044
			+1,395	+213	+1,608
2025	45,000	35,100 (78%)	8,775 (25%)	850	9,653
			+3,288	+511	+3,800

* Other Beds = TAMS, Graduate and Family

* Does not include renovation/replacement of older housing

HOUSING

More than 60 percent of the students living on campus are freshman, with sophomores making up another 25 percent of the residents. UNT has been expanding the number of suite and semi-suite units on campus, adding more than 700 beds since the 2005 Campus Master Plan was adopted. The 2005 plan recommended 3,000 additional beds to support 41,000 students; the 2013 plan expands that number to support 45,000 students.

The new honors housing building is all single rooms in suites and has a waiting list. Newer student housing with desirable amenities could help with recruiting, since these facilities are very important to prospective students. As the planning started in 2012, the biggest concern expressed was having enough beds to house the entire freshman class.

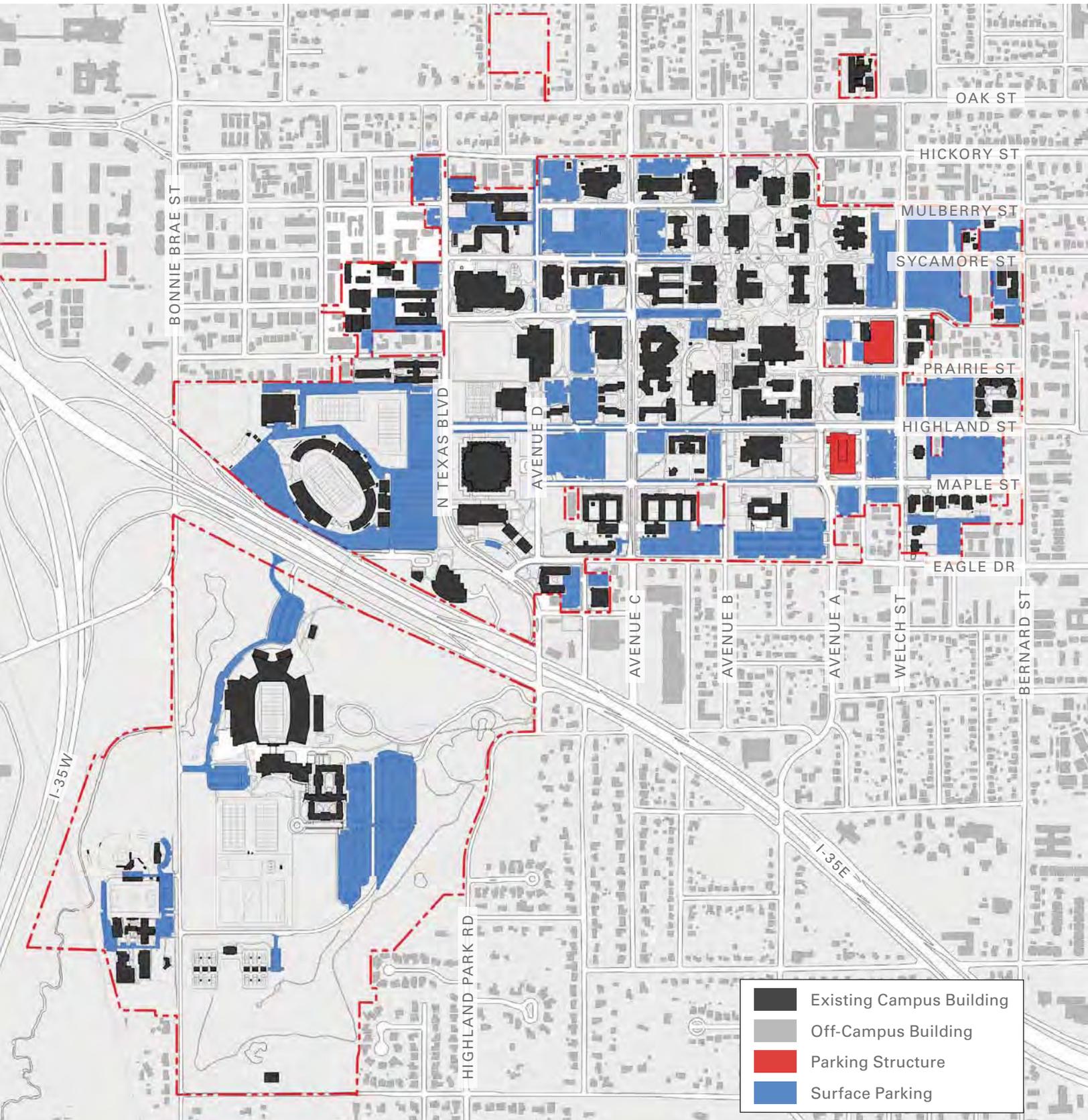
UNT has expanded student housing goals, with a greater emphasis on undergraduate beds and first time in college students. The 2013 Update sets a target for house 25 percent of the student body on campus.

The table above shows that more than 600 beds are needed immediately to meet the current demand and approximately 600 new beds must be built every five years to keep up with projected enrollment increases.

The UNT campus is home to the Texas Academy of Math and Sciences (TAMS) program and provides housing for those students as well as a small number of units for international students (included in the “Other Beds” category above).

Since the demolition of the Bradley Street apartments, family housing is unavailable on campus and there is not sufficient graduate housing to support demand. Family housing may be an area of growing demand as more veterans and adults return to college.

Housing is an auxiliary unit that is self-sustaining; housing income provides for ongoing facilities maintenance, so generally, the dorms are in good condition and include upgrades to improve efficiency.



Existing parking lots and structures

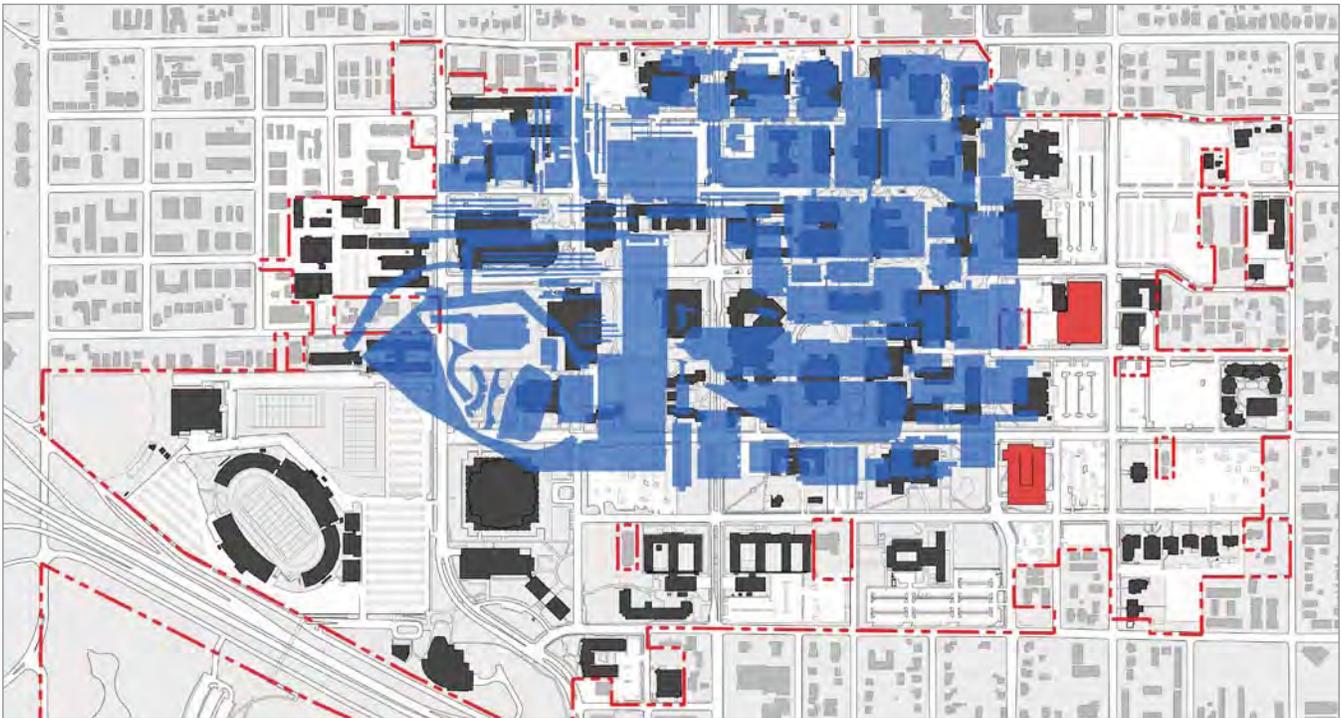


Diagram aggregating existing surface parking illustrates that land area dedicated to storing cars is larger than the central academic core of the campus.

PARKING

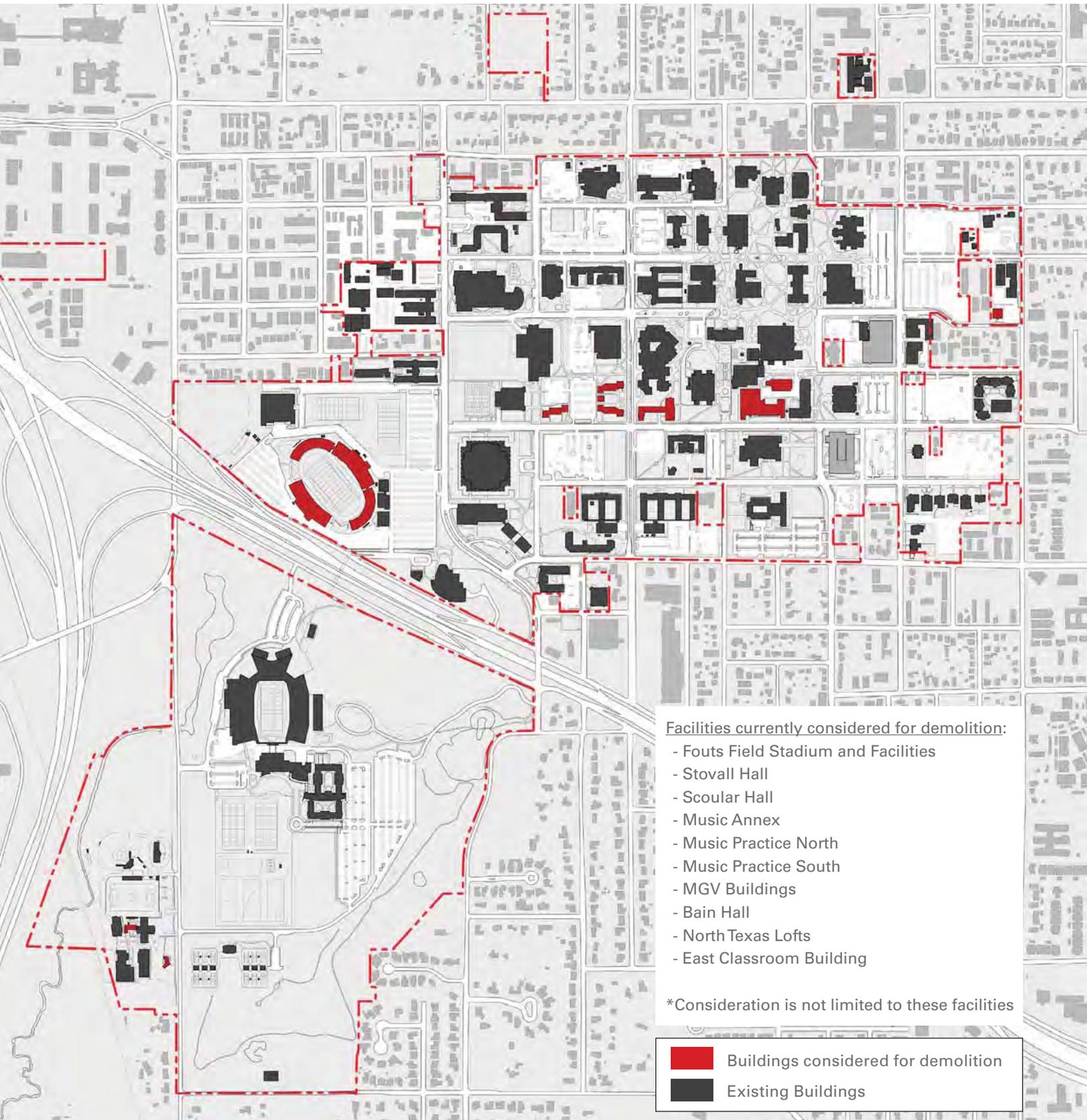
Analysis of the UNT campus identified nearly 75 acres of surface parking. As indicated above, that is roughly the same area occupied by the academic core of the campus. Enrollment growth projections could expand the need for future parking to 85 acres or more. This increase would mean a valuable campus resource, land, would be dedicated to storing cars.

The location of parking, limited street network and the need to move students and faculty across the campus during class changes, often produces conflicts among autos, transit, bikes and pedestrians, and major gridlock.

Nearly 90 percent of the 12,200 parking spaces on campus are in surface lots, with 1,582 spaces in two parking structures. With the exception of the dozen central campus blocks where the streets have been vacated, most of the campus is still divided into blocks by city streets with surface parking, and one or two buildings on each block.

The two existing parking structures are located on the east side of the campus, close to the central core. The Highland Garage, completed since 2005, is well located for visitor parking, close to the Business Leadership Building, library, and University Union. Public information on utilizing university parking should be updated to let visitors know that ‘pay-by-the-hour’ parking is available, with maps or directions to the garage entrances. The 2005 plan proposed two new parking garages on the west side of campus, which the 2013 plan carries forward: the Fouts Field Garage, critical to redevelopment of the Fouts Fields precinct; and the Sycamore-Ave D garage close to the science corridor, housing and Recreation Center.

The 2005 plan included a detailed parking usage analysis noting the success of UNT’s parking demand management strategies in reducing on-campus parking requirements on a per-student basis (see Section 6 and Table 6.1).



Existing Facilities Considered for Demolition

FACILITIES CONDITIONS

Management of campus assets requires regular evaluation of existing facilities and building systems to identify the need for upgrading or replacement. The UNT Facilities Conditions Index is used to report building conditions and plan for renovation or replacement projects.

While repurposing an existing building is usually the most sustainable option, it's not always feasible to adapt older buildings for new uses, such as laboratories or large assembly-occupancy technology intensive classrooms. Reinvestment in older facilities must always be carefully assessed in terms of costs and benefits. Buildings at the end of their useful lives or not constructed for a higher education use (such as the Liberty Christian buildings in the Eagle Point area) may be difficult to bring up to institutional standards and their replacement may be more cost-effective in the long run.

The 2005 Campus Master Plan noted that some older dorms should be considered for future replacement. However some of these structures, including the College Inn, have since been renovated and improved. Over time, housing should continue to be evaluated for upgrading or replacement.

In some cases, a building that is only one or two stories high and occupies a prime campus site may be needed to be removed to accommodate larger, new facilities in a critical location.

HISTORIC BUILDINGS

Some existing campus buildings have been designated to be of historic significance or are cited as contributing to the historic character of the campus. These buildings are valuable campus resources to be preserved with enhanced maintenance.



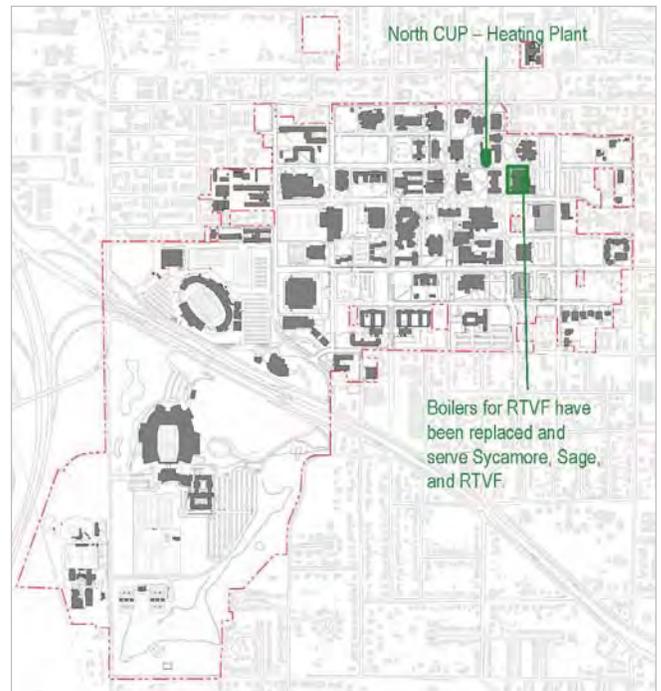
Campus Core showing buildings of historic significance

UTILITY INFRASTRUCTURE

The 2013 Master Plan Update did not include detailed analysis, evaluation or planning for campus utilities, systems or related infrastructure, but the planning update could not proceed without taking existing and future planned campus infrastructure and systems into consideration.

The analysis in this section provides a broad overview of the campus infrastructure, systems and utilities and the existing and near-term capacity for meeting current and future needs. This information was considered by the planning team as concepts for future facilities were developed and the high priority First Phase building sites were identified. But the master plan also includes plans for long range development in areas where the supporting utilities are not fully in place and where systems capacity does not currently exist (such as areas around Fouts Field). Investment in new infrastructure will be required before development in these areas can proceed.

A recommended 'next step' following the adoption of the 2013 Master Plan Update, would be the development of a detailed campus utilities plan to support the phased implementation of the updated campus master plan.



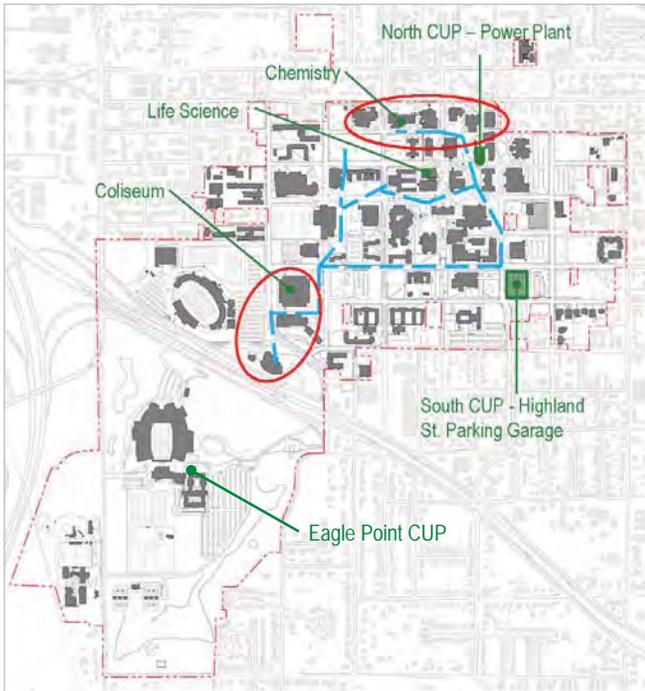
Heating Utilities

Heating

The core of the campus is served by a small central heating plant, housed in the Power Plant (North CUP) with five new modular Aereco boilers that serve approximately 10 buildings nearby.

The majority of the buildings on campus are on independent heating systems using gas boilers to provide hot water for building heating loads. UNT Facilities prefers these smaller heating systems serving one to three buildings with hot water from compact, high-efficiency boilers. Currently, the older boilers are being strategically replaced throughout campus on an as-needed basis.

Continuing with this heating water system design will allow the University to have a flexible, modular system, adding boilers as needed when new buildings are constructed. Natural gas is available throughout campus and can be used for heating needs as well as domestic hot water service.



Chilled Water Utilities

Chilled Water

The main campus area currently has two utility plants serving the main chilled water loop. One is located in the Power Plant on the north side of the campus (North CUP). This North Plant has three cooling towers and three 1,250-ton chillers.

The second utility plant is the newer of the two, located on the south side of campus in the Highland Street Garage (South CUP). This South Plant contains two cooling towers with the capacity for two additional chillers to support future development. This Plant has two 1,250-ton chillers with capacity for two additional 1,250-ton chillers (to be installed in the near future).

The chilled water system has an approximate Delta T of 12-14 degrees Fahrenheit. The majority of the underground campus chilled water loop consists of 24-inch pipe.

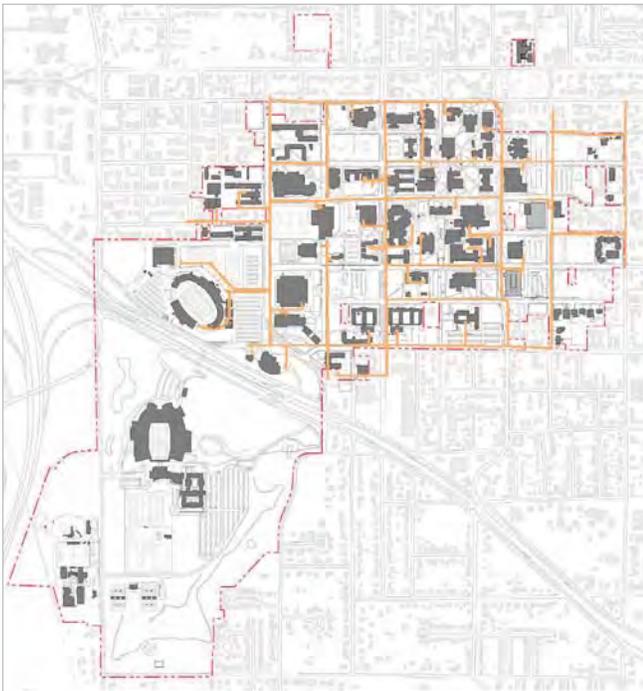
Currently, the chilled water piping loop extends around the main core of campus with several takeoffs serving multiple buildings. Currently, residence halls are not part of the central plant system, with the exception of Bruce and McConnell Halls.

Future plans for serving the residence halls have not yet been determined, but the 2013 master plan assumes that residence halls will continue to have their own independent cooling systems.

Three existing buildings have small chillers that can carry the individual buildings or can serve as additional capacity for the main loop. They are the Chemistry building, Life Science building and Coliseum. These structures have two 400-ton chillers; one 500-ton and one 400-ton chiller; and two 400-ton chillers, respectively.

The existing system on the main campus can support additional square footage. The existing 24-inch loop can support 12,000 gpm or approximately 6,500 tons. And with the extra capacity in Highland Street Garage, additional chillers can be installed to accommodate even more new buildings.

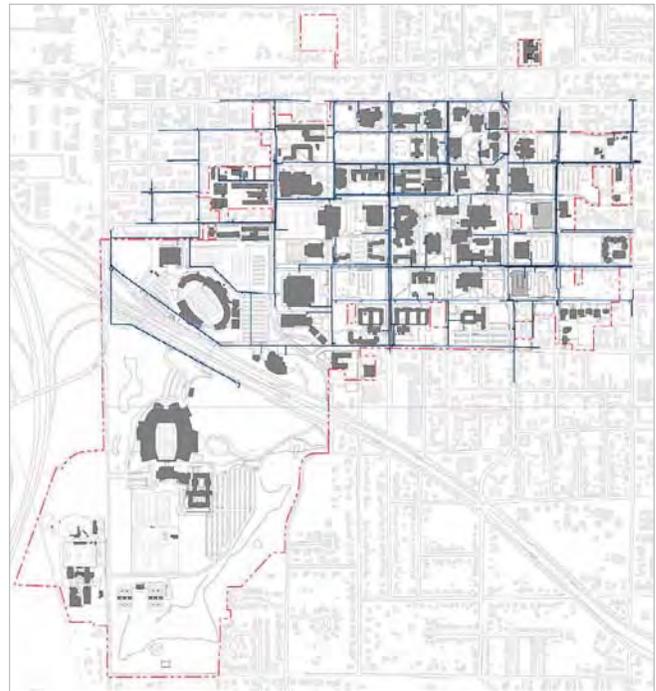
Moving across the I-35 corridor, the Apogee Stadium, Athletic Center, Champs Dining and Victory Hall, in the Eagle Point Area, are served by a central chilled water loop located in the Champs building. The system consists of two 450-ton chillers and one 600-ton chiller. Three cooling towers are connected to this system. The remaining buildings in this precinct are served by individual air-cooled chillers.



Natural Gas Utilities

Natural Gas

The natural gas service on campus is currently provided by Atmos Energy. The on-campus facilities are operated and maintained by Atmos Energy up to the gas meter at each connection. From that point, gas system maintenance is the responsibility of the University. Based on conversations with the University and Atmos Energy, the gas capacity around campus seems to be adequate. There are no known plans to make any significant upgrades to the natural gas system. When new buildings or building renovations take place, the design teams and university will work directly with Atmos Energy to establish the gas needs for the project based on projected demands.

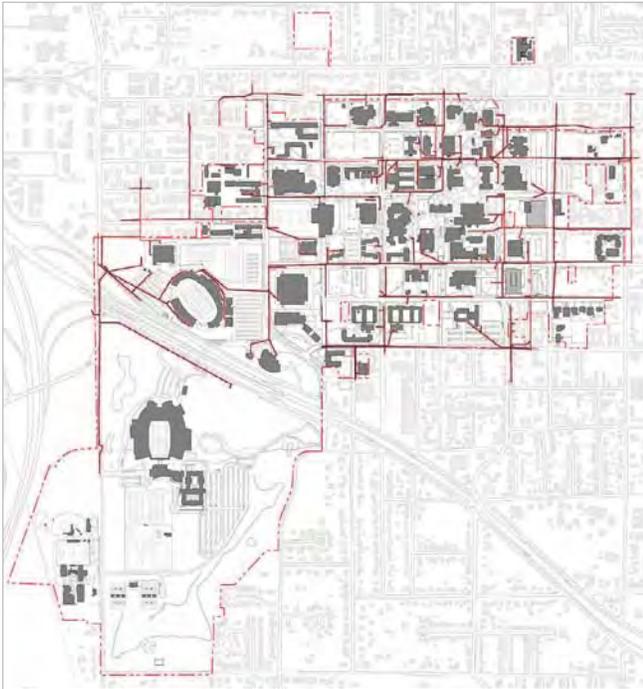


Domestic Water Utilities

Domestic Water

The water system on campus is currently owned, operated and maintained by the City of Denton. The city has expressed interest in having the university privatize the water system on campus. However, this system is aging and has experienced a large number of pressure-related problems. Should it become responsible for the water delivery on campus, the university would be responsible for upgrading and repairing the system.

Water mains are typically placed within the right of way of public roads. When roads are abandoned or demolished, easements are retained in the area to allow the city access to these areas. Due to the network of water mains throughout the campus, the public utilities (water, wastewater, gas, storm, power, etc.) that exist will require easements to be retained, or the utilities will need to be removed.

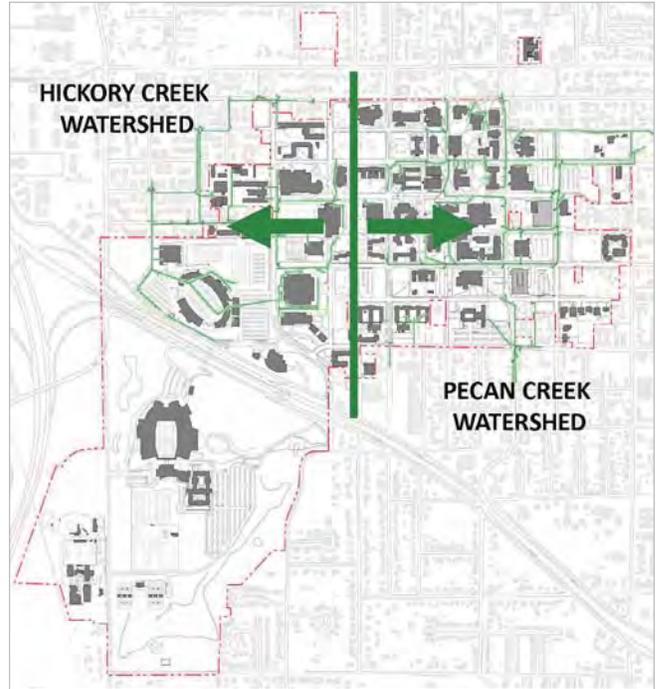


Waste Water Utilities

Waste Water

The point where the City of Denton wastewater system ends and the campus wastewater begins is not clearly defined. Many wastewater mains exist throughout campus in former street rights-of-way where the roads have been converted to pedestrian malls. When any new project is started, existing wastewater mains should be located. Easements that may affect them should also be determined.

The wastewater system is aging on site, but capacity is not known to be an issue. Due to the age of the system, the University and the City are continuously challenged with clay pipe collapsing.



Storm Sewer Utilities

Storm Sewer

The campus is divided into two watersheds, Hickory Creek and Pecan Creek and development on campus is supported by regional storm water detention and management infrastructure. It is well known that the current storm sewer system is undersized and aging. Localized flooding occurs throughout campus during heavy rain events, although there are few reports on building inundation. A campus-wide storm water management plan and permit have been developed for future construction projects.

Electrical

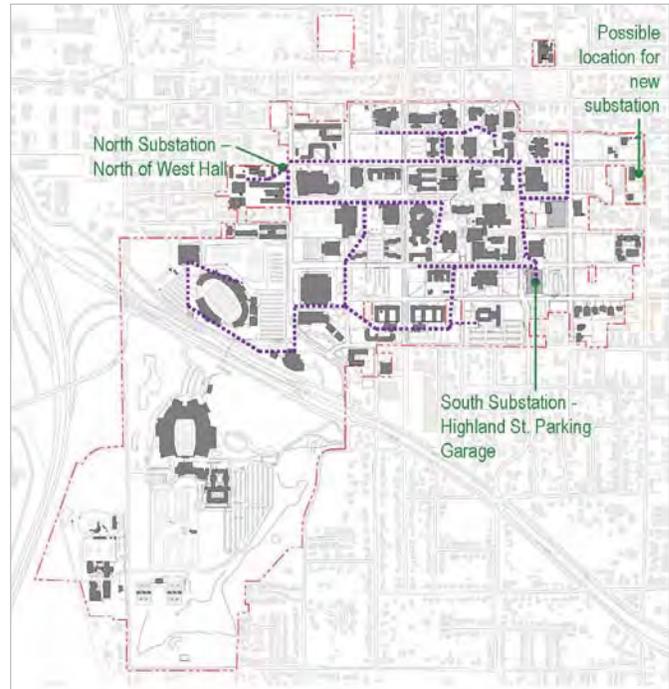
Electricity is distributed throughout the main campus from two switching substations.

The North substation located just north of West Hall has two incoming feeders at 5 MVA each. The south substation, adjacent to the Highland Street Garage, has two incoming feeders at 5 MVA each. Denton Municipal Electric (DME) distributes 13.2kV to the substation and the University owns all distribution 'downstream' of the incoming service.

The 13.2kV electric ductbank is routed throughout the campus. This partial loop has the necessary primary switchgear to offset high loads from one side of campus to the other.

Yaggi Engineering conducted a previous study indicating the university needed 9 MVA of additional capacity. This analysis took place before the recent HVAC upgrades at Highland Street Garage. Currently, the university's Facilities Department has indicated there is approximately 5 MVA deficiency with all the upgrades incorporated around campus.

There have been previous discussions with DME to add a new capacity and step-down substation to rectify this deficiency. DME is working with the City of Denton and the university to site a new electrical substation on or near the east side of campus. The facility would be approximately three acres and would require a 75-foot easement on all sides. It results in a site of nearly a full city block, which significantly affects existing uses or future development of surrounding properties. UNT, DME, and the city should continue efforts to create this new substation and complete the duct bank loop to provide sufficient electrical capacity and redundant pathways on campus.



Electrical Utilities

The master plan identifies several potential sites on and off campus for the sub-station, with the preferred area being near the northeast corner of the campus on Bernard Street to minimize the impact on campus uses and adjacent neighborhoods.

In addition to the aesthetic impact of the substation, the high voltage line that would connect this new facility to the existing network will also have physical ramifications for the campus. Currently, a trunk line runs down Maple Street and DME proposes replacing the existing utility poles with new towers. UNT's preferred routing would be around the campus perimeter on the north side, paralleling Hickory Street and Oak Street. The Bernard Street substation site would facilitate a more direct connection to the existing substation northwest of the campus, reducing the overall length of the high voltage line.



Existing Maple Street electrical transmission poles

The campus must weigh the costs and benefits of this infrastructure. The feasibility of burying all distribution lines underground, especially in high visibility areas on campus, should be analyzed.

Utility Infrastructure Conclusion

Campus infrastructure is the vital underpinning for all campus development. UNT has developed approaches to building systems and campus-wide systems which provide capacity and needed redundancy as well as flexibility to meet the needs of a growing campus. Continued re-investment in these systems will be required to support the growth and development of the campus and the implementation of the 2013 Master Plan Update.



CAMPUS PLAN 3



3

Each campus master plan, and any updates to the plan, shall be submitted to the President, then to the Chancellor, for approval. Upon approval by the Chancellor, the campus master plan and any updates shall be submitted to the Board for approval”

Regents Rules
The University of North Texas System

2013 CAMPUS MASTER PLAN

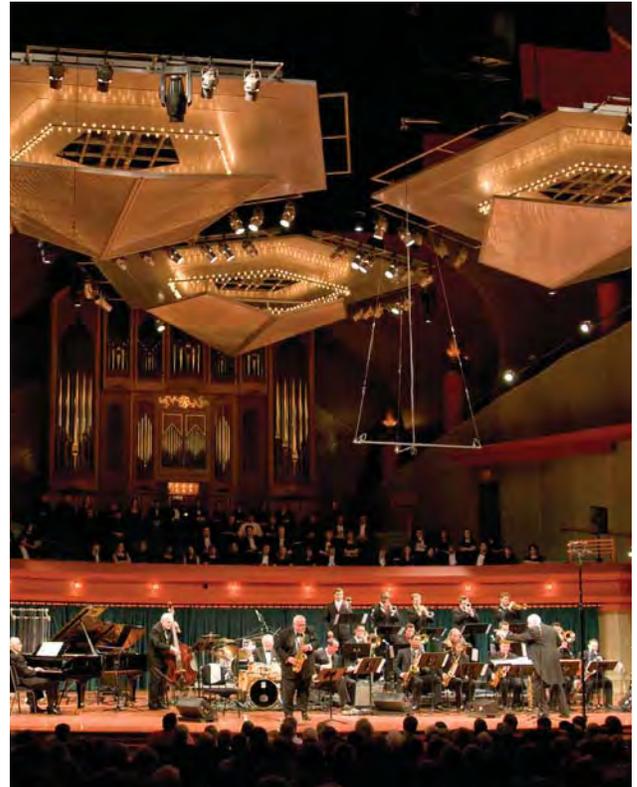
The framework of the 2013 master plan update builds on the 2005 urban design framework, but shifts the emphasis from “siting future facilities and creating new campus districts” to the overall character, organization and connectivity of the campus open space, as framed and shaped by the architecture of the buildings and underlying street grid.

The master plan meets the goals outlined for the 2013 update, including the following:

- Supports UNT strategic initiatives, including the four bold goals and the campus sustainability action plan
- Improves campus identity and sense of place, with careful attention paid to the primary gateways, campus entrances and edges; and with new places and open spaces, such as the proposed extension of the Library Mall and the new Music Square
- Accommodates enrollment growth with identified sites and capacity for academic, research, support and housing facilities well beyond the 45,000 enrollment target
- Enhances campus circulation and connectivity for pedestrian, bicycle, transit and vehicular traffic
- Reinforces the campus character and quality with integrated design standards for architecture, landscape, hardscape, site furnishings, lighting and sustainability, setting a high bar for future development



Beautiful campus with green open space and trees, pedestrian-oriented



Strong academic programs supported by quality facilities



Vibrant student life and housing options



Committed to sustainability

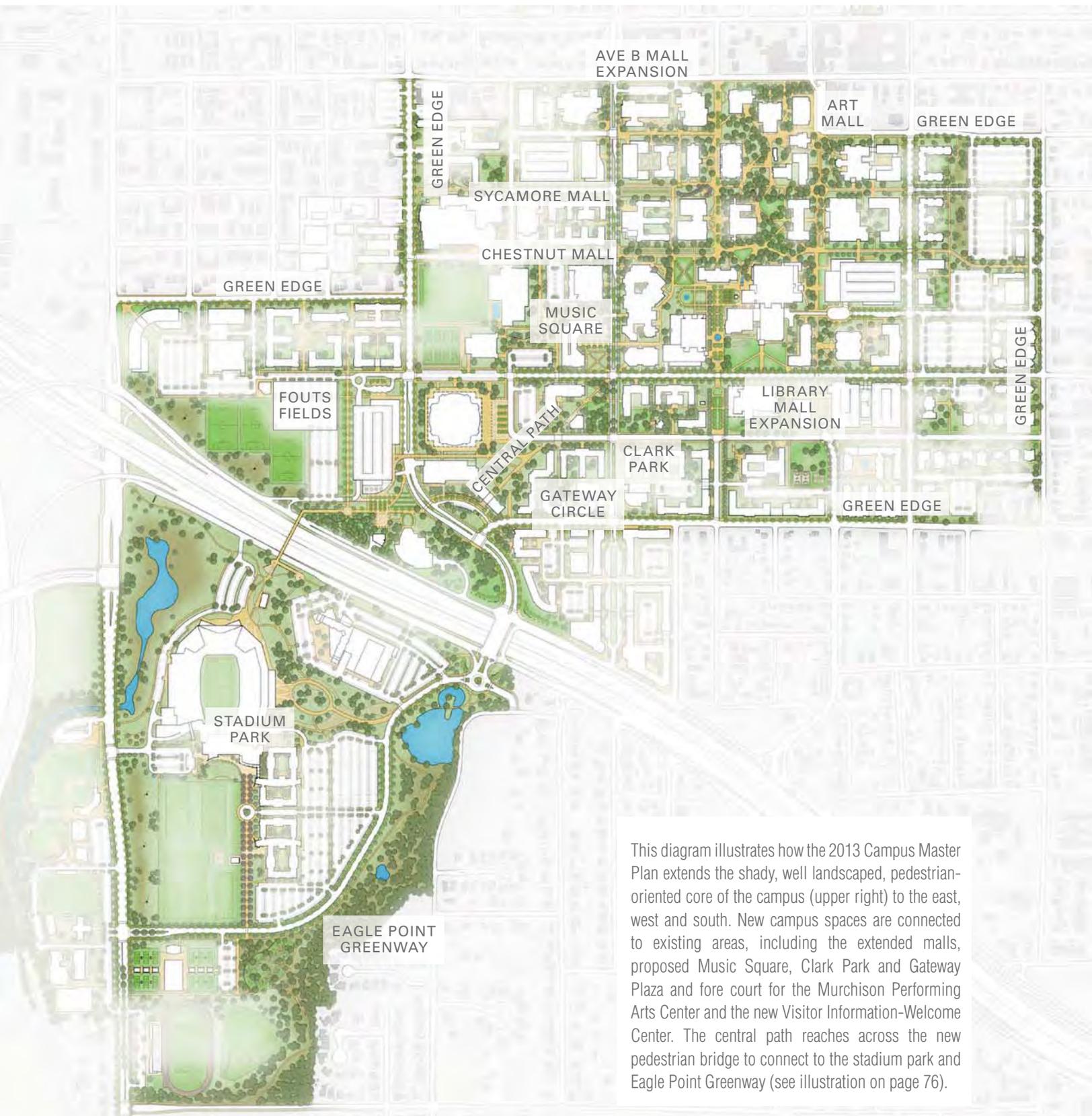


The 2013 master planning process began with meetings with the UNT System Chancellor, UNT President and campus leaders to set the direction and priorities. These substantive discussions focused on the future of the university and the campus. They emphasized that the bold goals of the 2012 Strategic Plan were very clear about WHAT the university wants to achieve. The master plan needed to answer the question of HOW and WHERE by providing a plan for the physical development of the campus to support those goals. President V. Lane Rawlins added his own emphasis, noting that unless the first goal - to create the best undergraduate experience - was achieved, the other three would remain elusive.

To better understand how to meet that primary goal, the planners invited UNT undergraduate students to join them in walking the campus. The students spoke enthusiastically about why they chose UNT and what they believe is needed to create the best undergraduate experience.

Conceptual planning was shaped and measured by these by observations, analysis and discussions. Most importantly, it was influenced by qualities carried through the plan and integrated into the refinements of plans for specific areas of the campus. Those five qualities comprise the following:

1. Beautiful campus with green open spaces and trees
2. Pedestrian-oriented settings, including bicycles and transit
3. Strong academic programs, supported by quality facilities
4. Vibrant student life with housing options
5. Commitment to sustainability



This diagram illustrates how the 2013 Campus Master Plan extends the shady, well landscaped, pedestrian-oriented core of the campus (upper right) to the east, west and south. New campus spaces are connected to existing areas, including the extended malls, proposed Music Square, Clark Park and Gateway Plaza and fore court for the Murchison Performing Arts Center and the new Visitor Information-Welcome Center. The central path reaches across the new pedestrian bridge to connect to the stadium park and Eagle Point Greenway (see illustration on page 76).

Proposed open space improvements and connections

OPEN SPACE

In the 2005 Campus Master Plan, the landscape framework was described as reinforcing and enhancing the campus grid. Emphasis was placed on defined, attractive campus edges with street trees, sidewalks, signage, banners and lighting. The 2013 plan update continues this approach to shaded heavily landscaped streets, both interior and on the campus edges; and further refines concepts for Gateway Circle, the open space east of the Gateway Center. But the greatest emphasis is placed on developing the campus network of open spaces, improving the physical connections and the quality of those spaces.

Open Space Network

A campus is defined by its network of green open spaces, in which meaningful places and landmarks are connected to create a sense of ease and orientation, even as students and faculty hurry across the campus to get to class. As the Denton campus has grown, pedestrian activity has moved from the meandering shaded pathways of the older areas of the campus, to the newer areas south and west, where streets with narrow, often disconnected, discourage pedestrian activity.

The planning goals of improving connectivity and sense of place gave rise to the concept of a single central path, ultimately connected to the entire network of campus walkways, which would link the major campus open spaces. This path would be a powerful orienting and wayfinding element extending across the campus, from the stadium to Music Square and the Library Mall ending at the proposed gateway to the Art Mall.

Greening Campus Edges

The 2013 update plan recommends improved definition of campus edges with a program of streetscaping which emphasizes major street trees and enhanced landscape to the 'green' the campus edge. Streetscaping should include improved paving, lighting, and signage-identity.

Courtyards and Quadrangles

A university is typically defined and remembered by its quadrangles, courtyards and landscaped areas between buildings. At UNT, many of these quality spaces exist within the core of campus, but not in the newer developments and along the periphery of campus. The master plan recommends that all new projects allow for quality spaces defined by or between buildings. Housing development especially should include landscaped courtyards and quads within each new project for utilization by residents as well as occupants of nearby buildings.

Mall Expansions

The open space network within the campus core is strong and well defined. But moving away from the center of campus, it slowly deteriorates into dead-end streets which have become parking lots and streets which are primarily devoted to accessing parking. The master plan recommends expanding the network of pedestrian malls by reclaiming these dead-end streets, moving parking out of the campus core and facilitating better parking access and traffic flow on the perimeter of campus.

The continued expansion of the pedestrian malls would be most notably to the west on Sycamore Street, west and east on Chestnut Street and to the east on Union Circle. These malls should be clearly defined and reinforced by the built environment of the campus through well established build-to lines. Well defined zones for landscape and for buildings adds to the longevity of plantings and the malls are ideal places for planting trees that will be unimpeded by future development. The pedestrian malls should be designed to safely accommodate access for emergency, service and limited delivery vehicles.

Library Mall Expansion

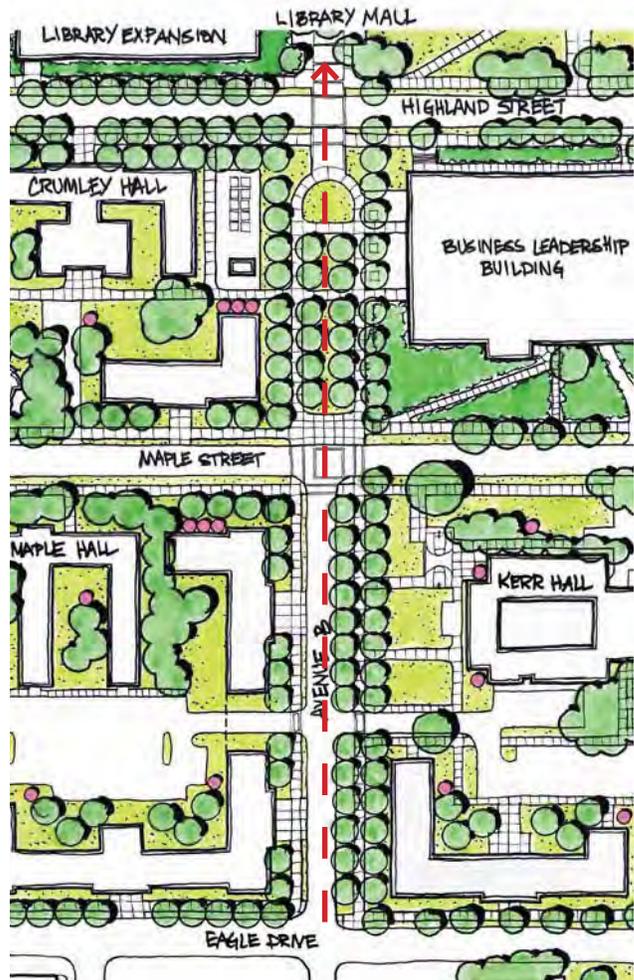
The 2005 plan identified the improvement of Library Mall in front of the Hurley Administration Building as a high priority and a high impact project for the campus. Its successful implementation has transformed the center of campus into a beautiful location that attracts students throughout the day. The improvements end at the stone fountain, just north of Highland. Across the street, a new plaza with cafe seating outside the Business Leadership Building feels disconnected while multiple sidewalks and parking areas carve up the space.

The 2013 master plan update proposes to extend the mall improvements southward (see sketch at right) with a similar landscape style, but a less formal character as it passes between the Business Leadership Building and Crumley Hall. Rows of trees along Avenue B will extend to the south edge of the campus, emphasizing the view of McConnell Tower.

The master plan update also recommends revitalizing the mall north of Hurley. This area, while designed for pedestrians, has large planter islands obstructing patterns of movement. They are not of the quality and character appropriate to the campus. The mall, which currently ends at West Mulberry Street, should be extended to Hickory to create a notable visual gateway to campus through reciprocal views of the Hurley Building and McConnell clock tower.



Stone fountain at the south end of Library Mall



Conceptual improvements sketch



Tired area of the Avenue B mall, looking toward Library Mall

Music Square

The intersection of Highland Street and Avenue C is an important location on campus today, and will continue to be prominent in the future. Today, the intersection is defined by the small and dilapidated Music Annex and the cold, Brutalist Period Music Practice buildings. Both facilities are to be replaced with new more prominent buildings, including the Library Expansion and new Music Practice Building. These buildings will frame and better define this intersection, but must also be accompanied by a quality open space to support them. Music Square will be the front door to the Music Practice Building and will generally be full of students before or after their rehearsal classes who typically need to get in a little more practice. This space should facilitate the Music students, as well as other students traveling across campus to and from the Eagle Point Campus.

West of the new Music Practice Building, parking and green space need improvement. An outdoor amphitheater for an outdoor classroom, performances or living-learning events could be built here to support campus life.

Clark Park

Clark Park exists today at the northwest corner of Maple Street and Avenue C. This place is a respite for students and a great “front yard” for many students in providing spaces to play, lounge, and study. The most notable portion of this space is the eastern edge along Avenue C that is defined by a large stand of trees providing a continuous canopy. The master plan recommends developing the western portion of this block with an academic facility and central pathway to facilitate a major connection across campus, while preserving the eastern portion of the block and the large stand of trees for students to enjoy.



Oak groves of Clark Park on Maple Street



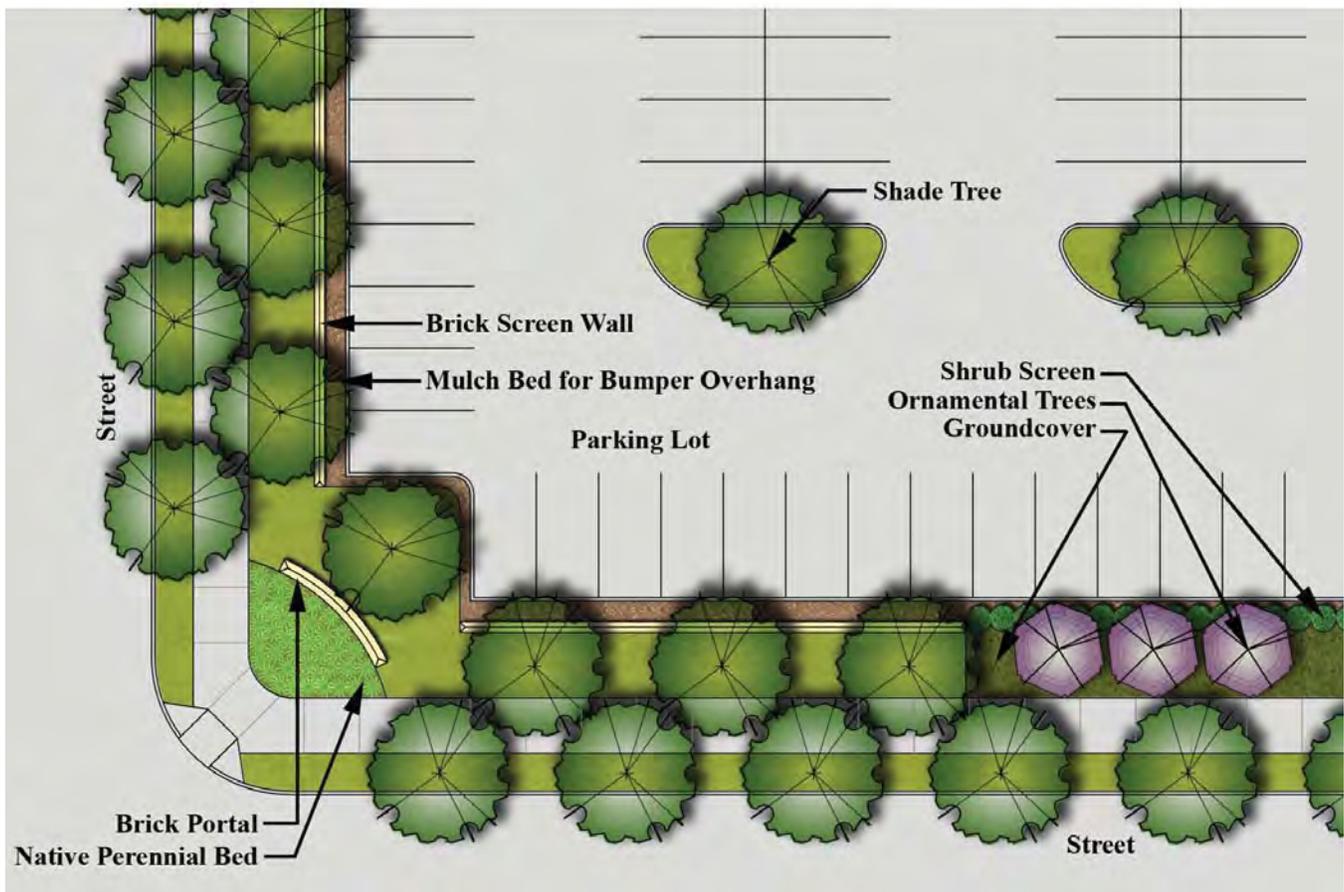
Students gather outside Maple Hall and the popular Clark Park

Campus Streets + Edges

The streets that define much of the existing campus and the campus edge would benefit from streetscape improvements (as previously recommended), including street trees, wider sidewalks, UNT standard pedestrian lighting with banners, UNT benches and other landscape enhancements.

Two very key elements related to the establishment of a pleasing campus edge are consistency and continuity. Repetition and consistency in plant material selection and use can provide a sense of continuity and orderliness while still allowing for occasional variety in both horizontal and vertical planes.

A consistent landscape design using the same species of shade or ornamental trees will greatly help tie together the various developments (buildings, parking areas, and open space) along the perimeter of the campus and provide the continuity needed to make the campus edge distinctive and easily recognizable.



Concept plan for campus edge streets with large perimeter parking lots.

With the overarching goal of improving the campus street edges, the plan recommends the following improvements to the landscape along the campus edges:

- Begin a street tree revitalization program utilizing one species of shade tree as street tree planted at 40 foot intervals along campus perimeter streets. Utilize tree grates to facilitate pedestrian movement where sidewalks occur along the campus perimeter streets. This plan recommends the use of Live Oak for the campus perimeter trees.
- Where large parking areas abut the campus perimeter, ornamental flowering trees of the same flower color and species should be introduced to compliment the large shade trees as shown in the sketch at left. This plan recommends the use of the white flowering Natchez Crape Myrtle for these areas.

The campus internal streets, where not well shaded, should be similarly improved, including:

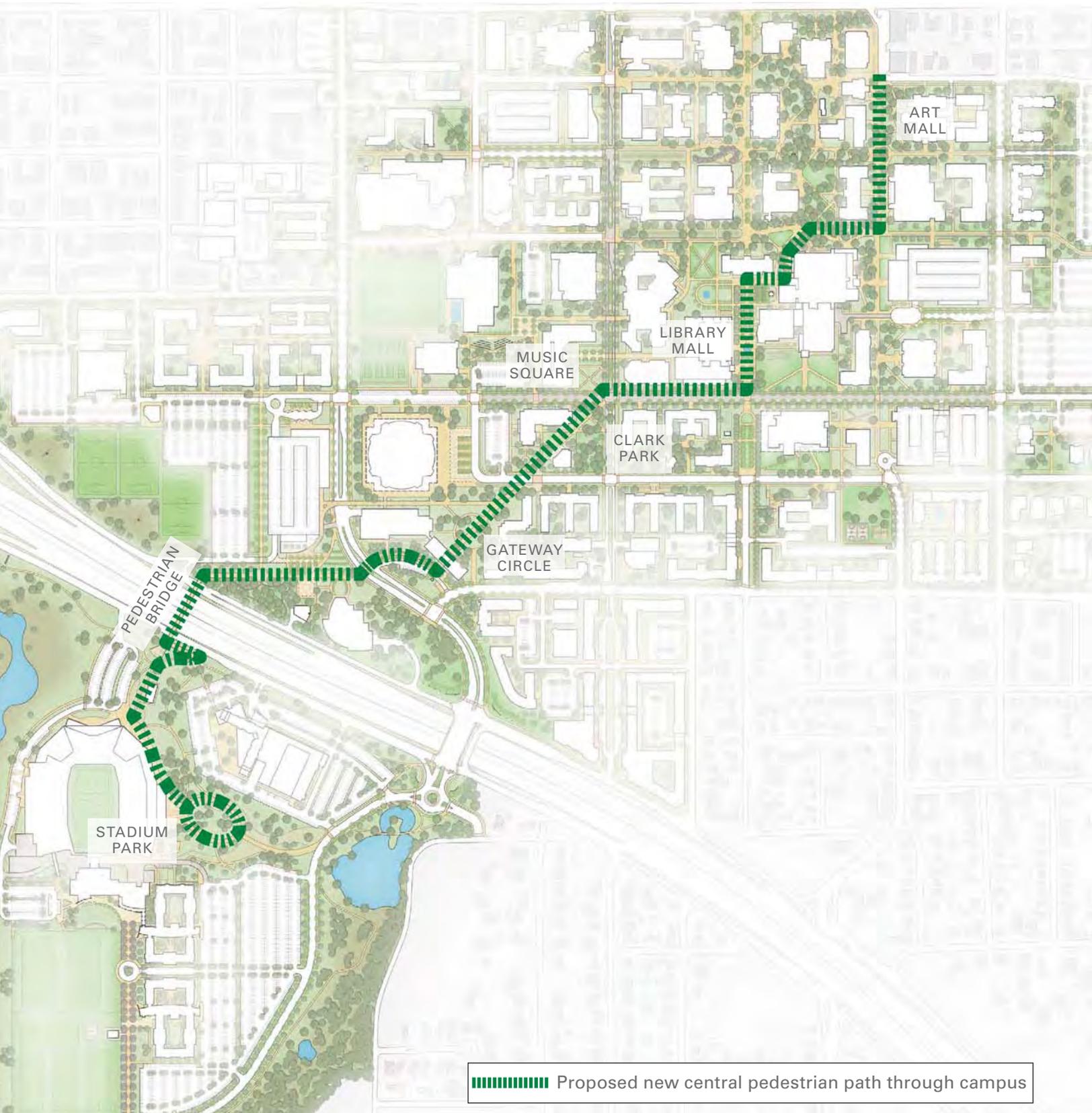
- Establish a continuous shade canopy along both sides of streets internal to the campus. Street tree species can be selected from those identified in the design standards, but each street should have the same species for visual continuity.
- Streets with medians should be further enhanced with the addition of native perennials and Crape Myrtles planted in the medians as is done currently on Avenue C. This approach should be used at entrances throughout the campus.



Avenue C planted median with Crape Myrtles.



Median Planting Concept Plan

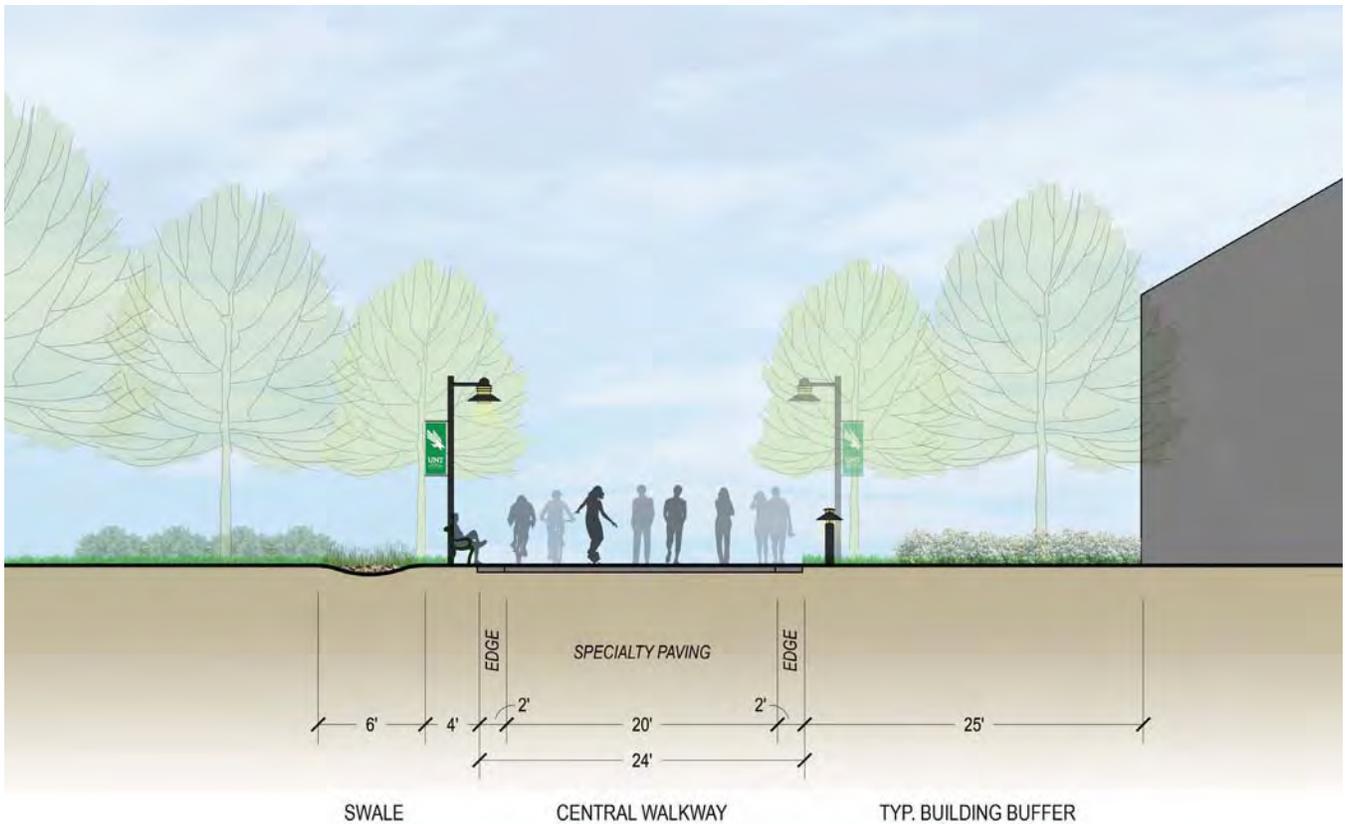


A Definable Central Pedestrian Path

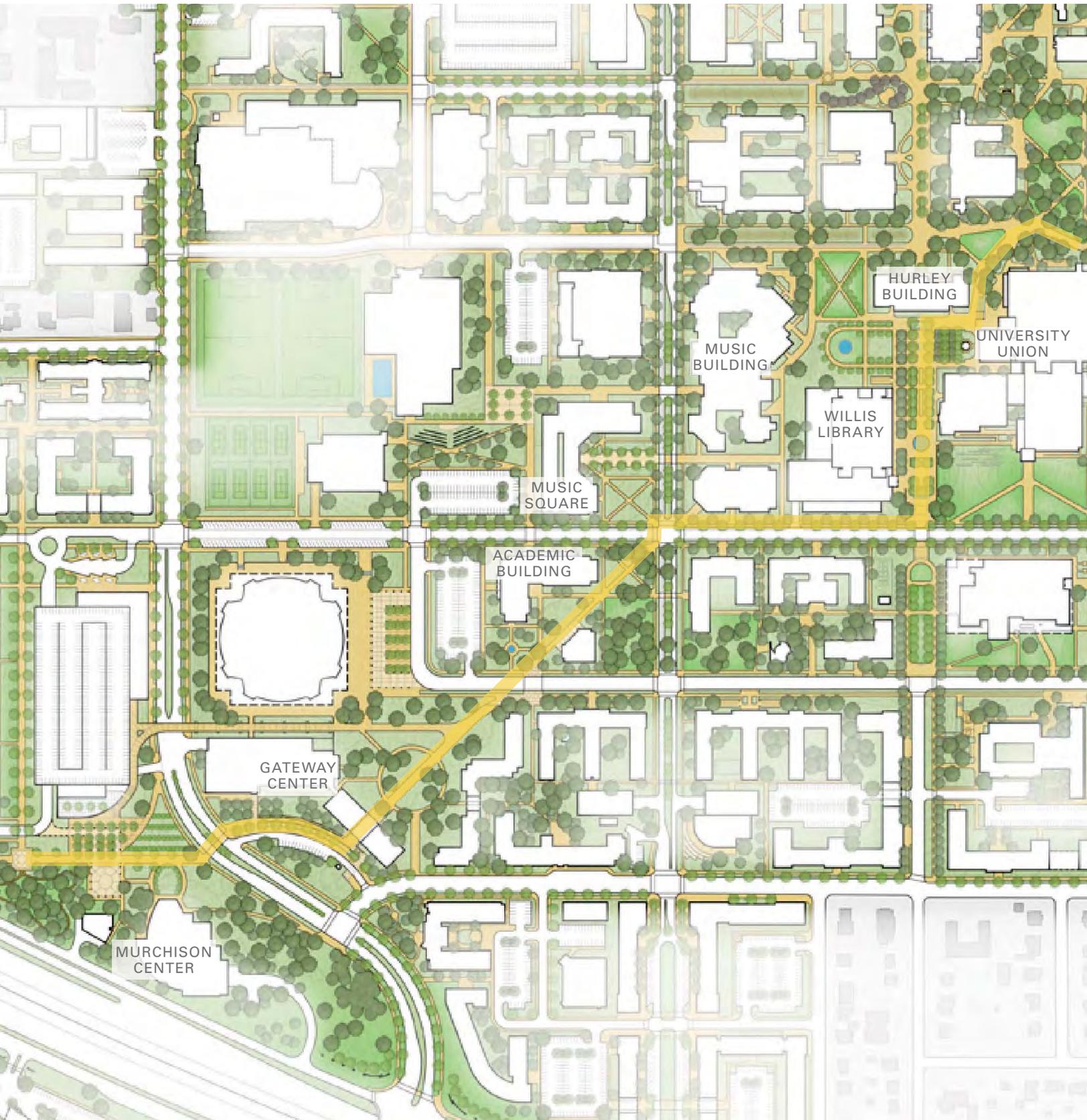
The proposed new central pedestrian path will connect the most southern and newest areas of the campus to the oldest areas at the northeast corner, with a route that travels through the very heart of the campus. The path will become a new landmark, connecting old with new, east with the west, and resolving connections across campus from the historic core to the pedestrian bridge (across I-35) to the Eagle Point precinct.

This unique wayfinding and orienting element will extend from Eagle Point, across the pedestrian bridge through proposed multi-use fore court in front of the Murchison Performing Art Center through the Gateway Plaza, to Clark Park and the new Music Square. This path will link the new and existing Music Buildings to Library Mall and the central administration building, ending up at the northeast arts district gateway.

The path works at different scales, creating activity in the newest areas of the campus to the south and west; animating green spaces, such as Clark Park and the Gateway Center circle; and linking the central campus core to the pedestrian bridge and the Eagle Point campus. Given the existing conditions, it's challenging to make some of these connections. But as the immediate phase projects are developed this path should be completed as an important way to weave each new project into the campus.



Campus Central Path - Concept for Typical Path Section



Area of the plan visible in the birds-eye rendering (opposite page) showing the proposed new central pedestrian path and new campus open spaces



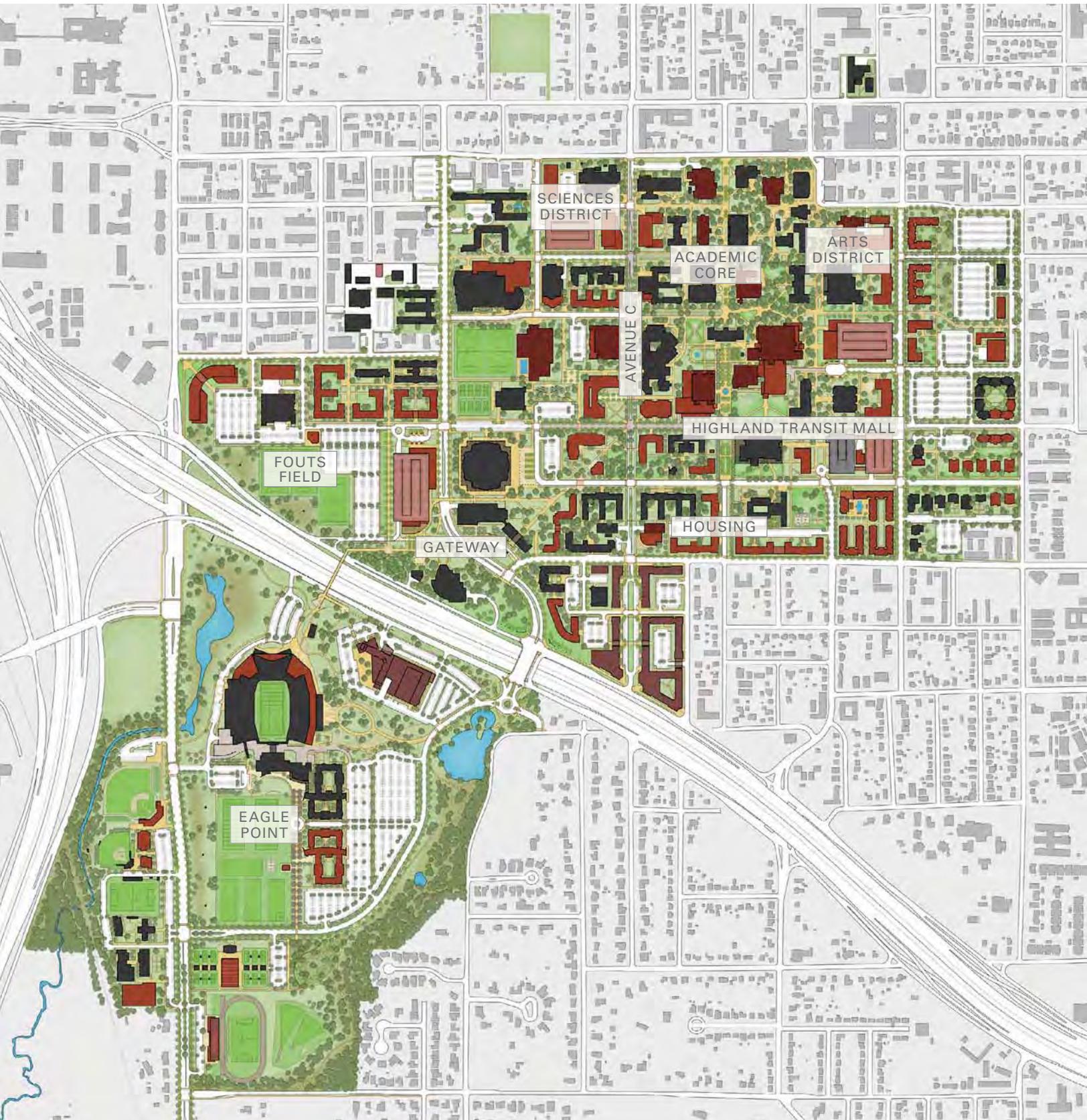
A birds-eye view of the campus as proposed in the 2013 master plan

This rendering of the 2013 Campus Master Plan Update illustrates the proposed new open spaces and new buildings which contribute to enhancing the quality and character of the UNT campus.

In the foreground is the Murchison Performing Art Center with the proposed plaza and multi-purpose fore court where patrons will arrive for concerts and events. The central path from the pedestrian bridge can be seen extending across North Texas Boulevard through the Gateway Plaza, between new academic buildings to Clark Park and the new Music Square. This path can be seen extending all the way to the landmark Hurley Administration Building and beyond.



Aerial photo of the existing campus



Campus precincts

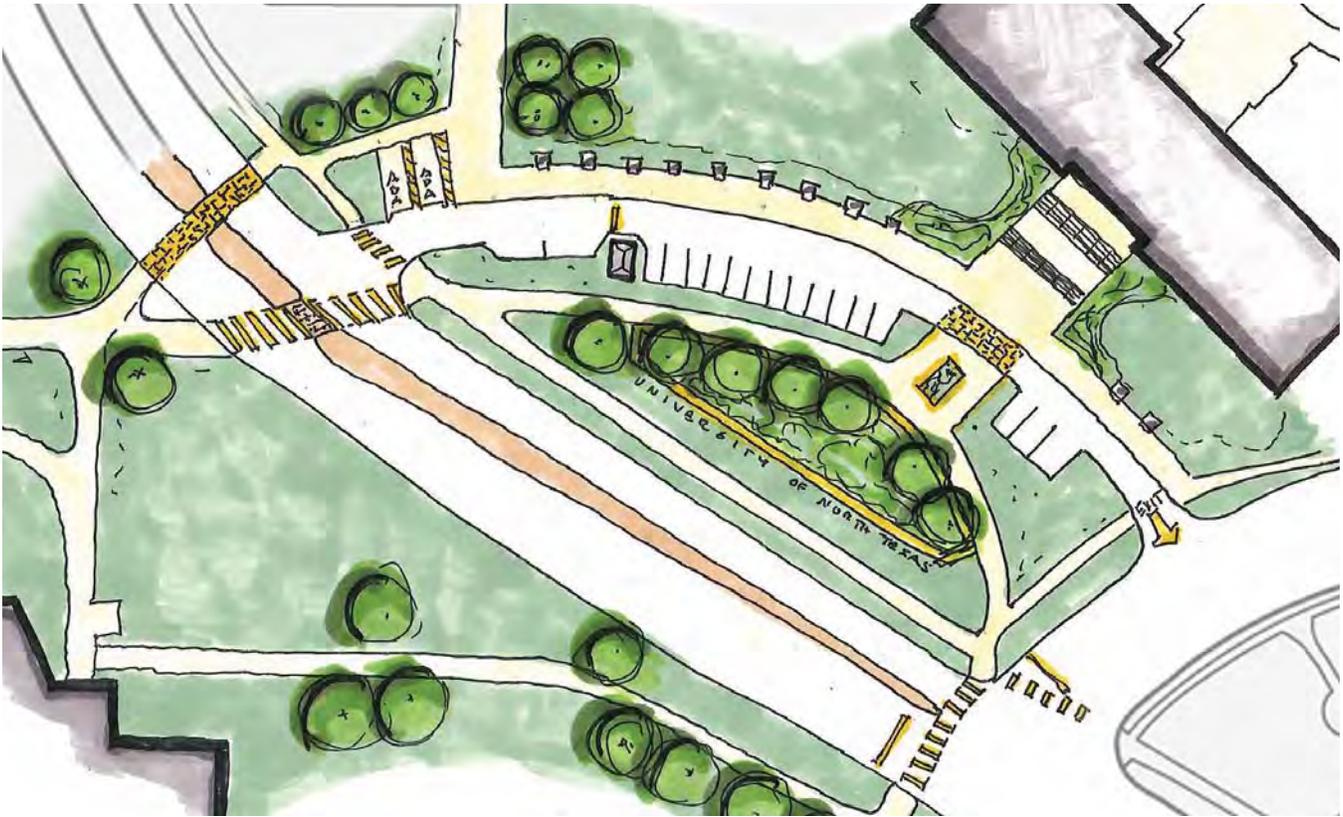
DISTRICTS + PRECINCTS

The campus comprises a multitude of smaller areas that make up the whole. The 2005 Campus Master Plan identified specific districts across campus for specific uses and development, including academic districts, Fouts Field and Eagle Point area.

The 2013 Master Plan Update reinforces these districts, while considering some precincts within the plan in detail. The Fouts Field and Gateway precincts, which are impacted by the I-35 expansion and modernization project, were studied for immediate improvements; for the 20-year redevelopment plan; and to look 'beyond the master plan' for new gateways to the expanding campus.



Gateway precinct plan



Sketch of walkway and landscaping improvements at the Gateway Center

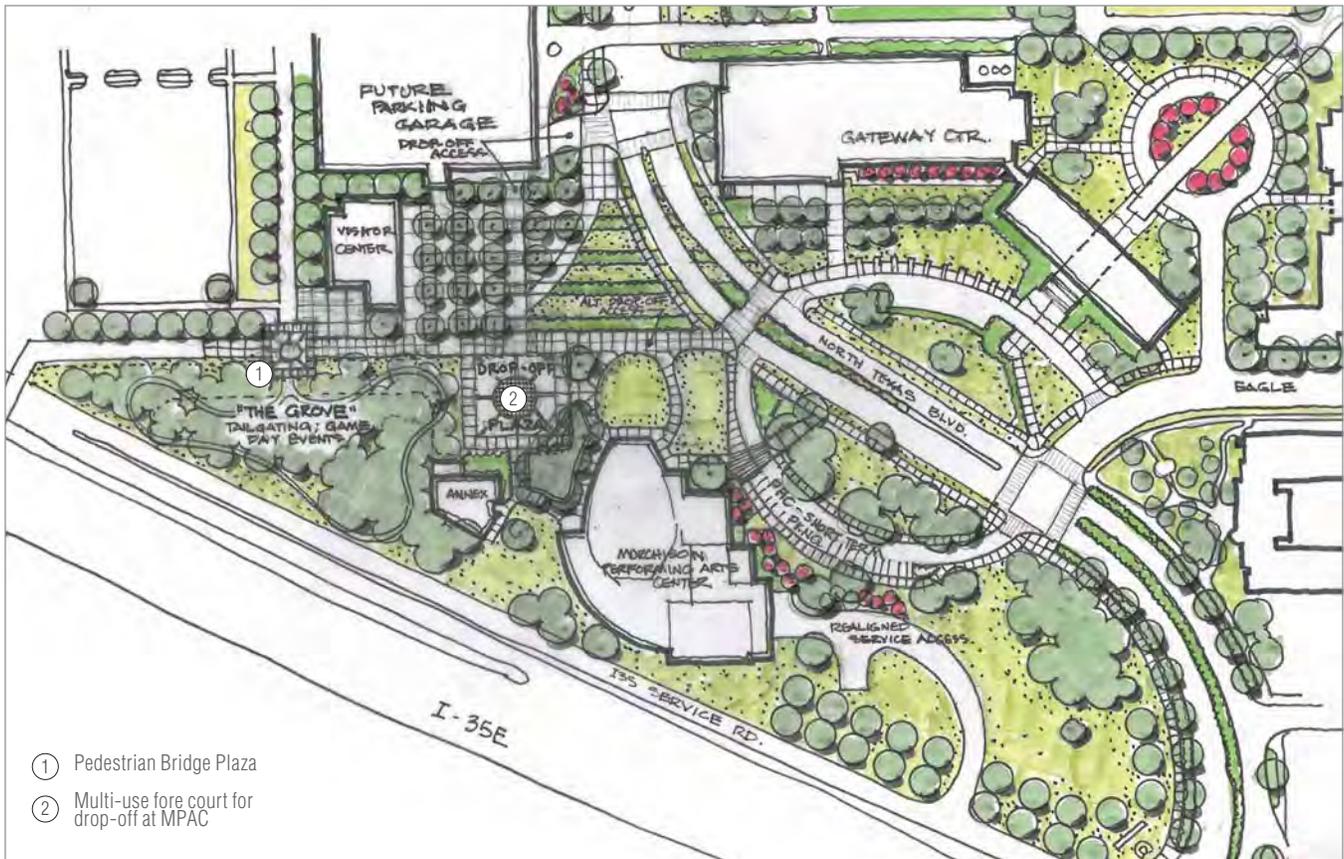
GATEWAY PRECINCT

As a result of the I-35 expansion and modernization project, including the pedestrian bridge which opened in October 2013, the freeway area and Gateway precinct were studied in greater depth than any other campus precinct. The planning team was asked to look at the immediate challenge of improving the pedestrian routes in this area, including the following:

- From the new pedestrian bridge, past the Fouts Field parking lots and across North Texas (via a narrow brick crosswalk) to the center of campus
- The popular route from the music buildings diagonally across campus, through the Gateway arch where music students routinely j-walk across North Texas Boulevard to the rehearsal entrance of Murchison Performing Arts Center.

The team developed a landscape with signage and dense planting that steers students toward the existing marked crosswalks. The plan recommends additional, larger crosswalks on North Texas Boulevard to accommodate the increased volume of students crossing from the pedestrian bridge. It suggests changing the direction of vehicular traffic through the existing circular drive in front of the Gateway Center, so that cars exit at the controlled intersection. The plan also strengthens identity signage in front of the Gateway Center.

These improvements are designed for ease of implementation through a phased approach that will be coordinated with future plans for this area.

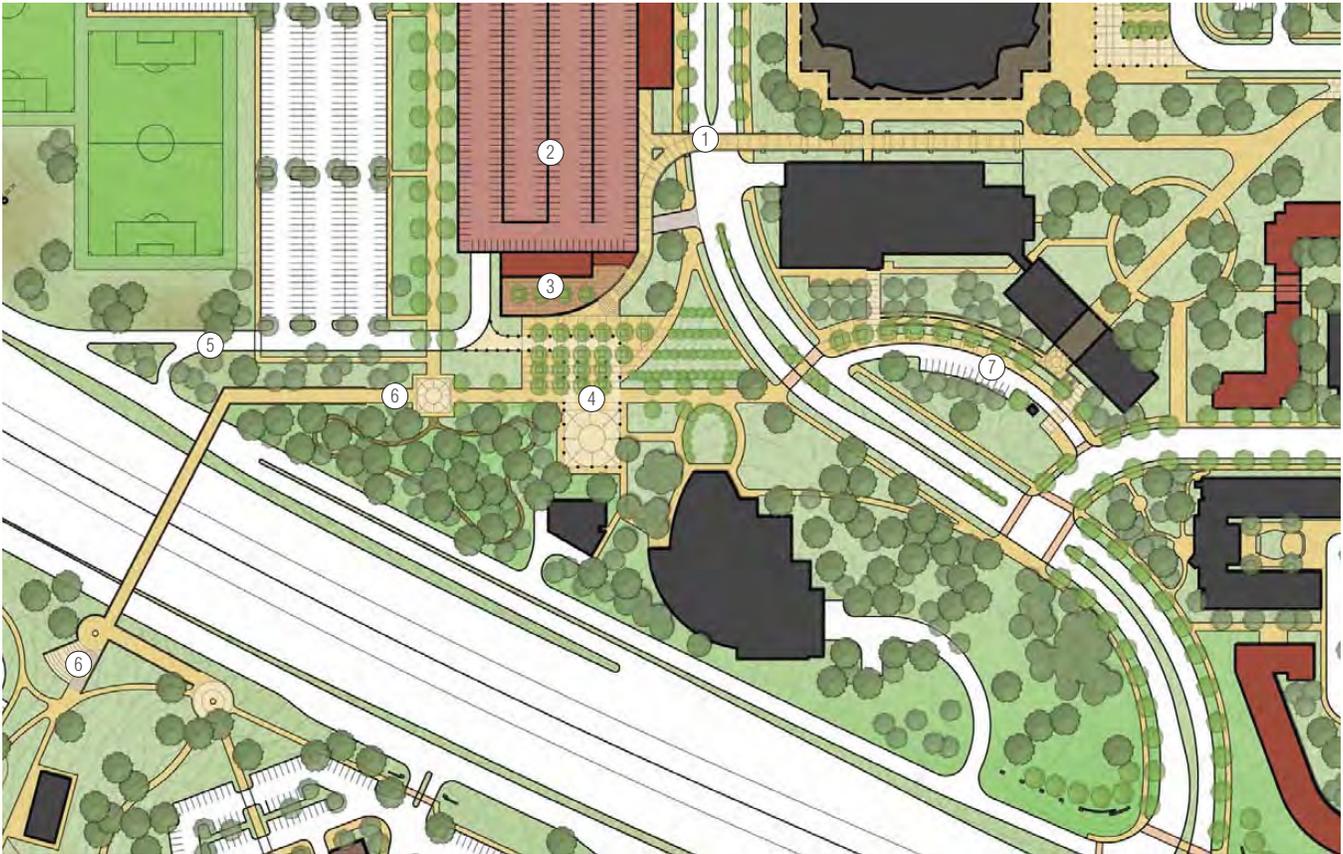


Initial gateway precinct sketch of the early concept studies for transforming this area



At the Milwaukee Art Museum, areas for vehicular drop-off, pedestrians, seating and a fountain are defined within a fore court.

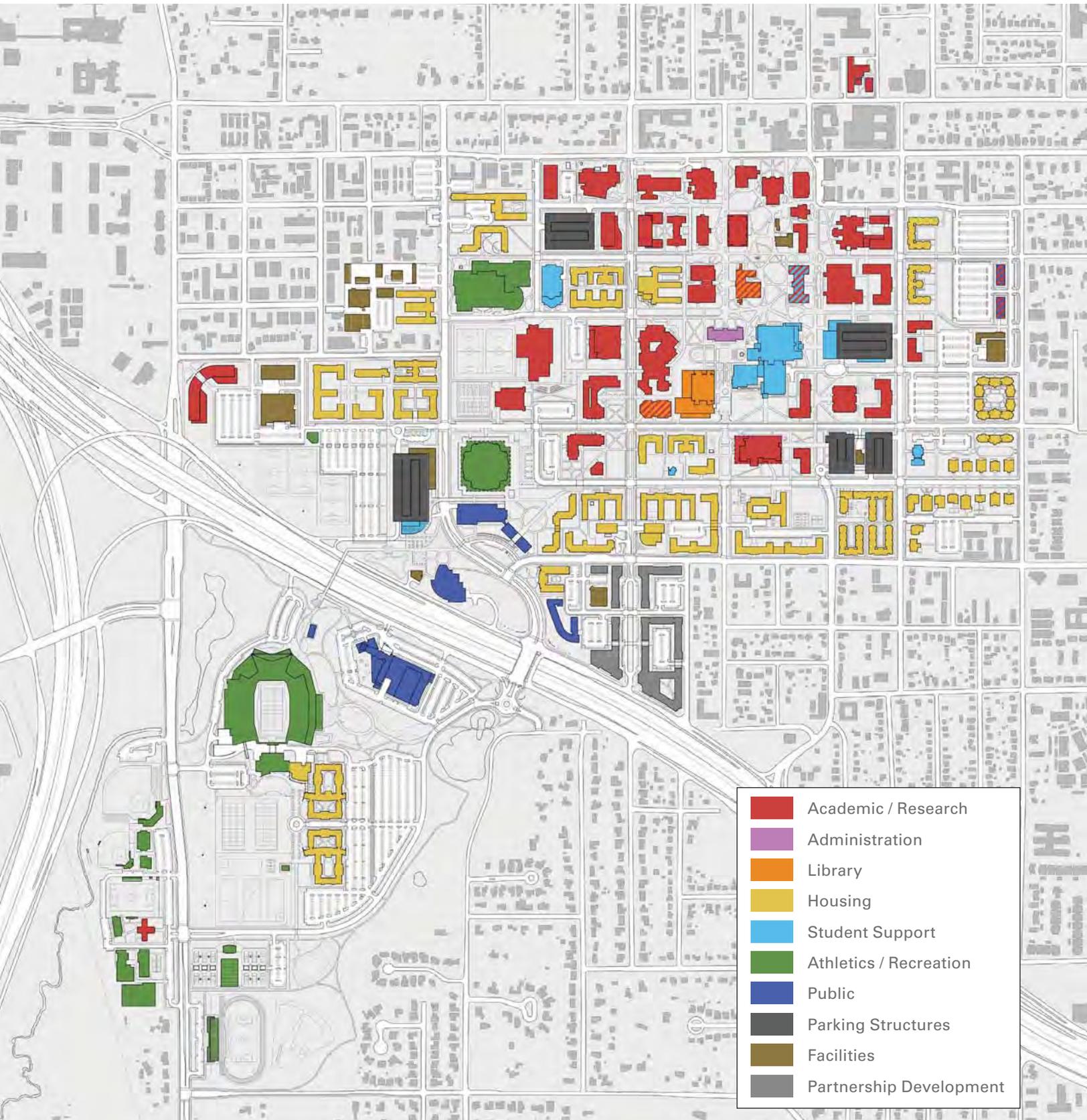
The Murchison Performing Arts Center (MPAC) welcomes the public to concerts on campus and creates a highly visible presence for the university along the interstate. Access is critical for concert patrons and the drop-off circle in front of the Center is heavily used when events are scheduled. Every day, students stream across campus for rehearsals at the center, but with the opening of the pedestrian bridge over I-35, even more students now flow through this area. Current conditions result in vehicular and pedestrian routes crossing several times with significant potential for conflicts. The planned addition of a 1,600 car parking ramp in this area required rethinking the existing circulation patterns and challenged the team to look “outside the box” for a solution. Many urban arts venues incorporate a public fore court to accommodate a vehicular drop-off in a space that is otherwise pedestrian-oriented. The use of paving colors and textures along with bollards, lights and landscaping define areas for vehicular drop-off, while safely accommodating pedestrians. The fore court could also be set up for pre-event gatherings and tail-gating parties.



Planned pedestrian improvements connecting the pedestrian bridge (over I-35) to the central pathway into the center of campus

The Gateway precinct is further developed in this master plan update. By recommending elements to support the anticipated high volume of pedestrians in this location and minimize conflicts with vehicular access to Murchison Performing Arts Center, future Visitor Information-Welcome Center and Fouts Field Parking Structure and Transit Center. Uses and improvements planned for this precinct include the following:

1. Bridge over North Texas Boulevard from the Gateway Circle Plaza to parking and a proposed Visitor Information-Welcome Center
2. Fouts Field Garage for 1,600 cars; a mixed-use facility with a Transit Center on Highland and office space for public and outreach uses (Career Center, Visitors Center, etc.) and UNT support functions (transportation, police and facilities offices)
3. New Visitor Information-Welcome Center could accommodate outreach activities from campus tours and visitor information to the Career Center
4. Multi-purpose, paved and landscaped fore court is designed to facilitate drop-off and pick-up for the Murchison Performing Arts Center. It also functions as a pedestrian plaza and event space for game-day get-togethers, university events and celebrations or fund-raisers
5. Driveway is relocated from the I-35 frontage road to the north to eliminate crossings to the pedestrian bridge while maintaining direct access to parking and drop-off for the Center
6. Design proposals from the pedestrian bridge workshops are incorporated
7. Reconstruction of the Gateway Center parking lot and entry steps (damaged by drainage issues) for improved pedestrian and vehicular traffic flow and to improve ADA accessibility to the Gateway Center



Proposed building - Land uses

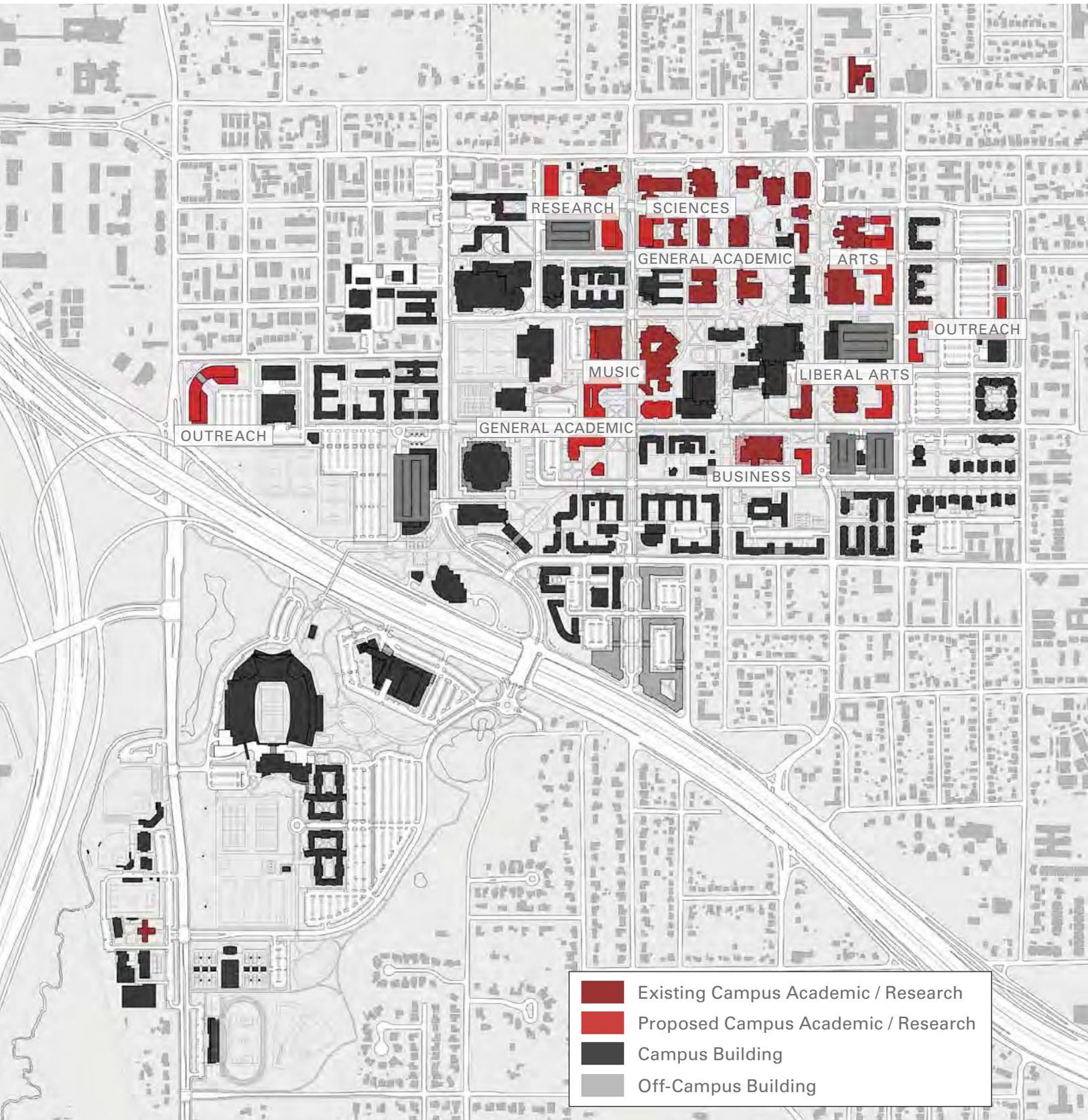
BUILDING USE + CAPACITY

The 2013 Master Plan Update builds on the adjacencies of the existing campus to support the goals of the Strategic Plan. Each district described in the 2005 Campus Master Plan is reflected in the plan update. But the update adds additional academic and research building sites to increase density in the central campus core.

The 2013 plan demonstrates that the campus has the capacity to accommodate the projected growth to 45,000 students and has the capacity to continue to grow well beyond those projections.

	2005 Plan		2013 Update	
	Existing	Planned	Existing	Planned
Student Headcount	31,000	41,000	36,000	45,000
Academic + Research	3,442,500	5,362,800	4,026,400	7,101,418
Housing (beds)	4,974	7,683	5,771	9,653
Parking (spaces)	10,954	14,700	12,151	13,200

For a detailed list of planned facilities and site improvements, including building use designations, see Section 4 Implementation phasing plans.



Academic building - Land uses

ACADEMIC DISTRICTS

Much of the academic core comprises clusters of uses that support specific programs, as well as some interdisciplinary, shared uses. The 2005 plan delineated districts to support these clusters of programs.

The 2005 plan estimated a need for 900,000 gross square feet (gsf) of additional general educational, academic and research facilities to meet the existing shortfalls and future demands for the targeted enrollment of 41,000 students. The 2013 plan addresses an expanded target enrollment of 45,000 students and plans for the addition of more than 1.3 million gsf of new facilities. This increase provides more than sufficient capacity to meet the needs of the increased enrollment.

Additional studies of the west side of the campus, including Fouts Field and the future campus edge along Bonnie Brae Street, also demonstrated capacity for continued enrollment growth into the foreseeable future.

The Academic Core

The 2013 plan update continues to reinforce and increase the building density of the central academic core with new academic facilities. The plan diagram to the left shows existing and planned academic, research and general educational buildings. Several central sites are identified for new general academic buildings.

Science + Research District

The 2013 update suggests continuing the building of the science district identified in previous plans. Major new science, technology and engineering buildings are located in this district, on each side of Avenue C between Mulberry and Sycamore Streets. New research facilities to support the bold goals of the 2012 Strategic Plan are located along the north and western perimeter of the science district. The Hickory Street edge has room for continued growth and this high visibility location

offers opportunities for regional engagement and the potential to showcase UNT's research leadership to the greater community.

Arts District

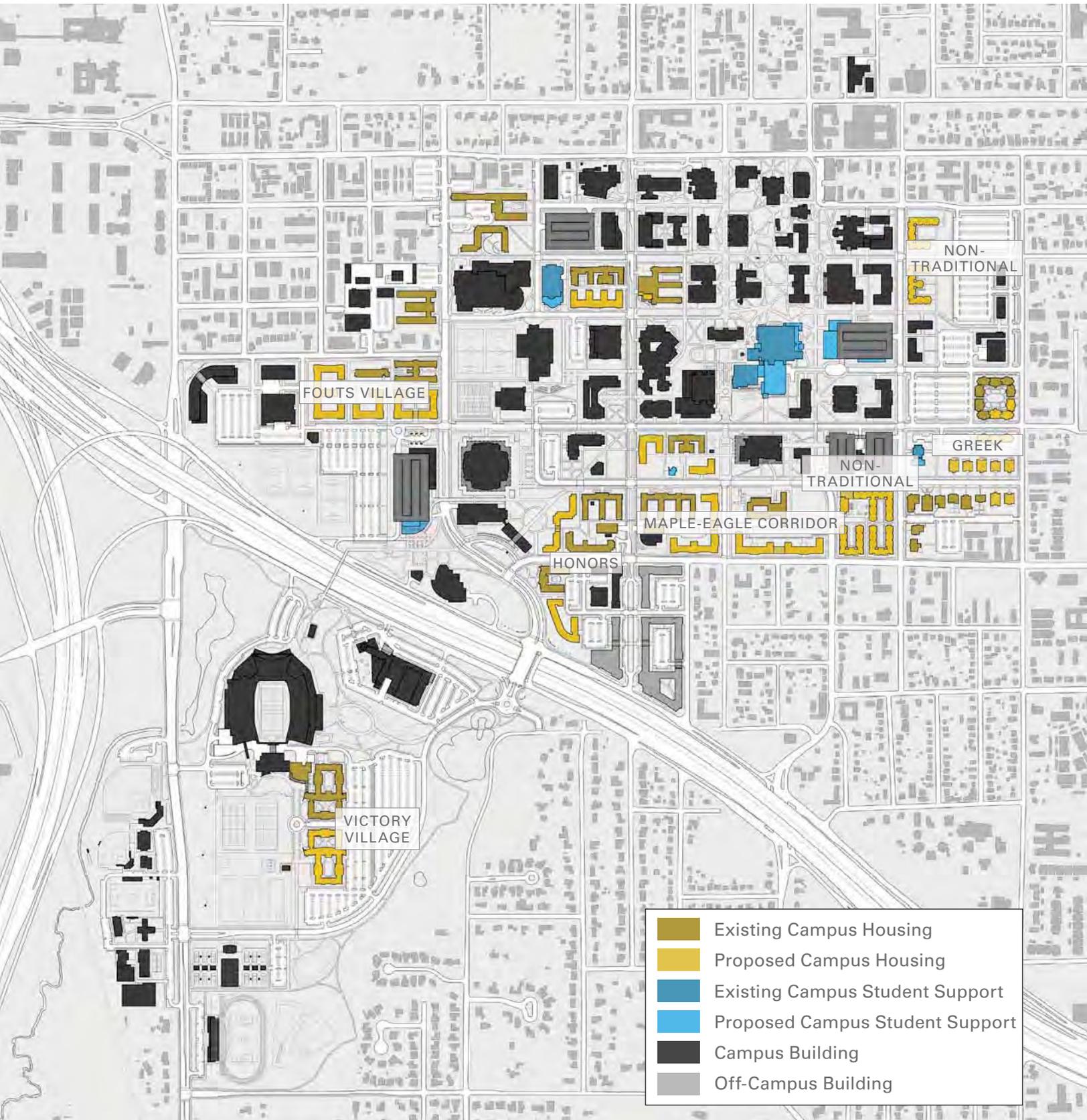
The planned new College of Visual Arts and Design Building will anchor the northeast corner of the campus on Welch Street and further reinforce the campus arts district. This new facility offers an opportunity to harness the creative energy of the art programs and students to enhance this edge of the campus and establish a unique, arts-themed gateway to the Avenue A mall and the heart of the campus. The plan also identifies additional academic building sites in the arts district along the Welch Avenue edge.

Music District

The 2013 Master Plan Update provides new facilities for the music program and recommends the replacement of the Music Practice buildings, Music Annex and Bain Hall. This phased program of consolidation and replacement starts with a new, flexible academic resources building to act as a "swing space" that facilitates the renovation, expansion and phased replacement of academic facilities in this area. For example, spaces designed as music practice rooms in an initial phase could become library study rooms as the library master plan is implemented and the permanent music facilities are built out.

Outreach

The plan identifies sites on the perimeter of the campus for public engagement programs, such as clinics, public affairs or research institutes. These sites offer good visibility, easy transportation access and adjacent parking for future programs.



Housing and student support buildings - Land uses

HOUSING

Per the 2005 plan, new residence halls are concentrated around existing housing and dining facilities to create student communities close to recreation, services and amenities.

The 2013 plan identifies sufficient sites and capacity to accommodate more than the 3,300 new beds required to meet UNT's target goals to house 25 percent of the 45,000 student targeted enrollment. More than 600 beds are needed immediately to meet the current demand; and approximately 600 new beds are needed every 4-5 years to keep up with projected enrollment increases. To meet the target, major housing sites are shown in the same locations as the 2005 plan, although the buildings proposed are somewhat larger and more densely arranged than in the previous plan.

Traditional Housing

Existing Maple Street housing is expanded with new dorms and courtyards lining Eagle Drive (replacing most of the existing parking lots) and creating a new image for this edge of the campus. Dining in this area is expanded with a dining room and patio on Avenue C to activate this entrance to the campus and connect with potential mixed-use development immediately south. An additional student residence hall is added to the Honors housing complex shaping the edge of Gateway Circle. Smaller housing buildings are shown on infill sites north of Maple and along Chestnut. They offer opportunities for unique programs bringing freshman students together based on shared interests.

The plan for Fouts Village includes significant new housing along the western extension of Highland, close to existing housing, dining and student recreation facilities. The buildings are organized around courtyards and quadrangles to create a new village appealing to sophomores and juniors.

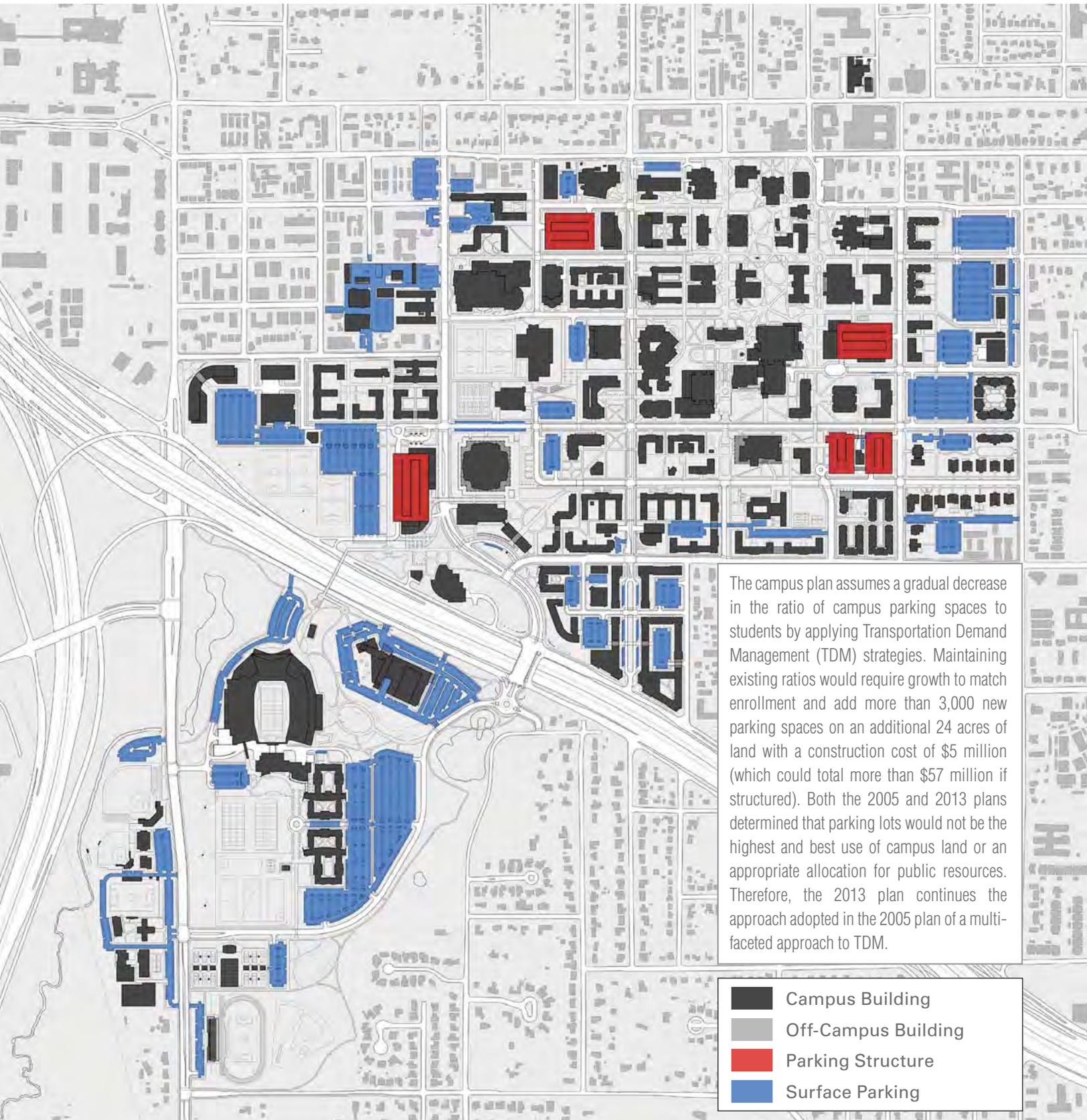


Honors Hall housing

The second phase of the Victory Village housing is also planned in the Eagle Point precinct south of I-35. Because of its increased distance from the academic core, this location is considered more appropriate for sophomores and juniors than freshmen.

Non-traditional Housing

The plan also identified appropriate sites for graduate student apartments, married student or family housing, which is a growing need as more non-traditional students, veterans and older adults pursue college degrees in order to succeed in the job market. These sites might lend themselves to public-private development partnerships or market driven private development.



Proposed parking locations

PARKING

The 2013 update continues implementation of the 2005 plan for parking and parking demand management strategies. Parking structures are in approximately the same locations as in the 2005 plan, close to major campus entrances or access routes and facilities with high event demand, such as the coliseum and University Union. The 2005 plan provided 5,400 parking spaces in garage structures; currently there are only two parking garages on campus with a total of 1,582 spaces. The Highland Street Parking Garage in the 2005 campus plan was actually built smaller than planned and a future expansion is illustrated in the new plan. The 2013 update adds approximately 5,300 spaces in parking garage structures, freeing up significant land area for new academic buildings and student housing.

In 2013, approximately 12,150 parking spaces existed on campus. The 2013 plan adds approximately 5,300 spaces of structured parking. It suggests removing approximately 4,200 spaces for campus open space improvements and new buildings; resulting in a net increase of approximately 1,100 spaces for a total of 13,250 on-campus parking spaces. To address concerns about future parking demand, and the need for event parking, the planners identified surface lot development adjacent to campus and partnerships with other parking operators to provide offsite parking and shuttles to major events.

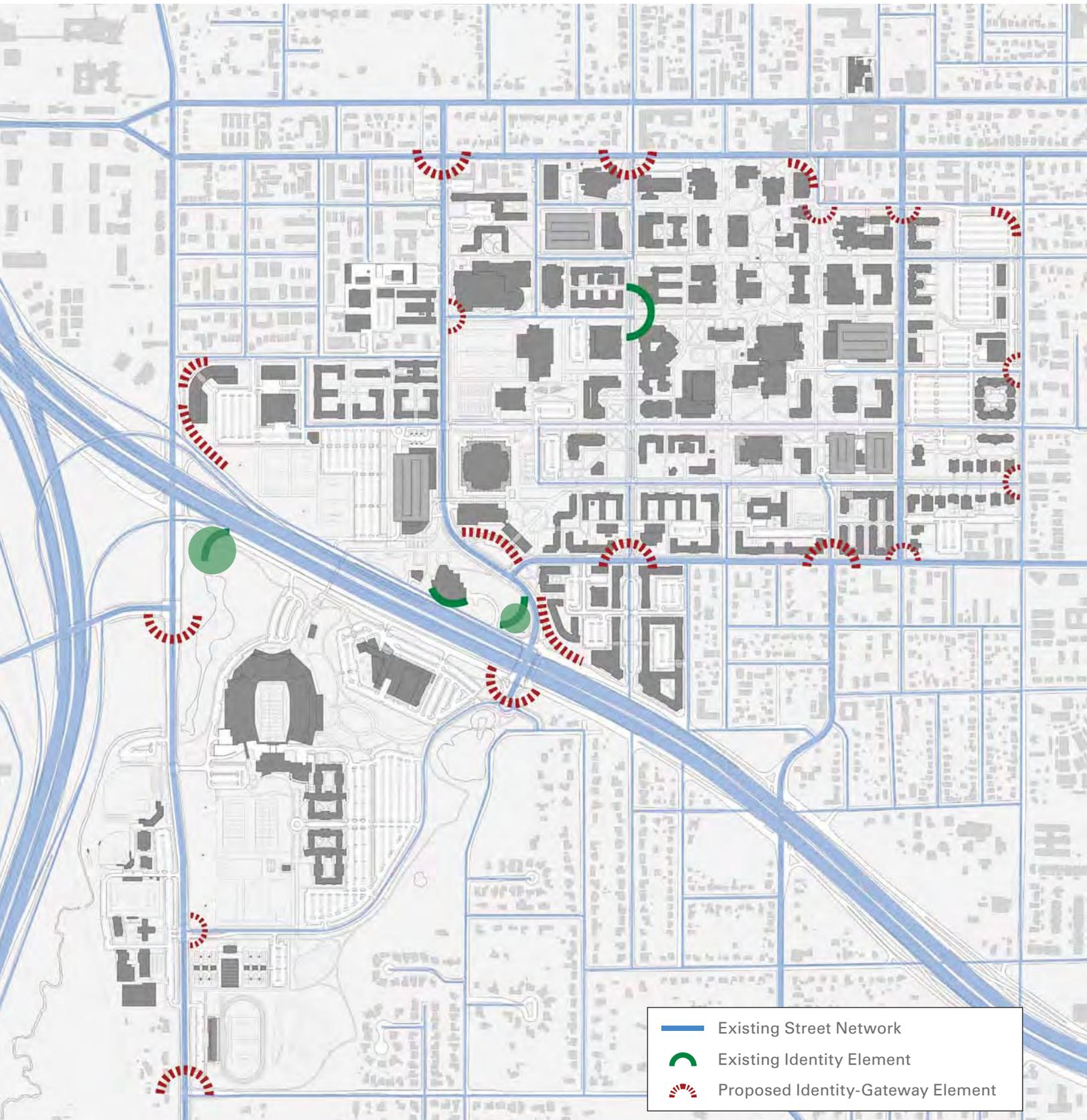
Surface parking will continue to be an economic and pragmatic necessity into the foreseeable future. But the plan mitigates the impact of the larger surface lots by locating them where they can serve as event areas for game-day tail-gating and convenient overflow parking when needed. The plan retains smaller parking lots throughout the campus with accessible parking spaces close to drop-off and pick-up areas.

The 2013 update supports the Transportation Demand Management (TDM) strategies that were recommended in the 2005 plan, including the following:

- Support alternative transportation - walking, biking and transit - with new infrastructure and safety improvements
- Increase on campus housing
- Encourage new student housing development in close proximity to the campus or along transit routes
- Manage class schedules to distribute demand more evenly across the day and week; and increase distance and online learning opportunities
- Direct paid visitor parking to new parking structures
- Zone parking to better distribute permits; move parking to the perimeter, enhance transit and pedestrian routes so drivers park once to reduce core campus traffic
- Increase permit fees to encourage and support carpooling and transit use; use graduated permit fees to move parking to more distant or perimeter lots

The 2005 plan noted that these strategies have successfully reduced campus parking requirements on a per student basis, including parking permits, with corresponding increases in campus and city-regional transit ridership.

To meet UNT sustainability goals, any large open parking areas could support photo voltaic solar installations. These panels could shade parking and offer benefits like user comfort, lowered heat island effect and extending the life of the parking surfaces as well as expanding on-campus renewable energy sources.



Existing and proposed identity - Gateway element locations

STREETS + GATEWAYS

The 2013 Campus Plan Update seeks to enhance the campus sense of place by better defining and enhancing campus edges, entrances and gateways. It recommends improving campus streets with new trees, pedestrian-scale lights and consistent signage. New gateway identity elements, in keeping with the character of the campus, should be added at campus entrances and major corners.

Street Improvements

Streetscape improvements, including continuous sidewalks, trees, pedestrian-scale lighting and landscape buffers and screening, are recommended to improve and “green” the entire campus perimeter. The 2013 plan update also recommends improvements to the major campus streets including the following:

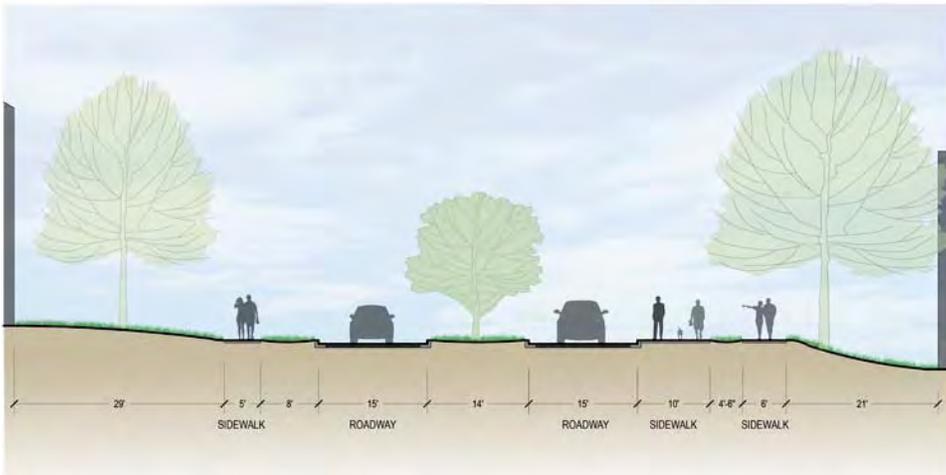
- North Texas Boulevard: reduce the number of intersections and pedestrian crossings, consolidate the parking in the Fouts Field area and eliminate the driveways
- Eagle Drive: increase student housing along the south edge of the campus
- Frontage road on I-35: improve identity and the quality of the UNT “front door” image
- Avenue A-McCormick exit: improve access to the east campus parking lots and Highland garage, and improve identity and streetscaping to enhance the UNT image from the interstate exit
- Hickory and Welch Avenue: provide pedestrian safety and traffic calming, elements including enhanced crossings by narrowing the roadway or providing textured paving, signage and lights
- Hickory Street: remove on-street parking to improve safety for cyclists and pedestrians
- Avenue B: close the street to allow the central pedestrian mall to expand to the campus edge and provide gateway elements and major landscape and hardscape improvements

- Avenue A and Hickory and Mulberry Streets: enhance as an arts district gateway when the new College of Visual Arts Building is constructed

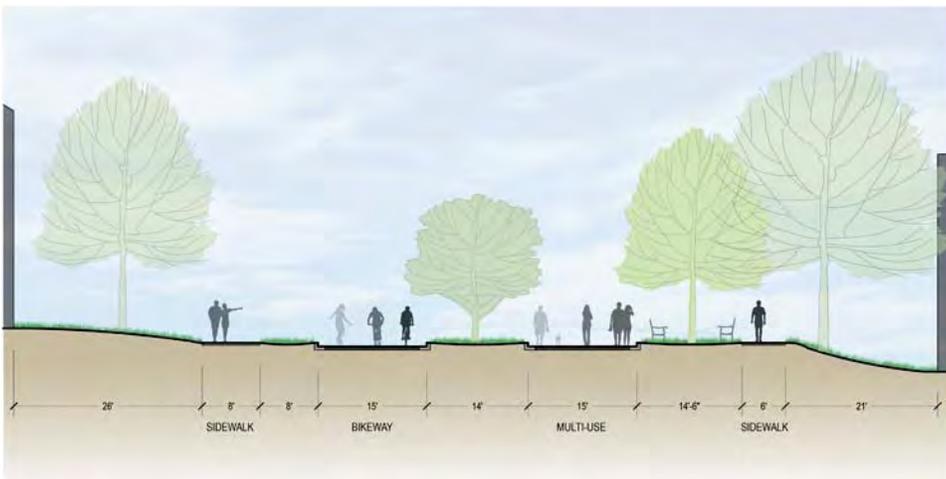
The 2005 recommendations for improvements that continue to be relevant to internal campus streets include the following:

- Extend and enhance the pedestrian-friendliness of the core campus by limiting private vehicular access on Avenue C and Highland Street Transit Mall
- Improve Chestnut Street to link West Hall and the Student Rec Center with the core; reduce on-street parking and eliminate the street and parking east of Avenue C
- Enhance Sycamore Street by adding shade trees and removing the surface parking lot east of Avenue C.

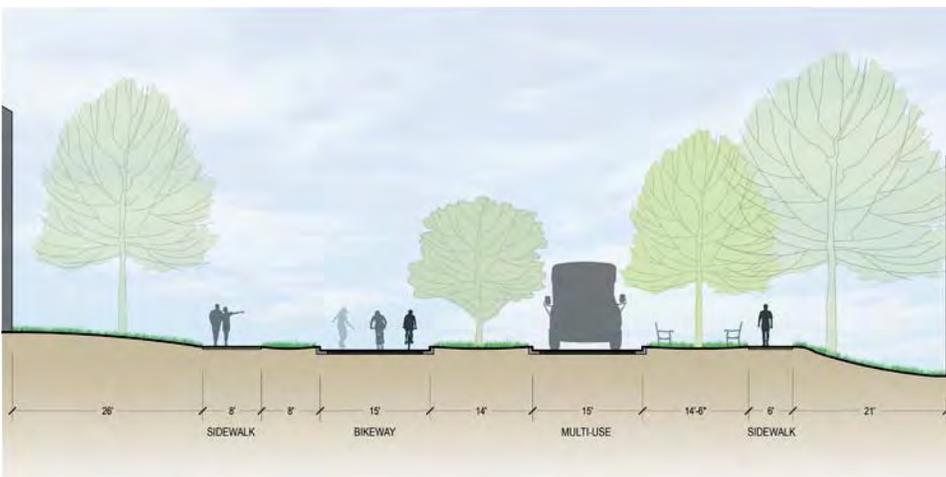
The 2005 plan called for closing Avenue D south of Maple and Maple west of Avenue C, to create a passive recreation area identified as Gateway Park. This area was studied in depth by the 2013 planning team. The new plan suggests keeping Maple Street open and closing Avenue D between Maple and Eagle Drive. Similarly, the extension of Walt Parker Drive, an internal restricted access road to facilitate game-day traffic and allow for internal circulation of campus vehicles, is retained as shown in the 2005 plan. The update adds a connection to the new hotel-conference center and proposes a traffic circle next to the relocated North Texas bridge to maintain access while discouraging cut-through traffic. The university should continue to restrict access beyond the traffic circle to ensure safety and security in this area of campus.



Existing Avenue C - Street section



Proposed Avenue C improvements - Street section showing pedestrians using limited access lane



Proposed Avenue C improvements - Street section showing vehicles using limited access lane



Avenue C - proposed limited access area

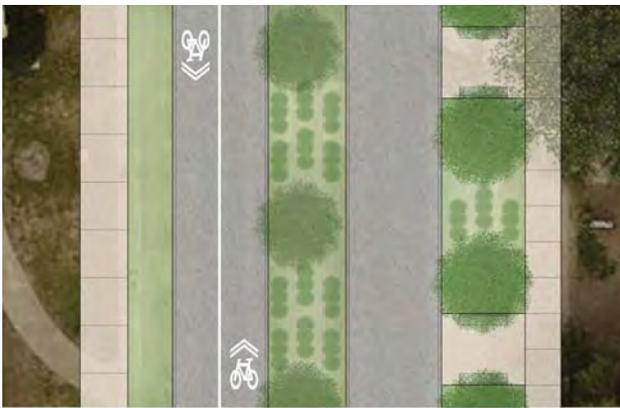
The 2005 plan suggested rebuilding Avenue C for operational closure except for limited access in the afternoon-evening to allow pick-up/drop-off at the Music Building for events. The update supports that recommendation, but facilitates implementation of this project by working within the existing street curbs and right-of-way.



Existing Avenue C



North end of Avenue C



Proposed Avenue C improvements - Typical plan



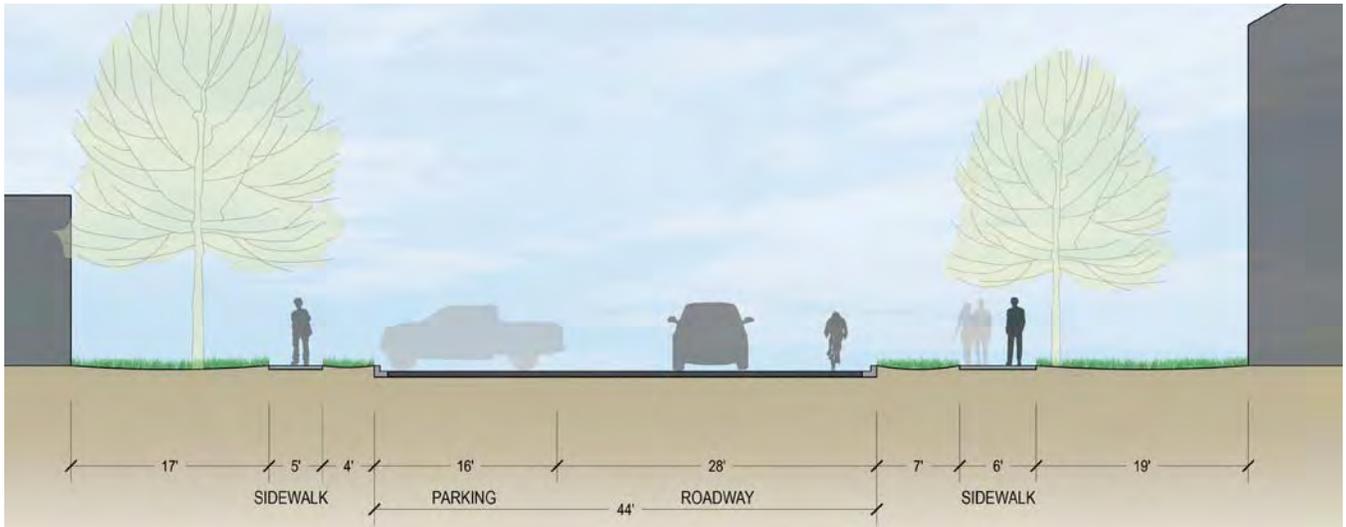
South end of Avenue C

AVENUE C

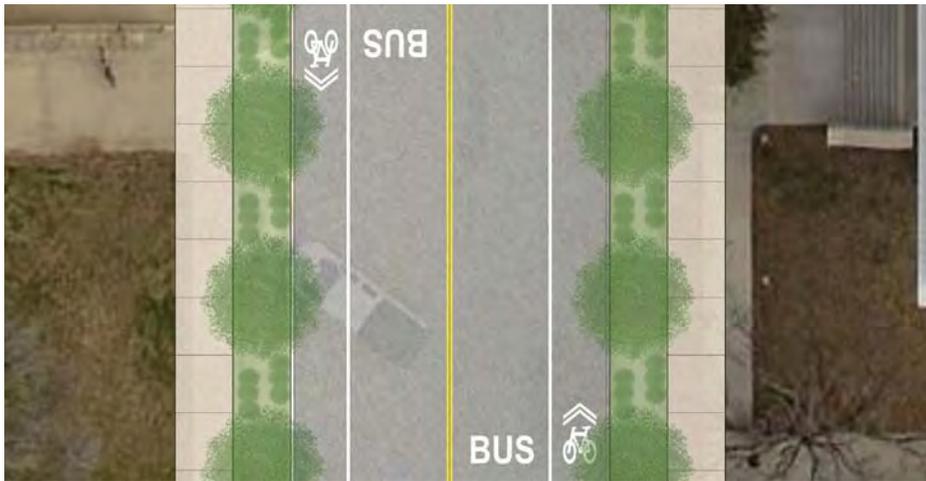
As the core of the campus expands westward, Avenue C is increasingly becoming the domain of students walking and cycling, with vehicular traffic pushed to the campus perimeter. As in the 2005 plan, the 2013 update proposes improvements to enhance and expand the pedestrian and bike uses, with improved paving, wider sidewalks, additional trees and new street furnishings.

The west lane is proposed to be dedicated to two-way bicycle traffic, eliminating the need for the former “cycle track” on the east side of the street. This new arrangement allows for new trees, street lights and sidewalk expansion without impacting the existing curbs, center median or drive lanes.

The east lane (northbound) is proposed to be a multi-purpose right-of-way, available for vehicular access for event pick-up and drop-off, loading-unloading and emergency and service vehicle use when needed. But on a typical weekday during the school year, this lane would be available for the exclusive use by students walking between classes. Removal of the cycle track and various service vehicle zones along the east side of the street would allow for additional pedestrian amenities, including seating outside the Music Building and Bruce Hall. Additional bike racks will be needed and should be located on the west side of the street, adjacent to the bike lane.



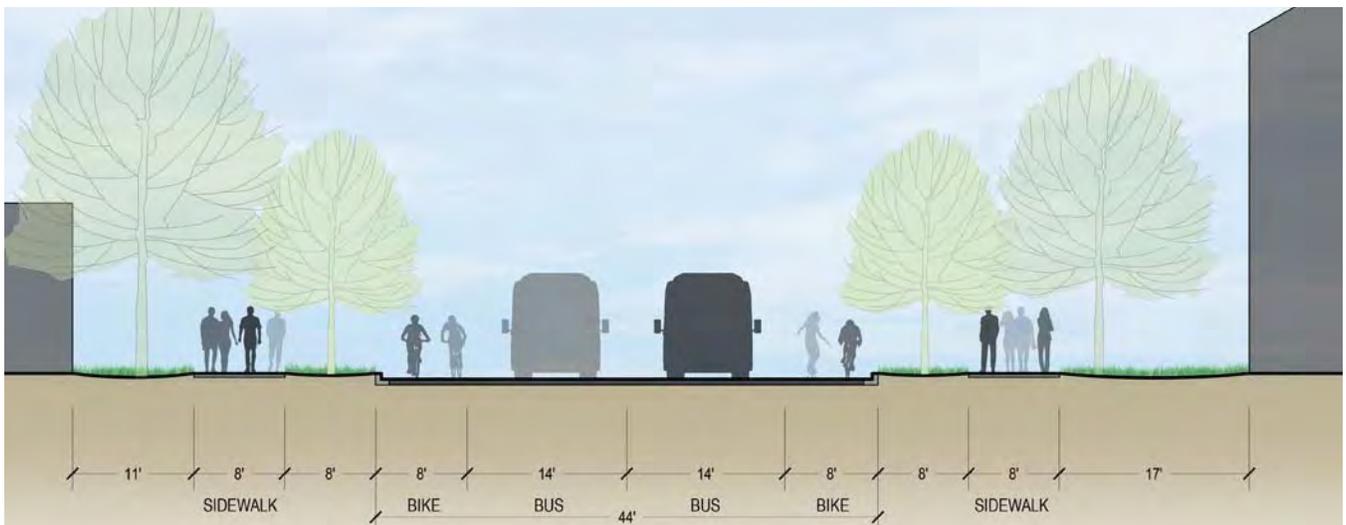
Existing Highland Street section



A well-designed transit mall improves pedestrian and bicycle safety with dedicated bus and bike lanes and wide, well-marked pedestrian crossings. The dedicated lanes improve bus travel times and increase ridership.

Students know that if they head to the transit mall, they'll be able to jump on a bus and get to wherever they need to go via transfers at the transit centers.

Proposed Highland Street Transit Mall - Typical plan



Proposed Highland Street Transit Mall - Typical street section



PROPOSED TRANSIT MALL

The Highland Street Transit Mall proposed in the 2005 campus plan has been more fully developed in the 2013 update. The mall would be dedicated to busses, bicyclists and skateboards or other non-motorized traffic, with significant pedestrian improvements on both sides. Routing campus busses along this mall, directly through the center of campus, would facilitate more efficient transit flow and provide easy connections for riders, further encouraging ridership. The City of Denton will soon begin utility upgrades on Highland, providing the opportunity to implement the proposed changes. Access limits are proposed for the area between Avenue D and Welch, with some allowances for access to functions such as drop-off for the Child Development facility and to the Highland parking garage.

Restricting auto traffic on this section of Highland will allow busses to travel more efficiently, without contending with vehicles searching for parking spaces or the stop-sign gridlock during mid-day class changes. Vehicles will quickly learn new routes to avoid Highland, further reducing travel times for campus busses. Transit improvements are vital to sustainability and parking demand management strategy. When the shuttle busses run faster, ridership will increase and more students may decide to leave the car at home.

The 2005 plan proposed transit hubs at Fouts Field and University Union. The 2013 plan further develops this concept with a Transit Center at the planned Fouts Parking Garage on the west side of North Texas Boulevard. Transit facilities would be incorporated into the design of a building wrapped around the garage structure. The center would facilitate an easy transition from a passenger vehicle to a campus shuttle, transfers between campus shuttles and UNT routes to Discovery Park or other remote destinations, as well as connections to city-regional routes and DCTA shuttle.

The Transit Center at University Union would function the same way, acting as a hub for making transfers or connections. Eventually, it could be incorporated into a future larger garage replacing the existing structure. Similar to the Fouts Transit Center, this location on the eastern side of campus would facilitate connections to campus shuttles and DCTA in a central location.



Highland Street - Illustrating potential street improvements and conversion to transit mall, library expansion, and new College of Music buildings.



Highland Street - Existing Conditions

HIGHLANDTRANSIT MALL

The conversion of Highland Street to a multi-modal transit mall will be a major improvement at the center of campus. The mall will facilitate transit connections and operations. Pedestrian improvements will encourage walking and biking by creating a central east-west pedestrian spine with enhanced crossings and providing needed definition to the major north-south routes.



Avenue C - Illustrating new College of Music buildings, new general academic building and main connecting pathway.

AVENUE C / MUSIC SQUARE

Improvements proposed for Avenue C and Music Square expand the pedestrian center of the campus, celebrate UNT's world renowned music program and provide a space to showcase the performing arts and Art in Public Places programs. Avenue C becomes an internal threshold to campus, where motorized traffic limits begin and the pedestrian environment has priority. Today, many music students play their instruments in shady places around the campus. This new space will offer a place dedicated to music played outdoors in a more public forum.



Avenue C - Existing Conditions



Eagle Point precinct plan

EAGLE POINT PRECINCT

The Eagle Point precinct encompasses nearly one third of the land area of the UNT campus. The 2005 Campus Master Plan focused on a comprehensive development strategy for this area, resulting in significant new construction including Apogee Stadium. In addition, the 2005 plan recommended the creation of a pedestrian bridge across I-35E to facilitate connections between Eagle Point and the center of campus. The pedestrian bridge was completed in 2013 as part of the early delivery projects for the overall I-35 improvements. With the stadium fully occupied and a new track and field facility planned for construction in the next five years, the Fouts Field Stadium can soon be demolished.

The development of the Eagle Point precinct has required investment of time, effort and sensitivity to the concerns of neighborhood residents who were the most interested in what changes the 2013 plan might bring. Feedback included the preservation of the duck pond and a reconnected walking path. A partial loop trail exists around the area today but should be formalized and connected to allow runners and others to enjoy the area. The naturalized environment is a defining element of this precinct. The area includes the Ladybird Johnson Wildflower Arboretum pond and woodlands, and this amenity should be preserved and analyzed for expansion.



The 2013 Master Plan Update reflects the realized and planned development of this precinct. It includes the second phase of the Victory Village housing, creating a critical mass of student life and recreational amenities. This type of housing would attract student athletes and those looking to live on campus but not in the middle of all the activity.

The Eagle Point precinct is mostly dedicated to athletic and recreational related uses, and the plan, continuing elements from 2005, proposes a few additional facilities as follows:

- Baseball stadium, including locker rooms and concessions to support the existing softball stadium and users
- Track and field stadium facility, including a 400-meter track and grandstand, as well as throwing fields and other support functions.
- Indoor fieldhouse and practice facility
- Sand Volleyball Courts
- Indoor tennis facility with multiple courts; structure could be seasonal (air-supported or similar) for flexibility and reduced cost of construction. The 2005 plan proposed a competition tennis court and grandstand to be located in the center of the Waranch Tennis Complex; the need and desire for that no longer exists

Near the stadium, a new hotel and conference center is in the planning phases. The project is being undertaken as a partnership with the City of Denton and a private developer.



UNT

"As a university system, we are committed to building campuses that minimize the use of natural resources and don't harm the environment. We want to provide all students, faculty and staff members on our campuses with buildings that are first class in every way, including reduced environmental impact."

Lee Jackson, UNT System Chancellor

A SUSTAINABLE CAMPUS ENVIRONMENT

Sustainability is a core principle for the planning and development for the University of North Texas. It is embedded within every aspect of the campus master plan to achieve the goals outlined in the University of North Texas Climate Action Plan (CAP). The CAP is one of the tangible actions taken by UNT as the first large public university in Texas to sign on to the American College & University Presidents Climate Commitment in 2008. The 2013 update of the master plan was challenged to integrate the all-encompassing goals of sustainability into the physical framework of the master plan and the issues and opportunities presented by campus development.

The UNT Office of Sustainability's: *2012 Framework for Responsible Growth* identifies five strategies for carbon reduction as follows:

- Energy: *increased density, building standards*
- Transportation: *pedestrian, bicycle and transit alternatives; increased on-campus housing; parking demand management strategies*
- Waste and recycling: *facility and landscape standards*
- Campus practices and operations: *master planning, building and landscape standards*
- Renewable energy and carbon offsets: *identifying locations for future wind and solar power*



UNT has taken significant steps toward achieving responsible growth and campus development by integrating carbon reduction strategies. In addition, the university is committed to a variety of other activities, including research, education and outreach programs, that conserve the environment at a local and global scale.

The 2005 plan included environmental Recommendations in the areas of:

- Natural environment
- Land use
- Site design
- Landscape
- Traffic and parking demand management.

The 2013 update incorporated all of these recommendations into the planning, such as compact development and an integrated transportation strategy to reduce and manage parking demand.

Sustainability across campus

The development of the master plan offers a tremendous opportunity to deploy sustainable design strategies at the scale of the neighborhood, campus and building. The 2013 UNT Framework for Responsible Growth represents a mechanism for achieving community development and environmental stewardship as well as innovative design and engineering performance. It offers opportunities to reduce energy consumption, heating and cooling, waste and storm water. The framework addresses landscape, transportation, human comfort, happiness and health. Moreover, innovations that prove successful in the design of individual buildings may later be extended to the rest of campus.

Aspects of sustainability which are integrated into the 2013 plan update include the following:

- Compact development for increased building density, with more substantial buildings located on central campus sites
- Preservation and appropriate adaptive reuse of existing buildings
- Guidelines and standards promoting better designed, properly oriented, more efficient buildings
- Increased on-campus housing
- Transit infrastructure, including the Highland Transit Mall and two transit center-hubs to encourage bus ridership and operational efficiency
- Bicycle infrastructure, including new bike lanes and dedicated bike paths
- Pedestrian connectivity, including the pedestrian bridge over I-35 and a new central pathway across campus, library mall extension and elimination of internal campus streets and parking lots
- Significant improvements to the pedestrian realm with more street trees, improved sidewalks and pedestrian-scale lighting
- Demand management strategies to reduce parking lots and increase use of alternative transportation modalities
- Mixed-use and housing development near campus or along existing transit routes
- Student housing arranged around recreation, student services and amenities
- Placemaking to encourage students to stay on campus, especially on the weekends (eliminating the Friday commute to mom-and-dad's house)
- Consolidated and shared educational resources and facilities
- Sustainable efforts, including solar panels, wind turbines, rain water harvesting, etc.
- Removing streets and surface parking lots to reduce impervious surfaces and stormwater runoff

- Storm water management emphasizing water retention and recycling water for irrigation use
- Landscape standards to reduce water consumption, need for pesticide/herbicides and support localized retention and filtration
- Improved education and awareness of sustainable practices

Office of Sustainability

The university's Office of Sustainability works to implement environmental goals and establish university policy aligned with the goal of carbon neutrality. This office was a vital voice in the master planning process and should continue to be heard through the implementation phases.

HIGH PERFORMANCE BUILDING

The State of Texas mandates energy efficiency standards for higher education facilities. Energy Star and the United States Green Building Council's (USGBC) Leadership in Energy and Environmental Design (LEED) program are third-party rating systems for benchmarking and verifying performance of "green" or sustainable buildings. USGBC also offers several approaches for supporting sustainable campus development including the following:

- On-Campus and Multiple Building Certification Program. Commonly known as the Campus Program, it is designed to simplify the certification process for multiple buildings that share a common site
- LEED-Neighborhood Development (ND) which is designed "to take into account the connections between buildings and their context as well as the natural environment." The USGBC has made an effort to promote LEED-ND for university campuses, even if only as a planning framework.

The campus is committed to delivering high performance, highly energy-efficient buildings constructed from durable materials and clad in

local brick. It is expected that attaining these goals will also result in facilities which will meet or surpass appropriate 3rd party designation.

In addition to 3rd party certification for new construction, the university could consider the following :

- Require similar certification for all major renovation projects;
- Conduct an energy audit of all buildings every five years and follow-up with necessary repairs and upgrades
- Encourage behavioral change in students, faculty and staff with regard to air-conditioning and heating requirements
- Analyze life-cycle costs and energy usage when selecting building materials-systems
- Consider cost-benefit of investment in cutting-edge "green" design strategies

We Mean Green Fund

Student awareness of the university's commitment to sustainability is high on the UNT campus, but public awareness and understanding can always be expanded and refined. The UNT We Mean Green Fund (WMGF) is another way to tie students, sustainability and the master plan together. Projects identified in the master plan, such as the proposed community garden (located in a sunny spot along Maple just west of the library mall extension), could be implemented by students with funding from the WMGF, to improve campus life.





IMPLEMENTATION 4



4

IMPLEMENTATION + PHASING

The master plan considers the sequence of steps required to implement campus development. The phases do not dictate when buildings will be built or demolished; rather, they illustrate a potential path for campus development to meet the current and anticipated needs. Where the sequence is critical to success, such as replacement of the Music Practice facilities, the plan identifies the required steps, including a strategy for temporary or swing space as needed.

Implementation of facilities projects requires an in-depth understanding of campus infrastructure, services and utilities, reflecting the interconnected nature of all development on campus. Each building project must include all the services to support the building, from infrastructure capacity at the central plant to location of the distribution system in the ground. If buildings are to fulfill their civic role as described in the campus master plan, requirements for landscape and public space enhancements must be accommodated in the program and budget of each proposed building. Connectivity also is critical to a functional campus, so consideration must be given to planning service and emergency vehicle access, ADA accessible parking, pedestrian and bicycle access, and storm water management to weave the building and the site into the campus fabric.

Finally the plan recommends improvements which do not have a well defined time frame, such as landscaping and streetscaping the campus edges. When possible, these enhancements should be included whenever streets are upgraded and considered when new parking or building projects are being programmed and funded. By requiring a high level of integration for each step in campus development, long-term investments in infrastructure can be effectively planned and the benefit of that investment more fully realized.



First Phase Implementation Plan

FIRST PHASE: IMMEDIATE HIGH PRIORITY

As the 2013 update began, several projects were already in design and development, including the renovation and expansion of the University Union (*illustrated at right*); and proposed projects in the planning and funding approvals stage, such as the new College of Visual Arts and Design Building. This first phase also identified work required to enable new building projects to proceed. This work includes facilities for relocating functions to allow the demolition of older, substandard facilities to proceed. Critical first moves of the plan also included identifying sites for a new science facility within the sciences precinct, and a shared academic resources building with classroom and flexible support and office space. New student housing planned adds almost 600 beds to the primary residential precinct between Maple Street and Eagle Drive, close to the academic core of the campus. Improvements to the pedestrian network will enhance circulation across the campus and improve connectivity to downtown and across I-35 from the center of campus to Victory Village and athletic precinct. Phase 1 includes the proposed Highland Transit Mall, to be coordinated with City of Denton’s planned Highland Street improvements.



UNT University Union Project Renderings, 2013



- ① Mulberry Street conversion to Pedestrian Mall
- ② Avenue D conversion to Pedestrian Mall
- ③ Sycamore Street conversion to Pedestrian Mall
- ④ Recreation Center Expansion
- ⑤ Student Housing
- ⑥ General Academic Building
- ⑦ Greek Life - Sororities
- ⑧ Greek Life Center Expansion
- ⑨ Greek Life - Fraternities
- ⑩ Student Housing
- ⑪ Student Housing
- ⑫ Fouts Parking Structure + Mixed-Use
- ⑬ Pedestrian Mall + Realigned Parking Lot
- ⑭ Pedestrian Bridge
- ⑮ I-35 Improvements (TXDot)
- ⑯ Eagle Point Perimeter Trail
- ⑰ Campus Gateway Identity Improvements
- ⑱ Walt Parker Drive Improvements
- ⑲ Student Housing
- ⑳ Pedestrian Mall Connection
- ㉑ Track and Field Stadium

Medium Range Implementation Plan

MEDIUM RANGE

The next phase looks at meeting the enrollment growth goals of 45,000 students (estimated after 2020) with expanded academic, research and housing space. While the new academic facilities in the previous phase were primarily located in the central core, this subsequent phase proposes expanding facilities on the west side of the campus and in the athletic precinct.

With the construction of a new Track and Field Stadium, as well as additional parking resources on North Texas Boulevard, the redevelopment of the Fouts Field area can begin. Initial projects within the precinct will include the first phase of a significant housing village, and the eventual realignment of intramural fields.

Infill and perimeter housing is planned within this phase to expand upon the existing core of campus. To supplement the expanded on-campus residents and overall student population, an expansion to the Student Recreation Center is planned.

Additional planned improvements to the pedestrian network will enhance circulation across the campus. These will include the conversion of streets to pedestrian malls, widening of existing sidewalks and general improved connections already utilized by students and others created by new development.



LONG RANGE PLAN

The 'final' phase looks beyond the goal of 45,000 students, toward the continued growth of the campus, identifying sites for future new facilities in each precinct. However, this phase is not a final build-out or maximum capacity plan. Even at this stage, existing older buildings are becoming obsolete and should be considered for demolition and replacement in a future master plan update.

Specific projects within this phase include the completion of several significant housing efforts. Specifically, the remaining infill housing around the campus core, made possible by completed perimeter parking resources and improved pedestrian connections across campus. This phase also includes the completion of the greek life village of fraternity and sorority houses. Lastly, it includes the completion of the housing village in Fouts Field which also includes dining facilities.

Other significant projects that are planned to occur within this phase are the renovation and significant expansion of the Willis Library, which will include additional study spaces and allow for the vacation and backfill of Sycamore Hall as a secondary library to an academic facility. The union parking structure and mixed-use spaces are planned during this phase, which will allow for additional parking close to the core of campus, realign the circulation around Union Circle to better facilitate pedestrians and campus transit. It will also allow for additional student oriented spaces to be located close to the union whose need that may be realized in the future.



- ① Research Building
- ② Sycamore Parking Structure
- ③ Student Apartments
- ④ General Academic Building
- ⑤ Clinical Spaces
- ⑥ Public Affairs, Incubator or Research
- ⑦ Facilities Warehouse
- ⑧ Student Life - *alt site for Student Center*
- ⑨ Student Housing - *alt site for Student Center*
- ⑩ General Academic Building
- ⑪ Student Housing
- ⑫ Student Apartments
- ⑬ Student Housing - *alt site Welcome or Visitors Center*
- ⑭ Apogee Stadium Expansion
- ⑮ Indoor Tennis Facility

BEYOND LONG RANGE

The master plan update identifies additional facilities to complete the build-out of the campus that do not have specific time frames associated with them. The uses assumed for these buildings are based on the location or district the site is located in.

Facilities identified in this category may be stand-alone projects which could proceed in almost any phase (such as the stadium expansion); provide long term capacity and be developed very far in the future (such as research or outreach buildings); or can provide more immediate flexibility to meet changing campus needs (such as student apartment style housing).

Academic + Research

A few academic and research building sites, mostly on the perimeter of campus, are identified. These sites are large enough to accommodate the required building footprints and should be reserved for this purpose. It should also be noted that the perimeter parking lots and Fouts recreation fields may also be suitable for larger building sites in the way distant future.

Visitor + Student Center

Several sites have been identified for a facility alternately called a Visitors Center, Information Center, Welcome Center, Recruitment Center, Career Center and even the currently popular 'One-Stop-Shop' (combination of recruitment, admissions, advising, financial aid and career counseling) each with an undefined program or mix of programs.

The 2005 Campus Master Plan located a 'Future Visitor Center' on the corner of North Texas Boulevard and the I-35 frontage road, offering high visibility to campus visitors (this site is impacted by the I-35 expansion). The first phase of the 2013 update locates a 'Visitors Information-Welcome Center' on the south side of the future

Fouts Parking Garage, at the end of the new pedestrian bridge and across from the Gateway Center and the Murchison Performing Arts Center. This is a similarly high visibility site with good access and plenty of parking for visitors to the campus. However, neither of these sites is within the central campus, the area which potential students find so appealing; and they might not be the ideal place to start a campus tour. Alternately many campuses are finding success with both a Visitors Center on the perimeter (or even off-campus) and a Student Center (where campus tours start, lead by student guides who mingle with potential applicants) located in a dorm or close to the campus housing office or admissions offices. Three alternate sites for these types of facilities are identified on the map at left.

Student apartment style housing

Graduate, married student and family apartment style housing is also in this indeterminate phase. Once a significant mass of lower division type housing is constructed, the need for upper division, graduate, and even staff/faculty housing may become evident (and more feasible). These projects could be university initiated or UNT could partner with student housing developers or other third party entities.

Partnership Sites

The potential redevelopment of the area south of the campus as a College Town type mixed-use development is in a similar category. Many approaches to realizing this type of project could be imagined, but a combination of the I-35 project impact, property owner interest, market forces and city and university interests could influence the scope and timing of this potential future development.



Gateway Overlay - University of Houston



Gateway Overlay - Stanford University



Gateway Overlay - Texas A&M University



Gateway Overlay - University of Arizona

50 YEARS AND BEYOND

Physical context changes around the campus, particularly the I-35 expansion and significant growth in this corridor north and west of the campus suggested the need to look beyond the 10-20 year framework of the 2013 campus master plan update, to a 'big picture vision' of what future growth might mean for this campus.

Planning studies for the Gateway precinct illustrated the many existing challenges at the western edge of the campus. But the I-35 project will reduce interstate access at North Texas Boulevard and make the Oak-Hickory Streets and Bonnie Brae Street exits increasingly prominent (Bonnie Brae Street is currently planned to be widened to accommodate increased traffic). This change offers UNT the opportunity to reconsider the western edge (already identified for future campus expansion) to create a formal gateway and new front door to the campus.

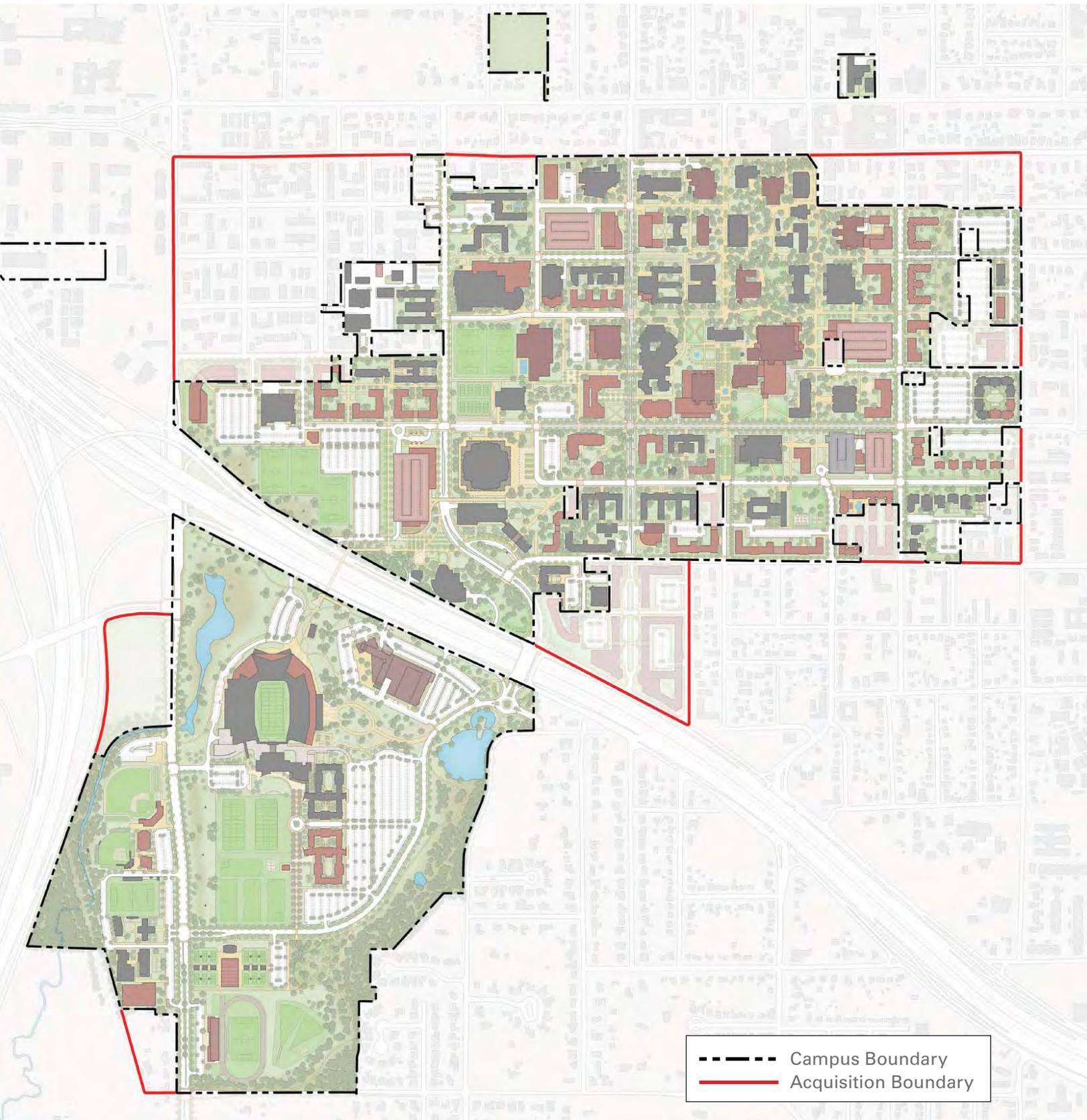
There are many Texas campuses which have addressed similar issues, where the original formal entrance to the campus has faded in prominence as the campus expanded and new highway exits were added. Historically these campuses were oriented to the college town with a pedestrian-oriented gates, so they lacked a presence and entry procession from the highway. In the four precedents shown at left, each campus created a new formal entrance from the highway which welcomes visitors arriving by car and has a scale appropriate to development of major new academic and research facilities.

Looking ahead, the western edge could be an ideal place to develop a memorable approach into the campus and if so, this is the time to begin planning for it. As this vision is realized, it will also allow for increased density and prominent development along the edge of I-35.

At left are notable comparable campuses with dramatic new gateways and entrance malls. The aerial photos of these campus precedents have been scaled and overlaid on the western edge of the 2013 update plan.



This diagram illustrates the concept of creating a dramatic new western gateway, with a formal entrance mall, welcoming visitors into the campus. The Chestnut Mall alignment is extended west of North Texas Boulevard to Bonnie Brae Street. The major street network for the expanded campus shows how the original street grid transitions to a larger scale grid appropriate to major future development on the west side of the campus. The campus also takes advantage of the frontage along Interstate 35 incorporating significant development and defining the edge to campus. The major pedestrian malls are interwoven with the network of campus streets. The primary entrances from the interstate are clearly legible and each has a unique function and character.



2013 Acquisition Boundary

ACQUISITION BOUNDARY

The boundary is an effective long-term planning tool for the university's and community's decision-making when particular parcels become available.

The 2013 plan update maintains the planning and property acquisition boundary shown in the 2002 and 2005 plans, which has remained very consistent over time. Generally, the acquisition boundary is defined by Bonnie Brae on the west, Hickory on the north, Bernard on the east and Eagle Drive on the south.

The only adjustment in that boundary is along Avenue C, south of the current campus core: previous plans located the boundary on the centerline of the street, while this update recommends shifting the boundary to the east side of the commercial zone along Avenue C. This shift will promote a more consistent character of development along Avenue C, a significant entrance to the campus. Past plans also discussed the viability of private and/or partnered development in this area to encourage development which is beneficial to the campus. The plan recommends the following for each of the general areas of acquisition:

Between Welch and Bernard Streets

As development of the eastern portion of campus continues, this area should be considered for acquisition for student housing, parking and as a buffer between existing neighborhoods and the campus.

Along Hickory Street

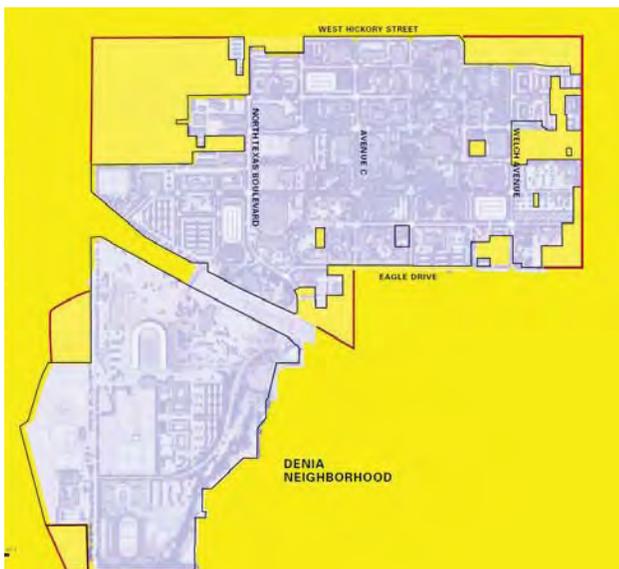
The area along Hickory has seen some recent development of housing and new businesses. The university should work with the city and local business to encourage reinvestment in this area to support a vital connection to downtown and gateway to campus from the north and east.

Between Eagle Drive and I-35

With the construction of I-35, and related right-of-way acquisitions by TXDoT, the university should work closely with the City of Denton and private land owners to assist and encourage the development and redevelopment of this area. Future uses should support the campus and create a more walkable retail commercial area. This development could be an opportunity to brand the university area as a college town. The mixed-use environment would be supported by the increased campus enrollment and the visibility and accessibility of the interstate.

Northwest of Fouts Field

Previous plans called for the university to work with the city to foster neighborhood stabilization and public/private partnerships for housing. Some of this collaborative development has subsequently occurred, but mostly on the west side of Bonnie Brae. This activity should continue and the university should also identify potential areas for campus expansion to accommodate continued enrollment growth. The I-35 improvements and the greater emphasis placed on Bonnie Brae Street will make the area northwest of Fouts Field a future gateway to the campus and is well suited to future redevelopment.

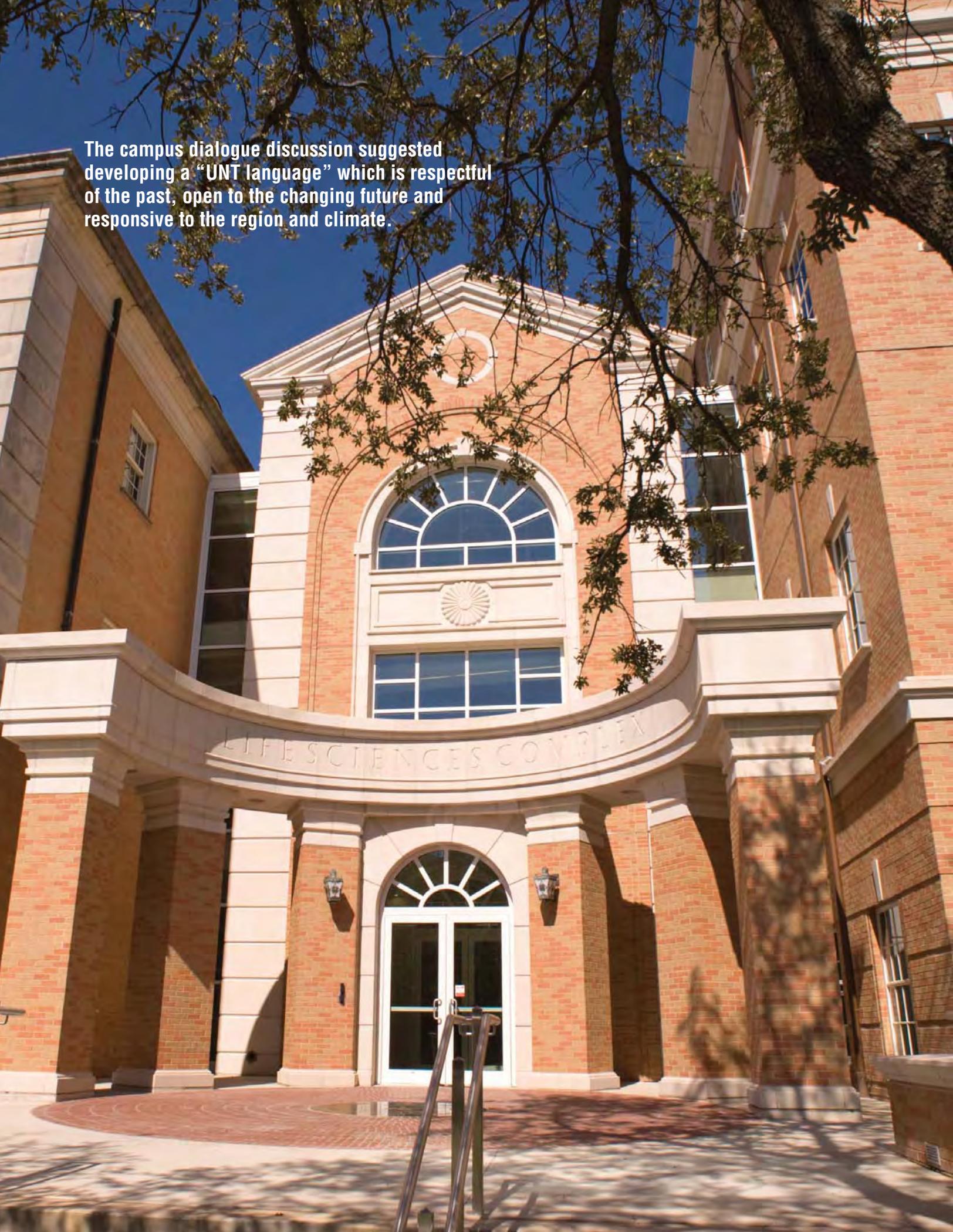


2005 Acquisition Boundary



DESIGN GUIDELINES 5

The campus dialogue discussion suggested developing a “UNT language” which is respectful of the past, open to the changing future and responsive to the region and climate.



5

“In matters of style, swim with the current; in matters of principle, stand like a rock.”

Thomas Jefferson

CAMPUS DEVELOPMENT GUIDELINES + DESIGN STANDARDS

The Campus Development Guidelines and Design Standards are fundamental tools for directing the physical development of the campus in a manner consistent with the direction, goals and aspirations of the university and System. Accordingly, these understandable and enforceable standards protect the integrity of the campus architectural and landscape character. They aim to establish the baseline measure of quality; to ensure consistency and continuity of design character; and to set a high bar for future development such that all improvements reinforce the quality and character of the nearly 125 year-old campus. The 2013 guidelines and standards, update and replace the 2005 design guidelines and comprise the following:

- Planning Framework
- Architectural Design
- Open Space and Landscape Architecture
- Design Review and Approval Process

The guidelines include recommendations for ensuring landscape and architectural character. They address building orientation, massing, heights, roof form, facades, fenestration and materials. They are drawn from the principles embodied in the best buildings on the campus. These principles include clarity of order and proportion; simplicity of form, massing and materials; and definition and continuity of exterior space articulated to provide human scale. Well-defined standards applied within a clear planning framework and a consistent palette of materials ensures every new building contributes to the character of the campus as a whole.



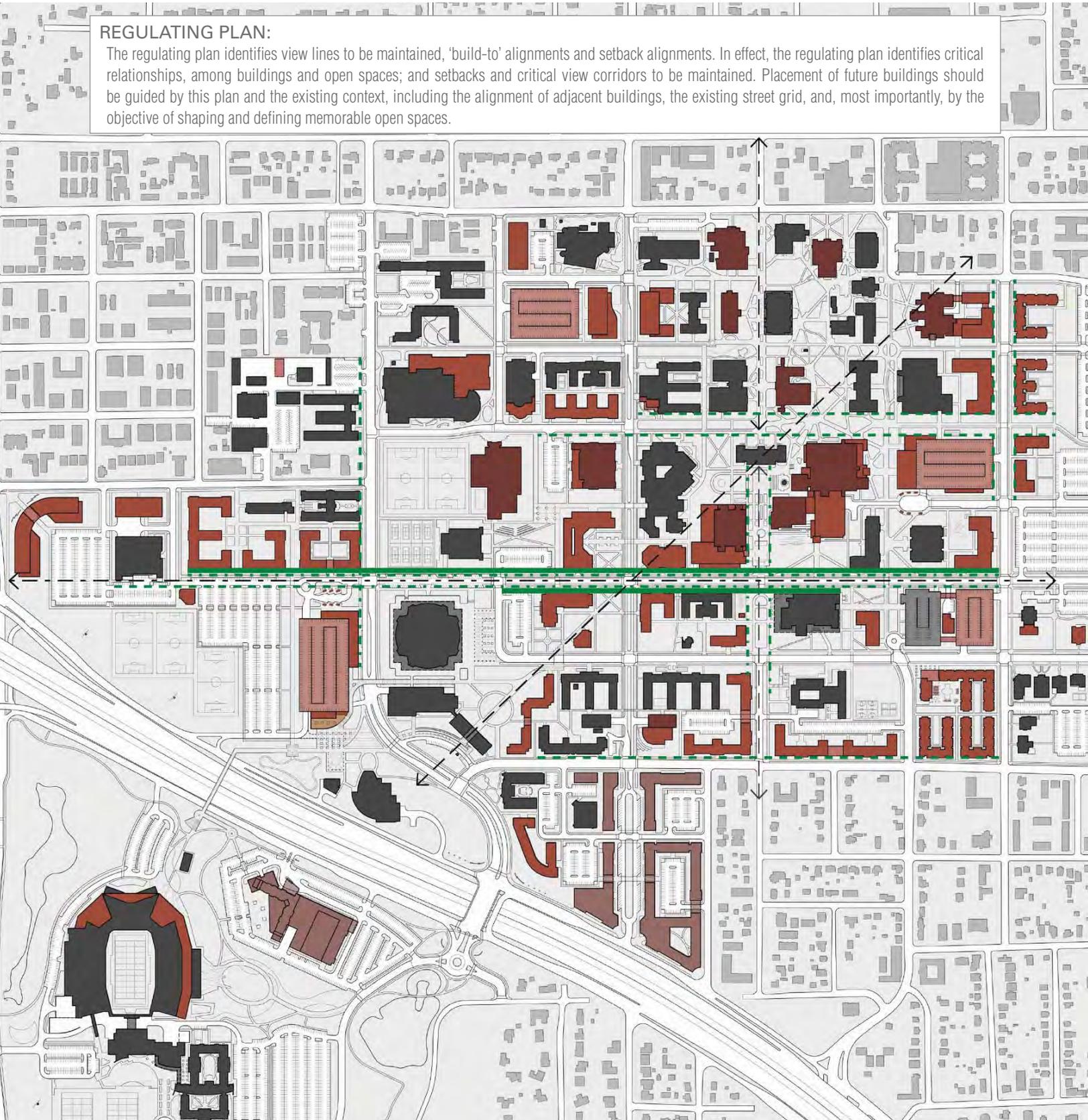
GUIDING VALUES

The 2013 planning process provided an opportunity to examine campus character and aesthetics, culminating in an open panel discussion with Chancellor Lee Jackson and President V. Lane Rawlins titled “Campus Dialogue: Traditions and Transformations.” Faculty, staff and students joined in the conversation about UNT character, landscape, materials and architectural styles. From that dialogue, the Campus Development Guidelines and Design Standards were based on the following values:

- **TRANSCENDENT ENVIRONMENT**
The educational endeavor is a transcendent experience encompassing a multitude of transformational life events and milestones. The campus should be an equally transcendent environment with inspirational spaces for contemplation and study; and engaging places with opportunities for informal learning. It should be shaped into a meaningful and memorable place.
- **ACADEMIC COMMUNITY**
The physical plan of the campus must foster an interconnected intellectual community, supporting the strategic goals of a superior undergraduate academic experience and achievement of tier-one research status. The physical manifestation of this community is created through a network of outdoor spaces shaped by buildings promoting interdisciplinary opportunities.
- **CONNECTIVE OUTDOORS**
The external spaces of the UNT campus link the academic precincts and functional zones of the campus. Appropriate landscape and hardscape will shape and enhance the central malls and define campus edges and gateways linking university with community.
- **CIRCULATION HIERARCHY**
Emphasis must be given to expansion of the existing, pedestrian-friendly campus core as a part of the connective outdoor spaces allowing for ease of circulation within the campus. Integrated transit will support this expansion, allowing for vehicular parking at the periphery of campus while maintaining necessary service access to the core.
- **INTEGRATED CHARACTER AND QUALITY**
Based on the distinctive and treasured character of the campus, future development will acknowledge and engage this history through the implementation of the design principles expressed within these guidelines. Quality will be maintained throughout with attention given to details and materials as well as to the spaces that they create.
- **GUIDED IMPLEMENTATION**
Future decisions pertaining to the physical development of the campus must respect the guiding values and principles that were derived from the campus planning process. The integrity of the campus plan and design character and quality is best supported by a clear framework for implementation. Understandable and enforceable standards ensure consistency of decision-making as the campus develops over time. They create an ethic of guided implementation which is understood and embraced by the entire UNT community.

REGULATING PLAN:

The regulating plan identifies view lines to be maintained, 'build-to' alignments and setback alignments. In effect, the regulating plan identifies critical relationships, among buildings and open spaces; and setbacks and critical view corridors to be maintained. Placement of future buildings should be guided by this plan and the existing context, including the alignment of adjacent buildings, the existing street grid, and, most importantly, by the objective of shaping and defining memorable open spaces.

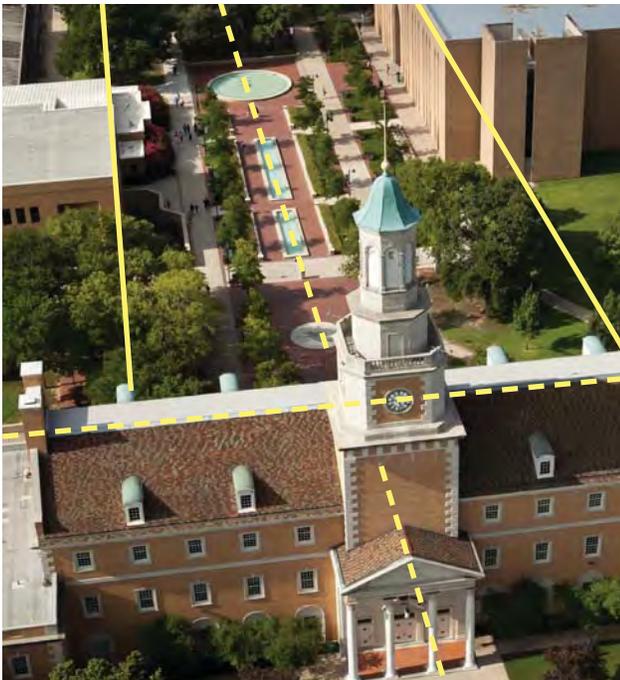


PLANNING FRAMEWORK

The 2013 Campus Master Plan Update emphasizes the sense of PLACE unique to the campus through a balance between open space and buildings. The open space should reinforce physical connectivity with views that enhance the experience of moving through the campus. The Campus Development Guidelines and Design Standards support the master plan in achieving three of the original five planning goals as follows:

- Enhance campus circulation and connectivity
- Improve campus identity and sense of place (especially at gateways, edges)
- Reinforce UNT campus character and quality with integrated design standards for architecture, landscape, hardscape, site furnishings, lighting and sustainability.

McConnell Tower on top of the Hurley Administration Building is a campus landmark with protected view axis; diagram below also illustrates build-to-lines framing Library Mall.



VIEW CORRIDORS

A regulating plan is a tool to guide placement of buildings so that the cohesiveness of the underlying campus organization and urban design fabric is maintained. The regulating plan is not as rigid as typical zoning setbacks. It is flexible in all aspects of building layout and placement except for protecting view corridors on campus.

The Hurley Administration Building is a campus landmark and direct views to and from the McConnell Tower should be maintained. Views from the Gateway Center to the tower (on the diagonal originally envisioned in the 2002 plan) should be protected, and new buildings should frame this view or be low enough not to block it. North of the building the Avenue B, the Library Mall should be extended to the campus edge with a pedestrian gateway added to reinforce this important pathway. To the south, the extension of the Library Mall should be framed to protect this critical view corridor.

The 2005 design guidelines noted “future buildings along the Library Mall should define the edge of the mall space.” The 2013 plan supports this requirement and extends the mall to the south. The plan adds a building along the western edge of the mall (aligned with the library) to better define the space. This building site could be ideal for the Visitors Information-Welcome Center with tours starting right in the center of campus.

Highland Street will become a major cross-campus corridor and central wayfinding element. The mall space should have a well defined built edge (see build-to-lines) framed by the linear progression of street trees and lights. To reinforce this east-west corridor across the campus, the plan extends Highland west of North Texas Boulevard. A new landmark building with a tower element terminates the western end of this route, and marks the campus edge on I-35 at Bonnie Brae.

BUILDING SETBACKS

Where the Regulating Plan does not identify build-to-lines or specific setbacks, buildings should respond to the context of the immediate site and align with adjacent buildings, especially along existing campus streets and when major pedestrian spaces such as plazas, malls, and walkways. Consistent setback lines along campus streets, and particularly the perimeter, will help define the street space and reinforce the campus edge. Long continuous or uninterrupted walls are not suggested. Massing related to the surrounding context that provides a sense of scale is encouraged. Some variation in the building face (both encroachments and setbacks) to add focus to the entryway, places for informal gathering and enhanced landscaping are seen as assets (see the diagrams below for examples). However, in no case should these variations or encroachments block identified views or view corridors (see the Regulating Plan on previous page).

BUILDING ORIENTATION

In general, an east-west building orientation is more energy-efficient in providing shading to reduce solar gain while maintaining interior daylighting. But the building placement and orientation, as illustrated by the master plan, is governed more by the campus open space and urban design objectives, to define outdoor spaces or to relate to adjacent buildings. Where a north-south orientation is required, the design of the building envelope, solar shading or screening, site trees and landscaping should respond to the local climatic issues for optimum energy efficiency.

BUILDING FORM + MASSING

Building plans should be simple in geometry, avoiding excessive width, mass or overly complex shapes. Building use and program should suggest the floor plate size and depth, but optimal dimensions should maximize daylighting and natural ventilation opportunities.

Diagram illustrating interpretations of the build-to and setback lines. Critical build-to lines should not be violated by any portion of the building; while setbacks along the street refer to the overall building massing and may allow for encroachments by appropriate building elements.





The photo above illustrates how the overall building massing defines the street edge; while the first floor extension helps to define the building entrances and the tall arched windows reveal interior activity to the pedestrians on the sidewalk. The straight line of trees further reinforces the sidewalk space.

When wider floor plates are required for functional and programmatic reasons, the building designer should seek other approaches to bring natural daylight into the buildings, including analysis of options such as courtyards and atriums.

Existing campus buildings that respond to the campus grid and successfully define outdoor spaces tend to be simpler in massing, focusing attention on entrances, quality materials and detailing. Smaller elements such as bay projections, arcades, porticos and covered walkways are encouraged to shape outdoor campus spaces, connect to sidewalks and building entrances and provide a welcoming human scale.

BUILDING HEIGHTS

Building heights on campus should be three or four stories in most locations. Taller buildings may be appropriate in some locations to support additional campus density, accommodate programmatic needs, or achieve landmark status (such as the iconic building on Bonnie Brae or future buildings along I-35), but should not obscure views of the McConnell Tower in the center of campus. One-story and two-story buildings are discouraged, especially in the central core of the campus. Higher density is needed in the core to accommodate academic and student support space within the area defined by the 10 minute class change area (see typical walk distance circles in Section 2, pg 40).

BUILDING FACADES + FENESTRATION

The traditional buildings of the campus exhibit the qualities of a well-ordered facade, with a clearly defined base, mid-section and top. They are organized around a central entry feature with a proportion of window to wall area well under 50 percent. The best traditional buildings exhibit a greater proportion of wall area, which improves comfort and energy performance. Windows are expressed as punched elements in a continuous brick facade. They are generally vertically proportioned and have expressed surrounds with a strong sill and lintel. Keystones are often used, with or without expressed arches. Windows on the ground floor tend to be more ornate in design, with many incorporating arched elements or unique stone ornament, and often an expression of a cornice tops the first floor.

New building facades should be similarly ordered and regulated with a well articulated base, mid-section and top (see the diagram below). The base should be expressed as the foundation of the structure, defined by a differentiation in material (stone being most common), window size and placement, with larger lintels, quoins or other horizontal stonework integrated with the window surround and trim.

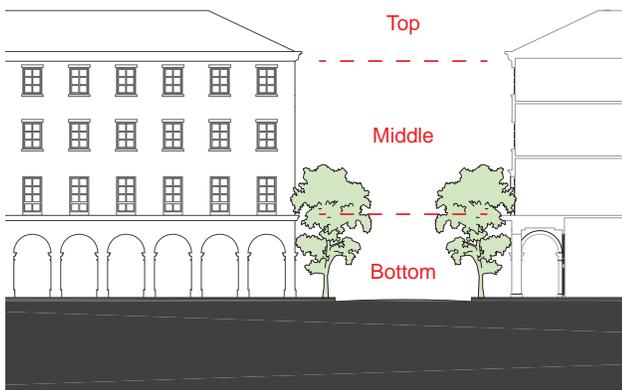


Diagram illustrating articulation of the building base, middle and top.

The middle section should be simpler in expression and detailing, with repetitive windows, trim and detailing. The top should be defined with a horizontal detail or cornice, creating a strong profile against the sky. The top floor may also be given an additional expression, with a horizontal delineation, change in color or materials and/or a unique window treatment. Order and rhythm should be expressed through regular placement of windows, traditional detailing and a consistent definition of the roof or parapet line.

Future buildings need not be simplistic copies of traditional buildings. Instead, they should draw from the lessons offered by successful campus buildings of the past, while responding to contemporary program requirements within the campus context. New buildings should respect the surrounding context and adjacent buildings in terms of mass, height, proportion and materials, and the spaces they create.

New building facades require attention to glazing and shading to meet energy efficiency standards and UNT's goals for sustainability. Designers are encouraged to develop responsible solutions in the spirit of the best traditional buildings on campus. Facade details which add depth also create shading and can be used to unify the facade and provide a sense of scale through horizontal and vertical expressions. Shading elements should not appear as large or independent structures that encompass the entire facade or as tacked-on screens or shades; rather, they should be incorporated into the facade fenestration and design of the windows. All new buildings should seek to reduce solar gain through building orientation. They should use strategies such as minimizing west facade glazing, using deeply recessed and shaded windows or bays on the south side, and opening the facade to bring in daylight on the north side.



Life Sciences expansion is an energy-efficient facade with a strong base, middle and top. Note the vertical expression given to the middle section; details include stone string courses delineating each section, and lintels with keystones, except on the top level which is differentiated by simpler windows.



Chestnut Hall is designed according to traditional organizing principles, including a strong central entry element and expressed base, middle and top. This new building is clearly contemporary but fits well into the campus context.



SCENCES COMPLEX





ARCHITECTURAL DESIGN

Each proposed new building project and site should reflect the careful application of the previously stated guiding values and principles. The campus dialogue about the character and legacy of the campus identified a vocabulary of architectural and design elements essential to the architectural language of the campus. This design vocabulary speaks to an enduring campus experience without promoting a rigid recipe. With thoughtful understanding, sensitive application and appropriate integration of this vocabulary, the character of the campus can continue to develop a level of consistency and distinct context to promote varied solutions within a value-driven framework. The essential elements are:

- Materials
 - Brick
 - Stone
 - Metal
 - Glass
- Rustication
- Quoins
- Colonnades and Porticos
- Entrances
 - Arched Entry
 - Glass Entry
- Window Fenestration
- Cornices and Roof Edges
- Sloped Roof

A definition of each element follows, with design standards and photos illustrating appropriate use of these elements in both older and more contemporary campus buildings. Architects designing future buildings should look to these examples for understanding and inspiration.

MATERIALS

BRICK

On academic campuses, brick is a traditional material, being versatile, durable and economical.

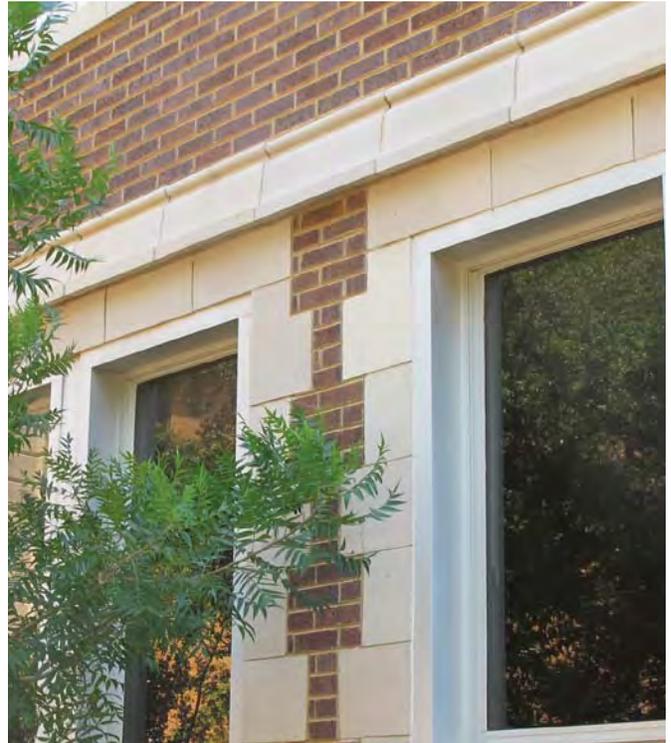
The UNT campus character relies heavily on masonry brick as a unifying material for the campus and brick will continue to be the primary building material. Brick offers a range of colors, surface textures and patterns, but the predominant brick on campus are the locally produced, light-colored units with a slim proportion. New buildings may be built in any of four UNT standard brick colors from the Denton Acme Plant: Burnt Pumpkin, Golden Sunset, Ridgemar and Royal Oak.

New buildings are not limited to replication of traditional brick patterns, but can add interest and scale with raised courses, vertical reveals and coursing changes. A mix of complementary colored brick can be very effective, especially when surrounding buildings are constructed of different bricks. Patterning should be used cautiously and harmony with adjacent buildings must be considered. The goal is to use subtle variations thoughtfully in the masonry to add scale and interest while reinforcing a consistent campus character.



The brick photos on this page and to the right, illustrate the range of brick colors and details prevalent on the campus. Above, cast vignettes incorporated into the brick wall convey recreational uses through art. These masonry details add a desirable human scale.









Stone should be used as a decorative accent material, especially at main entrances, as seen at the entrance to the Auditorium Building above.

STONE

Smooth finish stone is used to define building base conditions and trim, complementing the traditional brick throughout the campus. Stone is a more expensive material, reserved for areas of focus, acting as a visual “frosting” of decorative detailing at major entrances, cornice lines and quoins. New buildings should consider where stone accents would be most appropriate, such as for window lintels and sills and at major entrances. Given the expense of quarried limestone, alternatives may be considered including use of stone veneer and cultured or manufactured stone, precast concrete and limited areas of exterior stucco-plaster (all should be detailed appropriately and should not look stuck-on). Use of lightweight synthetic or faux stucco or brick (including EFIS) is unacceptable.

METAL

While metal is used sparingly, if at all, on the oldest campus buildings, metal has come to serve the same function in modern construction as wood and stone, providing window and door trim, cornice and parapet caps and decorative

accents. Metal can be part of a glazing system at entrances and atriums, and may be an option for roofing in unique circumstances (such as the Murchison Performing Arts Center). But large areas of panels are not appropriate to the campus context and vocabulary and so metal is unacceptable as a major exterior wall material.

GLASS

Glazed openings, both detailed windows and larger entry or lobby glazing, improve natural lighting and most importantly demonstrate activity and vitality occurring inside and outside buildings. Large areas of glass can create challenges for energy efficiency, and therefore should be limited or discouraged on south-facing or west-facing facades, and used appropriately for the purposes above. Glass and glazing systems should be insulated, high performance, and energy-efficient; light tinting is acceptable for efficiency but highly reflective glazing should be avoided. Large areas of glazing without relief, mullions or other expressions of scale are unacceptable.

Opposite page: the Chemistry Building demonstrates how brick, with glass and small amounts of metal can be used effectively to create a contemporary facade which fits into the campus context.

RUSTICATION

Normally positioned at the base of buildings, rustication gives visual weight to the structure by, expressing the strength of the foundation.

Visually reinforcing horizontal lines at the base can be achieved through stone or masonry bands and courses. Historically, large masonry blocks with deep joints created a strong anchor for buildings. The same effect can be achieved through different materials, rougher surfaces and larger masonry components than the upper portions of the structure. On the UNT campus, rustication is a consistent device spanning from the earliest building to the newest, enhancing the street level of the buildings and adding texture and human scale to the exterior space.

QUOINS

Quoins emphasize the character and scale of building corners. Traditionally, dressed stone quoins created the ends of large fields of masonry on facades.

On the UNT campus, quoins take on many different expressions. Stacked, rusticated or ashlar stone blocks (Chilton Hall) or simpler expressions (Bruce Hall) - both clearly reference classical quoins. On other buildings the quoins have become vertical corner caps (Legends Hall, at right).

New buildings should provide material changes to create corner emphasis or develop quiet reliefs between fields of materials. In particular, new buildings should integrate quoins into their designs to complement adjacent buildings with such details.



Above are examples of rustication with a horizontal expression, in stone, brick and concrete. Below are examples of quoins and corner bands.





Above is an example of an appropriate expression of the building base, with rusticated quoins terminating fields of brick and defining the building corners; the cornice and extended parapet are seen on many campus buildings. The doorway is given depth and expression with stone trim and pediment.

COLONNADES + PORTICOS

A portico is a porch leading to a building entrance. As an extended portico, a colonnade composes columns or piers to support horizontal elements including an entablature or multiple arches.

On the UNT campus, this architectural device defines entries, provides shaded connections, reinforces the horizontal building base and captures desirable indoor-outdoor space. Elegant proportions, appropriate scale along with placement at areas of activity and where shade is especially desirable, will create the most successful applications. New buildings should use colonnades, arcades and porticos when appropriate, especially to connect with landscaped open spaces and walkways. New buildings adjacent to older buildings should be setback so as not to obscure or hinder view lines to existing historic colonnades.



Above are good examples including a newer building with stone base and wrap-around colonnade, and an older brick portico with stone trim.



Sage Hall exhibits a well proportioned stone entry portico providing a comfortable entry transition



Above is the new arched entry into the Life Sciences building in the center of the campus, which uses appropriately traditional materials and detailing. Below is the glass entry at the Eagle Point Athletics Building in the athletics and recreation precinct south of I-35.



ARCHED ENTRY

Using a curved lintel or an actual arch can emphasize and depict important entry points.

Across the campus, a wide variety of gateway and entrance solutions, styles and detailing exist. The most successful feature an appropriately scale arched element to signify an important destination. Not all entries require this level of celebration, so the scale of the entrance should be a respectful of the function and context. New structures with differing scales and visible uses should consider arches, soft curves, axial alignments and similar devices to create a sense of scale and connectivity.

GLASS ENTRY

Creating a sense of transparency from outside to inside is made possible by incorporating glass doors into a larger field of glass.

Typically located at the primary entry, lobby or an atrium, glazing used appropriately can enhance exterior-to-interior connectivity. It can improve daylighting and transparency, facilitating display of interior functions and activities. In buildings opening onto major green spaces or with special views, this element can be used as a framing device, creating a large 'picture window' to the exterior. Glass entries can also be used to connect buildings of different time periods. Design attention must be given to the integration the entry doors, glazing and mullions or support system, with the scale, proportions, depth and detailing of the overall building.





Above left is an example of traditional window detailing; Above right the windows are grouped within a recessed bay, brick color changes add expression.

WINDOW FENESTRATION

Fenestration is the arrangement, proportioning and design of windows and doors in a building's exterior walls or envelope. Windows, and the detailed method of their trim and surrounds, are another signature element of the architectural vocabulary on campus.

The most basic design of fenestration and window design involves both scale and composition. At the base of buildings, the windows should establish a clear and regular rhythm. On the upper portions, they may be grouped vertically to suggest a procession of columns or used as a horizontal series to emphasize long roof lines.

The scale of the individual windows and the pattern of mullions can be diverse in expression, but always requires an expression of depth and detailing. On older campus buildings, glazing

panes are broken down in size with mullions and many historic windows have multiple sash configurations. Color choice also plays an important role in reading the mullions, with lighter colors preferred for greater definition.

Framing the window itself provides an opportunity for interesting detailing, through lintels, jack arches or similar detailed treatments. The lintel detail may include a change of pattern or materials, such as soldier courses or stone lintels, trim and sills. The intent is not to imitate historic details, but to appropriately use detailing to provide scale and depth of expression, so that new buildings relate well to existing buildings. Over-simplified fenestration, with mullion-less windows or windows with thin frames and no depth or relief are unacceptable.

Opposite page: window fenestration with a vertical expression. Surround includes stone sill with soldier course accent band and a rowlock lintel; upper window adds stacked stretchers on both sides of the opening. Facade expression includes brick insets and pilasters.

CORNICES + ROOF EDGES

At the top of a facade, the cornice expresses where the wall and roof meet.

Defining a roof edge supports development of a consistent campus scale and building-to-building relationships. On the UNT campus, strong horizontal roof edges exist in many configurations, from very subtle parapet caps to highly detailed cornices with soffits. Roof edges are given expression, whether the roof is sloped or flat, and in many campus buildings, verticality is expressed by extending the wall beyond the cornice with a simpler parapet cap. Infill buildings should relate to these existing edge lines; and all new buildings should give design definition to the roof or parapet edge with some form of cornice and/or cap.

By changing materials and varying their depth, new buildings have many opportunities to create well defined roof edges. Deeper cornices or overhangs are encouraged in lower buildings as shading devices and in larger or taller buildings to give definitions to their height.

Roof edge and proportions also have an integral relationship with the building base. These two important architectural devices should have an inherent balance and complementary dialogue.



An older building with a flat roof and stone cornice extends the brick parapet and cap for a vertical expression which balances top and base.



Above is a contemporary cornice, appropriately using a change of materials and depth; on the south side, the extended cornice may shade the windows below.

SLOPED ROOFS

Sloped roofs create dynamic profiles with the sky, define scale and create shadow lines.

On this campus, most buildings combine low sloped roofs, typically gabled or hipped. Some include areas of flat roof with parapets. Sloped and hipped roofs are an important component of the campus architectural vocabulary. Low sloped roofs are encouraged, appropriate to this region which does not get large amounts of snow or rainfall.

Material and proportion of sloped roofs helps to dramatically improve building scale and create familiar forms and character. Infill buildings especially must relate to the roofs of adjacent buildings in type, slope and materials.

Not all functions can be accommodated with sloped roofs; nor are all building systems able to accommodate sloped roof conditions. However, in all cases, roof slope will be carefully evaluated for consistency and sensitivity to the campus character.



Hurley Administration Building creates an interesting roof profile against the sky with a sloped roof, dormers and an expressive end wall.



Murchison's unique roof shape expresses the concert hall within.



Life Sciences hipped roof with cornice edge.



CONSTRUCTION
IN
PROGRESS

ONE LANE NO PARKING

OPEN SPACE + LANDSCAPE ARCHITECTURE

The purpose of the landscape architectural design guidelines and standards is to encourage consistency and visual unity in the overall development of the campus. These guidelines, which update and replace the 2005 Landscape Guidelines, do not prescribe specific designs for the campus, but rather, establish a design direction and performance objectives for landscape treatments. The goal is to achieve a comprehensive campus landscape design that is economical and practical to maintain, responds to functional and environmental constraints, and in which all parts of the campus landscape relate to each other to establish an integrated whole.

Historically, a primary organizing device for both campus buildings and landscape has been the grid of streets that overlays the gently rolling terrain of the campus. The original campus consisted of orderly patterns of buildings aligned with the street grid and surrounded by generously landscaped areas. The most attractive and habitable landscape areas were the Post Oak groves. Surrounding the central superblock of the campus was a continuous fence and, later, a hedge that framed and defined the campus precinct. Benches, a gazebo and fountains invited use of the grounds. The orderly patterns of buildings, oak groves, tidy campus edges, furnishings and subsequent ornamental plantings defined a character and quality appropriate to a place of higher learning.

Today, parts of the campus landscape still retain the attractive features of the early 20th century, while others have failed to achieve the fundamental visual and functional order necessary to make them a contributing part of the campus experience. The following guidelines provide a framework for bringing a higher level of harmony and consistency to the campus landscape. Set in the university's Strategic Plan, the goal of these recommendations is to create "the best undergraduate experience" and a transcendent place for engagement and learning.

CAMPUS LANDSCAPE STRUCTURE

Among the principal character-defining features of the existing campus landscape is the grid pattern of streets, walks and buildings that constitutes the man-made structure of the campus; the extensive canopy of mature trees providing shade, environmental benefits and visual counterpoint to extensive paved areas and buildings; and the gently rolling topography that subtly separates east campus from west. It is proposed that new landscape designs recognize these existing features and build from them rather than work against them.

As new buildings fill in sites around the campus academic core, it is necessary to complement the increase in building density with heightened attention to the quality of the landscape to accommodate more people and uses. Each additional building must be conceived and funded as a “building and landscape” project so that increased density does not result in a diminution of quality in the campus landscape. General recommendations are proposed as follows:

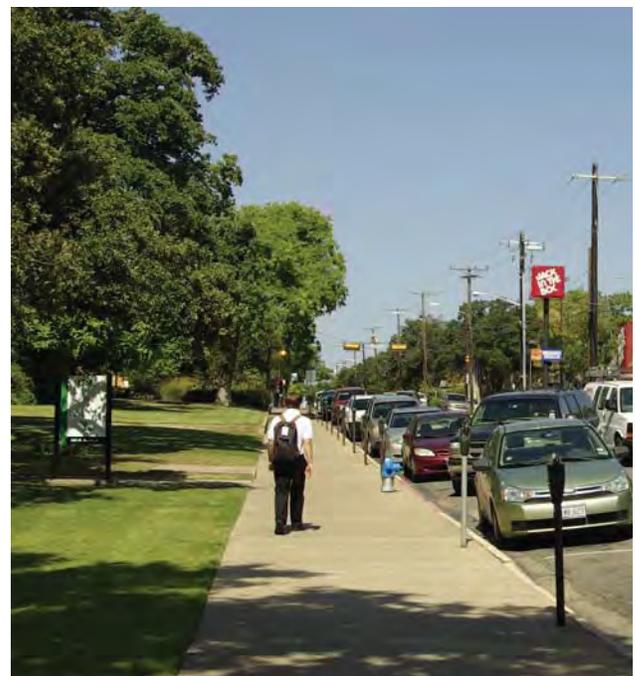


Appropriate use of lawn and formal plantings on a pedestrian mall.

GENERAL RECOMMENDATIONS FOR CAMPUS LANDSCAPE STRUCTURE

Enhance and Better Define the Existing Campus Edges and Gateways with Landscape and Streetscape

- Evaluate existing landscapes and streetscapes, particularly existing street trees and work with the City of Denton and adjacent neighborhood and business associations to implement a plan for streetscape improvements.
- Establish tree canopies along all campus street edges; Welch Street, Hickory Street, North Texas Boulevard and Eagle Drive should be planted with large shade trees. The uniform presence of such trees will be a significant means for establishing a unified campus image and distinguishing the campus as an identifiable district within the greater Denton area.
- Develop a consistent design approach to the landscaping and edge treatment of campus parking lots along these perimeter streets. Screening, lighting and wayfinding, should be considered as part of the approach.



North edge of the campus would benefit from an improved streetscape.



Post Oaks at the south end of library mall.

Reinforce and Extend Existing Parkland Open Spaces and the Existing Groves of Campus Shade Trees

- Evaluate existing Post Oak groves and implement a tree care and protection program to include limb pruning to promote understory growth in extremely dense, mature tree groups, and a new tree planting program. Existing groves and mature tree groups that should be protected and reinforced include, but are not limited to areas as follows:
 - North of the Auditorium
 - South of Hickory Hall and extending southeastward
 - North of the Administration Building
 - North, east, west of the University Union
 - South and east of Mathews Hall
 - Southwest of Crumley Hall
 - South of the Administration Building and along Library Mall, and south of Kerr Hall;
 - North of Maple and south of Highland from Avenue B to Gateway Center
- Areas surrounding Murchison Center
 - Minimize root disruption and compaction in areas surrounding existing canopy trees.
 - Avoid removal of healthy large shade trees.
 - Develop plans to plant new, organized tree groves to enhance the quality of outdoor spaces.
 - Employ native or adapted species as defined in the design standards.
 - Establish organized tree plantings along major walkways, such as the West Sycamore Street corridor as it passes through the academic core, and in the Avenue A corridor between Business Administration and Radio-TV-Film and Performing Arts, and west from Avenue C to Legends Hall
 - Improve the greenbelt along the east side of the Eagle Point precinct, and protect existing trees in this area.



This block of Avenue C illustrates the value of consistent street trees and well planted median, but could benefit from additional streetscape improvements.

Improve Street Tree Plantings

- Establish tree canopies along all major campus streetscapes. Particular attention should be given to the West Chestnut Street corridor and Avenue C. All major campus streets within the boundaries of Welch Street (east), Hickory Street (north), North Texas Boulevard (west) and Eagle Drive (south) should be planted with large shade trees. The uniform presence of street trees will be a significant means for establishing a unified campus image, and for distinguishing the campus as an identifiable district within the greater Denton area.

Enhance and Create Identifiable Quadrangles, Courtyards and Places for People

- Locate and organize new buildings to define outdoor living spaces. Optimize the usefulness and attractiveness of new people spaces by locating them along primary pedestrian paths, at building entrances or near major activity nodes.
- Provide favorable climatic orientation and places to sit in attractive visual settings. These places should have amenities such as shade trees, ornamental plantings, special paving, lighting, shade structures, sculpture and fountains to enrich the sensory appeal of outdoor courtyards, quadrangles and gathering places.
- Renovate and enhance the Avenue B Mall to the north and south of the Administration Building. Make these areas more inviting for daily and transient pedestrian use.



This popular plaza at the University Union is a good example of using landscape and site furnishings to create places for people.

BASIC PRINCIPLES OF PLANTING DESIGN

Space Definition

The overall spatial organization of the campus landscape is primarily determined by three major components - buildings, topography and woody plants consisting of trees and shrubs. Paths and roads also play an important organizing function; however, their role is somewhat subordinate to the three-dimensional strength of the buildings, land, trees and shrubs. The limits, emphasis and character of all views within and around the campus are defined largely by these elements.

Planting is often considered in terms of its decorative effects within a man-made landscape. It is often said that plants are employed to “soften” the look of large buildings or extensive areas of pavement. While it is true that the shapes, colors, textures and biomorphic forms of plants have a pronounced influence on the quality and character

of the landscape, the principal role of plants is to define the shape, size, sequence and hierarchy of outdoor spaces in keeping with large university buildings, streets and parking lots.

This space-defining role of plants is fundamental to the overall conception of the landscape and should precede thinking about specific plant characteristics such as flower, leaf texture or branching habit. Plantings should, therefore, be understood as three-dimensional elements that can be composed to define the basic spatial composition of the campus, which in turn, affects the quality of campus life.



Above, Library Mall is an excellent example of planter beds and landscape that is appropriately scaled to the surrounding campus.

Trees and shrubs should be considered in terms of achieving desired functions and spatial effects, such as limiting or directing views, creating microclimates, creating overhead enclosure for shade or greater intimacy, framing spaces to create compositional closure, modulating the scale of large buildings or to define and reinforce major spaces, streets and pathways of the campus.

This approach recognizes that the overall spatial order and quality of campus spaces are principal concerns of campus design. The buildings and plantings of the campus assume broader meaning only by virtue of the way they are arranged in relationship to each other and the order of spaces they create together. While individual buildings or plants may possess characteristics that are attractive in themselves, the emphasis of campus design should be on the larger relationships of formative elements to space.

Scale

The size of tree groups, shrub masses and plant beds should be considered with respect to their relationship to campus buildings, roads and spaces. Plantings that are too small or spotty in relationship to large buildings can appear out of place in the larger scheme of campus design. In general, plantings should be simple rather than overly intricate. They should be conceived in broad strokes that are appropriately scaled to their surrounding and the larger campus. Smaller, garden-scale plantings and flower beds are important to the campus; however, they should be properly related to the campus through hierarchical relationships.

Plant Fitness and Character

Plants selected for the campus should be long lived, relatively pest free and, to the practical extent possible, be native to the north central plains of Texas and CrossTimbers Bioregion. Such species will, in most cases, enhance the possibility for long-term adaptation to the campus environment and create a visual setting that harmonizes with the characteristic landscape of the Denton area.

Non-native plants may be used on the campus. However, they should be noninvasive and possess visual traits similar to native flora. Plants whose visual appearance is divergent from the native flora should not be used on campus, even though they may be in fashion from time to time. They include horticultural varieties with unusual form or color characteristics. Exceptions to this rule, such as special flower beds, should only be permitted in unique circumstances and the exceptions should be few.

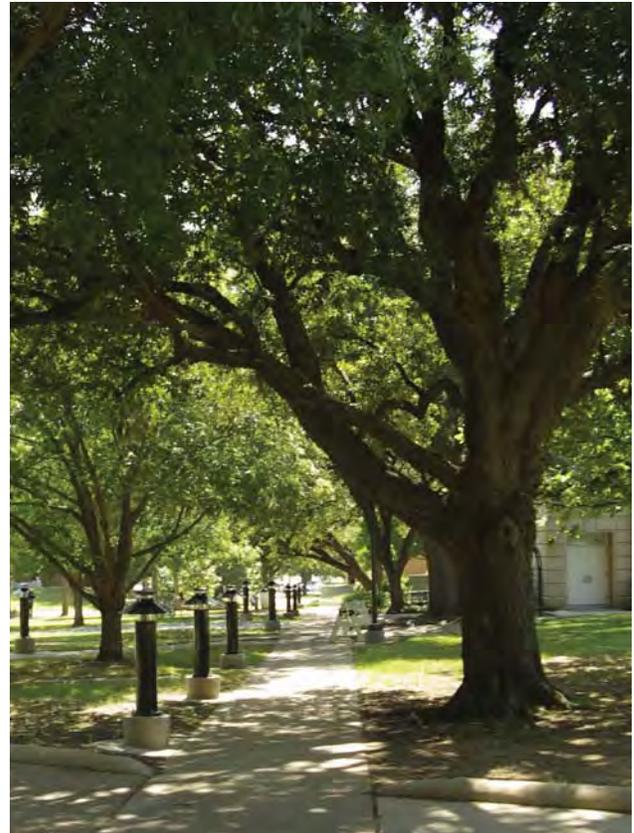
Campus plantings should capitalize on the intrinsic beauty of native flora. The design of the plantings should be simple and seek to evoke a mood of tranquility similar to the bold compositions found in nature. Compositions with too much variety and fragmentation result in busyness, constantly diverting the eyes with one unique element after another. Therefore, the campus design should generally be kept free of distracting elements that do not harmonize with the whole. This approach will result in a campus landscape that is regionally appropriate, sensitive to water conservation, dignified and practical to maintain.

The natural form and character of plants, particularly shrubs, should be retained through proper design and pruning. With the exception of hedges, shrubs should be planted in arrangements that allow for their natural shape to be retained and allow adequate space for them to develop to their natural size either as individual elements or in merged masses. When plants are too large for the space that is allowed for them, shearing

is necessary to keep them in bounds. Continuous shearing destroys the natural form of the plants, incurs ongoing maintenance costs and results in an unintentional design that often adds little to the overall campus design.

Tree pruning should be started early in the life of campus trees to ensure that a properly storm-resistant branching structure is established. Most tree canopies in lawn areas should be established sufficiently high to provide clear visibility beneath the trees and to allow adequate light to the lawn areas below.

Below, additional pruning could improve visibility and allow more light to reach the lawn below the trees.



Planting Patterns

The University of North Texas landscape consists of both geometric and naturalistic planting arrangements. These two types of planting patterns should continue, with the geometric arrangements employed along campus streets and major pedestrian malls such as Avenue B and Library Mall. Naturalistic arrangements should be employed throughout the larger spaces of the pedestrian academic core and the Eagle Point campus. Most street tree planting zones are sufficiently constrained with utilities and pavements so that rows of trees are the only practical option. Such geometric rows of trees provide a memorable sense of order that amplifies and dramatizes the linear organization of street pavements and curbs.

A formal planting pattern is also appropriate for the Avenue B and Library Mall where space is limited, pavement requirements are high and the symmetrical order of the Administration Building argue against a naturalistic planting approach. Symmetrical patterns are appropriate to frame the entrances to major buildings that have symmetrical architectural treatments.

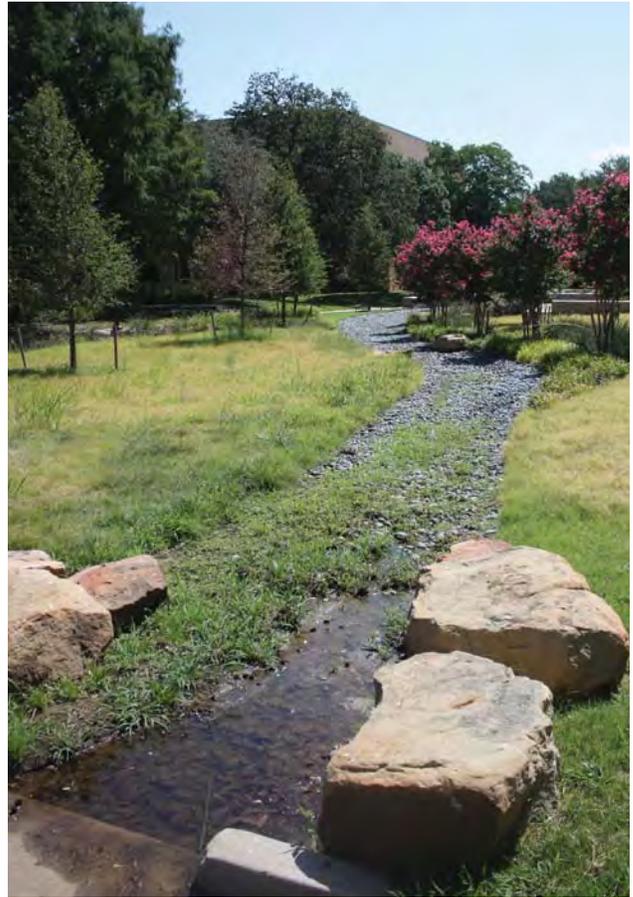
For most pedestrian areas, however, naturalistic patterns of trees and shrubs should be the dominant landscape expression. Informal, naturalistic groves of trees have graced the campus since its beginning and this landscape approach should continue. Naturalistic arrangements offer the advantage of compositional wholeness that can be achieved in many ways, layouts can easily adapt to utility and drainage and access requirements. The planting can be sufficiently diverse to accommodate a variety of species and ages of plants while maintaining an overall sense of completeness and order.

Below is a geometric landscape arrangement appropriate for campus streets and major pedestrian malls such as the Avenue B and Library Mall.



For both geometric and naturalistic planting arrangements, it is recommended that plants be organized in groups composed of single species or multiple species that share a high degree of visual similarity. Groups of similar plants are important because they visually tie the campus together, often overcoming the incompatibility of various architectural styles and treatments.

Planting often is the “glue” that visually connects one part of the campus to another. It can fulfill this function if there is sufficient repetition of species and excess variety is restrained. For example, a single block of any given street should be composed of a single species of street trees to ensure linear continuity. Single species may successfully extend for more than a single block as well. Good existing examples of harmonious tree groupings are the Post Oak grove in front of the Auditorium and the Cedar Elms west of the University Union. The bed plantings north of Mathews Hall, on the other hand, tend to be too intricate and complex for the sizes of the landscaped space and adjacent building.



Above and below are images of the project at the east end of Sycamore; blends hardscape and landscape with storm water management to create an inviting place, recapture run-off and eliminate mall flooding.



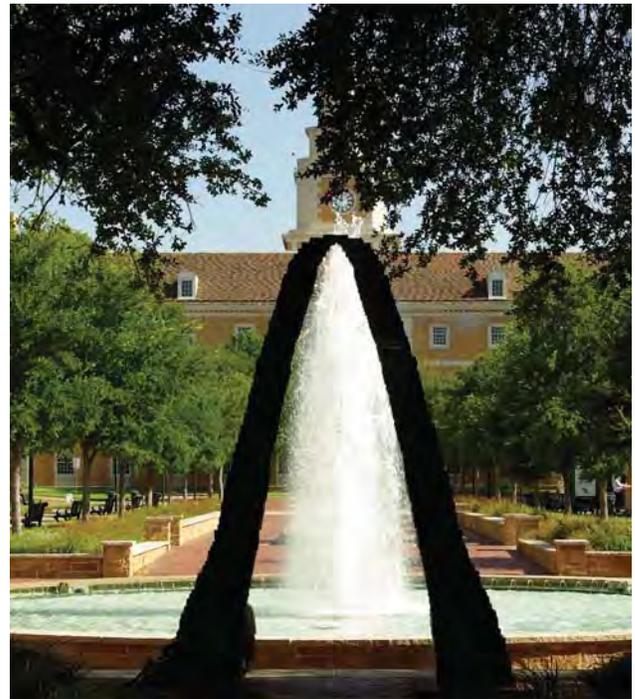
Fewer species in uniform, bold strokes would be more appropriate.

SPECIFIC AREA GUIDELINES

Library Mall + Extension South

As one of the most frequented and symbolically important pedestrian spaces on the campus, the Library Mall should possess a clear, memorable identity in the heart of the campus. The 2013 plan recommends extending the mall to the south (see sketch on page 74).

Landscaping in the Library Mall should create tree canopies along both sides of the mall, a new grove on the north side of the Library and ground-level plantings to enrich and unify the pedestrian environment. The large Live Oak, Hackberry and Cedar Elm trees at the south and north ends of the mall should remain. The primary trees lining the extension of the mall going south should be also be Live Oaks. The grove to the north of the Library should be Cedar Elms to match the grove on the opposite side of the mall in front of the University Union.



Walkway in front of the Business Leadership Building where improvements are recommended to extend the Library Mall (visible in the center of this image) to the south edge of the campus, with wide pedestrian walkways lined by Live Oak trees.



Above is an example of the more informally planted campus groves of the academic core.

Campus Groves

The historic campus groves, composed principally of Post Oak, should be maintained and reinforced. The objective for these areas should be to perpetuate the high canopy and raise the canopy where needed to improve sightlines and visibility.

The campus tree canopy plays a significant role in moderating the microclimate of the campus by decreasing heat build-up in pavements and buildings and through the cooling effects of transpiration.

In the climate of northeast Texas, with its summer extremes of heat and drought, groves of trees are a more appropriate landscape expression for university grounds than large open turf grass quadrangles found on campuses in the temperate climates of the Atlantic coast regions.

While some open lawn activity areas are necessary for events and informal play, they should be the exception rather than the rule on the UNT campus.

Maintenance and reinforcement of the groves should include the evaluation and protection of existing trees, and scheduled additions of new trees to replenish losses and plan for the future. Protection of existing trees may include groundcover plantings around mature trees to prevent heavy foot traffic on their root systems.

Post Oak should continue to be the principal species in the existing groves. Particular care should be given to preventing damage to the root systems of existing trees. Post Oaks are very sensitive to changes in soil compaction, soil moisture and root disturbance. While Post Oak is a difficult species to transplant, the addition of new Post Oaks to

the existing stands should be considered. Adding new Post Oaks would diversify the age of existing stands and be insurance against possible future losses of existing mature trees. Because digging of Post Oaks from the wild or from nurseries is probably not realistic, consideration should be given to container growing Post Oaks and setting the trees out when they are 3/4 inch to 1 inch in caliper size.

The new groves indicated on the master plan consist of native canopy trees with proven ability to adapt to the soils and climate of the campus. Species may be mixed; however, each grove area should have a single dominant species that unifies the planting. For example, one grove may be characterized by Schumard Oak, while another by Live Oak. This diversity of species used campus-wide will create a variety of tree canopy areas across the campus, each with its own unique character. The installation size and horizontal spacing of trees should be varied.

Existing groves should be used as a model for determining a random naturalistic spacing pattern. The typical error encountered in the layout of groves is to plant the trees equidistant from each

other at a distance of about 30 feet. This spacing yields a uniform pattern that is not naturalistic. A conscious effort is needed to replicate natural patterns in which the trees may vary from six to 50 feet apart. A variation of tree sizes at installation will further enhance the naturalistic effect. Proper preparation and planting methods should be utilized to ensure the health of the trees.

Species suitable for new campus groves include the following:

Large Shade Trees

- Live Oak, Bur Oak, Chinkapin Oak
- Cedar Elm, Lacebark Elm (Drake, Allee)
- Crape Myrtle

Medium/Small Shade Trees

- Crape Myrtle
- Mexican Redbud, Texas Redbud
- Tree Yaupon Holly

Other Campus Trees

- Post Oak, Shumard Oak, Texas Red Oak
- Pecan
- Possumhaw Holly
- Desert Willow
- Mexican Plum
- Bald Cypress



UNT Live Oak



UNT Post Oak



In the most heavily populated areas of the campus core, new trees should be planted in sizes that are large enough to have an immediate effect on the quality of the landscape. New trees at the new Business Leadership Building, shown below, are too small to transform the space.

Street trees

Species suitable for new street trees include:

- Live Oak (recommended for perimeter streets)
- Bur Oak
- Chinkapin Oak
- Cedar Elm
- Lacebark Elm, Drake Elm, Allee Elm

Planted Medians

Avenue C is a good example of medians filled with native perennials and Crape Myrtles. Plant recommendations include:

- Natchez Crape Myrtle (*Tall tree, White*)
- Muskogee Crape Myrtle (*Tall, Light Lavender*)
- Tuscarora Crape Myrtle (*Broad Vase, Dark Pink*)
- Tuskegee Crape Myrtle (*10-20', Broad Spreading, Dark Pink*)



UNT Yaupon Holly Tree



Avenue C planted median and banner pole

STREETSCAPING + SITE FURNISHINGS

The streets that define much of the existing campus and the campus edge would benefit from streetscape improvements (as previously recommended), including trees, UNT standard pedestrian lighting with banners, UNT benches and other landscape enhancements.

Two very key elements related to the establishment of a pleasing street edge are consistency and continuity. Repetition and consistency in plant material selection and use can provide a sense of continuity and orderliness and still allow for occasional variety in the landscaping in both horizontal and vertical planes.

Campus Edges, Perimeter Streets

A consistent landscape design using the same species of shade or ornamental trees will greatly help tie together the various developments (buildings, parking areas, and open space) along the perimeter of the campus and provide the continuity needed to make the campus edge distinctive and easily recognizable.

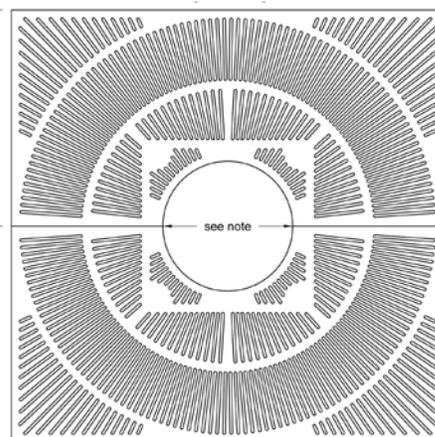
With that as an overarching goal, the following guidelines for improving the landscape along the campus edges should apply:

- Campus perimeter streets, including Hickory, Welch, Eagle, North Texas, and portions of Mulberry, Bernard, Prairie and Bonnie Brae should be included in a street tree revitalization program.
- Street trees should be a single species of shade tree, planted at 40 foot intervals.
- Tree grates should be used to facilitate pedestrian movement where sidewalks are along the curb edge (see the recommendations for a UNT standard street grate).
- Sidewalks should be widened if necessary to maintain an ADA compliant clear path (6-8 ft is preferred).
- This plan recommends the use of Live Oak for the campus perimeter street trees.

- Where large parking areas abut the campus perimeter, ornamental flowering trees of the a single flower color and species should be added to compliment the larger shade trees.
- This plan recommends the use of the white flowering Natchez Crape Myrtle for these areas.
- All street entrances to the campus should include a planted center median to further define the campus entrance.
- UNT standard pedestrian scale street lights should be provided, in addition to City or County roadway lighting.
- Street light poles should have banner arms, and banners should be maintained with a regular program of banners for UNT events.
- All entrances to the campus should be identified with signage and landscaping. UNT should develop a consistent approach to signage and identity along the perimeter.
- Surface parking lots that abut a public street should be screened by additional landscaping, such as a solid hedge, berm or a wall with a minimum height of 30" and maximum height of 48". The standard university brick should be used on screen walls (see photo at left).

Street Tree Grates

Tree grates have been used for many years to integrate trees into the urban hardscape. The grates provide space for the tree while allowing pedestrian traffic to flow over the planting area and suppressing weed and trash accumulation.



Ironsmith Model: 6042 Parkway Tree Grate, size 60" x 60"



UNT standard pedestrian-oriented lighting with banner arms should be used on all campus streets and pedestrian malls and should be added to perimeter streets to reinforce the campus identity.



UNT standard site furnishings, seen above at Library Mall, should be included in the streetscaping and hardscape development of campus streets, open spaces and pedestrian malls for a consistent campus character.



Entry wall at the intersection of Avenue C and Chestnut Street



“The Vice Chancellor for Facilities Planning and Construction shall develop and maintain campus master plans, updated on a regular basis, in coordination with the Institutions. Campus master plans shall set out a development strategy and vision in support of the mission of the System. They shall include an open space and landscape framework, building siting recommendations, architectural and landscape guidelines, circulation and parking recommendations, and a general implementation strategy.”

Regents Rules, The University of North Texas System

PLANNING AND DESIGN REVIEW PROCESS

The Campus Master Plan, which includes the Campus Development Guidelines and Design Standards, is the fundamental tool to guide the physical development of the campus in a manner which is consistent with the direction, goals and aspirations of the university and the System. Accordingly, the integrity of the architecture and landscape character is protected through the application of understandable and enforceable standards.

The master plan is intended to govern the location of new facilities and the guidelines and standards govern the details of placement and design of new buildings and site improvements consistent with the campus master plan. Further, they are intended to assist in outlining the key design elements of future buildings that will create a hierarchy of campus open spaces and the unify the architectural expression of the campus; and with the orderly development of the campus open space and landscape-hardscaped places.

This section describes the process of reviewing and approving proposed campus improvements and new buildings and landscapes, to assure compliance with the intent of the master plan, development guidelines and the design standards. It explains the role of the Design Review Board (DRB) in this process. It is understood that while each new building must function for the intended uses and program, all buildings ultimately owned by the System and university must be considered as part of the campus as a whole. The DRB’s responsibility is the civic, campus and urban design mission of a project, not its functional or individual mission.

The DRB is charged with reviewing a project in light of the 2013 Campus Master Plan. Issues to be considered are the quality of public open space and landscape; a building's relationship and connection to the entrance and primary interior lobby and circulation space; exterior appearance and architectural form; and contributions to the larger campus context and the space in which it is sited. The charge of the DRB is to review projects according to primary goals as follows:

- To interpret the Campus Master Plan and determine compliance with the policies, principles, guidelines and design standards
- To recommend modifications to proposed projects as appropriate to ensure compliance.
- To evaluate projects to ensure that they meet UNT qualitative standards, including the university's goals and polices for sustainability.

The DRB is not expected to design the building or site, but provide clear direction to the project team (architects, landscape architects, and other project representatives) through its comments and suggestions.

Criteria for requiring DRB approval

A review is triggered by any new building project; any project changing building appearance through replacement, repair or restoration; and any improvement or construction project affecting any campus exterior public space. All major buildings and landscape improvements will be reviewed.

Smaller projects will be considered for review, although an abbreviated administration process may be utilized at the direction of the Vice Chancellor for Facilities Planning and Construction. Without some process for expediting review, the accumulation of small projects, including replacement and repair, can add up to compromise the campus environment over time. But in some cases, these smaller projects may be an

opportunity to initiate a planned transformation of an existing space.

In general, review by the DRB is triggered by projects that impact the quality and appearance of the campus exterior public space and building.

Exceptions or Modifications

Certain sites at the perimeter of the campus or at major gateways may require modifications of the guidelines in order to establish an appropriate public face for the campus or establish an individual identity for a specific gateway project while still integrating and advancing the overall campus character and composition.

These sites will be identified by the DRB at the inception of important perimeter and gateway projects. The goal is to establish the appropriate flexibility in the application of the guidelines for these special projects through an exemption process at a level appropriate for the project and the degree of deviation from normal guidelines. The process may involve the Vice Chancellor for Facilities Planning and Construction, DRB, President, Chancellor and in some cases the Board of Regents.

The DRB may also recommend exceptions to the master plan policies, principles or guidelines after serious deliberation. But granting exceptions or modifications is the sole responsibility of the Vice Chancellor for Facilities Planning and Construction who is responsible for the campus master plan and establishing and approving design guidelines based on the campus master plan goals, principles and guiding values. Exceptions or modifications may require review and approval of the System Chancellor and Board of Regents.

Design Review Board

The Design Review Board will be appointed by the Chancellor and will be made up of members of the university community and selected design professionals who have demonstrated the ability to productively participate in a design review capacity.

DRB membership recommendations include the following:

- One or more independent consulting architects and a landscape architects, not actively engaged in a current project for the UNT system
- Staggered terms to ensure continuity and incremental turnover
- Continued membership should be linked to reasonable attendance at meetings to ensure participation
- Vice Chancellor for Facilities Planning and Construction will serve as Chair

The DRB is primarily a review body, not an action body. Its role is to advise on issues concerning the direction of ongoing campus projects. At the direction of the Vice Chancellor for Facilities Planning and Construction, the DRB may also have secondary roles, including making recommendations for district plans and guidelines and members of consultant selection committees. At least once a year, the DRB should meet with the Chancellor and the President and participate in a walking tour of the campus.

Administrative Integration of DRB

The success of the DRB and design review process is predicated on the integration of the DRB into the existing university administration and policies, especially as they relate to campus development and project initiation.

The development process involves many different individuals and departments, whose contributions will be more effective with clear delineation of appropriate roles, responsibilities and interrelationships. It is expected that the office of the Vice Chancellor of Facilities Planning and Construction will define the specific roles and relationships of the following parties in the administration of the design review process:

- Design Review Board
- Office of Facilities
- User Committees
- Architect Selection Committee
- Project Architect and Consultants

Selection of architects and other design professionals may be the most important factor in the successful implementation of the 2013 Campus Master Plan. The intentions of the master plan should be referenced in all solicitations for design professionals. Selection criteria should include an understanding and demonstrated familiarity with the campus master plan, development guidelines and design standards.

While design professionals are selected based on qualifications and experience with the specific building and program type, they should have demonstrable understanding of the intent of the University as manifested in the Campus Master Plan. The architects should confirm their willingness to work within the UNT design language and vocabulary.

Design Review Procedures

Meetings should be scheduled as required by project volume and schedule. Projects will be presented to the DRB by the participating users committee and the project design team, which might include architects, landscape architects, engineers and professional consultants. After every project review, written comments will be provided to the project design team with copies sent to the Office of the Chancellor and the President. The sequence of actions/reviews will include, but not be limited to the following:

- Providing a complete copy of the master plan with the development guidelines and design standards to the project design team
- Require an initial meeting with the architect or designer to clarify the intent of the proposed project
- Require that the architect or professional obtain site development approval as part of the initial approval process for a new project; the proposed site plan will be compared to the master plan to demonstrate conformity with setbacks, alignments, axial view lines, service access and other obvious context items at both immediate and larger campus scales
- Establish a schedule of reviews during the concept, schematic design and design development phases; if there are significant changes or unresolved issues, additional reviews of construction documents may be necessary
- Conduct post-construction assessment of the project.

A determination may be made at the outset of the review process that fewer steps may be undertaken if the scale or the impact of the project on the campus is deemed to be insignificant.

Conclusion

The Campus Master Plan represents a snapshot of the campus at a specific moment in time combined with the vision of what will come over the next five, 10 and 20 years. To be effective, the Campus Master Plan must be continually monitored, interpreted, enforced, and, eventually updated as projects are implemented. In this way, the Campus Master Plan serves as a living document for decision-making that will carry out the goals and objectives of the university.

APPENDIX 6

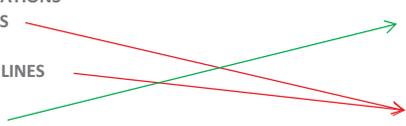
UNT Campus Master Plan Chapter Coordination Bridging Matrix

2005 MASTER PLAN FINAL REPORT

- 1 PLANNING CONTEXT
- 2 EXISTING CONDITIONS ANALYSIS
- 3 PROGRAM ASSESSMENT
- 4 MASTER PLAN URBAN DESIGN AND LAND USE RECCOMENDATIONS
- 5 PROGRAM ACCOMODATIONS
- 6 INTEGRATED TRANSPORTATION AND PARKING
- 7 ENVIRONMENTAL RECCOMENDATIONS
- 8 LANDSCAPE DESIGN GUIDELINES
- 9 ARCHITECTURAL DESIGN GUIDELINES
- 10 IMPLEMENTATION STRATEGY

2013 MASTER PLAN UPDATE FINAL REPORT

- 1 INTRODUCTION
- 2 CAMPUS OBSERVATIONS
 - Accomplishments & changes since 2005 plan
 - 2013 Campus Assessment
 - Context Changes including I-35
 - Campus Identity, Gateways & Edge Conditions
 - Open Space + Landscape Assessment
 - Circulation, Streets, Transit, Bikes
 - Land Use, Projections, Needs (*Enrollment, Facilities, Housing, Parking*)
 - Utilities + Infrastructure
- 3 2012 CAMPUS MASTER PLAN
 - Campus Open Space – *new spaces, central path, edge improvements*
 - Precincts – *Gateway, Academic Housing, Mean Green Village*
 - Land Use & Facilities – *meeting enrollment growth driven projected needs*
 - Precincts-Districts– *Gateway, Academic, Housing, Eagle Point*
 - Streets + Gateways, Ave C, Highland Transit Mall, Parking
 - Sustainability
- 4 IMPLEMENTATION + PHASING
 - Immediate- High Priorities; Medium Range; Long Range
 - Beyond the 2020 Plan (*and beyond 45,000 capacity*)
- 5 CAMPUS DEVELOPMENT & DESIGN GUIDELINES (*updating 2005 guidelines*)
 - Planning & Development Process



APPENDIX

CAMPUS PLAN REFERENCE DOCUMENTS:

Master Plan 2013-2005 Chapter Coordination Bridging Document
 City of Denton, Bonnie Brae Street Improvements Plan
 City of Denton, Existing Land Use Map, 2008
 City of Denton, Future Land Use Plan, 2012
 City of Denton, Future Zoning Map, 2012
 City of Denton, Mobility Roadway Plan, 2011
 City of Denton, Mobility Plan, 2012
 City of Denton, Downtown Master Plan, 2002
 Oak-Hickory Historic District Map
 Texas Department of Transportation Proposed IH 35E Corridor Improvements Plans
 UNT, Campus Master Plan 2005
 UNT, Campus Master Plan Update 2002
 UNT, Campus Space Assessment, 2012
 UNT, Libraries Master Plan, 2011
 UNT, Campus Bicycle Master Plan, 2006
 UNT, Recreational Sports Student Survey, 2011
 UNT, Office of Sustainability, 2012 Framework for Responsible Growth
 UNT, Office of Sustainability, Transportation Survey Report, 2012
 UNT, Office of Sustainability, 2011 Fossil Fuel Study
 UNT, Tree Preservation Policy, 2009
 UNT, Art in Public Places Policy, 2010
 UNT, Percent-for-At Requirement for Capital Projects Policy, 2010
 UNT, Buildings and Major Office Locations Catalog, 2012
 UNT, Parking and Transportation Services 2011-2012 Parking Map
 UNT, Transportation Services, Shuttle Maps 2011-2012
 UNT, Campus Map, 2012
 UNT, Eagle Point Pavilion Project Summary
 UNT, Greek Life Center Site Plan Conceptual Sketch
 UNT, Inner Campus Service Vehicle Circulation Bollards and Access Plan
 UNT, Campus Wayfinding Signage Details Plans
 UNT, Fueling Station Project Needs Description
 UNT, Historical Campus Markers Phase 1 Plans
 UNT, Chilled Water Line Upgrade Plans
 UNT, Electrical Distribution Study, 2011
 UNT, Electrical One Line Diagram, 2011



ACKNOWLEDGEMENTS

UNIVERSITY OF NORTH TEXAS SYSTEM BOARD OF REGENTS

Jack A. Wall, Chairman

Brint Ryan, Vice-Chairman

Michael R. Bradford

Don A. Buchholz

Milton B. Lee

Steve Mitchell

Donald Potts

Gwyn Shea

Al Silva

Alexandria C. Perez

UNIVERSITY OF NORTH TEXAS

V. Lane Rawlins, President

UNIVERSITY OF NORTH TEXAS SYSTEM

Lee Jackson, UNT System Chancellor

Rosemary Haggett, Vice Chancellor Academic Affairs and Student Success

Allen Clemson, Vice Chancellor for Administration and Chief of Staff + Interim Chief Financial Officer

James Maguire, Vice Chancellor for Facilities Planning and Construction and Chief Architect

Raynard Kerby, Associate Vice Chancellor for System Facilities

Jack Morton, Vice Chancellor Government Relations

Nancy Footer, Vice Chancellor General Counsel

UNIVERSITY OF NORTH TEXAS

PLANNING GROUP

James Maguire, UNTS Vice Chancellor for Facilities Planning and Construction and Chief Architect

Andrew Harris, UNT Vice President for Finance and Administration

Warren Burggren, Provost and Vice President for Academic Affairs

Elizabeth With, Vice President for Student Affairs

Charles Jackson, Assistant Vice President for Facilities

PLANNING RESOURCES

Meredith Butler, UNTS Sr. Facilities Planner, Facilities Planning and Construction

Richard Escalante, Special Assistant to the Chancellor

Geoffrey Gamble, Interim Senior Vice Provost

Allen Clark, UNT Vice Provost, Academic Resources

Darlene Callahan, UNT Director of Space Management

Helen Bailey, UNT Director of Facilities Management and Construction

Debra Leliaert, UNT Vice President of University Relations, Communications + Marketing

Todd Spinks, UNT Director of the Office of Sustainability

Richard Deter, UNT Police Chief

Rick Villarreal, UNT Athletic Director

Rudy Reynoso, UNT Student Government Association President

Brian Lockley, City of Denton, Development Review Committee Administrator

Ron Menguita, City of Denton, Development Review Liaison

CONSULTANT TEAM

Ayers Saint Gross, Architects + Planners, Master Planning

VAI Architects, Architect, local liaison

Facility Programming and Consulting, Space Needs Analysis

Newman, Jackson, Bieberstein, Landscape Architects

Purdy-McGuire, MEP Systems Analysis

Pacheco Koch, Site and Civil Analysis

DeShazo Group, Traffic and Transportation Analysis

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OF NORTH TEXAS[™]

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60 E. Rio Salado Parkway, Ste. 701

Tempe, AZ 85281

480.921.1515

www.asg-architects.com



Board Briefing

Committee: Facilities

Date Filed: July 8, 2013

Title: Approval of Project Budget and Delegation of Authority to Select the Construction Manager at Risk for the UNT Residence Hall Project

Background:

In May 2013, the Board of Regents authorized the planning, market analysis, programming, architectural design services and other necessary steps for the development of future residence halls. UNT System engaged a programming firm to establish the program requirements, conduct a market analysis, and develop a financial model that can be utilized to evaluate appropriate rate structures needed to support the proposed housing project.

Based on these studies, the new facility of 500 beds is planned to be located adjacent to Honors Hall as indicated in the new Campus Master Plan 2013 Update. This site allows for close proximity to existing dining facilities and the academic core of campus. A project budget of \$37,100,000 has been developed based on the market analysis and detailed programming for the building. The bed count may require minor adjustment due to site issues; once final bed count is determined, based on detailed design, it is expected the overall budget would be proportionally adjusted. Target completion for the project is August 2015.

UNT System has also requested interested architectural firms to submit qualifications for the design of the new residence hall. Responses have been received and evaluated by a panel of representatives from UNTS and UNT staff. In May 2013, the Board of Regents delegated the authority to the Vice Chancellor for Facilities Planning and Construction and Chief Architect to select and execute a contract with the firm recommended by the panel. Randall Scott Architects, Inc. was selected as the firm best qualified for the project.

The UNT System is currently in the process of requesting interested firms to submit proposals for Construction Manager at Risk for preconstruction and construction services for this project. In order to maintain the current delivery schedule, it is recommended that the Board of Regents delegate the authority to the Vice Chancellor for Facilities Planning and Construction and Chief Architect to select and execute a contract with the construction manager at risk best qualified as recommended by an evaluation committee. If approved, System staff will enter into negotiations with the selected firm. If unsuccessful, the negotiations will be terminated initiated with the second-ranked firm.

Financial Analysis/History:

The project will be funded through the Revenue Financing System using short and long term vehicles (commercial paper and/or long term bonds) and supported by housing fees and other auxiliary revenue. Financial analysis of the project proforma and the overall financial condition of the UNT housing system indicate that a phased program of rate increases beyond inflationary factors will be needed to support this project and maintain appropriate support to the entire portfolio of residence halls.

An external market analysis shows the per bed rate at UNT for a standard double (our most common room type) is 17% below the average of peer institutions such as UT-Arlington, UH, Texas Tech and Texas State. Differential rate increases in excess of inflation across the portfolio of housing stock will be required for 3-4 years in the range of 4 to 7 percent annually, and contemplates the likely need that current income producing properties will come off line (either temporarily for major rehabilitation or permanently for demolition) during the debt repayment period of this project.

**Andrew M.
Harris**

Digitally signed by Andrew M. Harris
DN: cn=Andrew M. Harris,
o=University of North Texas, ou=VP
for Finance and Administration,
email=Andrew.Harris@unt.edu, c=US
Date: 2013.08.06 10:57:56 -05'00'

Institution Chief Financial Officer

**Allen
Clemson**

Digitally signed by Allen Clemson
DN: cn=Allen Clemson, o=System,
ou=UNTS,
email=allen.clemson@untsystem.edu,
c=US
Date: 2013.08.06 15:37:27 -05'00'

Interim Vice Chancellor for Finance

Legal Review:

This item has been reviewed by General Counsel.

Nancy S. Footer

Digitally signed by Nancy S. Footer
DN: cn=Nancy S. Footer, o=UNT System, ou=Office of
General Counsel, email=nancy.footer@untsystem.edu, c=US
Date: 2013.08.07 13:27:10 -05'00'

Vice Chancellor/General Counsel

Schedule:

Planning, programming, market analysis
Design
Construction Start
Substantial Completion

June 2013-August 2013
September 2013 – April 2014
June 2014
July 2015

Recommendation:

It is recommended that the Board of Regents authorizes and approves the following Board Order.

Recommended By:

James Maguire Digitally signed by James Maguire
DN: cn=James Maguire, o=Vice Chancellor for Administrative
Services, ou=UNT System,
email=james.maguire@untsystem.edu, c=US
Date: 2013.08.06 16:20:19 -0500 James Maguire

Vice Chancellor for Facilities
Planning and Construction and Chief Architect

Chancellor



Board Order

Title: Approval of Project Budget and Delegation of Authority to Select the Construction Manager at Risk for the UNT Residence Hall Project

Board of Regents Order 2013-59

At an official meeting of the Board of Regents of the University of North Texas System properly posted and held on Aug 15, 2013, pursuant to a motion made by Regent _____ and seconded by Regent _____, the Board approved the motion presented below:

Whereas, the UNT Campus Master Plan 2013 Update identifies the need for additional housing capacity to accommodate anticipated future enrollment growth and allow more students to reside on campus, and

Whereas, the planning, programming, and market analysis has been completed, and

Whereas, the Vice Chancellor for Facilities Planning and Construction and Chief Architect has selected Randall Scott Architects, Inc. as the top-ranked architectural firm to design the residence hall project, and

Whereas, a request for proposal is currently being solicited for preconstruction and construction services for this project.

Now, Therefore, The Board of Regents authorizes and approves the following:

1. Establishment of a project budget of not to exceed \$37,100,000.
2. Performance of all remaining design work related to the construction of the residence hall.
3. Delegation of authority to the Vice Chancellor for Facilities Planning and Construction & Chief Architect to select and execute a contract with the panel recommended top-ranked construction firm to provide preconstruction and construction services for the residence hall project. If negotiations are unsuccessful, undertake negotiations and enter into a contract with the second ranked firm.

4. Performance of preconstruction work.
 5. Delegation of authority to the Vice Chancellor for Facilities Planning and Construction and Chief Architect to enter into contract(s) for early construction packages or other necessary furniture, fixtures, or equipment purchases required for the construction of the residence hall, provided that an acceptable HUB plan is submitted for that portion of the work if required by law and the project cost is within the authorized budget, and other conditions that the Chancellor or his designee determines appropriate.
 6. Reporting to the Texas Higher Education Coordinating Board as appropriate under SB 215.
-

VOTE: ____ ayes ____ nays ____ abstentions

BOARD ACTION:

Attested By:

Approved By:

Julia A. Boyce, Secretary
Board of Regents

Chairman
Board of Regents



Board Briefing

Committee: Facilities

Date Filed: July 8, 2013

Title: Selection of Construction Manager at Risk for Materials Science and Engineering Lab Renovation at Discovery Park

Background:

The recently completed renovation project for the Center for Advanced Research and Technology (CART) vacated approximately 5,075 square feet within the Materials Science and Engineering wing at Discovery Park. The vacated space will be renovated to accommodate seven researchers recruited by UNT's Materials Science and Engineering department.

The established project budget for this renovation is \$1,326,000. UNT System approved the use of an IDIQ contract for architectural design services with Treanor Architects. Construction documents are nearing completion.

UNT requested interested firms to submit proposals for Construction Manager at Risk for pre-construction and construction services for the project. Nine responses were received and evaluated by a panel comprised of representatives from UNT Facilities. As a result of this process, Vaughn Construction is recommended as the best qualified firm to serve as Construction Manager at Risk, with Pogue Construction ranked second. If approved, UNT will enter into negotiations with the recommended firm. If unsuccessful, the negotiations will be terminated and negotiations will be initiated with the second ranked firm.

Financial Analysis/History:

This project is funded at \$1,326,000, with a combination of \$500,000 in HEAF funds, \$765,000 in bond money and \$61,000 of departmental M&O funds as shown in Lines 2.47a, b and c of the Capital Projects Schedule.

Andrew M. Harris
Digitally signed by Andrew M. Harris
DN: cn=Andrew M. Harris, o=University of North
Texas, ou=VP for Finance and Administration,
email=Andrew.Harris@unt.edu, c=US
Date: 2013.08.06 09:30:21 -05'00'

Institution Chief Financial Officer

Allen Clemson
Digitally signed by Allen Clemson
DN: cn=Allen Clemson, o=System, ou=UNTS,
email=allen.clemson@untsystem.edu, c=US
Date: 2013.08.06 15:40:34 -05'00'

Interim Vice Chancellor for Finance

Legal Review:

This item has been reviewed by General Counsel.

Nancy S. Footer
Digitally signed by Nancy S. Footer
DN: cn=Nancy S. Footer, o=UNT System, ou=Office of
General Counsel, email=nancy.footer@untsystem.edu,
c=US
Date: 2013.08.07 08:42:18 -05'00'

Vice Chancellor/General Counsel

Schedule:

Programming Began: January 2013
Design Began: March 2013
Construction Start: October 2013
Construction Completion: February 2014

Recommendation:

It is recommended that the Board of Regents authorize and approve the following Board Order.

Recommended By:

Charles A. Jackson

Assistant Vice President for Facilities

**V. Lane
Rawlins**
Digitally signed by V. Lane
Rawlins
DN: cn=V. Lane Rawlins,
o=University of North Texas,
ou=President,
email=v.rawlins@unt.edu, c=US
Date: 2013.08.08 15:30:37 -05'00'

President

James Maguire
Digitally signed by James Maguire
DN: cn=James Maguire, o=Vice Chancellor for
Administrative Services, ou=UNT System,
email=james.maguire@untsystem.edu, c=US
Date: 2013.08.06 16:21:01 -05'00'

Vice Chancellor

Chancellor



Board Order

Title: Selection of Construction Manager at Risk for Materials Science and Engineering Lab Renovation

Board of Regents Order 2013-60

At an official meeting of the Board of Regents of the University of North Texas System properly posted and held on Aug 15, 2013, pursuant to a motion made by Regent _____ and seconded by Regent _____, the Board approved the motion presented below:

Whereas, it is within the best interest of the University of North Texas to provide an updated and modern facility for the Materials Science and Engineering research staff, and

Whereas, a total of \$1,326,000 is currently identified in the UNT Capital Projects Schedule to renovate vacant areas within the Materials Science and Engineering wing of Discovery Park for use as research laboratories, and

Whereas, the firm of Treanor Architects has been selected from the UNT System IDIQ firms to provide design of this project, and

Whereas, after a comprehensive review and selection process the selection panel recommends the firm of Vaughn Construction as the Construction Manager at Risk for the renovations, with Pogue Construction ranked second _____,

Now, Therefore, The Board of Regents authorizes and approves the following:

1. Selection of Vaughn Construction as the Construction Manager at Risk to perform pre-construction and construction services for the Discovery Park Materials Science and Engineering wing renovation. Pogue Construction is ranked second.
2. Delegation of authority to the Chancellor or his designee to enter into a contract for pre-construction services and construction of the Materials Science and Engineering Renovations at Discovery Park upon satisfactory performance of pre-construction services, submission of a HUB plan

acceptable to UNT, and an acceptable Guaranteed Maximum Price so that the project budget is not exceeded, and other conditions as determined appropriate by the Chancellor or his designee. If negotiations are unsuccessful, undertake negotiations and enter into a contract with the second ranked firm.

3. Delegation of authority to the Chancellor or his designee to enter into contract(s) prior to agreement on a Guaranteed Maximum Price for an early construction package for purchase of long lead time items, such as, special furniture, fixtures, or equipment as necessary for the renovation of Discovery Park MSE E-Wing, provided that an acceptable HUB plan is submitted for that portion of the work if required by law, the project budget is not exceeded and other conditions that the Chancellor or his designee determine appropriate.

VOTE: ___ ayes ___ nays ___ abstentions

BOARD ACTION:

Attested By:

Approved By:

Julia A. Boyce, Secretary
Board of Regents

Chairman
Board of Regents



Board Briefing

Committee: Facilities

Date Filed: August 1, 2013

Title: Approval for the Research and Education Building Renovation Project, Budget, and the Delegation of Authority to the Chancellor to Select the Design Build Firm

Background:

The UNT Health Science Center (UNTHSC) Research and Education building (RES) was constructed in 1982. The RES building contains approximately 145,000 square feet on five (5) floors. The mechanical systems in this building are original and in need of renovation and replacement. Operationally, the existing mechanical system design is obsolete and problematic.

An investment grade audit of RES was performed for infrastructure capital improvement and energy savings purposes. The audit identified a project scope of work that addresses exhaust redundancy, air balancing, air flow, efficiency, and complies with the National Institute of Health (NIH) design policy guidelines. The RES laboratories are used by professors working on NIH grant-funded research. Other UNTHSC laboratory buildings currently comply.

Financial Analysis/History:

The total project is not-to-exceed \$6,000,000 and will be funded with local institutional funds and Higher Education Assistance Funds (HEAF). These funds are identified on the current Capital Projects Schedule.

Local: \$4,000,000
HEAF: \$2,000,000

**John A.
Harman**

Digitally signed by John A. Harman
DN: cn=John A. Harman, o=UNTHSC,
ou=Finance,
email=john.harman@unthsc.edu,
c=US
Date: 2013.08.05 16:34:02 -05'00'

Institution Chief Financial Officer

Allen Clemson

Digitally signed by Allen Clemson
DN: cn=Allen Clemson, o=System, ou=UNTS,
email=allen.clemson@untsystem.edu, c=US
Date: 2013.08.06 15:42:46 -05'00'

Interim Vice Chancellor for Finance

Legal Review:

This item has been reviewed by General Counsel.

Nancy S. Footer

Digitally signed by Nancy S. Footer
DN: cn=Nancy S. Footer, o=UNT System, ou=Office of
General Counsel, email=nancy.footer@untsystem.edu,
c=US
Date: 2013.08.07 08:43:38 -05'00'

Vice Chancellor/General Counsel

Schedule:

June 19, 2013: RFQ for a Design Build project was posted by the BSC

July 18, 2013: RFQ responses were received and interviews have been conducted by a selection committee

August 9, 2013: RFP was issued to the short listed firms

August 30, 2013: RFP responses are due back to the BSC

September 18, 2013: Final firm will be selected by committee and recommended to the Chancellor

Estimated project duration: 8 – 10 months

Recommendation:

It is recommended that the Board of Regents approve the mechanical systems renovation of the Research and Education Building for a project budget not to exceed \$6,000,000 and approve the delegation of authority to the Chancellor or his designee to negotiate and execute a contract with selected Design Build firm based on the results of the RFP responses.

Recommended By:

Stephen Barrett

Vice President for Operations

**Michael R.
Williams**

Digitally signed by Michael R. Williams
DN: cn=Michael R. Williams, o=UNTHSC,
ou=President,
email=michael.williams@unthsc.edu, c=US
Date: 2013.08.07 16:47:38 -05'00'

President

James Maguire

Digitally signed by James Maguire
DN: cn=James Maguire, o=Vice Chancellor for
Administrative Services, ou=UNT System,
email=james.maguire@untsystem.edu, c=US
Date: 2013.08.06 16:22:58 -05'00'

Vice Chancellor

Chancellor



Board Order

Title: Approval for the Research and Education Building Renovation Project, Budget, and the delegation of authority to the Chancellor to select the Design Build firm.

Board of Regents Order 2013-61

At an official meeting of the Board of Regents of the University of North Texas System properly posted and held on Aug 15, 2013, pursuant to a motion made by Regent _____ and seconded by Regent _____, the Board approved the motion presented below:

Whereas, mechanical system renovations to the Research and Education building are necessary to comply with NIH design policy guidelines, and

Whereas, renovations to the Research and Education building provide for consistency in laboratory safety and operational performance, and

Whereas, the RFQ responses were reviewed and evaluated by a committee of UNTS and UNTHSC representatives, and

Whereas, 15 RFQ responses were received from which Shah Smith/Vaughn Construction, Schneider and Page Southerland Page/SKIHl were selected for the short list to provide RFP responses, and

Whereas, the RFP responses from the vendor short list will not be received until after the board meeting.

Now, Therefore, The Board of Regents authorizes and approves the following:

1. Approval of the mechanical systems renovation of the Research and Education Building for a project budget not to exceed \$6,000,000.
2. Approval of the delegation of authority to the Chancellor or his designee to negotiate and execute a contract with selected Design Build firm

based on the results of the RFP responses, provided no contract shall be entered into until an acceptable HUB plan has been submitted.

VOTE: _____ ayes _____ nays _____ abstentions

BOARD ACTION:

Attested By:

Approved By:

Julia A. Boyce, Secretary
Board of Regents

Chairman
Board of Regents



Board Briefing

Committee: Academic Affairs

Date Filed: July 17, 2013

Title: Delegation of Authority for UNT Dallas College of Law

Background:

The University of North Texas at Dallas College of Law was established by legislative act in 2009 as a professional school of the UNT System. The UNT System Board of Regents was provided legislative authority to administer the law school as a professional school of the UNT System until UNT Dallas has been a general academic teaching institution for five years. Until the law school becomes a professional school of UNT Dallas, it is considered an institution of higher education as defined in section 61.003 of the Education Code for all purposes under other laws.

The Board's powers and duties include responsibility to appoint a chancellor as the chief executive officer of the system, and a president at each component institution who serves as the chief executive officer of the institution of higher education. In turn, the Board has delegated specific authority to the Chancellor and Institution Presidents as related to system operations and campus operations, respectively. The delegated authority to the Chancellor as CEO of the system does not include some of the specific duties and responsibilities needed to administer the law school.

Texas Education Code Section 105.101 (b) (8) provides that the Board may delegate any of its powers or duties "to an officer, employee, or committee designated by the board." Thus, the Board may delegate certain powers to the Dean of the UNT Dallas College of Law for purposes of establishing authority to perform, approve, and act accordingly in the matters listed below:

- Develop and adopt policies for the UNT Dallas College of Law subject to the approval of the Office of General Counsel and the requirements of the UNT System Board of Regents Rules.
- Appoint, evaluate, promote, transfer, and terminate College of Law faculty employees in accordance with Regents Rules, System Regulations, System Administration and College of Law policies.

- Develop and implement the curricula to be offered at UNT Dallas College of Law including assessment of student learning outcomes in legal education.
 - Develop and implement course scheduling for all UNT Dallas College of Law classes to be offered in Fall 2014. This includes authority to assign UNT Dallas College of Law faculty class schedules, make room assignments, and handle changes in schedules.
 - Develop and implement an admissions process and admit students for matriculation beginning Fall 2014.
 - Develop and implement a student advising process at UNT Dallas College of Law.
 - Develop annual budgets for operations and capital improvements and submit such budgets to the Chancellor for recommendation and action by the Board.
 - Authority to set, charge and collect those student fees and charges delegated to Presidents in the Regents Rules.
 - Authority to prorate the amount of any fee charged to a student under Chapter 54 of the Texas Education Code based on length of the semester or term for which a student is enrolled.
 - Authority to waive any fee the Board is required to waive or may waive under Chapter 54 of the Texas Education Code.
 - Authority to collect the payment of tuition and fees in accordance with those methods prescribed or authorized by statute.
 - Authority to waive tuition to the extent that the Board is required to or may waive tuition under chapter 54 of the Education Code.
 - Authority to establish parking and traffic regulations for the UNT Dallas College of Law.
 - Develop and implement processes to ensure that the United States flag and Texas state flag are flown at the College of Law on each regular school day as required by Texas Education Code § 1.003. The College of Law shall raise, lower, and display the flags as required by Title 4 of the United States Code and Chapter 3100 of the Texas Government Code.
-

Financial Analysis/History:

This is a policy matter with no fiscal implications.

Allen Clemson
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DN: cn=Allen Clemson, o=System,
ou=UNTS,
email=allen.clemson@untsystem.edu, c=US
Date: 2013.08.06 15:43:55 -05'00'

Interim Vice Chancellor for Finance

Legal Review:

This item has been reviewed by General Counsel.

Nancy S. Footer
Digitally signed by Nancy S. Footer
DN: cn=Nancy S. Footer, ou=UNT System, ou=Office of
General Counsel, email=nancy.footer@untsystem.edu, c=US
Date: 2013.08.07 08:45:36 -05'00'

Vice Chancellor/General Counsel

Schedule:

Fall of 2014

Recommendation:

It is recommended that the Board of Regents delegate certain authority to the Dean of the UNT Dallas College of Law for purposes of establishing authority to perform, approve, and act accordingly in the matters specific to an institution of higher education.

Recommended by:

Lee Jackson

Chancellor



Board Order

Title: Delegation of Authority to UNT Dallas College of Law

Board of Regents Order 2013-62

At an official meeting of the Board of Regents of the University of North Texas System properly posted and held on Aug 15, 2013 pursuant to a motion made by Regent _____ and seconded by Regent _____, the Board approved the motion presented below:

Whereas, for FY2015, the proposed UNT Dallas College of Law will operate as a professional school of the UNT System, and

Whereas, since UNT Dallas College of law is considered an institution of higher education as defined in section 61.003 of the Education Code for all purposes under other laws.

Now, therefore, The Board of Regents authorizes and approves the following:

1. Pursuant to Texas Education Code §105.101(b)(8), the Board makes the following delegations of authority to the Dean of the UNT Dallas College of Law:
 - Develop and adopt policies for the UNT Dallas College of Law subject to the approval of the Office of General Counsel and the requirements of the UNT System Board of Regents Rules.
 - Appoint, evaluate, promote, transfer, and terminate College of Law faculty employees in accordance with Regents Rules, System Regulations, System Administration and College of Law policies.
 - Develop and implement the curricula to be offered at UNT Dallas College of Law including assessment of student learning outcomes in legal education.
 - Develop and implement course scheduling for all UNT Dallas College of Law classes to be offered in Fall 2014. This includes authority to assign UNT Dallas College of Law faculty class schedules, make room assignments, and handle changes in schedules.
 - Develop and implement an admissions process and admit students for matriculation beginning Fall 2014.

- Develop and implement a student advising process at UNT Dallas College of Law.
 - Develop annual budgets for operations and capital improvements and submit such budgets to the Chancellor for recommendation and action by the Board.
 - Authority to set, charge and collect those student fees and charges delegated to Presidents in the Regents Rules.
 - Authority to prorate the amount of any fee charged to a student under Chapter 54 of the Texas Education Code based on length of the semester or term for which a student is enrolled.
 - Authority to waive any fee the Board is required to waive or may waive under Chapter 54 of the Texas Education Code.
 - Authority to collect the payment of tuition and fees in accordance with those methods prescribed or authorized by statute.
 - Authority to waive tuition to the extent that the Board is required to or may waive tuition under chapter 54 of the Education Code.
 - Authority to establish parking and traffic regulations for the UNT Dallas College of Law.
 - Develop and implement processes to ensure that the United States flag and Texas state flag are flown at the College of Law on each regular school day as required by Texas Education Code § 1.003. The College of Law shall raise, lower, and display the flags as required by Title 4 of the United States Code and Chapter 3100 of the Texas Government Code.
2. This special delegation of authority will automatically expire when the UNT Dallas College of Law is a professional school of UNT Dallas and the authority vested in Institution Presidents in the Regents Rules will govern its operations.

VOTE: ___ ayes ___ nays ___ abstentions

BOARD ACTION:

Attested By:

Approved By:

Julia A. Boyce, Secretary
Board of Regents

Chairman
Board of Regents



UNT | SYSTEM™

Board Briefing

Committee: Finance

Date Filed: July 24, 2013

Title: UNT System FY 2014 Proposed Operating Budget

Background:

The UNT System is comprised of four component institutions – University of North Texas (UNT), UNT Health Science Center (UNTHSC), University of North Texas at Dallas (UNT), and UNT System Administration (UNTS).

The proposed FY 2014 consolidated operating revenue budget for the UNT System totals \$870,582,770 which reflects an increase of \$55,405,089 or 6.8% over FY 2013 budget. The consolidated revenue budget was principally impacted by increased enrollment growth estimates and basic state funding increases for UNT and UNTHSC.

The proposed FY 2014 consolidated operating expenditure budget for the UNT System totals \$870,319,010. When compared to the FY 2013 budget of \$815,177,682, this represents an increase of \$55,141,328 or 6.8%. The budget includes a continued shift of expenditures from campuses to System Administration (approximately \$41.2M) to correspond with the startup of IT Shared Services and Human Resources.

When comparing FY 2014 Revenues to Expenditures, a consolidated operating surplus of \$263,760 (0.03%) is projected for FY 2014.

A summary of the Proposed Revenue and Expenditure budgets is as follows:

Revenues:

Institution	FY2013 Budget	FY2014 Proposed Budget	\$ Change	% Change
UNT System Administration	\$46,273,552	\$56,901,427	\$10,627,875	23.0%
University of North Texas	\$528,229,365	\$543,088,286	\$14,858,921	2.8%
UNT Health Science Center	\$216,589,770	\$244,457,385	\$27,867,615	12.9%
UNT at Dallas	<u>\$24,084,995</u>	<u>\$26,135,672</u>	<u>\$2,050,678</u>	<u>8.5%</u>
Total	\$815,177,681	\$870,582,770	\$55,405,089	6.8%

Expenditures:

Institution	FY2013 Budget	FY2014 Proposed Budget	\$ Change	% Change
UNT System Administration	\$46,273,552	\$56,637,667	\$10,364,115	22.4%
University of North Texas	\$528,229,365	\$543,088,286	\$14,858,921	2.8%
UNT Health Science Center	\$216,589,770	\$244,457,385	\$27,867,615	12.9%
UNT at Dallas	<u>\$24,084,995</u>	<u>\$26,135,672</u>	<u>\$2,050,677</u>	<u>8.5%</u>
Total	\$815,177,682	\$870,319,010	\$55,141,328	6.8%

Financial Analysis/History:

The UNT System Consolidated Operating Budget, presented as attachment A provides detailed information on the proposed revenue and expenditure budgets for FY 2014.

Andrew M. Harris
Digitally signed by Andrew M. Harris
DN: cn=Andrew M. Harris, o=University of North Texas, ou=VP for Finance and Administration, email=Andrew.Harris@unt.edu, c=US
Date: 2013.08.05 15:07:39 -05'00'

Institution Chief Financial Officer

J. Carlos Hernandez
Digitally signed by J. Carlos Hernandez
DN: cn=J. Carlos Hernandez, o=VP for Finance and Administration, ou=VPFA/CFO, email=carlos.hernandez@unt.edu, c=US
Date: 2013.08.05 15:58:35 -05'00'

Institution Chief Financial Officer

John A. Harman
Digitally signed by John A. Harman
DN: cn=John A. Harman, o=UNTHSC, ou=Finance, email=john.harman@unthsc.edu, c=US
Date: 2013.08.05 17:07:16 -05'00'

Institution Chief Financial Officer

Allen Clemson
Digitally signed by Allen Clemson
DN: cn=Allen Clemson, o=System, ou=UNTS, email=allen.clemson@untsystem.edu, c=US
Date: 2013.08.06 15:44:35 -05'00'

Interim Vice Chancellor for Finance

Legal Review:

This item has been reviewed by General Counsel.

Nancy S. Footer
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DN: cn=Nancy S. Footer, o=UNT System, ou=Office of General Counsel, email=nancy.footer@untsystem.edu, c=US
Date: 2013.08.09 09:17:28 -05'00'

Vice Chancellor/General Counsel

Schedule:

The budget will be implemented September 1, 2013.

Recommendation:

Approval of the FY 2014 Operating Budget as submitted.

Recommended By:

Allen Clemson

Interim Vice Chancellor for Finance

Chancellor

Attachments:

- [UNT System Consolidated Operating Budget](#)



UNT | SYSTEM

Board Order

Title: UNT System FY 2014 Proposed Operating Budget

Board of Regents Order 2013-63

At an official meeting of the Board of Regents of the University of North Texas System properly posted and held on August 15, 2013, pursuant to a motion made by Regent _____ and seconded by Regent _____, the Board approved the motion presented below:

Whereas, each institution of the UNT System has developed a budget for the 2014 Fiscal Year, and

Whereas, the total proposed revenue budgets of the UNT System is summarized in the following table,

Institution	FY2013 Budget	FY2014 Proposed Budget	\$ Change	% Change
UNT System Administration	\$46,273,552	\$56,901,427	\$10,627,875	23.0%
University of North Texas	\$528,229,365	\$543,088,286	\$14,858,921	2.8%
UNT Health Science Center	\$216,589,770	\$244,457,385	\$27,867,615	12.9%
UNT at Dallas	<u>\$24,084,995</u>	<u>\$26,135,672</u>	<u>\$2,050,678</u>	<u>8.5%</u>
Total	\$815,177,681	\$870,582,770	\$55,405,089	6.8%

Whereas, the total proposed expenditure budgets of the UNT System is summarized in the following table,

Institution	FY2013 Budget	FY2014 Proposed Budget	\$ Change	% Change
UNT System Administration	\$46,273,552	\$56,637,667	\$10,364,115	22.4%
University of North Texas	\$528,229,365	\$543,088,286	\$14,858,921	2.8%
UNT Health Science Center	\$216,589,770	\$244,457,385	\$27,867,615	12.9%
UNT at Dallas	<u>\$24,084,995</u>	<u>\$26,135,672</u>	<u>\$2,050,677</u>	<u>8.5%</u>
Total	\$815,177,682	\$870,319,010	\$55,141,328	6.8%

Now, Therefore, The Board of Regents authorizes and approves the following:

1. The FY 2014 operating budgets for UNT System Institutions (UNT, UNTHSC, UNTD, and UNTS) are approved as presented and attached hereto.

VOTE: _____ ayes _____ nays _____ abstentions

BOARD ACTION:

Attested By:

Approved By:

Julia A. Boyce, Secretary
Board of Regents

Chairman
Board of Regents

FY2014 BUDGET

FY2014 CONSOLIDATED OPERATING BUDGET SUMMARY



UNIVERSITY OF NORTH TEXAS SYSTEM

UNIVERSITY OF NORTH TEXAS

**UNIVERSITY OF NORTH TEXAS HEALTH
SCIENCE CENTER**

UNIVERSITY OF NORTH TEXAS AT DALLAS

**UNIVERSITY OF NORTH TEXAS SYSTEM
ADMINISTRATION**

University of North Texas System
FY 2014 Proposed Consolidated Budget by Fund Group

Description	Educational and General	Designated	Auxiliary Enterprises	Restricted	Total
Revenues - Estimated Income					
State Appropriations - General Revenue	\$246,517,548				\$246,517,548
Tuition and Fees	\$54,769,631	\$219,785,601			\$274,555,233
Contracts and Grants	\$1,125,298	\$28,449,519		\$66,689,268	\$96,264,085
Financial Aid Programs	\$17,508,321	\$6,190,720		\$48,531,352	\$72,230,393
HEAF	\$37,397,741				\$37,397,741
Gift Income		\$6,891,000		\$1,334,068	\$8,225,068
Net Sales and Services of Educational Activities	\$562,521	\$1,923,658			\$2,486,179
Net Sales and Services of Medical Activities		\$57,643,866			\$57,643,866
Net Auxiliary Enterprises			\$65,192,385		\$65,192,385
Net Inter-collegiate Athletics		\$6,920,647			\$6,920,647
Net Investment/Interest Income	\$220,000	\$6,618,941		\$250,000	\$7,088,941
Other Operating Income		\$14,438,088			\$14,438,088
Reserves		\$6,769,356		\$46,615	\$6,815,971
Total Revenue	<u>\$358,101,060</u>	<u>\$355,631,396</u>	<u>\$65,192,385</u>	<u>\$116,851,303</u>	<u>\$895,776,145</u>
Transfers					
Intrasystem Transfers In/(Out)	\$17,207,982	(\$17,207,982)			\$0
Interfund Transfers In/(Out)	\$2,182,055	(\$3,354,531)	\$1,172,476		\$0
Transfer to Plant Funds for Capital Projects	(\$24,210,795)	(\$982,580)			(\$25,193,375)
Total Transfers	<u>(\$4,820,759)</u>	<u>(\$21,545,093)</u>	<u>\$1,172,476</u>	<u>\$0</u>	<u>(\$25,193,375)</u>
Total Funding Available	<u>\$353,280,302</u>	<u>\$334,086,304</u>	<u>\$66,364,861</u>	<u>\$116,851,303</u>	<u>\$870,582,769</u>
Expenses					
Faculty Salaries	\$142,536,633	\$33,017,418		\$4,496,677	\$180,050,728
Staff Salaries	\$128,715,124	\$45,546,262	\$13,383,604	\$7,682,033	\$195,327,023
Wages	\$8,850,895	\$20,562,248	\$4,772,002	\$1,754,386	\$35,939,531
Benefits	\$80,183,101	\$15,950,572	\$86,585	\$3,060,946	\$99,281,204
Scholarships and Financial Aid (net of discounts)	\$12,093,632	\$63,805,215		\$1,923,176	\$77,822,023
Maintenance and Operations	(\$21,303,134)	\$122,849,026	\$28,825,864	\$84,391,500	\$214,763,255
Utilities	\$375,100	\$8,796,698	\$255,000		\$9,426,798
Capital Outlay	\$4,129,645	\$9,368,597		\$43,138	\$13,541,380
Debt Service	\$20,955,838	\$13,700,076	\$9,511,153		\$44,167,067
Total Expenses	<u>\$376,536,834</u>	<u>\$333,596,112</u>	<u>\$56,834,208</u>	<u>\$103,351,855</u>	<u>\$870,319,010</u>
Estimated Net Change in Fund Balance	<u>(\$23,256,532)</u>	<u>\$490,192</u>	<u>\$9,530,653</u>	<u>\$13,499,447</u>	<u>\$263,760</u>



FY 2014 Proposed Budget by Fund Group

Description	Educational and General	Designated	Auxiliary Enterprises	Restricted	Total
Revenues - Estimated Income					
State Appropriations - General Revenue	\$139,369,597				\$139,369,597
Tuition and Fees	\$56,796,604	\$254,014,009			\$310,810,613
Less: Discount and Allowances	(\$13,197,745)	(\$59,024,867)			(\$72,222,611)
Contracts and Grants				\$33,000,000	\$33,000,000
Financial Aid Programs	\$17,508,321	\$6,190,720		\$48,095,460	\$71,794,501
HEAF	\$27,846,476				\$27,846,476
Gift Income		\$6,641,000		\$891,000	\$7,532,000
Net Sales and Services of Educational Activities	\$562,521				\$562,521
Net Sales and Services of Medical Activities					\$0
Net Auxiliary Enterprises			\$62,502,219		\$62,502,219
Net Inter-collegiate Athletics		\$6,920,647			\$6,920,647
Net Investment/Interest Income	\$220,000	\$1,825,000		\$250,000	\$2,295,000
Other Operating Income		\$992,850			\$992,850
Reserves		\$2,816,100			\$2,816,100
Total Revenue	<u>\$229,105,774</u>	<u>\$220,375,459</u>	<u>\$62,502,219</u>	<u>\$82,236,460</u>	<u>\$594,219,913</u>
Transfers					
Intrasystem Transfers In/(Out)		(\$30,017,852)			(\$30,017,852)
Interfund Transfers In/(Out)					\$0
Transfer to Plant Funds for Capital Projects	(\$21,113,775)				(\$21,113,775)
Total Transfers	<u>(\$21,113,775)</u>	<u>(\$30,017,852)</u>	<u>\$0</u>	<u>\$0</u>	<u>(\$51,131,627)</u>
Total Funding Available	<u>\$207,991,999</u>	<u>\$190,357,607</u>	<u>\$62,502,219</u>	<u>\$82,236,460</u>	<u>\$543,088,286</u>
Expenses					
Faculty Salaries	\$110,573,994				\$110,573,994
Staff Salaries	\$70,321,463	\$23,355,431	\$13,161,393		\$106,838,287
Wages	\$3,567,592	\$12,483,689	\$4,735,109		\$20,786,390
Benefits	\$59,404,249	\$1,821,462			\$61,225,711
Scholarships and Financial Aid (net of discounts)	\$11,761,089	\$59,266,954	\$0	\$766,459	\$71,794,501
Maintenance and Operations	(\$32,704,781)	\$66,780,226	\$26,667,649	\$67,970,554	\$128,713,648
Utilities		\$6,765,156			\$6,765,156
Capital Outlay		\$7,578,682			\$7,578,682
Debt Service	\$8,324,925	\$12,079,576	\$8,407,415		\$28,811,916
Total Expenses	<u>\$231,248,531</u>	<u>\$190,131,175</u>	<u>\$52,971,566</u>	<u>\$68,737,013</u>	<u>\$543,088,286</u>
Estimated Net Change in Fund Balance	<u>(\$23,256,531)</u>	<u>\$226,432</u>	<u>\$9,530,653</u>	<u>\$13,499,447</u>	<u>\$0</u>



FY 2014 Proposed Budget by Fund Group

Description	Educational and General	Designated	Auxiliary Enterprises	Restricted	Total
Revenues - Estimated Income					
State Appropriations - General Revenue	\$15,392,925				\$15,392,925
Tuition and Fees	\$2,470,772	\$9,303,039			\$11,773,811
Contracts and Grants				\$563,420	\$563,420
Financial Aid Programs					\$0
HEAF	\$780,000				\$780,000
Gift Income		\$250,000			\$250,000
Net Sales and Services of Educational Activities		\$120,655			\$120,655
Net Sales and Services of Medical Activities					\$0
Net Auxiliary Enterprises			\$194,030		\$194,030
Net Inter-collegiate Athletics					\$0
Net Investment/Interest Income		\$20,000			\$20,000
Other Operating Income		\$90,000			\$90,000
Reserves		\$118,760		\$46,615	\$165,375
Total Revenue	<u>\$18,643,697</u>	<u>\$9,902,454</u>	<u>\$194,030</u>	<u>\$610,035</u>	<u>\$29,350,216</u>
Transfers					
Intrasystem Transfers In/(Out)	(\$3,214,544)				(\$3,214,544)
Interfund Transfers In/(Out)	\$2,182,055	(\$2,165,555)	(\$16,500)		\$0
Transfer to Plant Funds for Capital Projects					\$0
Total Transfers	<u>(\$1,032,490)</u>	<u>(\$2,165,555)</u>	<u>(\$16,500)</u>	<u>\$0</u>	<u>(\$3,214,544)</u>
Total Funding Available	<u>\$17,611,208</u>	<u>\$7,736,900</u>	<u>\$177,530</u>	<u>\$610,035</u>	<u>\$26,135,672</u>
Expenses					
Faculty Salaries	\$5,066,003	\$70,000	\$0	\$0	\$5,136,003
Staff Salaries	\$5,689,103	\$563,040	\$21,611	\$165,686	\$6,439,440
Wages	\$0	\$319,711	\$20,480	\$85,464	\$425,655
Benefits	\$2,547,328	\$142,031	\$6,242	\$57,690	\$2,753,291
Scholarships and Financial Aid (net of discounts)	\$332,543	\$2,684,090	\$0	\$229,350	\$3,245,983
Maintenance and Operations	\$364,430	\$3,453,529	\$129,197	\$71,844	\$4,019,000
Utilities	\$375,000	\$0	\$0	\$0	\$375,000
Capital Outlay	\$0	\$0	\$0	\$0	\$0
Debt Service	\$3,236,800	\$504,500	\$0	\$0	\$3,741,300
Total Expenses	<u>\$17,611,208</u>	<u>\$7,736,900</u>	<u>\$177,530</u>	<u>\$610,035</u>	<u>\$26,135,672</u>
Estimated Net Change in Fund Balance	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>



FY 2014 Proposed Budget by Fund Group

Description	Educational and General	Designated	Auxiliary Enterprises	Restricted	Total
Revenues - Estimated Income					
State Appropriations - General Revenue	\$83,245,759				\$83,245,759
Tuition and Fees	\$8,700,000	\$15,493,420			\$24,193,420
Contracts and Grants	\$1,125,298	\$28,449,519		\$33,125,848	\$62,700,665
Financial Aid Programs				\$435,892	\$435,892
HEAF	\$8,771,265				\$8,771,265
Gift Income				\$443,068	\$443,068
Net Sales and Services of Educational Activities		\$1,803,003			\$1,803,003
Net Sales and Services of Medical Activities		\$57,643,866			\$57,643,866
Net Auxiliary Enterprises			\$376,184		\$376,184
Net Inter-collegiate Athletics					\$0
Net Investment/Interest Income		\$4,523,941			\$4,523,941
Other Operating Income		\$10,919,929			\$10,919,929
Reserves		\$1,418,715			\$1,418,715
Total Revenue	<u>\$101,842,322</u>	<u>\$120,252,393</u>	<u>\$376,184</u>	<u>\$34,004,808</u>	<u>\$256,475,707</u>
Transfers					
Intrasystem Transfers In/(Out)	(\$2,517,000)	(\$5,421,722)			(\$7,938,722)
Interfund Transfers In/(Out)					\$0
Transfer to Plant Funds for Capital Projects	(\$3,097,020)	(\$982,580)			(\$4,079,600)
Total Transfers	<u>(\$5,614,020)</u>	<u>(\$6,404,302)</u>	<u>\$0</u>	<u>\$0</u>	<u>(\$12,018,322)</u>
Total Funding All Sources	<u>\$96,228,302</u>	<u>\$113,848,091</u>	<u>\$376,184</u>	<u>\$34,004,808</u>	<u>\$244,457,385</u>
Expenses					
Faculty Salaries	\$26,814,136	\$32,947,418		\$4,496,677	\$64,258,231
Staff Salaries	\$28,661,041	\$16,652,280	\$138,703	\$7,516,347	\$52,968,371
Wages	\$4,838,975	\$7,187,291	\$15,093	\$1,668,922	\$13,710,281
Benefits	\$11,953,175	\$12,399,925	\$60,428	\$3,003,256	\$27,416,784
Scholarships and Financial Aid (net of discounts)		\$1,854,172		\$927,367	\$2,781,539
Maintenance and Operations	\$11,037,217	\$38,991,048	\$161,960	\$16,349,101	\$66,539,326
Utilities		\$2,026,042			\$2,026,042
Capital Outlay	\$3,529,645	\$1,789,915		\$43,138	\$5,362,698
Debt Service	\$9,394,113				\$9,394,113
Total Expenses	<u>\$96,228,302</u>	<u>\$113,848,091</u>	<u>\$376,184</u>	<u>\$34,004,808</u>	<u>\$244,457,385</u>
Estimated Net Change in Fund Balance	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

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FY 2014 Proposed Budget by Fund Group

Description	Educational and General	Designated	Auxiliary Enterprises	Restricted	Total
Revenues - Estimated Income					
State Appropriations - General Revenue	\$8,509,267				\$8,509,267
Tuition and Fees					\$0
Contracts and Grants					\$0
Financial Aid Program					\$0
HEAF					\$0
Gift Income					\$0
Net Sales and Services of Educational Activities					\$0
Net Sales and Services of Medical Activities					\$0
Net Auxiliary Enterprises			\$2,119,952		\$2,119,952
Net Inter-collegiate Athletics					\$0
Net Investment/Interest Income		\$250,000			\$250,000
Other Operating Income		\$2,435,309			\$2,435,309
Reserves		\$2,415,781			\$2,415,781
Total Revenue	<u>\$8,509,267</u>	<u>\$5,101,090</u>	<u>\$2,119,952</u>	<u>\$0</u>	<u>\$15,730,309</u>
Transfers					
Intrasystem Transfers In/(Out)	\$22,939,526	\$18,231,592			\$41,171,118
Interfund Transfers In/(Out)		(\$1,188,976)	\$1,188,976		\$0
Transfer to Plant Funds for Capital Projects					\$0
Total Transfers	<u>\$22,939,526</u>	<u>\$17,042,616</u>	<u>\$1,188,976</u>	<u>\$0</u>	<u>\$41,171,118</u>
Total Funding Available	<u>\$31,448,793</u>	<u>\$22,143,706</u>	<u>\$3,308,928</u>	<u>\$0</u>	<u>\$56,901,427</u>
Expenses					
Faculty Salaries	\$82,500				\$82,500
Staff Salaries	\$24,043,517	\$4,975,511	\$61,897		\$29,080,925
Wages	\$444,328	\$571,557	\$1,320		\$1,017,205
Benefits	\$6,278,349	\$1,587,154	\$19,915		\$7,885,418
Scholarships and Financial Aid (net of discounts)					\$0
Maintenance and Operations		\$13,624,223	\$1,867,058		\$15,491,281
Utilities	\$100	\$5,500	\$255,000		\$260,600
Capital Outlay	\$600,000				\$600,000
Debt Service	\$0	\$1,116,000	\$1,103,738		\$2,219,738
Total Expenses	<u>\$31,448,794</u>	<u>\$21,879,945</u>	<u>\$3,308,928</u>	<u>\$0</u>	<u>\$56,637,667</u>
Estimated Net Change in Fund Balance	<u>\$0</u>	<u>\$263,761</u>	<u>\$0</u>	<u>\$0</u>	<u>\$263,761</u>



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Board Briefing

Committee: Finance

Date Filed: July 10, 2013

Title: Approval of Amended and Restated Affiliated Entity Agreement between the University of North Texas and University of North Texas Alumni Association

Background:

The UNT Alumni Association is a well-established affiliated entity of the University of North Texas. It exists to promote the objectives of UNT by (i) establishing and maintaining a quality relationship between UNT and its alumni; (ii) organizing and encouraging graduates, former students, and friends of UNT throughout Texas, the nation and the world to promote and advance the mission and priorities of UNT; and (iii) promoting the general welfare and interests of UNT through the provision of alumni services.

In 2010, UNT and the UNT Alumni Association entered into an agreement regarding use of space on the UNT campus and shared resources. The 2010 agreement also addressed construction and use of the Alumni Pavilion near the Apogee football stadium. The 2010 agreement replaced an earlier agreement that had been entered into by the parties in 1990. In addition, UNT and the Alumni Association entered into a letter agreement in 2008 that transferred management of UNT's class ring program to the Association.

At this time, UNT is seeking approval to enter into a new comprehensive agreement with the Alumni Association that will replace the 2010 agreement and the 2008 letter agreement. The new agreement will restructure the relationship between the two entities, allowing for better coordination of alumni-related activities and alignment of the common elements of their respective missions. The new agreement will incorporate the requirements of Regents Rule 09.502, *Affiliated Entities - Agreements*, and UNT Policy No. 9.001, *Affiliated Entities*. Management of UNT's class ring program will be transferred back to UNT. Naming rights associated with the Alumni Pavilion also will be transferred back to UNT.

UNT's Vice President for Advancement will continue to serve as an ex-officio, non-voting member of the Association's Board of Directors. Alumni Relations staff and the Executive Director will be University employees, reporting to the Vice President for Advancement.

If approved, the agreement will continue in effect until terminated with three months' notice by either party. The agreement also may be terminated with thirty days' notice upon default.

Regents Rule 03.900, *Delegation of Authority for Contracts and Agreements*, provides that Board approval is required for contracts having a certain cost or monetary value to the System or an institution.

Financial Analysis/History:

Under the terms of the proposed agreement, UNT will pay the Alumni Association an annual fee in the amount of \$175,000 in consideration for certain alumni services to be provided by the Association. The parties will agree to an annual budget for allocation of the annual fee toward the funding of specific services. The annual budget will be adjusted throughout the year by mutual agreement in order to allow for the fulfillment of services deemed most critical by UNT.

While the Association retains control over the administration of its membership program, UNT is given authority to collect and retain revenue generated from the membership program during the term of the proposed agreement. These funds are required to be expended by UNT in support of alumni events and activities. The amount of revenue to be derived from the membership program will vary depending on number of members.

UNT will have the right to receive funds associated with naming rights for the Alumni Center and for the Alumni Pavilion.

**Andrew M.
Harris**

Digitally signed by Andrew M. Harris
DN: cn=Andrew M. Harris, o=University
of North Texas, ou=VP for Finance and
Administration,
email=Andrew.Harris@unt.edu, c=US
Date: 2013.08.05 15:08:21 -05'00'

Institution Chief Financial Officer

Allen Clemson

Digitally signed by Allen Clemson
DN: cn=Allen Clemson, o=System, ou=UNTS,
email=allen.clemson@untsystem.edu, c=US
Date: 2013.08.06 15:45:16 -05'00'

Interim Vice Chancellor for Finance

Legal Review:

This item has been reviewed by General Counsel.

Nancy S. Footer

Digitally signed by Nancy S. Footer
DN: cn=Nancy S. Footer, o=UNT System, ou=Office of
General Counsel, email=nancy.footer@untsystem.edu, c=US
Date: 2013.08.07 12:44:02 -05'00'

Vice Chancellor/General Counsel

Schedule:

Effective immediately upon approval by the Board of Regents.

Recommendation:

The President recommends, with the concurrence of the Chancellor, that the Board of Regents approve the proposed agreement with the UNT Alumni Association and further recommends that the Board authorize the President to execute the agreement.

Recommended By:

Michael G. Monticino

Vice President for Advancement

V. Lane Rawlins Digitally signed by V. Lane Rawlins
DN: cn=V. Lane Rawlins, o=University of North Texas, ou=President, email=v.rawlins@unt.edu, c=US
Date: 2013.08.08 15:31:21 -05'00'

President

Chancellor



Board Order

Title: Approval of Amended and Restated Affiliated Entity Agreement between the University of North Texas and University of North Texas Alumni Association

Board of Regents Order 2013-64

At an official meeting of the Board of Regents of the University of North Texas System properly posted and held on Aug 15-16, 2013, pursuant to a motion made by Regent _____ and seconded by Regent _____, the Board approved the motion presented below:

Whereas, Regents Rule 03.900, *Delegation of Authority for Contracts and Agreements*, states that Board approval is required for contracts having a certain cost or monetary value to the System or an Institution.

Whereas, the University of North Texas (UNT) proposes to enter into a new agreement with the University of North Texas Alumni Association to provide and make available certain services and benefits to each other and this relationship benefits the Association and the University.

Whereas, entering into a new agreement between UNT and the UNT Alumni Association has been determined to be in the best interest of UNT,

Now, Therefore, The Board of Regents authorizes and approves the following:

1. Approval of the agreement between UNT and the UNT Alumni Association.
 2. Delegation of authority to the UNT President to execute the approved agreement with the UNT Alumni Association.
-

VOTE: _____ ayes _____ nays _____ abstentions

BOARD ACTION:

Attested By:

Approved By:

Julia A. Boyce, Secretary
Board of Regents

Chairman
Board of Regents



Board Briefing

Committee: Finance

Date Filed: July 8, 2013

Title: Delegation of Authority to the Chancellor for Approval of UNTHSC Intergovernmental Transfers (IGT) of Funds for FY 2014 in the Texas Healthcare Transformation and Quality Improvement Program (1115 Transformation Waiver), and Update of Estimated IGT Amounts through FY 2014

Background:

At the November 2012 quarterly meeting, the UNT System Board of Regents approved UNT Health Science Center (UNTHSC) as a participant in the Texas Healthcare Transformation and Quality Improvement Program ("1115 Transformation Waiver"). This initiative allows the state to expand Medicaid managed care while preserving hospital and provider funding, provides incentive payments for health care delivery system improvements, and directs more funding to hospitals and providers that serve large numbers of uninsured patients. The 1115 Transformation Waiver replaces funding that was historically provided through Upper Payment Limit (UPL) payments – which were supplemental payments to make up the difference between what Medicaid pays for a service and what Medicare would pay for the same service. Replacing the UPL payment methodology are two funding pools, one for Uncompensated Care (UC), and the other for Delivery System Reform Incentive Payments (DSRIP).

1. UC Pool Payments are designed to help offset the costs of otherwise uncompensated care provided to patients by hospitals or other providers.
2. DSRIP Pool Payments are incentive payments to hospitals and other providers that develop programs or strategies to enhance access to health care, increase the quality of care, and improve cost-effectiveness of care provided and the health of the patients and families served.

Under the 1115 Transformation Waiver, eligibility to receive UC or DSRIP payments requires participation in a regional healthcare partnership (RHP). UNTHSC is a participant in RHP 10 that includes Tarrant, Ellis, Erath, Hood, Johnson, Navarro, Parker, Somervell, and Wise Counties. Tarrant County Hospital District (d/b/a JPS Health Network) is the anchor for RHP 10.

Under the 1115 Transformation Waiver, certain governmental entities may make

Intergovernmental Transfers (IGT) of eligible state and local funds, which then receive a federal match to fund UC or DSRIP payments to the governmental entity.

At the February 2013 Quarterly meeting, the UNT System Board of Regents approved the delegation of authority for the Chancellor to approve UNTHSC IGTs for FY 2013 totaling an estimated \$3.3 million in order to receive an estimated \$4.5 million in federal matching funds.

Financial Analysis/History:

In April for Demonstration Year (DY) 1 of the 1115 Transformation Waiver Program, UNTHSC sent an IGT of \$2.5 million related to DSRIP to receive a federal match of \$3.6 million based on the initial submission of fourteen DSRIP projects. Following a lengthy final evaluation and ranking process, eight DSRIP projects were withdrawn, and thus a portion (\$1.7 million) of the federal match will be refunded. For DY-2, UNTHSC expects to IGT an estimated \$6.9 million to receive a federal match of \$9.5 million; and for DY-3, UNTHSC expects to IGT an estimated \$8.0 million to receive a federal match of \$11.0 million. These IGTs are expected to occur during FY 2014. The IGT amounts could vary slightly depending on subsequent project valuation modifications by the federal Centers for Medicare and Medicaid Services and project performance by UNTHSC.

For UC, UNTHSC expects to IGT an estimated \$1.4 million for DY-2 for a federal match of \$1.9 million, and similar amounts for DY-3. A portion of the DY-2 IGT is expected to be submitted before the end of FY 2013, with the balance of DY-2 and DY-3 amounts occurring during FY 2014. (See attached Estimated FY 2014 IGT Schedule for DY-2 and DY-3.)

**John A.
Harman**

Digitally signed by John A. Harman
DN: cn=John A. Harman,
o=UNTHSC, ou=Finance,
email=john.harman@unthsc.edu,
c=US
Date: 2013.08.05 16:36:02 -05'00'

Institution Chief Financial Officer

Allen Clemson

Digitally signed by Allen Clemson
DN: cn=Allen Clemson, o=System, ou=UNTS,
email=allen.clemson@untsystem.edu, c=US
Date: 2013.08.06 15:45:49 -05'00'

Interim Vice Chancellor for Finance

Legal Review:

This item has been reviewed by General Counsel.

Nancy S. Footer

Digitally signed by Nancy S. Footer
DN: cn=Nancy S. Footer, o=UNT System, ou=Office of General
Counsel, email=nancy.footer@untsystem.edu, c=US
Date: 2013.08.07 12:42:46 -05'00'

Vice Chancellor/General Counsel

Schedule:

In accordance with subsequent direction and timing from the Texas Health and Human Services Commission and the federal Centers for Medicare and Medicaid Services.

Recommendation:

It is recommended that the UNT System Board of Regents delegate authority to the Chancellor to approve UNTHSC to IGT the appropriate funds (as much as \$17.7 million) related to DY- 2 and DY-3 during FY 2014, as outlined above, in order to receive as much as \$24.3 million in federal matching funds under the DSRIP and UC payment pools of the 1115 Transformation Waiver.

Recommended By:

John A. Harman

Senior Vice President for Finance
and CFO

Michael R.
Williams

 Digitally signed by Michael R. Williams
DN: cn=Michael R. Williams, o=UNTHSC,
ou=President,
email=michael.williams@unthsc.edu, c=US
Date: 2013.08.07 16:48:23 -05'00'

President

Chancellor

Attachments:

- UNTHSC Estimated 1115 Waiver IGT Schedule



Board Order

Title: Delegation of Authority to the Chancellor for Approval of UNTHSC Intergovernmental Transfers (IGT) of Funds in FY 2014 in the Texas Healthcare Transformation and Quality Improvement Program (1115 Transformation Waiver), and Update of Estimated IGT Amounts through FY 2014

Board of Regents Order 2013-65

At an official meeting of the Board of Regents of the University of North Texas System properly posted and held on Aug 15, 2013, pursuant to a motion made by Regent _____ and seconded by Regent _____, the Board approved the motion presented below:

Whereas, the UNT System Board of Regents previously approved UNTHSC's participation in the Texas Healthcare Transformation and Quality Improvement Program (1115 Transformation Waiver), and

Whereas, under the 1115 Transformation Waiver, certain governmental entities may make intergovernmental transfers (IGT) of eligible state and local funds related to Uncompensated Care or Delivery System Reform Incentive Payments to receive federal matching funds as described in the background section, and

Whereas, the UNT System Board of Regents previously approved the delegation of authority to the Chancellor for approval of UNTHSC IGTs related to Demonstration Year (DY)1 of the 1115 Transformation Waiver,

Now, Therefore, The Board of Regents authorizes and approves the following:

1. Delegation of authority to the Chancellor for approval of UNTHSC to make one or more intergovernmental transfers of eligible public funds to Texas HHSC during FY 2014 in order to receive federal matching funds under the DSRIP and UC payments pools for 1115 Transformation Waiver DY-2 and DY-3.
 2. Combined IGT submissions for DSRIP and UC in FY 2014 for DY-2 and DY-3 not to exceed \$17.7 million, without additional approval of the Board.
-

VOTE: ____ ayes ____ nays ____ abstentions

BOARD ACTION:

Attested By:

Approved By:

Julia A. Boyce, Secretary
Board of Regents

Chairman
Board of Regents

Estimated FY 2014 IGT Schedule for DY-2 and DY-3

DSRIP	DY-2 Estimated IGT	DY-3 Estimated IGT	Total
<u>Project-1</u> Expansion of Plaza Residency-TCOM	\$ 1,171,452	\$ 1,358,031	
<u>Project-2</u> Health Navigaiton Incentives-SPH	1,053,290	1,220,900	
<u>Project-3</u> Interventional Telehealth- SPH	1,335,691	1,565,277	
<u>Project-4</u> Community Based Primary Care for the Elderly- TCOM	1,981,615	2,290,808	
<u>Project-5</u> Discharge Planning for Elders-TCOM	773,151	896,183	
<u>Project-6</u> Training Primary Care Workforce in Evolving Helathcare Models- TCOM	599,758	674,538	
DSRIP Total Estimated IGT	6,914,957	8,005,737	
UC Estimated IGT	1,376,186	1,376,186	
Estimated Grand Total	\$ 8,291,143	\$ 9,381,923	\$ <u>17,673,066</u>



Board Briefing

Committee: Finance

Date Filed: August 1, 2013

Title: UNT Health Plan for Medical Malpractice Professional Liability Self-Insurance Annual Report and Approval of FY 2014 Premium Rates

Background:

UNT Health established a medical malpractice self-insurance plan in 2002 which now provides occurrence-based coverage for the UNT Health physicians' clinical practice. Each year, an independent actuary evaluates the adequacy of the plan and its reserves, considers asserted claims and analyzes perceived risk. The actuary considers the liability environment in Texas and makes recommendations regarding the premium structure for the forthcoming year. In recent years, the plan has benefited from the preservation of state tort reform legislation and the resulting favorable claims history. As a result, the balance in the fund has grown consistently and has a projected balance of \$12.7M by August 31, 2013.

In his FY 2013 report, the actuary (Fred White) indicates the reserve balance is sufficient to cover liabilities and projected contingencies. The actuarial report, based on historical plan performance and goals, projects the funding requirement for FY 2014 will be between \$483,862 (25%CL) and \$786,237 (75%CL). The fixed common cost within these projections is an administrative cost estimated to be \$311,150. The recommended funding requirement for FY 14 remains unchanged from FY 2013, with a premium structure that will cover the actuarial forecasted expenses and losses above the 60% confidence level. The UNT Health Finance and Budget Committee has reviewed the actuarial report and recommends that the Self-Insurance Plan funding and premium rates remain unchanged and maintained at a 60% confidence level for a projected cumulative premium contribution of approximately \$605,382 in FY 2014.

The self-insurance reserve fund appears adequate to cover all anticipated costs at the point in time the actuarial study was completed. The Self-Insurance Plan has benefitted from Texas tort reform to reach this point in time and there is no indication of immediate change to this legislation. Actual claim activity and associated costs will determine if premium payment increases are required in subsequent years. The investment of reserve funds was initiated in FY 13 and offers the opportunity to offset the expenses of the Self Insurance Plan, if investment earnings are realized.

Financial Analysis/History:

Projected Plan Funding Status

The actuarial report was completed half-way through the Plan's fiscal year, providing a projection rather than a financial statement. Figure 4.1 shows the projection of the Plan funding and solvency status as of August 31, 2013. The Plan should be financially solvent with sufficient reserves to retire the typical contingencies of a plan of this type and a nice unallocated surplus.

Figure 4.1
Projected OCCURRENCE Plan Status at 8/31/2013 as of 2/28/2013

Projected Plan Assets at 8/31/13		
(1) Assets at 2/28/2013		12,490,682
(2) +Expected Additional Premiums (Mar-Aug)		369,915
(3) –Expected Additional Payments		
(4) Expected Additional Loss Payments	-51,228	
(5) Expected Additional Operating Expenses (\$51,858/mo.)	-363,006	-414,234
(6) +Additional Interest Income		274,529
(7) Projected Total Plan Assets at 8/31/2013		12,720,892
Projected Plan Liabilities at 8/31/2013		
Reserves for Claims		
(8) Reserves for known and unknown claims [Expected F.3.6,L(2),C(3)]	1,683,498	
(9) Reserves for adverse development of claims (“90%CL” under Ch. 108) (Note 1)	774,870	
(10) Total Claim Reserves [F.3.6,L(4),C(3)]		2,458,368
Non-Claim Contingencies		
(11) Continuing expenses in case of shutdown (note 2)		2,800,350
(12) Total Claim Reserves and Contingency Reserves		5,258,718
(13) Projected Unallocated Surplus at 8/31/2013		7,462,174
(14) Projected Liabilities and Contingency Fund		12,720,892

John A.
Harman

Digitally signed by John A. Harman
DN: cn=John A. Harman, o=UNTHSC,
ou=Finance,
email=john.harman@unthsc.edu, c=US
Date: 2013.08.05 16:36:56 -05'00'

Institution Chief Financial Officer

Allen
Clemson

Digitally signed by Allen Clemson
DN: cn=Allen Clemson, o=System,
ou=UNTS,
email=allen.clemson@untsystem.ed
u, c=US
Date: 2013.08.06 15:46:25 -05'00'

Interim Vice Chancellor for Finance

Legal Review:

This item has been reviewed by General Counsel.

Nancy S. Footer

Digitally signed by Nancy S. Footer
DN: cn=Nancy S. Footer, o=UNT System,
ou=Office of General Counsel,
email=nancy.footer@untsystem.edu, c=US
Date: 2013.08.07 12:33:49 -05'00'

Vice Chancellor/General Counsel

Schedule:

September 1, 2013 – August 31, 2014 (fiscal year 2014)

Recommendation:

The President recommends that the Board of Regents approve the Self-Insurance Plan premium rates for FY 2014 as shown on the attachments hereto.

Recommended By:

Robert C. Adams

Interim EVP Clinical Affairs Interim
President, UNT Health

Michael R.
Williams

Digitally signed by Michael R. Williams
DN: cn=Michael R. Williams,
o=UNTHSC, ou=President,
email=michael.williams@unthsc.edu,
c=US
Date: 2013.08.07 16:49:09 -05'00'

President

Chancellor

Attachments:

- *Executive Summary of Findings (pages 102), Solvency Review and Rate Analysis of UNT Health Science Center Plan for Professional medical malpractice Self-Insurance, April 25, 2012 by Fred R. White Company, Inc.*
- *FY 2014 UNT Health Self-Insurance Premium Rates*



Board Order

Title: UNT Health Plan for Medical Malpractice Professional Liability Self-Insurance Annual Report and Approval of FY 2014 Premium Rates

Board of Regents Order 2013-66

At an official meeting of the Board of Regents of the University of North Texas System properly posted and held on Aug 15, 2013, pursuant to a motion made by Regent _____ and seconded by Regent _____, the Board approved the motion presented below:

Whereas, the Board of Regents approved the establishment of the UNT Health Plan for Medical Malpractice Professional Liability Self-Insurance in 2002; and

Whereas, in his FY 2013 report, the actuary (Fred White) indicates the reserve balance is sufficient to cover current liabilities and projected contingencies; and

Whereas, the UNT Health Finance and Budget Committee recommends that the Self-Insurance Plan funding and premiums remain unchanged and maintained at the 60% confidence level for a projected cumulative premium contribution of approximately \$605,382 in FY 2014;

Now, Therefore, The Board of Regents authorizes and approves the following:

1. Self-Insurance Plan premium rates for FY 2014 as shown on the attachment to the corresponding Board item.

VOTE: _____ ayes _____ nays _____ abstentions

BOARD ACTION:

Attested By:

Approved By:

Julia A. Boyce, Secretary
Board of Regents

Chairman
Board of Regents

Summary of Findings

General Analysis and Assessment

1. Overall Plan funding will be sufficient:
 - a. to retire the Plan's likely claims-made liabilities from claims presented through August 31, 2013;
 - b. **AND:**
 - i. to absorb entirely adverse development in occurrence claims experience up to the 90% confidence level at the *Franka* level and, likely, at the Chapter 108 level as well; and
 - ii. to fund "runoff" operations if the Plan is closed; and
 - iii. to have a small "Unallocated Surplus".

(See Figure 4.1 on page 18.)
2. Average reported incurred claim cost *seemed* to have reversed based on closed cases in the early years, but now that may have changed. The raw data indicate that UNT HEALTH's projected underlying claims cost trend may be increasing again. The UNT HEALTH data still shows high variability in average claims cost relative to its underlying mean. (See Analysis of Severity, page 26.)

Specific Findings and Recommendations

1. "Expected" ultimate gross (undiscounted) claim reserves on an occurrence basis at August 31, 2013 should be just under \$3.0 million. (See Figure 3.6, page 19.)
2. We anticipate that the Plan will have "unallocated surplus" of about \$7.5 million. Unallocated surplus acts as capital to absorb contingencies outside the 90% confidence level. This is up about \$2.7 million from our estimate at this time last year. This increase is the result of a combination of factors including reserve takedowns on previously reserved claims and smaller allowances for future reserve development.
3. The FY'14 funding requirements for the Plan should fall between \$483,862 and \$786,236. The "actuarial expectation", or "mean", is \$828,085, which is greater than the 75% confidence level. The actuarial expectation is the long-run average; i.e., that value that would likely occur if the prospective plan year could be experienced an infinite number of times.
4. Our analysis indicates that the Plan should increase rates about 23.5% from the FY'13 rates for those physicians that the Plan's legal counsel believes have the protection of Chapter 108. The new rates recognize both prospective expected losses of the Plan and the likely fiscal/accident year incurred losses. (Figure 11, page 30). However, since the current rates will fund greater than the 60% confidence level, we recommend maintaining the rates at the FY'13 level and have the board declare in writing in its minutes that any shortfall will be acceptably covered by the Unallocated Surplus and/or Investment Income.
5. The primary advantage to UNT HEALTH of its self-insured plan is to benefit directly from any improvements in its own claim experience. Conversely, it will be directly penalized for any deterioration in its own claim experience, whatever the cause. A secondary benefit is to capture administrative savings and investment income on loss reserves.
6. As long as Chapter 108 or *Franka* holds up, we can suspend our concern about the Plan retaining the entire limit of each loss because the likelihood of a very large event seems very small. However, if something adverse happens to Chapter 108 or *Franka*, the Plan should buy excess insurance above \$250,000 each patient occurrence.
7. We believe that UNT HEALTH can continue successfully operating its Medical Malpractice Self Insurance Plan if:
 - a. The physicians are able to control their incidence of medical malpractice. In other words, they take ownership of the malpractice problem and work together diligently to solve it.
 - b. The Plan can limit adverse variation in its claims to a manageable level.

Medical Risk Management Is Critical to Plan Success

We strongly recommend that the faculty and staff regularly review and reinforce the risk management and quality control measures and take all possible steps to continue reducing the number and severity of medical incidents in order to avoid future unaffordable premium increases.

General Recommendation and Comment

We recommend that an actuarial study of your funding position continue to be made each year because of the serious potential fluctuation in claims liabilities from year to year. We also recommend that your premium rates be adjusted annually on September 1 in order to maintain adequate, but not unnecessarily excessive, funding of the Plan.

UNT HEALTH SELF-INSURANCE RECOMMENDED PREMIUM RATES

Annual Premiums	FY 2014	w/ Education Discount	Residents	Federal Prison Contractors
Risk Class 1	\$ 1,751	\$ 1,663	\$ 876	\$ 4,823
Risk Class 2	\$ 2,229	\$ 2,118	\$ 1,115	\$ 6,138
Risk Class 3	\$ 4,935	\$ 4,688	\$ 2,468	\$ 13,592
Risk Class 4	\$ 6,528	\$ 6,202	\$ 3,264	\$ 17,976
Risk Class 5	\$ 10,100	\$ 9,595	\$ 5,050	\$ 27,817



Board Briefing

Committee: Finance

Date Filed: August 1, 2013

Title: UNT Dallas College of Law FY2015 Tuition Rates

Background:

The UNT Dallas College of Law opens its doors for its FY2015 inaugural class in August 2014. For FY2015, the law school will be part of the UNT System, but thereafter it will join UNT Dallas, according to its authorizing legislation. In its first year, UNT Dallas College of Law plans to enroll 80 students in its full-time day program and 40 in its part-time evening program, with most students expected to come from the Dallas-Fort Worth region.

UNT Dallas College of Law's core educational goal is delivering a legal education second to none in developing practice-related competencies. Yet keeping tuition as low as practicable, consistent with this educational goal, is also critical to our mission.

Both the organized bar and legal educators agree that the cost of legal education poses a crisis for law schools and the legal profession. In 2012, the American Bar Association convened a special Task Force on the Future of Legal Education, charging it to study and recommend "concrete steps to address issues concerning the economics of legal education and its delivery." According to a letter submitted to the Task Force and signed by dozens of prominent legal educators, the price of legal education has increased approximately three times faster than average household income over the last three decades. Further, 90% of students borrow to finance legal education and the average law school debt per student in 2012 was \$100,000. These costs and debt loads reduce access to legal education and limit opportunity for graduates. The law school graduate who earns the median attorney salary cannot afford to make the loan payment on the average debt.

These costs and their consequences are also spread unevenly. As the legal educators' letter explains: "Schools also have incentives to reduce tuition for students with high median GPA and LSAT scores, even though these applicants are unlikely to have the greatest financial need. This causes students from modest economic backgrounds paying full tuition to, in effect, subsidize the education of their more privileged peers."

The UNT Dallas College of Law has a unique opportunity to respond to these challenges while meeting its core educational mission of excellence. A new law school can reduce many of the cost drivers that are now a legacy in other schools, including faculty costs, library costs, and the millions of dollars now spent by many law schools annually for merit scholarships aimed at obtaining the highest LSAT and GPA figures for rankings purposes.

In light of its mission, the UNT Dallas College of Law requests that tuition for resident full-time students be set at \$14,040 for the academic year 2014-2015 or \$7,020 per semester. In addition, for its FY2015 inaugural class, UNT Dallas College of Law also requests a tuition waiver of \$1,500 from Board Designated Tuition for each resident full-time student, or \$750 per semester, in accordance with this Board's statutory authority to set a different tuition rate as the Board "considers appropriate to increase graduation rates, encourage efficient use of facilities, or enhance employee performance". If approved, net tuition for the FY2015 inaugural class will then be \$12,540 for each resident full-time student for the academic year 2014-2015 or \$6,270 per semester. Resident part-time students will pay the tuition at the same rate, reduced on a pro rata basis depending on the hours enrolled. This tuition will be substantially lower than that charged at any other Texas law school.

For FY2016 and FY2017, UNT Dallas College of Law plans to request that net tuition remain at \$12,540 for the FY2015 inaugural classes. It is the law school's goal to propose tuition between \$14,000 and \$15,000, at least for the next three to five years, for those full-time students entering law school in FY2016 and beyond.

While it is recommended that non-resident tuition be set at \$23,760, few out-of-state students are expected to be admitted.

The breakdown of UNT Dallas College of Law tuition charges are as follows:

UNT Dallas Law School						
<i>Full Time 30 hr/yr Course Load</i>						
	Statutory Tuition	Board Designated Tuition	Graduate Differential Tuition	Total Tuition	Tuition Waiver	Net Tuition
Resident	\$2,400	\$4,440	\$7,200	\$14,040	\$1,500	\$12,540
Non-Resident	\$12,120	\$4,440	\$7,200	\$23,760	\$0	\$23,760

Comparative tuition data to other Texas law schools is as follows:

	Law School	Location	Texas Residents		Non-Residents	
			2011-12	2012-13	2011-12	2012-13
			Public Schools	TSU	Houston	\$16,262
Texas Tech	Lubbock	\$19,638		\$22,518	\$30,829	\$32,148
U. Houston	Houston	\$28,130		\$29,748	\$38,805	\$39,699
UT Austin	Austin	\$32,010		\$33,162	\$47,532	\$49,244
Average		\$24,010		\$25,469	\$34,595	\$35,607
Private Schools	Baylor U.	Waco	\$42,318	\$45,541	N/A	N/A
	SMU	Dallas	\$42,086	\$44,017	N/A	N/A
	South Texas	Houston	\$26,850	\$27,600	N/A	N/A
	St. Mary's U.	San Antonio	\$29,406	\$30,566	N/A	N/A
	Texas Wesleyan U.	Fort Worth	\$28,790	\$30,580	N/A	N/A
	Average		\$33,890	\$35,661	N/A	N/A

Financial Analysis/History:

This tuition request will only take effect for FY2015. The proposed tuition will generate a projected \$1,551,211 for operations. Any variance in student admission could have a positive or negative effect on the actual tuition revenue proposed and will be scaled accordingly.

UNT Dallas College of Law provides that the facts presented above fairly represent the financial implications of the proposed tuition rates.

**Allen
Clemson**

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Interim Vice Chancellor for Finance

Legal Review:

This item has been reviewed by General Counsel.

Nancy S. Footer

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Counsel, email=nancy.footer@untsystem.edu, c=US
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Vice Chancellor/General Counsel

Schedule:

Fall of 2014

Recommendation:

It is recommended that the Board of Regents approve the following tuition rate for the 2014-2015 academic year:

Annual UNT Dallas College of Law Tuition- \$14,040 resident tuition, \$1,500 tuition waiver for full-time resident students, and \$23,760 non-resident tuition.

Recommended by:

William Royal Furgeson

Dean of UNT Dallas College of Law

Chancellor



Board Order

Title: UNT Dallas College of Law FY2015 Tuition

Board of Regents Order 2013-67

At an official meeting of the Board of Regents of the University of North Texas System properly posted and held on Aug 15, 2013 pursuant to a motion made by Regent _____ and seconded by Regent _____, the Board approved the motion presented below:

Whereas, for FY2015, the proposed UNT Dallas College of Law tuition would generate a projected \$1,551,211 for operations and an estimated \$97,617 in need based financial aid, and

Whereas, since UNT Dallas College of law is a new academic degree program, Board Designated Tuition (BDT) and Graduate Differential Tuition must be established in order for the first cohort of students to matriculate in the Fall of 2014,

Now, Therefore, The Board of Regents authorizes and approves the following:

1. FY2015 UNT Dallas College of Law Tuition for the 2014-2015 academic year- \$14,040 for resident students, \$1,500 tuition waiver for resident students, and \$23,760 for non-resident students.
-

VOTE: _____ ayes _____ nays _____ abstentions

BOARD ACTION:

Attested By:

Approved By:

Julia A. Boyce, Secretary
Board of Regents

Chairman
Board of Regents



UNT | SYSTEM™

Board Briefing

Committee: Finance

Date Filed: June 24, 2013

Title: Approval of Amendments to System Regulation 08.2000, Investment of System Funds and Associated Institution's Endowment Policies

Background:

State law and Regent's rules require that each year the Board of Regents review the investment and endowment policies of the UNT System Institutions (University of North Texas, University of North Texas Health Science Center, the University of North Texas Dallas and University of North Texas System Administration). In August 2012, the four previous investment policies were consolidated into a single UNT System Regulation 8.2000 which outlines the investment approach for short term working capital, long term cash reserves, bond proceeds and endowed funds for all four Institutions.

During this year's policy review, several amendments to the System Regulation 8.2000 Investment of System Funds and Institution Endowment policies are being recommended.

The changes to the System Investment regulation are sponsored by the UNT Foundation and are supported by the System and each institution's CFO.

Purpose of Proposed Revisions:

- Leverage industry best practices
- Align investment allocations with UNT Foundation investment strategies
- Clarify accountability for investment decisions
- Clarify the role of the Investment Advisory Committee

The various endowment policies have also been revised to reflect the changes that are being proposed for the System Regulation. Attached to this briefing and resolution are redline copies of the appropriate Regulation and Policies which highlight the proposed change to assist the Board of Regents in their review.

Financial Analysis/History:

The UNT System Investment Regulation 08.2000 is approved annually by the UNT System Board of Regents and serves to document and govern the investment strategy of the UNT System. UNT, UNTHSC, and UNT Dallas have an Endowment policy that addresses the investment of their endowed funds. The UNT System, as it has limited development opportunities, has not had an Endowment policy. With the startup of the UNT at Dallas

School of Law, which for FY2014 will remain a System entity, it is now appropriate for the Board of Regents to consider an Endowment policy for the System. A System Endowment Policy has been prepared in the appropriate format and similar to that used by the other System Institutions.

Allen Clemson

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Interim Vice Chancellor for Finance

Legal Review:

These items have been reviewed by General Counsel.

Nancy S. Footer

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General Counsel, email=nancy.footer@untsystem.edu,
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Vice Chancellor/General Counsel

Schedule:

Effective upon Board approval.

Recommendation:

It is recommended that the Board of Regents approve the attached amended University of North Texas System Investment Regulation 08.2000 and UNT, UNTHSC, and UNT Dallas, amended Endowment Policies.

It is further recommended that the attached Endowment Policy for the UNT System be approved.

Recommended By:

Allen Clemson

Interim Vice Chancellor for
Finance

Chancellor

Attachments:

- [UNT System Investment Regulation](#)
- [UNT, UNTHSC, UNT Dallas Endowment Policies](#)



Board Order

Title: Approval of Amendments to System Regulation 08.2000, Investment of System Funds and Associated Institution's Endowment Policies

Board of Regents Order 2013-68

At an official meeting of the Board of Regents of the University of North Texas System properly posted and held on Aug 15, 2013, pursuant to a motion made by Regent _____ and seconded by Regent _____, the Board approved the motion presented below:

Whereas, State law and Regent Rules require that the UNT System Investment Regulation must be reviewed and approved by the UNT System Board of Regents annually, and

Whereas, the UNT Foundation and Institution CFOs have proposed that such System Regulation be amended, and

Whereas, State law and Regent Rules also require that System Institution's endowment policies be reviewed annually, and

Whereas, the Institution's CFOs have prepared amendments to their Institution's Endowment policies and the System CFO has proposed the adoption of a System Endowment policy,

Now, Therefore, The Board of Regents authorizes and approves the following:

1. Amendments to UNT System Regulation 08.2000 and UNT, UNTHSC, and UNT Dallas Endowment Policies as set forth in the attachment to this item.
 2. The UNT System Endowment Policy as set forth in attachment to this item.
-

VOTE: ____ ayes ____ nays ____ abstentions

BOARD ACTION:

Attested By:

Approved By:

Julia A. Boyce, Secretary
Board of Regents

Chairman
Board of Regents

Regulations of the University of North Texas System	Chapter 08 Fiscal Management
08.2000 Investment of System Funds	

08.2001 **Regulation Statement.** This Regulation sets for the rules for the investment of all System funds and funds held by the System in trust for others. All investments by the System will be made in accordance with Rule 10.100 of the Rules of the Board of Regents of the University of North Texas System and this System Regulation.

08.2002 **Application of Regulation.** This Regulation applies to the UNT System Administration and to all UNTS Institutions.

08.2003 **Definitions.**

1. Authorized Broker/Dealers. "Authorized Broker/Dealers" means those entities that have been approved as provided herein.
2. Funds Subject to Board of Regents Control. "Funds Subject to Board of Regents Control" is defined by Texas Education Code § 51.002 and means:
 - a. student fees of all kinds;
 - b. charges for use of rooms and dormitories;
 - c. receipts from meals, cafes, and cafeterias;
 - d. fees on deposit refundable to students under certain conditions;
 - e. receipts from school athletic activities;
 - f. income from student publications and other student activities;
 - g. receipts from the sale of publication products and miscellaneous supplies and equipment;
 - h. students' voluntary deposits of money for safekeeping;
 - i. all other fees and local or institutional funds arising out of and by virtue of the educational activities, research, or demonstrations carried on by the institution; and
 - j. donations and gifts to the institution.

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3. Managing Entity. “Managing Entity” means the entity holding and managing the investment of funds, and may include UNT System Administration, a UNT Institution, the University of North Texas Foundation, Inc. (“UNT Foundation”), the University of North Texas Health Science Center at Fort Worth, Texas College of Osteopathic Medicine Foundation, Inc. (“UNTHSC Foundation”), the University of North Texas at Dallas Foundation (“UNT at Dallas Foundation”), or Authorized Broker/Dealers.
4. Prudent Person Standard. “Prudent Person Standard” is defined by Texas Education Code § 51.0031(d) and described in Article VII, Section 11b of the Texas Constitution, and means that standard of judgment and care that prudent investors, exercising reasonable care, skill, and caution, would acquire or retain in light of the purposes, terms, distribution requirements, and other circumstances of the fund then prevailing, taking into consideration the investment of all the assets of the fund rather than a single investment.
5. System. “System” means, collectively, the University of North Texas System, University of North Texas System Administration, and UNTS Institutions.
6. UNTS Institutions. “UNTS Institutions” means University of North Texas, University of North Texas Health Science Center at Fort Worth, and University of North Texas at Dallas.

08.2004

Authority and Governing Statutes. The System’s authority to invest funds is established in the Public Funds Investment Act (Texas Government Code, Chapter 2256), Section 51.0031 of the Texas Education Code, and Rule 10.100 of the Rules of the Board of Regents of the University of North Texas System. This Regulation is promulgated in accordance with the Public Funds Investment Act, Section 51.0032 of the Texas Education Code, the Uniform Prudent Investor Act (Texas Property Code, Chapter 117), the Uniform Prudent Management of Institutional Funds Act (Texas Property Code, Chapter 163), and the Public Funds Collateral Act (Texas Government Code, Chapter 2257). Texas Education Code, Section 51.0032 requires a governing board to adopt a written investment policy, and the Public Funds Investment Act requires a governing board to adopt a written investment policy and strategy, review the policy and strategy not less than annually, appoint an investment officer, and adopt internal controls to safeguard the

System's funds. The Public Funds Collateral Act sets the standards for collateralization of public funds in Texas.

08.2005

Investment of System Funds.

1. Investment Strategy. The cash management objective for the System is to retain appropriate liquidity to meet daily operating demands while seeking higher yield on cash reserves through an appropriately diversified long term investment portfolio. All System Funds Subject to Board of Regents Control shall be invested pursuant to a Prudent Person Standard. All System endowment funds shall be invested pursuant to a Prudent Person Standard. All UNTHSC medical professional liability self-insurance plan funds shall be invested pursuant to a Prudent Person Standard. All other System funds shall be deposited in an approved depository bank, invested pursuant to the Public Funds Investment Act in Short Term Pool Authorized Investments (as defined below), or deposited in the State Treasury as prescribed by Texas Education Code § 51.008.
2. Short Term Working Capital Funds. Short term working capital funds ("Short Term Pool") shall be at least 55% but not more than 75% of available cash on hand and shall be adjusted monthly as necessary to remain within this range.¹
 - a. Authorized Investments. Funds needed to meet daily or short term operating requirements will be held in the following authorized investments:
 - i. ~~FDIC insured~~ money market funds approved under the Public Funds Investment Act
 - ii. approved Local Government Investment Pool
 - iii. certificates of deposit guaranteed by the FDIC or collateralized by letter(s) of credit
 - b. Self-Liquidity. In accordance with System self-liquidity coverage, UNT Institutions shall maintain a balance in the local government investment pool (net of bond proceeds held in the account), of at least 1.2x the amount of outstanding debt issued through the System commercial paper program.
 - c. Investment Objectives.
 - i. Liquidity
 - ii. Current Income
 - iii. Appreciation

- |
3. Long Term Cash Reserves. Long term cash reserves (“Long Term Pool”) shall constitute at least 25% but not more than 45% of current cash

balances and shall be adjusted monthly as necessary to remain within contract.

d. Investment Objectives.

- i. Current Income
- ii. Appreciation
- iii. Liquidity

4. Bond Proceeds. Bond proceeds and reserves may be invested in a manner consistent with the requirements and restrictions stated in the applicable Bond Covenants.

a. Investment Objectives.

- i. Liquidity
- ii. Current Income
- iii. Appreciation

5. Endowed Funds. The endowment corpus shall be invested in a diversified portfolio using reasonable care to ensure earnings are sufficient to provide on-going payout while mitigating the impact of inflation.

- a. Authorized Investments. The System has identified ~~four~~ options for investing endowed funds:
 - i. The UNTS-LTP
 - ii. The UNT Foundation Endowment
 - iii. The UNT ~~HSC-Health Science Center~~ Foundation Endowment
 - iv. The UNT at Dallas Foundation Endowment

~~b.b.~~ Endowment Policies. Each UNTS Institution shall adopt an Endowment Policy, consistent with this Regulation and subject to Board approval, that governs the type of endowments, acceptance of gifts, purpose and use of endowments, and distribution requirements of endowed funds.

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c. Asset Allocation. Each UNTS Institution shall select the investment portfolio option. The asset allocation and selection of the underlying assets within each portfolio shall be at the discretion of the Managing Entity; provided, however, that investment of any endowment funds must be pursuant to the Prudent Person Standard and within the guidelines established in this Regulation, the applicable UNTS Institution Endowment Policy, and the Investment Management Agreement.

- d. Investment Objectives.
 - i. Appreciation
 - ii. Current Income
 - iii. Preservation of Capital
 - iv. Liquidity

6. Medical Professional Liability Self-Insurance Funds. The total amount of reserve funds required for medical professional liability self-insurance shall be actuarially determined annually. These funds shall be invested in any combination of the UNT System Long Term Pool or the UNT System Short Term Pool at the discretion of the UNT Health Science Center. In the event all or a portion of the self-insurance fund is converted to a quasi-endowment – subject to liquidation resulting from claims – the quasi-endowment may be invested in accordance with section V – Endowed Funds. A separate accounting of the fund balance and transactions must be maintained and provided to the UNT System Board of Regents at least annually.

- a. Investment Objectives.
 - i. Preservation of Capital
 - ii. Appreciation
 - iii. Liquidity
7. Investment Management.
- a. Managing Entity. All System investments shall be held, invested, and managed by a Managing Entity pursuant to a Prudent Person Standard. Only those entities named or otherwise approved as a Managing Entity under this Regulation may provide investment management services for and on behalf of the System.
 - b. Investment Management Agreement. Investment management services provided by a Managing Entity (other than UNT System Administration or a UNTS Institution) shall be administered only through a contractual agreement (“Investment Management Agreement”) with the System or an Institution.
 - c. UNT System Investment Advisory Committee. Members of the UNT System Investment Advisory Committee shall be the Vice Chancellor for Finance and the chief financial officers from each UNT Institution. The UNT System Investment Advisory Committee shall have oversight of all investments and maintain an active role in advising Managing Entities.
 - d. Investment Liaison. Each Investment Management Agreement shall designate an Investment Liaison to serve as the liaison between the Managing Entity and the Board of Regents, and may also designate the Investment Liaison to serve as either a voting or ex-officio member of the Managing Entity’s board of directors.
8. Insurance or Collateral. All bank deposits of System funds shall be secured by pledged collateral with a market value equal to no less than 100% of the deposits plus accrued interest, less an amount insured by the FDIC. Evidence of the pledged collateral shall be maintained by the Vice Chancellor for Finance. Repurchase agreements shall be documented by the Master Repurchase Agreement approved by The Bond Market (TBMA), or any other entity approved by the Finance Committee of the Board of Regents, noting the collateral pledged in each agreement. The use of a letter of credit issued to the System by the Federal Home Loan Bank may be considered by the System to meet the required bank depository collateral requirements. Collateral shall be reviewed monthly

to assure the market value of the securities pledged equals or exceeds the related bank balances.

9. -Safekeeping and Custody. Assets shall be secured through independent third-party custody and safekeeping procedures. ~~———~~Safekeeping procedures shall be reviewed annually by the Internal Auditor. Periodic surprise audits of safekeeping and custodial systems shall be conducted annually by the Internal Auditor.
10. Authorized Broker/Dealers. The Board of Regents must annually review and adopt a list of financial institutions and broker/dealers qualified and authorized ~~to~~ engage in investment transactions with and for the System. All Authorized Broker/Dealers must supply a certification of having read and understood the investment rules, regulations, and policies applicable to the System and agree to comply with those rules, regulations, and policies.
11. Investment Responsibilities. The Vice Chancellor for Finance in consultation with the Chief Financial Officers of the UNT Institutions (collectively, "Investment Officers") shall be responsible for investing System funds and must comply with the following:
 - a. Prudent Person Standard. The Investment Officers shall exercise a Prudent Person Standard at all times with regard to all funds.
 - b. Personal Business Relationship. Should any Investment Officer have a personal business relationship with a business organization offering to engage in an investment transaction with the System, a statement shall be filed disclosing that personal business interest. This statement must be filed with the Texas Ethics Commission and the Board of Regents. A "personal business relationship" is defined in Chapter 2256.005(i) of the Public Funds Investment Act.
 - c. Training. Each member of the Board of Regents and the Investment Officers shall attend at least one training session within six months after taking office or assuming duties. The Texas Higher Education Coordinating Board will provide training for the Regents. The Investment Officers must attend training not less than once in a two-year period, and may receive training from any independent source approved by the Board of Regents. The Texas Higher Education Coordinating Board is an approved source for training. The Investment Officers must report the status of their training to the Board of Regents no later than the 180th day after the last day of each regular session of the legislature.

12. Reporting.

- a. Audit. The System's Internal Audit department shall perform an annual compliance audit of management controls and adherence to this policy. The results will be reported to the Board of Regents and the State Auditor's Office.
- b. Quarterly Reports. The Vice Chancellor for Finance shall prepare a quarterly investment report which includes endowments and submit it to the Board of Regents through the Chancellor. The report will be prepared ~~in~~ compliance ~~with~~ generally accepted accounting principles and will detail, by asset and fund type, changes in book and market values, dates of maturity, and accrued interest. The quarterly reports are to be formally reviewed at least annually by the System's Internal Audit department in conjunction with the annual compliance audit, and the result of the review shall be reported to the Board of Regents.
- c. Annual Report. At the end of each fiscal year, the System will prepare a report of investment performance for the year and submit it to the Board of Regents at its first regularly scheduled board meeting following the end of the fiscal year.

References and Cross-references:

Public Funds Investment Act (Texas Government Code, Chapter 2256)

Texas Education Code, Chapter 51, Subchapter A (Section 51.001, et. seq.)

University of North Texas System Board of Regents Rule 10.100

Uniform Prudent Investor Act (Texas Property Code, Chapter 117)

Uniform Prudent Management of Institutional Funds Act (Texas Property Code, Chapter 163)

Public Funds Collateral Act (Texas Government Code, Chapter 2257)

Approved: August 16, 2012

Effective: August 16, 2012

Revised:

¹ System Institutions with less than \$10M cash on hand may retain 100% of cash balances in its Short Term Pool.

² System Institutions with less than \$10M cash on hand may retain 100% of cash balances in its Short Term Pool.

Policies of the University of North Texas	Chapter 7
7.6 Endowment Funds	Fiscal Management

Policy Statement. Endowment funds will be managed in a fiscally responsible manner to ensure compliance with legal, ethical, and contractual obligations. This policy establishes rules and guidance for the acceptance, establishment, investment, and distribution of endowment funds.

Application of Policy. Total University, including all University employees with financial, administrative, or reporting responsibilities related to endowment funds.

Definitions.

“Endowments” are investment funds established with a gift or other University funds designed to keep the core endowment principal intact to produce future income or capital gain to fund a specified purpose, including a special project, need, or ongoing operations. Endowments include the following three categories:

“Permanent endowments,” as true or pure endowments, are established and designated by a donor to be held in perpetuity. The corpus of these endowments may never be spent; however, the corpus may decline during unfavorable market conditions. Earnings and capital gains must be expended in accordance with the terms and conditions established by the donor.

“Term endowments” are established and designated by a donor to be held for a period of time and to terminate following a particular date or event. The corpus of these endowments may be expended in accordance with the terms and conditions specified by the donor. Until the designated date passes or event occurs, term endowments operate essentially like permanent endowments with expenditures made in accordance with the conditions established by the donor.

“Quasi-endowments” are established and designated by the University to be held and managed as endowments. The University administration will specify the use of the corpus and income, and set other terms and conditions relating to the fund. The University administration may change the terms and conditions of the endowment or terminate the endowment.

Procedures and Responsibilities.

Preface

Gifts are critical to UNT's mission to develop and maintain quality in faculty, students, and facilities. The UNT System Board of Regents recognizes the importance of establishing policies and procedures to meet the development needs of UNT and to promote and support efforts to attract private fund support. This policy establishes rules and guidelines to accept and administer endowment funds in compliance with legal, ethical, and contractual obligations to meet fiduciary and fiscal responsibilities. When this policy does not indicate the appropriate course of action, or is incomplete to cover all aspects of a specific situation, the Vice President for Finance and Administration shall work with the Board of Regents Finance Committee to establish the recommended course of action.

Review and Approval

This policy shall be reviewed and approved by the Board of Regents annually.

Fiduciary Responsibility

All endowments shall be managed in a manner that supports the Board of Regents' fiduciary responsibility to comply with restrictions imposed by donors of endowment funds. All endowments shall be managed in compliance with Regents Rules 09.300 and 10.100, UNT System Regulation 08.2000, Texas Education Code, Chapter 51, Subchapter A, Sections 51.001 – 009, and, to the extent applicable, Texas Property Code, Chapter 163 (Uniform Prudent Management of Institutional Funds Act) and Chapter 117 (Uniform Prudent Investor Act).

The primary and constant standard for making investment decisions for endowment is the "Prudent Person Standard" which states that the investment manager may manage investments with "that standard of judgment and care that prudent investors, exercising reasonable care, skill, and caution, would acquire or retain in light of the purposes, terms, distribution requirements, and other circumstances of the fund then prevailing, taking into consideration the investment of all the assets of the fund rather than a single investment."

Written Instruments to Establish Endowments

A written donative instrument should be provided for establishing new endowment funds. This instrument should provide:

A statement that additions to the endowment from any other person or entity, unless prohibited, will be made subject to the provisions of the donative instrument; and

A statement that if, in the opinion of the Board of Regents, future circumstances change so that the purpose of the endowment becomes illegal, impractical, or no longer meets the needs of UNT, the Board of Regents may designate an alternative use for the endowment payout to further the objectives and purposes of UNT, giving consideration to the donor's special interest as evidenced by the original purpose of the endowment.

In cases where an endowment is established pursuant to a solicitation or campaign, the solicitation letter or document sent to the donor or donors may be used as the donative instrument to evidence the donative intent and purposes.

Minimum Contributions

Gifts to establish new, separate endowments must equal or exceed minimum contribution amounts and time periods set by the Board of Regents in Regents Rule 09.300.

Gifts to establish endowments for academic positions (i.e. chairs, professorships, lectureships, and fellowships) must meet the requirements of Regents Rule 09.200. In no case will an endowment for an academic position be established without prior approval of the President.

Investment Control

No endowment shall be accepted in which the donor directs the investment transactions or holdings or approves investment policy or strategy. The endowment fund shall be under the sole control of the UNT System Board of Regents.

It is the specific and strong preference of the Board of Regents that all endowment gifts be eligible for commingling for investment purposes with other endowment funds. This commingling permits enhancement of long-term investment programs, affords appropriate risk control through diversification, and provides for optimization of asset mix through time.

The financial goal for management of endowment funds is to preserve the real (i.e. inflation-adjusted) purchasing power of principal and income after accounting for endowment spending, inflation, and costs of investment management. Performance of the endowment fund against this objective is to be measured over rolling 5-year periods.

Unitization of Endowments

Commingled endowment funds, excluding endowments not permitted to be invested in equities, shall be unitized and each new endowment gift added to the fund shall receive units in the fund based upon the market value of the gift and the next-determined unit value of the fund ~~for the preceding quarter~~following the gift. The unit value of the endowment fund shall be determined at least quarterly. Income determined under the "Spending Policy for Unitized Endowments" section below should be calculated on a unit basis for distribution purposes.

Spending Policy for Unitized Endowments

UNT recognizes the need for spendable income by the beneficiaries of endowment funds. The following spending policy reflects an objective to distribute as much total return as is consistent with overall investment objectives defined herein while protecting the real value of the endowment principal.

An endowment should be excluded from the target distribution until the endowment has been established for one complete quarter.

The target distribution of spendable income to each unit of the endowment fund will be between 3 to 6 percent of the average market value of a unit of the endowment fund for the preceding 12 quarters. Unless otherwise determined by the Board of Regents Finance Committee, the target annual distribution rate shall be 4 percent of the average unit market value. Distribution shall be made quarterly, as soon as practicable, after the last calendar day of November, February, May, and August. This distribution amount shall be recalculated each quarter based on a 12 quarter rolling average. If the endowment fund is placed with a managing entity for investment under UNT System Regulation 08.2000, the calculation for distribution will mirror the managing entity's model unless required otherwise to meet the terms of an endowment gift agreement.

Investment of Endowment Funds

Investment management of endowment funds shall be delegated by written investment management agreement to the University of North Texas Foundation, Inc. The investment management agreement shall require the UNT Foundation to invest and manage the endowment funds in accordance with the prudent person standard, and the investment of endowment funds shall mirror the UNT Foundation policy for investment of UNT Foundation endowments within the asset allocation set forth below.

Asset Allocation for Unitized Endowments

In investing unitized endowments, UNT shall require any managing entity to monitor the asset allocation on an ongoing basis, maintain the asset allocation within the tactical range shown below, review the allocation with UNT no less than annually, and provide a quarterly report in sufficient form to allow UNT to include the information in its quarterly investment report to the Board of Regents.

	<u>Strategic Target Policy Allocation</u>	<u>Tactical Range</u>
Growth Assets	53%	43 – 63%
Risk Reduction Assets	37%	30 – 44%
Inflation Protection Assets	<u>10%</u>	5 – 15%
Total	100%	

Endowments Not Unitized

Endowments that do not provide for investments in equities will not be unitized and they will receive interest and dividends on investments in fixed income securities.

Management Fees

Management fees for investment management services of endowments must be reasonable and established by written agreement.

Reporting

The performance of endowment investments will be included in and reported with the investment reports submitted each quarter to the Board of Regents. The report shall contain a summary of:

- Book value, by asset class;
- Market value, by asset class;
- Performance measures;
- Benchmarks against which to measure performance; and
- Beginning and ending market values for the quarter, with changes in market values.

References and Cross-references.

Approved: 4/9/2013

Effective: 4/9/2013

Revised: 8/2010; 4/2013

Policies of the UNT Health Science Center	Chapter 10
10.xxx Endowment Funds	Fiscal Management

Policy Statement. Endowment funds will be managed in a fiscally responsible manner to ensure compliance with legal, ethical, and contractual obligations. This policy establishes rules and guidance for the acceptance, establishment, investment, and distribution of endowment funds.

Application of Policy. Total University, including all University employees with financial, administrative, or reporting responsibilities related to endowment funds.

Definitions.

“Endowments” are investment funds established with a gift or other University funds designed to keep the core endowment principal intact to produce future income or capital gain to fund a specified purpose, including a special project, need, or ongoing operations. Endowments include the following three categories:

“Permanent endowments,” as true or pure endowments, are established and designated by a donor to be held in perpetuity. The corpus of these endowments may never be spent; however, the corpus may decline during unfavorable market conditions. Earnings and capital gains must be expended in accordance with the terms and conditions established by the donor.

“Term endowments” are established and designated by a donor to be held for a period of time and to terminate following a particular date or event. The corpus of these endowments may be expended in accordance with the terms and conditions specified by the donor. Until the designated date passes or event occurs, term endowments operate essentially like permanent endowments with expenditures made in accordance with the conditions established by the donor.

“Quasi-endowments” are established and designated by the University to be held and managed as endowments. The University administration will specify the use of the corpus and income, and set other terms and conditions relating to the fund. The University administration may change the terms and conditions of the endowment or terminate the endowment.

Procedures and Responsibilities.

Preface

Gifts are critical to UNTHSC's mission to develop and maintain quality in faculty, students, and facilities. The UNT System Board of Regents recognizes the importance of establishing policies and procedures to meet the development needs of UNTHSC and to promote and support efforts to attract private fund support. This policy establishes rules and guidelines to accept and administer endowment funds in compliance with legal, ethical, and contractual obligations to meet fiduciary and fiscal responsibilities. When this policy does not indicate the appropriate course of action, or is incomplete to cover all aspects of a specific situation, the Senior Vice President for Finance and CFO shall work with the Board of Regents Finance Committee to establish the recommended course of action.

Review and Approval

This policy shall be reviewed and approved by the Board of Regents annually.

Fiduciary Responsibility

All endowments shall be managed in a manner that supports the Board of Regents' fiduciary responsibility to comply with restrictions imposed by donors of endowment funds. All endowments shall be managed in compliance with Regents Rules 09.300 and 10.100, UNT System Regulation 08.2000, Texas Education Code, Chapter 51, Subchapter A, Sections 51.001 – 009, and, to the extent applicable, Texas Property Code, Chapter 163 (Uniform Prudent Management of Institutional Funds Act) and Chapter 117 (Uniform Prudent Investor Act).

The primary and constant standard for making investment decisions for endowment is the "Prudent Person Standard" which states that the investment manager may manage investments with "that standard of judgment and care that prudent investors, exercising reasonable care, skill, and caution, would acquire or retain in light of the purposes, terms, distribution requirements, and other circumstances of the fund then prevailing, taking into consideration the investment of all the assets of the fund rather than a single investment."

Written Instruments to Establish Endowments

A written donative instrument should be provided for establishing new endowment funds. This instrument should provide:

A statement that additions to the endowment from any other person or entity, unless prohibited, will be made subject to the provisions of the donative instrument; and

A statement that if, in the opinion of the Board of Regents, future circumstances change so that the purpose of the endowment becomes illegal, impractical, or no longer meets the needs of UNTHSC, the Board of Regents may designate an alternative use for the endowment payout to further the objectives and purposes of UNTHSC, giving consideration to the donor's special interest as evidenced by the original purpose of the endowment.

In cases where an endowment is established pursuant to a solicitation or campaign, the solicitation letter or document sent to the donor or donors may be used as the donative instrument to evidence the donative intent and purposes.

Minimum Contributions

Gifts to establish new, separate endowments must equal or exceed minimum contribution amounts and time periods set by the Board of Regents in Regents Rule 09.300.

Gifts to establish endowments for academic positions (i.e. chairs, professorships, lectureships, and fellowships) must meet the requirements of Regents Rule 09.200. In no case will an endowment for an academic position be established without prior approval of the President.

Investment Control

No endowment shall be accepted in which the donor directs the investment transactions or holdings or approves investment policy or strategy. The endowment fund shall be under the sole control of the UNT System Board of Regents.

It is the specific and strong preference of the Board of Regents that all endowment gifts be eligible for commingling for investment purposes with other endowment funds. This commingling permits enhancement of long-term investment programs, affords appropriate risk control through diversification, and provides for optimization of asset mix through time.

The financial goal for management of endowment funds is to preserve the real (i.e. inflation-adjusted) purchasing power of principal and income after accounting for endowment spending, inflation, and costs of investment management. Performance of the endowment fund against this objective is to be measured over rolling 5-year periods.

Unitization of Endowments

Commingled endowment funds, excluding endowments not permitted to be invested in equities, shall be unitized and each new endowment gift added to the fund shall receive units in the fund based upon the market value of the gift and the next-determined unit value of the fund ~~for the preceding quarter~~following the gift. The unit value of the endowment fund shall be determined at least quarterly. Income determined under the "Spending Policy for

Unitized Endowments” section below should be calculated on a unit basis for distribution purposes.

Spending Policy for Unitized Endowments

UNTHSC recognizes the need for spendable income by the beneficiaries of endowment funds. The following spending policy reflects an objective to distribute as much total return as is consistent with overall investment objectives defined herein while protecting the real value of the endowment principal.

An endowment should be excluded from the target distribution until the endowment has been established for one complete quarter.

The target distribution of spendable income to each unit of the endowment fund will be between 3 to 6 percent of the average market value of a unit of the endowment fund for the preceding 12 quarters. Unless otherwise determined by the Board of Regents Finance Committee, the target annual distribution rate shall be 4 percent of the average unit market value. Distribution shall be made quarterly, as soon as practicable, after the last calendar day of November, February, May, and August. This distribution amount shall be recalculated each quarter based on a 12 quarter rolling average. If the endowment fund is placed with a managing entity for investment under UNT System Regulation 08.2000, the calculation for distribution will mirror the managing entity’s model unless required otherwise to meet the terms of an endowment gift agreement.

Investment of Endowment Funds

Investment management of endowment funds shall be delegated by written investment management agreement to the University of North Texas Health Science Center at Fort Worth, Texas College of Osteopathic Medicine Foundation, Inc. The investment management agreement shall require the UNTHSC Foundation to invest and manage the endowment funds in accordance with the prudent person standard, and the investment of endowment funds shall mirror the UNTHSC Foundation policy for investment of UNTHSC Foundation endowments within the asset allocation set forth below.

Asset Allocation for Unitized Endowments

In investing unitized endowments, UNTHSC shall require any managing entity to monitor the asset allocation on an ongoing basis, maintain the asset allocation within the tactical range shown below, review the allocation with UNTHSC no less than annually, and provide a quarterly report in sufficient form to allow UNTHSC to include the information in its quarterly investment report to the Board of Regents.

	<u>Strategic Target Policy Allocation</u>	<u>Tactical Range</u>
Growth Assets	55%	45 - 65%

Risk Reduction Assets	45%	35 - 55%
Inflation Protection Assets	0%	0%
Total	100%	

Endowments Not Unitized

Endowments that do not provide for investments in equities will not be unitized and they will receive interest and dividends on investments in fixed income securities.

Management Fees

Management fees for investment management services of endowments must be reasonable and established by written agreement.

Reporting

The performance of endowment investments will be included in and reported with the investment reports submitted each quarter to the Board of Regents. The report shall contain a summary of:

- Book value, by asset class;
- Market value, by asset class;
- Performance measures;
- Benchmarks against which to measure performance; and
- Beginning and ending market values for the quarter, with changes in market values.

References and Cross-references.

Approved: 4/9/2013

Effective: 4/9/2013

Revised: 8/2010; 4/2013

The University of North Texas at Dallas Policy Manual	Chapter 10.000
10.006 Endowment Funds	Fiscal Management

Policy Statement. Endowment funds will be managed in a fiscally responsible manner to ensure compliance with legal, ethical, and contractual obligations. This policy establishes rules and guidance for the acceptance, establishment, investment, and distribution of endowment funds.

Application of Policy. Total University, including all University employees with financial, administrative, or reporting responsibilities related to endowment funds.

Definitions.

“Endowments” are investment funds established with a gift or other University funds designed to keep the core endowment principal intact to produce future income or capital gain to fund a specified purpose, including a special project, need, or ongoing operations. Endowments include the following three categories:

“Permanent endowments,” as true or pure endowments, are established and designated by a donor to be held in perpetuity. The corpus of these endowments may never be spent; however, the corpus may decline during unfavorable market conditions. Earnings and capital gains must be expended in accordance with the terms and conditions established by the donor.

“Term endowments” are established and designated by a donor to be held for a period of time and to terminate following a particular date or event. The corpus of these endowments may be expended in accordance with the terms and conditions specified by the donor. Until the designated date passes or event occurs, term endowments operate essentially like permanent endowments with expenditures made in accordance with the conditions established by the donor.

“Quasi-endowments” are established and designated by the University to be held and managed as endowments. The University administration will specify the use of the corpus and income, and set other terms and conditions relating to the fund. The University administration may change the terms and conditions of the endowment or terminate the endowment.

Procedures and Responsibilities.

Preface

Gifts are critical to UNT Dallas' mission to develop and maintain quality in faculty, students, and facilities. The UNT System Board of Regents recognizes the importance of establishing policies and procedures to meet the development needs of UNT Dallas and to promote and support efforts to attract private fund support. This policy establishes rules and guidelines to accept and administer endowment funds in compliance with legal, ethical, and contractual obligations to meet fiduciary and fiscal responsibilities. When this policy does not indicate the appropriate course of action, or is incomplete to cover all aspects of a specific situation, the Vice President for Finance and Administration shall work with the Board of Regents Finance Committee to establish the recommended course of action.

Review and Approval

This policy shall be reviewed and approved by the Board of Regents annually.

Fiduciary Responsibility

All endowments shall be managed in a manner that supports the Board of Regents' fiduciary responsibility to comply with restrictions imposed by donors of endowment funds. All endowments shall be managed in compliance with Regents Rules 09.300 and 10.100, UNT System Regulation 08.2000, Texas Education Code, Chapter 51, Subchapter A, Sections 51.001 – 009, and, to the extent applicable, Texas Property Code, Chapter 163 (Uniform Prudent Management of Institutional Funds Act) and Chapter 117 (Uniform Prudent Investor Act).

The primary and constant standard for making investment decisions for endowment is the "Prudent Person Standard" which states that the investment manager may manage investments with "that standard of judgment and care that prudent investors, exercising reasonable care, skill, and caution, would acquire or retain in light of the purposes, terms, distribution requirements, and other circumstances of the fund then prevailing, taking into consideration the investment of all the assets of the fund rather than a single investment."

Written Instruments to Establish Endowments

A written donative instrument should be provided for establishing new endowment funds. This instrument should provide:

A statement that additions to the endowment from any other person or entity, unless prohibited, will be made subject to the provisions of the donative instrument; and

A statement that if, in the opinion of the Board of Regents, future circumstances change so that the purpose of the endowment becomes illegal, impractical, or no longer meets the needs of UNT Dallas, the Board of Regents may designate an alternative use for the endowment payout to further the objectives and purposes of UNT Dallas, giving consideration to the donor's special interest as evidenced by the original purpose of the endowment.

In cases where an endowment is established pursuant to a solicitation or campaign, the solicitation letter or document sent to the donor or donors may be used as the donative instrument to evidence the donative intent and purposes.

Minimum Contributions

Gifts to establish new, separate endowments must equal or exceed minimum contribution amounts and time periods set by the Board of Regents in Regents Rule 09.300.

Gifts to establish endowments for academic positions (i.e. chairs, professorships, lectureships, and fellowships) must meet the requirements of Regents Rule 09.200. In no case will an endowment for an academic position be established without prior approval of the President.

Investment Control

No endowment shall be accepted in which the donor directs the investment transactions or holdings or approves investment policy or strategy. The endowment fund shall be under the sole control of the UNT System Board of Regents.

It is the specific and strong preference of the Board of Regents that all endowment gifts be eligible for commingling for investment purposes with other endowment funds. This commingling permits enhancement of long-term investment programs, affords appropriate risk control through diversification, and provides for optimization of asset mix through time.

The financial goal for management of endowment funds is to preserve the real (i.e. inflation-adjusted) purchasing power of principal and income after accounting for endowment spending, inflation, and costs of investment management. Performance of the endowment fund against this objective is to be measured over rolling 5-year periods.

Unitization of Endowments

Commingled endowment funds, excluding endowments not permitted to be invested in equities, shall be unitized and each new endowment gift added to the fund shall receive units in the fund based upon the market value of the gift and the next determined unit value of the fund following the gift. The unit value of the endowment fund shall be determined at least quarterly. Income determined under the "Spending Policy for Unitized Endowments" section below should be calculated on a unit basis for distribution purposes.

Spending Policy for Unitized Endowments

UNT Dallas recognizes the need for spendable income by the beneficiaries of endowment funds. The following spending policy reflects an objective to distribute as much total return as is consistent with overall investment objectives defined herein while protecting the real value of the endowment principal.

An endowment should be excluded from the target distribution until the endowment has been established for one complete quarter.

The target distribution of spendable income to each unit of the endowment fund will be between 3 to 6 percent of the average market value of a unit of the endowment fund for the preceding 12 quarters. Unless otherwise determined by the Board of Regents Finance Committee, the target annual distribution rate shall be 4 percent of the average unit market value. Distribution shall be made quarterly, as soon as practicable, after the last calendar day of November, February, May, and August. This distribution amount shall be recalculated each quarter based on a 12 quarter rolling average. If the endowment fund is placed with a managing entity for investment under UNT System Regulation 08.2000, the calculation for distribution will mirror the managing entity's model unless required otherwise to meet the terms of an endowment gift agreement.

Investment of Endowment Funds

Investment management of endowment funds shall be delegated by written investment management agreement to either University of North Texas at Dallas Foundation or the University of North Texas Foundation, Inc. The investment management agreement shall require the managing entity to invest and manage the endowment funds in accordance with the prudent person standard, and the investment of endowment funds shall mirror the managing entity's policy for investment of that managing entity's endowments within the asset allocation set forth below.

Asset Allocation for Unitized Endowments

In investing unitized endowments, UNT Dallas shall require any managing entity to monitor the asset allocation on an ongoing basis, maintain the asset allocation within the tactical range shown below, review the allocation with UNT Dallas no less than annually, and provide a quarterly report in sufficient form to allow UNT Dallas to include the information in its quarterly investment report to the Board of Regents.

	<u>Strategic Target Policy Allocation</u>	<u>Tactical Range</u>
Growth Assets	53%	43 – 63%
Risk Reduction Assets	37%	30 – 44%
Inflation Protection Assets	<u>10%</u>	5 – 15%
Total	100%	

Endowments Not Unitized

Endowments that do not provide for investments in equities will not be unitized and they will receive interest and dividends on investments in fixed income securities.

Management Fees

Management fees for investment management services of endowments must be reasonable and established by written agreement.

Reporting

The performance of endowment investments will be included in and reported with the investment reports submitted each quarter to the Board of Regents. The report shall contain a summary of:

- Book value, by asset class;
- Market value, by asset class;
- Performance measures;
- Benchmarks against which to measure performance; and
- Beginning and ending market values for the quarter, with changes in market values.

References and Cross-references.

Approved: 4/9/2013

Effective: 4/9/2013

Revised: 8/2010; 4/2013

University of North Texas System System Administration Policies	Chapter 4
_____ Endowment Funds	Fiscal Management

Policy Statement. Endowment funds will be managed in a fiscally responsible manner to ensure compliance with legal, ethical, and contractual obligations. This policy establishes rules and guidance for the acceptance, establishment, investment, and distribution of endowment funds.

Application of Policy. Total UNT System Administration, including all UNT System Administration employees with financial, administrative, or reporting responsibilities related to endowment funds.

Definitions.

“Endowments” are investment funds established with a gift or other UNT System funds designed to keep the core endowment principal intact to produce future income or capital gain to fund a specified purpose, including a special project, need, or ongoing operations. Endowments include the following three categories:

“Permanent endowments,” as true or pure endowments, are established and designated by a donor to be held in perpetuity. The corpus of these endowments may never be spent; however, the corpus may decline during unfavorable market conditions. Earnings and capital gains must be expended in accordance with the terms and conditions established by the donor.

“Term endowments” are established and designated by a donor to be held for a period of time and to terminate following a particular date or event. The corpus of these endowments may be expended in accordance with the terms and conditions specified by the donor. Until the designated date passes or event occurs, term endowments operate essentially like permanent endowments with expenditures made in accordance with the conditions established by the donor.

“Quasi-endowments” are established and designated by the UNT System Administration to be held and managed as endowments. The UNT System Administration will specify the use of the corpus and income, and set other terms and conditions relating to the fund. The UNT System Administration may change the terms and conditions of the endowment or terminate the endowment.

Procedures and Responsibilities.

Preface

Gifts are critical to UNT System's mission to develop and maintain quality in faculty, students, and facilities. The UNT System Board of Regents recognizes the importance of establishing policies and procedures to meet the development needs of UNT System and to promote and support efforts to attract private fund support. This policy establishes rules and guidelines to accept and administer endowment funds in compliance with legal, ethical, and contractual obligations to meet fiduciary and fiscal responsibilities. When this policy does not indicate the appropriate course of action, or is incomplete to cover all aspects of a specific situation, the Vice Chancellor for Finance shall work with the Board of Regents Finance Committee to establish the recommended course of action.

Review and Approval

This policy shall be reviewed and approved by the Board of Regents annually.

Fiduciary Responsibility

All endowments shall be managed in a manner that supports the Board of Regents' fiduciary responsibility to comply with restrictions imposed by donors of endowment funds. All endowments shall be managed in compliance with Regents Rules 09.300 and 10.100, UNT System Regulation 08.2000, Texas Education Code, Chapter 51, Subchapter A, Sections 51.001 – 009, and, to the extent applicable, Texas Property Code, Chapter 163 (Uniform Prudent Management of Institutional Funds Act) and Chapter 117 (Uniform Prudent Investor Act).

The primary and constant standard for making investment decisions for endowment is the "Prudent Person Standard" which states that the investment manager may manage investments with "that standard of judgment and care that prudent investors, exercising reasonable care, skill, and caution, would acquire or retain in light of the purposes, terms, distribution requirements, and other circumstances of the fund then prevailing, taking into consideration the investment of all the assets of the fund rather than a single investment."

Written Instruments to Establish Endowments

A written donative instrument should be provided for establishing new endowment funds. This instrument should provide:

A statement that additions to the endowment from any other person or entity, unless prohibited, will be made subject to the provisions of the donative instrument; and

A statement that if, in the opinion of the Board of Regents, future circumstances change so that the purpose of the endowment becomes illegal, impractical, or no longer meets the needs of UNT System, the Board of Regents may designate an alternative use for the endowment payout to further the objectives and purposes of UNT System, giving consideration to the donor's special interest as evidenced by the original purpose of the endowment.

In cases where an endowment is established pursuant to a solicitation or campaign, the solicitation letter or document sent to the donor or donors may be used as the donative instrument to evidence the donative intent and purposes.

Minimum Contributions

Gifts to establish new, separate endowments must equal or exceed minimum contribution amounts and time periods set by the Board of Regents in Regents Rule 09.300.

Gifts to establish endowments for academic positions (i.e. chairs, professorships, lectureships, and fellowships) must meet the requirements of Regents Rule 09.200. In no case will an endowment for an academic position be established without prior approval of the Chancellor.

Investment Control

No endowment shall be accepted in which the donor directs the investment transactions or holdings or approves investment policy or strategy. The endowment fund shall be under the sole control of the UNT System Board of Regents.

It is the specific and strong preference of the Board of Regents that all endowment gifts be eligible for commingling for investment purposes with other endowment funds. This commingling permits enhancement of long-term investment programs, affords appropriate risk control through diversification, and provides for optimization of asset mix through time.

The financial goal for management of endowment funds is to preserve the real (i.e. inflation-adjusted) purchasing power of principal and income after accounting for endowment spending, inflation, and costs of investment management. Performance of the endowment fund against this objective is to be measured over rolling 5-year periods.

Unitization of Endowments

Commingled endowment funds, excluding endowments not permitted to be invested in equities, shall be unitized and each new endowment gift added to the fund shall receive units in the fund based upon the market value of the gift and the unit value of the fund for the preceding quarter. The unit value of the endowment fund shall be determined at least quarterly. Income determined under the "Spending Policy for Unitized Endowments" section below should be calculated on a unit basis for distribution purposes.

Spending Policy for Unitized Endowments

UNT System Administration recognizes the need for spendable income by the beneficiaries of endowment funds. The following spending policy reflects an objective to distribute as much total return as is consistent with overall investment objectives defined herein while protecting the real value of the endowment principal.

An endowment should be excluded from the target distribution until the endowment has been established for one complete quarter.

The target distribution of spendable income to each unit of the endowment fund will be between 3 to 6 percent of the average market value of a unit of the endowment fund for the preceding 12 quarters. Unless otherwise determined by the Board of Regents Finance Committee, the target annual distribution rate shall be 4 percent of the average unit market value. Distribution shall be made quarterly, as soon as practicable, after the last calendar day of November, February, May, and August. This distribution amount shall be recalculated each quarter based on a 12 quarter rolling average. If the endowment fund is placed with a managing entity for investment under UNT System Regulation 08.2000, the calculation for distribution will mirror the managing entity's model unless required otherwise to meet the terms of an endowment gift agreement.

Investment of Endowment Funds

Investment management of endowment funds shall be delegated by written investment management agreement to the University of North Texas Foundation, Inc. The investment management agreement shall require the UNT Foundation to invest and manage the endowment funds in accordance with the prudent person standard, and the investment of endowment funds shall mirror the UNT Foundation policy for investment of UNT Foundation endowments within the asset allocation set forth below.

Asset Allocation for Unitized Endowments

In investing unitized endowments, UNT System Administration shall require any managing entity to monitor the asset allocation on an ongoing basis, maintain the asset allocation within the tactical range shown below, review the allocation with UNT System Administration no less than annually, and provide a quarterly report in sufficient form to allow UNT System Administration to include the information in its quarterly investment report to the Board of Regents.

	Strategic Target Policy Allocation	Tactical Range
Growth Assets	53%	43 – 63%
Risk Reduction Assets	37%	30 – 44%
Inflation Protection Assets	10%	5 – 15%

Endowments Not Unitized

Endowments that do not provide for investments in equities will not be unitized and they will receive interest and dividends on investments in fixed income securities.

Management Fees

Management fees for investment management services of endowments must be reasonable and established by written agreement.

Reporting

The performance of endowment investments will be included in and reported with the investment reports submitted each quarter to the Board of Regents. The report shall contain a summary of:

- Book value, by asset class;
- Market value, by asset class;
- Performance measures;
- Benchmarks against which to measure performance; and
- Beginning and ending market values for the quarter, with changes in market values.

References and Cross-references.

Texas Education Code, Chapter 51, Subchapter A, §§ 51.001 – 009

Texas Property Code, Chapter 163 (Uniform Prudent Management of Institutional Funds Act)

Texas Property Code, Chapter 117 (Uniform Prudent Investor Act)

Regents Rule 09.300

Regents Rule 10.100

UNT System Regulation 08.2000

Approved:

Effective:



Board Briefing

Committee: Finance

Date Filed: June 21, 2013

Title: Authorization for UNT System to Enter into a Multi-Year Contract with the HUB International Insurance Brokerage Firm

Background:

The State Office of Risk Management (SORM) is designated as the official insurance purchaser for state agencies by state law. State agencies that wish to obtain insurance are required to purchase it through SORM if SORM offers an insurance program that covers the risk being insured unless the agency grants an exception to its purchasing rule. SORM currently offers three lines of insurance through the Statewide Insurance Program: Business Auto, Directors & Officers/Employment Practices Liability, and Commercial Property. UNTS purchases Directors & Officers/Employment Practices Liability and Property insurance through SORM, but was granted an exception to purchase Business Auto coverage through its insurance broker. The broker is used when procuring all other lines of insurance.

The broker accesses the worldwide insurance marketplace to secure optimal coverage for UNTS exposures. In September 2008, with Board approval, UNTS entered into a multi-year contract with Hub International to act as the System's insurance broker. The initial term of this contract was for three years and it was extended three additional years (six years total). The current contract expires on August 31, 2013.

A Request for Proposal (RFP) was issued in March 2013 in accordance with the State-mandated bid process to solicit proposals from interested brokerage firms. A committee representing the UNT Finance Office, UNT Risk Management Services, and the UNT System Business Services Center evaluated the responses received. After careful review, the committee determined that Hub International, the incumbent broker, continues to offer the best value for the System.

Hub International estimates that 23.6% of the UNTS account will be subcontracted to Historically Underutilized Businesses.

The new contract will be for six years, beginning September 1, 2013, and includes four, one-year contract extension options that can be exercised at the discretion of UNTS. A multi-year contract gives the broker an opportunity to fully understand the System and

to develop a customized insurance program for UNTS based on knowledge of market trends and pricing.

Financial Analysis/History:

UNTS pays no direct commissions to the broker; however, the broker does receive commission from the insurers. UNTS purchases an average of 16 policies through its broker each year at an average commission rate of 11%. In FY 2013, the broker received \$69,688 in commissions from the insurers of the policies placed. The broker also is responsible for securing student health insurance plans for the component campuses. These plans are purchased individually by students with the commission arrangement negotiated between insurer and broker.

J. Carlos Hernandez

Digitally signed by J. Carlos Hernandez
DN: cn=J. Carlos Hernandez, o=VP for
Finance and Administration, ou=VPFA/
CFO, email=carlos.hernandez@unt.edu,
c=US
Date: 2013.08.06 11:46:16 -05'00'

Institution Chief Financial Officer

Andrew M. Harris

Digitally signed by Andrew M. Harris
DN: cn=Andrew M. Harris, o=University of
North Texas, ou=VP for Finance and
Administration,
email=Andrew.Harris@unt.edu, c=US
Date: 2013.08.06 11:56:02 -05'00'

Institution Chief Financial Officer

John A. Harman

Digitally signed by John A. Harman
DN: cn=John A. Harman,
o=UNTHSC, ou=Finance,
email=john.harman@unthsc.edu,
c=US
Date: 2013.08.06 14:25:07 -05'00'

Institution Chief Financial Officer

Allen Clemson

Digitally signed by Allen Clemson
DN: cn=Allen Clemson, o=System, ou=UNTS,
email=allen.clemson@untssystem.edu, c=US
Date: 2013.08.06 15:54:06 -05'00'

Interim Vice Chancellor for Finance

Legal Review:

This item has been reviewed by General Counsel.

Nancy S. Footer

Digitally signed by Nancy S. Footer
DN: cn=Nancy S. Footer, ou=UNT System, ou=Office of
General Counsel, email=nancy.footer@untssystem.edu, c=US
Date: 2013.08.07 12:50:36 -05'00'

Vice Chancellor/General Counsel

Schedule:

Effective immediately upon Board approval.

Recommendation:

It is recommended that the Board of Regents authorize and approve the following Board Order.

Recommended By:

Doug Welch

Director, Risk Management Svcs.

Chancellor



Board Order

Title: Authorization for UNT System to Enter into a Multi-Year Contract with the HUB International Insurance Brokerage Firm

Board of Regents Order 2013-69

At an official meeting of the Board of Regents of the University of North Texas System properly posted and held on Aug 15, 2013, pursuant to a motion made by Regent and seconded by Regent _____, the Board approved the motion presented below:

Whereas, the contract with the current vendor for insurance broker services will expire on August 31, 2013, and

Whereas, the University of North Texas System has solicited proposals for such services, and

Whereas, three (3) bid responses were received from which Hub International was selected as the best value,

Now, Therefore, The Board of Regents authorizes and approves the following:

1. The selection of Hub International as the brokerage firm to provide insurance services to the University of North Texas System for fiscal years 2014-2019, with the option to continue engaging Hub International annually for a maximum of four, one-year terms following the initial six-year period.
2. The Chancellor or his designee to negotiate and execute a contract with Hub International.

VOTE: _____ ayes _____ nays _____ abstentions

BOARD ACTION:

Attested By:

Approved By:

Julia A. Boyce, Secretary
Board of Regents

Chairman
Board of Regents



Board Briefing

Committee: Finance

Date Filed: June 19, 2013

Title: Sixteenth Supplemental Resolution to the Master Resolution Authorizing the Issuance, Sale, and Delivery of Board of Regents of the University of North Texas System Revenue Financing System, in One or More Series, and Approving and Authorizing Instruments and Procedures Relating Thereto

Background:

The University of North Texas System wishes to utilize general authority under its Revenue Financing System to assess the ongoing status of construction projects and sell bonds to finance any or all of the following projects:

Projects utilizing interim financing (commercial paper) and requiring long term debt support:

Football Stadium at UNT (\$30,000,000). The proposed project budget for the UNT football stadium was set at an amount not to exceed \$78 million. The University of North Texas System previously issued \$48 million with the Series 2009A bond issue. The remaining \$30 million in cost was financed using commercial paper which may remain outstanding in CP or be converted to long term debt.

System Building (\$29,600,000). At the May 2010 Board of Regents meeting an order was approved establishing a project budget not to exceed \$35 million for the renovation of the System Building. Funding for this project is a combination of cash, interim financing during construction with commercial paper and permanent funding with system bonds.

Union construction and renovation at UNT (\$137,100,000). The Board approved a project budget for this in an amount not to exceed \$137,100,000. The University of North Texas will utilize cash and the System will issue an amount of commercial paper that will not cause us to exceed the available balance of short term debt policy limitation of \$100,000,000 and long-term bonds in one or more issuances (series) for the final funding of this project.

Residence Hall at UNT (\$31,000,000). At the May 2013 Board of Regents meeting an order authorizing the planning of a UNT residence hall was approved. Market studies, financial analysis, programming and cost estimating were used to support the goal of opening some portion of the new facilities by 2015. The funding for this project will be available commercial paper during construction with long term financing up on its completion and or occupancy.

Refunding of Outstanding Bonds.

From time to time market conditions warrant the refunding of outstanding bonds that lower debt payment. Over the last several months we have seen changing market conditions that would have supported refunding a combination of TRBs and RFS debt. For example, using current market data for \$30,000,000 of the below listed potential refunding debt we could obtain a net present value savings in the 5% to 7% range.

Proposed New Money Projects and Potential Refunding:

New Projects:	TRB	RFS	Total	THECB 10% max
Union Renovation & Expansion		\$137,100,000	\$137,100,000	\$150,810,000
Stadium		30,000,000	30,000,000	33,000,000
Residence Hall		31,000,000	31,000,000	34,100,000
System Building Renovation		29,600,000	<u>29,600,000</u>	<u>32,560,000</u>
Subtotal New Money:			<u>\$227,700,000</u>	<u>\$250,470,000</u>
Potential Refunding:				
Taxable				
Series 2005	22,180,000	11,330,000	33,510,000	
Tax-exempt				
Series 2003A	6,185,000		6,185,000	
Series 2005	11,595,000	5,920,000	17,515,000	
Series 2007		29,895,000	29,895,000	
Series 2009A	5,450,000	5,430,000	10,880,000	
Series 2009	12,565,000		<u>12,565,000</u>	
Subtotal Potential Refunding:			<u>\$110,550,000</u>	
Estimated Financing Costs:				
Underwriter Discount, costs of issuance, potential capitalized interest			<u>33,825,000</u>	<u>36,102,000</u>
Total			\$372,075,000	\$397,122,000
Round up			\$380,000,000	\$415,000,000

Short Term vs. Long Term Debt

The System has \$44,422,000 in outstanding commercial paper with \$28,000,000 being used to fund the UNT Stadium, \$11,000,000 for interim financing for the System Building Renovation, and the balance for UNT property and equipment. The total amount of commercial paper that is available to be used is capped, by System policy, at an

aggregate of \$100,000,000. The balance of \$55,500,000 in remaining commercial paper capacity is programmed for the remaining interim construction financing for the System Building Renovation (\$18,600,000), with the balance addressing the UNT Union as well as the UNT Housing project.

Financial Analysis/History:

Upon receiving necessary State regulatory approvals, the University of North Texas System request Board approval to issue taxable or tax-exempt short and or long term bonds in one or more series maturing no later than April 15, 2051 to fund the projects described above.

The System also requests the authority to refund that portion of currently outstanding bonds that based on market conditions present an opportunity to reduce debt service costs. The net present value of the aggregate savings shall be at least 3% before refunding will be pursued. (We are not proposing to extend the maturities on any of the refundings)

If the resolution is approved by the Board of Regents, the University of North Texas System would have the authority to issue an aggregate amount not to exceed \$415,000,000 of Revenue Financing bonds in one or more series over the next 12 months to finance the new money projects totaling \$250,470,000 (including a 10% allowance, as per Coordinating Board approval and rules) and the refinancing of the potential \$110,550,000 "Refunding Bonds", plus capitalized interest, issuance costs, bond underwriter fees and other costs of issuance total approximately \$36,102,000.

Allen Clemson Digitally signed by Allen Clemson
DN: cn=Allen Clemson, o=System, ou=UNTS,
email=allen.clemson@untsystem.edu, c=US
Date: 2013.08.06 15:56:14 -05'00'

Interim Vice Chancellor for Finance

Legal Review:

This item has been reviewed by General Counsel.

Nancy S. Footer Digitally signed by Nancy S. Footer
DN: cn=Nancy S. Footer, o=UNT System, ou=Office of General
Counsel, email=nancy.footer@untsystem.edu, c=US
Date: 2013.08.07 12:30:32 -05'00'

Vice Chancellor/General Counsel

Schedule:

Effective upon approval by the Board of Regents.

Recommendation:

It is recommended that the Board of Regents approve the attached Sixteenth Supplemental Resolution.

Recommended By:

Allen Clemson

Interim Vice Chancellor for Finance

Chancellor

Attachments:

- [Sixteenth Supplemental Resolution](#)



Board Order

Title: Sixteenth Supplemental Resolution to the Master Resolution Authorizing the Issuance, Sale, and Delivery of Board of Regents of the University of North Texas System Revenue Financing System, in One or More Series, and Approving and Authorizing Instruments and Procedures Relating Thereto

Board of Regents Order 2013-70

At an official meeting of the Board of Regents of the University of North Texas System properly posted and held on Aug 15, 2013, pursuant to a motion made by Regent and seconded by Regent _____, the Board approved the motion presented below:

Whereas, the University of North Texas System wishes to proceed with selling bonds to provide the long term financing for projects previously approved by the Board of Regents of the UNT System, and

Whereas, the University of North Texas System wishes to consider refinancing Taxable or Tax-Exempt Bond Series XXXX using proceeds from Bonds issued under the Revenue Financing System, and

Whereas, the resolution would authorize the Vice Chancellor for Finance for the University of North Texas System to negotiate (whether by competitive sales, by negotiated sale, or both) the sale of the Bonds for a period ending August 31, 2014 and in an amount not to exceed \$415,000,000, which amount included (i) bond underwriter fees, (ii) capitalized interest, and (iii) other issuance costs, and

Whereas, the resolution would authorize the Vice Chancellor for Finance for the University of North Texas System to sell the Bonds in one or more series, to enable the UNT System to maximize its opportunities to sell the Bonds in the municipal public debt markets,

Whereas, the resolution would authorize that the commercial paper plus interest payment and fees would be refunded by the issuance of the bonds and other proceeds,

Now, Therefore, The Board of Regents authorizes and approves the following:

1. The attached Sixteenth Supplemental Resolution to the Master Resolution authorizing the issuance, sale, and delivery of the Board of Regents of North Texas System Revenue Financing System, in one or more series; and approving and authorizing instruments and procedures relating thereto.

VOTE: _____ ayes _____ nays _____ abstentions

BOARD ACTION:

Attested By:

Approved By:

Julia A. Boyce, Secretary
Board of Regents

Chairman
Board of Regents

SIXTEENTH SUPPLEMENTAL RESOLUTION TO THE MASTER RESOLUTION AUTHORIZING THE ISSUANCE, SALE, AND DELIVERY OF BOARD OF REGENTS OF THE UNIVERSITY OF NORTH TEXAS SYSTEM REVENUE FINANCING SYSTEM BONDS, IN ONE OR MORE SERIES; AND APPROVING AND AUTHORIZING INSTRUMENTS AND PROCEDURES RELATING THERETO

SIXTEENTH SUPPLEMENTAL RESOLUTION TO THE MASTER
RESOLUTION AUTHORIZING THE ISSUANCE, SALE, AND DELIVERY OF
BOARD OF REGENTS OF THE UNIVERSITY OF NORTH TEXAS SYSTEM
REVENUE FINANCING SYSTEM BONDS, IN ONE OR MORE SERIES; AND
APPROVING AND AUTHORIZING INSTRUMENTS AND PROCEDURES
RELATING THERETO

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SIXTEENTH SUPPLEMENTAL RESOLUTION TO THE MASTER RESOLUTION AUTHORIZING THE ISSUANCE, SALE, AND DELIVERY OF BOARD OF REGENTS OF THE UNIVERSITY OF NORTH TEXAS SYSTEM REVENUE FINANCING SYSTEM, IN ONE OR MORE SERIES; AND APPROVING AND AUTHORIZING INSTRUMENTS AND PROCEDURES RELATING THERETO

WHEREAS, on February 12, 1999, the Board adopted the "*Amended and Restated Master Resolution Establishing the Revenue Financing System Under the Authority and Responsibility of the Board of Regents of the University of North Texas*" (referred to herein as the "Master Resolution"); and

WHEREAS, the Board heretofore has adopted a "**FIRST SUPPLEMENTAL RESOLUTION TO THE MASTER RESOLUTION AUTHORIZING THE ISSUANCE, SALE, AND DELIVERY OF BOARD OF REGENTS OF THE UNIVERSITY OF NORTH TEXAS REVENUE FINANCING SYSTEM BONDS, SERIES 1997; AND APPROVING AND AUTHORIZING INSTRUMENTS AND PROCEDURES RELATING THERETO**" (defined as the "First Supplement") and pursuant to the First Supplement issued its "**BOARD OF REGENTS OF THE UNIVERSITY OF NORTH TEXAS REVENUE FINANCING SYSTEM BONDS, SERIES 1997**" in the aggregate principal amount of \$4,380,000 as Parity Obligations under the terms of the Master Resolution; and

WHEREAS, the Board heretofore has adopted a "**SECOND SUPPLEMENTAL RESOLUTION TO THE MASTER RESOLUTION AUTHORIZING THE ISSUANCE, SALE, AND DELIVERY OF BOARD OF REGENTS OF THE UNIVERSITY OF NORTH TEXAS REVENUE FINANCING SYSTEM REFUNDING AND IMPROVEMENT BONDS, SERIES 1999; AND APPROVING AND AUTHORIZING INSTRUMENTS AND PROCEDURES RELATING THERETO**" (defined as the "Second Supplement"); and

WHEREAS, the Second Supplement delegated to a designated Pricing Committee the authority to sell bonds under the terms of the Second Supplement, and pursuant to the terms of the Second Supplement the Pricing Committee authorized the sale, and the Board issued its "**BOARD OF REGENTS OF THE UNIVERSITY OF NORTH TEXAS REVENUE FINANCING SYSTEM BONDS, SERIES 1999**" in the aggregate principal amount of \$32,540,000 as Parity Obligations under the terms of the Master Resolution; and

WHEREAS, the Board heretofore has adopted a "**THIRD SUPPLEMENTAL RESOLUTION TO THE MASTER RESOLUTION AUTHORIZING THE ISSUANCE, SALE, AND DELIVERY OF BOARD OF REGENTS OF THE UNIVERSITY OF NORTH TEXAS REVENUE FINANCING SYSTEM REFUNDING AND IMPROVEMENT BONDS, SERIES 1999-A; AND APPROVING AND AUTHORIZING INSTRUMENTS AND PROCEDURES RELATING THERETO**" (defined as the "Third Supplement"); and

WHEREAS, the Third Supplement delegated to a designated Pricing Committee the authority to sell bonds under the terms of the Third Supplement, and pursuant to the terms of the Third Supplement the Pricing Committee authorized the sale, and the Board issued its "**BOARD OF REGENTS OF THE UNIVERSITY OF NORTH TEXAS REVENUE FINANCING SYSTEM REFUNDING AND IMPROVEMENT BONDS, SERIES 1999-A**" in the aggregate principal amount of \$15,535,000 as Parity Obligations under the terms of the Master Resolution; and

WHEREAS, the Board heretofore has adopted a "**FOURTH SUPPLEMENTAL RESOLUTION TO THE MASTER RESOLUTION AUTHORIZING THE ISSUANCE, SALE, AND DELIVERY OF BOARD OF REGENTS OF THE UNIVERSITY OF NORTH TEXAS REVENUE FINANCING SYSTEM BONDS, SERIES 2001; AND APPROVING AND AUTHORIZING INSTRUMENTS AND PROCEDURES RELATING THERETO**" (defined as the "Fourth Supplement"); and

WHEREAS, the Fourth Supplement delegated to a designated Pricing Committee the authority to sell bonds under the terms of the Fourth Supplement, and pursuant to the terms of the Fourth Supplement the Pricing Committee authorized the sale, and the Board issued its "**BOARD OF REGENTS OF THE UNIVERSITY OF NORTH TEXAS REVENUE FINANCING SYSTEM BONDS, SERIES 2001**" in the aggregate principal amount of \$33,860,000 as Parity Obligations under the terms of the Master Resolution; and

WHEREAS, the Board heretofore has adopted a "**FIFTH SUPPLEMENTAL RESOLUTION TO THE MASTER RESOLUTION AUTHORIZING THE ISSUANCE, SALE, AND DELIVERY OF BOARD OF REGENTS OF THE UNIVERSITY OF NORTH TEXAS REVENUE FINANCING SYSTEM BONDS, SERIES 2002; AND APPROVING AND AUTHORIZING INSTRUMENTS AND PROCEDURES RELATING THERETO**" (defined as the "Fifth Supplement"); and

WHEREAS, the Fifth Supplement delegated to a designated Pricing Committee the authority to sell bonds under the terms of the Fifth Supplement, and pursuant to the terms of the Fifth Supplement the Pricing Committee authorized the sale, and the Board issued its "**BOARD OF REGENTS OF THE UNIVERSITY OF NORTH TEXAS REVENUE FINANCING SYSTEM BONDS, SERIES 2002**" in the aggregate principal amount of \$63,470,000 as Parity Obligations under the terms of the Master Resolution; and

WHEREAS, the Board heretofore has adopted a "**SIXTH SUPPLEMENTAL RESOLUTION TO THE MASTER RESOLUTION AUTHORIZING THE ISSUANCE, SALE, AND DELIVERY OF BOARD OF REGENTS OF THE UNIVERSITY OF NORTH TEXAS REVENUE FINANCING SYSTEM BONDS, SERIES 2002A; AND APPROVING AND AUTHORIZING INSTRUMENTS AND PROCEDURES RELATING THERETO**" (defined as the "Sixth Supplement"); and

WHEREAS, the Sixth Supplement delegated to the Vice Chancellor for Finance for the University System the authority to sell bonds under the terms of the Sixth Supplement, and pursuant to the terms of the Sixth Supplement the Vice Chancellor for Finance for the University System authorized the sale, and the Board issued its "**BOARD OF REGENTS OF THE UNIVERSITY OF**

NORTH TEXAS REVENUE FINANCING SYSTEM BONDS, SERIES 2002A" in the aggregate principal amount of \$9,500,000 as Parity Obligations under the terms of the Master Resolution; and

WHEREAS, the Board heretofore has adopted a **"SEVENTH SUPPLEMENTAL RESOLUTION TO THE MASTER RESOLUTION AUTHORIZING THE ISSUANCE, SALE, AND DELIVERY OF BOARD OF REGENTS OF THE UNIVERSITY OF NORTH TEXAS REVENUE FINANCING SYSTEM BONDS, SERIES 2003; AND APPROVING AND AUTHORIZING INSTRUMENTS AND PROCEDURES RELATING THERETO"** (defined as the "Seventh Supplement"); and

WHEREAS, the Seventh Supplement delegated to a designated Pricing Committee the authority to sell bonds under the terms of the Seventh Supplement, and pursuant to the terms of the Seventh Supplement the Pricing Committee authorized the sale, and the Board issued its **"BOARD OF REGENTS OF THE UNIVERSITY OF NORTH TEXAS REVENUE FINANCING SYSTEM BONDS, SERIES 2003"** in the aggregate principal amount of \$31,180,000 as Parity Obligations under the terms of the Master Resolution; and

WHEREAS, the Board heretofore has adopted an **"EIGHTH SUPPLEMENTAL RESOLUTION TO THE MASTER RESOLUTION AUTHORIZING THE ISSUANCE, SALE, AND DELIVERY OF BOARD OF REGENTS OF THE UNIVERSITY OF NORTH TEXAS REVENUE FINANCING SYSTEM REFUNDING BONDS, SERIES 2003A; AND APPROVING AND AUTHORIZING INSTRUMENTS AND PROCEDURES RELATING THERETO"** (defined as the "Eighth Supplement"); and

WHEREAS, the Eighth Supplement delegated to the Vice Chancellor for Finance for the University System the authority to sell bonds under the terms of the Eighth Supplement, and pursuant to the terms of the Eighth Supplement the Vice Chancellor for Finance for the University System effected the sale, and the Board issued its **"BOARD OF REGENTS OF THE UNIVERSITY OF NORTH TEXAS REVENUE FINANCING SYSTEM REFUNDING BONDS, SERIES 2003A"** in the aggregate principal amount of \$6,185,000 as Parity Obligations under the terms of the Master Resolution; and

WHEREAS, the Board heretofore has adopted a **"NINTH SUPPLEMENTAL RESOLUTION TO THE MASTER RESOLUTION AUTHORIZING THE ISSUANCE, SALE, AND DELIVERY OF BOARD OF REGENTS OF THE UNIVERSITY OF NORTH TEXAS REVENUE FINANCING SYSTEM BONDS, TAXABLE SERIES 2003B; AND APPROVING AND AUTHORIZING INSTRUMENTS AND PROCEDURES RELATING THERETO"** (defined as the "Ninth Supplement"); and

WHEREAS, the Ninth Supplement delegated to the Vice Chancellor for Finance for the University System the authority to sell bonds under the terms of the Ninth Supplement, and pursuant to the terms of the Ninth Supplement the Vice Chancellor for Finance for the University System effected the sale, and the Board issued its **"BOARD OF REGENTS OF THE UNIVERSITY OF**

NORTH TEXAS REVENUE FINANCING SYSTEM BONDS, TAXABLE SERIES 2003B in the aggregate principal amount of \$4,980,000 as Parity Obligations under the terms of the Master Resolution; and

WHEREAS, the Board heretofore has adopted an **"AMENDED AND RESTATED TENTH SUPPLEMENTAL RESOLUTION TO THE MASTER RESOLUTION ESTABLISHING THE REVENUE FINANCING SYSTEM COMMERCIAL PAPER PROGRAM, AUTHORIZING THE ISSUANCE OF TAX-EXEMPT AND TAXABLE COMMERCIAL PAPER NOTES; AND APPROVING AND AUTHORIZING INSTRUMENTS AND PROCEDURES RELATING THERETO"** (defined as the "Tenth Supplement") and pursuant to the Tenth Supplement to the Master Resolution has the authority to issue from time to time and at any one time outstanding up to \$100,000,000 in aggregate principal amount of its commercial paper notes as Parity Obligations under the terms of the Master Resolution; and

WHEREAS, the Board heretofore has adopted an **"ELEVENTH SUPPLEMENTAL RESOLUTION TO THE MASTER RESOLUTION AUTHORIZING THE ISSUANCE, SALE, AND DELIVERY OF BOARD OF REGENTS OF THE UNIVERSITY OF NORTH TEXAS SYSTEM REVENUE FINANCING SYSTEM REFUNDING AND IMPROVEMENT BONDS, SERIES 2005; AND APPROVING AND AUTHORIZING INSTRUMENTS AND PROCEDURES RELATING THERETO"** (defined as the "Eleventh Supplement"); and

WHEREAS, the Eleventh Supplement delegated to the Vice Chancellor for Finance for the University System the authority to sell bonds under the terms of the Eleventh Supplement, and pursuant to the terms of the Eleventh Supplement the Vice Chancellor for Finance for the University System effected the sale, and the Board issued its ***"BOARD OF REGENTS OF THE UNIVERSITY OF NORTH TEXAS REVENUE FINANCING SYSTEM REFUNDING AND IMPROVEMENT BONDS, SERIES 2005"*** in the aggregate principal amount of \$76,795,000 as Parity Obligations under the terms of the Master Resolution; and

WHEREAS, the Board heretofore has adopted a **"TWELFTH SUPPLEMENTAL RESOLUTION TO THE MASTER RESOLUTION AUTHORIZING THE ISSUANCE, SALE, AND DELIVERY OF BOARD OF REGENTS OF THE UNIVERSITY OF NORTH TEXAS SYSTEM REVENUE FINANCING SYSTEM, SERIES 2006; AND APPROVING AND AUTHORIZING INSTRUMENTS AND PROCEDURES RELATING THERETO"** (defined as the "Twelfth Supplement"); and

WHEREAS, the Twelfth Supplement delegated to the Vice Chancellor for Finance for the University System the authority to sell bonds under the terms of the Twelfth Supplement, and pursuant to the terms of the Twelfth Supplement the Vice Chancellor for Finance for the University System effected the sale, and the Board issued its ***"BOARD OF REGENTS OF THE UNIVERSITY OF NORTH TEXAS REVENUE FINANCING SYSTEM REFUNDING AND IMPROVEMENT BONDS, SERIES 2007"*** in the aggregate principal amount of \$56,050,000 as Parity Obligations under the terms of the Master Resolution; and

WHEREAS, the Board heretofore has adopted a **"THIRTEENTH SUPPLEMENTAL RESOLUTION TO THE MASTER RESOLUTION AUTHORIZING THE ISSUANCE,**

SALE, AND DELIVERY OF BOARD OF REGENTS OF THE UNIVERSITY OF NORTH TEXAS SYSTEM REVENUE FINANCING SYSTEM, SERIES 2009; AND APPROVING AND AUTHORIZING INSTRUMENTS AND PROCEDURES RELATING THERETO" (defined as the "Thirteenth Supplement"); and

WHEREAS, the Thirteenth Supplement delegated to the Vice Chancellor for Finance for the University System the authority to sell bonds under the terms of the Thirteenth Supplement, and pursuant to the terms of the Thirteenth Supplement the Vice Chancellor for Finance for the University System effected the sale, and the Board issued its "**BOARD OF REGENTS OF THE UNIVERSITY OF NORTH TEXAS REVENUE FINANCING SYSTEM BONDS, SERIES 2009**" in the aggregate principal amount of \$38,650,000 as Parity Obligations under the terms of the Master Resolution; and

WHEREAS, the Board heretofore has adopted a "**FOURTEENTH SUPPLEMENTAL RESOLUTION TO THE MASTER RESOLUTION AUTHORIZING THE ISSUANCE, SALE, AND DELIVERY OF BOARD OF REGENTS OF THE UNIVERSITY OF NORTH TEXAS SYSTEM REVENUE FINANCING SYSTEM BONDS, IN ONE OR MORE SERIES; AND APPROVING AND AUTHORIZING INSTRUMENTS AND PROCEDURES RELATING THERETO**" (defined as the "Fourteenth Supplement"); and

WHEREAS, the Fourteenth Supplement delegated to the Vice Chancellor for Finance for the University System the authority to sell bonds under the terms of the Fourteenth Supplement, and pursuant to the terms of the Fourteenth Supplement the Vice Chancellor for Finance for the University System effected the sale, and the Board issued its "**BOARD OF REGENTS OF THE UNIVERSITY OF NORTH TEXAS SYSTEM REVENUE FINANCING SYSTEM BONDS, SERIES 2009A**" in the aggregate principal amount of \$159,310,000, its "**BOARD OF REGENTS OF THE UNIVERSITY OF NORTH TEXAS SYSTEM REVENUE FINANCING SYSTEM REFUNDING BONDS, SERIES 2009B**" in the aggregate principal amount of \$15,800,000, and its "**BOARD OF REGENTS OF THE UNIVERSITY OF NORTH TEXAS SYSTEM REVENUE FINANCING SYSTEM REFUNDING BONDS, SERIES 2010**" in the aggregate principal amount of \$57,625,000, as Parity Obligations under the terms of the Master Resolution; and

WHEREAS, on August 19, 2010, the Board adopted a "**FIFTEENTH SUPPLEMENTAL RESOLUTION TO THE MASTER RESOLUTION AUTHORIZING THE ISSUANCE, SALE, AND DELIVERY OF BOARD OF REGENTS OF THE UNIVERSITY OF NORTH TEXAS SYSTEM REVENUE FINANCING SYSTEM BONDS, IN ONE OR MORE SERIES; AND APPROVING AND AUTHORIZING INSTRUMENTS AND PROCEDURES RELATING THERETO**" (the "2010 Fifteenth Supplement"); and

WHEREAS, the authority delegated to the Vice Chancellor for Finance for the University System to effect the sale of all or any portion of the bonds authorized to be sold pursuant to the terms of the 2010 Fifteenth Supplement expired on August 31, 2011; and

WHEREAS, the authority so delegated was not be exercised on or before August 31, 2011, and the 2010 Fifteenth Supplement was of no force and effect; and

WHEREAS, on August 18, 2011, the Board adopted a "**RESTATED FIFTEENTH SUPPLEMENTAL RESOLUTION TO THE MASTER RESOLUTION AUTHORIZING THE ISSUANCE, SALE, AND DELIVERY OF BOARD OF REGENTS OF THE UNIVERSITY OF NORTH TEXAS SYSTEM REVENUE FINANCING SYSTEM BONDS, IN ONE OR MORE SERIES; AND APPROVING AND AUTHORIZING INSTRUMENTS AND PROCEDURES RELATING THERETO**" (defined as the "Fifteenth Supplement"); and

WHEREAS, the Fifteenth Supplement delegated to the Vice Chancellor for Finance for the University System the authority to sell bonds under the terms of the Fifteenth Supplement, and pursuant to the terms of the Fifteenth Supplement the Vice Chancellor for Finance for the University System effected the sale, and the Board issued its "**BOARD OF REGENTS OF THE UNIVERSITY OF NORTH TEXAS SYSTEM REVENUE FINANCING SYSTEM BONDS, SERIES 2012A**" in the aggregate principal amount of \$75,890,000, and its "**BOARD OF REGENTS OF THE UNIVERSITY OF NORTH TEXAS SYSTEM REVENUE FINANCING SYSTEM REFUNDING BONDS, TAXABLE SERIES 2012B**" in the aggregate principal amount of \$4,820,000, as Parity Obligations under the terms of the Master Resolution; and

WHEREAS, the Parity Obligations issued under the terms of the First Supplement, the Second Supplement, the Third Supplement, the Fourth Supplement, the Fifth Supplement, the Sixth Supplement, the Seventh Supplement and the Ninth Supplement are no longer outstanding; and

WHEREAS, unless otherwise defined herein, terms used herein shall have the meaning given in the Master Resolution; and

WHEREAS, the Master Resolution establishes that the Revenue Financing System is to be comprised of the University, UNT-Dallas, the Health Science Center and the Law School, and pledges the Pledged Revenues to the payment of Parity Obligations to be outstanding under the Master Resolution; and

WHEREAS, the Board has determined to implement the Revenue Financing System in order to establish a system of financing improvements at the University, UNT-Dallas, the Health Science Center and the Law School in a manner consistent with Chapter 55, Texas Education Code; and

WHEREAS, the Board deems it necessary to issue, pursuant to the terms and conditions of this resolution (this "Sixteenth Supplement"), the bonds hereinafter authorized as Parity Obligations issued pursuant to the Master Resolution, for the purposes hereinafter described; and

WHEREAS, the bonds authorized to be issued by this Sixteenth Supplement (the "Bonds") are to be issued and delivered under authority of applicable provisions of Chapter 55, Texas Education Code, including specifically, but not by way of limitation, Sections 55.13 and 55.1755, Texas Education Code, and Chapters 1207 and 1371, Texas Government Code.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF REGENTS OF THE UNIVERSITY OF NORTH TEXAS SYSTEM THAT:

Section 1. **DEFINITIONS.** In addition to the definitions set forth in the preamble of this Sixteenth Supplement, the terms used in this Sixteenth Supplement (except in the FORM OF BONDS) and not otherwise defined shall have the meanings given in the Master Resolution or in Exhibit "A" to this Sixteenth Supplement attached hereto and made a part hereof.

Section 2. **AMOUNT, PURPOSE, AND DESIGNATION OF THE BONDS.** (a) *Amount and Designation of Bonds.* The "**BOARD OF REGENTS OF THE UNIVERSITY OF NORTH TEXAS SYSTEM REVENUE FINANCING SYSTEM REFUNDING AND IMPROVEMENT BONDS**", are hereby authorized to be issued and delivered, in one or more series, in an aggregate principal amount not to exceed \$415,000,000 **FOR THE PURPOSE OF (i) ACQUIRING, PURCHASING, CONSTRUCTING, IMPROVING, RENOVATING, ENLARGING OR EQUIPPING PROPERTY, BUILDINGS, STRUCTURES, FACILITIES, ROADS, OR RELATED INFRASTRUCTURE FOR PARTICIPANTS IN THE REVENUE FINANCING SYSTEM, (ii) FUNDING, TO THE EXTENT PERMITTED BY APPLICABLE LAW, CAPITALIZED INTEREST ON THE BONDS, (iii) REFUNDING THE REFUNDABLE BONDS, (iv) REFUNDING ANY OUTSTANDING COMMERCIAL PAPER NOTES, AND (v) PAYING THE COSTS OF ISSUANCE RELATED TO THE SALE OF THE BONDS.**

(b) *New Money Authorization.* The Bonds authorized for the purposes described in clauses (i) and (ii) of subsection (a) of this Section are being issued by the Board under authority of Chapter 55, Texas Education Code, particularly Sections 55.13 and 55.1755 thereof, and Chapter 1371, Texas Government Code. The principal amount of the Bonds hereby authorized by the Board that may be issued, in one or more series, for the purposes described in clauses (i) and (ii) of subsection (a) of this Section may not exceed \$260,000,000. The Vice Chancellor for Finance for the University System shall execute a certificate providing such documentation as may be required by the Public Finance Division of the Office of the Attorney General to (i) describe the specific projects for which the Bonds are being issued, and which specific projects are being financed with the proceeds of the Bonds issued under authority of Section 55.1755, Texas Education Code, and (ii) evidence the approval, if any, required to be obtained from the Texas Higher Education Coordinating Board for the projects to be financed with the proceeds of the Bonds. The Board heretofore has not authorized the sale of bonds under authority of Section 55.1755, Texas Education Code.

(c) *Refunded Bonds.* The Bonds hereby authorized to be issued, in one or more series, by the Board for the purposes described in clause (iii) of subsection (a) of this Section are being issued to refund the Refunded Bonds. The refunding of the Refunded Bonds shall be accomplished in a manner that will result in a target net present value savings for the transaction of at least three percent (3.00%) of the Refunded Bonds and a positive gross savings being achieved, which constitutes a public purpose.

(d) *Refunded Commercial Paper Notes.* The Bonds hereby authorized to be issued by the Board for the purposes described in clause (iv) of subsection (a) of this Section are being issued under authority of Chapters 1207 and 1371, Texas Government Code, to refund the Refunded Commercial Paper Notes. The Refunded Commercial Paper Notes are being refunded to convert interim financing into long-term fixed rate financing, as contemplated by the Board in the operation

of the interim financing program as provided for in the Tenth Supplement. Therefore, the manner in which the refunding of the Refunded Commercial Paper Notes is being undertaken by the Board does not make it practicable to make the determinations required by subsection (a) of Section 1207.008, Texas Government Code. The Refunded Commercial Paper Notes shall be those outstanding Commercial Paper Notes, not to exceed \$100,000,000 in principal amount, designated by the Vice Chancellor for Finance for the University System be refunded and retired with a portion of the proceeds of the Bonds. The principal amount of the Refunded Commercial Paper Notes shall be specifically identified in a certificate executed by the Vice Chancellor for Finance for the University System and delivered to (i) the Attorney General of Texas in connection with the submission of proceedings pertaining to approval of Bonds thereby and (ii) the Board.

Section 3. DATE, DENOMINATIONS, NUMBERS, MATURITIES AND TERMS OF BONDS. (a) *Terms of Bonds.* Initially there shall be issued, sold, and delivered hereunder fully registered bonds, without interest coupons, in one or more series, payable to the respective initial registered owners thereof, or to the registered assignee or assignees of said bonds or any portion or portions thereof (in each case, the "Registered Owner"), in the denomination of \$5,000 or any integral multiple thereof (an "Authorized Denomination"), maturing not later than April 15, 2051, serially or otherwise on the dates, in the years and in the principal amounts, respectively, and dated, all as shall be determined and established in accordance with this Sixteenth Supplement.

(b) *Sale of Bonds.* (i) *Method of Sale.* As authorized by Chapter 1371, Texas Government Code, the Vice Chancellor for Finance for the University System is hereby authorized to determine the method of sale for all or any portion of the Bonds authorized to be sold by this Sixteenth Supplement, whether by competitive sale or by negotiated sale. The determination of the Vice Chancellor for Finance for the University System, acting for and on behalf of the Board, relating to the method of and the terms and conditions relating to the sale of Bonds pursuant to this Sixteenth Supplement shall have the same force and effect as if such determination were made by the Board. In effecting the sale of the Bonds authorized to be sold by this Sixteenth Supplement, the Vice Chancellor for Finance for the University System, acting for and on behalf of the Board, may determine any additional or different designation or title by which any series of Bonds shall be known, the aggregate principal amount of Bonds, if any, to be issued to fund the projects to be described by the certificate executed by the Vice Chancellor for Finance for the University System in accordance with Section 2(b) hereof, the aggregate principal amount of Bonds, if any, to be issued to refund the Refunded Bonds as described in Section 2(c) hereof, the aggregate principal amount of Bonds, if any, to be issued to refund Commercial Paper Notes as described in Section 2(d) hereof, the aggregate principal amount of the Bonds, if any, to be issued as obligations, the interest on which is excluded from gross income for purposes of section 103 of the Code, and the aggregate principal amount of the Bonds, if any, issued as obligations that are not intended to be issued as obligations, the interest on which is excluded from gross income for purposes of section 103 of the Code. Prior to the delivery of any Bonds authorized to be sold by this Sixteenth Supplement, whether by competitive sale or negotiated sale, the Vice Chancellor for Finance for the University System shall execute a certificate addressing the matters described in this subsection with respect to the Bonds sold under authority granted by this Sixteenth Supplement.

(ii) *Competitive Sale.* The Vice Chancellor for Finance for the University System, acting for and on behalf of the Board, is hereby authorized to seek competitive bids for the sale of the Bonds authorized to be sold by this Sixteenth Supplement, and is hereby authorized to prepare and distribute the Bidding Instructions and the Official Bid Form with respect to seeking competitive bids for the sale of the Bonds. The Bidding Instructions shall contain the terms and conditions relating to the sale of the Bonds, including the date bids for the purchase of the Bonds are to be received, the date of the Bonds, any additional designation or title by which the Bonds shall be known, the aggregate principal amount of the Bonds to be sold, the price at which the Bonds will be sold, the years in which the Bonds will mature, the principal amount to mature in each of such years, the rate or rates of interest to be borne by each such maturity, the interest payment periods, the dates, price, and terms upon and at which the Bonds shall be subject to redemption prior to maturity at the option of the Issuer, as well as any mandatory sinking fund redemption provisions, and all other matters relating to the issuance, sale and delivery of the Bonds so sold including, without limitation, the use of municipal bond insurance for the Bonds. The Vice Chancellor for Finance for the University System, acting for and on behalf of the Board, is hereby authorized to receive and accept bids for the sale of Bonds in accordance with the Bidding Instructions on such date as determined thereby. The Bonds so sold shall be sold at such price as the Vice Chancellor for Finance for the University System shall determine to be the most advantageous to the Issuer, which determination shall be evidenced by the execution thereby of the Official Bid Form submitted by the best and winning bidder. The sale of the Bonds, including specifically the terms of the purchase price of the Bonds, shall be subject to the provisions in subsection (e) of this Section. One Bond in the principal amount maturing on each maturity date as set forth in the Official Bid Form shall be delivered to the initial purchasers thereof, and such purchasers shall have the right to exchange such bonds as provided in Section 5 hereof without cost. The Bonds shall initially be registered in the name as set forth in the Official Bid Form. In case any officer whose signature shall appear on the Bonds shall cease to be such officer before the delivery of the Bonds, such signature shall nevertheless be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery.

(iii) *Negotiated Sale.* The Vice Chancellor for Finance for the University System, acting for and on behalf of the Board, is hereby authorized to sell all or any portion of the Bonds authorized to be sold by this Sixteenth Supplement by negotiated sale, and should the Vice Chancellor for Finance for the University System determine to sell Bonds by negotiated sale, the Vice Chancellor for Finance for the University System may designate the senior managing underwriter from the underwriting pool for the Bonds so sold by a negotiated sale pursuant to this Sixteenth Supplement, and such additional investment banking firms as he deems appropriate to assure that the Bonds are sold on the most advantageous terms to the Financing System. Should Bonds be sold through a negotiated sale, the Vice Chancellor for Finance for the University System, acting for and on behalf of the Board, is authorized to enter into and carry out a Bond Purchase Agreement with the Underwriters for the Bonds so sold by a negotiated sale pursuant to this Sixteenth Supplement, at such price, with and subject to such terms as determined by the Vice Chancellor for Finance for the University System, subject to the provisions of this Sixteenth Supplement. The sale of the Bonds, including specifically the terms of the purchase price of the Bonds, shall be subject to the provisions in subsection (e) of this Section. One Bond in the principal amount maturing on each maturity date as set forth in the Bond Purchase Agreement shall be delivered to the Underwriters, and the

Underwriters shall have the right to exchange such Bonds as provided in Section 5 hereof without cost. The Bonds shall initially be registered in the name designated by the Underwriters as set forth in the Bond Purchase Agreement. In case any officer whose signature shall appear on the Bonds shall cease to be such officer before the delivery of the Bonds, such signature shall nevertheless be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery. The Bond Purchase Agreement shall be substantially in the form and substance previously approved by the Board in connection with the authorization of Parity Debt, as shall be acceptable to the Vice Chancellor for Finance for the University System, including, without limitation, to contain such terms and conditions as may be provided in accordance with subsection (d) of this Section.

(c) ***In General.*** The Bonds (i) may and shall be redeemed prior to the respective scheduled maturity dates, (ii) may be assigned and transferred, (iii) may be exchanged for other Bonds, (iv) shall have the characteristics, and (v) shall be signed and sealed, and (vi) the principal of and interest on the Bonds shall be payable, all as provided, and in the manner required or indicated, in the FORM OF BONDS, as revised to conform the Bonds to the terms of the Bond Purchase Agreement, in the case of a negotiated sale, or the Bidding Instructions and Official Bid Form, in the case of a competitive sale. The Bonds of any series shall be numbered consecutively from R-1 upward.

(d) ***Bond Purchase Agreement.*** Should Bonds be sold by a negotiated sale, the Vice Chancellor for Finance for the University System is hereby authorized, appointed, and designated to act on behalf of the Board in the selling and delivering the Bonds and carrying out the other procedures specified in this Sixteenth Supplement, including determining and fixing the date of the Bonds, any additional or different designation or title by which the Bonds shall be known, the aggregate principal amount of the Bonds to be sold, the price at which the Bonds will be sold, the years in which the Bonds will mature, the principal amount to mature in each of such years, the rate or rates of interest to be borne by each such maturity, the interest payment periods, the dates, price, and terms upon and at which the Bonds shall be subject to redemption prior to maturity at the option of the Issuer, as well as any mandatory sinking fund redemption provisions, and all other matters relating to the issuance, sale, and delivery of the Bonds, including, without limitation, the use of municipal bond insurance for the Bonds, all of which shall be specified in the Bond Purchase Agreement. The Vice Chancellor for Finance for the University System, acting for and on behalf of the Board, is authorized to enter into with the Underwriters and carry out the conditions specified in a Bond Purchase Agreement for the Bonds, at such price and subject to such terms as are set forth therein. The sale of the Bonds, including specifically the terms of the purchase price of the Bonds, shall be subject to the provisions in subsection (e) of this Section.

(e) ***Parameters to Sale of Bonds.*** The foregoing provisions of this Section notwithstanding, the purchase price to be paid for the Bonds sold pursuant to this Sixteenth Supplement shall not be less than 95% of the aggregate principal amount thereof, and the Bonds shall not bear a "net effective interest rate" (as defined in and calculated in accordance with the provisions of Chapter 1204, Texas Government Code) of greater than 10%. The Bonds shall not be delivered unless (i) prior to the execution by the Vice Chancellor for Finance for the University System of the Bond Purchase Agreement or the Official Bid Form, as the case may be, the approval of the issuance of the Bonds by

the Texas Bond Review Board has been received in the manner prescribed by law, and (ii) prior to their delivery, such Bonds have been rated by a nationally recognized rating agency for municipal securities in one of the four highest rating categories for long term obligations, as required by law. The authority hereby granted by the Board to the Vice Chancellor for Finance for the University System to effect the sale of all or any portion of the Bonds authorized to be sold by this Sixteenth Supplement expires at 5:00 p.m., Friday, August 29, 2014.

Section 4. **INTEREST.** The Bonds shall bear interest from the dates specified in the FORM OF BONDS and in the Bond Purchase Agreement or the Official Bid Form, as the case may be, to their respective dates of maturity, at the rates, and shall be calculated on the basis and in the manner, set forth in the executed Bond Purchase Agreement, in the case of a negotiated sale, or in the Official Bid Form submitted by the highest and best bidder and accepted by the Vice Chancellor for Finance for the University System, in the case of a competitive sale.

Section 5. **REGISTRATION, TRANSFER, AND EXCHANGE; AUTHENTICATION; BOOK-ENTRY ONLY SYSTEM.** (a) ***Paying Agent/Registrar.*** The Vice Chancellor for Finance for the University System is authorized to solicit bids for and to select a Paying Agent/Registrar for all or any series of Bonds sold pursuant to this Sixteenth Supplement. The Vice Chancellor for Finance for the University System is also authorized to enter into and carry out a Paying Agent/Registrar Agreement with the Paying Agent/Registrar with respect to the Bonds in substantially the standard form previously approved by the Board.

(b) ***Registration Books.*** The Issuer shall keep or cause to be kept at the corporate trust office of the Paying Agent/Registrar so designated in the Paying Agent/Registrar Agreement (the "Designated Trust Office") books or records for the registration of the transfer, exchange, and replacement of the Bonds (the "Registration Books"), and the Issuer hereby appoints the Paying Agent/Registrar as its registrar and transfer agent to keep such books or records and make such registrations of transfers, exchanges, and replacements under such reasonable regulations as the Issuer and Paying Agent/Registrar may prescribe; and the Paying Agent/Registrar shall make such registrations, transfers, exchanges, and replacements as herein provided. The Paying Agent/Registrar shall obtain and record in the Registration Books the address of the registered owner of each Bond to which payments with respect to the Bonds shall be mailed, as herein provided; but it shall be the duty of each registered owner to notify the Paying Agent/Registrar in writing of the address to which payments shall be mailed, and such interest payments shall not be mailed unless such notice has been given. The Issuer shall have the right to inspect the Registration Books at the Designated Trust Office of the Paying Agent/Registrar during regular business hours, but otherwise the Paying Agent/Registrar shall keep the Registration Books confidential and, unless otherwise required by law, shall not permit their inspection by any other entity.

(c) ***Ownership of Bonds.*** The entity in whose name any Bond shall be registered in the Registration Books at any time shall be deemed and treated as the absolute owner thereof for all purposes of this Sixteenth Supplement, whether or not such Bond shall be overdue, and, to the extent permitted by law, the Issuer and the Paying Agent/Registrar shall not be affected by any notice to the

contrary; and payment of, or on account of, the principal of, premium, if any, and interest on any such Bond shall be made only to such registered owner. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

(d) ***Payment of Bonds and Interest.*** The Paying Agent/Registrar shall further act as the paying agent for paying the principal of, premium, if any, and interest on the Bonds, all as provided in this Sixteenth Supplement. The Paying Agent/Registrar shall keep proper records of all payments made by the Issuer and the Paying Agent/Registrar with respect to the Bonds.

(e) ***Authentication.*** The Bonds initially issued and delivered pursuant to this Sixteenth Supplement shall be authenticated by the Paying Agent/Registrar by execution of the Paying Agent/Registrar's Authentication Certificate, in the form set forth in the FORM OF BONDS (the "Authentication Certificate") unless they have been approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts of the State of Texas, and on each substitute Bond issued in exchange for any Bond or Bonds issued under this Sixteenth Supplement the Paying Agent/Registrar shall execute the Authentication Certificate.

(f) ***Transfer, Exchange, or Replacement.*** Each Bond issued and delivered pursuant to this Sixteenth Supplement, to the extent of the unpaid or unredeemed principal amount thereof, may, at the option of the registered owner or such assignee or assignees, as appropriate, upon surrender of such Bond at the Designated Trust Office of the Paying Agent/Registrar, together with a written request therefor duly executed by the registered owner or the assignee or assignees thereof, or its or their duly authorized attorneys or representatives, with guarantee of signatures satisfactory to the Paying Agent/Registrar, be exchanged for fully registered bonds, without interest coupons, in the appropriate form prescribed in the FORM OF BONDS, in any Authorized Denomination (subject to the requirement hereinafter stated that each substitute Bond shall be of the same series and have a single stated maturity date), as requested in writing by such registered owner or such assignee or assignees, in an aggregate principal amount equal to the unpaid or unredeemed principal amount of any Bond or Bonds so surrendered, and payable to the appropriate registered owner, assignee, or assignees, as the case may be. If a portion of any Bond shall be redeemed prior to its scheduled maturity as provided herein, a substitute Bond or Bonds having the same series designation and maturity date, bearing interest at the same rate, and payable in the same manner, in Authorized Denominations at the request of the registered owner, and in the aggregate principal amount equal to the unredeemed portion thereof, will be issued to the registered owner upon surrender thereof for cancellation. If any Bond or portion thereof is assigned and transferred, each Bond issued in exchange therefor shall have the same series designation and maturity date and bear interest at the same rate and payable in the same manner as the Bond for which it is being exchanged. Each substitute Bond shall bear a letter and/or number to distinguish it from each other Bond. The Paying Agent/Registrar shall exchange or replace Bonds as provided herein, and each fully registered Bond delivered in exchange for or replacement of any Bond or portion thereof as permitted or required by any provision of this Sixteenth Supplement shall constitute one of the Bonds for all purposes of this Sixteenth Supplement, and may again be exchanged or replaced. The Authentication Certificate

shall be printed on each substitute Bond issued in exchange for or replacement of any Bond or Bonds issued under this Sixteenth Supplement. An authorized representative of the Paying Agent/Registrar shall, before the delivery of any such Bond, date and manually sign the Authentication Certificate, and, except as provided in (e) above, no such Bond shall be deemed to be issued or outstanding unless the Authentication Certificate is so executed. The Paying Agent/Registrar promptly shall cancel all Bonds surrendered for transfer, exchange, or replacement. No additional orders or resolutions need be passed or adopted by the Issuer or any other body or person so as to accomplish the foregoing transfer, exchange, or replacement of any Bond or portion thereof, and the Paying Agent/Registrar shall provide for the printing, execution, and delivery of the substitute Bonds in the manner prescribed herein, and said Bonds shall be in typed or printed form as determined by the Vice Chancellor for Finance for the University System. Pursuant to Chapter 1206, Texas Government Code, the duty of transfer, exchange, or replacement of Bonds as aforesaid is hereby imposed upon the Paying Agent/Registrar, and, upon the execution of the Authentication Certificate, the exchanged or replaced Bond shall be valid, incontestable, and enforceable in the same manner and with the same effect as the Bonds which were originally issued pursuant to this Sixteenth Supplement. The Issuer shall pay the Paying Agent/Registrar's standard or customary fees and charges, if any, for transferring, and exchanging any Bond or any portion thereof, but the one requesting any such transfer and exchange shall pay any taxes or governmental charges required to be paid with respect thereto as a condition precedent to the exercise of such privilege. The Paying Agent/Registrar shall not be required to make any such transfer, exchange, or replacement of Bonds or any portion thereof (i) during the period commencing with the close of business on any Record Date and ending with the opening of business on the next following interest payment date, or (ii) with respect to any Bond or portion thereof called for redemption prior to maturity, within 45 days prior to its redemption date. To the extent possible, any new Bond issued in an exchange, replacement, or transfer of a Bond will be delivered to the registered owner or assignee of the registered owner not more than three business days after the receipt of the Bonds to be cancelled and the written request as described above.

(g) ***Substitute Paying Agent/Registrar.*** The Issuer covenants with the registered owners of the Bonds that at all times while the Bonds are outstanding the Issuer will provide a competent and legally qualified bank, trust company, financial institution, or other agency to act as and perform the services of Paying Agent/Registrar for the Bonds under this Sixteenth Supplement, and that the Paying Agent/Registrar will be one entity. The Issuer reserves the right to, and may, at its option, change the Paying Agent/Registrar upon not less than 120 days written notice to the Paying Agent/Registrar, to be effective not later than 60 days prior to the next principal or interest payment date after such notice. In the event that the entity at any time acting as Paying Agent/Registrar (or its successor by merger, acquisition, or other method) should resign or otherwise cease to act as such, the Issuer covenants that promptly it will appoint a competent and legally qualified bank, trust company, financial institution, or other agency to act as Paying Agent/Registrar under this Sixteenth Supplement. Upon any change in the Paying Agent/Registrar, the previous Paying Agent/Registrar promptly shall transfer and deliver the Registration Books (or a copy thereof), along with all other pertinent books and records relating to the Bonds, to the new Paying Agent/Registrar designated and appointed by the Issuer. Upon any change in the Paying Agent/Registrar, the Issuer promptly will cause a written notice thereof to be sent by the new Paying Agent/Registrar to each registered owner

of the Bonds, by United States mail, first-class postage prepaid, which notice also shall give the address of the new Paying Agent/Registrar. By accepting the position and performing as such, each Paying Agent/Registrar shall be deemed to have agreed to the provisions of this Sixteenth Supplement, and a certified copy of this Sixteenth Supplement shall be delivered to each Paying Agent/Registrar.

(h) ***Book-Entry Only System.*** The Bonds issued in exchange for the Bonds initially issued and delivered to the initial purchasers thereof shall be issued in the form of a separate single fully registered Bond for each of the maturities thereof registered in the name of Cede & Co., as nominee of DTC, and except as provided in subsection (i) hereof, all of the Outstanding Bonds shall be registered in the name of Cede & Co., as nominee of DTC.

With respect to Bonds registered in the name of Cede & Co., as nominee of DTC, the Board and the Paying Agent/Registrar shall have no responsibility or obligation to any DTC Participant or to any person on behalf of whom such a DTC Participant holds an interest on the Bonds. Without limiting the immediately preceding sentence, the Board and the Paying Agent/Registrar shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any DTC Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any DTC Participant or any other person, other than a Bondholder, as shown on the Registration Books, of any notice with respect to the Bonds, including any notice of redemption, or (iii) the payment to any DTC Participant or any other person, other than a Bondholder, as shown in the Registration Books of any amount with respect to principal of, premium, if any, or interest on the Bonds. Notwithstanding any other provision of this Sixteenth Supplement to the contrary but to the extent permitted by law, the Board and the Paying Agent/Registrar shall be entitled to treat and consider the person in whose name each Bond is registered in the Registration Books as the absolute owner of such Bond for the purpose of payment of principal, premium, if any, and interest, with respect to such Bond, for the purpose of giving notices of redemption and other matters with respect to such Bond, for the purpose of registering transfers with respect to such Bond, and for all other purposes whatsoever. The Paying Agent/Registrar shall pay all principal of, premium, if any, and interest on the Bonds only to or upon the order of the respective owners, as shown in the Registration Books as provided in this Sixteenth Supplement, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the Board's obligations with respect to payment of principal of, premium, if any, and interest on the Bonds to the extent of the sum or sums so paid. No person other than an owner, as shown in the Registration Books, shall receive a Bond certificate evidencing the obligation of the Board to make payments of principal, premium, if any, and interest pursuant to this Sixteenth Supplement. Upon delivery by DTC to the Paying Agent/Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions in this Sixteenth Supplement with respect to interest checks being mailed to the registered owner at the close of business on the Record Date, the word "Cede & Co." in this Sixteenth Supplement shall refer to such new nominee of DTC.

(i) ***Successor Securities Depository; Transfers Outside Book-Entry Only System.*** In the event that the Board or the Paying Agent/Registrar determines that DTC is incapable of discharging

its responsibilities described herein and in the representation letter (as referred to in Section 23 of this Sixteenth Supplement) of the Board to DTC or DTC determines to discontinue providing its services with respect to the Bonds, the Board shall (i) appoint a successor securities depository, qualified to act as such under Section 17(a) of the Securities and Exchange Act of 1934, as amended, notify DTC and DTC Participants of the appointment of such successor securities depository and transfer one or more separate Bonds to such successor securities depository or (ii) notify DTC and DTC Participants of the availability through DTC of Bonds and transfer one or more separate Bonds to DTC Participants having Bonds credited to their DTC accounts. In such event, the Bonds shall no longer be restricted to being registered in the Registration Books in the name of Cede & Co., as nominee of DTC, but may be registered in the name of the successor securities depository, or its nominee, or in whatever name or names Bondholders transferring or exchanging Bonds shall designate, in accordance with the provisions of this Sixteenth Supplement.

(j) *Payments to Cede & Co.* Notwithstanding any other provision of this Sixteenth Supplement to the contrary, so long as any Bond is registered in the name of Cede & Co., as nominee of DTC, all payments with respect to principal of, premium, if any, and interest on such Bond and all notices with respect to such Bond shall be made and given, respectively, in the manner provided in the representation letter of the Board to DTC.

(k) *Notice of Redemption.* In addition to the method of providing a notice of redemption set forth in the FORM OF BONDS, the Paying Agent/Registrar shall give notice of redemption of Bonds by United States mail, first-class postage prepaid, at least thirty (30) days prior to a redemption date to each registered securities depository and to any national information service that disseminates redemption notices. In addition, in the event of a redemption caused by an advance refunding of the Bonds, the Paying Agent/Registrar shall send a second notice of redemption to the persons specified in the immediately preceding sentence at least thirty (30) days but not more than ninety (90) days prior to the actual redemption date. Any notice sent to the registered securities depositories or such national information services shall be sent so that they are received at least two (2) days prior to the general mailing or publication date of such notice. The Paying Agent/Registrar shall also send a notice of prepayment or redemption to the registered owner of any Bond who has not sent the Bonds in for redemption sixty (60) days after the redemption date.

Each notice of redemption, whether required in the FORM OF BONDS or in this Section, shall contain a description of the Bonds to be redeemed including the complete name of the Bonds, the Series, the date of issue, the interest rate, the maturity date, the CUSIP number, the amounts called of each maturity of the Bonds, the publication and mailing date for the notice, the date of redemption, the redemption price, the name of the Paying Agent/Registrar and the address at which the Bonds may be redeemed, including a contact person and telephone number.

All redemption payments made by the Paying Agent/Registrar to the registered owners of the Bonds shall include a CUSIP number relating to each amount paid to such registered owner.

Section 6. **FORM OF BONDS.** The form of the Bonds, including the form of the Authentication Certificate, the form of Assignment and the form of Registration Certificate of the Comptroller of Public Accounts of the State of Texas, with respect to the Bonds initially issued and

delivered to the initial purchasers thereof pursuant to this Sixteenth Supplement, shall be, respectively, substantially as set forth in Exhibit B, with such appropriate variations, omissions, or insertions as are permitted or required by this Sixteenth Supplement.

Section 7. ESTABLISHMENT OF FINANCING SYSTEM AND ISSUANCE OF PARITY OBLIGATIONS. By adoption of the Master Resolution the Board has established the Revenue Financing System for the purpose of providing a financing structure for revenue supported indebtedness of the University, UNT-Dallas, the Health Science Center and the Law School. The Master Resolution is intended to establish a master plan under which revenue supported debt of the Financing System can be incurred. This Sixteenth Supplement provides for the authorization, issuance, sale, delivery, form, characteristics, provisions of payment and redemption, and security of the Bonds. The Master Resolution is incorporated herein by reference and as such made a part hereof for all purposes, except to the extent modified and supplemented hereby, and the Bonds are hereby declared to be Parity Obligations under the Master Resolution. As required by Section 5(a) of the Master Resolution, the Board hereby determines, in connection with the issuance of the Bonds, that (i) it will have sufficient funds to meet the financial obligations of each Participant in the Financing System (currently the University, UNT-Dallas, the Health Sciences Center and the Law School), including sufficient Pledged Revenues to satisfy the Annual Debt Service Requirements of the Financing System, and to meet all financial obligations of the Board relating to the Financing System and (ii) the University, UNT-Dallas, the Health Sciences Center and the Law School each possess the financial capability to satisfy its respective Direct Obligation (as defined in the Master Resolution) after taking into account the debt service on the Bonds.

Section 8. SECURITY. The Bonds are special obligations of the Board payable from and secured solely by the Pledged Revenues pursuant to the Master Resolution and this Sixteenth Supplement. The Pledged Revenues are hereby pledged, subject to the liens securing the Prior Encumbered Obligations, to the payment of the principal of, premium, if any, and interest on the Bonds as the same shall become due and payable. The Board agrees to pay the principal of, premium, if any, and the interest on the Bonds when due, whether by reason of maturity or redemption. Chapter 1208, Texas Government Code, applies to the issuance of the Bonds and the pledge of the Pledged Revenues granted by the Board under this Section 8, and such pledge is therefore valid, effective, and perfected. If Texas law is amended at any time while the Bonds are outstanding and unpaid such that the pledge of the Pledged Revenues granted by the Board under this Section 8 is to be subject to the filing requirements of Chapter 9, Texas Business & Commerce Code, then in order to preserve to the registered owners of the Bonds the perfection of the security interest in said pledge, the Board agrees to take such measures as it determines are reasonable and necessary under Texas law to comply with the applicable provisions of Chapter 9, Texas Business & Commerce Code and enable a filing to perfect the security interest in said pledge to occur.

Section 9. PAYMENTS. On or before each principal or interest payment date while any Bond is outstanding and unpaid, commencing on the first interest payment date for the Bonds as provided therein, the Board shall make available to the Paying Agent/Registrar money sufficient to pay such interest on and such principal of the Bonds as will accrue or mature, or be subject to mandatory redemption prior to maturity, on such principal, redemption, or interest payment date.

The Paying Agent/Registrar shall cancel all paid Bonds and shall furnish the Board with an appropriate certificate of cancellation.

Section 10. **DAMAGED, MUTILATED, LOST, STOLEN, OR DESTROYED BONDS.**

(a) ***Replacement Bonds.*** In the event any outstanding Bond is damaged, mutilated, lost, stolen, or destroyed, the Paying Agent/Registrar shall cause to be printed, executed, and delivered a new Bond of the same series, principal amount, maturity, and interest rate, and in the same form, as the damaged, mutilated, lost, stolen, or destroyed Bond, in replacement for such Bond in the manner hereinafter provided.

(b) ***Application for Replacement Bonds.*** Application for replacement of damaged, mutilated, lost, stolen, or destroyed Bonds shall be made to the Paying Agent/Registrar. In every case of loss, theft, or destruction of a Bond, the applicant for a replacement Bond shall furnish to the Issuer and to the Paying Agent/Registrar such security or indemnity as may be required by them to save each of them harmless from any loss or damage with respect thereto. Also, in every case of loss, theft, or destruction of a Bond, the applicant shall furnish to the Issuer and to the Paying Agent/Registrar evidence to their satisfaction of the loss, theft, or destruction of such Bond, as the case may be. In every case of damage or mutilation of a Bond, the applicant shall surrender to the Paying Agent/Registrar for cancellation the Bond so damaged or mutilated.

(c) ***Payment in Lieu of Replacement.*** Notwithstanding the foregoing provisions of this Section, in the event any such Bond shall have matured, and no default has occurred which is then continuing in the payment of the principal of, redemption premium, if any, or interest on the Bond, the Issuer may authorize the payment of the same (without surrender thereof except in the case of a damaged or mutilated Bond) instead of issuing a replacement Bond, provided security or indemnity is furnished as above provided in this Section.

(d) ***Charge for Issuing Replacement Bonds.*** Prior to the issuance of any replacement Bond, the Paying Agent/Registrar shall charge the owner of such Bond with all legal, printing, and other expenses in connection therewith. Every replacement bond issued pursuant to the provisions of this Section by virtue of the fact that any Bond is lost, stolen, or destroyed shall constitute a contractual obligation of the Issuer whether the lost, stolen, or destroyed Bond shall be found at any time, or be enforceable by anyone, and shall be entitled to all the benefits of this Sixteenth Supplement equally and proportionately with any and all other Bonds duly issued under this Sixteenth Supplement.

(e) ***Authority for Issuing Replacement Bonds.*** In accordance with Chapter 1206, Texas Government Code, this Section shall constitute authority for the issuance of any such replacement Bond without the necessity of further action by the Issuer or any other body or person, and the duty of the replacement of such Bonds is hereby authorized and imposed upon the Paying Agent/Registrar, and the Paying Agent/Registrar shall authenticate and deliver such Bonds in the form and manner and with the effect, as provided in Section 5(f) of this Sixteenth Supplement for Bonds issued in exchange and replacement for other Bonds.

Section 11. **AMENDMENT OF SUPPLEMENT.** (a) *Amendments Without Consent.* This Sixteenth Supplement and the rights and obligations of the Board and of the owners of the Bonds may be modified or amended at any time without notice to or the consent of any owner of the Bonds or any other Parity Obligations, solely for any one or more of the following purposes:

(i) To add to the covenants and agreements of the Board contained in this Sixteenth Supplement, other covenants and agreements thereafter to be observed, or to surrender any right or power reserved to or conferred upon the Board in this Sixteenth Supplement;

(ii) To cure any ambiguity or inconsistency, or to cure or correct any defective provisions contained in this Sixteenth Supplement, upon receipt by the Board of an opinion of Bond Counsel, that the same is needed for such purpose, and will more clearly express the intent of this Sixteenth Supplement;

(iii) To supplement the security for the Bonds, replace or provide additional credit facilities, or change the form of the Bonds or make such other changes in the provisions hereof as the Board may deem necessary or desirable and which shall not, in the judgment of the Board, materially adversely affect the interests of the owners of the Outstanding Bonds;

(iv) To make any changes or amendments requested by any bond rating agency then rating or requested to rate Parity Obligations, as a condition to the issuance or maintenance of a rating, which changes or amendments do not, in the judgment of the Board, materially adversely affect the interests of the owners of the Outstanding Parity Obligations;

(v) To make such changes, modifications or amendments as are permitted by Section 19(c)(vi) of this Sixteenth Supplement;

(vi) To make such changes, modifications or amendments as may be necessary or desirable, which shall not adversely affect the interests of the owners of the Outstanding Parity Obligations, in order, to the extent permitted by law, to facilitate the economic and practical utilization of Credit Agreements with respect to the Parity Obligations; or

(vii) To make such other changes in the provisions hereof as the Board may deem necessary or desirable and which shall not, in the judgment of the Board, materially adversely affect the interests of the owners of Outstanding Parity Obligations.

Notice of any such amendment may be published by the Board in the manner described in subsection (c) of this Section; provided, however, that the publication of such notice shall not constitute a condition precedent to the adoption of such amendatory resolution and the failure to publish such notice shall not adversely affect the implementation of such amendment as adopted pursuant to such amendatory resolution.

(b) *Amendments With Consent.* Subject to the other provisions of this Sixteenth Supplement, the owners of Outstanding Bonds aggregating a majority in Outstanding Principal Amount shall have the right from time to time to approve any amendment, other than amendments

described in subsection (a) of this Section, to this Sixteenth Supplement which may be deemed necessary or desirable by the Board; provided, however, that nothing herein contained shall permit or be construed to permit, without the approval of the owners of all of the Outstanding Bonds, the amendment of the terms and conditions in this Sixteenth Supplement or in the Bonds so as to:

- (1) Make any change in the maturity of the Outstanding Bonds;
- (2) Reduce the rate of interest borne by Outstanding Bonds;
- (3) Reduce the amount of the principal payable on Outstanding Bonds;
- (4) Modify the terms of payment of principal of or interest on the Outstanding Bonds, or impose any conditions with respect to such payment;
- (5) Affect the rights of the owners of less than all Bonds then Outstanding; or
- (6) Change the minimum percentage of the Outstanding Principal Amount of Bonds necessary for consent to such amendment.

(c) **Notice.** If at any time the Board shall desire to amend this Sixteenth Supplement other than pursuant to subsection (a) of this Section, the Board shall cause notice of the proposed amendment to be published in a financial newspaper or journal of general circulation in The City of New York, New York once during each calendar week for at least two successive calendar weeks. Such notice shall briefly set forth the nature of the proposed amendment and shall state that a copy thereof is on file at the principal office of the Registrar for inspection by all owners of Bonds. Such publication is not required, however, if the Board gives or causes to be given such notice in writing to each owner of Bonds.

(d) **Receipt of Consents.** Whenever at any time not less than thirty days, and within one year, from the date of the first publication of said notice or other service of written notice of the proposed amendment the Board shall receive an instrument or instruments executed by all of the owners or the owners of at least a majority in Outstanding Principal Amount of Bonds, as appropriate, which instrument or instruments shall refer to the proposed amendment described in said notice and which specifically consent to and approve such amendment in substantially the form of the copy thereof on file as aforesaid, the Board may adopt the amendatory resolution in substantially the same form.

(e) **Effect of Amendments.** Upon the adoption by the Board of any resolution to amend this Sixteenth Supplement pursuant to the provisions of this Section, this Sixteenth Supplement shall be deemed to be amended in accordance with the amendatory resolution, and the respective rights, duties, and obligations of the Board and all the owners of then Outstanding Bonds and all future Bonds shall thereafter be determined, exercised, and enforced under the Master Resolution and this Sixteenth Supplement, as amended.

(f) **Consent Irrevocable.** Any consent given by any owner of Bonds pursuant to the provisions of this Section shall be irrevocable for a period of six months from the date of the first publication or other service of the notice provided for in this Section, and shall be conclusive and binding upon all future owners of the same Bonds during such period. Such consent may be revoked at any time after six months from the date of the first publication of such notice by the owner who gave such consent, or by a successor in title, by filing notice thereof with the Paying Agent/Registrar and the Board, but such revocation shall not be effective if the owners of a majority in Outstanding Principal Amount of Bonds, prior to the attempted revocation, consented to and approved the amendment.

(g) **Ownership.** For the purpose of this Section, the ownership and other matters relating to all Bonds registered as to ownership shall be determined from the registration books kept by the Paying Agent/Registrar therefor. The Paying Agent/Registrar may conclusively assume that such ownership continues until written notice to the contrary is served upon the Paying Agent/Registrar.

Section 12. **TAX-EXEMPTION.** The Vice Chancellor for Finance of the University System, acting for and on behalf of the Board, shall designate those Bonds authorized to be sold pursuant to the terms of this Sixteenth Supplement that the Issuer does intend to issue the Bonds in a manner such that the Bonds would constitute obligations described in section 103 of the Code.

(a) **General Covenants.** With respect to such Bonds so designated by the Vice Chancellor for Finance of the University System, the Issuer covenants to refrain from any action which would adversely affect, or to take any action to assure, the treatment of the Bonds as obligations described in section 103 of the Code, the interest on which is not includable in the "gross income" of the holder for purposes of federal income taxation. In furtherance thereof, the Issuer covenants as follows:

(a) to take any action to assure that no more than 10 percent of the proceeds of such Bonds or the projects financed or refinanced therewith (less amounts deposited to a reserve fund, if any) are used for any "private business use", as defined in section 141(b)(6) of the Code or, if more than 10 percent of the proceeds are so used, that amounts, whether or not received by the Issuer, with respect to such private business use, do not, under the terms of this Sixteenth Supplement or any underlying arrangement, directly or indirectly, secure or provide for the payment of more than 10 percent of the debt service on such Bonds, in contravention of section 141(b)(2) of the Code;

(b) to take any action to assure that in the event that the "private business use" described in subsection (a) hereof exceeds 5 percent of the proceeds of such Bonds or the projects financed or refinanced therewith (less amounts deposited into a reserve fund, if any) then the amount in excess of 5 percent is used for a "private business use" which is "related" and not "disproportionate", within the meaning of section 141(b)(3) of the Code, to the governmental use;

(c) to take any action to assure that no amount which is greater than the lesser of \$5,000,000, or 5 percent of the proceeds of such Bonds (less amounts deposited into a reserve fund, if any), is directly or indirectly used to finance loans to persons, other than state or local governmental units, in contravention of section 141(c) of the Code;

(d) to refrain from taking any action which would otherwise result in such Bonds being treated as "private activity bonds" within the meaning of section 141(a) of the Code;

(e) to refrain from taking any action that would result in such Bonds being "federally guaranteed" within the meaning of section 149(b) of the Code;

(f) to refrain from using any portion of the proceeds of such Bonds, directly or indirectly, to acquire or to replace funds which were used, directly or indirectly, to acquire investment property (as defined in section 148(b)(2) of the Code) which produces a materially higher yield over the term of such Bonds, other than investment property acquired with B

(1) proceeds of such Bonds invested for a reasonable temporary period until such proceeds are needed for the purpose for which such Bonds are issued,

(2) amounts invested in a bona fide debt service fund, within the meaning of section 1.148-1(b) of the Treasury Regulations, and

(3) amounts deposited in any reasonably required reserve or replacement fund to the extent such amounts do not exceed 10 percent of the proceeds of such Bonds;

(g) to otherwise restrict the use of the proceeds of such Bonds or amounts treated as proceeds of the Bonds, as may be necessary, so that such Bonds do not otherwise contravene the requirements of section 148 of the Code (relating to arbitrage) and, to the extent applicable, section 149(d) of the Code (relating to advance refundings); and

(h) to pay to the United States of America at least once during each five-year period (beginning on the date of delivery of such Bonds) an amount that is at least equal to 90 percent of the "Excess Earnings", within the meaning of section 148(f) of the Code and to pay to the United States of America, not later than 60 days after such Bonds have been paid in full, 100 percent of the amount then required to be paid as a result of Excess Earnings under section 148(f) of the Code.

The Issuer understands that the term "proceeds" includes "disposition proceeds" as defined in the Treasury Regulations and, in the case of a refunding bond, transferred proceeds (if any) and proceeds of the refunded bonds expended prior to the date of the issuance of such Bonds. It is the understanding of the Issuer that the covenants contained herein are intended to assure compliance with the Code and any regulations or rulings promulgated by the U.S. Department of the Treasury pursuant thereto. In the event that regulations or rulings are hereafter promulgated which modify or expand provisions of the Code, as applicable to such Bonds, the Issuer will not be required to comply with any covenant contained herein to the extent that such failure to comply, in the opinion of nationally-recognized bond counsel, will not adversely affect the exemption from federal income taxation of interest on such Bonds under section 103 of the Code. In the event that regulations or rulings are hereafter promulgated which impose additional requirements which are applicable to such

Bonds, the Issuer agrees to comply with the additional requirements to the extent necessary, in the opinion of nationally-recognized bond counsel, to preserve the exemption from federal income taxation of interest on such Bonds under section 103 of the Code. In furtherance of the foregoing, the Chair of the Board, the Chancellor of the University, and the Board Representative each may execute any certificates or other reports required by the Code and to make such elections, on behalf of the Issuer, which may be permitted by the Code as are consistent with the purpose for the issuance of such Bonds. In order to facilitate compliance with the above clause (h), a "Rebate Fund" is hereby established by the Issuer for the sole benefit of the United States of America, and the Rebate Fund shall not be subject to the claim of any other person, including without limitation the registered owners of such Bonds. The Rebate Fund is established for the additional purpose of compliance with section 148 of the Code.

(b) ***Allocation of, and Limitation on, Expenditures for the Project.*** The Board covenants to account for on its books and records the expenditure of proceeds from the sale of any Bonds, the interest on which is to be excluded from gross income under the Code, and any investment earnings thereon to be used for the financing of any of the improvements described in Section 2(b) hereof and so designated in the certificate described in Section 3(b)(i) hereof (referred to herein and subsection (c) of this Section as a "Project") by allocating proceeds to expenditures within 18 months of the later of the date that (a) the expenditure on a Project is made or (b) each such Project is completed. The foregoing notwithstanding, the Board shall not expend such proceeds or investment earnings more than 60 days after the earlier of (a) the fifth anniversary of the date of delivery of such Bonds or (b) the date such Bonds are retired, unless the Board obtains an opinion of nationally-recognized bond counsel substantially to the effect that such expenditure will not adversely affect the tax-exempt status of such Bonds. For purposes of this subsection (b), the Board shall not be obligated to comply with this covenant if it obtains an opinion of nationally-recognized bond counsel to the effect that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest.

(c) ***Disposition of Project.*** The Board covenants that none of the property constituting a Project financed or refinanced with the proceeds of any Bonds, the interest on which is to be excluded from gross income under the Code, or the Refunded Bonds, will be sold or otherwise disposed in a transaction resulting in the receipt by the Board of cash or other compensation, unless the Board obtains an opinion of nationally-recognized bond counsel substantially to the effect that such sale or other disposition will not adversely affect the tax-exempt status of such Bonds. For purposes of this subsection (c), the portion of the property comprising personal property and disposed of in the ordinary course of business shall not be treated as a transaction resulting in the receipt of cash or other compensation. For purposes of this subsection (c), the Board shall not be obligated to comply with this covenant if it obtains an opinion of nationally-recognized bond counsel to the effect that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest.

Section 13. **TAXABLE BONDS.** The Vice Chancellor for Finance of the University System, acting for and on behalf of the Board, shall designate those Bonds authorized to be sold pursuant to the terms of this Sixteenth Supplement that the Issuer does not intend to issue the Bonds in a manner such that the Bonds would constitute obligations described in section 103 of the Code and all applicable temporary, proposed and final regulations and procedures promulgated thereunder or promulgated under the Internal Revenue Code of 1954, to the extent applicable to the Code.

Section 14. **SIXTEENTH SUPPLEMENT TO CONSTITUTE A CONTRACT; EQUAL SECURITY.** In consideration of the acceptance of the Bonds, the issuance of which is authorized hereunder, by those who shall hold the same from time to time, this Sixteenth Supplement shall be deemed to be and shall constitute a contract between the Board and the Holders from time to time of the Bonds and the pledge made in this Sixteenth Supplement by the Board and the covenants and agreements set forth in this Sixteenth Supplement to be performed by the Board shall be for the equal and proportionate benefit, security, and protection of all Holders, without preference, priority, or distinction as to security or otherwise of any of the Bonds authorized hereunder over any of the others by reason of time of issuance, sale, or maturity thereof or otherwise for any cause whatsoever, except as expressly provided in or permitted by this Sixteenth Supplement.

Section 15. **SEVERABILITY OF INVALID PROVISIONS.** If any one or more of the covenants, agreements, or provisions herein contained shall be held contrary to any express provisions of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements, or provisions shall be null and void and shall be deemed separable from the remaining covenants, agreements, or provisions and shall in no way affect the validity of any of the other provisions hereof or of the Bonds issued hereunder.

Section 16. **PAYMENT AND PERFORMANCE ON BUSINESS DAYS.** Except as provided to the contrary in the FORM OF BONDS, whenever under the terms of this Sixteenth Supplement or the Bonds, the performance date of any provision hereof or thereof, including the payment of principal of or interest on the Bonds, shall occur on a day other than a Business Day, then the performance thereof, including the payment of principal of and interest on the Bonds, need not be made on such day but may be performed or paid, as the case may be, on the next succeeding Business Day with the same force and effect as if made on the date of performance or payment.

Section 17. **LIMITATION OF BENEFITS WITH RESPECT TO THE SIXTEENTH SUPPLEMENT.** With the exception of the rights or benefits herein expressly conferred, nothing expressed or contained herein or implied from the provisions of this Sixteenth Supplement or the Bonds is intended or should be construed to confer upon or give to any person other than the Board, the Holders, and the Paying Agent/Registrar, any legal or equitable right, remedy, or claim under or by reason of or in respect to this Sixteenth Supplement or any covenant, condition, stipulation, promise, agreement, or provision herein contained. This Sixteenth Supplement and all of the covenants, conditions, stipulations, promises, agreements, and provisions hereof are intended to be and shall be for and inure to the sole and exclusive benefit of the Board, the Holders, and the Paying Agent/Registrar as herein and therein provided.

Section 18. **CUSTODY, APPROVAL, BOND COUNSEL'S OPINION, CUSIP NUMBERS, PREAMBLE AND INSURANCE.** The Vice Chancellor for Finance for the University System is hereby authorized to have control of the Bonds issued hereunder and all necessary records and proceedings pertaining to the Bonds pending their delivery and approval by the Attorney General of the State of Texas. The Vice Chancellor for Finance for the University System is hereby authorized, to the extent deemed necessary or advisable thereby, in the discretion thereof, to request that the Attorney General approve the Bonds, in which case the Vice Chancellor for Finance for the University System also is authorized to request the Comptroller of Public Accounts register the Bonds, and to cause an appropriate legend reflecting such approval and registration to appear on the Bonds and the substitute Bonds. The Vice Chancellor for Finance for the University System is hereby authorized, in connection with the submission to the Attorney General of the State of Texas of a transcript of proceedings for the approval of any series of the Bonds, to pay the fee for the examination of the transcript of proceedings in the amount determined in accordance with the provisions of Section 1202.004, Texas Government Code. The approving legal opinion of the Issuer's Bond Counsel and the assigned CUSIP numbers may, at the option of the Issuer, be printed on the Bonds and on any Bonds issued and delivered in exchange or replacement of any Bond, but neither shall have any legal effect, and shall be solely for the convenience and information of the registered owners of the Bonds. The preamble to this Sixteenth Supplement is hereby adopted and made a part of this Sixteenth Supplement for all purposes. The Vice Chancellor for Finance for the University System is hereby authorized to purchase a municipal bond insurance policy from a municipal bond insurance provider that has an underlying rating of "AA" (or its equivalent) or better at the time Bonds are sold (the "Bond Insurer") as additional security for the Bonds. The printing of a legend describing the municipal bond insurance policy issued by the Bond Insurer is hereby authorized. The payment of the premium to the Bond Insurer in consideration for the issuance of said policy, should one be so obtained, is hereby approved. Any insurance commitment issued by the Bond Insurer shall be made a part hereof for all purposes. In addition, it is agreed that should such policy be obtained, the Board will comply with the conditions applicable to the Bonds, as set forth in any insurance commitment issued by the Bond Insurer, as if such conditions were incorporated in this Sixteenth Supplement, and will pay to the Paying Agent/Registrar for the Bonds so insured the debt service due on the Bonds so insured by the Bond Insurer not later than one Business Day prior to each principal or interest payment date of the Bonds. In the event such policy is obtained, the Vice Chancellor for Finance of the University System is hereby authorized to executed any agreements with the Bond Insurer in connection with the issuance of the municipal bond insurance policy. In the event such policy is obtained, the Vice Chancellor for Finance of the University System is hereby instructed to provide notice to the Bond Insurer in the event such payment is not made to the Paying Agent/Registrar on or before the Business Day before the scheduled principal or interest payment date; failure to make such payment to the Paying Agent/Registrar on or before the Business Day before the scheduled principal or interest payment date shall not constitute a default under the terms of this Sixteenth Supplement.

Section 19. **COMPLIANCE WITH RULE 15c2-12.** (a) *Annual Reports.* (i) The Board shall provide annually to the MSRB, within six months after the end of each fiscal year ending in or after 2013, financial information and operating data with respect to the Board of the general type

included in the final Official Statement authorized by Section 20 of this Sixteenth Supplement, being the information described in Exhibit C hereto. Any financial statements so to be provided shall be prepared in accordance with the accounting principles described in Exhibit C hereto, or such other accounting principles as the Board may be required to employ from time to time pursuant to state law or regulation. If the Board commissions an audit of such statements and the audit is completed within the period during which they must be provided, a copy of such audit also shall be provided in accordance with the Rule. If any such audit of such financial statements, if one is commissioned by the Board, is not completed within such period, then the Board shall provide unaudited financial statements and audited financial statements for the applicable fiscal year to the MSRB, when and if the audit report on such statements become available.

(ii) If the Board changes its Fiscal Year, it will notify the MSRB of the change (and of the date of the new Fiscal Year end) prior to the next date by which the Board otherwise would be required to provide financial information and operating data pursuant to this Section. The financial information and operating data to be provided pursuant to this Section may be set forth in full in one or more documents or may be included by specific reference to any document (including an official statement or other offering document, if it is available from the MSRB) that theretofore has been provided to the MSRB or filed with the SEC. Filings shall be made electronically, in such format as prescribed by the MSRB.

(b) ***Disclosure Event Notices.*** The Board shall notify the MSRB, in a timely manner not in excess of ten Business Days after the occurrence of any of the following events, notice of any of the following events with respect to the Bonds:

1. Principal and interest payment delinquencies;
2. Non-payment related defaults, if material;
3. Unscheduled draws on debt service reserves reflecting financial difficulties;
4. Unscheduled draws on credit enhancements reflecting financial difficulties;
5. Substitution of credit or liquidity providers, or their failure to perform;
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax-exempt status of tax-exempt Bonds, or other events affecting the tax-exempt status of the Bonds;
7. Modifications to rights of holders of the Bonds, if material;
8. Bond calls, if material, and tender offers;
9. Defeasances;
10. Release, substitution, or sale of property securing repayment of the Bonds, if material;
11. Rating changes;
12. Bankruptcy, insolvency, receivership or similar event of the Board;
13. The consummation of a merger, consolidation, or acquisition involving the Board or the sale of all or substantially all of the assets of the University System, other than in the ordinary course of business, the entry into a definitive agreement to undertake

such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and

14. Appointment of a successor Paying Agent/Registrar or change in name of the Paying Agent/Registrar, if material.

The Board shall notify the MSRB, in a timely manner, of any failure by the Board to provide financial information or operating data in accordance with subsection (b) of this Section by the time required by subsection (a) of this Section. As used in clause 12 above, the phrase "bankruptcy, insolvency, receivership or similar event" means the appointment of a receiver, fiscal agent or similar officer for the University System in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the University System, or if jurisdiction has been assumed by leaving the Board and officials or officers of the University System in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the University System.

(c) *Limitations, Disclaimers, and Amendments.* (i) The Board shall be obligated to observe and perform the covenants specified in this Section for so long as, but only for so long as, the Board remains an "obligated person" with respect to the Bonds within the meaning of the Rule, except that the Board in any event will give notice of any deposit made in accordance with this Sixteenth Supplement or applicable law that causes the Bonds no longer to be Outstanding.

(ii) The provisions of this Section are for the sole benefit of the registered owners and beneficial owners of the Bonds, and nothing in this Section, express or implied, shall give any benefit or any legal or equitable right, remedy, or claim hereunder to any other person. The Board undertakes to provide only the financial information, operating data, financial statements, and notices which it has expressly agreed to provide pursuant to this Section and does not hereby undertake to provide any other information that may be relevant or material to a complete presentation of the Board's financial results, condition, or prospects or hereby undertake to update any information provided in accordance with this Section or otherwise, except as expressly provided herein. The Board does not make any representation or warranty concerning such information or its usefulness to a decision to invest in or sell Bonds at any future date.

(iii) UNDER NO CIRCUMSTANCES SHALL THE BOARD BE LIABLE TO THE REGISTERED OWNER OR BENEFICIAL OWNER OF ANY BOND OR ANY OTHER PERSON, IN CONTRACT OR TORT, FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM ANY BREACH BY THE BOARD, WHETHER NEGLIGENT OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT SPECIFIED IN THIS SECTION, BUT EVERY RIGHT AND REMEDY OF ANY SUCH PERSON, IN CONTRACT OR TORT, FOR OR ON ACCOUNT OF ANY SUCH BREACH SHALL BE LIMITED TO AN ACTION FOR MANDAMUS OR SPECIFIC PERFORMANCE.

(iv) No default by the Board in observing or performing its obligations under this Section shall comprise a breach of or default under this Sixteenth Supplement for purposes of any other provision of this Sixteenth Supplement. Nothing in this Section is intended or shall act to disclaim, waive, or otherwise limit the duties of the Board under federal and state securities laws.

(v) Should the Rule be amended to obligate the Issuer to make filings or provide notices to entities other than the MSRB, the Issuer agrees to undertake such obligation in accordance with the Rule, as amended.

(vi) The provisions of this Section may be amended by the Board from time to time to adapt to changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the Board, but only if (1) the provisions of this Section, as so amended, would have permitted an underwriter to purchase or sell Bonds in the primary offering of the Bonds in compliance with the Rule, taking into account any amendments or interpretations of the Rule since such offering as well as such changed circumstances and (2) either (a) the registered owners of a majority in aggregate principal amount (or any greater amount required by any other provision of this Sixteenth Supplement that authorizes such an amendment) of the Bonds then outstanding consent to such amendment or (b) a person that is unaffiliated with the Board (such as nationally-recognized bond counsel) determined that such amendment will not materially impair the interest of the registered owners and beneficial owners of the Bonds. If the Board so amends the provisions of this Section, it shall include with any amended financial information or operating data next provided in accordance with subsection (a) of this Section an explanation, in narrative form, of the reason for the amendment and of the impact of any change in the type of financial information or operating data so provided. The Board may also amend or repeal the provisions of this continuing disclosure agreement if the SEC amends or repeals the applicable provision of the Rule or a court of final jurisdiction enters judgment that such provisions of the Rule are invalid, but only if and to the extent that the provisions of this sentence would not prevent an underwriter from lawfully purchasing or selling Bonds in the primary offering of the Bonds.

Section 20. FURTHER PROCEDURES; OFFICIAL STATEMENT. Each Board Representative, and all other officers, employees, and agents of the Board, and each of them, shall be and they are hereby expressly authorized, empowered, and directed from time to time and at any time to do and perform all such acts and things and to execute, acknowledge, and deliver in the name and under the corporate seal and on behalf of the Issuer all such instruments, whether or not herein mentioned, as may be necessary or desirable in order to carry out the terms and provisions of this Sixteenth Supplement, the Bonds, the sale and delivery of the Bonds and fixing all details in connection therewith, and to approve any Official Statement, or supplements thereto, in connection with the Bonds. The final Official Statement relating to the offering of any series of Bonds shall be approved by the Vice Chancellor for Finance for the University System. The Vice Chancellor for Finance for the University System is authorized to approve any supplement to the Official Statement incorporating the information contained in the Bond Purchase Agreement, in the case of a negotiated sale, and the Bidding Instructions and Official Bid Form, in the case of a competitive sale, and such

additional information as deemed material consistent with the requirements of the Rule and to authorize the distribution of such final Official Statement to the initial purchasers of the Bonds for their use in the sale of the Bonds to members of the general public. The use of such final Official Statement in the offer and sale of the Bonds is hereby approved. In case any officer whose signature shall appear on the Bonds shall cease to be such officer before the delivery of the Bonds, such signature shall nevertheless be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery.

Section 21. **REFUNDING.** (a) ***Refunded Bonds.*** The principal amount of Bonds, if any, issued to refund all or any portion of the Refundable Bonds, and the Refunded Bonds to be refunded, shall be specifically identified in the certificate described in Section 3(b)(i) hereof. The Vice Chancellor for Finance for the University System, acting for and on behalf of the Board, may elect not to refund any or all of the Refundable Bonds, but in no event shall the Bonds be issued for the purpose of refunding Refunded Bonds if the refunding of the aggregate principal amount of the obligations selected for refunding does not result in the minimum amount of savings established in Section 2(c) hereof being achieved. Should Bonds be sold for the purpose of refunding the Refunded Bonds, on or before the date of delivery of the Bonds the Vice Chancellor for Finance for the University System shall execute and deliver to the Board a certificate stating that minimum amount of net present value savings and gross savings resulting from the refunding of the Refunded Bonds herein established has been exceeded. The determination of the Vice Chancellor for Finance for the University System, acting for and on behalf of the Board, relating to the issuance and sale of Bonds to refund Refunded Bonds in such principal amount as provided in the certificate to be executed by the Vice Chancellor for Finance of the University System as described in Section 3(b)(i) hereof shall have the same force and effect as if such determination were made by the Board. The Vice Chancellor for Finance for the University System is hereby directed to effect the prior redemption of any of the Refundable Bonds, and the redemption date or dates for the Refunded Bonds shall be set forth in the certificate to be executed by the Vice Chancellor for Finance of the University System as described in Section 3(b)(i) hereof.

(b) ***Refunded Commercial Paper Notes.*** The principal amount of Bonds, if any, issued to refund Refunded Commercial Paper Notes shall be specifically identified in the certificate to be executed by the Vice Chancellor for Finance for the University System in accordance with the provisions of Section 2(d) of this Sixteenth Supplement. Concurrently with the delivery of such Bonds, proceeds in the amount of the principal amount of the Refunded Commercial Paper Notes that are to be refunded, if any, and interest thereon, if any, with a portion of the proceeds from the sale of the Bonds shall be deposited to the credit of the "Note Payment Fund", established in accordance with the provisions of the Tenth Supplement, to refund those Refunded Commercial Paper Notes designated by the Vice Chancellor for Finance for the University System to be refunded and retired with a portion of the proceeds of the Bonds. The determination of the Vice Chancellor for Finance for the University System, acting for and on behalf of the Board, relating to the issuance and sale of Bonds to refund Refunded Commercial Paper Notes shall have the same force and effect as if such determination were made by the Board.

Section 22. **ESCROW AGREEMENT.** The Board shall cause to be deposited with the Escrow Agent, from the proceeds received from the sale of the Bonds sold for such purpose and other available moneys of the Board, an amount sufficient to provide for the refunding of the Refunded Bonds in accordance with Chapter 1207, Texas Government Code, to the extent Bonds are sold for such purpose. The Vice Chancellor for Finance for the University System is hereby authorized, for and on behalf of the Board, to execute and deliver the Escrow Agreement to accomplish the establishing of firm banking arrangements in connection with the refunding of the Refunded Bonds, in the standard form previously approved by the Board, with such changes as the Vice Chancellor for Finance for the University System deems necessary to effect the sale of the Bonds issued for such purpose, and to take such other actions on behalf of the Board to effect the sale of the Bonds issued for such purpose, including, without limitation, causing the redemption of the Refunded Bonds in accordance with the terms of the Supplement authorizing their issuance.

Section 23. **DTC LETTER OF REPRESENTATION.** The previous execution and delivery of the DTC Blanket Letter of Representations with respect to obligations of the Board is hereby ratified and confirmed; and the provisions thereof shall be fully applicable to the Bonds.

Section 24. **REPEAL OF CONFLICTING RESOLUTIONS.** All resolutions and all parts of any resolutions (other than the Master Resolution) which are in conflict or inconsistent with this Sixteenth Supplement, are hereby repealed and shall be of no further force or effect to the extent of such conflict or inconsistency.

Section 25. **RULES OF CONSTRUCTION.** For all purposes of this Sixteenth Supplement, unless the context requires otherwise, all references to designated Sections and other subdivisions are to the Sections and other subdivisions of this Sixteenth Supplement. The words "herein", "hereof" and "hereunder" and other words of similar import refer to this Sixteenth Supplement as a whole and not to any particular Section or other subdivision. Except where the context otherwise requires, terms defined in this Sixteenth Supplement to impart the singular number shall be considered to include the plural number and vice versa. References to any named person means that party and its successors and assigns. References to any constitutional, statutory or regulatory provision means such provision as it exists on the date this Sixteenth Supplement is adopted by the Board and any future amendments thereto or successor provisions thereof. Any reference to the payment of principal in this Sixteenth Supplement shall be deemed to include the payment of mandatory sinking fund redemption payments. Any reference to "FORM OF BONDS" shall refer to the form of the Bonds set forth in Exhibit B to this Sixteenth Supplement. References to the Vice Chancellor for Finance for the University System shall mean the person holding that position at the time Bonds are sold, whether acting, interim, or permanent.

Section 26. **PUBLIC NOTICE.** It is hereby found and determined that each of the officers and members of the Board was duly and sufficiently notified officially and personally, in advance, of the time, place, and purpose of the meeting at which this Sixteenth Supplement was adopted; that this Sixteenth Supplement would be introduced and considered for adoption at said meeting; and that

said meeting was open to the public, and public notice of the time, place, and purpose of said meeting was given, all as required by Chapter 551, Texas Government Code.

SCHEDULE I

Refundable Bonds

All outstanding maturities of the following series of bonds are eligible to be refunded:

BOARD OF REGENTS OF THE UNIVERSITY OF NORTH TEXAS REVENUE FINANCING SYSTEM REFUNDING BONDS, SERIES 2003A

BOARD OF REGENTS OF THE UNIVERSITY OF NORTH TEXAS SYSTEM REVENUE FINANCING SYSTEM REFUNDING AND IMPROVEMENT BONDS, SERIES 2005

BOARD OF REGENTS OF THE UNIVERSITY OF NORTH TEXAS REVENUE FINANCING SYSTEM REFUNDING AND IMPROVEMENT BONDS, SERIES 2007

BOARD OF REGENTS OF THE UNIVERSITY OF NORTH TEXAS REVENUE FINANCING SYSTEM BONDS, SERIES 2009

BOARD OF REGENTS OF THE UNIVERSITY OF NORTH TEXAS SYSTEM REVENUE FINANCING SYSTEM BONDS, SERIES 2009A

The Refundable Bonds may be refunded with the proceeds of tax-exempt bonds, taxable bonds, or a combination of tax-exempt bonds and taxable bonds, as determined by the Vice Chancellor for Finance for the University System, subject to the minimum savings requirement set forth in Section 2(c) of this Sixteenth Supplemental Resolution.

EXHIBIT A DEFINITIONS

As used in this Sixteenth Supplement the following terms and expressions shall have the meanings set forth below, unless the text hereof specifically indicates otherwise:

The term "*Acts*" shall mean, collectively, Chapter 55, Texas Education Code, and Chapters 1207 and 1371, Texas Government Code.

The term "*Authorized Denomination*" shall mean an Authorized Denomination as defined in Section 3(a) of this Sixteenth Supplement.

The term "*Bidding Instructions*" shall mean the Notice of Sale and Bidding Instructions distributed to potential purchasers of Sixteenth Series Bonds sold pursuant to a competitive sale.

The terms "*Board*" and "*Issuer*" shall mean the Board of Regents of the University System.

The term "*Board Representative*" shall mean the Vice Chancellor for Finance for the University System, or such other officials of the University or the Health Science Center appointed by the Board to carry out the functions of the Board specified herein.

The term "*Bond Purchase Agreement*" shall mean a bond purchase agreement between the Board and the Underwriters, pertaining to the purchase by the Underwriters of any Sixteenth Series Bonds sold pursuant to a negotiated sale.

The term "*Bonds*" shall mean the Sixteenth Series Bonds, and all substitute bonds exchanged therefor, and all other substitute and replacement bonds issued pursuant to this Sixteenth Supplement; and the term "Bond" means any of the Bonds.

The term "*Business Day*" shall mean any day which is not a Saturday, Sunday, legal holiday, or a day on which banking institutions in The City of New York, New York or in the city where the Designated Trust Office of the Paying Agent/Registrar is located are authorized by law or executive order to close.

The term "*Code*" means the Internal Revenue Code of 1986, as amended.

The term "*Commercial Paper Notes*" shall mean the Board of Regents of The University of North Texas Revenue Financing System Commercial Paper Notes, Series A (consisting of two sub-series, a tax-exempt sub-series and a taxable sub-series), issued pursuant to the provisions of the Master Resolution and the Tenth Supplement.

The term "*Designated Trust Office*" shall have the meaning ascribed to said term in Section 5(b) of this Sixteenth Supplement.

The term "*DTC*" shall mean The Depository Trust Company, New York, New York, or any successor securities depository.

The term "*DTC Participant*" shall mean securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations on whose behalf DTC was created to hold securities to facilitate the clearance and settlement of securities transactions among DTC Participants.

The term "*Eighth Series Bonds*" shall mean the Board of Regents of The University of North Texas System Revenue Financing System Refunding Bonds, Series 2003A, authorized by the Eighth Supplement.

The term "*Eighth Supplement*" shall mean the resolution adopted by the Board on August 21, 2003, authorizing the Eighth Series Bonds.

The term "*Eleventh Series Bonds*" shall mean the Board of Regents of the University of North Texas System Revenue Financing System Refunding and Improvement Bonds, Series 2005, authorized by the Eleventh Supplement.

The term "*Eleventh Supplement*" shall mean the resolution adopted by the Board on August 19, 2005, authorizing the Eleventh Series Bonds.

The term "*Escrow Agent*" shall mean the financial institution named in the Escrow Agreement, as determined by the Vice Chancellor for Finance for the University System.

The term "*Escrow Agreement*" shall mean the Escrow Agreement between the Board and the Escrow Agent, executed in connection with the refunding of the Refunded Bonds.

The term "*Fifteenth Series Bonds*" shall mean, collectively, the Board of Regents of the University of North Texas System Revenue Financing System Bonds, Series 2012A and the Board of Regents of the University of North Texas System Revenue Financing System Bonds, Taxable Series 2012B, authorized by the Fifteenth Supplement.

The term "*Fifteenth Supplement*" shall mean the resolution adopted by the Board on August 18, 2011, authorizing the authorizing the Fifteenth Series Bonds.

The term "*Fourteenth Series Bonds*" shall mean, collectively, the Board of Regents of the University of North Texas System Revenue Financing System Bonds, Series 2009A, the Board of Regents of the University of North Texas System Revenue Financing System Refunding Bonds, Series 2009B, and the Board of Regents of the University of North Texas System Revenue Financing System Refunding Bonds, Series 2010, authorized by the Fourteenth Supplement.

The term "*Fourteenth Supplement*" shall mean the resolution adopted by the Board of Regents on August 21, 2009, authorizing the Fourteenth Series Bonds.

The term "*Health Science Center*" shall mean the University of North Texas Health Science Center at Fort Worth.

The term "*Law School*" shall mean the University of North Texas at Dallas College of Law.

The term "*MAC*" means the Municipal Advisory Council of Texas.

The term "*Master Resolution*" shall mean the "Amended and Restated Master Resolution Establishing the Revenue Financing System under the Authority and Responsibility of the Board of Regents of the University of North Texas", adopted by the Board on February 12, 1999.

The term "*Maturity*" shall mean the date on which the principal of a Bond becomes due and payable as therein and herein provided, whether at Stated Maturity, by redemption, declaration of acceleration, or otherwise.

The term "*MSRB*" shall mean the Municipal Securities Rulemaking Board.

The term "*Official Bid Form*" shall mean the bid form prepared in accordance with the Bidding Instructions and submitted by potential purchasers of any Sixteenth Series Bonds sold pursuant to a competitive sale.

The terms "*Paying Agent/Registrar*", "*Paying Agent*" or "*Registrar*" shall mean the agent appointed pursuant to Section 5 of this Sixteenth Supplement, or any successor to such agent.

The term "*Paying Agent/Registrar Agreement*" shall mean the agreement between the Board and the Paying Agent/Registrar, with respect to the Bonds.

The term "*Record Date*" shall mean, with respect to the Bonds, the last business day of each month preceding an interest payment date.

The term "*Refundable Bonds*" shall mean the outstanding bonds issued by the Board as shown in Schedule I attached to the Sixteenth Supplement.

The term "*Refunded Bonds*" shall mean those Refundable Bonds selected by the Vice Chancellor for Finance for the University System to be refunded with the proceeds of Bonds authorized to be issued by the Sixteenth Supplement, as more fully described in the certificate to be delivered by the Vice Chancellor for Finance for the University System in accordance with Section 3(b)(i) of the Sixteenth Supplement.

The term "*Refunded Commercial Paper Notes*" shall mean those Commercial Paper Notes selected by the Vice Chancellor for Finance for the University System to be refunded with the proceeds of Bonds authorized to be issued by the Sixteenth Supplement, as more fully described in

the certificate to be delivered by the Vice Chancellor for Finance for the University System in accordance with Section 3(b)(i) of the Sixteenth Supplement.

The term "*Registration Books*" shall mean the books or records relating to the registration, payment, and transfer or exchange of the Bonds maintained by the Paying Agent/Registrar pursuant to Section 5 of this Sixteenth Supplement.

The term "*Rule*" shall mean SEC Rule 15c2-12, as amended from time to time.

The term "*SEC*" shall mean the United States Securities and Exchange Commission.

The term "*Sixteenth Series Bonds*" shall mean the Board of Regents of the University of North Texas System Revenue Financing System Bonds, in one or more series, authorized by the Sixteenth Supplement.

The term "*Sixteenth Supplement*" shall mean this resolution authorizing the Bonds.

The term "*Stated Maturity*", shall mean, when used with respect to the Bonds, the scheduled maturity or mandatory sinking fund redemption of the Bonds.

The term "*Tenth Supplement*" shall mean the resolution adopted by the Board on May 8, 2008, authorizing the Commercial Paper Notes.

The term "*Thirteenth Series Bonds*" shall mean the Board of Regents of the University of North Texas System Revenue Financing System Bonds, Series 2009, authorized by the Thirteenth Supplement.

The term "*Thirteenth Supplement*" shall mean the resolution adopted by the Board on November 20, 2008, authorizing the Thirteenth Series Bonds.

The term "*Twelfth Series Bonds*" shall mean the Board of Regents of the University of North Texas System Revenue Financing System Bonds, Series 2007, authorized by the Twelfth Supplement.

The term "*Twelfth Supplement*" shall mean the resolution adopted by the Board on September 7, 2006, authorizing the Twelfth Series Bonds.

The term "*Underwriters*" shall mean the investment banking firms listed in a Bond Purchase Agreement.

The term "*University*" shall mean the University of North Texas.

The term "*University System*" shall mean the University of North Texas System.

The term "*UNT-Dallas*" shall mean The University of North Texas at Dallas.

All terms not herein defined shall have the meanings given to such terms by the Master Resolution or as otherwise defined in this Sixteenth Supplement.

EXHIBIT B
FORM OF BONDS

UNITED STATES OF AMERICA
STATE OF TEXAS
BOARD OF REGENTS OF THE UNIVERSITY OF NORTH TEXAS SYSTEM
REVENUE FINANCING SYSTEM BOND,
SERIES 201__

NO. R-__			PRINCIPAL AMOUNT
			\$ _____
<u>INTEREST RATE</u>	<u>MATURITY DATE</u>	<u>DATE OF DELIVERY</u>	<u>CUSIP</u>

REGISTERED OWNER:

PRINCIPAL AMOUNT: DOLLARS

ON THE MATURITY DATE specified above, the BOARD OF REGENTS OF THE UNIVERSITY OF NORTH TEXAS SYSTEM (the "Issuer"), hereby promises to pay to the Registered Owner, specified above, or the registered assignee hereof (either being hereinafter called the "registered owner") the principal amount, specified above, and to pay interest thereon, calculated on the basis of a 360-day year composed of twelve 30-day months, from the Date of Delivery, specified above, to the Maturity Date, specified above, or the date of redemption prior to maturity, at the interest rate per annum, specified above; with interest being payable on April 15, 201__, and semiannually on each October 15 and April 15 thereafter, except that if the date of authentication of this Bond is later than the first Record Date (hereinafter defined), such principal amount shall bear interest from the interest payment date next preceding the date of authentication, unless such date of authentication is after any Record Date but on or before the next following interest payment date, in which case such principal amount shall bear interest from such next following interest payment date.

THE PRINCIPAL OF AND INTEREST ON this Bond are payable in lawful money of the United States of America, without exchange or collection charges, solely from funds of the Issuer required by the resolution authorizing the issuance of the Bonds to be on deposit with the Paying Agent/Registrar for such purpose as hereinafter provided. The principal of this Bond shall be paid to the registered owner hereof upon presentation and surrender of this Bond at maturity or upon the date fixed for its redemption prior to maturity, at the designated corporate trust office in _____, Texas (the "Designated Trust Office") of _____, which is the "Paying Agent/Registrar" for this Bond. The payment of interest on this Bond shall be made by the Paying Agent/Registrar to

the registered owner hereof on each interest payment date by check, dated as of such interest payment date, and such check shall be sent by the Paying Agent/Registrar by United States mail, first-class postage prepaid, on each such interest payment date, to the registered owner hereof, at the address of the registered owner, as it appeared on the last business day of the month next preceding each such date (the "Record Date") on the Registration Books kept by the Paying Agent/Registrar, as hereinafter described; provided, that upon the written request of any owner of not less than \$1,000,000 in principal amount of Bonds provided to the Paying Agent/Registrar not later than the Record Date immediately preceding an interest payment date, interest due on such Bonds on such interest payment date shall be made by wire transfer to any designated account within the United States of America. In addition, interest may be paid by such other method acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the registered owner hereof. Any accrued interest due upon the redemption of this Bond prior to maturity as provided herein shall be paid to the registered owner upon presentation and surrender of this Bond for redemption and payment at the Designated Trust Office of the Paying Agent/Registrar. The Issuer covenants with the registered owner of this Bond that on or before each principal payment date and interest payment date for this Bond it will make available to the Paying Agent/Registrar, the amounts required to provide for the payment, in immediately available funds, of all principal of and interest on the Bonds, when due. Notwithstanding the foregoing, during any period in which ownership of the Bonds is determined by a book entry at a securities depository for the Bonds, payments made to the securities depository, or its nominee, shall be made in accordance with arrangements between the Issuer and the securities depository.

THIS BOND is one of a Series of Bonds, dated as of _____, 201__, authorized in accordance with the Constitution and laws of the State of Texas in the aggregate principal amount of \$_____, issued pursuant to a Sixteenth Supplemental Resolution to the Master Resolution adopted August 15, 2013, and pursuant to the Master Resolution referred therein (collectively, the "Bond Resolution"), FOR THE PURPOSE OF (i) ACQUIRING, PURCHASING, CONSTRUCTING, IMPROVING, RENOVATING, ENLARGING OR EQUIPPING PROPERTY, BUILDINGS, STRUCTURES, FACILITIES, ROADS, OR RELATED INFRASTRUCTURE FOR PARTICIPANTS IN THE REVENUE FINANCING SYSTEM, (ii) FUNDING, TO THE EXTENT PERMITTED BY APPLICABLE LAW, CAPITALIZED INTEREST ON THE BONDS, (iii) REFUNDING THE REFUNDED BONDS AND THE REFUNDED COMMERCIAL PAPER NOTES, AND (iv) PAYING THE COSTS OF ISSUANCE RELATED TO THE SALE OF THE BONDS. Terms used herein and not otherwise defined have the meaning given in the Bond Resolution.

ON APRIL 15, 20__, or on any date thereafter, the Bonds of this Series maturing on and after April 15, 20__ may be redeemed prior to their scheduled maturities, at the option of the Issuer, with funds derived from any available and lawful source, as a whole, or in part, and, if in part, the particular Bonds, or portions thereof, to be redeemed shall be selected and designated by the Board (provided that a portion of a Bond may be redeemed only in an integral multiple of \$5,000), at par and accrued interest to the date fixed for redemption; provided, that during any period in which ownership of the Bonds is determined only by a book entry at a securities depository for the Bonds, if fewer than all of the Bonds of the same maturity and bearing the same interest rate are to be

redeemed, the particular Bonds of such maturity and bearing such interest rate shall be selected in accordance with the arrangements between the Board and the securities depository.

THE BONDS maturing on April 15 in each of the years ____ and ____, shall be subject to mandatory sinking fund redemption prior to their scheduled maturities in the following amounts, on April 15 in each of the years set forth below, at a price equal to the principal amount thereof and accrued and unpaid interest to the date of redemption, without premium:

<u>Year</u>	<u>Principal Amount (\$)</u>
-------------	------------------------------

*Final Maturity

The principal amount of the Bonds required to be redeemed on each such redemption date pursuant to the foregoing operation of the mandatory sinking fund shall be reduced, at the option of the Issuer, by the principal amount of any Bonds, which, at least 45 days prior to the mandatory sinking fund redemption date, (1) shall have been acquired by the Issuer and delivered to the Paying Agent/Registrar for cancellation, or (2) shall have been acquired and canceled by the Paying Agent/Registrar at the direction of the Issuer, in either case at a price not exceeding the par or principal amount of such Bonds, or (3) have been redeemed pursuant to the optional redemption provisions set forth above and not theretofore credited against mandatory sinking fund redemption. During any period in which ownership of the Bonds is determined by a book entry at a securities depository for the Bonds, if fewer than all of the Bonds of the same maturity and bearing such interest rate are to be redeemed, the particular Bonds of such maturity and bearing such interest rate shall be selected in accordance with the arrangements between the Issuer and the securities depository.

AT LEAST 30 days prior to the date fixed for any redemption of Bonds or portions thereof prior to maturity a written notice of such redemption shall be published once in a financial publication, journal or reporter of general circulation among securities dealers in The City of New York, New York or in the State of Texas. Such notice also shall be sent by the Paying Agent/Registrar by United States mail, first-class postage prepaid, at least 30 days prior to the date fixed for any such redemption, to the registered owner of each Bond to be redeemed at its address as it appeared on the Registration Books on the 45th day prior to such redemption date; provided, however, that the failure to send, mail or receive such notice, or any defect therein or in the sending or mailing thereof, shall not affect the validity or effectiveness of the proceedings for the redemption of any Bond, and it is hereby specifically provided that the publication of such notice as required above shall be the only notice actually required in connection with or as a prerequisite to the redemption of any Bonds or portions thereof. By the date fixed for any such redemption due provision shall be made with the Paying Agent/Registrar for the payment of the required redemption price for the Bonds or portions thereof which are to be so redeemed. If such written notice of redemption is published and if due provision for such payment is made, all as provided above, the Bonds or portions thereof which are to be so redeemed thereby automatically shall be treated as

redeemed prior to their scheduled maturities, and they shall not bear interest after the date fixed for redemption, and they shall not be regarded as being outstanding except for the right of the registered owner to receive the redemption price from the Paying Agent/Registrar out of the funds provided for such payment. If a portion of any Bond shall be redeemed a substitute Bond or Bonds having the same maturity date, bearing interest at the same rate, in any denomination or denominations in any integral multiple of \$5,000, at the written request of the registered owner, and in aggregate principal amount equal to the unredeemed portion thereof, will be issued to the registered owner upon the surrender thereof for cancellation, at the expense of the Board, all as provided in the Bond Resolution.

IF THE DATE for the payment of the principal of or interest on this Bond shall be a Saturday, Sunday, a legal holiday, or a day on which banking institutions in The City of New York, New York, or in the city where the Designated Trust Office of the Paying Agent/Registrar is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not such a Saturday, Sunday, legal holiday, or day on which banking institutions are authorized to close; and payment on such date shall have the same force and effect as if made on the original date payment was due.

THIS BOND OR ANY PORTION OR PORTIONS HEREOF IN ANY AUTHORIZED DENOMINATION may be assigned and shall be transferred only in the Registration Books of the Issuer kept by the Paying Agent/Registrar acting in the capacity of registrar for the Bonds, upon the terms and conditions set forth in the Bond Resolution. Among other requirements for such assignment and transfer, this Bond must be presented and surrendered to the Paying Agent/Registrar, together with proper instruments of assignment, in form and with guarantee of signatures satisfactory to the Paying Agent/Registrar, evidencing assignment of this Bond or any portion or portions hereof in any authorized denomination to the assignee or assignees in whose name or names this Bond or any such portion or portions hereof is or are to be transferred and registered. The form of Assignment printed or endorsed on this Bond shall be executed by the registered owner or its duly authorized attorney or representative, to evidence the assignment hereof. A new Bond or Bonds payable to such assignee or assignees (which then will be the new registered owner or owners of such new Bond or Bonds), or to the previous registered owner in the case of the assignment and transfer of only a portion of this Bond, may be delivered by the Paying Agent/Registrar in exchange for this Bond, all in the form and manner as provided in the next paragraph hereof for the exchange of other Bonds. The Issuer shall pay the Paying Agent/Registrar's fees and charges, if any, for making such transfer or exchange as provided below, but the one requesting such transfer or exchange shall pay any taxes or other governmental charges required to be paid with respect thereto. The Paying Agent/Registrar shall not be required to make transfers of registration or exchange of this Bond or any portion hereof (i) during the period commencing with the close of business on any Record Date and ending with the opening of business on the next following principal or interest payment date, or, (ii) with respect to any Bond or any portion thereof called for redemption prior to maturity, within 45 days prior to its redemption date. The registered owner of this Bond shall be deemed and treated by the Issuer and the Paying Agent/Registrar as the absolute owner hereof for all purposes, including payment and discharge of liability upon this Bond to the extent of such payment,

and, to the extent permitted by law, the Issuer and the Paying Agent/Registrar shall not be affected by any notice to the contrary.

ALL BONDS OF THIS SERIES are issuable solely as fully registered bonds, without interest coupons in the denomination of any integral multiple of \$5,000 (an "Authorized Denomination"). As provided in the Bond Resolution, this Bond, or any unredeemed portion hereof, may, at the request of the registered owner or the assignee or assignees hereof, be exchanged for a like aggregate principal amount of fully registered bonds, without interest coupons, payable to the appropriate registered owner, assignee, or assignees, as the case may be, having the same maturity date, in the same form, and bearing interest at the same rate, in any Authorized Denomination as requested in writing by the appropriate registered owner, assignee, or assignees, as the case may be, upon surrender of this Bond to the Paying Agent/Registrar for cancellation, all in accordance with the form and procedures set forth in the Bond Resolution.

WHENEVER the beneficial ownership of this Bond is determined by a book entry at a securities depository for the Bonds, the foregoing requirements of holding, delivering, or transferring this Bond shall be modified to require the appropriate person or entity to meet the requirements of the securities depository as to registering or transferring the book entry to produce the same effect.

IN THE EVENT any Paying Agent/Registrar for the Bonds is changed by the Issuer, resigns, or otherwise ceases to act as such, the Issuer has covenanted in the Bond Resolution that it promptly will appoint a competent and legally qualified substitute therefor, and promptly will cause written notice thereof to be mailed to the registered owners of the Bonds.

IT IS HEREBY certified, recited, and covenanted that this Bond has been duly and validly authorized, issued, and delivered; that all acts, conditions, and things required or proper to be performed, exist, and be done precedent to or in the authorization, issuance, and delivery of this Bond have been performed, existed, and been done in accordance with law; that the Series of Bonds of which this Bond is one constitute Parity Obligations under the Master Resolution; and that the interest on and principal of this Bond, together with the other Bonds of this Series and the other outstanding Parity Obligations, are equally and ratably secured by and payable from a lien on and pledge of the Pledged Revenues.

THE ISSUER has reserved the right, subject to the restrictions referred to in the Bond Resolution, (i) to issue additional Parity Obligations which also may be secured by and made payable from a lien on and pledge of the aforesaid Pledged Revenues, in the same manner and to the same extent as this Bond, and (ii) to amend the provisions of the Bond Resolution under the conditions provided in the Bond Resolution.

THE REGISTERED OWNER hereof shall never have the right to demand payment of this Bond or the interest hereon out of any funds raised or to be raised by taxation or from any source whatsoever other than specified in the Bond Resolution.

BY BECOMING the registered owner of this Bond, the registered owner thereby acknowledges all of the terms and provisions of the Bond Resolution, agrees to be bound by such terms and provisions, acknowledges that the Bond Resolution is duly recorded and available for inspection in the official minutes and records of the Issuer, and agrees that the terms and provisions of this Bond and the Bond Resolution constitute a contract between each registered owner hereof and the Issuer.

IN WITNESS WHEREOF, the Issuer has caused this Bond to be signed with the manual or facsimile signature of the Chair of the Issuer and countersigned with the manual or facsimile signature of the Secretary of the Issuer, and has caused the official seal of the Issuer to be duly impressed, or placed in facsimile, on this Bond.

Secretary, Board of Regents of the
University of North Texas System

Chair, Board of Regents of the
University of North Texas System

(BOARD SEAL)

FORM OF PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE

PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE

It is hereby certified that this Bond has been issued under the provisions of the Bond Resolution described in this Bond; and that this Bond has been issued in conversion of and exchange for or replacement of a bond, bonds, or a portion of a bond or bonds of an issue which originally was approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts of the State of Texas.

_____,
Paying Agent/Registrar

Dated

Authorized Representative

FORM OF ASSIGNMENT

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned registered owner of this Bond, or duly authorized representative or attorney thereof, hereby assigns this Bond to

/ _____ /

(Assignee's Social Security or Taxpayer Identification Number)

(print or typewrite Assignee's name and address, including zip code)

and hereby irrevocably constitutes and appoints

attorney to transfer the registration of this Bond on the Paying Agent/Registrar's Registration Books with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

NOTICE: This signature must be guaranteed by a member of the New York Stock Exchange or a commercial bank or trust company.

NOTICE: This signature must correspond with the name of the Registered Owner appearing on the face of this Bond.

[FORM OF REGISTRATION CERTIFICATE OF
COMPTROLLER OF PUBLIC ACCOUNTS TO ACCOMPANY
THE BONDS UPON INITIAL DELIVERY]

COMPTROLLER'S REGISTRATION CERTIFICATE:

REGISTER NO. _____

I hereby certify that this Bond has been examined, certified as to validity, and approved by the Attorney General of the State of Texas, and that this Bond and the proceedings authorizing its issuance have been registered by the Comptroller of Public Accounts of the State of Texas.

Witness my signature and seal this

Comptroller of Public Accounts
of the State of Texas

(COMPTROLLER'S SEAL)

Should the Bonds be insured by a Bond Insurer, a statement or legend describing the policy to be issued by the Bond Insurer may be printed on the Bonds so insured.

EXHIBIT C

DESCRIPTION OF ANNUAL FINANCIAL INFORMATION

The following information is referred to in Section 19 of this Sixteenth Supplement.

Annual Financial Statements and Operating Data

The financial information and operating data with respect to the Board to be provided annually in accordance with such Section are as specified (and included in the Appendix or under the headings of the Official Statement referred to) below:

Tables 1 and 2 in the Official Statement; Tables A-1 through A-10, and A-13 through A-18 of Appendix A to the Official Statement; and Appendix B - "Excerpts from the Combined Financial Report of The University of North Texas System for the Year Ended August 31, 2011 with Selected Schedules, including Management's Discussion and Analysis".

Accounting Principles

The accounting principles referred to in the Resolution are the accounting principles described in the notes to the financial statements referred to in paragraph 1 above, which are generally accepted accounting principles of fund accounting for colleges and universities.



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Board Briefing

Committee: Audit

Date Filed: July 8, 2013

Title: FY 2014 UNT System Compliance Risk Assessment and Work Plan

Background:

The Audit Committee has requested that the Compliance offices conduct risk assessments and prepare annual work plans for consideration by the Committee each August. The Compliance officers have conducted risk assessments and prepared the attached work plan for consideration and approval by the Board.

Financial Analysis/History:

There are no financial implications associated with the FY 2014 UNT System Compliance Risk Assessment and Work Plan.

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email=allen.clemson@untsystem.edu, c=US
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Interim Vice Chancellor for Finance

Legal Review:

This item has been reviewed by General Counsel.

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General Counsel, email=nancy.footer@untsystem.edu,
c=US
Date: 2013.08.07 12:31:42 -05'00'

Vice Chancellor/General Counsel

Schedule: FY 2014

Recommendation:

It is recommended that the UNT System Board of Regents approve the attached FY 2014 UNT System Compliance Risk Assessment and Work Plan.

Recommended By:

Steven A. Hill I

UNT System Compliance Officer

Chancellor

Attachments:

- [FY 2014 UNT System Compliance Risk Assessment and Work Plan](#)



Board Order

Title: FY 2014 UNT System Compliance Risk Assessment and Work Plan

Board of Regents Order 2013-71

At an official meeting of the Board of Regents of the University of North Texas System properly posted and held on Aug 16, 2013, pursuant to a motion made by Regent _____ and seconded by Regent _____, the Board approved the motion presented below:

Whereas, the Compliance offices have conducted risk assessments and prepared annual work plans,

Now, Therefore, The Board of Regents authorizes and approves the following:

1. FY 2014 UNT System Compliance Risk Assessment and Work Plan
-

VOTE: _____ ayes _____ nays _____ abstentions

BOARD ACTION:

Attested By:

Approved By:

Julia A. Boyce, Secretary
Board of Regents

Jack Wall, Chairman
Board of Regents

FY 2014 UNT System Consolidated Compliance Risk Assessment and Work Plan

Risk Assessment Approach

The following information describes the approach used and the high-risks that have been identified by UNT System, UNT, UNTHSC, and UNT Dallas executive and senior management along with System and both Institutional Compliance offices as a result of an enterprise-level risk assessment conducted for FY 2014.

This risk assessment approach produced two types of high-risks, one categorized as Management Risks and the other categorized as Compliance Risks. A Management Risk is a term used to identify a UNT System institution's highest-risk. Management Risks are exclusively mitigated by executive management and Compliance Risks are mitigated via a partnership between senior management and the applicable UNT System component Compliance office.

Management and mitigation of risks at the institutional level includes quarterly monitoring and reporting through each UNT System component to the UNT System Board of Regents by executive management, the applicable Compliance office, and the senior management official that is responsible for each applicable risk.

An executive (for Management Risks) or senior management official (for Compliance Risks) are designated as the responsible party for each category of high-risk. The action taken by executive management to address each Management Risk is reported to the UNT System Board of Regents in the quarterly consolidated Compliance report (in Section I) until the risk concern has been fully resolved.

The action taken by the responsible campus senior management official and the applicable component Compliance office to address each Compliance Risk is also reported to the UNT System Board of Regents in the quarterly consolidated Compliance report (in Section II) until the risk concern has been fully resolved.

Once a Management Risk is fully resolved, the risk will be moved to the resolved management risk list for the specific UNT System institution. Once a Compliance Risk is fully resolved, each risk may then be referred to as a "controlled risk." The term "controlled risk" warrants reduced monitoring by the applicable campus Compliance office from quarterly up to a period not to exceed two years, depending on the nature of the risk.

The terms High, Medium, and Low, represented by the letters "H", "M", and "L", are used in the proposed lists of high-risks for each campus and refers to the ranking of the risk. The first letter refers to the "impact" of the risk on the organization and its effect on the achievement of goals and objectives, should the risk occur.

The second letter refers to the "probability" or the likelihood of the risk happening. A "HH" reflects a high impact and high probability risk. A "HM" would reflect a high impact and medium probability risk. A "HL" reflects a high impact and low probability risk. The following information provides general guidance pertaining to impact and probability.

Impact (Severity)

- **High Impact** – If the risk occurs, the institution may not achieve its objective or to do so will require major damage control.
- **Medium Impact** – If the risk occurs, the institution will have to perform extra work or will be less efficient, but the institution can still achieve its objective.
- **Low Impact** – If the risk occurs, the institution is aware of it but it will have little or no effect upon operations or the achievement of the objective.

Probability (Frequency)

- **High Probability** – It is likely to happen often.
- **Medium Probability** – It is likely to happen but not often.
- **Low Probability** – It is unlikely to happen at all.

Methodology for Identifying Current High-Risks

Enterprise Risk Management (ERM) is a continuous, proactive and systematic process to first identify, understand, manage, and communicate business risk from an organization-wide perspective.

System Compliance and both Institutional Compliance Office's followed a "multi-level risk assessment" methodology which is a component of the Assurance Continuum Risk Management Model developed by David and Justina Crawford. Characteristics of this multi-level risk assessment are:

- Every employee from executive management to first line employee have the opportunity to be involved in the process.
- Risk assessments may generally be conducted at three levels within an organization. The three risk assessments are Executive, Major Activity Area, and Work Unit Risk Assessments.

The Executive Risk Assessment (participants included CEO and direct reports) – For UNT System, UNT, and UNT Dallas.

The Executive Team Risk Assessment (participants included CEO and direct reports) – For UNT Health Science Center. Executive Risk Assessment characteristics include:

- Identified and valued the risks that executive management worry about, think about, devote resources to, or attempt to avoid.
- Both opportunity (positive) risks and obstacle (negative) risks were considered with an emphasis on issues that have direct implications on the achievement of organizational goals and objectives.
- Risks are ranked by two characteristics. First, is the material consequence (impact) on the organization's ability to achieve its goals and objectives. Second, refers to how likely is the risk to occur (probability).

The Major Activity Area Risk Assessment (participants included direct reports to the CEO's direct reports) – For UNT System, UNT, and UNT Dallas.

The Compliance Council includes all areas of the UNT Health Science Center and most Executive Team Members or their designee as participants - For UNTHSC. Major Activity Area Risk Assessment characteristics include:

- Ranks risks by the impact of the risk on the organization's ability to achieve its goals and objectives and the probability of the risk actually occurring.
- Results are foundation for determining mitigating strategies used to minimize the risk impact and probability.
- Identifies applicable statutes and regulations associated with the performance of their division activities **(UNTHSC)**.

The Work Unit Risk Assessment (participants include the director, manager, supervisor, etc. of the work unit and all employees in the work unit). Work Unit Risk Assessment characteristics include:

- Identifies the work unit risks to achieving the goals of each unit or department (as previously identified in an institutional database referred to as the TRACDAT System).
- Ranks or prioritizes work unit risks by impact (severity) and probability (frequency).
- Creates mitigating strategies (controls) used to minimize the risk impact and probability.
- Results should accomplish ensuring that up-line management has considered all risks associated with each activity (process).
- Generates ownership in the ERM process.

The Work Unit Risk Assessment was not formally conducted during the risk identification phase but the principles associated with this approach are tools used to evaluate risks during the monitoring phase of managing the risks. – **(For UNT System, UNT, and UNT Dallas)**

The UNTHSC TracDat System was modified to provide for a work unit risk assessment process by capturing department risks in light of their goals for the next fiscal year. The UNTHSC's departments conducted Work Unit Risk Assessments using the modified TracDat System. - **(For UNTHSC)**

System Compliance and both Institutional Compliance's approach towards risk assessment was to adopt a risk-based approach as part of its risk assessment strategy because compliance resources are limited. Priorities were established to determine the appropriate allocation of compliance monitoring resources for these risks.

Additional Strategies Used in High-Risk Identification

- Through direct discussion between System Compliance and both Institutional Compliance office's with Director-level management and Internal Audit.
- By comparison with common industry high-risks, internal research results from industry publications, electronic resources, and consultation with national compliance peers.
- By reviewing the work plan of the Office of Inspector General for the Department of Health and Human Services to determine if any particular area included in their plan needs to be addressed by any UNT System component.
- Through direct discussion with UNT Health Science Center Compliance Council Division Directors (which is also reflective of UNT Health Science Center Executive Management).

The FY 2014 Management and Compliance risks listed in the following series of work plans will be monitored during FY 2014 by executive and senior level management and their respective Compliance assets. These work plans are presented to the UNT System Board of Regents for approval. Upon Board approval, the actions taken and the progress made towards addressing each risk will be reported to the Board on a quarterly basis within the UNT System Consolidated Compliance Report during the period of September 1, 2013 through August 31, 2014.

UNT System Work Plan

There are four (4) Management Risks that were re-confirmed during the FY 2014 risk assessment process that will continue to be exclusively managed by executive management and progress towards addressing each risk will continue to be reported on a quarterly basis to the UNT System Board of Regents.

There were two (2) Management Risks that were resolved as a result of the FY 2014 risk assessment process.

There was one (1) new Management Risk that was identified as a result of UNT Dallas being granted separate accreditation. Additional actions remain to separate UNT Dallas financial aid operations from UNT. This risk will be exclusively managed by executive management and progress towards addressing this risk will be reported on a quarterly basis to the UNT System Board of Regents.

There is one (1) compliance risk that was re-confirmed during the FY 2014 risk assessment process. This risk will continue to be managed as a result of meetings between the responsible party and System/Institutional Compliance and actions taken to address this risk will continue to be reported on a quarterly basis to the UNT System Board of Regents.

List of UNT System High-Risks

Management Risks

1. Finalizing the transition of UNT Dallas as an independent institution – **(New) MM**
2. Law School start-up not meeting milestones for funding and operations – **MM**
3. Ineffective implementation of shared services strategy for Information Technology Shared Services (ITSS) and Business Services Center (BSC) – **MM**
4. Ineffective implementation of Human Resources services – **MM**
5. Having policies, procedures, and/or practices in place that may not protect minors participating in UNT System related activities – **MM**

Compliance Risks

Electronic Information Handling – **MM**

UNT Work Plan

There are three (3) Management Risks that were re-confirmed during the FY 2014 risk assessment process that will continue to be exclusively managed by executive management and progress towards addressing each risk will continue to be reported on a quarterly basis to the UNT System Board of Regents.

There was one (1) Management Risk that was re-revised during the FY 2014 risk assessment process. This risk will continue to be exclusively managed by executive management and progress towards addressing this risk will continue to be reported on a quarterly basis to the UNT System Board of Regents.

There are twelve (12) Compliance Risks that were re-confirmed during the FY 2014 risk assessment process. These risks will continue to be managed as a result of meetings between the responsible party and System/Institutional Compliance and progress towards addressing these risks will continue to be reported quarterly to the UNT System Board of Regents.

There was one (1) Compliance Risk that was resolved during FY 2013 and is added to the UNT Controlled Risk list as a part of the FY 2014 Risk Assessment process.

List of UNT High-Risks

Management Risks

1. Pace of progress towards Tier 1, and its associated funding, is tied directly to Bold Goal Two. – **MM**
2. The transition to shared services is still underway and the impact/benefit to the campus is still developing – **MM**
3. Continuing to develop state-of-the-art modeling and predictability to manage changes in enrollment numbers and student quality – **(Revised) MM**
4. Having policies, procedures, and/or practices in place that may not protect minors participating in UNT related activities – **MM**

Compliance Risks

1. Fire and Life Safety – **ML**
2. Laboratory Inspections and Follow-Up – **MM**
3. Chemicals of Interest – **ML**
4. Emergency Planning & Preparedness and Business Continuity – **ML**
5. Research Conflict of Interest – **LL**

6. Time and Effort Reporting – **LM**
7. Human Subject Research Monitoring – **LL**
8. Export Controls – **ML**
9. Electronic Information Handling – **MM**
10. HIPAA Compliance – **MM**
11. Individual Conflict of Interest – **LM**
12. Records Management – **MM**

UNT Health Science Center Work Plan

The following information outlines the risks that will be monitored as a result of this work plan that UNT Health Science Center Institutional Compliance and the Institutional Compliance Council Division Directors plan to follow during Fiscal Year (FY) 2014.

There are nine (9) Management Risks that were reconfirmed during the FY 2014 risk assessment process that will be exclusively managed by UNTHSC executive management and progress towards addressing each risk will continue to be reported on a quarterly basis to the UNT System Board of Regents.

There was one (1) Management Risk and two (2) parts of other Management Risks that were resolved as a result of the FY 2014 risk assessment process.

There was one (1) Management Risk that was revised as a result of the FY 2014 risk assessment process. This Management Risk will be exclusively managed by UNTHSC executive management and progress towards addressing this risk will continue to be reported on a quarterly basis to the UNT System Board of Regents.

There is one (1) new Management Risk that was identified during the FY 2014 risk assessment process that will be exclusively managed by UNTHSC executive management and progress towards addressing this risk will be reported on a quarterly basis to the UNT System Board of Regents.

There are four (4) Compliance Risks that were reconfirmed during the FY 2014 risk assessment process. These risks will be monitored by the Institutional Compliance Office and the Institutional Compliance Council. Progress towards addressing each risk will continue to be reported on a quarterly basis to the UNT System Board of Regents.

There was one (1) Compliance Risk that was revised and another that was newly identified as a result of the FY 2014 risk assessment process. These risks will be monitored by the Institutional Compliance Office and the Institutional Compliance Council. Progress towards addressing each risk will be reported on a quarterly basis to the UNT System Board of Regents.

There were six (6) Compliance Risks that were resolved as a result of the FY 2014 Risk Assessment process. These risks will be moved to the UNTHSC Controlled Risk list.

List of UNTHSC High-Risks

Management Risks

1. Part (ii): Reduction in state funding from lack of support for tuition revenue bond for a new building to support labs and other necessary space requirements – **HM**
2. Reduction in research funding from: (i) Loss/inability to reach institutional goal for extramural research funding; (ii) Minimal current clinical and translational research capability – **HH**
3. Reduction in clinical revenues from: (i) Reduction in rate of clinical reimbursement from Centers for Medicare and Medicaid Services (CMS) and other insurance providers or clinical contracts; (ii) Reduction in clinical volume – **HH**
4. Clinical education: (i) Increased costs of supporting all student clinical rotations; (ii) Inadequate funding of residency positions (GME) may limit growth of school positions (seats) – **HM**
5. Failure to reach shared services agreements to define and implement: (i) service goals of reducing administrative costs and addressing utilization of resources; and (ii) service goals of maintaining or improving service quality and complying with state and federal regulations – **HM**
6. Failure to follow the compliance program including: (i) Non-compliance with significant state and federal regulations with an emphasis on health care and grant recipient regulations; (ii) Non-compliance with accrediting requirements (including failure to maintain regional and program-specific accreditation); (iii) Inadequate accountability for non-compliance; (iv) Inadequate compliance training – **(Revised) HM**
7. Threats to health and safety of faculty, staff, students and general public – **MM**
8. Inability to obtain accurate and reliable data and information to support optimal decision-making and reporting requirements – **HM**
9. Part (i): From not obtaining MD Program approval including risk from solicitation burnout and failure to maintain excitement about institutional vision – **HM**
10. Having policies, procedures, and/or practices in place that may not protect minors participating in UNT Health Science Center related activities – **HL**
11. Failure of 1115 waiver projects to meet required CMS milestone targets to receive CMS matching funds, and meet other CMS program requirements; and optimize institutional funds cash flow – **(New) HM**

Compliance Risks

1. Physicians at Teaching Hospitals (Path) Regulations (Clinical Division) – **HH**
2. Procedures – for inpatient and outpatient (Clinical Division) – **HM**
3. Evaluation and Management Codes: inpatient and outpatient (Clinical Division) – **HM**
4. Billing versus Performing Provider (Clinical Division) – **HM**

5. Notice of Privacy Practices (Clinical Division) – **(New) HM**
6. Risk Management Program for Texas State Agencies – Life Safety, Workers Compensation (Safety Division) – **(Revised) MH**

UNT Dallas Work Plan

There are two (2) Management Risks that were re-confirmed during the FY 2014 risk assessment process that will continue to be exclusively managed by executive management and progress towards addressing each risk will continue to be reported on a quarterly basis to the UNT System Board of Regents.

There were two (2) Management Risks that were resolved as a result of the FY 2014 risk assessment process.

There was also one (1) new Management Risk identified as a result of UNT Dallas being granted separate accreditation. Additional actions remain to separate UNT Dallas financial aid operations from UNT. This risk will be exclusively managed by executive management and progress towards addressing this risk will be reported on a quarterly basis to the UNT System Board of Regents.

There were four (4) Management Risks that were consolidated or revised into two (2) Management Risks during the FY 2014 risk assessment process. These risks will continue to be exclusively managed by executive management and progress towards addressing each risk will continue to be reported on a quarterly basis to the UNT System Board of Regents.

There are three (3) Compliance Risks that were re-confirmed during the FY 2014 risk assessment process. These risks will continue to be managed as a result of meetings between the responsible party and System/Institutional Compliance and progress towards addressing these risks will continue to be reported on a quarterly basis to the UNT System Board of Regents.

List of UNT Dallas High-Risks

Management Risks

1. Inadequate budget resources to balance enrollment growth, ensure student success, and achieve the goals of the University's Strategic Plan – **(Revised) HM**
2. Finalizing and sustaining the transition of UNT Dallas as an independent institution – **(New) MM**
3. Lack of experienced leadership and high staff turnover in key functional areas – **(Revised) MM**
4. How the transition of the Controller function from UNT effects the support UNT Dallas requires from UNT and appropriately addressing external audit recommendations – **MM**
5. Having policies, procedures, and/or practices in place that may not protect minors participating in UNT Dallas related activities – **MM**

Compliance Risks

1. Emergency Planning & Preparedness and Business Continuity – **ML**
2. Electronic Information Handling – **MM**
3. Grants Management – **MM**

UNT System Resolved Management Risks

The following are Management Risks that have either been resolved or concerns about the risk no longer exist. Comments pertaining to removing these risks from the applicable institution's Management Risk list have either already taken place in a prior quarter's report, will be documented in this quarter's report, or included in next quarter's report.

UNT System Resolved Management Risks

1. Reduced funding because of State legislative actions – largest UNT System risk, including changes in categories of funding – **HL**
2. Inability for System Facilities to meet building requirements for UNT to qualify for National Research University Fund (NRUF) status – **HL**
3. Delay in transition of UNT Dallas as an independent accredited University – **HM (FY 2014)**
4. Not making sufficient progress in establishing the UNT System College of Pharmacy by the next legislative session – **HM (FY 2014)**

UNT Resolved Management Risks

1. Effects of NCAA/Conference realignment – **HM**
2. Reduced funding as a result of legislative action and how it drives appropriate financial decision-making by UNT – **MH**
3. Finalizing a classification and compensation plan that is perceived by some to inaccurately classify certain job positions and related salaries of UNT staff – **HM**
4. UNT's ability to manage its role in the UNT Dallas transition and the possible negative effects of a delayed UNT Dallas accreditation on UNT – **HM**

UNTHSC Resolved Management Risks

1. Reduction in state funding from (i) Discontinuation of special item support – **HH**
2. Failure of security and integrity of institutional data from: (i) Unauthorized access to Protected Institutional Data including risk of donor loss due to exposure of confidential information; (ii) Denial of service attacks or other malware – **HM**

3. Reduction in state funding within the biennium resultant of actions by the Texas State Legislature in response to budget needs/shortfalls (Fiscal Exigency) – **HM**
4. Management Risk #1 (Part (i) only): Reduction in state funding from (i) Loss/Reduction of state formula funding rate and/or decrease in student enrollment impacting state and tuition funding – **HM (FY 2014)**
5. Management Risk #9 (Part ii only): Poor clinical outcome that is exposed to media – **HM (FY2014)**
6. Management Risk #10: Pharmacy School: (i) Failure to receive pre-candidate status accreditation to admit students in the Fall of 2013 from the Accreditation Council for Pharmacy Education (ACPE) HL and (ii) Failure to raise adequate funds for the new Pharmacy School – **HM (FY 2014)**

UNT Dallas Resolved Management Risks

1. Inadequate enrollment growth – **HM (FY 2014)**
2. Failure to timely achieve accreditation by the Southern Association of Colleges and Schools (SACS) – **HM (FY 2014)**

<h3>UNT System Controlled Risks</h3>

The following risks have acceptable controls in place or are no longer considered a high-risk as a result of the FY 2014 risk assessment process. A “controlled risk” is a Compliance Risk that has been resolved and is then subject to monitoring for a period not to exceed two years from the date the risk is removed from the high risk list, depending on the nature of the risk. Quarterly reporting of these risks will terminate with the exception of any applicable close-out summary reviews that would document the final status of compliance with a particular risk.

The UNTHSC reviewed its risk assessment process for evaluating compliance “high risks” and some risks that reflected a medium or low impact and/or a medium or low probability were no longer considered a high-risk as a result of the FY 2014 risk assessment process.

UNT System Controlled Risks

1. Fire and Life Safety – **ML**

UNT Controlled Risks

1. Federal and State Regulatory Compliance – **LL**
2. Payment Card Industry Compliance – **MM**
3. Family Medical Leave Act (FMLA) – **ML (FY 2013)**

UNTHSC Controlled Risks

1. Incident-to-Billing (Clinical Division) – **MM**
2. Use of Human Subjects (Research Division)– **ML**
3. Conflict of Interest (Research Division)– **ML**
4. Nondiscrimination/Equal Employment (Human Capital Management Division) – **ML**
5. Sexual Harassment (Human Capital Management Division) – **ML**
6. Emergency Planning & Business Continuity (Operations Division) – **MM**
7. Department of Education and other Governmental Financial Aid Reports (Student Affairs Division) – **ML**
8. Student Data Reports for Homeland Security – International Students (Student Affairs Division) – **ML**
9. Compliance with Procurement Card Program requirements (Finance Compliance transitioning to Business Service Center) – **ML**
10. Use of After the Fact Procurement (Finance Compliance transitioning to Business Service Center) – **ML**
11. Fraud- Use of Foundation Money for Personal Use (Community Engagement Division) – **ML**
12. HIPAA Violation: Improper Fundraiser Disclosure of Patient Information (Community Engagement Division) – **MM**
13. Unauthorized Access to protected Institutional Data (Academic Information Resource Division) – **ML**
14. Malicious Code/Virus Disruption of Information Technology Services (Academic Information Resource Division) – **ML**
15. Enforcement of Faculty Bylaws (Academic Affairs Division) – **LL**
16. Faculty Reporting (Academic Affairs Division) – **LL**
17. Disability Accommodations (Student Affairs Division) – **HM (FY 2014)**
18. Reconciliation of Fund Balances between UNTHSC and UNTHHealth (Finance Division) – **HL (FY 2014)**
19. Grants Management: Time and Effort Reporting (Research Division) – **HM (FY2014)**

20. Grants Management: Sub recipient Monitoring (Research Division) – **HM (FY 2014)**

21. Radiation Safety (Safety Office Division) – **MH (FY 2014)**

22. Chemical Safety (Safety Office Division) – **MH (FY 2014)**

UNT Dallas Controlled Risks

1. Fire and Life Safety – **ML**



Board Briefing

Committee: Audit

Date Filed: July 8, 2013

Title: FY 2014 Internal Audit Risk Assessment and Annual Plan

Background:

State law requires that the Board of Regents approve the annual Internal Audit Plan. The attached Risk Assessment and Audit Plan which includes the Allocation of Hours by Position and Schedule of Planned Audits and Detail of Direct Audit Hours, were prepared on a component basis based on risk assessment, materiality, existing internal controls, state, federal, and other audit requirements, audit staff capabilities, results of prior audits, knowledge of the UNT System and its personnel, current trends in higher education, and the general business environment overall. Additionally, consideration was given to specific requests by management.

Financial Analysis/History:

Preparation of the Internal Audit Plan, and approval by the Board of Regents, is an integral component of the Internal Audit budget. There is no direct fiscal impact.

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Interim Vice Chancellor for Finance

Legal Review:

This item has been reviewed by General Counsel.

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ou=Office of General Counsel,
email=nancy.footer@untsystem.edu, c=US
Date: 2013.08.07 08:33:17 -05'00'

Vice Chancellor/General Counsel

Schedule:

Recommendation:

It is recommended that the Board of Regents approve the attached Internal Audit Plan.

Recommended By:

Susan Edwards

Interim Chief Internal Auditor

Chancellor

Attachments:

- Risk Assessment and Audit Plan FY 2014

August 16, 2013

Introduction

Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve the System Administration and each Institution's operations. It assists System Administration and each Institution accomplish their objectives by bringing a systematic, disciplined approach to evaluating and improving the effectiveness of risk management, control, and governance processes. The Internal Audit function for the University of North Texas System performs in accordance with the Texas Internal Auditing Act, Chapter 2102 of the Texas Government Code.

In accordance with Texas Government Code, Professional Standards, and the Board of Regents Rules, Internal Audit is responsible for developing a consolidated annual internal audit plan based on a documented risk assessment process.

Background

The purpose of risk assessment is to allocate limited audit resources to areas that are most critical to the success of the System. Additionally, knowing the areas to audit and where to commit resources is critical to the success of the internal auditing department. Overall internal audit department efficiency and effectiveness is increased when audit effort is matched to risk in the various auditable areas of the system.

Thus, a well-developed risk assessment methodology will provide an efficient and systematic procedure to:

- Determine the auditable areas of the system;
- Assess and measure the risk of each area and identify activities exposed to risk;
- Rank the areas by risk;
- Allocate available resources; and
- Develop the annual audit plan.

Methodology

As previously stated, the goal of risk assessment is to determine areas exposed to risk and to allocate limited audit resources appropriate to that level of risk. The risk assessment process begins with the Chief Internal Auditor and the Directors performing the following preliminary steps:

1. Review higher education publications and websites, and consult with internal audit peers at other universities.
2. Develop, distribute, and tabulate an anonymous risk survey from a comprehensive group of administrators and management staff.
3. Perform risk assessment interviews with selected campus and System personnel to identify cross-functional, campus, and system risks.
4. Coordinate and communicate risk assessment efforts with Institutional Compliance ERM risk assessment plans.

Once the preliminary steps are completed, the risk assessment process continues with the following steps:

5. Identify and catalog auditable activities (the "audit universe") of the System.
6. Select the criteria (risk factors) used to identify the significance of and probability that conditions and/or events may occur that would adversely affect the System.
7. Weight the selection (risk) factors in terms of importance to management, external influences, and the auditor.

The risk assessment process results in heat maps for each campus, and System Administration which support the creation of the annual audit plan. An explanation of each is below.

Heat Maps

The Heat Map section in the following pages shows the process that is used for categorizing risks. The format is based on an impact/probability diagram divided into four quadrants. The quadrants highlight risks placed into the categories defined below:

Red: High probability/high impact for which immediate management corrective action may be needed.

Yellow: Low probability/high impact and high probability/low impact for which management monitoring and possible corrective action may be needed.

Green: Low probability-low impact which include low risk but regulatory-required audits for which no immediate management action is needed.

Audit Plan

The attached Internal Audit Plan for fiscal year 2014 was developed and is presented on a component basis based on risk assessment, materiality, existing controls, state, federal and other audit requirements, audit staff capabilities, results of prior audits, and knowledge of the UNT System and its personnel. Additionally, consideration was given to specific requests by management.

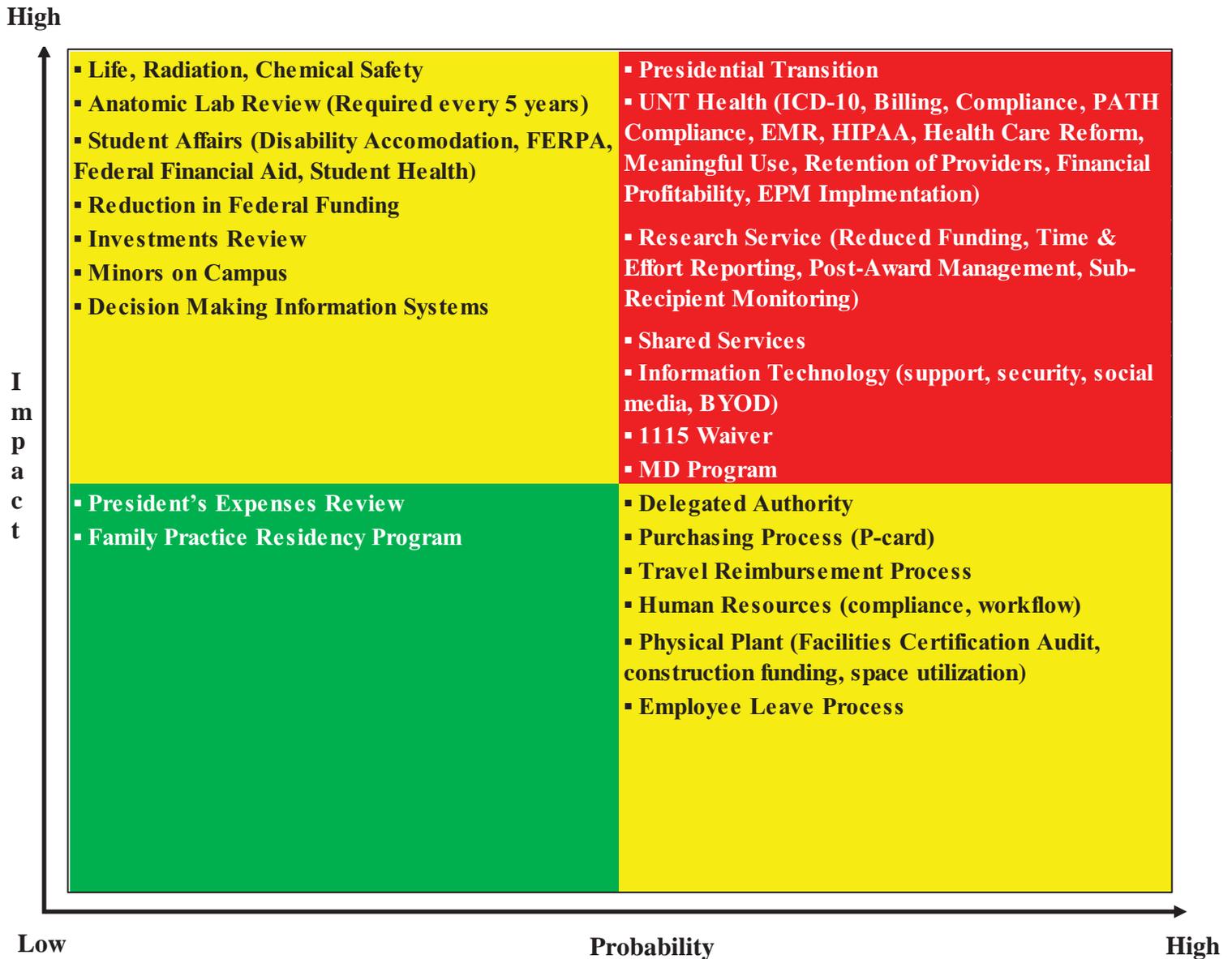
Heat Map - Fiscal Year 2014

UNT



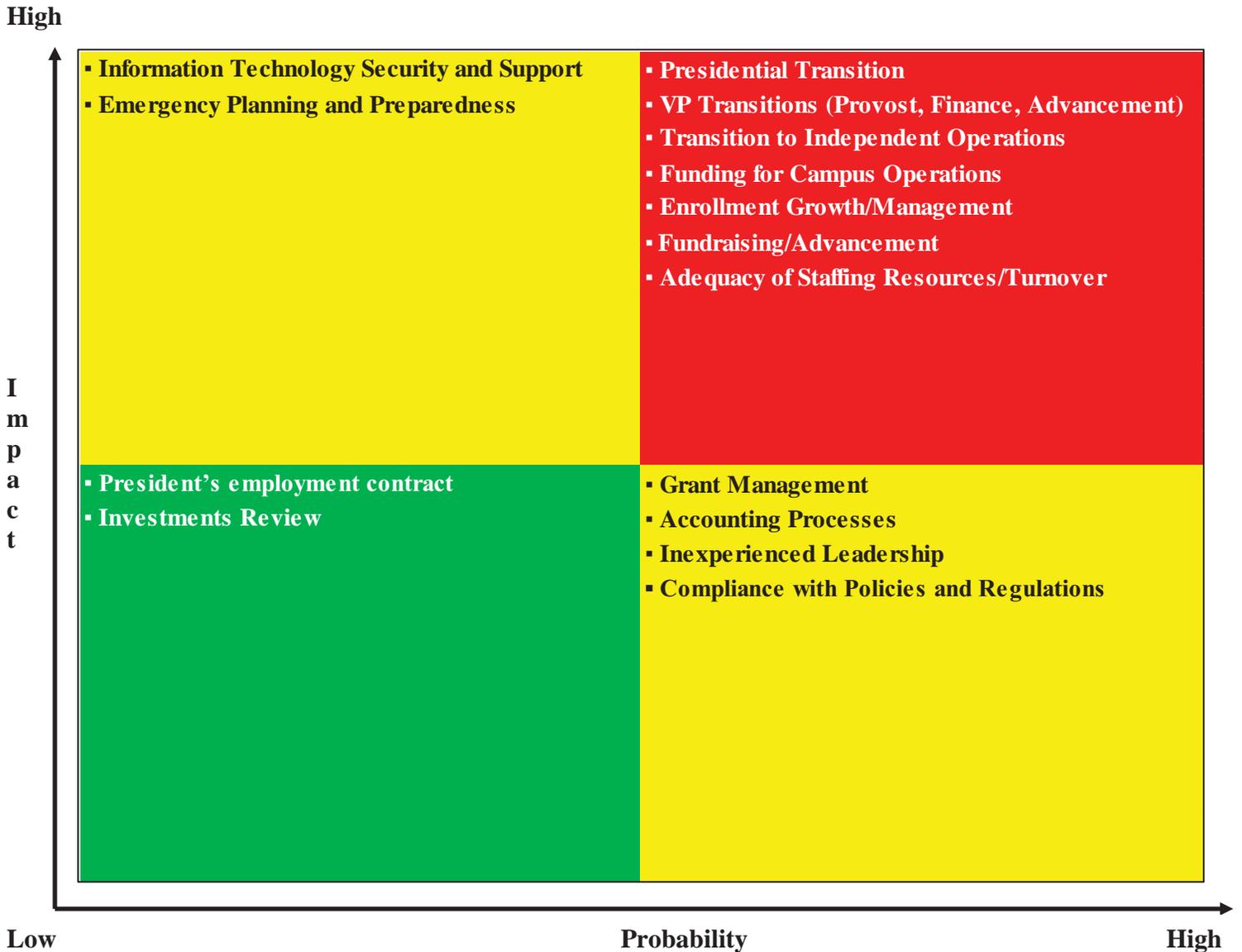
Heat Map - Fiscal Year 2014

UNT Health Science Center



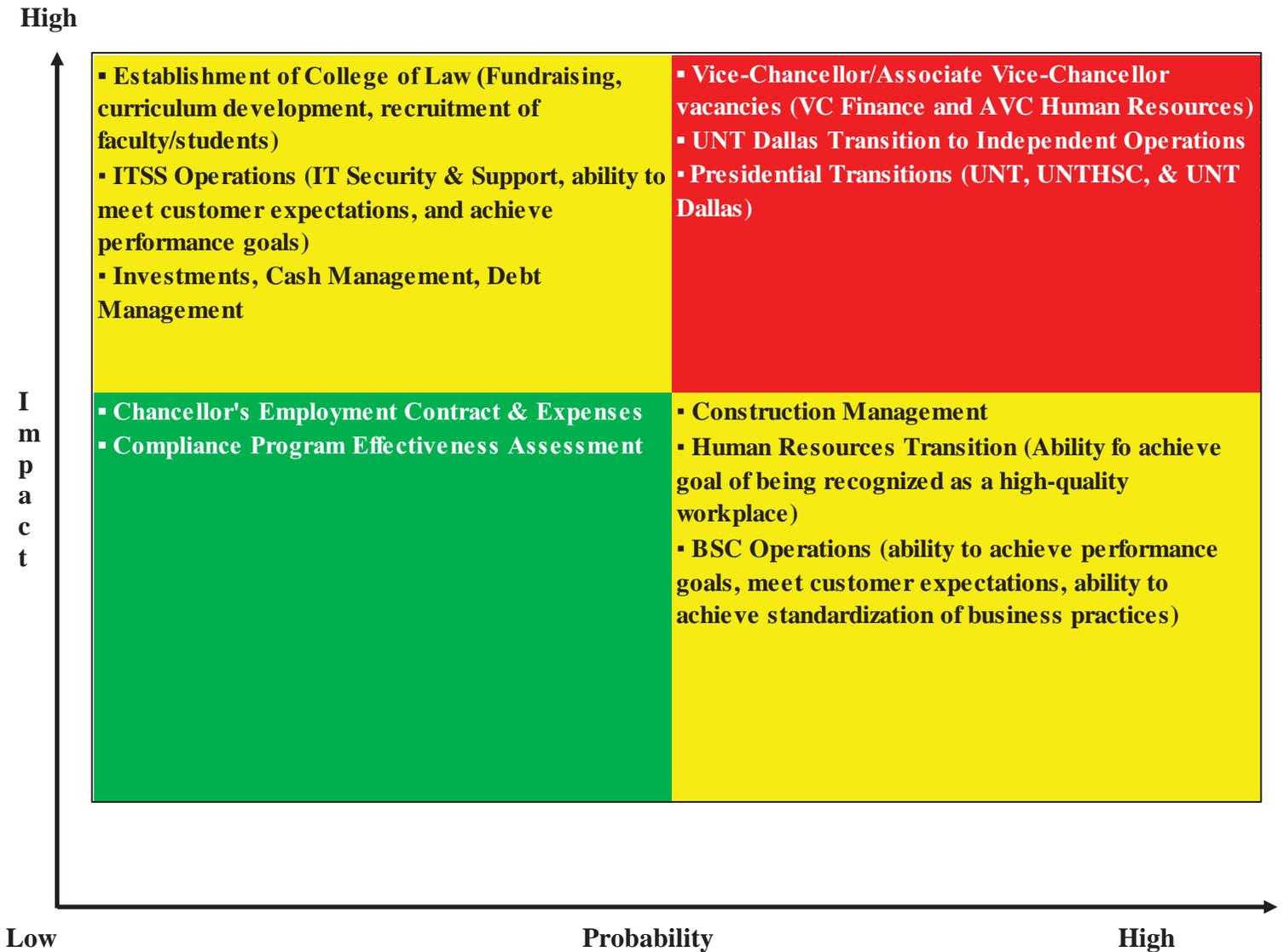
Heat Map - Fiscal Year 2014

UNT Dallas



Heat Map - Fiscal Year 2014

UNT System Administration



Schedule of Planned Audits and Detail of Direct Audit Hours

UNT

	Budget Hours	Percent of Direct Hours
Audits in Progress		
Academic Workload Review	170	
BSC Payroll Processes Review	150	
College of Information Reviews	100	
Endowment Review	100	
Overtime Review	100	
College of Engineering Investigation	100	
Grant Processes Review	50	
Total Audits In Progress	770	6%
Required Audits		
NCAA Financial Agreed-Upon Procedures Review	600	
Fiscal Year 2013 Investments/Commercial Paper Review	350	
UNT President's Expenditure Review	180	
Chancellor's Expenditure Review	180	
UNT Dallas President's Expenditure Review	180	
Student Managed Investment Fund Review	180	
Joint Admission Medical Program Review	170	
Total Required Audits	1,840	14%
Audits Based on Risk Assessment		
UNT		
Business Processes Review	300	
Advancement Review	300	
School of Journalism Review	300	
College of Public Affairs and Community Service Review	300	
Selected Grant Review	300	
Supplemental Pay Review	300	
Incidental Fees Review	250	
Course Buyout Process Review	250	
Signature Delegation Review	250	
Gift Card Purchasing Review	250	
Telecommuting Review	250	
Risk Management and Environmental Services Review	250	
Clean Room Review	250	
Selected Academic Department Reviews	250	
UNT Dallas		
Advancement Review	250	
Scholarship Review	250	
Business Processes / Transition Planning Review	400	

***Risk Assessment and
Audit Plan - FY 2014***

UNT System Administration		
BSC P-card Processes Review	350	
Construction Fees Review	300	
System Compliance Program Review	250	
Information Technology (IT) Projects		
ITSS - Process Consulting Related to PeopleSoft Upgrade	250	
Employee Access Review (EIS)	250	
EPAR Implementation Review	250	
Outsourced IT Projects*	200	
Total Audits Based on Risk Assessment	6,550	49%
Other Direct Audit Activities		
Quality Assurance and TeamMate Activities	1,000	
IDEA Implementation/Continuous Monitoring	500	
Follow-Up Activities	400	
Risk Assessment/Annual Audit Plan/Annual Report	400	
Internal Control Training Activities	146	
Total Other Direct Audit Activities	2,446	18%
Contingency for Special Requests, Investigations, etc.	1,700	13%
Total Direct Audit Hours -- University of North Texas	13,306	100%
Chief Internal Auditor Hours Allocated to UNT, UNT Dallas, & System	568	
Total Direct Audit Hours Including Chief Internal Auditor	13,874	

* These hours are associated with Internal Audit's coordination of the outsourced information technology projects. The outsourced audit firm spends approximately 370 hours performing information technology projects for the UNT System.

***Risk Assessment and
Audit Plan - FY 2014***

**Schedule of Planned Audits and Detail of Direct Audit Hours
UNT Health Science Center**

	Budget Hours	Percent of Direct Hours
Audits in Progress		
Approval of Incidental Fees Review	150	
UNT Health EPM Post-Implementation Review	100	
Total Audits In Progress	250	4%
Required Audits		
Family Practice Residency Program	150	
Public Funds Investment Act (Investments)	200	
President's Expenses Review	150	
Anatomical Lab Review	250	
Total Required Audits	750	12%
Audits Based on Risk Assessment		
UNT Health Revenue Cycle Front End Review (Clinic 1)	350	
UNT Health Revenue Cycle Front End Review (Clinic 2)	300	
UNT Health ICD-10 Readiness Review	300	
Validation of Management Reports	300	
Compensation Process Review	250	
Student Health Review	250	
Shared Services Governance Review	250	
Signature Delegation Review	250	
UNT Health Call Center Operations	250	
Total Audits Based on Risk Assessment	2,500	40%
Other Direct Audit Activity		
Follow-Up Activities	300	
Quality Assurance and TeamMate Activities	200	
IDEA Implementation/Continuous Auditing	400	
Risk Assessment/Annual Audit Plan/Annual Report	300	
Internal Audit Training Activities	100	
Outsourced IT Projects*	100	
Total Other Direct Audit Activities	1,400	23%
Contingency for Special Requests, Investigations, etc.	1,289	21%
Total Direct Project Hours -- Health Science Center	6,189	100%
Chief Internal Auditor Hours Allocated to UNT HSC	300	
Total Direct Audit Hours Including Chief Internal Auditor	6,489	

**Schedule of Planned Audits and Detail of Direct Audit Hours
UNT System Internal Audit Summary**

	<u>Budget Hours</u>	<u>Percent of Direct Hours</u>
Total Audits In Progress	1,020	5%
Total Required Audits	2,590	13%
Total Audits Based on Risk Assessment	9,050	44%
Total Other Direct Audit Activities	3,846	19%
Total Contingency for Special Requests, Investigations, etc.	2,989	15%
Total Chief Internal Auditor Direct Audit Hours	868	4%
<hr/>		
Total Direct Project Hours -- System Summary	20,363	100%

Allocation of Hours by Position – Fiscal Year 2014

UNT System Internal Audit Summary

	Chief	Director	Asst. Director	Auditor IV	Auditor III	Auditor II	Total	
Staff Size by Position	1	2	1	2	7	1	14	
Total Hours Available	2,080	4,160	2,080	4,160	14,560	2,080	29,120	
Less:								
Vacation**	96	276	144	242	978	120	1,856	
Sick leave	96	192	96	192	672	96	1,344	
Holidays	120	240	120	240	840	120	1,680	
Professional Development	40	80	40	80	280	40	560	
Total Non-audit Hours	352	788	400	754	2,770	376	5,440	19%
Net Hours Available	1,728	3,372	1,680	3,406	11,790	1,704	23,680	81%
Administrative Activities	860	945	312	240	840	120	3,317	11%
Direct Audit Hours	868	2,427	1,368	3,166	10,950	1,584	20,363	70%

** Hours Earned for FY 2014-does not include leave accrued but not taken from prior years.

Allocation of Hours by Position – Fiscal Year 2014

UNT

	Director	Asst. Director	Auditor IV	Auditor III	Auditor II	Total	
Staff Size by Position	1	1	2	4	1	9	
Total Hours Available	2,080	2,080	4,160	8,320	2,080	18,720	
Less:							
Vacation**	180	144	242	648	120	1,334	
Sick leave	96	96	192	384	96	864	
Holidays	120	120	240	480	120	1,080	
Professional Development	40	40	80	160	40	360	
Total Non-audit Hours	436	400	754	1,672	376	3,638	19%
Net Hours Available	1,644	1,680	3,406	6,648	1,704	15,082	81%
Administrative Activities	624	312	240	480	120	1,776	9%
Direct Audit Hours	1,020	1,368	3,166	6,168	1,584	13,306	71%

** Hours Earned for FY 2014-does not include leave accrued but not taken from prior years.

Allocation of Hours by Position – Fiscal Year 2014

UNT Health Science Center

	Director	Auditor III	Total	
Staff Size by Position	1	3	4	
Total Hours Available	2,080	6,240	8,320	
Less:				
Vacation**	96	330	426	
Sick leave	96	288	384	
Holidays	120	360	480	
Professional Development	40	120	160	
Total Non-audit Hours	352	1098	1450	17%
Net Hours Available	1,728	5,142	6,870	83%
Administrative Activities	321	360	681	8%
Direct Audit Hours	1,407	4,782	6,189	74%

** Hours Earned for FY 2014-does not include leave accrued but not taken from prior years.



Board Order

Title: FY 2014 Internal Audit Risk Assessment and Annual Plan

Board of Regents Order 2013-72

At an official meeting of the Board of Regents of the University of North Texas System properly posted and held on Aug 16, 2013, pursuant to a motion made by Regent _____ and seconded by Regent _____, the Board approved the motion presented below:

Whereas, Chapter 2102 of the Texas Government Code and System Policy SY 10.5 require the Board of Regents to approve the annual Internal Audit Plan, and

Whereas, the Audit Plan was prepared on a component basis based on risk assessment, materiality, existing internal controls, state, federal, and other audit requirements, audit staff capabilities, results of prior audits, knowledge of the UNT System and its personnel, current trends in higher education, and the general business environment overall, and

Whereas, the Board of Regents has reviewed the Allocation of Hours by Position and Schedule of Planned Audits and Detail of Direct Audit Hours,

Now, Therefore, The Board of Regents authorizes and approves the following:

1. FY 2014 Internal Audit Plan
-

VOTE: ____ ayes ____ nays ____ abstentions

BOARD ACTION:

Attested By:

Approved By:

Julia A. Boyce, Secretary
Board of Regents

Chairman
Board of Regents



Background Report

Committee: Facilities

Date Filed: July 8, 2013

Title: UNT Capital Projects Plan Update

Background:

At the Board of Regents meeting on February 12, 2004, a background report was presented regarding the development of a UNT Capital Project Plan. The plan provided for the development of a Capital Funding Schedule. This schedule identifies capital projects that have been approved, have been committed, or are planned. Projects are not included in the schedule unless they have an identified funding source.

Specific fund sources are identified for each project listed on the plan. Fund types are selected based upon the identified end use of the facility or property and the availability of funds to complete the project.

The plan has been updated to reflect changes in funding and planned expenditures occurring since the April 2013 version.

Line 1.06, *Student Residence Hall* – Programming for this project has been completed. The project cost has been adjusted to reflect the current cost model and spend plan.

Line 1.19, *CEng Material Testing Lab* – Contract award for this project required full funding this fiscal year. \$1.0 million in FY2013 funding was moved from Line 2.14, Science Research Building. The same amount in 2014 funds were realigned from this project to the Science Research Building project with no change to the total cost for either project. The schedule for the Science Research Building renovation will not be impacted by this change.

2.44a, *CEng Laboratory Buildout* – Project budget was reduced by \$500,000 following contract award. Funds were shifted to Line 2.47b, CEng MSE Lab Renovation.

2.47a,b and c, *CEng MSE Lab Renovation* – This project was added to create laboratory space in the Materials Science and Engineering department for several new research faculty. The space was vacated upon the recent completion of the CART project.

Line 2.48, *RTFP Large Classroom Renovation* – This is a new project and the second of the classroom improvement projects to be funded by designated tuition approved by the Board. It will renovate the performance auditorium in the Radio, TV, Film and Performing Arts building for dual use as a large classroom.

One project has been added to the Development program, Discovery Park Biomedical Engineering construction.

Financial Analysis/History:

This is a report item only.

Andrew M. Harris Digitally signed by Andrew M. Harris
DN: cn=Andrew M. Harris, o=University of North
Texas, ou=VP for Finance and Administration,
email=Andrew.Harris@unt.edu, c=US
Date: 2013.08.05 15:09:12 -05'00'

Institution Chief Financial Officer

Allen Clemson Digitally signed by Allen Clemson
DN: cn=Allen Clemson, o=System,
ou=UNTS,
email=allen.clemson@untsystem.edu, c=US
Date: 2013.08.07 13:14:57 -05'00'

Interim Vice Chancellor for Finance

Legal Review:

This item has been reviewed by General Counsel.

Nancy S. Footer Digitally signed by Nancy S. Footer
DN: cn=Nancy S. Footer, o=UNT System, ou=Office of General
Counsel, email=nancy.footer@untsystem.edu, c=US
Date: 2013.08.07 13:35:18 -05'00'

Vice Chancellor/General Counsel

Schedule: N/A

No action required. Information only. Submitted by:

Charles Jackson

Assistant Vice President for Facilities

V. Lane Rawlins Digitally signed by V. Lane Rawlins
DN: cn=V. Lane Rawlins, o=University
of North Texas, ou=President,
email=v.rawlins@unt.edu, c=US
Date: 2013.08.08 15:32:58 -05'00'

President

James Maguire Digitally signed by James Maguire
DN: cn=James Maguire, o=Vice Chancellor for
Administrative Services, ou=UNT System,
email=james.maguire@untsystem.edu, c=US
Date: 2013.08.06 16:24:56 -05'00'

Vice Chancellor

Chancellor

Attachments Filed Electronically:

- [UNT Capital Projects Schedule and Development Program](#)

**University of North Texas
Capital Projects Schedule**

(in \$Millions)
July 2013

Revenues:	2013	2014	2015	2016	2017	Total
HEAF UNT	21.11	21.11	21.11	21.11	21.11	105.55
HEAF Carryforward & Other Sources	19.22	1.00				20.22
Commercial Paper	3.24					3.24
Revenue Bonds	15.24					15.24
Revenue Bonds Proposed	38.62	87.80	83.45	10.26		220.12
Auxiliary Reserves	6.72	5.00				11.72
Grants	1.05					1.05
Student Fees - Union			8.00			8.00
Annual Budget, Operating and Capital	3.01	2.42	1.47	1.47	1.47	9.84
Total	108.21	117.33	114.03	32.84	22.58	394.98

Proj. No.	Expenditures:	Funding DeptID	Prior Year Costs	2013	2014	Fiscal Year 2015	2016	2017	5-Year Total	Total Project
1.00	New Construction:									
1.03	Gateway Park - HEAF	84500				1.00			1.00	2.00
1.06	Student Residence Hall - RB Proposed	Proposed		1.24	11.13	21.77	2.97		37.10	37.10
1.13	Research Facilities - RB Proposed	Proposed		2.00	34.12	23.00			59.12	59.12
1.17	Union Addition - RB/Aux Res/HEAF/Private	Proposed		14.20	19.88	19.88	2.84		56.80	137.10
1.17.1	Union Renovation - RB/Aux Res/HEAF/Private	Proposed		17.90	25.06	25.06	3.58		71.60	
1.17.2	Scouler/Stovall Relocations - RB/Aux Res/HEAF/Private	Proposed		3.48	2.61	1.74	0.87		8.70	
1.18	Greek Life Center - Aux Reserves	F80048		2.60					2.60	2.60
1.19	CEng Material Testing Lab - HEAF	F84542		2.00	0.00				2.00	3.95
1.19a	CEng Material Testing Lab - Annual Budget	F80076		1.00	0.95				1.95	
2.00	Renovation:									
2.01	Administration Building - HEAF	84500			1.00	3.00			4.00	4.00
2.04	Fire Alarms - HEAF	84505		0.20	0.20	0.20	0.20	0.25	1.05	
2.05	Sycamore Hall MEP - HEAF	F84504	1.37	0.63					0.63	3.00
2.05a	Sycamore Hall MEP - RFS Series 2009A Dallas	F82848		1.00					1.00	
2.08	Music Building MEP - HEAF	F84505	2.50	3.50					3.50	6.00
2.09	Physics Building MEP - HEAF	F84533		1.00	0.50				1.50	4.00
2.09a	Physics Building MEP - RFS Series 2009A BLB	F82830		2.50					2.50	
2.10.4	Discovery Park CART - Grant	GF1563		1.05					1.05	2.30
2.10.4a	Discovery Park CART - VPR HEAF	F84528		1.05					1.05	
2.12	Energy Savings Performance Contract - RFS Series 20	F82429	24.98	3.62					3.62	42.39
2.12a	Energy Savings Performance Contract - HEAF	F84425	5.49	2.62					2.62	
2.12b	Energy Savings Performance Contract - Annual Budget	F80045	5.68						0.00	
2.14	Science Research Building - HEAF	F84517	0.85	4.05	4.10				8.15	12.00
2.14a	Science Research Building - RFS Series 2009A Dallas	F82843		3.00					3.00	
2.16	Campus Lighting - HEAF	84563	1.60	0.50	0.50	0.50	0.50	0.50	2.50	4.10
2.18	Energy Management Control System - HEAF	84500		0.75	0.75	0.75	0.75	0.75	3.00	3.00
2.19	Auditorium Building MEP - HEAF	F84532		4.40					4.40	4.40
2.20	Matthews Hall MEP - HEAF	84500			0.40	2.00	1.80		4.20	4.20
2.21	Wooten Hall MEP - HEAF	84500			1.50	1.50			3.00	3.00
2.22	Sage Bldg MEP Renovation - HEAF	F84602		3.84					3.84	3.84
2.23	Campus Security Locking System - HEAF	F84526	0.51	0.49					0.49	1.00
2.24	Elevator Modernization - HEAF	F84534	0.50		0.50	0.50			1.00	1.50
2.25	GAB MEP - HEAF	84500					1.00	3.70	4.70	4.70
2.26	West Hall Renovation - Auxiliary Reserves	Pending		1.50					1.50	1.50
2.27	Chilton Hall MEP - HEAF	F84525		1.35					1.35	3.00
2.27a	Chilton Hall MEP - RFS Series 2009A Dallas	F82843		0.75					0.75	
2.27b	Chilton Hall MEP - RFS Series 2009A BLB	F82843		0.90					0.90	
2.28	Electrical Substation Expansion - HEAF	84500			2.00				2.00	2.00
2.29	Distributed Heating Boilers - HEAF	84500			2.00				2.00	2.00
2.31	Marquis Hall MEP - HEAF	84500			0.25	1.00	1.75		3.00	3.00
2.32	Terrill Hall MEP - HEAF	84500				0.25	1.75		2.00	2.00
2.33	Willis Library MEP - HEAF	84500				0.25	3.25		3.50	3.50
2.34	Hickory Hall MEP - HEAF	84500			0.25	1.75	1.00		3.00	3.00
2.35	Curry Hall MEP - HEAF	84500			0.25	2.00	0.75		3.00	3.00
2.36	Energy Efficiency Building Issues - HEAF	84500	0.50	0.50	0.50	0.50			1.50	2.00
2.40	Academic Space Renovation - Annual Budget	69500			0.00	1.47	1.47	1.47	4.41	
2.41	Auditorium Renovations - Annual Budget	F80046		1.50					1.50	1.50
2.42	Woodhill Square Maintenance - CP	F82850	0.75	3.24					3.24	4.44
2.42a	Woodhill Square Maintenance - Annual Budget	64257		0.45					0.45	
2.43	Bruce Hall Dining Addition - Aux Reserves	F80049		2.62					2.62	2.62
2.44	CEng Laboratory Build Out - RFS Series 2009A BLB	F82844		2.50					2.50	5.52
2.44a	CEng Laboratory Build Out - HEAF	F84539		3.02					3.02	
2.45	Science Research Bldg Envelope - HEAF	84500						2.50	2.50	2.50
2.46	DP Research Greenhouse Expansion - HEAF	F84545		1.25					1.25	1.25
2.47a	CEng MSE Lab Renovation - RFS Series 2009A	F82736		0.77					0.77	1.33
2.47b	CEng MSE Lab Renovation - HEAF	F84539		0.50					0.50	
2.47c	CEng MSE Lab Renovation - Annual Budget	62328		0.06					0.06	
2.48	RTFP Large Classroom Renovation - Annual Budget	69500			1.47				1.47	1.47
3.00	Purchase of Property:									
3.01	Land Purchases - HEAF	84500		0.53	0.73	0.73	0.73	0.73	3.45	
3.01.1	2600 Stemmons CP Repayment - HEAF	84500	0.43	0.44					0.44	
3.01.2	1100 Dallas Drive Bond Repayment - HEAF	84500		1.00	1.00	1.00	1.00	1.00	5.00	
4.00	Facilities Maintenance - HEAF	84500		4.20	4.50	4.95	5.45	5.95	25.05	
4.01	Energy Project Debt Retirement - HEAF	84500		0.50	0.50	0.50	0.50	0.50	2.50	
5.00	Master Plan Improvements - HEAF	84500		2.02	0.30	0.30	0.30	0.30	3.22	
7.00	Future Projects & Cost Increases-HEAF	84500		0.74	0.63	0.43	0.63	2.43	4.86	
	Total			108.21	117.33	114.03	32.84	22.58	394.98	

Approved

V. Lane Rawlins

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DN: cn=V. Lane Rawlins, o=University of North Texas, ou=President, email=v.rawlins@unt.edu, c=US
Date: 2013.08.08 15:33:37 -0500

UNT CAPITAL PROJECTS DEVELOPMENT PROGRAM

The Capital Projects Development Program is used in overall planning and forecasting of future commitments. When appropriate, this list will be used for submission of information to the Coordinating Board and other agencies for planning purposes. It is also a source of preliminary discussion, planning, fundraising, and initial design and study of projects for ultimate inclusion in the Capital Funding Schedule. These projects with merit, not included in the Capital Funding Schedule, have a high priority and may be included in the Capital Projects Development Program list.

- 1 CVAD Building - Potential TRB Project
- 2 Business Services Warehouse
- 3 Sorority Housing (Phase 3)
- 4 Discovery Park Development
- 5 Music Building
- 6 Commercial Property Renovation
- 7 Discovery Park Mezzanine Expansion and Build Out
- 8 Marquis Hall Renovation
- 9 Eagle Student Services Building Envelope
- 10 Discovery Park Greenhouse Addition 2
- 11 Discovery Park Biomedical Engineering



Background Report

Committee: Facilities

Date Filed: August 1, 2013

Title: UNT Health Science Center Capital Projects Plan Update

Background:

The UNT campus implemented the Capital Projects Plan in 2004 and the UNT Health Science Center (UNTHSC) implemented in 2008. The initial report for the UNTHSC was presented at the February 7, 2008 Board of Regents meeting. This report updates and is presented quarterly to the Board of Regents.

The Plan provides for the development of a Capital Funding Schedule. This schedule identifies capital projects that have been approved, have been committed, or are planned. Projects are not included in the schedule unless they have an identified funding source.

The plan has been updated to reflect changes in funding and planned expenditures occurring since the April 2013 version.

FY2014 includes three (3) renovation project priorities: Research & Education Mechanical Infrastructure Upgrades to increase exhaust capacity, provide system redundancy, improve air quality controls, and improve energy efficiencies; Medical Professional Building Levels 1 and 2 renovations to repurpose existing tenant lease space into space to support growth and consolidation of Student Affairs, Student Development and Admissions; and Patient Care Center Levels 1 and 2 renovations to improve space utilization efficiencies, increase physician productivity and to modernize the existing spaces.

Financial Analysis/History:

This is a report item only.

**John A.
Harman**

Digitally signed by John A. Harman
DN: cn=John A. Harman, o=UNTHSC,
ou=Finance,
email=john.harman@unthsc.edu, c=US
Date: 2013.08.05 16:37:51 -05'00'

Institution Chief Financial Officer

Allen Clemson

Digitally signed by Allen Clemson
DN: cn=Allen Clemson, o=System, ou=UNTS,
email=allen.clemson@untsystem.edu, c=US
Date: 2013.08.07 13:16:35 -05'00'

Interim Vice Chancellor for Finance

Legal Review:

This item has been reviewed by General Counsel.

Nancy S. Footer Digitally signed by Nancy S. Footer
DN: cn=Nancy S. Footer, o=UNT System, ou=Office of General
Counsel, email=nancy.footer@untsystem.edu, c=US
Date: 2013.08.07 13:36:35 -05'00'

Vice Chancellor/General Counsel

Schedule:

No action required. Information only. Submitted by:

Stephen D. Barrett

Vice President for Operations

**Michael R.
Williams** Digitally signed by Michael R. Williams
DN: cn=Michael R. Williams, o=UNTHSC,
ou=President,
email=michael.williams@unthsc.edu, c=US
Date: 2013.08.07 16:50:03 -05'00'

President

James Maguire Digitally signed by James Maguire
DN: cn=James Maguire, o=Vice Chancellor for
Administrative Services, ou=UNT System,
email=james.maguire@untsystem.edu, c=US
Date: 2013.08.06 16:25:34 -05'00'

Vice Chancellor

Chancellor

Attachments:

- UNTHSC Capital Projects Schedule and Development Program

UNTHSC CAPITAL PROJECTS DEVELOPMENT PROGRAM

The Capital Projects Development Program is used in overall planning and forecasting of future commitments. When appropriate, this list will be used for submission of information to the Coordinating Board and other agencies for planning purposes. It is also a source of preliminary discussion, planning, fundraising, and initial design and study of projects for ultimate inclusion in the Capital Funding Schedule. These projects with merit, not included in the Capital Funding Schedule, have a high priority and may be included in the Capital Projects Development Program list.

- 1 Research Building "H" (\$90M Project Pending TRB Approval)
- 2 Campus Center Building "B"
- 3 Parking Garage
- 4 Campus Beautification - Landscaping
- 5 UNT Health - Clinic Sites



Background Report

Committee: Facilities Committee

Date Filed: July 8, 2013

Title: UNT System Construction and Major Renovation Projects Status Report

Background:

This information item reports the current status of construction and renovation projects at the UNT System.

Financial Analysis/History:

This is a report item only.

Allen Clemson
Digitally signed by Allen Clemson
DN: cn=Allen Clemson, o=System, ou=UNTS,
email=allen.clemson@untsystem.edu, c=US
Date: 2013.08.07 13:17:20 -05'00'

Interim Vice Chancellor for Finance

Legal Review:

This item has been reviewed by General Counsel.

Nancy S. Footer
Digitally signed by Nancy S. Footer
DN: cn=Nancy S. Footer, o=UNT System, ou=Office of General
Counsel, email=nancy.footer@untsystem.edu, c=US
Date: 2013.08.07 13:37:37 -05'00'

Vice Chancellor/General Counsel

Schedule: See attached status report.

No action required. Information only. Submitted by:

Raynard O. Kearbey

Assoc. Vice Chancellor for System
Facilities

James Maguire
Digitally signed by James Maguire
DN: cn=James Maguire, o=Vice Chancellor for
Administrative Services, ou=UNT System,
email=james.maguire@untsystem.edu, c=US
Date: 2013.08.06 16:26:08 -05'00'

Vice Chancellor

Chancellor

Attachments:

- [UNT System Construction and Major Renovation Projects Status Report](#)

UNT SYSTEM CONSTRUCTION AND MAJOR RENOVATION PROJECTS STATUS REPORT-DENTON CAMPUS

Projects In Design

University Union

Programmer Facility Programming
Architect/Engineer Perkins+Will
Contractor Beck/Warrior, A Joint Venture

Project Description This project is a renovation and addition to the existing University Union. It is programmed to provide approximately 308,400 gsf of union space for UNT. The existing building is approximately 200,000 gsf. This space will include an atrium, lounge with study space, expanded food court, entertainment venue, a ballroom, lyceum, expanded retail options and administrative suites for student groups, student services and Union administration. Also included in the project scope is the temporary relocation of Union functions. UNT System, UNT Office of Space Management and Union end users have developed a temporary relocation plan for the current occupants of the Union. The relocation plan has identified three sites for relocation. Food service will be housed in a 6,000 sf temporary facility on the west side of Sage Hall. Campus Life and Student Activity Center for Leadership Service and Student Affairs, Dean of Students and Center for Rights and Responsibilities, IT, Multicultural Center, Student Government Association, Graduate Student Council, Greek Life, Student Legal and Development, Union Administration, Event Scheduling, Orientation and Transition, Design Works, Eagle Images, Mail Services, the Bank and University Programs will move in to Stovall Hall. The Bookstore will be housed in a temporary facility at the northwest corner of Chestnut and Avenue C.

Project Cost	\$128,400,000	Design Start	November 2011
Construction Cost	\$ 87,339,070	Design Complete	May 2013
		Construction Start	June 2013
		Expected Construction Complete	August 2015
		% Construction Complete	1%
HUB Participation	A/E	Status	On Schedule
	Contractor	Budget Status	Within Budget
	29%		
	29.6%		

Funding Phase I
 Pre-Referendum: Auxiliary Services
 Phase II
 Student Fees, Auxiliary Reserves, and
 Private Funding

Remarks The project just completed the 50% Construction Documents phase. The GMP (Guaranteed Maximum Price) was submitted for review in March 2013 and after evaluation was accepted. The GMP was based off the 100% Design Development drawings.

UNT SYSTEM CONSTRUCTION AND MAJOR RENOVATION PROJECTS STATUS REPORT – DENTON CAMPUS
Projects in Design

Stovall and Scoular Halls Relocation

Programmer	Facility Programming		
Architect/Engineer	Jacobs		
Contractor	Beck/Warrior, A Joint Venture		
Project Description	Relocation of the occupants currently housed in Stovall and Scoular Halls. This will include 62,800 sf of temporary facilities.		
Project Cost	\$8,700,000	Programming Start	June 2012
Construction Cost	\$2,237,600 (modular buildings were purchased by UNTS through co-op Contract)	Programming Complete	September 2012
		Design Start	September 2012
		Design Complete	January 2013
		Modular Buildings Ordered	March 2013
		Construction Start	April 2013
HUB Participation	A/E	Expected Substantial Completion	July 2013
	Contractor	% Construction Complete	40%
	0% (HSP indicates self-performing)	Status	On Schedule
	TBD	Budget Status	Within Budget
Funding	Student Fees, HEAF, Auxiliary Reserve and private funding		
Remarks	The UNT System, the UNT Office of Space Management, the Provost Office and the affected departments developed a relocation plan for the occupants of Stovall and Scoular Halls. Two sites have been identified for the relocation. The 405 and 425 S. Welch Street site will house the Fashion Department, The Fashion Collection and Counseling. The 300 Bernard Street site will house functions associated with Dance and Theater Arts. The project has completed the construction document phase. The GMP (Guaranteed Maximum Price) will be submitted for review in June 2013 and after evaluation was accepted.		

UNT SYSTEM CONSTRUCTION AND MAJOR RENOVATION PROJECTS STATUS REPORT – DENTON CAMPUS

Projects in Design

Bruce Hall Expansion

Architect/Engineer	Nelson + Morgan			
Contractor	Lee Lewis Construction, Inc.			
Project Description	4,000 square foot addition to the southwest corner of the existing Bruce Hall Dining facility to increase seating capacity by 232 seats. An outdoor portico/patio will also be included as part of the expansion. Included is the renovation of existing adjacent restrooms and the creation of a new main entry into Bruce Hall.			
Project Cost	\$2,615,000		Design Start	July 2012
Construction Cost	\$1,882,830		Design Complete	January 2013
			Construction Start	April 2013
HUB Participation	A/E	27.0%	Expected Construction Complete	October 2013
	Contractor	25%	% Construction Complete	15%
			Status	Schedule extended one month to resolve cost issues
Funding	Auxiliary Revenues		Budget Status	Within Budget
Remarks	Construction is under way.			

UNT SYSTEM CONSTRUCTION AND MAJOR RENOVATION PROJECTS STATUS REPORT – DENTON CAMPUS

Projects in Design

Science Research Building

Architect/Engineer	Jennings Hackler & Partners			
Contractor	Turner Construction			
Project Description	Renovation of the first floor of the Science Research Building. Major HVAC, plumbing and electrical systems for the entire building will also be replaced.			
Project Cost	\$12,000,000	Design Start	September 2011	
Construction Cost	\$8,650,000	Design Complete	April 2012	
HUB Participation	A/E	37.0%	Expected Construction Start	TBD
	Contractor	29.6%	Expected Construction Complete	TBD
Funding	HEAF and Bond		% Construction Complete	0%
			Status	N/A
			Budget Status	N/A
Remarks	* Project to be re-evaluated in Summer 2013 *			

UNT SYSTEM CONSTRUCTION AND MAJOR RENOVATION PROJECTS STATUS REPORT – DENTON CAMPUS

Projects in Design

Greek Life Center

Architect/Engineer	Hahnfeld Hoffer Stanford		
Contractor	Pogue Construction		
Project Description	The new 6,000 square foot center will house all staff of Greek Life and provide facilities for Greek Life meetings and functions.		
Project Cost	\$2,600,000	Design Start	April 2012
Construction Cost	\$1,875,862	Design Complete	May 2013
HUB Participation	A/E	23.8%	Expected Construction Start
	Contractor	15.07%	July 2013
Funding	Auxiliary Services, Fundraising		Expected Construction Complete
			March 2014
Remarks			% Construction Complete
			0%
			Status
			Schedule extended four months to resolve cost issues
			Budget Status
			Within Budget

Fouts Field Demolition

Architect/Engineer	Huitt Zollars		
Contractor	Intercon Demolition, Inc.		
Project Description	Demolition of the east concourse and concession area, removal of the north and south bleacher area, removal of the north scoreboard, site restoration.		
Project Cost	\$569,000	Design Start	January 2013
Construction Cost	\$129,850	Design Complete	February 2013
HUB Participation	A/E	14.7%	Construction Start
	Contractor	TBD	June 2013
Funding	Apogee Stadium Budget		Expected Construction Complete
			August 2013
Remarks			% Construction Complete
			0%
			Status
			On Schedule
			Budget Status
			Within Budget

UNT SYSTEM CONSTRUCTION AND MAJOR RENOVATION PROJECTS STATUS REPORT-DISCOVERY PARK CAMPUS
Projects in Design

Discovery Park – Engineering Testing Lab Facility

Architect/Engineer	Jacobs (Concept Design only)		
Contractor	Vaughn/WHR (Design/Build Team)		
Project Description	Conceptual Design package for Design/Build Solicitation for a 16,000 square foot facility to relocate the existing Nucon Steel Lab and associated research equipment for the College of Engineering Departments of Mechanical and Energy Engineering and Engineering Technologies. Relocation of the activities and equipment will allow space in the D-Wing of Discovery Park to be transformed in the future into research space for newly hired researchers.		
Project Cost	\$3,931,000	Conceptual Design Process	May 2012 – August 2012
Construction Cost	\$2,690,167	Design Start	December 2012
		Design Complete	May 2013
HUB Participation	A/E Contractor	HSP indicates Self Performing 28.5%	Expected Construction Start July 2013
			Expected Construction Complete January 2014
Funding	HEAF	% Construction Complete	0%
		Status	Schedule extended four months to resolve cost issues
		Budget Status	Within Budget
Remarks	The Guaranteed Maximum Price (GMP) presented on May 21, 2013 was within budget and is now routing for approval.		

UNT SYSTEM CONSTRUCTION AND MAJOR RENOVATION PROJECTS STATUS REPORT – DISCOVERY PARK CAMPUS
Projects in Design

Discovery Park – Laboratory Build Out

Architect/Engineer	Freese and Nichols			
Contractor	Vaughn Construction			
Project Description	Build-out of approximately 15,000 square feet of the D-Wing at Discovery Park for the College of Engineering Departments of Mechanical and Energy Engineering and Materials Science. Will be programmed to provide a mixture of wet lab, dry lab, support space and space for graduate student research space.			
Project Cost	\$6,020,000		Design Start	July 2012
Construction Cost	\$2,993,320		Design Complete	January 2013
HUB Participation	A/E	50%	Construction Start	April 2013
	Contractor	28.5%	Expected Construction Complete	September 2013
			% Construction Complete	15%
			Status	Schedule extended one month to resolve scope issues
Funding	HEAF and Bond		Budget Status	Within Budget
Remarks	The project is under construction.			

UNT SYSTEM CONSTRUCTION AND MAJOR RENOVATION PROJECTS STATUS REPORT – DISCOVERY PARK CAMPUS
Projects in Construction

Discovery Park – Center for Advanced Research and Technology (CART)

Architect/Engineer	Freese and Nichols		
Contractor	Imperial Construction		
Project Description	Design and construction of approximately 5,200 square feet of dry labs, offices, shared administrative and collaborative support and research space.		
Project Cost	\$2,310,000	Design Start	April 2011
Construction Cost	\$1,467,583	Design Complete	January 2012
HUB Participation	A/E	51.7%	Construction Start
	Contractor	40%	December 2012
			Construction Complete
			April 2013
			% Construction Complete
			99%
			Status
Funding	Grant funds		Behind Schedule
	University Resources		Budget Status
			Within Budget
Remarks	The project is substantially complete and punch list items are being completed. The furniture is installed and the end users are relocating their research equipment through the month of June. They took occupancy of the office space on June 19, 2013. The project completed behind schedule due to delays in receiving approval from the National Science Foundation (NSF) for the use of Freese & Nichols as the project architect and approval of Imperial Construction as the construction manager at risk for the project.		

UNT SYSTEM CONSTRUCTION AND MAJOR RENOVATION PROJECTS STATUS REPORT-HEALTH SCIENCE CENTER
Projects In Construction

HSC Library Courtyard

Architect/Engineer	GSBS Architects		
Contractor	Scott Tucker Construction		
Project Description	Open space re-development between the UNTHSC Gibson D. Lewis Library and Montgomery Street, extending from the Everett Education and Administration Building, north to the patient care center. Project will enhance the open space in this area, improve pedestrian traffic, provide Wi-Fi access, create shared gathering/collaborative space(s), and improve the community image of exterior spaces. Project to include water feature, improved site lighting, and upgrade the main entrance into the library for ADA accessibility.		
Project Cost	\$3,800,000	Design Start	March 2012
Construction Cost	\$2,549,810	Design Complete	August 2012
HUB Participation	A/E	Construction Start	October 2012
	27.3%	Expected Construction Complete	September 2013
	Contractor	% Construction Complete	88%
	50.65%	Status	Schedule extended to September to resolve CFA
Funding	Cash	Budget Status	Within Budget
Remarks	The Community Facilities Agreement (CFA) document with the City of Ft. Worth has required extensive review by all parties resulting in an extended schedule by four months.		

UNT SYSTEM CONSTRUCTION AND MAJOR RENOVATION PROJECTS STATUS REPORT – System Building
Projects in Construction

Renovate 1901 Main Street

Architect/Engineer	Freese and Nichols		
Contractor	Beck/Warrior, A Joint Venture		
Project Description	Total building infrastructure improvements with the renovation and finish-out of levels 5, 6 and 7. The College of Law will primarily occupy levels 5 and 6. Level 7 will serve as UNT System offices.		
Project Cost	\$29,645,624	Design Start	June 2010
Construction Cost	\$18,800,812	Design Complete	September 2012
HUB Participation	A/E	Construction Start	February 2012
	43.4%	Expected Substantial Completion	November 2013
	Contractor	% Construction Complete	61%
	23.7%	Status	On Schedule – Schedule extended due to scope addition of North and West Entry
Funding	Revenue Financing System /Debt		Budget Status
			Within Budget
Remarks	The project includes renovation work in portions of the basement and levels 1 through 8. Level 7 will be substantially complete in August 2013; the remaining balance of the project scope will be substantially complete in November 2013.		



Background Report

Committee: Academic

Date Filed: June 4, 2013

Title: Report of UNT Faculty on Modified Service 2012-2013

Background:

In accordance with UNT Policy 1.3.15, *Early Retirement of Faculty Members and Modified Service*,

“For each individual on modified service due to retirement during the fall and/or spring semester, the Dean shall prepare a report detailing both workload and compensation to be presented at the summer meeting of the Board of Regents.” Attached is a summary of the reports.

Financial Analysis/History:

This is a report item only.

**Andrew M.
Harris**

Digitally signed by Andrew M. Harris
DN: cn=Andrew M. Harris, o=University of North
Texas, ou=VP for Finance and Administration,
email=Andrew.Harris@unt.edu, c=US
Date: 2013.08.05 15:09:51 -05'00'

Institution Chief Financial Officer

Allen Clemson

Digitally signed by Allen Clemson
DN: cn=Allen Clemson, o=System, ou=UNTS,
email=allen.clemson@untsystem.edu, c=US
Date: 2013.08.07 13:18:03 -05'00'

Interim Vice Chancellor for Finance

Legal Review:

This item has been reviewed by General Counsel.

Nancy S. Footer

Digitally signed by Nancy S. Footer
DN: cn=Nancy S. Footer, o=UNT System, ou=Office of General
Counsel, email=nancy.footer@untsystem.edu, c=US
Date: 2013.08.07 13:51:14 -05'00'

Vice Chancellor/General Counsel

Schedule:

Effective Academic Year 2012-2013

No action required. Information only. Submitted by:

Warren Burggren

Provost and VPAA

**V. Lane
Rawlins**

Digitally signed by V. Lane Rawlins
DN: cn=V. Lane Rawlins,
o=University of North Texas,
ou=President,
email=v.rawlins@unt.edu, c=US
Date: 2013.08.08 15:34:12 -05'00'

President

**Rosemary R.
Haggett**

Digitally signed by Rosemary R. Haggett
DN: cn=Rosemary R. Haggett, o=University of
North Texas System, ou=Vice Chancellor for
Academic Affairs and Student Success,
email=rosemary.haggett@untssystem.edu, c=US
Date: 2013.08.07 11:32:23 -05'00'

Vice Chancellor

Chancellor

Attachments:

- Deans' Report of UNT Faculty of Modified Service 2012-2013

DEANS' REPORT OF FACUTLY ON MODIFIED SERVICE

2012-2013

**Fall Semester
2012**

**Spring Semester
2013**

COLLEGE OF ARTS AND SCIENCES

Donald H. Kobe

33% \$26,694.14

John Todd

50% \$17,398.49

50% \$17,398.49

COLLEGE OF EDUCATION

Johnetta Hudson

100% \$40,954.01

Leslie Patterson

50% \$26,226.50

Frances van Tassell

100% \$38,577.02

Jon Young

50% \$27,691.75

50% \$27,691.75

COLLEGE OF ENGINEERING

Mitty Plummer

100% \$46,733.99

COLLEGE OF INFORMATION

Barbara Martin

50% \$27,690.00

50% \$27,690.00

James Poirot

100% \$61,336.53

COLLEGE OF MUSIC

Joan Groom

33% \$12,368.84

33% \$12,368.84

COLLEGE OF PUBLIC AFFAIRS AND COMMUNITY SERVICE

Eugenia Bodenhamer-Davis

50% \$18,065.34

50% \$18,065.34



Background Report

Committee: Finance

Date Filed: July 18, 2013

Title: UNT System Strategic Management Report – August 2013

Background:

The office of the Vice Chancellor for Finance reports quarterly to the Board of Regents on multiple Financial and Operational metrics. Each quarter certain results will be highlighted in order to apprise the board of materials changes or significant outcomes.

Financial Analysis/History:

This is a report item only.

Allen Clemson
Digitally signed by Allen Clemson
DN: cn=Allen Clemson, o=System, ou=UNTS,
email=allen.clemson@untssystem.edu, c=US
Date: 2013.08.07 13:19:18 -05'00'
Interim Vice Chancellor for Finance

Legal Review:

This item has been reviewed by General Counsel.

Nancy S. Footer
Digitally signed by Nancy S. Footer
DN: cn=Nancy S. Footer, o=UNT System, ou=Office of General
Counsel, email=nancy.footer@untssystem.edu, c=US
Date: 2013.08.07 13:51:51 -05'00'
Vice Chancellor/General Counsel

Schedule: N/A

No action required. Information only.

Chancellor

Attachments:

- [UNT System Strategic Management Report](#)

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STRATEGIC MANAGEMENT REPORT

ISSUE 6

August 2013

CONTENTS

1. INSTITUTIONS AT A GLANCE

2. FINANCIAL HIGHLIGHTS

3. SHARED SERVICES

UNT | SYSTEM™



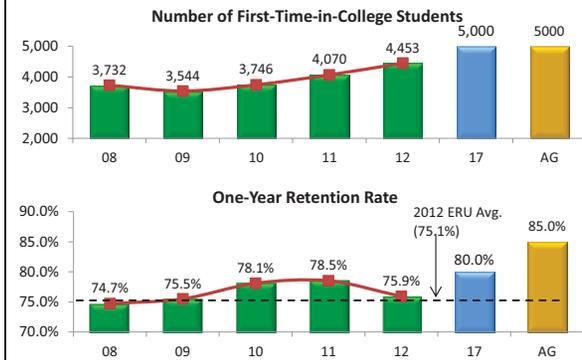
STRATEGIC MANAGEMENT REPORT

INSTITUTIONS AT A GLANCE

KEY MEASURES OF PROGRESS

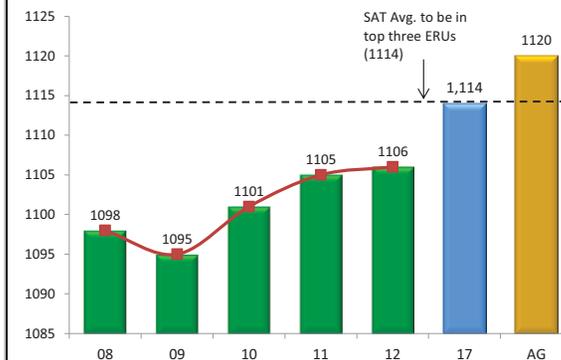
Objective 1: Increase first-time-in-college (FTIC) enrollment to 5,000 and one-year retention to 80% by 2017.

Measure: FTIC enrollment and one-year retention rate (Fall)



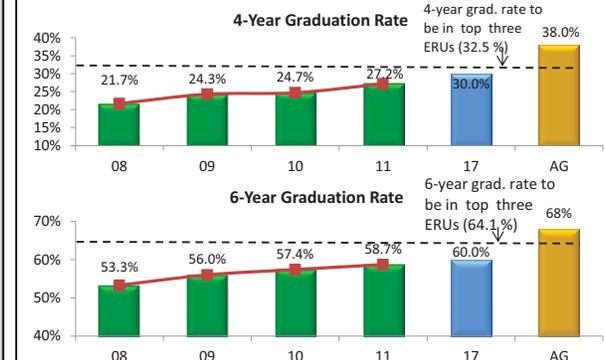
Objective 2: Increase freshmen SAT averages and be in the top three ERUs.

Measure: Average SAT score



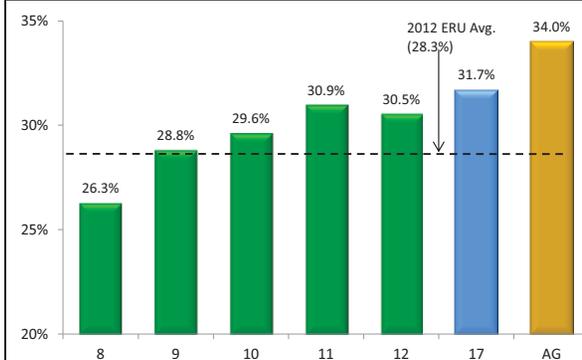
Objective 3: Be in top three ERUs and attain 30% for 4-Year and 60% for 6-Year graduation rates.

Measure: 4-Year and 6-Year graduation rates



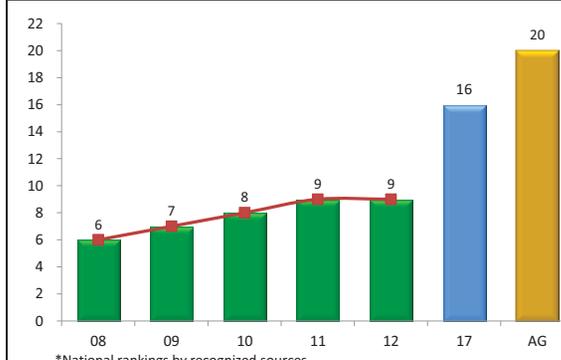
Objective 4: Increase rate of degrees awarded per FTSE to 31.7% by 2017.

Measure: Degrees Awarded/FTSE



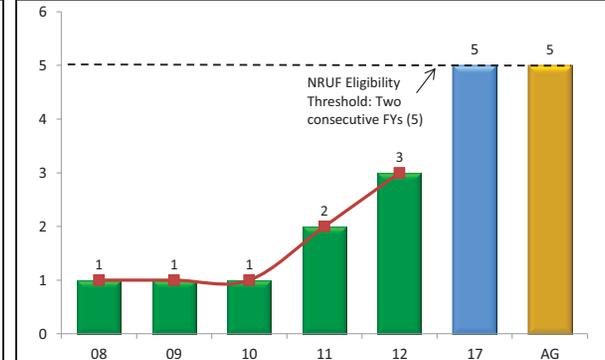
Objective 5: Increase number of programs in the top 100 to 16.

Measure: Number of programs ranked in top 100*



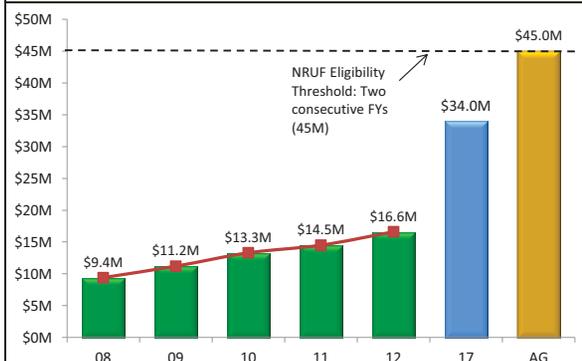
Objective 6: Meet NRUF standards for faculty excellence by 2017.

Measure: Number of National Academy members or Nobel Prize recipients



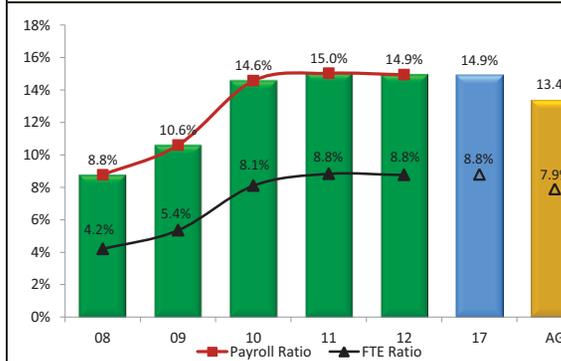
Objective 7: Reach at least \$45M in restricted research expenditures by 2020.

Measure: Restricted research expenditures



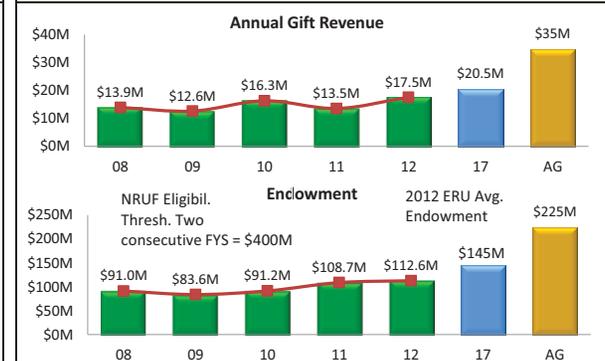
Objective 8: Control administrative costs.

Measure: Exec./Admin./Managerial payroll & FTE as a % of total

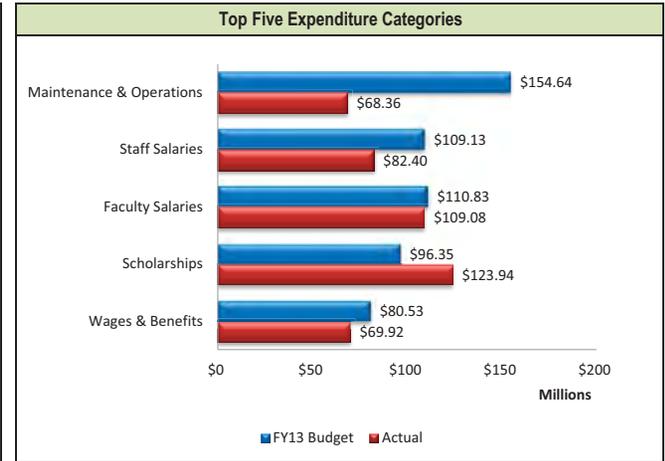
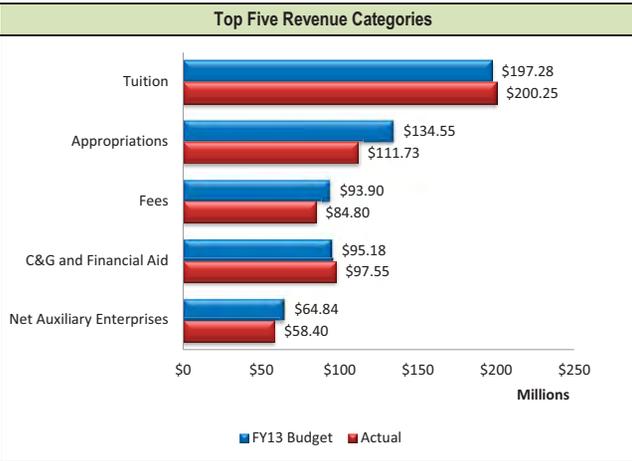
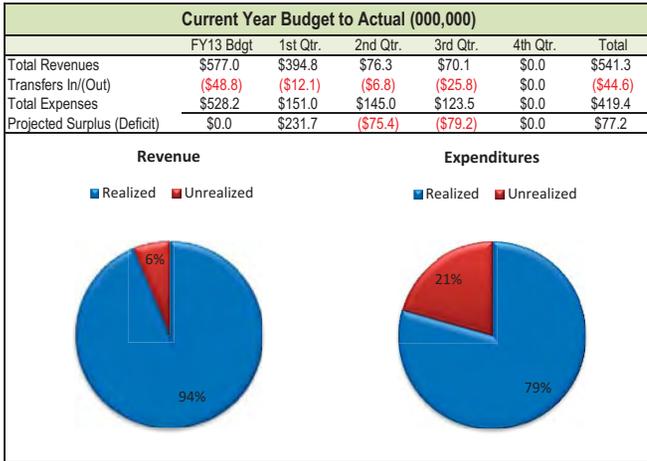


Objective 9: Increase annual gift revenue to \$20.5M and achieve endowment of \$145M by 2017.

Measure: Annual gift revenue and endowment value



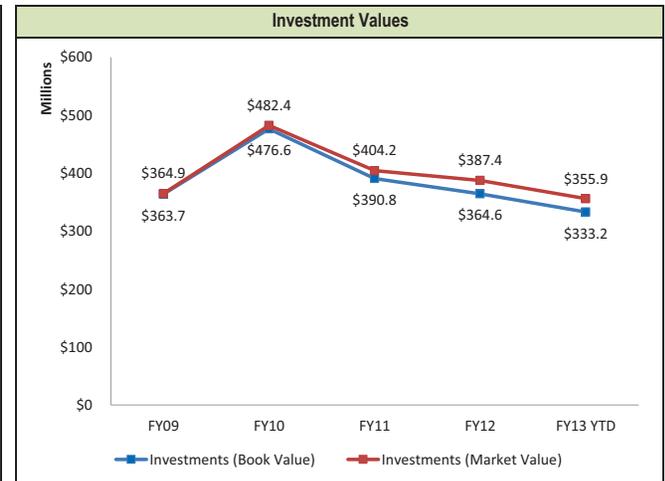
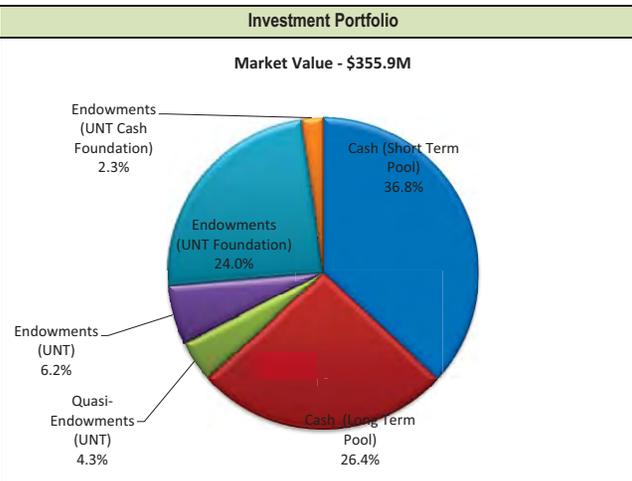
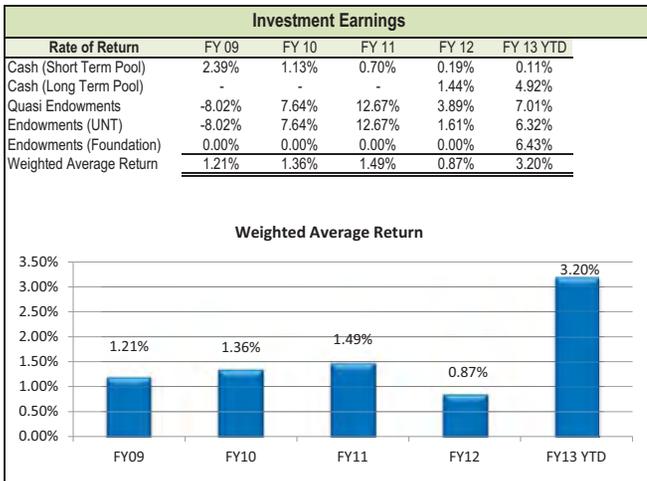
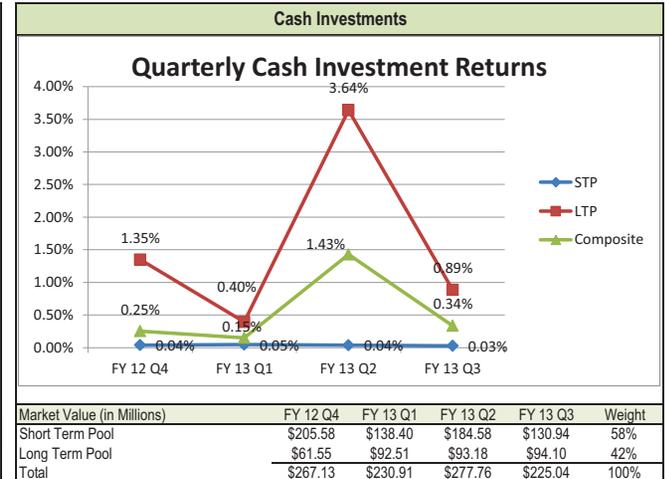
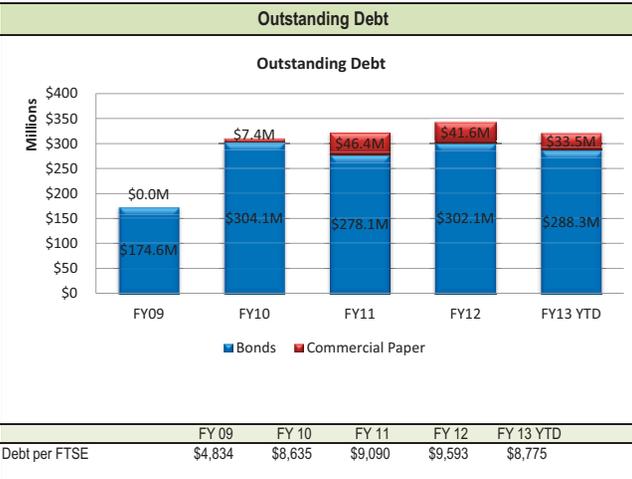
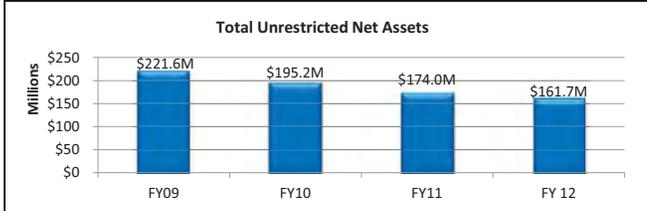
INSTITUTIONS AT A GLANCE - OPERATIONS



Summary Income Statement and Balance Sheet (000,000)

Income Statement	FY 09	FY 10	FY 11	FY 12	FY 12-11	FY 12-11
Revenues	\$497.9	\$519.1	\$568.9	\$575.8	\$7.0	1.2%
Transfers	(\$4.2)	(\$13.6)	(\$18.6)	(\$9.6)	\$9.0	0.0%
Expenditures	\$457.7	\$493.6	\$526.4	\$556.9	\$30.5	5.8%
Surplus (Deficit)	\$36.0	\$11.9	\$23.8	\$9.3	(\$14.5)	-60.8%

Summary Balance Sheet	FY 09	FY 10	FY 11	FY 12	FY 12-11	FY 12-11
Assets	\$866.2	\$1,026.3	\$1,106.0	\$1,115.9	\$9.9	0.9%
Liabilities	\$355.3	\$513.0	\$569.0	\$569.5	\$0.6	0.1%
Net Assets	\$510.9	\$513.3	\$537.0	\$546.4	\$9.3	1.7%



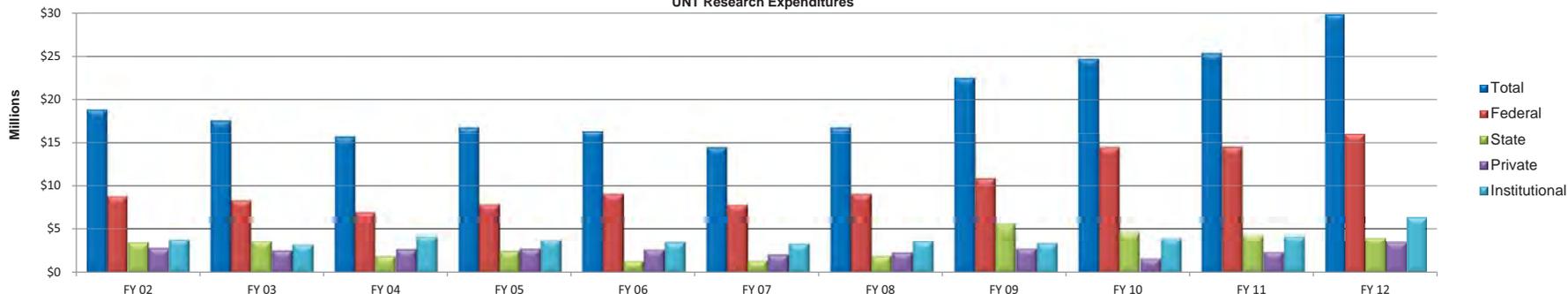
INSTITUTIONS AT A GLANCE - RESEARCH FUNDING



UNT Research Expenditures by Source (millions)

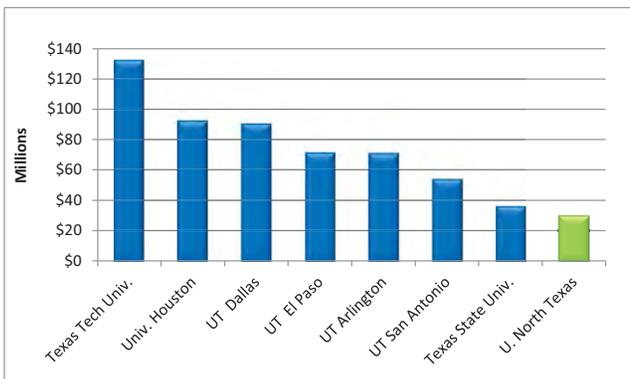
Metric	FY02	FY03	FY04	FY05	FY06	FY07	FY08	FY09	FY10	FY11	FY12
Federal	\$8.83	\$8.33	\$6.93	\$7.88	\$9.03	\$7.82	\$9.04	\$10.87	\$14.46	\$14.50	\$15.98
State	\$3.47	\$3.57	\$1.86	\$2.45	\$1.30	\$1.38	\$1.92	\$5.61	\$4.67	\$4.34	\$4.08
Private	\$2.76	\$2.52	\$2.64	\$2.70	\$2.60	\$2.02	\$2.27	\$2.76	\$1.63	\$2.38	\$3.47
Institutional	\$3.82	\$3.16	\$4.20	\$3.77	\$3.44	\$3.27	\$3.56	\$3.32	\$3.97	\$4.20	\$6.37
Total	\$18.88	\$17.59	\$15.64	\$16.80	\$16.38	\$14.49	\$16.80	\$22.56	\$24.72	\$25.42	\$29.89

UNT Research Expenditures

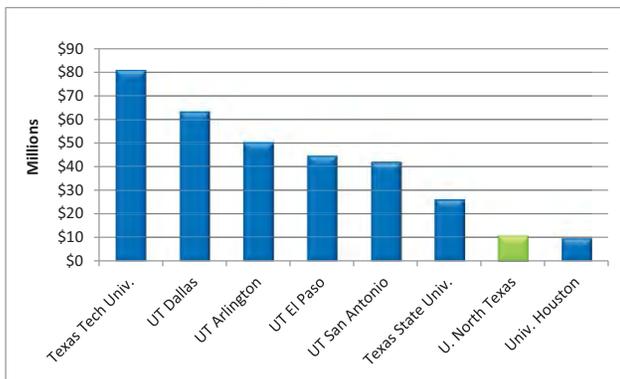


Research Expenditures- Peer Comparison

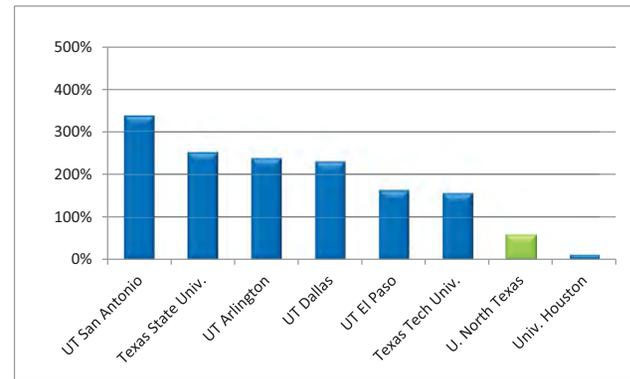
FY 2012 Total Research Expenditures- TX Emerging Reserach Universities



10-Yr (FY02-12) Dollar Amount Change in Total Research Expenditures- TX Emerging Research Universities

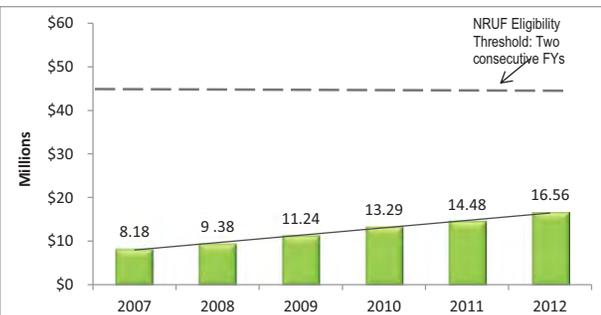


10-Yr (FY02-12) Percent Change in Total Research Expenditures- TX Emerging Research Universities

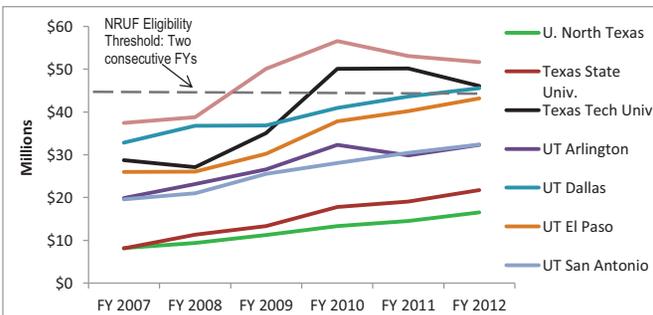


Restricted Research Expenditures

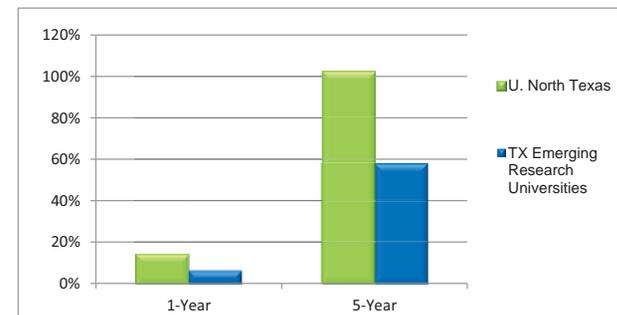
UNT Restricted Research Expenditures



Texas Emerging Universities Restricted Research Expenditures



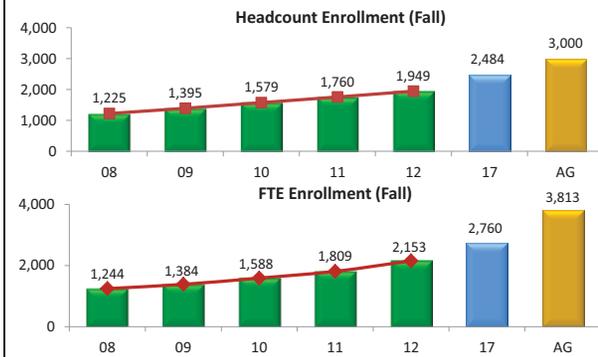
Percent Change in Restricted Research Expenditures



KEY MEASURES OF PROGRESS

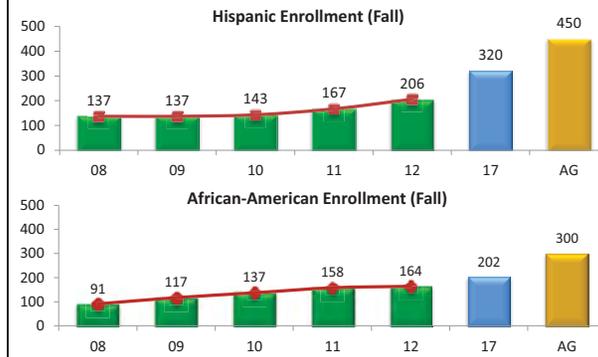
Objective 1: Increase student headcount enrollment to 2,984 and FTE student enrollment to 3,797

Measure: FTE and headcount enrollment (Fall)



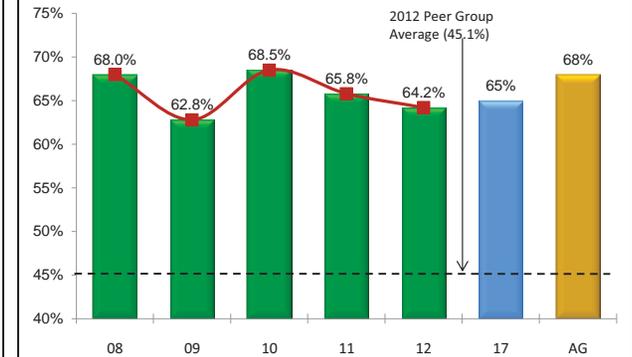
Objective 2: Increase diversity while meeting the state's Closing the Gaps initiative

Measure: Hispanic and African-American students enrolled



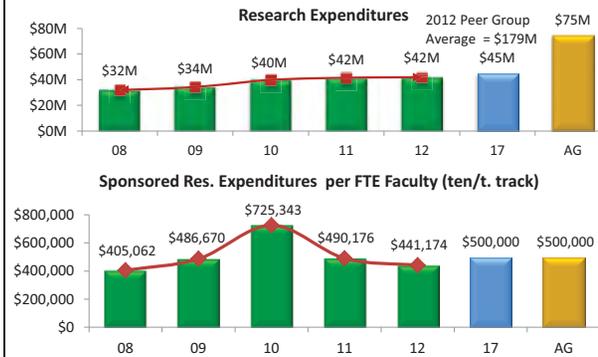
Objective 3: Maintain percent of medical school graduates entering primary care specialties at 65%

Measure: % of TCOM graduates entering primary care specialties



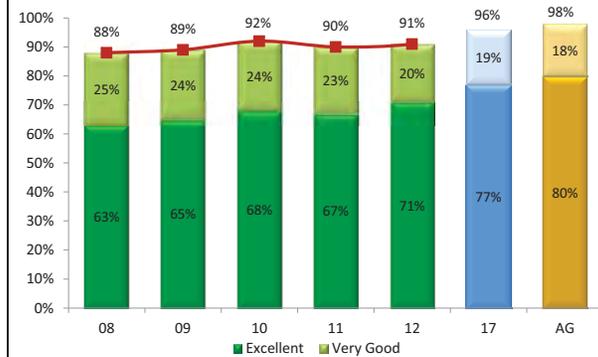
Objective 4: Increase dollar value of total research expenditures to \$45M and sponsored research expenditures per tenured/tenure track FTE to \$500k

Measure: Research expenditures: Total & per tenured/tenure track FTE



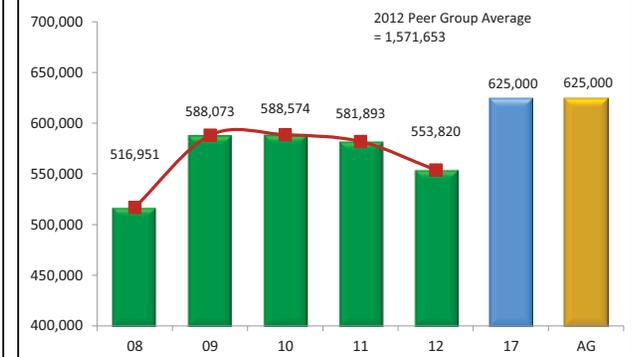
Objective 5: Increase overall patient satisfaction scores to 75% "Excellent" and 96% "Excellent" or "Very Good"

Measure: Overall Patient Visit Score - "Very Good" or "Excellent"



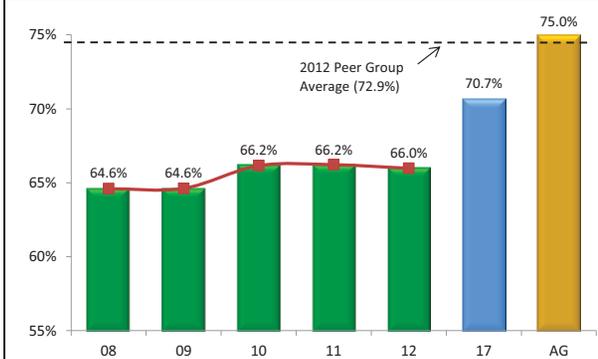
Objective 6: Increase patient encounters to 625,000

Measure: Patient encounters



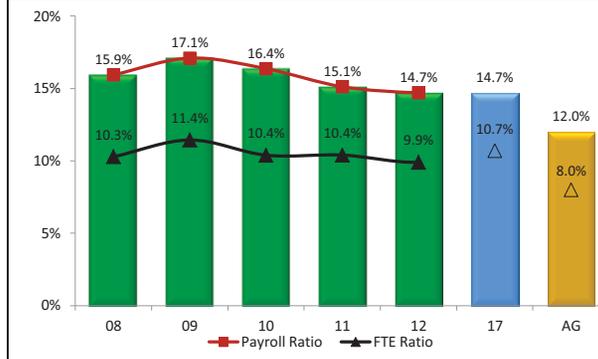
Objective 7: Expand non-state revenue streams to over 70% of the institutional budget

Measure: Percent of budget from non-state sources



Objective 8: Control administrative costs

Measure: Exec/Admin/Managerial payroll & FTE as a % of total

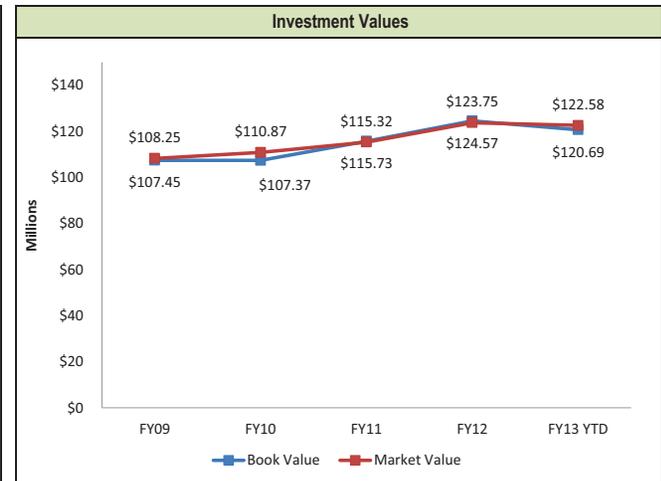
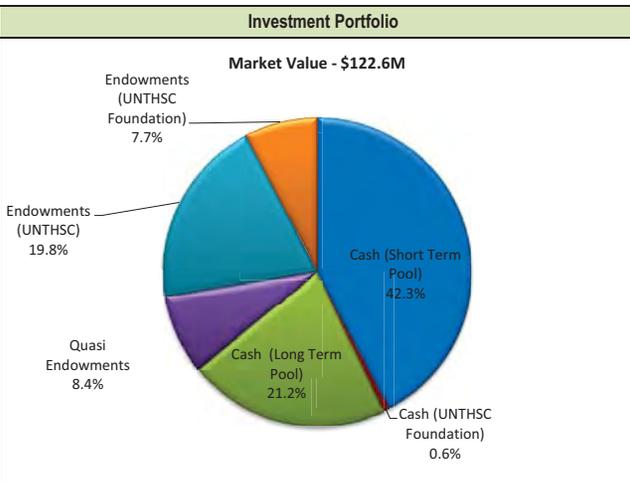
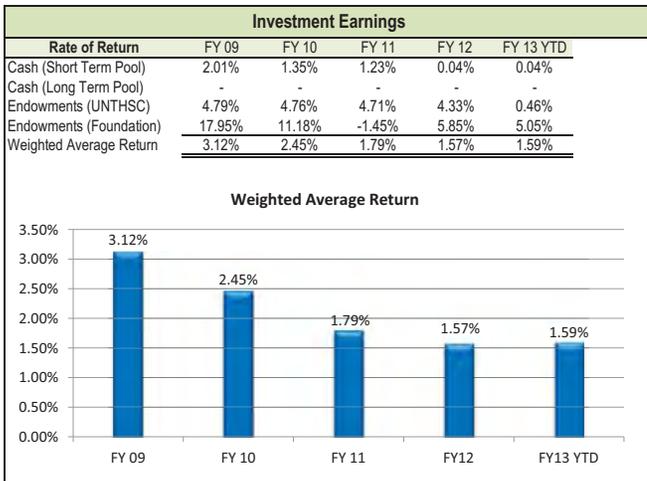
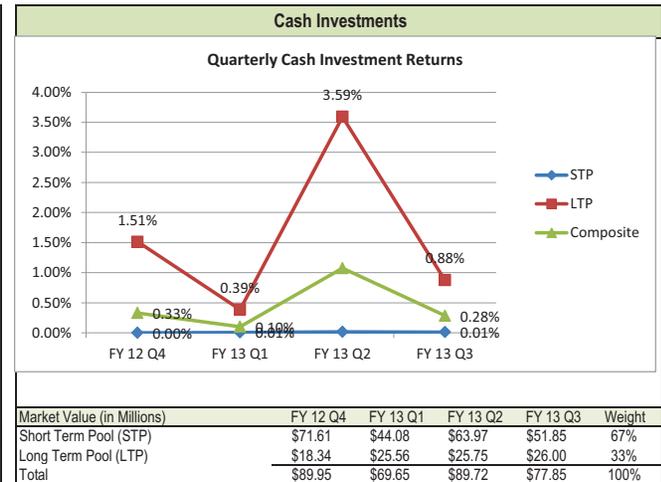
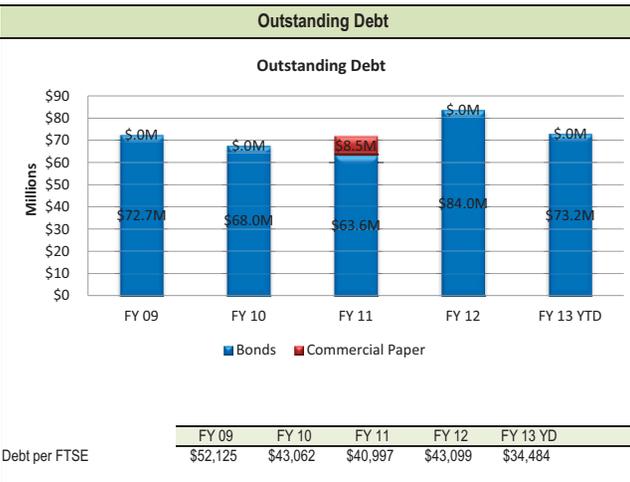
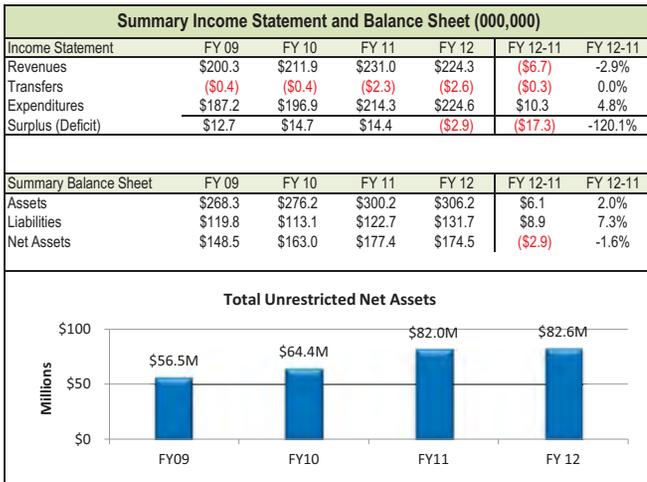
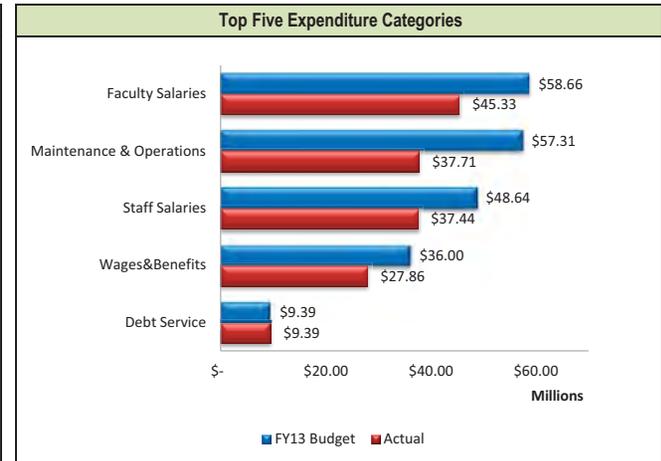
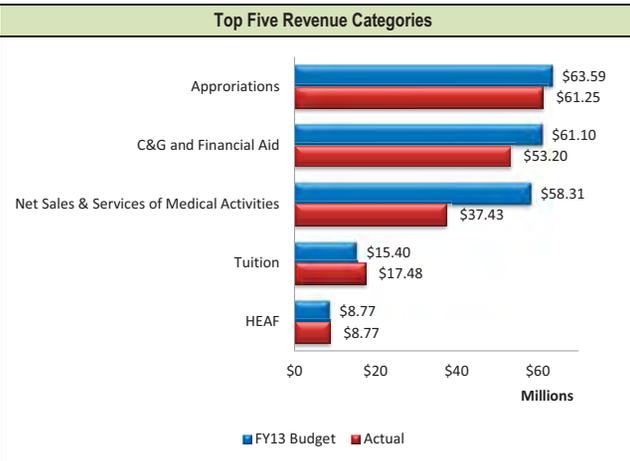
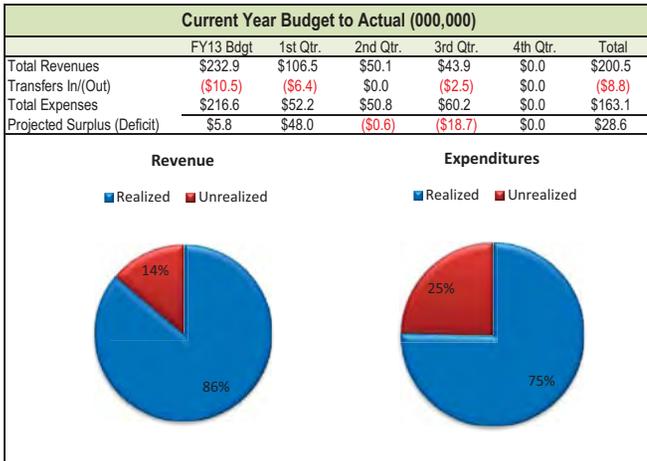


Objective 9: Increase annual giving to \$7M and endowment to \$47M

Measure: Annual gift revenue and endowment value

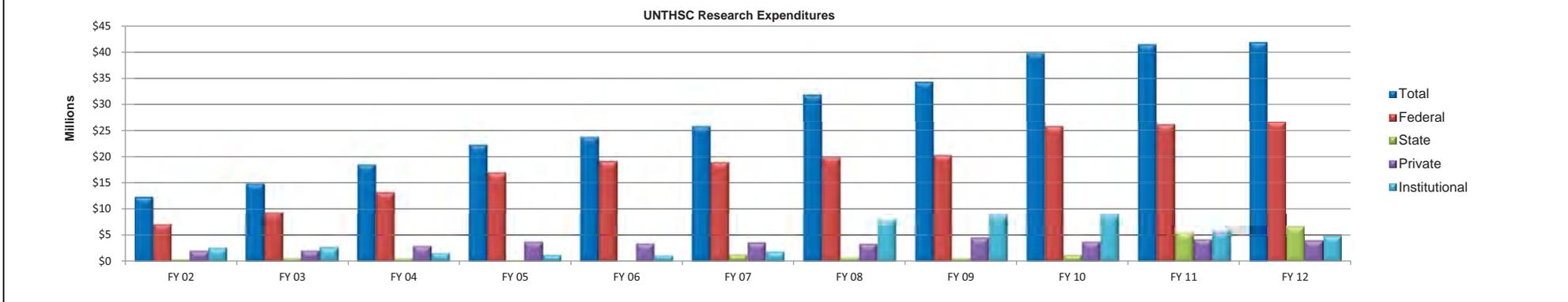


INSTITUTIONS AT A GLANCE - OPERATIONS

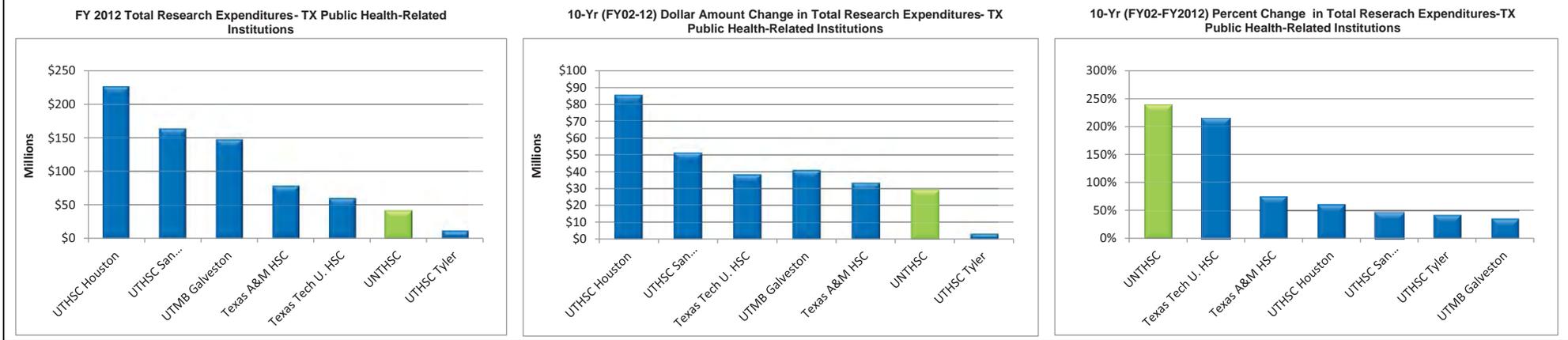


INSTITUTIONS AT A GLANCE - RESEARCH FUNDING

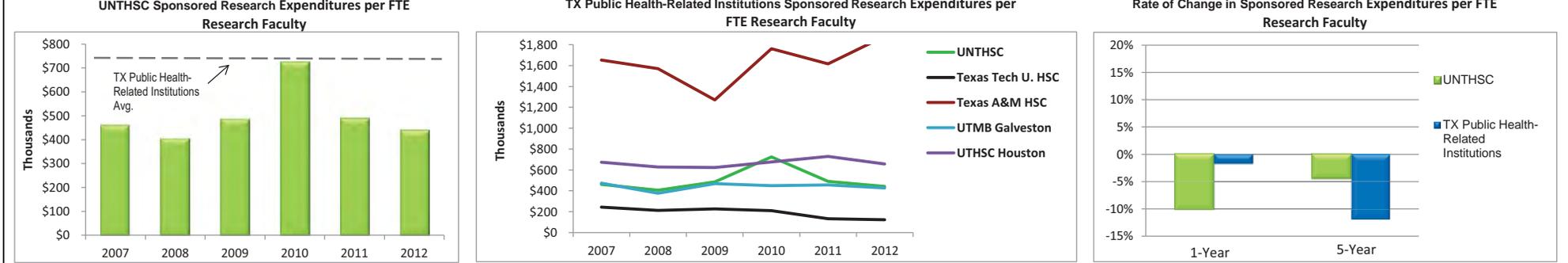
UNTHSC Research Expenditures by Source (millions)											
Metric	FY02	FY03	FY04	FY05	FY06	FY07	FY08	FY09	FY10	FY11	FY12
Federal	\$7.22	\$9.45	\$13.26	\$17.04	\$19.18	\$19.05	\$19.98	\$20.34	\$25.94	\$26.24	\$26.63
State	\$0.48	\$0.63	\$0.61	\$0.23	\$0.10	\$1.38	\$0.80	\$0.65	\$1.32	\$5.49	\$6.67
Private	\$2.05	\$2.15	\$2.96	\$3.74	\$3.38	\$3.55	\$3.31	\$4.49	\$3.73	\$4.16	\$3.82
Institutional	\$2.59	\$2.67	\$1.70	\$1.31	\$1.21	\$1.94	\$7.80	\$8.84	\$8.87	\$5.66	\$4.83
Total	\$12.35	\$14.90	\$18.52	\$22.33	\$23.87	\$25.91	\$31.90	\$34.31	\$39.85	\$41.55	\$41.95



Research Expenditures- Peer Comparison



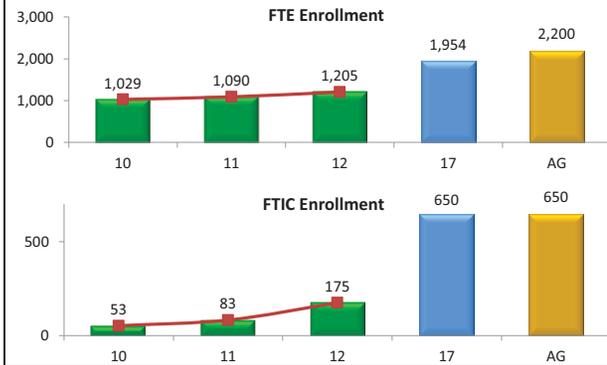
Sponsored Research Expenditures per FTE Research Faculty



KEY MEASURES OF PROGRESS

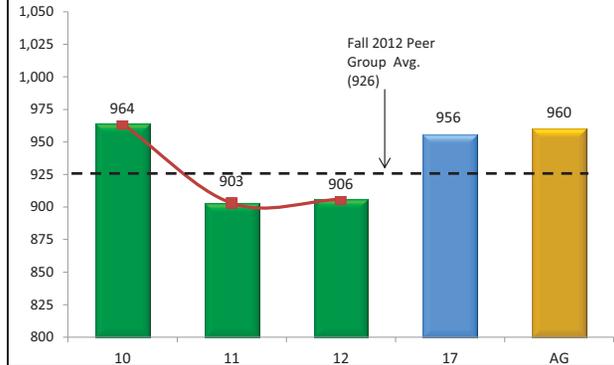
Objective 1: Increase the full-time equivalent (FTE) enrollment to 1,954 and first-time-in-college (FTIC) enrollment to 650 by 2017.

Measure: Student FTE and FTIC enrollment (Fall)



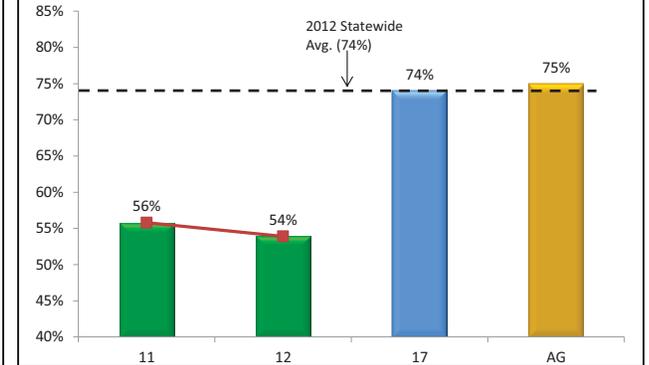
Objective 2: Increase the mean SAT score of incoming freshmen to 956 by 2017.

Measure: Average SAT score of freshman students (Fall)



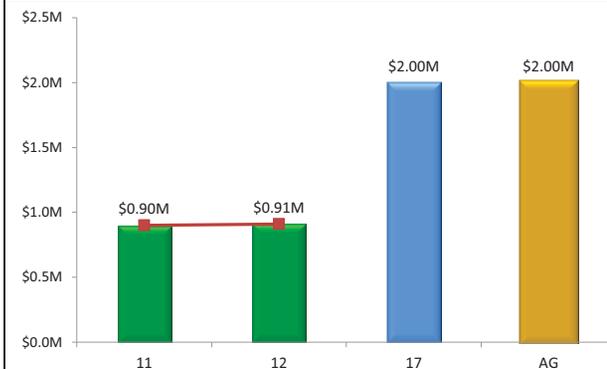
Objective 3: Improve the FTIC one-year retention rate to meet or exceed the statewide average.

Measure: One-year retention rate of FTIC students (Fall)



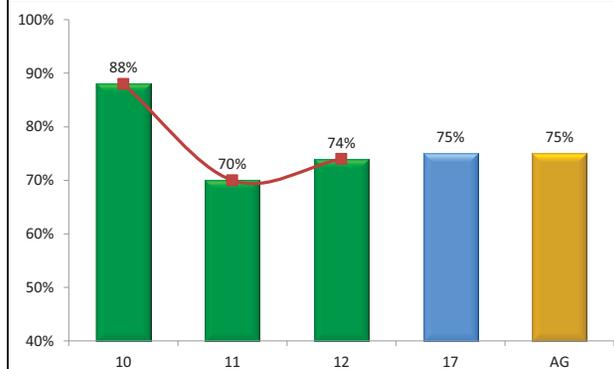
Objective 4: Double the value of merit scholarships from 2012 to 2017.

Measure: Annual value of merit scholarships



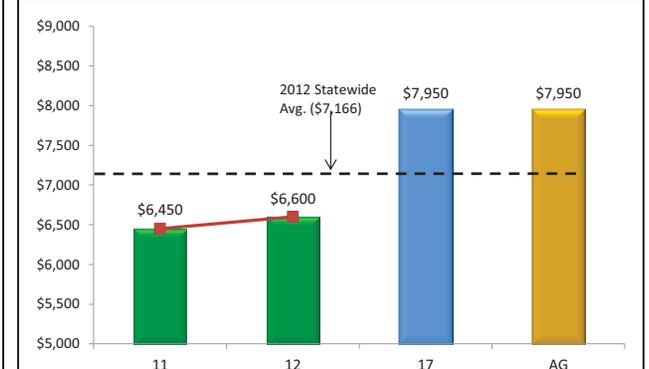
Objective 5: Maintain quality of classroom instruction.

Measure: % of UGL SCH taught by full-time faculty (Fall)



Objective 6: Maintain tuition and fee structure below the state average.

Measure: Average annual tuition and fees



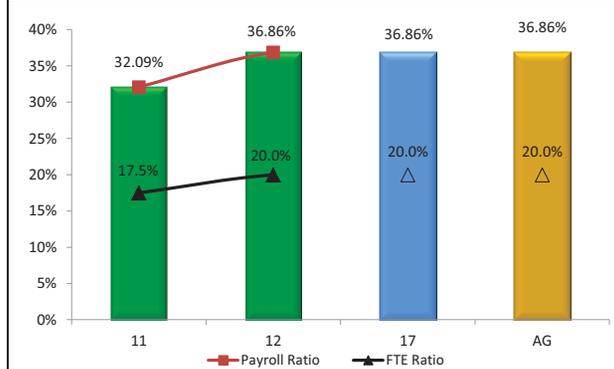
Objective 7: Improve operating efficiency to be at or below \$16,000 per student FTE.

Measure: Operating expenses per student FTE



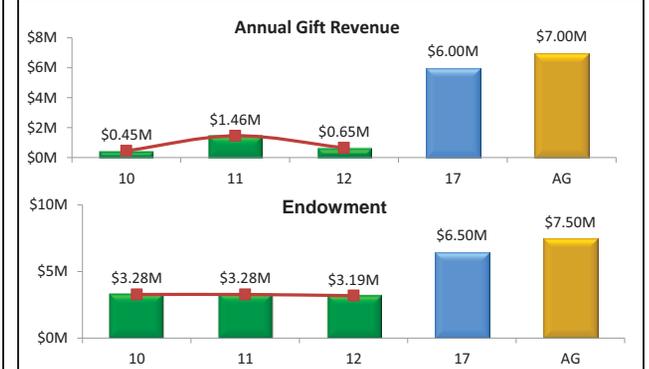
Objective 8: Control administrative costs.

Measure: Executive/Admin/Managerial payroll and FTE as a % of Total

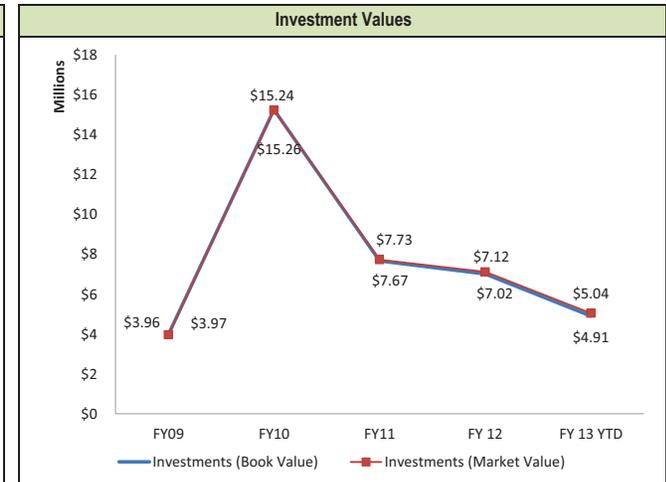
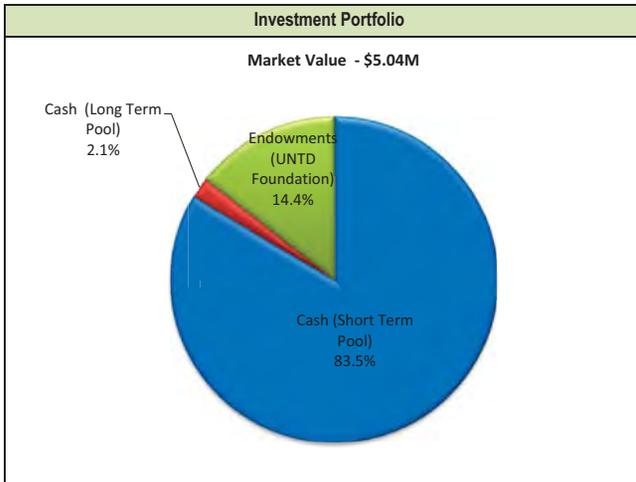
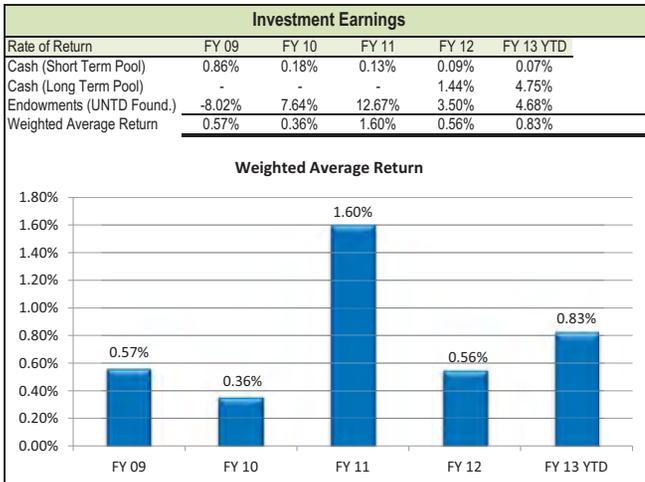
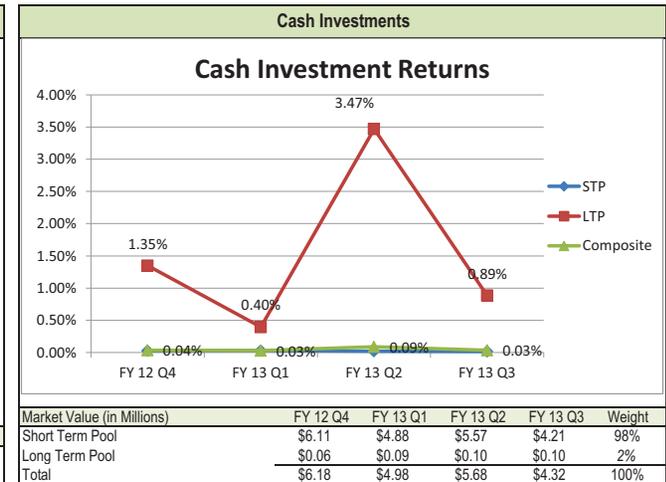
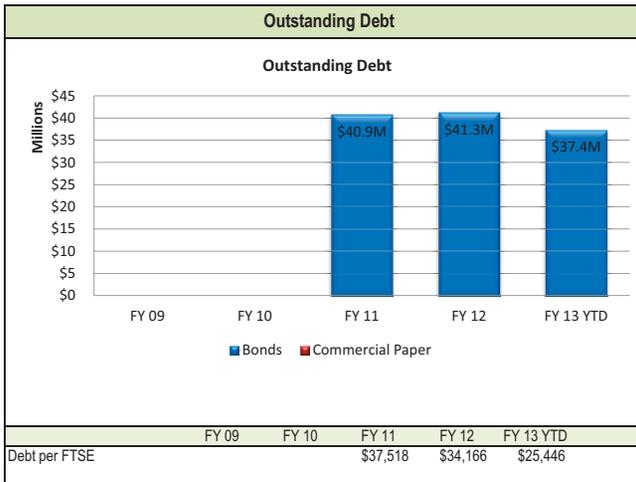
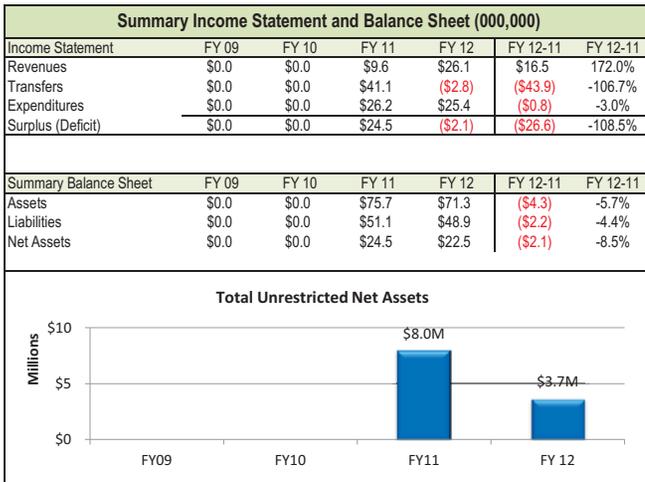
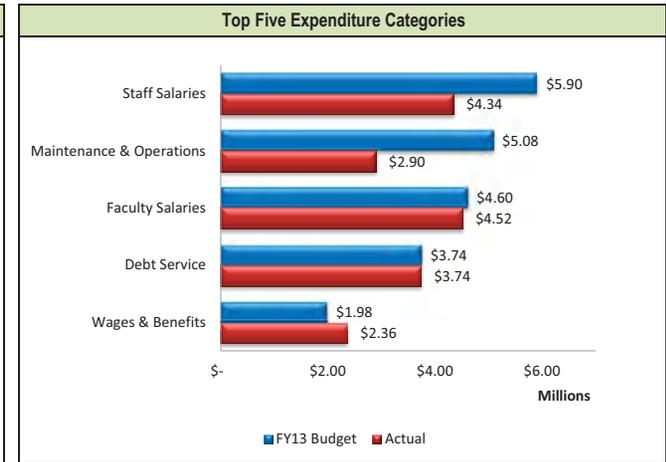
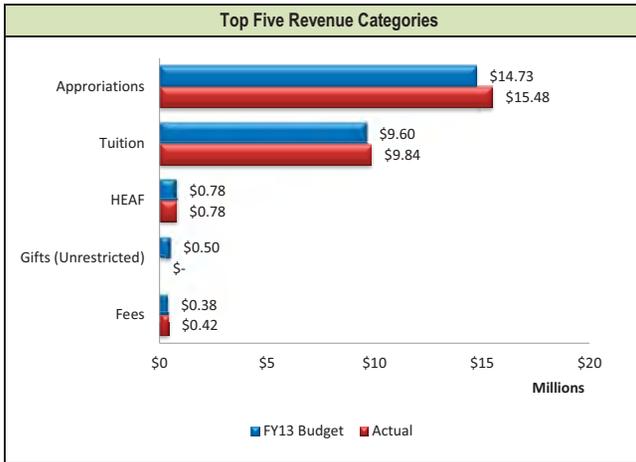
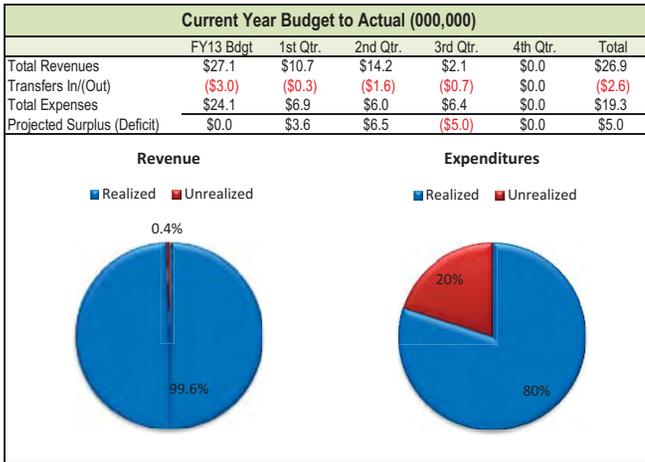


Objective 9: Increase annual gift revenue and achieve endowment of 6.50M by 2017.

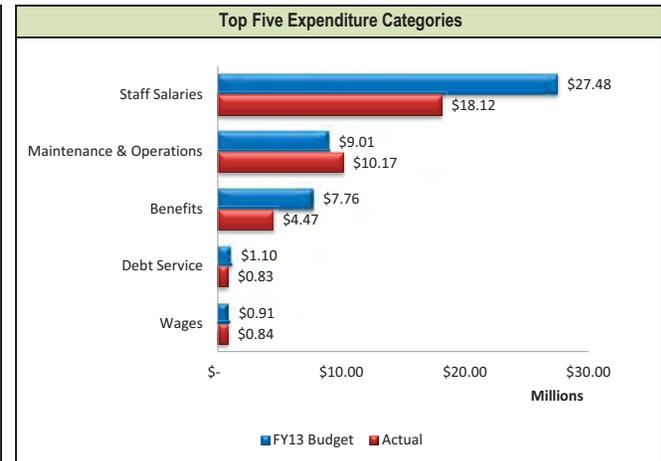
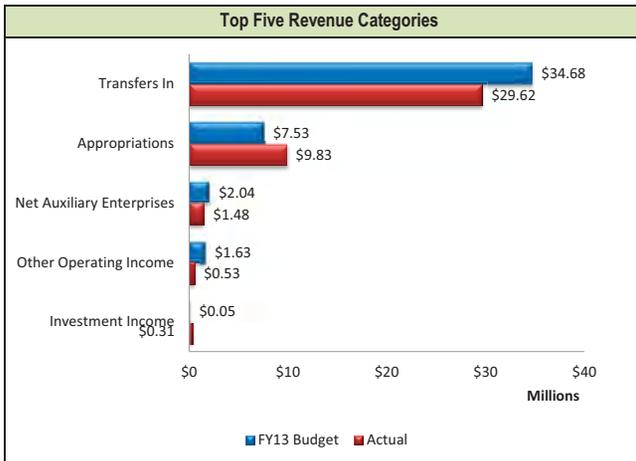
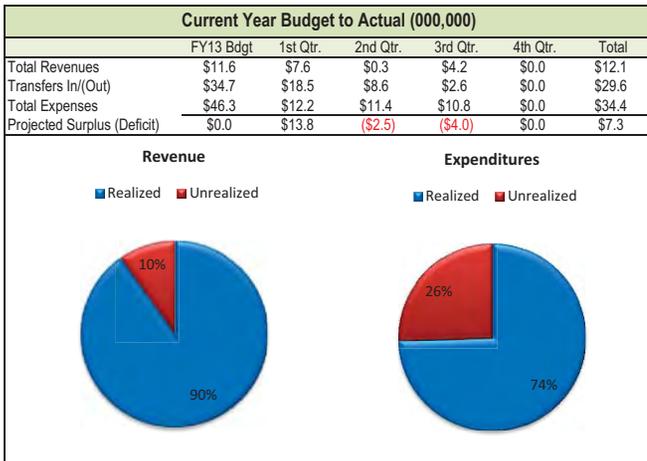
Measure: Annual gift revenue and endowment value



INSTITUTIONS AT A GLANCE - OPERATIONS



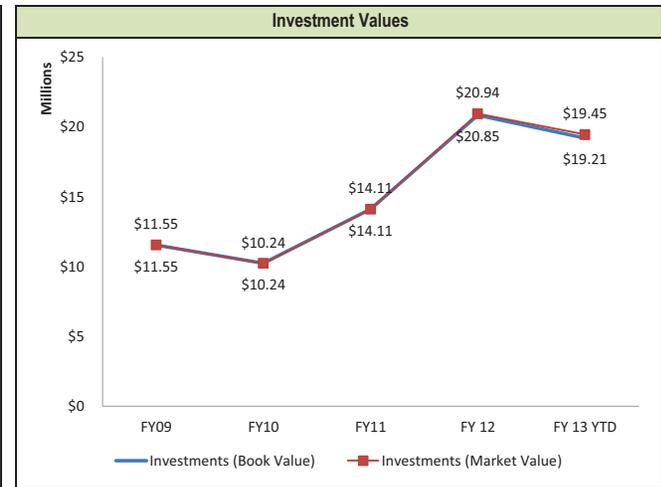
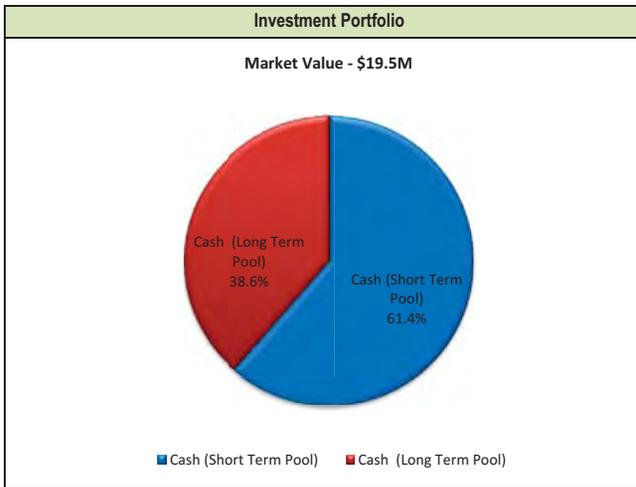
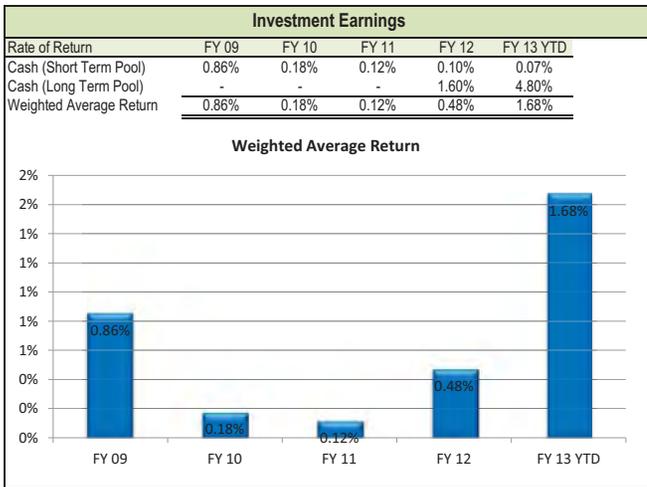
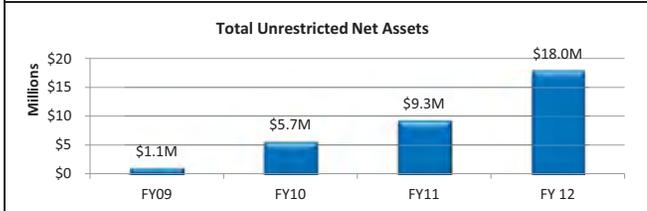
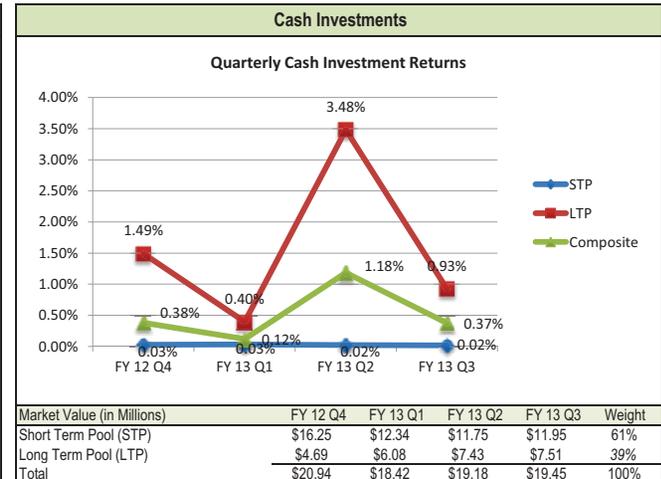
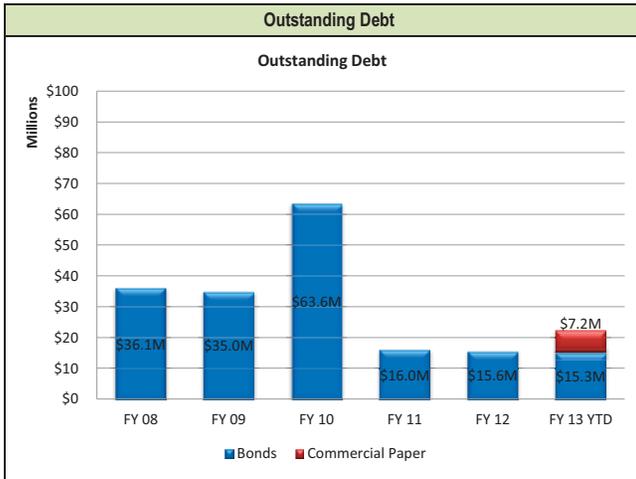
INSTITUTIONS AT A GLANCE - OPERATIONS



Summary Income Statement and Balance Sheet (000,000)

Income Statement	FY 09	FY 10	FY 11	FY 12	FY 12-11	FY 12-11
Revenues	20.0	26.6	21.1	27.6	6.5	30.8%
Transfers	1.8	6.6	(24.1)	10.2	34.4	0.0%
Expenditures	23.0	28.0	9.5	31.5	22.0	232.0%
Surplus (Deficit)	(1.2)	5.3	(12.5)	6.3	18.8	-150.4%

Summary Balance Sheet	FY 09	FY 10	FY 11	FY 12	FY 12-11	FY 12-11
Assets	\$63.0	\$104.3	\$32.7	\$44.4	\$11.7	35.7%
Liabilities	\$50.8	\$77.3	\$18.3	\$23.6	\$5.4	29.3%
Net Assets	\$12.2	\$27.0	\$14.5	\$20.8	\$6.3	43.6%



UNT | SYSTEM™



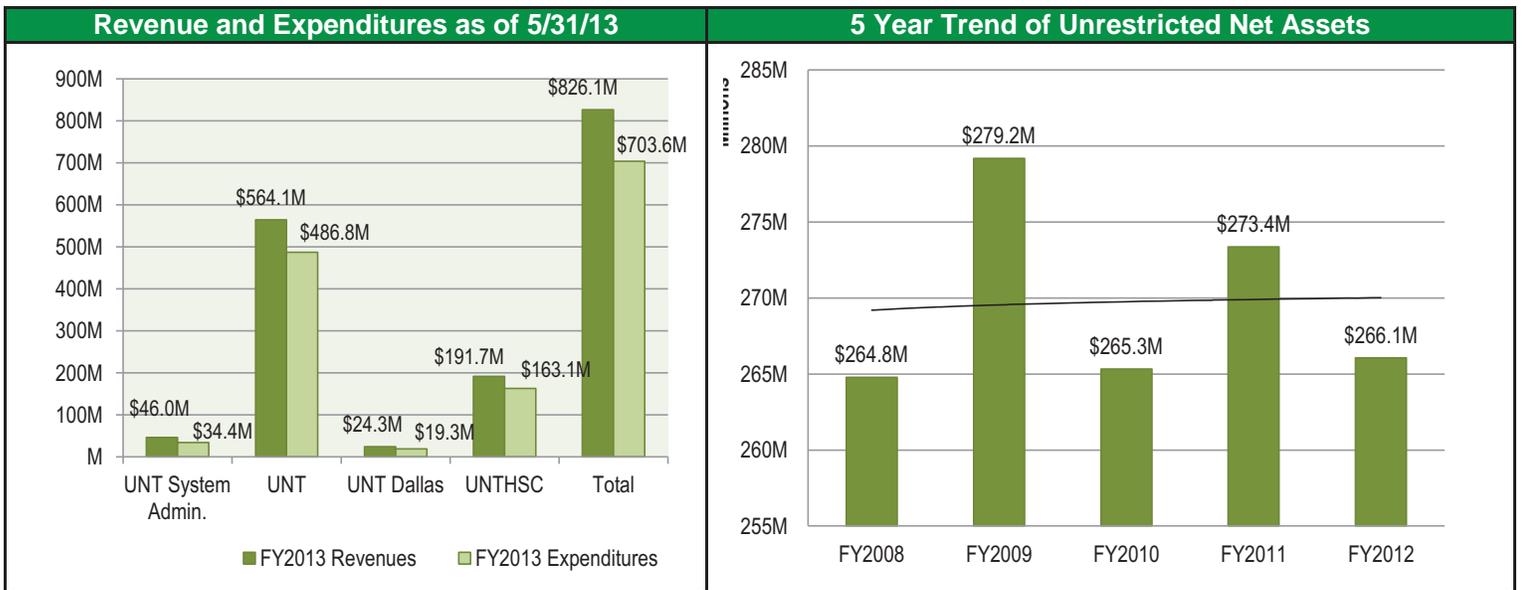
STRATEGIC MANAGEMENT REPORT

FINANCIAL HIGHLIGHTS

FINANCIAL HIGHLIGHTS

Budget to Actual Summary

Revenue as of 5/31/13					
	UNT System Admin.	UNT	UNTHSC	UNT Dallas	Totals
FY13 Budget	\$46,273,552	\$528,229,365	\$216,589,770	\$24,084,995	\$815,177,682
1st Qtr. Revenue	\$26,080,050	\$528,695,155	\$100,156,646	\$10,429,643	\$665,361,494
2nd Qtr. Revenue	\$8,896,552	\$49,182,639	\$50,143,170	\$12,517,154	\$120,739,515
3rd Qtr. Revenue	\$11,010,116	(\$13,751,774)	\$41,410,685	\$1,367,835	\$40,036,862
4th Qtr. Revenue					\$0
Total Revenue	\$45,986,718	\$564,126,020	\$191,710,501	\$24,314,632	\$826,137,871
Expenditures as of 5/31/13					
	UNT System Admin.	UNT	UNTHSC	UNT Dallas	Totals
FY13 Budget	\$46,273,552	\$528,229,365	\$216,589,770	\$24,084,995	\$815,177,682
1st Qtr. Expenditures	\$12,235,643	\$252,859,513	\$52,174,759	\$6,875,368	\$324,145,283
2nd Qtr. Expenditures	\$11,435,171	\$164,820,834	\$50,759,836	\$5,979,721	\$232,995,562
3rd Qtr. Expenditures	\$10,760,255	\$69,126,910	\$60,150,392	\$6,411,058	\$146,448,615
4th Qtr. Expenditures					\$0
Total Expenditures	\$34,431,069	\$486,807,257	\$163,084,987	\$19,266,147	\$703,589,460
FY2013 YTD Suplus (Deficit)	\$11,555,649	\$77,318,763	\$28,625,514	\$5,048,485	\$122,548,411



Notes:

1) Trend of Net Assets FY2007 - FY2012 per Consolidated Annual Financial Statements

FINANCIAL HIGHLIGHTS

Debt Profile

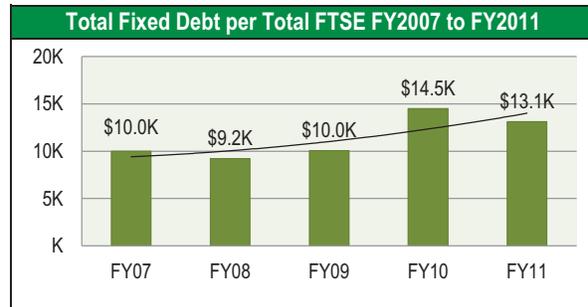
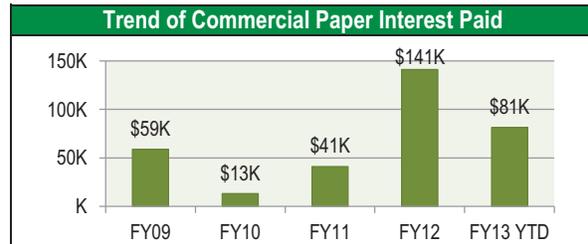
As of May 31, 2013, the total outstanding fixed debt for the University of North Texas System was \$414.18 million and Commercial Paper or variable debt outstanding was \$40.68 million.

Commercial Paper Projects (millions):

Campus	Project	Issue Date*	FY2012 Ending		Retired FY2013	FY2013 Outstanding
			Bal.	Issued FY2013		
UNT	UNT Hotel (Radisson)	07/25/08	\$2.10	\$0.00	\$0.50	\$1.60
UNT	The ACES Building	08/19/10	\$0.80	\$0.00	\$0.00	\$0.80
UNT	West Warehouse	08/19/10	\$0.44	\$0.00	\$0.44	\$0.00
UNT	Stadium - tax-exempt	06/28/11	\$18.49	\$0.00	\$0.54	\$17.96
UNT	Stadium - taxable	01/13/12	\$11.00	\$0.00	\$0.00	\$11.00
UNT	Woodhill Square	11/03/11	\$6.00	\$0.00	\$6.00	\$0.00
UNT	Shuttle Buses	08/23/12	\$2.81	\$0.00	\$0.70	\$2.11
System	System Building Renovation	04/02/13	\$0.00	\$7.22	\$0.00	\$7.22
Total			\$41.63	\$7.22	\$8.17	\$40.68

*Represents the first date any commercial paper was issued for the project. There may, and often are, other issuances for each project.

UNT System - State of Texas Bond Ratings		
	UNT System	State of Texas
Moody's	Aa2	Aaa
S&P	A+	AA+
Fitch	AA	AAA

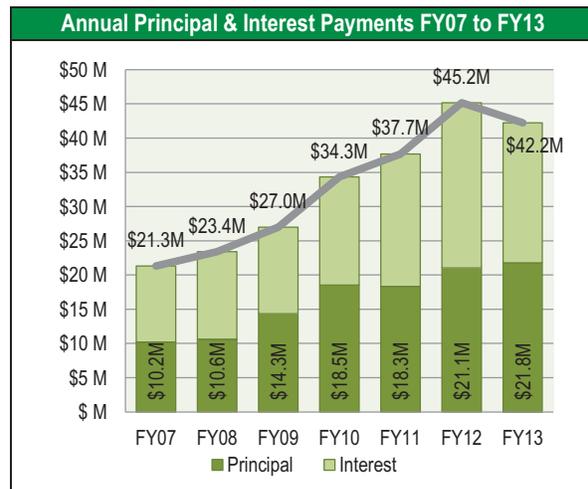


Note: FTSE numbers combined for UNT, UNT at Dallas and UNTHSC per THECB.

Outstanding Fixed Debt by Institution FY2007 to FY2013 (millions)						
	FY2008	FY2009	FY2010	FY2011	FY2012	YTD 2013
UNT System Administration	\$36.05	\$16.67	\$16.34	\$16.00	\$15.64	\$15.27
UNT	\$182.06	\$174.62	\$304.06	\$278.10	\$302.13	\$288.32
UNT Health Science Center	\$39.91	\$72.72	\$70.10	\$63.63	\$79.00	\$73.21
UNT Dallas	\$0.00	\$18.32	\$49.96	\$45.26	\$39.18	\$37.38
Total	\$258.02	\$282.32	\$440.46	\$402.98	\$435.95	\$414.18
% Incr./(Decr.)	-3.95%	9.42%	56.01%	-8.51%	8.18%	-4.99%

UNT Dallas Debt shown combined with UNT System Administration from 2007-2008.

Outstanding Debt at May 31, 2013 (millions)		
Fiscal Year	Issue	Par Amount
2012	Series 2012A&B	\$77.52
2010	Series 2010	\$52.01
2009	Ref Bonds Series 2009B	\$12.22
2009	Series 2009A	\$142.56
2009	Series 2009	\$30.02
2007	Series 2007	\$49.51
2005	Ref & Imp Bds Series 2005	\$44.17
2003	Taxable Series 2003B	\$0.00
2003	Series 2003A	\$6.19
2003	Series 2003	\$0.00
Totals		\$414.18



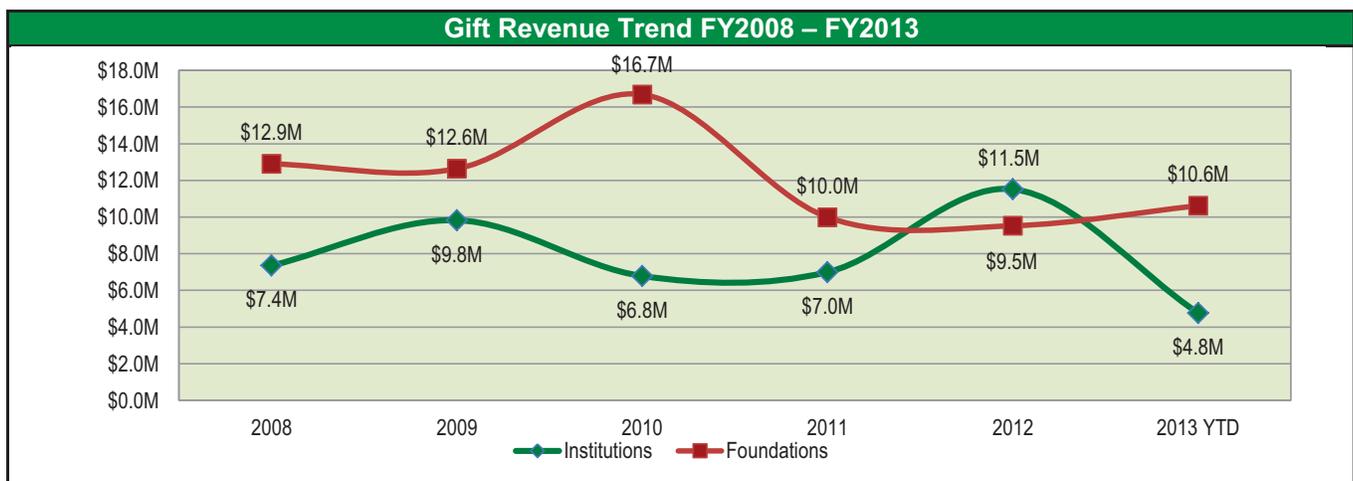
FINANCIAL HIGHLIGHTS

Gift Report

“Gifts” are voluntary, philanthropic transfers of assets received from individuals, corporations, foundations or other organizations. Gifts may be made through various vehicles, including but not limited to cash, stock, estates, trusts, in-kind and real estate. The terms “gift” and “grant” are often used synonymously.

Gift Revenue - FY2008 through FY2013 (millions)						
	FY2008	FY2009	FY2010	FY2011	FY2012	FY13 Budget
UNT System Administration						
UNT System	\$0.028	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Gifts	\$0.028	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
University of North Texas						
UNT	\$6.449	\$4.615	\$6.296	\$5.504	\$10.838	\$4.347
UNT Foundation	\$7.461	\$7.981	\$9.984	\$8.031	\$6.698	\$6.431
Total Gifts	\$13.911	\$12.596	\$16.280	\$13.536	\$17.536	\$10.778
UNT Health Science Center						
UNTHSC	\$0.099	\$0.556	\$0.033	\$0.031	\$0.024	\$0.029
UNTHSC Foundation	\$5.443	\$4.654	\$6.704	\$1.959	\$2.825	\$4.188
Total Gifts	\$5.542	\$5.210	\$6.738	\$1.990	\$2.849	\$4.217
UNT Dallas						
UNT Dallas	\$0.775	\$4.654	\$0.451	\$1.458	\$0.653	\$0.380
UNT Dallas Foundation	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Gifts	\$0.775	\$4.654	\$0.451	\$1.458	\$0.653	\$0.380
University of North Texas System						
Institutions	\$7.351	\$9.825	\$6.781	\$6.994	\$11.515	\$4.756
Foundations	\$12.905	\$12.635	\$16.688	\$9.991	\$9.522	\$10.619
Total Gifts	\$20.256	\$22.460	\$23.469	\$16.984	\$21.038	\$15.375

Gift Revenue by Type as of 5/31/13 (millions)						
Institutions Only	Endowments	Scholarship	Restricted	Unrestricted	Grants/Gifts-In	
					Kind	Total
UNT System Administration	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
UNT	\$0.172	\$0.933	\$1.894	\$1.348	\$0.000	\$4.347
UNT Foundation	\$3.502	\$0.000	\$2.929	\$0.000	\$0.000	\$6.431
UNTHSC	\$0.000	\$0.000	\$0.019	\$0.010	\$0.000	\$0.029
UNTHSC Foundation	\$0.335	\$0.044	\$1.628	\$2.181	\$0.000	\$4.188
UNT Dallas	\$0.093	\$0.012	\$0.252	\$0.000	\$0.023	\$0.380
Total Gifts	\$4.102	\$0.989	\$6.722	\$3.539	\$0.023	\$15.375



Source: Data provided by institutions and foundations may differ from Annual Financial Reports due to timing.

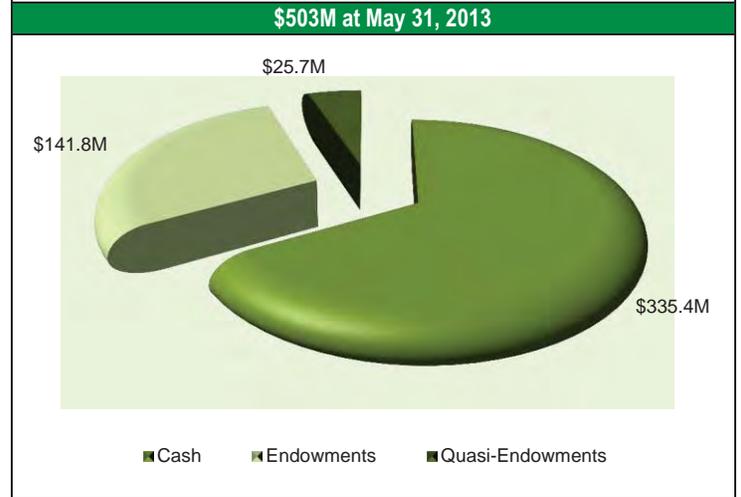
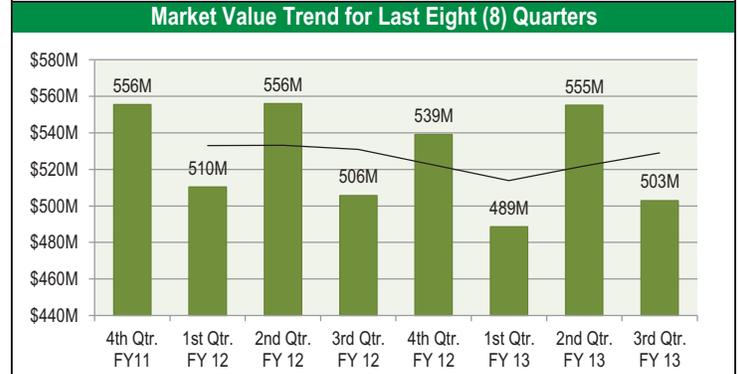
FINANCIAL HIGHLIGHTS

Cash, Investments and Endowments

The investment funds for all member institutions, within the University of North Texas System, consist of cash, endowments, quasi-endowments, and other investments funds. As of May 31, 2013, the total *market value* of all assets was \$502.96 million, as outlined below:

Summary of Market Values of Investments by Institution (millions)						
	5/31/13	2/28/13	8/31/12	8/31/11	8/31/10	8/31/09
Cash						
UNT System Admin.	\$19.45	\$19.18	\$20.94	\$14.11	\$10.24	\$11.55
UNT	\$225.04	\$277.76	\$267.13	\$300.48	\$391.94	\$278.52
UNT Foundation	\$8.06	\$8.63	\$6.52	\$9.39	\$10.29	\$6.19
UNTHSC	\$77.85	\$89.72	\$89.95	\$81.80	\$77.90	\$72.85
UNTHSC Foundation	\$0.72	\$2.49	\$3.44	\$3.38	\$4.79	\$8.12
UNT at Dallas	<u>\$4.32</u>	<u>\$5.68</u>	<u>\$6.18</u>	<u>\$6.83</u>	<u>\$14.87</u>	<u>\$3.83</u>
Total	\$335.45	\$403.45	\$394.17	\$415.99	\$510.03	\$381.06
Endowments						
UNT System Admin.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
UNT	\$22.02	\$21.73	\$19.78	\$17.31	\$15.82	\$14.92
UNT Foundation	\$85.37	\$84.77	\$79.44	\$76.89	\$61.50	\$56.29
UNTHSC	\$24.31	\$11.20	\$23.49	\$24.25	\$23.06	\$22.66
UNTHSC Foundation	\$9.42	\$7.80	\$6.87	\$5.89	\$5.12	\$4.62
UNT at Dallas	<u>\$0.73</u>	<u>\$0.74</u>	<u>\$0.94</u>	<u>\$0.91</u>	<u>\$0.37</u>	<u>\$0.13</u>
Total	\$141.85	\$126.23	\$130.52	\$125.25	\$105.87	\$98.62
Quasi - Endowments						
UNT System Admin.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
UNT	\$15.40	\$15.17	\$14.48	\$13.57	\$12.30	\$12.62
UNT Foundation	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
UNTHSC	\$10.27	\$10.21	\$0.00	\$0.00	\$0.00	\$0.00
UNTHSC Foundation	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
UNT at Dallas	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>
Total	\$25.67	\$25.38	\$14.48	\$13.57	\$12.30	\$12.62
Total by Institution						
UNT System Admin.	\$19.45	\$19.18	\$20.94	\$14.11	\$10.24	\$11.55
UNT	\$262.46	\$314.66	\$301.39	\$331.35	\$420.06	\$306.06
UNT Foundation	\$93.44	\$93.40	\$85.97	\$86.28	\$71.79	\$62.48
UNTHSC	\$112.43	\$111.13	\$113.44	\$106.05	\$100.96	\$95.51
UNTHSC Foundation	\$10.15	\$10.29	\$10.31	\$9.27	\$9.91	\$12.74
UNT at Dallas	<u>\$5.04</u>	<u>\$6.42</u>	<u>\$7.12</u>	<u>\$7.73</u>	<u>\$15.24</u>	<u>\$3.96</u>
Total UNT System	\$502.96	\$555.07	\$539.17	\$554.80	\$628.20	\$492.30

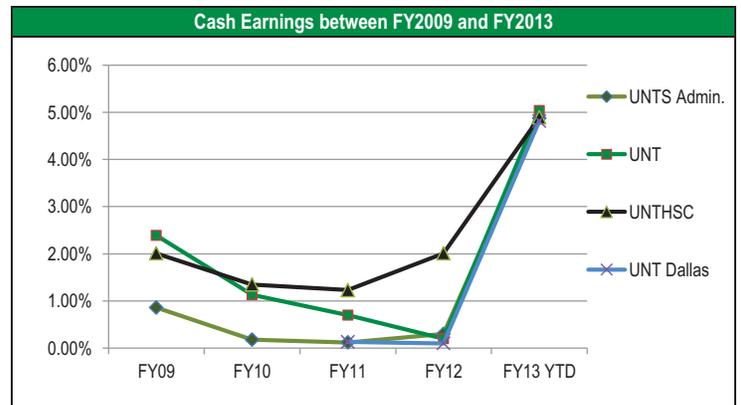
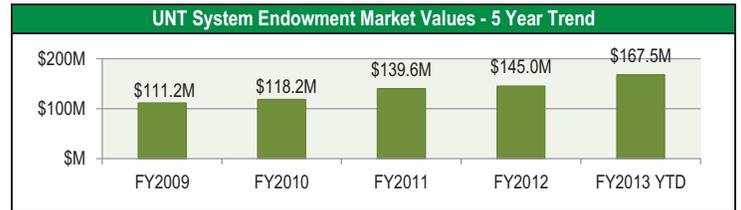
UNT System Portfolio Summary (millions)				
All Institutions	5/31/13	8/31/12	Var \$	Var %
FY13 Budget	\$478.01	\$508.67	(\$30.66)	-6%
Market Value	\$502.96	\$539.17	(\$36.20)	-7%
Market to Book Value %	105.2%	106.0%	118.1%	



Endowment Earnings	Quarter	1 Year	3 Year	5 Year	10 Year
UNT System Admin.	N/A	N/A	N/A	N/A	N/A
UNT	1.90%	15.60%	9.90%	3.10%	N/A
UNT Foundation*	1.90%	15.60%	9.90%	3.10%	N/A
UNTHSC	0.00%	1.50%	2.86%	4.07%	4.14%
UNTHSC Foundation	2.09%	15.10%	7.44%	4.26%	6.50%
UNT at Dallas	1.90%	15.60%	9.90%	3.10%	N/A

Note: Endowments and Quasi Endowments net of fees.

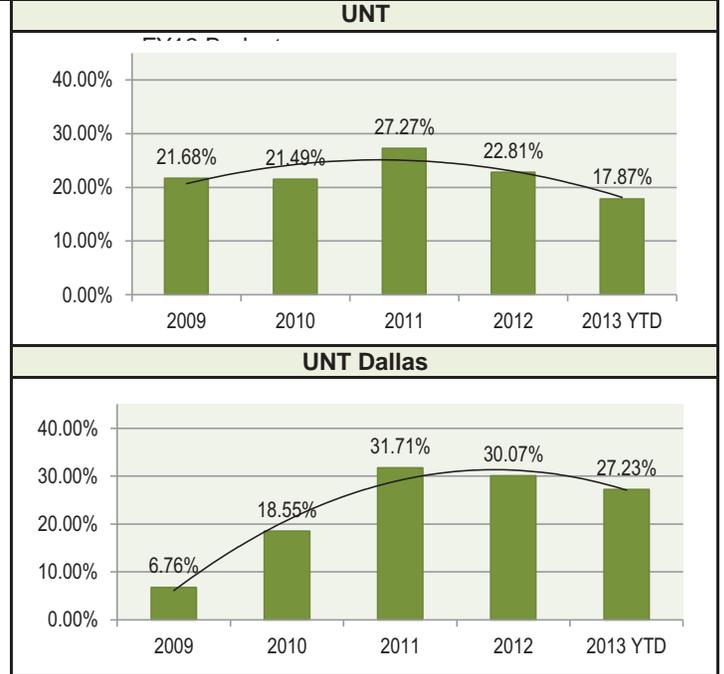
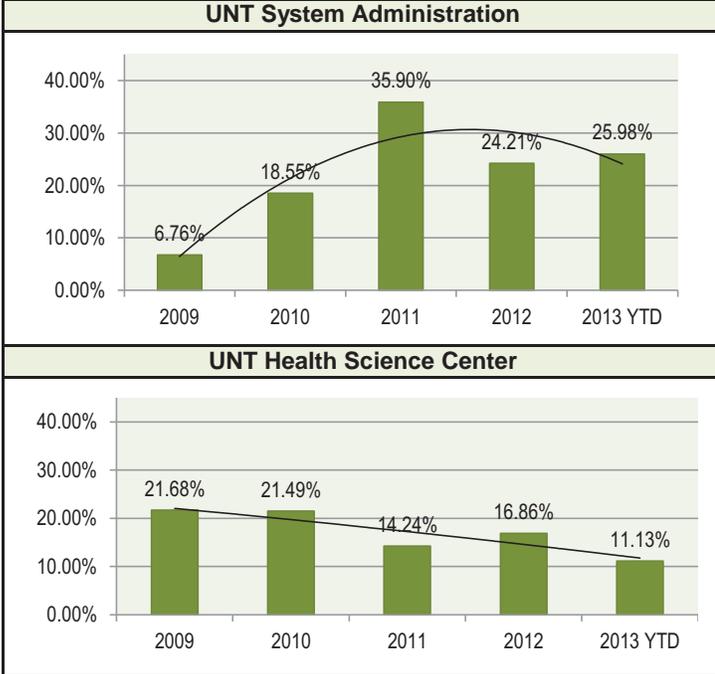
Cash Earnings	FY09	FY10	FY11	FY12	FY13 YTD
UNT System Admin.	0.86%	0.18%	0.12%	0.30%	4.88%
UNT	2.39%	1.13%	0.70%	0.20%	5.04%
UNTHSC	2.01%	1.35%	1.23%	2.01%	4.89%
UNT Dallas	N/A	N/A	0.13%	0.10%	4.81%



FINANCIAL HIGHLIGHTS

HUB and Minority Owned Businesses Report

Trend of Payments to HUB and Minority Vendors

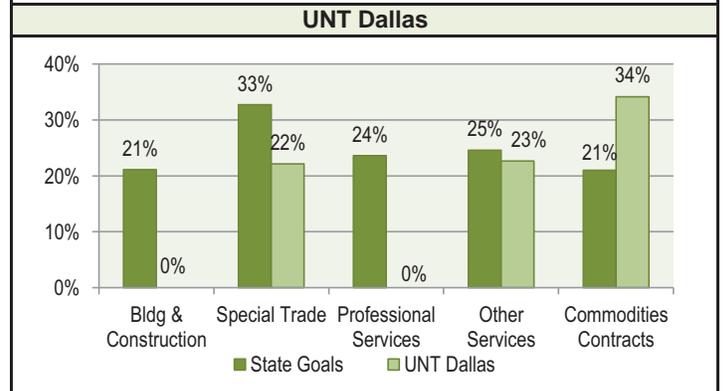
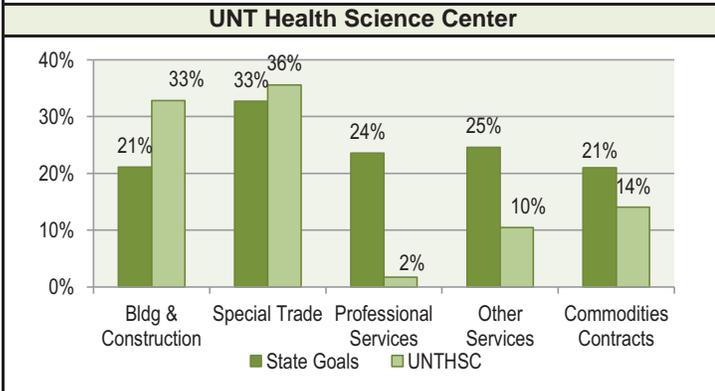
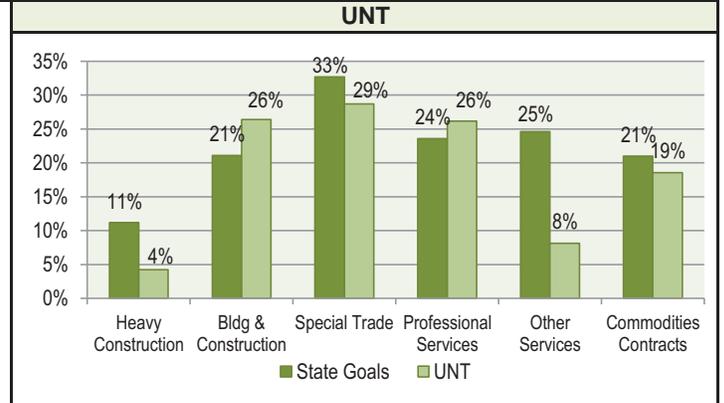
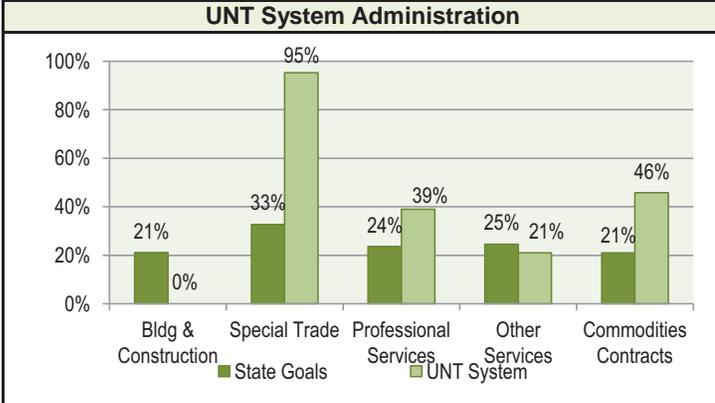


Breakdown of Payments by Gender/Ethnicity and Vendors

	UNTS Admin.	UNT	UNTHSC	UNT D
Black	4.70%	3.91%	1.25%	15.07%
Hispanic	1.83%	2.60%	2.01%	0.73%
Asian	0.16%	0.93%	0.67%	
Native American		1.54%		
Woman	19.29%	8.88%	7.21%	11.43%
Non-Minority	74.01%	82.14%	88.87%	72.77%
Total	100.00%	100.00%	100.00%	100.00%

	UNTS Admin.	UNT	UNTHSC	UNT D
HUB Certified	22.62%	15.14%	10.47%	23.70%
Certified Other				
Minority	3.36%	2.73%	0.66%	3.53%
Non-Minority	74.01%	82.13%	88.87%	72.77%
Total	100.00%	100.00%	100.00%	100.00%

Payments to HUB & Minority Vendors vs. State Goals



UNT System Building & Majestic Lofts Consolidated Income Statement

For the Years Ended August 31, 2011 thru 2013

	FY 2011	FY 2012	May YTD FY 2013	\$ Inc/(Dec)	% Inc/(Dec)
Operating Revenues:					
Rental Income	\$1,741,856.10	\$2,025,534.95	\$1,533,814.89	(\$491,720.06)	(24.28%)
Utility Reimb	\$65,561.88	\$41,305.26	\$29,529.90	(\$11,775.36)	(28.51%)
Sales and Services	\$111,763.64	\$130,080.61	\$103,620.73	(\$26,459.88)	(20.34%)
Misc. Income	\$35,562.07	\$42,351.19	\$50,567.50	\$8,216.31	19.40%
Total Operating Revenues	\$1,954,743.69	\$2,239,272.01	\$1,717,533.02	(\$521,738.99)	(23.30%)
Operating Expenses:					
Salaries and Wages	\$840.00	\$65,767.32	\$46,060.47	(\$19,706.85)	(29.96%)
Payroll Related Costs	\$8.40	\$18,558.05	\$14,790.33	(\$3,767.72)	(20.30%)
Professional Fees and Services	\$282,044.61	\$297,417.47	\$241,450.77	(\$55,966.70)	(18.82%)
Other Contracted Services	\$205,876.29	\$250,699.85	\$230,596.46	(\$20,103.39)	(8.02%)
Travel	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Materials and Supplies	\$35,684.90	\$30,270.52	\$21,125.15	(\$9,145.37)	(30.21%)
Utilities	\$255,271.51	\$212,228.26	\$161,556.70	(\$50,671.56)	(23.88%)
Communications	\$14,161.84	\$17,515.39	\$13,257.37	(\$4,258.02)	(24.31%)
Repairs and Maintenance	\$194,805.31	\$195,551.29	\$118,082.88	(\$77,468.41)	(39.62%)
Rentals and Leases	\$127,305.91	\$120,064.06	\$165,630.38	\$45,566.32	37.95%
Printing and Reproduction	\$1,240.70	\$1,169.57	\$692.85	(\$476.72)	(40.76%)
Bad Debt Expense	\$0.00	\$126,143.15	\$0.00	(\$126,143.15)	(100.00%)
Insurance Premiums	\$18,697.23	\$19,114.51	\$20,996.34	\$1,881.83	9.85%
Property Taxes	\$352,421.39	\$331,123.69	\$355,159.54	\$24,035.85	7.26%
Other Operating Expenses	\$92,781.13	\$58,237.50	\$46,048.80	(\$12,188.70)	(20.93%)
Total Operating Expenses	\$1,581,139.22	\$1,743,860.63	\$1,435,448.04	(\$308,412.59)	(17.69%)
Operating Income (Loss)	\$373,604.47	\$495,411.38	\$282,084.98	(\$213,326.40)	(43.06%)
Nonoperating Revenues (Expenses):					
Debt Service	(\$1,101,338.00)	(\$1,102,737.50)	(\$827,653.50)	\$275,084.00	(24.95%)
Net Nonoperating Revenues (Expenses)	(\$1,101,338.00)	(\$1,102,737.50)	(\$827,653.50)	\$275,084.00	(24.95%)
Income (Loss)	(\$727,733.53)	(\$607,326.12)	(\$545,568.52)	\$61,757.60	(10.17%)

UNT System Building Income Statement

For the Years Ended August 31, 2011 thru 2013

	FY 2011	FY 2012	May YTD FY 2013	\$ Inc/(Dec)	% Inc/(Dec)
Operating Revenues:					
Rental Income	\$499,155.00	\$475,340.00	\$402,660.31	(\$72,679.69)	(15.29%)
Utility Reimb	\$65,561.88	\$41,305.26	\$29,529.90	(\$11,775.36)	(28.51%)
Misc. Income	\$318.18	\$562.26	\$22,157.60	\$21,595.34	3,840.81%
Total Operating Revenues	\$565,035.06	\$517,207.52	\$454,347.81	(\$62,859.71)	(12.15%)
Operating Expenses:					
Salaries and Wages	\$840.00	\$65,767.32	\$46,060.47	(\$19,706.85)	(29.96%)
Payroll Related Costs	\$8.40	\$18,558.05	\$14,790.33	(\$3,767.72)	(20.30%)
Professional Fees and Services	\$0.00	\$7,600.00	\$0.00	(\$7,600.00)	(100.00%)
Other Contracted Services	\$170,810.41	\$208,344.00	\$134,058.58	(\$74,285.42)	(35.66%)
Travel	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Materials and Supplies	\$22,300.23	\$16,058.78	\$9,829.21	(\$6,229.57)	(38.79%)
Utilities	\$93,040.92	\$74,343.53	\$59,077.59	(\$15,265.94)	(20.53%)
Communications	\$1,157.54	\$2,907.00	\$1,695.75	(\$1,211.25)	(41.67%)
Repairs and Maintenance	\$13,550.76	\$0.00	\$1,338.27	\$1,338.27	0.00%
Rentals and Leases*	\$88,119.41	\$0.00	\$0.00	\$0.00	0.00%
Printing and Reproduction	\$0.00	\$81.23	\$22.50	(\$58.73)	(72.30%)
Bad Debt Expense	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Insurance Premiums	\$6,138.70	\$6,284.98	\$6,905.23	\$620.25	9.87%
Property Taxes	\$0.00	\$0.00	\$7,916.40	\$7,916.40	0.00%
Other Operating Expenses	\$43,305.74	\$991.25	\$363.75	(\$627.50)	(63.30%)
Total Operating Expenses	\$439,272.11	\$400,936.14	\$282,058.08	(\$118,878.06)	(29.65%)
Operating Income (Loss)	\$125,762.95	\$116,271.38	\$172,289.73	\$56,018.35	48.18%
Nonoperating Revenues (Expenses):					
Debt Service	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Net Nonoperating Revenues (Expenses)	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Income (Loss)	\$125,762.95	\$116,271.38	\$172,289.73	\$56,018.35	48.18%

* Land lease payment (\$71,319.41) included in Building Operations in FY11 and paid out of Majestic Lofts in FY12.

UNT System Majestic Lofts Income Statement

For the Years Ended August 31, 2007 thru 2013

	FY 2007-2010	FY 2011	FY 2012	May YTD FY 2013	\$ Inc/(Dec)	% Inc/(Dec)	Cummulative
Operating Revenues:							
Rental Income	\$4,613,317.77	\$1,242,701.10	\$1,550,194.95	\$1,131,154.58	(\$419,040.37)	(27.03%)	\$8,537,368.40
Utility Reimb	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%	\$0.00
Sales and Services	\$356,307.30	\$111,763.64	\$130,080.61	\$103,620.73	(\$26,459.88)	(20.34%)	\$701,772.28
Misc. Income	\$135,511.54	\$35,243.89	\$41,788.93	\$28,409.90	(\$13,379.03)	(32.02%)	\$240,954.26
Total Operating Revenues	\$5,105,136.61	\$1,389,708.63	\$1,722,064.49	\$1,263,185.21	(\$458,879.28)	(26.65%)	\$9,480,094.94
Operating Expenses:							
Salaries and Wages	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%	\$0.00
Payroll Related Costs	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%	\$0.00
Professional Fees and Services	\$950,608.78	\$282,044.61	\$289,817.47	\$241,450.77	(\$48,366.70)	(16.69%)	\$1,763,921.63
Other Contracted Services	\$123,659.79	\$35,065.88	\$42,355.85	\$96,537.88	\$54,182.03	127.92%	\$297,619.40
Travel	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%	\$0.00
Materials and Supplies	\$39,778.72	\$13,384.67	\$14,211.74	\$11,295.94	(\$2,915.80)	(20.52%)	\$78,671.07
Utilities	\$628,531.49	\$162,230.59	\$137,884.73	\$102,479.11	(\$35,405.62)	(25.68%)	\$1,031,125.92
Communications	\$43,076.09	\$13,004.30	\$14,608.39	\$11,561.62	(\$3,046.77)	(20.86%)	\$82,250.40
Repairs and Maintenance	\$409,176.12	\$181,254.55	\$195,551.29	\$116,744.61	(\$78,806.68)	(40.30%)	\$902,726.57
Rentals and Leases	\$146,277.31	\$39,186.50	\$120,064.06	\$165,630.38	\$45,566.32	37.95%	\$471,158.25
Printing and Reproduction	\$4,837.74	\$1,240.70	\$1,088.34	\$670.35	(\$417.99)	(38.41%)	\$7,837.13
Bad Debt Expense	\$0.00	\$0.00	\$126,143.15	\$0.00	(\$126,143.15)	(100.00%)	\$126,143.15
Insurance Premiums	\$62,884.38	\$12,558.53	\$12,829.53	\$14,091.11	\$1,261.58	9.83%	\$102,363.55
Property Taxes	\$811,127.58	\$352,421.39	\$331,123.69	\$347,243.14	\$16,119.45	4.87%	\$1,841,915.80
Other Operating Expenses	\$193,292.68	\$49,475.39	\$57,246.25	\$45,685.05	(\$11,561.20)	(20.20%)	\$345,699.37
Total Operating Expenses	\$3,413,250.68	\$1,141,867.11	\$1,342,924.49	\$1,153,389.96	(\$189,534.53)	(14.11%)	\$7,051,432.24
Operating Income (Loss)	\$1,691,885.93	\$247,841.52	\$379,140.00	\$109,795.25	(\$269,344.75)	(71.04%)	\$2,428,662.70
Nonoperating Revenues (Expenses):							
Debt Service	(\$2,926,031.72)	(\$1,101,338.00)	(\$1,102,737.50)	(\$827,653.50)	\$275,084.00	(24.95%)	(\$5,957,760.72)
Net Nonoperating Revenues (Expenses)	(\$2,926,031.72)	(\$1,101,338.00)	(\$1,102,737.50)	(\$827,653.50)	\$275,084.00	(24.95%)	(\$5,957,760.72)
Income (Loss)	(\$1,234,145.79)	(\$853,496.48)	(\$723,597.50)	(\$717,858.25)	\$5,739.25	(0.79%)	(\$3,529,098.02)

UNT | SYSTEM™



STRATEGIC MANAGEMENT REPORT

FINANCIAL HIGHLIGHTS - APPENDIX



University of North Texas

University of North Texas
Health Science Center at Fort Worth

University of North Texas Dallas

The attached reports represent the investment portfolio of the University of North Texas for the period ending May 31, 2013, and are in compliance with Chapter 2256 of the Public Funds Investment Act and the Investment Strategy expressed in the System's Investment Policy.

Andrew M. Harris

Andrew M. Harris
Vice President for Finance and Administration

2 JULY 13

Date

Jean R. Bush

Jean R. Bush
Senior Associate Vice President for Finance

7/1/13

Date

Carolyn M. Whitlock

Carolyn M. Whitlock
Manager, Treasury Services

6/24/2013

Date



UNIVERSITY OF NORTH TEXAS INVESTMENT PORTFOLIO SUMMARY For The Period Ending 05/31/13

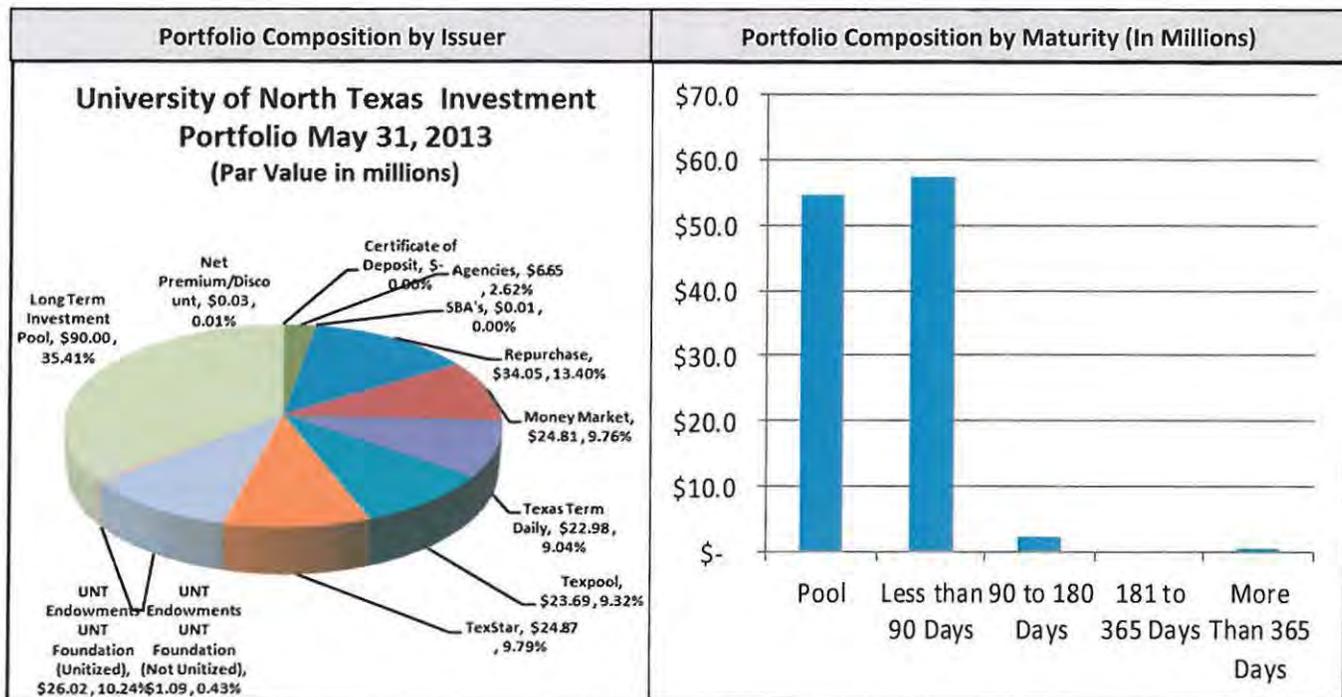
These reports are prepared in accordance with the Texas Public Funds Investment Act, Government Code 2256. These reports are in full compliance with the Investment Policy and Strategy established for the University of North Texas and the Public Funds Investment Act.

As of May 31, 2013 the University's portfolio had a book value of \$231.0 million and a market value of \$245.0 million. Of this amount, \$54.5 million was held in local government investment pools, with \$17.2 million in TexPool, \$18.8 million in TexSTAR, and \$18.5 million in Texas Term. The Wells Fargo Repurchase Sweep account held \$35.9 million and the Wells Fargo Governmental Money Market held \$18.9 million. The remaining \$121.8 million was invested in SBA's (\$9 thousand), Long Term Investment Pool (\$90.0 million), Endowments at Foundation (\$27.0 million), and government agency securities (\$4.7 million). The breakdown of the \$4.7 million invested in government agencies is as follows: \$2.0 million in Federal Home Loan Bank notes; and \$2.7 million in Fannie Mae notes.

As of May 31, 2013 the portfolio had a weighted average maturity of 73 days and a weighted average yield to maturity of 0.68% excluding liquid funds. On an accrual basis the portfolio earned \$304,932 during this month. The tables below summarize the portfolio as of May 31, 2013.

The University's portfolio average daily balance yield changed from 3.47% to 0.79%, a decrease of 268 basis points.

Total Portfolio Summary			
	Current Month 05/31/2013	Prior Month 04/30/2013	Change From Prior Month
Book Value	\$231,001,233	\$254,191,464	(\$23,190,231)
Market Value	\$245,010,892	\$270,510,458	(\$25,499,566)
Market Value %	106.06%	104.25%	1.81%
Earned Income	\$304,931.53	\$720,127.61	(\$415,196.08)



The attached report represents the investment portfolio of the University of North Texas Health Science Center for the period ending May 31, 2013 and is in compliance with the Public Funds Investment Act and the investment strategy expressed in the University of North Texas Health Science Center's investment policy.

May 31, 2013

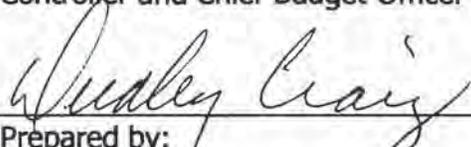
Date



John A. Harman, MBA, CPA, CGMA, CMPE
Senior Vice President for Finance and CFO



Geoffrey Scarpelli
Controller and Chief Budget Officer



Prepared by:
Dudley Craig, CPA

UNIVERSITY OF NORTH TEXAS HEALTH SCIENCE CENTER

INVESTMENT PORTFOLIO SUMMARY

For The Period Ending 05/31/2013

This report is prepared in accordance with the Texas Public Funds Investment Act, Government Code 2256. This report is in full compliance with the Investment Policy and Strategy established for the University of North Texas Health Science Center and the Public Funds Investment Act.

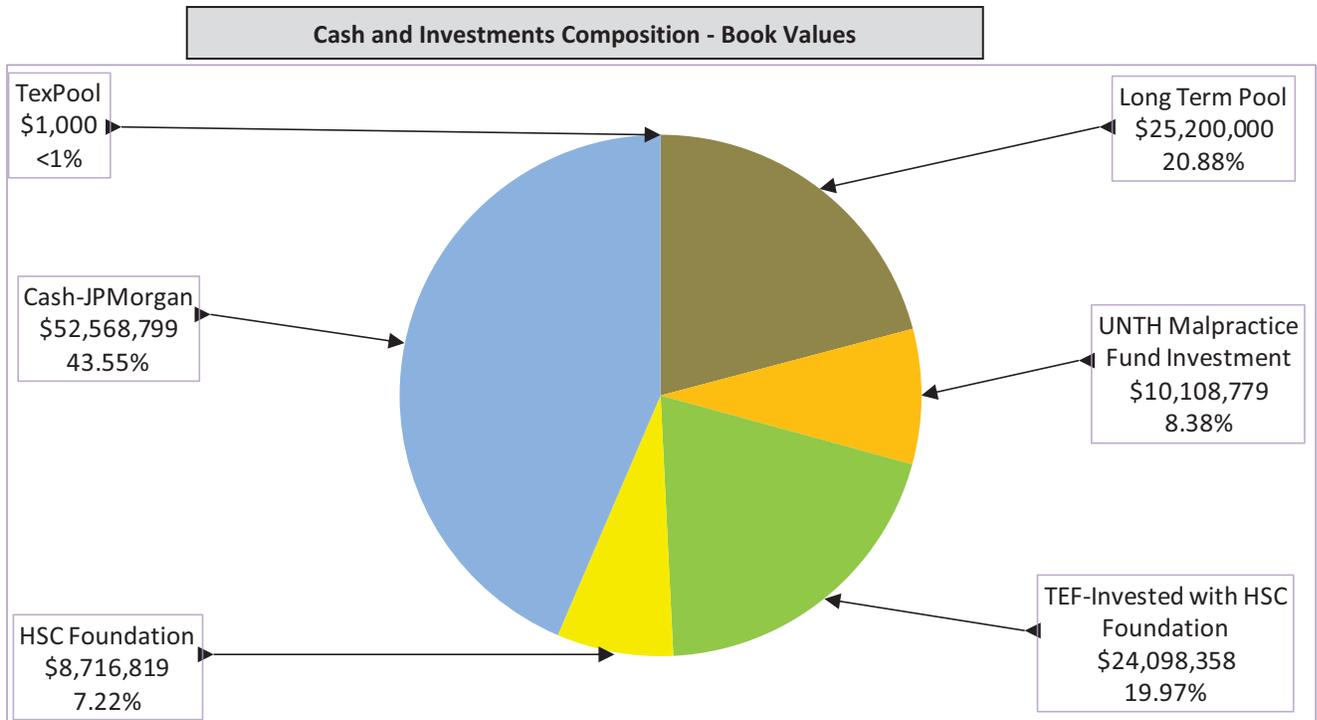
As of May 31, 2013, the Health Science Center's total portfolio had a book value of \$120.7M and market value of \$122.6M. HSC's portfolio is comprised of the following cash and investment vehicles.

Total Cash and Investments		
Vehicle	Book Value	Market Value
TexPool	\$ 1,000	\$ 1,000
JPMorgan Chase (Cash)	43,734,477	43,734,477
JPMorgan High Yield Savings	8,834,322	8,834,322
Long Term Pool	25,200,000	26,003,791
HSC Foundation	8,716,819	9,421,703
UNTH Malpractice Fund-Invested with HSC Foundation	10,108,779	10,269,160
TEF-Invested with HSC Foundation	24,098,358	24,311,118
Total	\$ 120,693,755	\$ 122,575,571

As of May 31, 2013, TexPool had a weighted average maturity of 1 day and an average monthly rate of .07%. HSC's total portfolio's annualized yield decreased from 2.24% for the quarter-ended February 2013 to 2.17% for the quarter-ended May 2013. As of May 31, 2013, all previous holdings with Texas Treasury Safekeeping Trust Company have been invested with the UNT Health Science Center Foundation.

The portfolio earned \$440,754 for the quarter-ended May 2013. The table below summarizes the portfolio as of May 31, 2013.

Total Portfolio Summary			
	Prior Quarter 02/28/2013	Current Quarter 05/31/2013	Change From Prior Quarter
Book Value	\$120,192,684	\$120,693,755	\$501,071
Market Value	\$121,417,327	\$122,575,571	\$1,158,244
Market to Book Value %	101.02%	101.56%	0.54%
Cash Earnings	\$1,318,051	440,754	(\$877,297)





University of North Texas

University of North Texas
Health Science Center at Fort Worth

University of North Texas Dallas

The attached reports represent the investment portfolio of the University of North Texas at Dallas for the period ending May 31, 2013, and are in compliance with Chapter 2256 of the Public Funds Investment Act and the Investment Strategy expressed in the System's Investment Policy.

J. Carlos
Hernandez

Digitally signed by J. Carlos Hernandez
DN: cn=J. Carlos Hernandez, o=VP for
Finance and Administration, ou=VPFA/
CFO, email=carlos.hernandez@unt.edu,
c=US
Date: 2013.06.25 15:58:58 -05'00'

Dr. J Carlos Hernandez
CFO Finance & Administration

Date

Carolyn M. Whitlock

Carolyn M. Whitlock
Manager, Treasury Services

6/24/2013

Date



UNIVERSITY OF NORTH TEXAS AT DALLAS
INVESTMENT PORTFOLIO SUMMARY
For The Period Ending 05/31/13

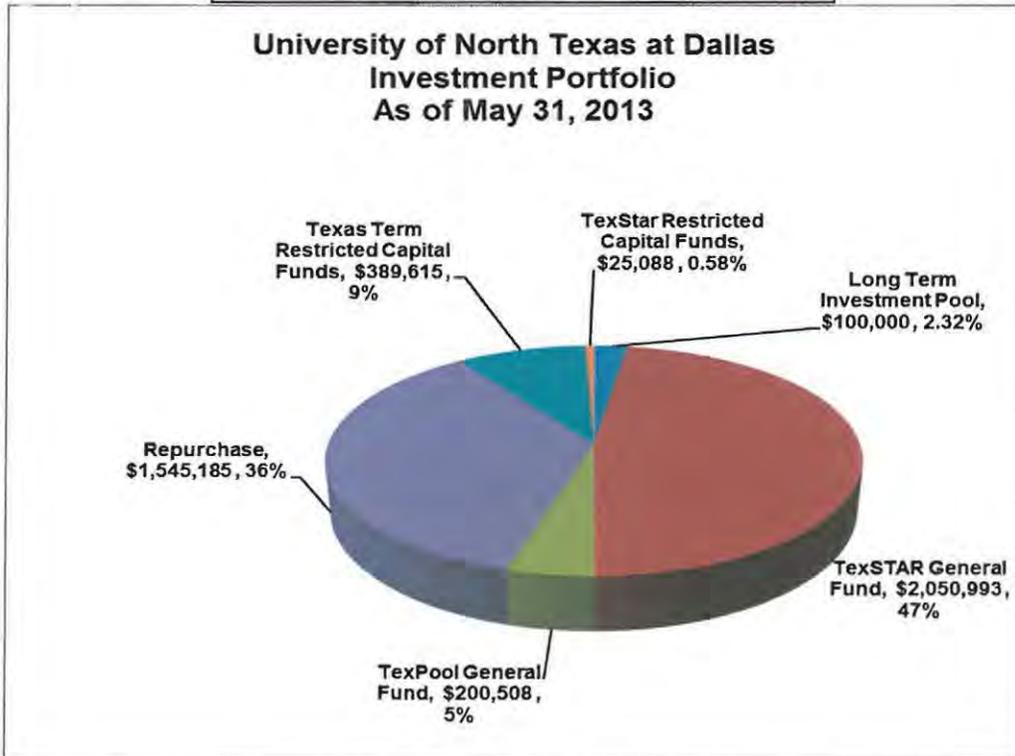
These reports are prepared in accordance with the Texas Public Funds Investment Act, Government Code 2256. These reports are in full compliance with the Investment Policy and Strategy established for the University of North Texas and the Public Funds Investment Act.

As of May 31, 2013 UNT at Dallas' portfolio had a book value of \$4.3 million and market value of \$4.3 million. Of this amount, \$2.7 million was held in local government investment pools, with \$0.20 million in TexPool, \$0.39 million in Texas Term and \$2.1 million in TexStar. The Wells Fargo Repurchase Sweep account held \$1.5 million and the Long Term Investment Pool held \$0.10 million.

As of May 31, 2013 the portfolio had a weighted average maturity of 1 day and a daily average yield to maturity of 0.06%. On an accrual basis the portfolio earned \$259.31 during this month. The tables below summarize the portfolio as of May 31, 2013. UNT at Dallas' portfolio yield decreased 2 basis points from prior month

Total Portfolio Summary			
	Current Month 05/31/2013	Prior Month 04/30/2013	Change From Prior
Book Value	\$4,311,389	\$4,581,944	(\$270,555)
Market Value	\$4,315,811	\$4,588,087	(\$272,276)
Market Value %	100.11%	100.06%	0.05%
Earned Income	\$259.31	\$298.00	(\$38.69)

Portfolio Composition by Issuer





University of North Texas

University of North Texas
Health Science Center at Fort Worth

University of North Texas Dallas

The attached reports represent the investment portfolio of the University of North Texas System for the period ending May 31, 2013, and are in compliance with Chapter 2256 of the Public Funds Investment Act and the Investment Strategy expressed in the System's Investment Policy.

Allen Clemson

Digitally signed by Allen Clemson
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email=allen.clemson@untsystem.edu, c=US
Date: 2013.07.01 12:47:38 -05'00'

Allen Clemson
Vice Chancellor for Finance

Date

Carolyn M. Whitlock

Carolyn M. Whitlock
Manager, Treasury Services

6/24/2013

Date



UNIVERSITY OF NORTH TEXAS SYSTEM
INVESTMENT PORTFOLIO SUMMARY
For The Period Ending 05/31/13

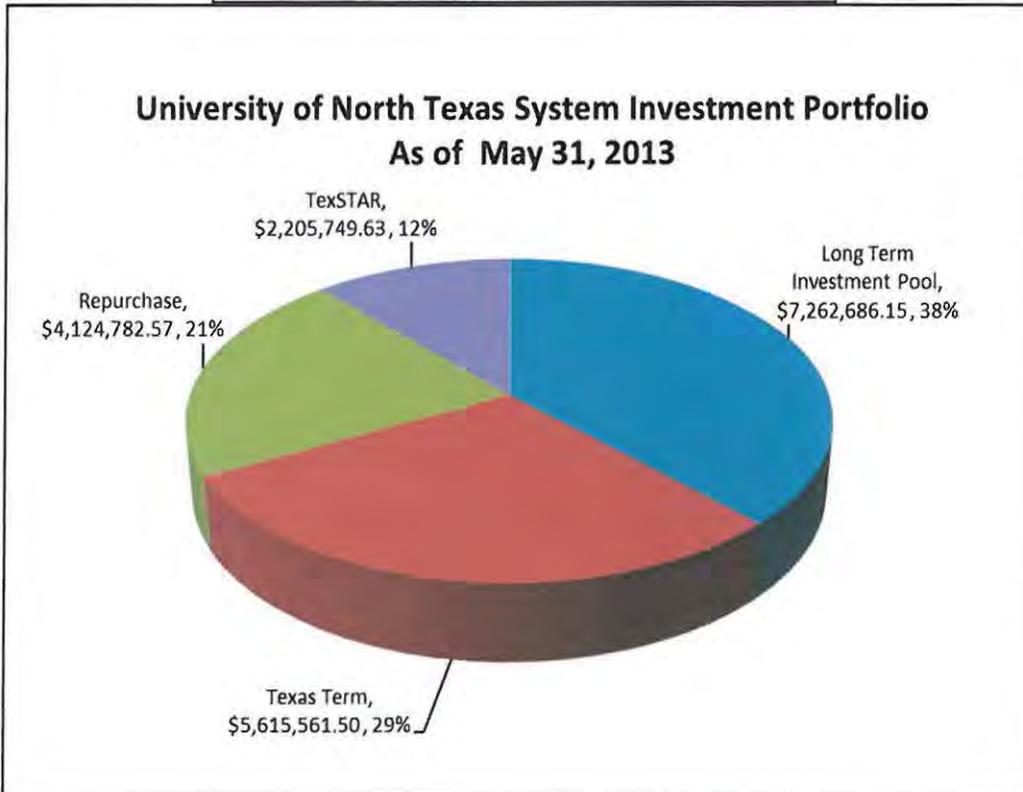
These reports are prepared in accordance with the Texas Public Funds Investment Act, Government Code 2256. These reports are in full compliance with the Investment Policy and Strategy established for the University of North Texas and the Public Funds Investment Act.

As of May 31, 2013 the System's portfolio had a book value of \$19.2 million and market value of \$19.5 million. Of this amount, \$2.2 million was held in TexStar, and \$5.6 million in Texas Term local government investment pools. The Wells Fargo Repurchase Sweep account held \$4.1 million. The Long Term Investment Pool held \$7.3 million.

As of May 31, 2013 the portfolio had a weighted average maturity of 1 day and a daily average yield to maturity of 0.55%. On an accrual basis the portfolio earned \$8,453.03 during this month. The tables below summarize the portfolio as of May 31, 2013. The System's portfolio yield changed from 2.83% to 0.55%, a decrease of 228 basis points.

Total Portfolio Summary			
	Current Month 05/31/2013	Prior Month 04/30/2013	Change From Prior
Book Value	\$19,208,779	\$17,819,887	\$1,388,892
Market Value	\$19,451,969	\$18,186,787	\$1,265,182
Market Value %	101.27%	100.87%	0.39%
Earned Income	\$8,453.03	\$41,241.36	(\$32,788.33)

Portfolio Composition by Issuer



UNT | SYSTEM™



STRATEGIC MANAGEMENT REPORT

SHARED SERVICES

**UNT System Business Service Center
FY2014 Proposed Budget**

06/20/13 - dba	FY2012 Actuals	FY2013 Budget	FY2013 Actuals (a/o 5/31/13)	FY2013 Projected	% Variance (FY13 Proj-FY13 Bud)	FY2014 Proposed Budget	% Variance (FY14 Bud-FY13 Bud)
SOURCES OF INCOME							
Transfers - Institution Assessments	\$7,889,105	\$7,889,105	\$6,638,003	\$7,889,105	0.0%	\$7,879,105	-0.1%
Transfer to HR Shared Services		\$0	(\$689,655)	(\$689,655)		(\$1,330,522)	
Miscellaneous Income	\$23,191	\$0	\$42,034	\$42,034		\$0	
Total Income	\$7,912,296	\$7,889,105	\$5,990,381	\$7,241,484	-8.2%	\$6,548,583	-17.0%
EXPENDITURES							
Salaries and Wages	\$4,898,622	\$5,362,769	\$2,975,203	\$3,831,216	-28.6%	\$3,655,271	-31.8%
Payroll Related Costs	\$1,212,282	\$1,514,998	\$861,153	\$1,108,701	-26.8%	\$1,315,004	-13.2%
Merit/Awards/Equity	\$0	\$222,820	\$160,365	\$213,820	-4.0%	\$230,519	3.5%
Professional Fees and Services	\$41,361	\$30,000	\$0	\$0	-100.0%	\$0	-100.0%
Travel	\$36,802	\$37,500	\$31,679	\$38,000	1.3%	\$41,188	9.8%
Materials and Supplies	\$91,221	\$113,518	\$76,189	\$180,830	59.3%	\$61,699	-45.6%
Communication	\$28,523	\$35,000	\$22,214	\$47,482	35.7%	\$0	-100.0%
Utilities	\$1,135	\$60,000	\$4,165	\$15,000	-75.0%	\$60,000	0.0%
Repairs and Maintenance	\$22,642	\$5,000	\$15,523	\$15,323	206.5%	\$32,500	550.0%
Rentals and Leases	\$459,069	\$450,000	\$344,653	\$479,542	6.6%	\$455,000	1.1%
Printing and Reproduction	\$6,935	\$7,500	\$13,009	\$7,500	0.0%	\$1,000	-86.7%
Shared Services Assessment Allocation	\$0	\$0		\$0		\$584,903	
Other Operating Expenses	\$43,443	\$50,000	\$110,739	\$261,396	422.8%	\$111,500	123.0%
Capital	\$0	\$0	\$0	\$0		\$0	
Total Expenditures	\$6,842,034	\$7,889,105	\$4,614,892	\$6,198,810	-21.4%	\$6,548,583	-17.0%
Net Income (Loss)	\$1,070,262	\$0	\$1,375,490	\$1,042,674		(\$0)	
NET ASSETS							
Beginning Balance	\$46,250	\$1,116,512	\$1,116,512	\$1,116,512	0%	\$1,679,186	50%
Working capital held at Campus accounts	\$407,136	\$34,072	\$34,072	\$34,072	0%	\$0	-100%
Expenditures at Campus held accounts	(\$97,923)	(\$100,000)	(\$25,554)	(\$34,072)	-66%	(\$50,000)	-50%
Change in Fund Balance	\$1,070,262	\$0	\$1,375,490	\$1,042,674		(\$0)	
Dividends	(\$275,141)			(\$480,000)			
Ending Net Assets	\$1,150,584	\$1,050,584	\$2,500,519	\$1,679,186	60%	\$1,629,186	55%

SHARED SERVICES

UNT System Business Service Center
Performance Scorecard

Perspective	Strategic Goals	Performance Measures	Freq	Type	Q1 (9/1-11/30)	Q2 (12/1-2/29)	Q3 (3/1-5/31)	YTD FY 2013
FINANCIAL	Improve Cost Effectiveness	BSC Operating Budget per Budgeted System-wide Total FTE	A	Lag	\$1,275	\$1,275	\$1,275	\$1,275
		Year to Date (YTD) Budget Expended	Q	Lag	24.66%	45.03%	64.10%	64.10%
		BSC Operating Budget as a Percentage of System-wide Operating Budget	A	Lag	0.72%	0.72%	0.72%	0.72%
		BSC YTD Expenditures as a Percentage of System-wide Expenditures	Q	Lag	0.55%	0.58%	0.66%	0.66%
CUSTOMER	Deliver Exceptional Customer Service	% Satisfied with Knowledgebase Content	Q	Lead	99.60%	99.70%	99.80%	99.70%
		BSC Customer Satisfaction Rate	A	Lag				
INTERNAL PROCESS	Leverage Information Technology	Knowledgebase Volume	Q	Lead	10,801	11,949	15,357	38,107
		Number of Self-Service Applications	A	Lag	26	26	26	26
	Leverage Our Size	Contract Spend as a Percentage of Total Spend	Q	Lead	1.55%	1.05%	9.48%	4.51%
		Savings Through Contract Negotiations	A	Lag	\$75,496	\$30,255	\$599,363	\$705,114
	Continually Improve Key Processes	Number of Continuous Process Improvement Projects Completed	Q	Lead	15	16	26	57
		Savings Through Process Improvement Projects	A	Lag	\$257,336	\$257,490	\$258,022	\$772,848
LEARNING AND GROWTH	Improve Employee Skills	Training Hours Per Employee	Q	Lead				
		Personal Development Plan Completion %	A	Lag				
	Maintain a Motivated Workforce	Employee Retention Rate	Q	Lead	93.00%	94.00%	90.00%	92.33%
		Average Employee Tenure	A	Lag				
		Employee Satisfaction Rate	A	Lag				

**UNT System Information Technology Shared Services - ITSS
FY2014 Proposed Budget**

	FY2012 Actuals	FY2013 ITSS Budget	FY2013 ITSS Actuals (a/o 5/31/13)	FY2013 ITSS Projected	% Variance (FY13 Proj-FY13 Bud)	FY2014 ITSS Proposed Budget	% Variance (FY14 Bud-FY13 Bud)
SOURCES OF INCOME							
Transfers - Institution Assessments	\$11,795,320	\$16,282,570	\$13,984,606	\$16,089,205	-1.2%	\$17,466,138	7.3%
State Paid Benefits	\$1,068,285	\$2,906,260	\$2,118,365	\$2,824,487	-2.8%	\$2,855,836	-1.7%
Total Income	\$12,863,605	\$19,188,830	\$16,102,971	\$18,913,692	-1.4%	\$20,321,974	5.9%
EXPENDITURES							
Salaries and Wages	8,346,089.73	\$12,471,913	\$8,858,705	11,811,607	-5.3%	\$12,866,012	3.2%
Payroll Related Costs	\$2,136,000	\$2,946,883	\$2,142,428	\$2,856,571	-3.1%	\$3,302,431	12.1%
Merit/Awards/Equity	\$0	\$422,373	\$310,584	\$414,112	-2.0%	\$365,168	-13.5%
Professional Fees and Services	\$9,350	\$10,000	\$185,370	\$247,160	2371.6%	\$350,000	3400.0%
Travel	\$6,312	\$70,000	\$32,071	\$42,761	-38.9%	\$70,000	0.0%
Materials and Supplies	\$22,650	\$335,187	\$39,344	\$52,458	-84.3%	\$110,310	-67.1%
Communication	\$368	\$2,000	\$41,939	\$55,919	2695.9%	\$25,000	1150.0%
Utilities	\$0	\$0	\$0	\$0		\$0	
Repairs and Maintenance (Hardware & Software)	\$3,326	\$4,602,162	\$4,535,604	\$5,008,585	8.8%	\$3,199,056	-30.5%
Rentals and Leases	\$435	\$1,000	\$8,022	\$10,696	969.6%	\$25,000	2400.0%
Printing and Reproduction	\$1,256	\$1,500	\$3,037	\$4,049	170.0%	\$10,000	566.7%
Other Operating Expenses	\$9,893	\$210,000	\$57,689	\$76,918	-63.4%	\$454,093	116.2%
Capital	\$0	\$0	\$0	\$0		\$0	
Total Expenditures	\$10,535,680	\$21,073,018	\$16,214,792	\$20,580,836	-2.3%	\$20,777,070	-1.4%
Net Income (Loss)	\$2,327,925	(\$1,884,188)	(\$111,821)	(\$1,667,144)	-11.5%	(\$455,096)	-75.8%
OTHER ITSS MANAGED ACCOUNTS							
<u>Campus held accounts</u>							
UNT Capital Equipment - Beginning Balance	\$1,187,898	\$1,182,131	\$1,182,131	\$1,182,131	0.0%	\$899,251	-23.9%
UNT Capital Equipment - Revenue	\$3,504,740	\$2,507,351	\$2,507,351	\$2,507,351	0.0%	\$3,600,000	43.6%
UNT Capital Equipment - Expenditures	(\$3,510,507)	(\$3,689,482)	(\$2,146,335)	(\$2,790,231)	-24.4%	(\$4,499,251)	21.9%
UNT Working Capital Expenditures	(\$12,620)	\$0	\$0	\$0		\$0	
UNTHSC HEAF funded - Beginning Balance	\$0	\$18,454	\$18,454	\$18,454	0.0%	\$0	-100.0%
UNTHSC HEAF funded - Revenue	\$900,000	\$900,000	\$900,000	\$900,000	0.0%	\$900,000	0.0%
UNTHSC HEAF funded - Expenditures	(\$881,546)	(\$918,454)	(\$77,815)	(\$918,454)	0.0%	(\$900,000)	-2.0%
Net Income (Loss)	\$1,187,965	\$0	\$2,383,786	\$899,251		\$0	
NET ASSETS							
Beginning Balance	\$12,620	\$3,528,510	\$3,528,510	\$3,528,510	0%	\$2,760,617	-21.8%
Change in Fund Balance	\$3,515,890	(\$1,884,188)	\$2,271,965	(\$767,893)	-59%	(\$455,096)	-75.8%
Ending Net Assets	\$3,528,510	\$1,644,322	\$5,800,475	\$2,760,617	68%	\$2,305,521	40.2%

**UNT System Information Technology Shared Services - Telecom
FY2014 Proposed Budget**

	FY2012 Actuals	FY2013 Telecom Budget	FY2013 Telecom Actuals (a/o 5/31/13)	FY2013 Telecom Projected	% Variance (FY13 Proj-FY13 Bud)	FY2014 Telecom Proposed Budget	% Variance (FY14 Bud-FY13 Bud)
SOURCES OF INCOME							
Transfers - Institution Assessments	\$0	\$0	\$0	\$0		\$0	
Telecom Revenue	\$710,023	\$2,952,457	\$2,222,389	\$2,963,186	0.4%	\$3,550,594	20.3%
State Paid Benefits	\$99,504	\$242,451	\$209,883	\$256,980	6.0%	\$290,865	20.0%
Total Income	\$809,527	\$3,194,908	\$2,432,272	\$3,220,166	0.8%	\$3,841,459	20.2%
EXPENDITURES							
Salaries and Wages	753,490	1,044,548.69	\$772,753	1,030,337	-1.4%	\$1,123,895	7.6%
Payroll Related Costs	\$99,506	\$283,074	\$210,669	\$280,891	-0.8%	\$350,893	24.0%
Merit/Awards/Equity	\$0	\$32,940	\$30,643	\$40,857	24.0%	\$32,438	-1.5%
Professional Fees and Services	\$0	\$0	\$0	\$0		\$0	
Travel	\$925	\$1,560	\$299	\$398	-74.5%	\$1,500	-3.8%
Materials and Supplies	\$3,611	\$256,295	\$213,647	\$284,863	11.1%	\$290,000	13.2%
Communication	\$0	\$1,501,610	\$1,172,911	\$1,563,882	4.1%	\$1,846,486	23.0%
Utilities	\$0	\$0	\$0	\$0		\$0	
Repairs and Maintenance (Hardware & Software)	\$0	\$11,662	\$44,566	\$59,421	409.5%	\$60,000	414.5%
Rentals and Leases	\$0	\$58	\$143	\$191	231.6%	\$500	769.5%
Printing and Reproduction	\$0	\$0	\$0	\$0		\$0	
Other Operating Expenses	\$0	\$15,156	\$16,551	\$22,068	45.6%	\$25,000	65.0%
Capital	\$0	\$0	\$0	\$0		\$0	
Total Expenditures	\$857,532	3,146,903	\$2,462,181	\$3,282,908	4.3%	\$3,730,712	18.6%
Net Income (Loss)	(\$48,005)	\$48,005	(\$29,909)	(\$62,742)	-230.7%	\$110,748	130.7%
OTHER ITSS MANAGED ACCOUNTS							
<u>Campus held accounts</u>							
Telecom - Revenue	\$1,914,991						
Telecom - Expenditures	(\$1,914,991)						
Net Income (Loss)	\$0	\$0	\$0	\$0		\$0	
NET ASSETS							
Beginning Balance	\$0	(\$48,005)	(\$48,005)	(\$48,005)	0%	(\$110,748)	130.7%
Change in Fund Balance	(\$48,005)	\$48,005	(\$29,909)	(\$62,742)	-231%	\$110,748	130.7%
Dividends	\$0						
Ending Net Assets	(\$48,005)	\$0	(\$77,914)	(\$110,748)		(\$0)	

SHARED SERVICES

UNT System IT Shared Services
Performance Scorecard

Perspective	Strategic Goals	Performance Measures	Freq	Type	Q1 (9/1-11/30)	Q2 (12/1-2/29)	Q3 (3/1-5/31)	YTD FY 2013
		IT Operating Cost per System-wide Total FTE	A	Lag	\$3,407	\$3,407	\$3,407	\$3,407
		IT Operating Budget as a Percentage of UNT System-wide Operating Budget	A	Lag	1.91%	1.91%	1.91%	1.91%
CUSTOMER	Deliver Exceptional Customer Service	Percent of Problem Inquiries Successfully Resolved within SLA	Q	Lead	93.00%	86.00%	88.00%	89.00%
		Customer Satisfaction Rating	A	Lag		7.4		7.4
INTERNAL PROCESS	Consolidate Services and Facilities	Cumulative Savings Generated through Services Consolidation	Q	Lag				
		Cumulative Savings Generated through Facility Consolidation	A	Lag				
	Leverage Existing Technology	Number of Intrusions and Spam Blocked	Q	Lead	161.6M	277.8M	392.8M	832.2M
		Virtualized Servers as a Percentage of Total Servers	Q	Lag	54.50%	55.00%	56.80%	55.43%
	Leverage Shared Contracts	Savings Generated Through Shared Contracts	A	Lag	\$233K	\$148K	\$22K	\$403K
	Continually Improve Key Processes	Percent of Projects Completed on Time on Budget (As Planned)	Q	Lead	91.00%	63.00%	64.00%	72.67%
		Percent of Employees Involved in Process Improvement Teams	Q	Lead	23.80%	30.20%	31.80%	28.60%
		Mean Time Between Failures	A	Lag				
	Improve Performance and Quality	Percent of Service Levels Met or Exceeded	Q	Lag	92.90%	88.80%	92.00%	91.23%
		Mission Critical Application Availability	Q	Lead	99.54%	99.88%	99.55%	99.66%
LEARNING AND GROWTH	Maintain and Improve Employee Skills	Percent of Planned Training Completed	Q	Lead	100%	95.00%	100%	98.33%
		Percent of Employees with a Personal Development Plan	A	Lag				
	Maintain a Motivated Workforce	Employee Retention Rate	Q	Lead	98.00%	95.00%	91.33%	94.78%
		Average Absences Per FTE in hours	A	Lag	20.8	24.3	21.4	22.2
		Employee Engagement Rate	A	Lag				

**UNT System Human Resources Shared Services
FY2014 Proposed Budget**

	FY2012 Actuals	FY2013 Budget	FY2013 Actuals (a/o 5/31/13)	FY2013 Projected	% Variance (FY13 Proj-FY13 Bud)	FY2014 Proposed Budget	% Variance (FY14 Bud-FY13 Bud)
SOURCES OF INCOME							
Transfers - Institution Assessments	\$648,684	\$2,370,267	\$2,201,903	\$2,463,098	3.9%	\$3,113,098	31.3%
Transfer from BSC Shared Services		\$0	\$689,655	\$689,655		\$1,330,522	
State Paid Benefits		\$80,783	\$223,567	\$260,479	222.4%	\$452,596	460.3%
Total Income	\$648,684	\$2,451,050	\$3,115,125	\$3,413,232	39.3%	\$4,896,216	99.8%
EXPENDITURES							
Salaries and Wages	\$316,944	\$2,016,586	\$1,293,565	\$1,607,466	-20.3%	\$3,168,858	57.1%
Payroll Related Costs		\$151,932	\$291,688	\$406,268	167.4%	\$870,583	473.0%
Merit/Awards/Equity		\$0	\$32,220	\$42,959		\$93,349	
Professional Fees and Services	\$38,750	\$0	\$2,750	\$3,667		\$5,000	
Travel	\$1,963	\$12,000	\$15,090	\$20,119	67.7%	\$75,000	525.0%
Materials and Supplies	\$1,316	\$9,000	\$9,626	\$12,835	42.6%	\$169,960	1788.4%
Communication		\$100,000	\$34,686	\$46,248	-53.8%	\$25,600	-74.4%
Utilities		\$0	\$0	\$0		\$0	
Repairs and Maintenance		\$4,000	\$1,744	\$2,326	-41.9%	\$2,500	-37.5%
Rentals and Leases		\$35,000	\$15,910	\$21,214	-39.4%	\$76,690	119.1%
Printing and Reproduction		\$1,000	\$5,472	\$7,296	629.6%	\$7,500	650.0%
Other Operating Expenses	\$26,905	\$121,532	\$339,527	\$414,430	241.0%	\$405,136	233.4%
Capital		\$0	\$0	\$0		\$0	
Total Expenditures	\$385,877	\$2,451,050	\$2,042,278	\$2,584,828	5.5%	\$4,900,177	99.9%
Net Income (Loss)	\$262,807	\$0	\$1,072,847	\$828,404		(\$3,961)	
NET ASSETS							
Beginning Balance	\$0	\$0	\$262,807	\$262,807		\$1,091,210	
Change in Fund Balance	\$262,807	\$0	\$1,072,847	\$828,404		(\$3,961)	
Ending Net Assets	\$262,807	\$0	\$1,335,654	\$1,091,210		\$1,087,249	



Background Report

Committee: Audit

Date Filed: July 8, 2013

Title: UNT System Internal Audit Quarterly Report

Background:

Internal Audit reports quarterly to the Board of Regents on the activities of the department. This report highlights the activities of the department for the period of May 1, 2013 through July 31, 2013.

Financial Analysis/History:

This is a report item only.

Allen Clemson

Digitally signed by Allen Clemson
DN: cn=Allen Clemson, o=System, ou=UNTS,
email=allen.clemson@untsystem.edu, c=US
Date: 2013.08.07 13:19:59 -0500'

Interim Vice Chancellor for Finance

Legal Review:

This item has been reviewed by General Counsel.

Nancy S. Footer

Digitally signed by Nancy S. Footer
DN: cn=Nancy S. Footer, o=UNT System, ou=Office of
General Counsel, email=nancy.footer@untsystem.edu,
c=US
Date: 2013.08.07 14:01:08 -0500'

Vice Chancellor/General Counsel

Schedule: N/A

No action required. Information only. Submitted by:

Susan Edwards

Interim Chief Internal Auditor

Chancellor

Attachments:

- [UNT System Internal Audit Quarterly Report](#)

Internal Audit
Quarterly Report
August 2013

UNT | SYSTEM™

Projects Completed

For the Period May 1, 2013 – July 31, 2013

UNT

- 12-012 – Intra-System/Interagency Review
- 12-014 – Mean Green Club Review
- 12-030 – Transition Review Office of Research and Economic Development
- 13-005 – Student Managed Investment Fund
- 13-012 – Space Planning Review
- 13-017 – Parking Services Review
- 13-023 – Enrollment Management Review

HSC

- 13-005 – UNT Health Revenue Cycle Back Office Review
- 13-008 – Student Finance Review
- 13-009 – Meaningful Use Stage 1 Attestation Review

SYS

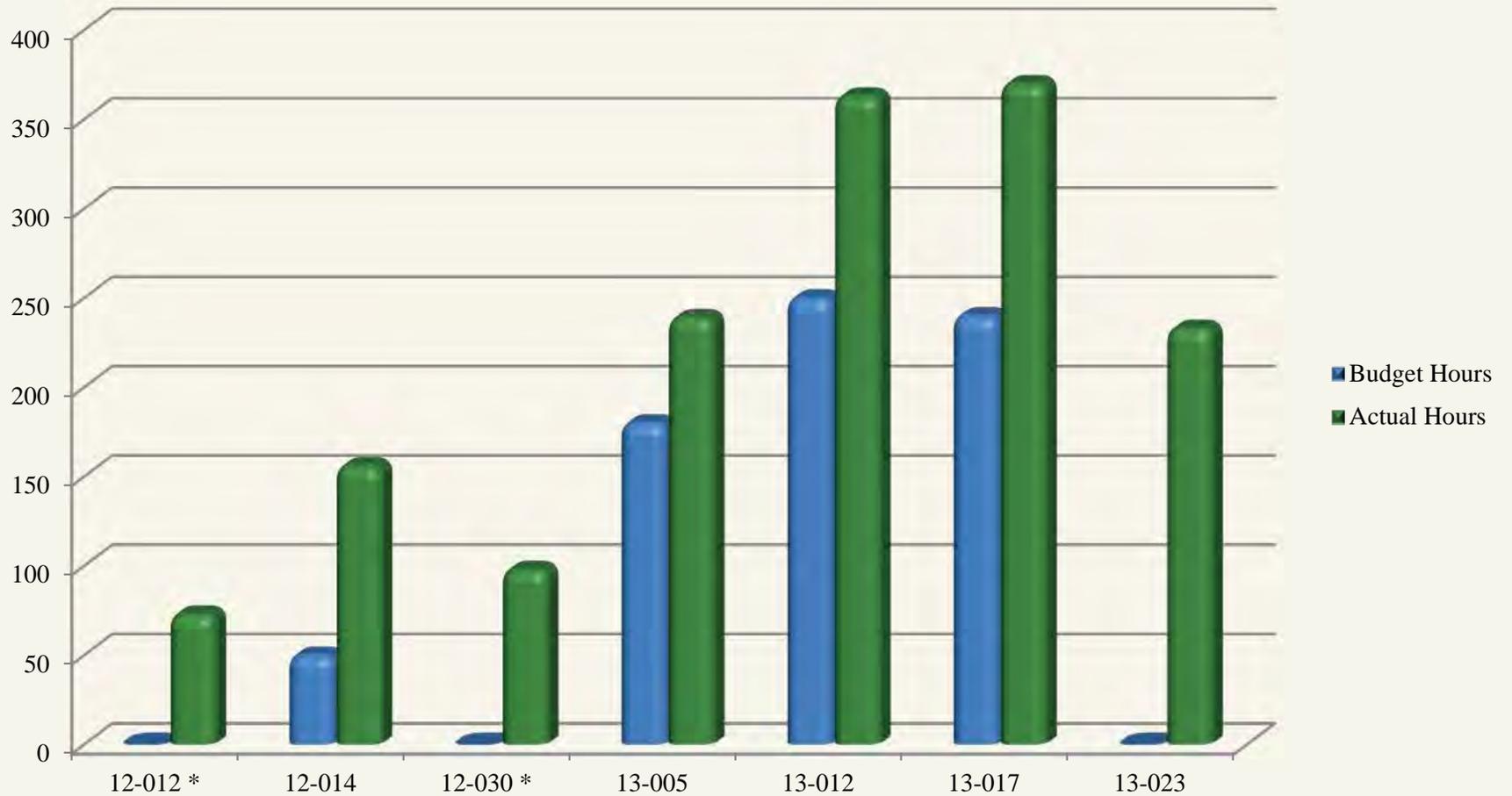
- 12-002 – Annual Investments/Commercial Paper Review

DAL

- 12-026 – UNT Dallas Student Service Fees Review
- 13-003 – Purchasing Card Review
- 13-028 – UNT Dallas Facilities Certification Audit

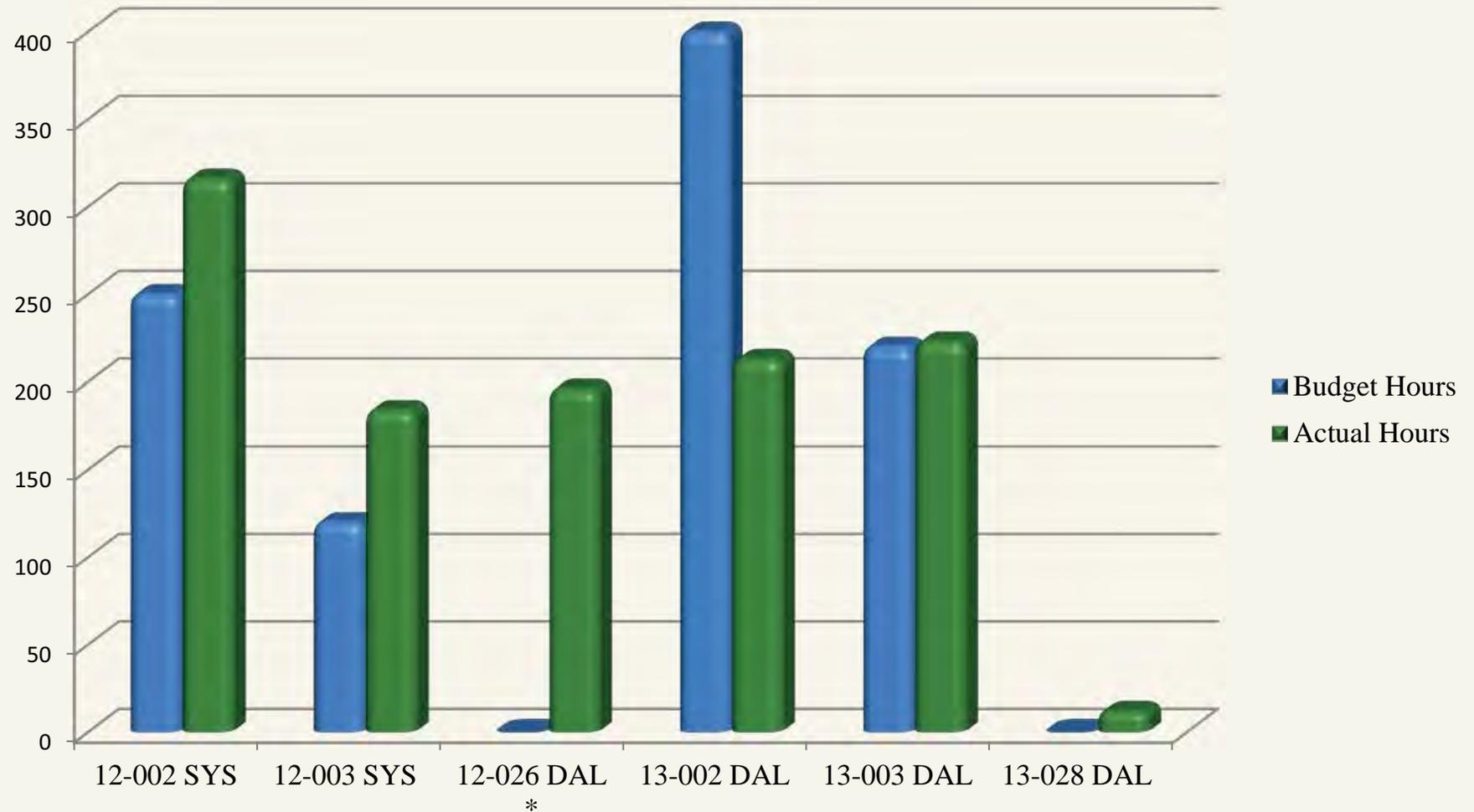
Comparison of Budget Hours to Actual Hours

UNT



*Carryover from prior year-hours were drawn from contingency hours, not budgeted by project.

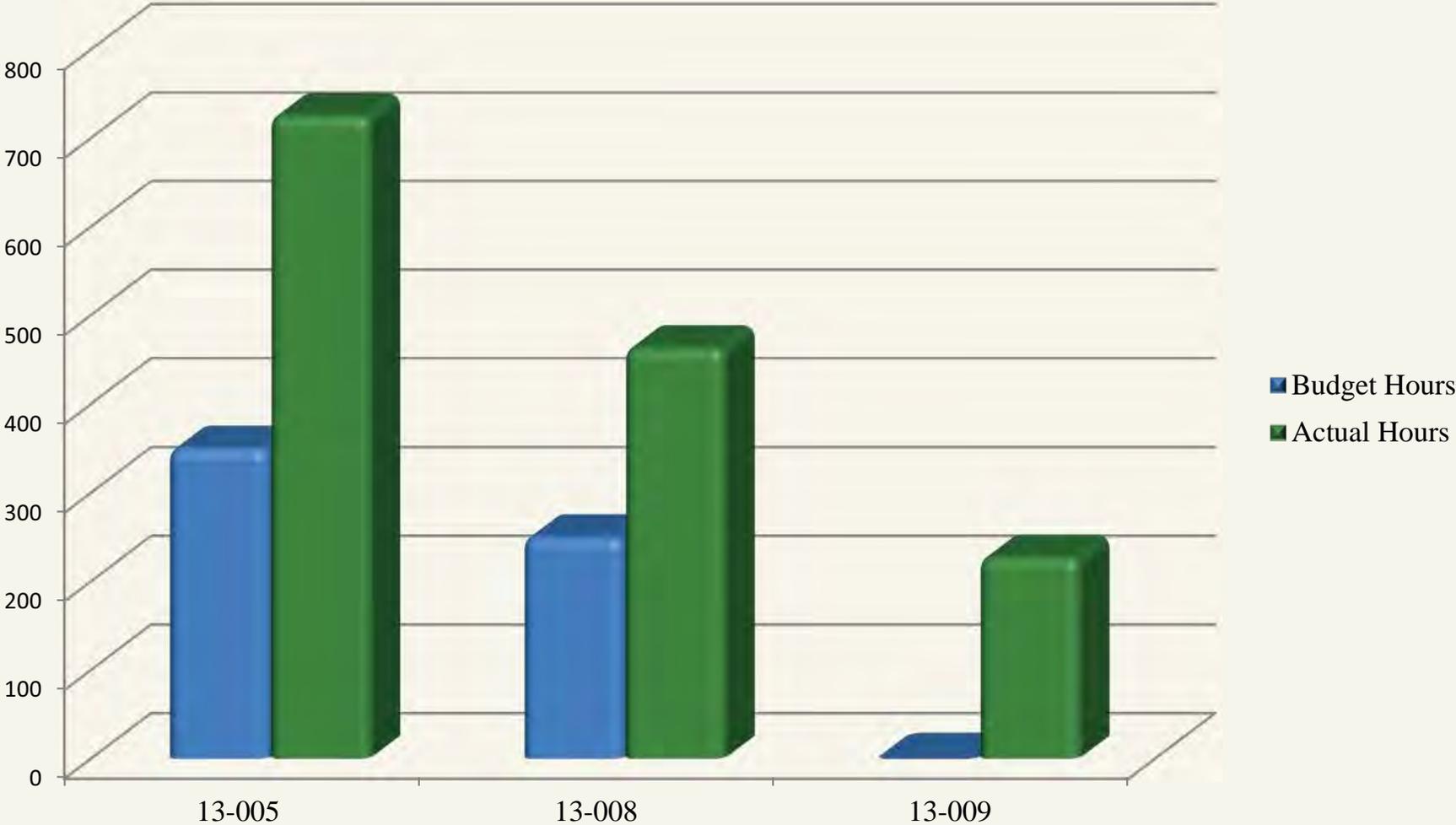
Comparison of Budget Hours to Actual Hours UNT Dallas & UNT System



*Carryover from prior year-hours were drawn from contingency hours, not budgeted by project.

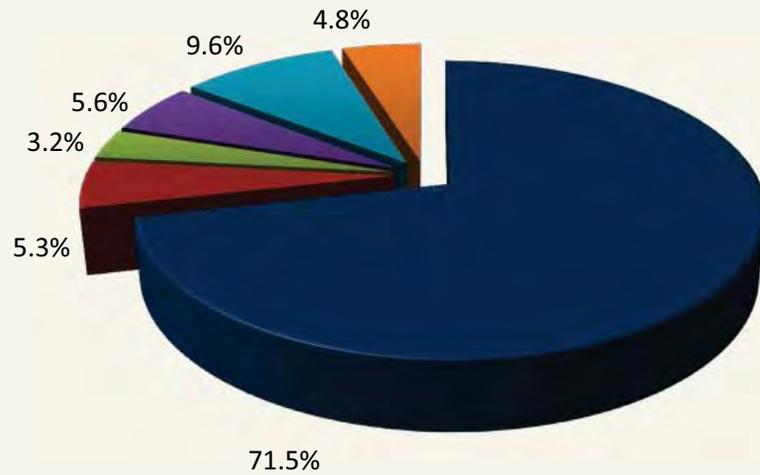
Comparison of Budget Hours to Actual Hours

UNTHSC

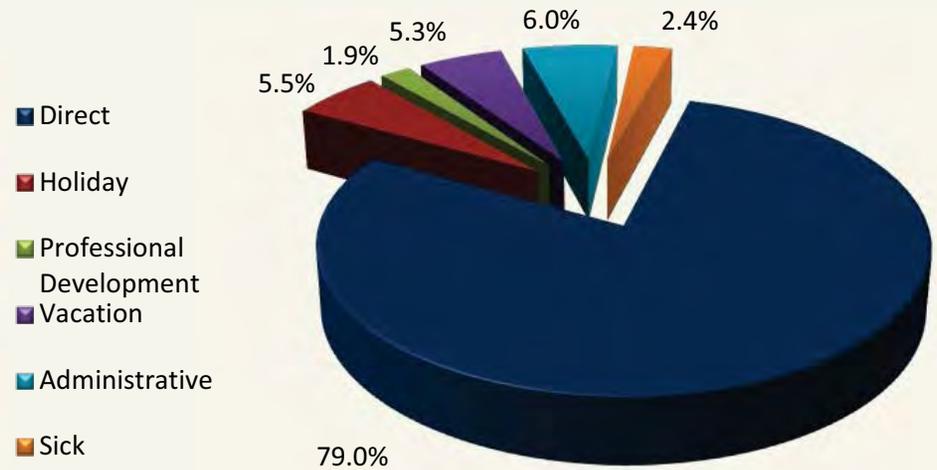


Staff Hours by Category

UNT



HSC

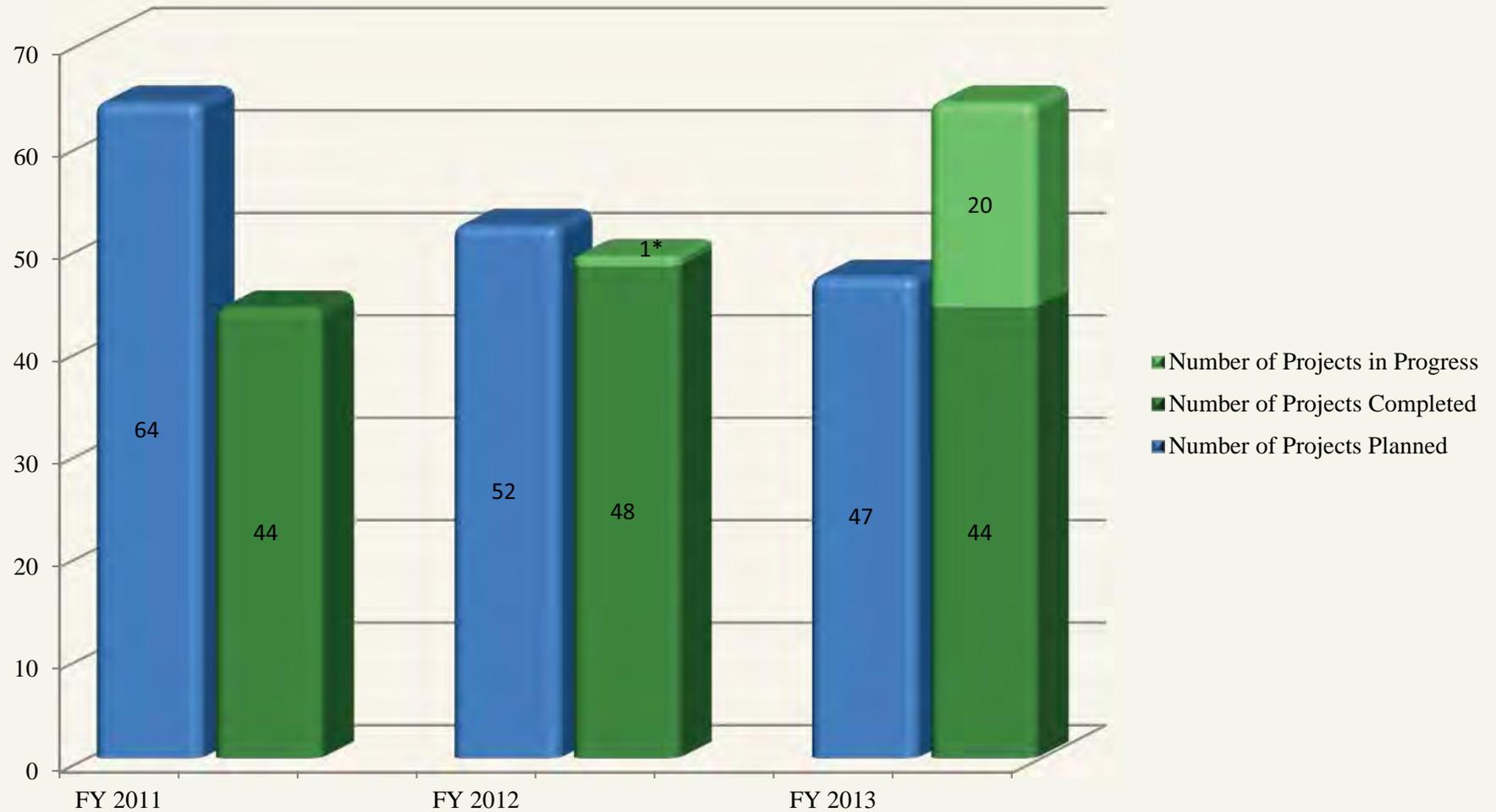


UNT		
	Budget	Actual
Direct	72.0%	71.5%
Holiday	5.0%	5.3%
Professional Development	1.9%	3.2%
Vacation	6.9%	5.6%
Administrative	9.5%	9.6%
Sick	4.6%	4.8%

HSC		
	Budget	Actual
Direct	75.4%	79.0%
Holiday	5.0%	5.5%
Professional Development	1.9%	1.9%
Vacation	4.9%	5.3%
Administrative	8.2%	6.0%
Sick	4.6%	2.4%

FY 2011 – 2013

Projects Completed Versus Planned



*All audits with the exception of 1 that were carried forward from the 2012 plan have been completed.

Other Activities/Initiatives

For the Period May 1, 2013 – July 31, 2013

- IT Co-sourced project completed at UNTHSC.
- IT Risk Assessment in process with Experis.
- Michael Humphries is currently the Interim Director at the Health Science Center.
- One Internal Audit staff member, Joe Diaz was a guest speaker for the UNT Internal Audit course taught by Dr. Conover.
- Joe Diaz, Quality Assurance Manager, received the Dallas IIA Chapter award for “Outstanding Committee Chair” for his work on the Dallas IIA Research Committee.

Suggested Actions Past Due as of July 31, 2013

System Administration

Report No	Report Name	Suggested Actions Past Due	Number of Months Past Due	Expected Implementation Date
Moderate				
09-026	Leave Administration Review	1	39	August 31, 2013
11-012	Task Payment Review	6	25	August 2013
Low				
11-012	Task Payment Review	6	25	August 2013

Suggested Actions Past Due as of July 31, 2013

University of North Texas

Report No	Report Name	Suggested Actions Past Due	Number of Months Past Due	Expected Implementation Date
High				
11-015	Research Continuity Planning	4	10	September 2013
Moderate				
09-017	Effort Reporting Review	1	22	October 2013
Low				
12-024	Student Worker Review	1	8	August 31, 2013

Suggested Actions Past Due as of July 31, 2013

UNT Health Science Center

Report No	Report Name	Suggested Actions Past Due	Number of Months Past Due	Expected Implementation Date
Moderate				
11-011	Sub-Recipient Follow-Up	2	13	May 6, 2013
10-010	Time and Effort Reporting System Review	6	11	July and September 2013
Low				
10-012	Human Research Protection Program	1	14	August 31, 2013
12-001	Advanced Research-Advanced Technology Programs Review	1	14	August 31, 2013
10-010	Time and Effort Reporting System Review	1	11	July 2013
09-011	Advancement Office Follow-Up Review	2	8	August 31, 2013

Suggested Actions Past Due as of July 31, 2013

UNT Dallas

Report No	Report Name	Suggested Actions Past Due	Number of Months Past Due	Expected Implementation Date
Moderate				
12-027	UNT Dallas Gift Review	3	5	September 2013
Low				
12-027	UNT Dallas Gift Review	2	5	September 2013

System Administration

Management Action Status Summary

Management Action Status Summary

University of North Texas System

As of July 31, 2013

09-026 4/13/2010 **Leave Administration Review**

High Level Objective: The objective of the review was to evaluate and document the UNT Human Resources Department's process for reconciling leave balances and accruals (vacation and sick) from the Enterprise Information System (EIS) to departmental records, including but not limited to directives (emails) from each department's timekeeper to correct errors. Current processes were reviewed during the months of June through August 2009.

Observations and Suggestions:

Determine the source(s) of leave balances and accruals problem(s) and take corrective action by:

2. Reconciling departmental records to posted leave balances and accruals in EIS as of a specified date; and

Impact

Implementation will assist in determining an effective course of action to correct the leave balances and accrual errors.

Response

Management concurs that it should consider this recommendation. Because of the potential legal restrictions, HR management initially presented this recommendation to the Office of General Counsel in December 2009. Subsequently, at the request of the OGC, HR management has provided additional information and participated in ongoing discussions with them. The OGC has indicated it will provide a written legal opinion by April 13, 2010.

Person responsible for implementation: BSC

Planned Implementation Date: April 13, 2010.

Implementation

Partially Implemented. *This function was moved from HR to the BSC.*

BSC has implemented a plan to correct all outstanding leave balance issues by August 31, 2013.

Additional follow-up scheduled for September 2013.

Risk Level:

Moderate

Months Past Due

39

11-012 4/29/2011 **Task Payment Review**

High Level Objective: The objective of the review was to evaluate task payments for compliance with UNT Policy 1.6.5, Supplemental Compensation, and applicable state and federal law.

Observations and Suggestions:

Eighty-seven percent (102/117) of the task authorization (HRM-11) forms reviewed did not comply with the advanced approval requirement of UNT Policy 1.6.5.

1. Revise the task payment policy to clarify what constitutes "advanced approval" and specify the means such approval is to be documented.
2. Communicate policy revisions to appropriate departments and University personnel.
3. Issue periodic reminders to appropriate departments to emphasize policy compliance requirements.
4. Perform periodic reviews of the task payment program to monitor compliance with policy.

Impact

Implementation will provide assurance that compliance with the advanced approval requirement of UNT Policy 1.6.5 will be achieved and potential non-compliance with applicable state and federal laws will be detected.

Response

Management concurs with these recommendations, however a UNT System-wide approach is being recommended versus an independent campus approach. It is a recommendation of UNT management that all of the campuses HR Departments, UNT Provost Office and UNT System work collaboratively on reviewing and revising their supplemental compensation policy to more strategically address the items identified in the UNT system Internal Audit Task Payment Review, Audit # 11-012. This approach will help to better ensure that the critical issues have been addressed system-wide and that the proper controls when moved to the BSC effective June 1, 2011 will be in place prospectively. UNT HR is volunteering to coordinate and facilitate a meeting with all of the campuses HR Departments, UNT Provost Office and UNT System (BSC Team) no later than June 30, 2011. Action items identified as an outcome from that meeting will have a time table of deliverables and will subsequently be submitted to IA as an update to supplement the management action items.

Person responsible for implementation: Donna Keener, Assistant Vice President, Human Resources

Planned Implementation Date: June 2011

Implementation

In Process. After much discussion and collaboration between the HR Directors we have developed a draft policy that when accompanied with a training program will enhance policy compliance. This policy is clearer, directs the policy back to its original intention, and emphasizes the need for prior approval. While the policy has been drafted, it must still go through the policy approval process.

Follow-up currently in process.

Expected implementation date: August 2013

Risk Level:

Moderate

Months Past Due

25

Observations and Suggestions:

Current practice in processing task payments appears to exclude Human Resources from the "appropriate administrative authorities" group that provides advanced approval for task payments.

11. Include Human Resources in the "appropriate administrative authorities" group prior to commencement of a task.

12. Inform and educate University units engaged in providing tasks that HRM-11 forms should be reviewed and approved by HR prior to commencement of a task.

Impact

Implementation will provide assurance that Human Resources is appropriately positioned to offer advice and recommendation prior to commencement of a task, payment is neither delayed or denied, and compliance with policy and applicable state and federal law is achieved.

Response

Management concurs with these recommendations, however a UNT System-wide approach is being recommended versus an independent campus approach.⁹
It is a recommendation of UNT management that all of the campuses HR Departments, UNT Provost Office and UNT System work collaboratively on reviewing and revising their supplemental compensation policy to more strategically address the items identified in the UNT system Internal Audit Task Payment Review, Audit # 11-012. This approach will help to better ensure that the critical issues have been addressed system-wide and that the proper controls when moved to the BSC effective June 1, 2011 will be in place prospectively. UNT HR is volunteering to coordinate and facilitate a meeting with all of the campuses HR Departments, UNT Provost Office and UNT System (BSC Team) no later than June 30, 2011. Action items identified as an outcome from that meeting will have a time table of deliverables and will subsequently be submitted to IA as an update to supplement the management action items.

Additional follow-up scheduled for August 2012.

Person responsible for implementation: Donna Keener, Assistant Vice President, Human Resources

Planned Implementation Date: June 2011

Implementation

In Process. After much discussion and collaboration between the HR Directors we have developed a draft policy that when accompanied with a training program will enhance policy compliance. This policy is clearer, directs the policy back to its original intention, and emphasizes the need for prior approval. While the policy has been drafted, it must still go through the policy approval process.

Follow-up currently in process.

Expected implementation date: August 2013

Risk Level:

Moderate

Months Past Due

25

11-012 4/29/2011 Task Payment Review

High Level Objective: The objective of the review was to evaluate task payments for compliance with UNT Policy 1.6.5, Supplemental Compensation, and applicable state and federal law.

Observations and Suggestions:

Two employees earned regular salaries while simultaneously earning income from tasks.

6. Review policy components and outline compliance expectations and unacceptable practices.

7. Define non-compliance consequences for all task participants in clear and easy to understand terms.

Impact

Implementation will provide assurance that future tasks will remain separate from, and be performed outside of, regular work schedules; earnings will reflect actual work performed; dual payments will be eliminated; and compliance with policies will be improved.

Response

Management concurs with these recommendations, however a UNT System-wide approach is being recommended versus an independent campus approach.
It is a recommendation of UNT management that all of the campuses HR Departments, UNT Provost Office and UNT System work collaboratively on reviewing and revising their supplemental compensation policy to more strategically address the items identified in the UNT system Internal Audit Task Payment Review, Audit # 11-012. This approach will help to better ensure that the critical issues have been addressed system-wide and that the proper controls when moved to the BSC effective June 1, 2011 will be in place prospectively. UNT HR is volunteering to coordinate and facilitate a meeting with all of the campuses HR Departments, UNT Provost Office and UNT System (BSC Team) no later than June 30, 2011. Action items identified as an outcome from that meeting will have a time table of deliverables and will subsequently be submitted to IA as an update to supplement the management action items.

Person responsible for implementation: Donna Keener, Assistant Vice President, Human Resources

Planned Implementation Date: June 2011

Implementation

In Process. After much discussion and collaboration between the HR Directors we have developed a draft policy that when accompanied with a training program will enhance policy compliance. This policy is clearer, directs the policy back to its original intention, and emphasizes the need for prior approval. While the policy has been drafted, it must still go through the policy approval process.

Follow-up currently in process.

Expected implementation date: August 2013

Risk Level:

Low

Months Past Due

25

Observations and Suggestions:

The shared roles and responsibilities provided in UNT Policy 1.6.5 appear to weaken accountability in the task payment process.

- 8. Evaluate the task payment policy and determine the benefits derived by requiring multiple task approvers versus the risks assumed by requiring fewer approvers.
- 9. Clearly define the roles and responsibilities of each participant in the process and eliminate roles that may overlap, duplicate, or otherwise be unclear.
- 10. Specify the unit or individual(s) responsible for policy enforcement, compliance, interpretation, clarification, and dispute resolution.

Impact

Implementation will provide assurance that the roles and responsibilities of task participants are clear, the University's expectations of compliance are certain, the consequences of non-compliance are unambiguous, and accountability in the task payment process is strengthened.

Response

Management concurs with these recommendations, however a UNT System-wide approach is being recommended versus an independent campus approach.
It is a recommendation of UNT management that all of the campuses HR Departments, UNT Provost Office and UNT System work collaboratively on reviewing and revising their supplemental compensation policy to more strategically address the items identified in the UNT system Internal Audit Task Payment Review, Audit # 11-012. This approach will help to better ensure that the critical issues have been addressed system-wide and that the proper controls when moved to the BSC effective June 1, 2011 will be in place prospectively. UNT HR is volunteering to coordinate and facilitate a meeting with all of the campuses HR Departments, UNT Provost Office and UNT System (BSC Team) no later than June 30, 2011. Action items identified as an outcome from that meeting will have a time table of deliverables and will subsequently be submitted to IA as an update to supplement the management action items.

Person responsible for implementation: Donna Keener, Assistant Vice President, Human Resources

Planned Implementation Date: June 2011

Implementation

In Process. After much discussion and collaboration between the HR Directors we have developed a draft policy that when accompanied with a training program will enhance policy compliance. This policy is clearer, directs the policy back to its original intention, and emphasizes the need for prior approval. While the policy has been drafted, it must still go through the policy approval process.

Follow-up currently in process.

Expected implementation date: August 2013

Risk Level:

Low

Months Past Due

25

University of North Texas

Management Action Status Summary

Management Action Status Summary

University of North Texas

As of July 31, 2013

11-015

4/9/2012 **Research Continuity Planning**

High Level Objective: The objective of the review was to determine what planning has been done in non-classroom research labs to protect, recover, and continue the research if catastrophic events occur.

Observations and Suggestions:

The University has no policy which requires researchers and research labs that are engaged in non-classroom research to develop and maintain a research continuity plan to protect research, to recover lab resources, and to continue in business in the event of a catastrophe.

1. Establish a University policy which requires research continuity plans to protect lab research, to recover lab resources, and to continue in business in the event of a catastrophe.
2. Consider utilizing *UNT Ready* or another comparable guide to aid in the design, development, and implementation of a research continuity plan(s).
3. Perform periodic tests of the plan(s) to monitor effectiveness.
4. Evaluate changes in research and lab protocols and make appropriate adjustments to the research continuity plan.

Impact

Implementation will ensure that UNT research dollars are adequately protected, research accomplishments are appropriately safeguarded, the interests of granting entities are secured, and Tier 1 status is not adversely impacted.

Response

The Office of Research and Economic Development is partnering with the Office of the Provost and Vice President for Academic Affairs to develop a coordinated set of procedures to (1) identify the facilities that should be covered by such plans (whether such facilities be individual rooms, sets of rooms, organized centers, or even entire buildings or departments); (2) identify the appropriate administrative level from which the continuity planning should be coordinated for each identified facility; (3) set a timeframe for the charged administrators to develop continuity plans appropriate to the particular facilities and to specify how the plans would be tested and monitored/adjusted over time.

Expected Implementation Date: The task force has already begun meeting. Within the month of March, 2012, we expect the task force will work with deans to design a method of identifying relevant facilities (task #1 from above). Within 30-60 days of having developed a finalized list of identified facilities, the administrator charged to develop and maintain the continuity plan for each facility will be identified (task #2 from above). Depending upon the experience of each of the administrators with continuity planning, training may be required. Thus, the duration between charging the administrators and the completion of all plans (task #3 from above) cannot be projected at this time; however, we anticipate it will be a matter of several months.

Person responsible for implementation: Geoff Gamble, Vice President for Research and Economic Development

Planned Implementation Date: September 2012

Implementation

The Office of Research Services mobilized a task force to address suggested management actions as outlined in the Internal Audit Observations Report. According to the task force, the following actions will be taken by the stated dates to address Internal Audit's suggested management actions.

1. Identify the facilities that should be covered by continuity plans (whether such facilities be individual rooms, sets of rooms, organized centers, or even entire buildings or departments) – December 31, 2012 – Complete
2. Identify the appropriate administrative level from which the continuity planning should be coordinated for each identified facility. – December 31, 2012 – Complete
3. Set a timeframe for the charged administrators to develop continuity plans appropriate to the particular facilities and to specify how the plans would be tested and monitored/adjusted over time. – May 31, 2013

Follow-up for action 3 scheduled for June 2013

Due to the recent hire of a new VP for Research the follow-up for Action 3 has been rescheduled for September 2013.

Risk Level:

High

Months Past Due

10

High Level Objective: The objective was to review UNT parking operations with an emphasis on the Highland Street Garage. The period reviewed was fiscal year 2012.

Observations and Suggestions:

Parking operations does not have adequate controls over parking meter receipts. Under current procedures employee theft could occur and remain undetected. Reported Receipts from meter parking for fiscal year 2012 were \$448,884.

1. Do not provide keys to personnel responsible for collection of receipts which will allow them access to those receipts.

2. Reconcile revenue recorded in the Meter Manager system to deposit bank receipts.

Impact

Implementation will ensure that cash meter revenues are appropriately accounted for and deposited.

Response

1. Agreed. Individuals collecting each meters locked storage container do not have access to the container. Once the coinage is dumped into the larger locked collection container via a mechanical process the meter coinage collection container is returned to the meter. The locked collection container is then returned to the Parking Office when collections are complete. The individuals collecting the coinage do not have access to the locked collection container.

2. Agreed. Revenue will be recorded and entered in the Meter Manager System. Upon receiving the bank deposit receipts they will be used to reconcile the revenue recorded in the Meter Manager system.

Person responsible for implementation: Geary L. Robinson, Ph.D., CAPP, Director, Parking and Transportation Services

Planned Implementation Date:

1. Already implemented prior to completion of audit.
2. Implementation will be completed December 31st, 2013.

Implementation

Follow-up scheduled for January 2014.

Risk Level:

High

Months Past Due

0

High Level Objective: The objective of the review was to evaluate management's internal control environment in place for effort reporting on sponsored projects.

Observations and Suggestions:

The Office of Research Integrity & Compliance does not provide mandatory effort training to principal investigators.

10. Provide refresher effort training to principal investigators annually.

Impact

Implementation will provide assurance that the principal investigators are knowledgeable regarding their responsibilities and duties.

Response

Principal Investigators and the support staff are trained on a one-to-one basis as needed. Step-by-step instructions are transmitted to the faculty member with each certification. ORIC does agree that refresher training is needed. We are exploring using web based software for training of faculty and support staff. Training will be required before effort reports may be certified and periodically thereafter. Training participation will be tracked.

Person responsible for Implementation: Kristi Lemmon, Senior Director of Research Services

Planned Implementation Date: September 2011

Implementation

ITSS has hired a contract programmer specifically to work on the Time and Effort project. Expected date of implementation is September 2013, immediately followed by campus wide training using UPK. Distribution of Summer effort reports via the new Effort Reporting System is anticipated to begin in October.

Expected implementation date for the effort reporting system is October 2013.

Additional follow-up scheduled for November 2013.

Risk Level:

Moderate

Months Past Due

22

High Level Objective: The objective was to evaluate compliance with the donor agreement. This review was part of the approved annual audit plan for 2013.

Observations and Suggestions:

Quarterly reports contained inaccuracies related to expenses and revenues and were not completed timely.

5. Consult with the faculty advisor to gain an understanding on how to properly report expenses and revenues in the quarterly reports.
6. Develop a process to ensure reports are completed timely.
7. Establish an audit committee to assist in preparing and reviewing the reports.

Impact

Implementation will provide assurance that quarterly reports are completed timely and accurately.

Response

The Chair of FIREL will continue to remind SIG leaders prior to the due dates of the reports. Reports will be signed by the preparer and one SIG officer. Implementation and compliance rests ultimately with the members of the SIG.

Person responsible for implementation: Marcia Staff, Chair of Finance, Insurance, Real Estate and Law.

Planned Implementation Date: July 2013

Implementation

Follow-up scheduled for September 2013.

Risk Level:

Moderate

Months Past Due

0

High Level Objective: The objective was to review the process for awarding Employment Waivers.

Observations and Suggestions:

There is not sufficient, independent review and approval of Employment Waivers prior to processing.

3. SAUCS, the Graduate School, and the Provost's Office should coordinate to identify a process for independent review/approval of Employment Waivers; and
4. The designated, independent reviewer/approver should ensure that Employment Waivers are awarded in accordance with eligibility requirements.
5. Either comply with UNT Policy 2.2.10 by requiring approval by the dean of the graduate school or revise the policy to reflect the actual process for awarding Employment Waivers.

Impact

Implementation will provide assurance that Employment Waivers receive proper review, are awarded in accordance with TEC 54.212.

Response

Change wording of the Section 2.2.10 of the UNT Policy Manual to reflect the Employment Waiver must be signed by dean of the graduate school or "her or his designee."

Change Employment Waiver form to include three questions to help programs determine eligibility.

Change Employment Waiver form to include graduate dean's signature.

Change processing procedure to require graduate dean's signature prior to final approval by Student Accounting

Person responsible for implementation: Mark Wardell, Dean, The Toulouse Graduate School

Planned Implementation Date: August 1, 2013

Implementation

Follow-up scheduled for September 2013.

Risk Level:

Moderate

Months Past Due

0

High Level Objective: The objective was to evaluate compliance with the donor agreement. This review was part of the approved annual audit plan for 2013.

Observations and Suggestions:

The Student Investment Group (SIG) did not record and retain meeting minutes and voting records.

4. The Student Investment Group should record and retain meeting minutes, including voting records.

Impact

Implementation will ensure transparency for decisions made and provide information on meeting discussions.

Response

Chair of FIREL will work with the SIG to develop a template for SIG meetings, including voting records. Implementation and compliance rests ultimately with the members of the SIG.

Person responsible for implementation: Marcia Staff, Chair of Finance, Insurance, Real Estate and Law.

Planned Implementation Date: August 2013

Implementation

Follow-up scheduled for September 2013.

Risk Level:

Moderate

Months Past Due

0

Observations and Suggestions:

The Student Investment Group did not ensure that an annual audit was performed by UNT accounting majors as required by the donor agreement.

1. Establish an audit committee and ensure an annual audit is performed.
2. Develop strategies to engage accounting and auditing students to perform the annual audit.
3. Consult with advisor and accounting faculty to determine incentives that could be offered to encourage student participation in the annual audit.

Impact

Implementation will provide assurance that the annual audit will be performed and achieve compliance with the donor agreement.

Response

Chair of FIREL will meet with the chair of the Department of Accounting to discuss means of encouraging participation in SIG and the audit function by accounting majors. Implementation and compliance rests ultimately with the members of the SIG.

Person responsible for implementation: Marcia Staff, Chair of Finance, Insurance, Real Estate and Law.

Planned Implementation Date: August 2013

Implementation

Follow-up scheduled for September 2013.

Risk Level:

Moderate

Months Past Due

0

High Level Objective: The objective was to review the transition of departments from one Vice President to the Senior Vice Provost and the Vice President for Student Affairs.

Observations and Suggestions:

None of the departments that process cash receipts were in compliance with UNT Policy 2.1.10.1 Cash Controls. Two departments had no written procedures and two other departments had inadequate written procedures.

1. Revise cash handling written procedures to include, but not limited to:
• a reconciliation process;
• authorization of persons (named) to collect cash;
• separation of duties; and
• maintenance of cash receipts logs.
2. Request assistance and a review by Student Accounting and University Cashiering Services.

Impact

Implementation will provide assurance that each department is in compliance with UNT Policy 2.1.10.1 Cash Handling Controls.

Response

We will follow-through with the suggestion management action plan.

Person responsible for implementation: Dr. Elizabeth With, Vice President for Student Affairs

Planned Implementation Date: September 1, 2013

Implementation

Follow-up scheduled for October 2013.

Risk Level:

Moderate

Months Past Due

0

High Level Objective: The objective was to review UNT parking operations with an emphasis on the Highland Street Garage. The period reviewed was fiscal year 2012.

Observations and Suggestions:

Parking Office credit card receipts are not being reconciled to source transaction activity recorded in the T-2 and Scan-Net systems.

8. Reconcile Parking Office credit card receipts to original source transaction activity.

Impact

Implementation will ensure that credit card revenues are recorded and reconciled to transaction source documentation.

Risk Level:

Moderate

Response

8. *Agreed. PTS will reconcile Parking Office credit card receipts to original source transaction activity.*

Person responsible for implementation: Geary L. Robinson, Ph.D., CAPP, Director, Parking and Transportation Services

Planned Implementation Date: October 31, 2013

Months Past Due

0

Implementation

Follow-up scheduled for November 2013.

Observations and Suggestions:

There is no reconciliation of the physical inventory of permits kept in the office to permits sold.

6. Maintain a physical inventory record of permits with cumulative balances noting beginning balances, purchased additions, and permit removals for each type of parking permit stored and locked in the storage-cage area and also for permits maintained in the cabinet in the front sales area.

7. Reconcile office inventoried permit usage to office sales documentation.

Impact

Implementation will ensure that parking permits are accurately accounted for and that permit usage agrees to sales documentation.

Risk Level:

Moderate

Response

6. *Agreed. The maintaining of the physical inventory record of permits with cumulative balances noting beginning balances, purchased additions, and permit removals for each type of parking permit stored and locked in the storage-cage area and also for permits maintained in the cabinet in the front sales area is being developed.*

7. *PTS will reconcile office inventoried permit usage to office sales documentation.*

Person responsible for implementation: Geary L. Robinson, Ph.D., CAPP, Director, Parking and Transportation Services

Planned Implementation Date: October 31, 2013

Months Past Due

0

Implementation

Follow-up scheduled for November 2013.

High Level Objective: The objective was to review UNT parking operations with an emphasis on the Highland Street Garage. The period reviewed was fiscal year 2012.

Observations and Suggestions:

The Parking Office does not have written procedures addressing major business processes.

3. Develop detailed written procedures for applicable departmental business processes.

Impact

Implementation of written procedures for the Parking and Transportation Services operations will provide consistency, and guidance with regards to established departmental controls and procedures.

Risk Level:

Moderate

Response

3 *Agreed. Written procedures are being developed addressing the collection, recording, depositing, and reconciliation of parking revenue. The written procedures being drafted for the Parking and Transportation Services operations will provide consistency, and guidance with regards to established University and departmental controls and procedures. Additional auditee comments: The parking office previously had written procedures and prior managers had been directed to update those procedures to maintain consistency with UNT policies and maintain accountability within the operation. Management within the operation was realigned and a new Director was recruited and hired effective January 2013.*

Person responsible for implementation: Geary L. Robinson, Ph.D., CAPP, Director, Parking and Transportation Services

Planned Implementation Date: December 31, 2013

Months Past Due

0

Implementation

Follow-up scheduled for January 2014.

High Level Objective: The objective was to review UNT parking operations with an emphasis on the Highland Street Garage. The period reviewed was fiscal year 2012.

Observations and Suggestions:

The following equipment at the Union Circle garage facility is either inoperable or not fully operable since May 2012.

- West Exit Booth – not operable, no power pad to perform transactions, currently out for repair.
- West Exit Verifier (stand- alone equipment) – not operable, Internal Power Pad needs repair. In addition, access card reader not operable.
- Middle Exit Booth – partly operable, Power Pad is able to process locally, however the local system has lost the ability to communicate information to the ScanNet data base.
- Pay-Station Equipment – not operable, Power Pad needs repair.

4. Evaluate and determine Parking garage operational and reporting needs.

5. Determine whether to either maintain current garage operational systems and repair necessary equipment, or replace applicable equipment and/or software to meet the expectations and needs of the University parking garage operations.

Impact

Implementation will ensure that appropriate equipment is in place to meet operational and reporting needs.

Response

4. *Agreed. Parking and Transportation Services has evaluated and determined the Parking garage operational and reporting needs.*
 5. *Agreed. PTS is working with our software provider T2 Systems, Inc to develop a plan to maintain current garage operational systems and repair necessary equipment. The plan will include replacing applicable equipment and software to meet the expectations and needs of the University parking garage operations.*

Person responsible for implementation: Geary L. Robinson, Ph.D., CAPP, Director, Parking and Transportation Services

Planned Implementation Date: January 31, 2014

Implementation

Follow-up scheduled for February 2014.

Risk Level:

Moderate

Months Past Due

0

High Level Objective:

Observations and Suggestions:

The Mean Green Club is inappropriately retaining credit card information.

2. Dispose of credit card information in a secure manner when there is no longer an immediate need for the information.

Impact

Implementation will ensure that credit card information is properly and securely disposed.

Response

As discussed with the Audit staff, all but the last four digits of the credit card number submitted on Mean Green Club renewal forms will be redacted so as to protect the information. Currently stored data will be corrected beginning immediately.

Person responsible for implementation: Troy Taylor, Assistant Athletic Director, Business Operations and Jessica Hulsebosch, Mean Green Club Director.

Planned Implementation Date: July 30, 2013
Individual Responsible for Implementation:

Implementation

Follow-up scheduled for August 2013.

Risk Level:

Moderate

Months Past Due

0

Observations and Suggestions:

Impact

Response

Implementation

The procedure for accepting and processing Mean Green Club donations is not in compliance with UNT policy 7.2, Fundraising and Private Support.

1. Coordinate with the Office of Development to be in compliance with UNT policy 7.2 Fundraising and Private Support.

Implementation will provide assurance that donations are accurately accounted and reported for.

Four years ago the Athletic Department met with Advancement to develop a system to handle Mean Green Club (MGC) Donations. The crux of the problem is two-fold. First most MGC members send in their ticket renewals and MGC renewals in the same envelope utilizing the same credit card or check. The current process was agreed upon to alleviate ticket orders from being sent to the foundation where there was no method of processing. Secondly, a large majority of our MGC members renew in August. With the need to immediately process MGC credit so that parking passes and tickets can be distributed, we cannot afford the lag time of those orders first going to advancement. This process was streamlined almost four years ago with the agreement of both parties. My remedy would be to modify the policy and I would agree with that recommendation.

Management will meet with University Advancement to create a policy revision to be submitted for adoption.

Person responsible for implementation: Dan Johnston, Athletic Advancement, Director of Advancement, Mike Ashbaugh, Senior Associate Athletics Director for Business Operations, and Troy Taylor, Assistant Athletic Director Business Operations.

Planned Implementation Date: September 2013

Follow-up scheduled for October 2013.

Risk Level:

Moderate

Months Past Due

0

12-024 10/3/2012 Student Worker Review

High Level Objective:

The objectives were to:

1. Review positions which require student enrollment and test positions held in Fall 2011 to ensure that employees were enrolled in classes, and
2. Review student's class and work schedules in the Federal Work Study (FWS) program to determine if students worked during scheduled class times which is prohibited by FWS guidelines.

Observations and Suggestions:

The Controller's Office does not notify an employee's supervisor and Vice President of indebtedness to the University as required by UNT Policy 2.2.26, Employee Indebtedness Owed to the University. Additionally, Student Accounting and Cashiering Services (SACS) is not sending a report detailing employee indebtedness to the Controller's Office, as required by UNT Policy 2.2.26.

4. The Controller's Office should continue their process of evaluating and revising UNT Policy 2.2.26 to ensure compliance with UNT Policy 18.1.9 FERPA.

Impact

The creation and review of the debt report will help ensure all employees who owe money to the University are known, and will help ensure compliance with the applicable University policy.

Response

Suggested Management Action 4: We believe that the current policy as submitted complies with FERPA requirements. Once adopted, we will review the policy periodically (not less than every 5 years) for amendment as needed.

Person responsible for implementation: Carlos Hernandez, Ed D, CPA, Associate VP for Finance and Controller

Planned Implementation Date: November 1, 2012

Implementation

In Progress. UNT Policy 2.2.26 is in the approval process. The estimated final approval date is August 31, 2013.

Risk Level:

Low

Months Past Due

8

High Level Objective: The objectives were to:
 1. Review positions which require student enrollment and test positions held in Fall 2011 to ensure that employees were enrolled in classes, and
 2. Review student's class and work schedules in the Federal Work Study (FWS) program to determine if students worked during scheduled class times which is prohibited by FWS guidelines.

Observations and Suggestions:

Internal Audit identified five UNT policies related to student employment that require enrollment; however, not all policies contain the same enrollment requirements.

2. The UNT Career Center, Provost's Office, and UNT Human Resources should evaluate and modify UNT policies related to student employment so enrollment requirements are as consistent as possible.
3. The UNT Career Center, Provost's Office, and UNT Human Resources should develop supplemental procedures to assist University departments in determining the correct job code.

Risk Level:

Low

Impact

Maintaining the least and most consistent policies related to student employment could reduce the confusion for individuals processing payroll documents and subsequently lead to fewer errors in processing and employment.

Response

Write a new overarching policy for student employment positions, as well as, develop operational procedures for the various job codes connected to the new overarching policy.

Person responsible for implementation:

Yolanda Niemann, Senior Vice Provost
 Dan Naegeli, Executive Director, Career & Leadership Development
 Valerie (Robertson) Hodges, Assistant Director, Finance & Administration
 Marci Bailey, Director, UNT Human Resources

Planned Implementation Date: September 1, 2013

Implementation

Follow-up scheduled for September 2013.

Months Past Due

0

High Level Objective: The objective was to review the transition of departments from one Vice President to the Senior Vice Provost and the Vice President for Student Affairs.

Observations and Suggestions:

The Student Financial Aid and Scholarships department does not redact bank account information on checks before scanning into Image Now.

3. Amend the check receipting process to include redacting the bank account number and bank routing number before scanning into Image Now.

Risk Level:

Low

Impact

Implementation will provide assurance that the Student Financial Aid and Scholarships department is taking appropriate measures to mitigate identity theft.

Response

We will follow-through with the suggestion management action plan.

Person responsible for implementation: Dr. Elizabeth With, Vice President for Student Affairs

Planned Implementation Date: September 1, 2013

Implementation

Follow-up scheduled for October 2013.

Months Past Due

0

High Level Objective: The objective was to review processes and controls related to the assignment of physical space, in particular to review the information contained within the data base.

Observations and Suggestions:

OSMP does not have detailed operational written procedures addressing the assignment and re-assignment of University space.

3. Develop detailed written departmental procedures, outlining the OSMP operational processes and controls.

Impact

Implementation will ensure that OSM&P processes and controls are in compliance with established departmental written procedures.

Response

Agreed at time of observation however certain written procedures have since been written.

1. OSMP now has written procedures for communications and processes concerning the Space Assessment Committee and Administration approval/non-approval of such requests.
2. Detailed written procedures have been completed for the Space Inventory Survey process and were published online in April, 2013.

Additional written OSMP operational procedures have been identified and are being developed at this time.

Person responsible for implementation: Jessica Shumate, Office Manager

Planned Implementation Date: December 2013

Implementation

Follow-up scheduled for January 2014.

Risk Level:

Low

Months Past Due

0

High Level Objective: The objective was to determine if UNT had received all monies due as stipulated in the individual agreements, and to determine UNT Dallas' level of satisfaction with the services provided.

Observations and Suggestions:

Documentation related to the Intra System Agreements between UNT and UNT Dallas does not meet best practice standards:

- Agreements for fiscal year 2012 were amended via telephone and email exchanges instead of documenting by amendments with authorized signatures;
- UNT and UNT Dallas did not formally document the termination of the Computing Services agreement when specific UNT employees who provided those services became UNT System employees; and
- UNT and UNT Dallas did not document all the fiscal year 2013 Agreements before the beginning of fiscal year 2013.

1. Document amendments to Agreements with signature authorizations; and
2. Discuss and document future Agreements before the beginning of the fiscal year.

Impact

Implementation will provide assurance that an explicit understanding of services provided, services received, and amounts to be budgeted will be established.

Response

Document all FY agreements before the beginning of the fiscal year. Agreements will include signature authorization.

Person responsible for implementation: Jean Bush, Senior Associate Vice President for Finance UNT
Carlos Hernandez, CFO and Vice President for Finance and Administration UNT Dallas

Planned Implementation Date: August 31, 2013

Implementation

Follow-up scheduled for September 2013.

Risk Level:

Low

Months Past Due

0

High Level Objective: The objectives were to:
 1. Review positions which require student enrollment and test positions held in Fall 2011 to ensure that employees were enrolled in classes, and
 2. Review student's class and work schedules in the Federal Work Study (FWS) program to determine if students worked during scheduled class times which is prohibited by FWS guidelines.

Observations and Suggestions:

There is no process in place to reasonably assure that individuals in positions that require enrollment are actually enrolled.

1. The UNT Career Center, Provost's Office, and UNT Human Resources should coordinate to establish a process to reasonably assure that students in positions that require enrollment are actually enrolled.

Impact

Establishing a process to verify enrollment for student employees will ensure the University is in compliance with UNT policies regarding student employment. This process will also ensure student worker positions are employment opportunities for individuals that are actually enrolled.

Response

a. *Both the Career Center and Provost's Office will perform audits of student employment records in conjunction with the supplemental pay period following the first student payroll in the fall and spring semesters (specifically October 15 and March 1) to insure that those receiving paychecks are enrolled students.*

b. *Work with EIS Team to develop an automated report that cross-checks when a student withdraws from UNT or drops all their classes with the student payroll records. Also, the ePAR system will check student status of an employee when hired into student job codes. If the person is not a student, the department is provided a warning. These two items should help prevent this in the future.*

Person responsible for implementation: Shaun Stoehr, Student Employment Coordinator; and Melinda Lilly, Assistant Director for Academic Resources

Planned Implementation Date: a. October 15, 2012
 b. September 1, 2013

Implementation

In Progress.

a. Implemented for the Provost's Office but still In Process for the Career Center.

The Provost's Office has fully implemented the suggestion, but the suggestion is still in process in the Career Center due to employee turnover.

As of June 28, 2013 the Career Center still has not implemented a process due to employee turnover within their office. Additional follow-up scheduled for September, 2013.

Risk Level:

Low

Months Past Due

0

Health Science Center

Management Action Status Summary

Management Action Status Summary

University of North Texas Health Science Center

As of July 31, 2013

13-005

7/22/2013 UNT Health Revenue Cycle Back Office Review

High Level Objective: The objective was to evaluate back office billing functions including accounts receivable, unapplied payments, credit balances, adjustments, and denials.

Observations and Suggestions:

UNT Health has \$1.2 million of unapplied payments: 88% of these payments are over one year old.

1. Develop and implement a plan for reviewing and disposing of all unapplied payments including when a payment should be returned to payer.
2. Establish a policy regarding unapplied payments including a timeline for when payments should be resolved or returned to payer.
3. Develop and implement a monitoring plan to ensure that unapplied payments are resolved within the time frame established by policy.

Impact

Implementation will ensure charges are properly posted to patient accounts and overpayments are identified and refunded in a timely manner.

Response

Management agrees and will implement the following:

1. *Revise Refund Policy to establish clearly defined time frames for resolving and refunding unapplied payments. The policy will consider types of deposits, for example co-pays pending insurance adjudication, payments for OB delivery, payments for long term treatments and will set deadlines based on insurance adjudication.*
2. *An additional Business Office Account Representative has been dedicated to resolution of unapplied payments on a permanent basis.*
3. *Nextgen EPM provides daily reports of unapplied payments for monitoring.*
4. *New Assistant Director, Patient Accounts, position has been created and filled to ensure that the unapplied payments are monitored through Nextgen reporting capabilities and to ensure that all are resolved or refunded within guidelines of revised Refund Policy.*
5. *Monthly Nextgen Reports will be developed to detail all unapplied payments over 60 days from date of payment. Payments over 60 days will be explained and monitored for resolution as soon as treatment and insurance adjudication complete.*

Additional Comments from Management: *As of July 1, 2013, Signature prepayments have been worked and reduced to \$830,000 (a 30% reduction). Refunds totaling \$83,923 have been processed to date.*

Unapplied payments will be outstanding for more than a month because of the time required for insurance adjudication and for completion of medical treatment or service, such as OB delivery, infertility treatment, and surgery.

Individual Responsible for Implementation: Karen Cruz, Controller and Executive Director of Financial Reporting
Barbara Tucker, Director, Patient Accounts

Expected Implementation Date: Policy to be revised and additional monitoring reports will be completed and implemented by November 30, 2013. Prepayments in the Signature system will be completely resolved by Dec 31, 2013.

Implementation

In Process

Risk Level:

High

Months Past Due

0

Observations and Suggestions:

Refunds for overpayments by governmental payers are not always processed within 60 days as required.

4. Develop and implement a process to ensure that governmental payers are reimbursed within 60 days, taking into account BSC check processing time.

Impact

Implementation will provide assurance that refunds to governmental payers are processed within 60 days as required.

Response

Management agrees and will implement the following:

- 1. The Accounting Manager in the UNT Health Finance Department will have signature authority to approve all refunds to governmental payers. This will eliminate the time consuming step of departmental approval.*
- 2. The BSC has reorganized so that refunds are now processed on the UNTHSC campus and the processing time required has been significantly reduced.*
- 3. Current refund spreadsheet will be separated into two spreadsheets with one specific to just governmental payers. This will enhance ability to track and monitor the time required for resolution.*
- 4. Assistant Director, Patient Accounts, will monitor the governmental payer refund spreadsheet weekly to ensure that all refunds are on track to meet the 60 day requirement.*
- 5. Management purchased an audio education session titled "Medicare 60-Day Refund Rule: Impact on Provider Billing." All Patient Services staff involved with credit balances and refunds have taken the session and all new employees will be required to have the session as part of the training process.*

Expected Implementation Date: November 30, 2013

Individual Responsible for Implementation: Karen Cruz, Controller and Executive Director of Financial Reporting
Barbara Tucker, Director, Patient Accounts

Expected Implementation Date: November 30, 2013

Implementation

In Process

Risk Level:

High

Months Past Due

0

Observations and Suggestions:

Impact

Response

Implementation

UNT Health has credit balances totaling \$480,322: 68% of the balances are more than one year old.

5. Develop and implement a plan for reviewing and disposing of all credit balances, including when a balance should be returned to payer.

6. Establish a policy regarding credit balances, including a timeline for when balances should be resolved or returned to payer.

7. Develop and implement a monitoring plan to ensure that credit balances are resolved within the time frame established by policy.

Implementation will provide assurance that overpayments are identified and refunded in a timely manner.

Management agrees and will implement the following:

1. *Revise Refund Policy to establish clearly defined timeframes and clearly defined requirements for resolving and/or refunding credit balances.*
2. *Two Business Office Account Representatives will be dedicated to the credit balances in addition to the Business Office Account Representative already dedicated to the unapplied payments.*
3. *Nextgen Credit Balance reports will be developed to detail the payer, date of payment and balance of account and will be produced monthly.*
4. *Assistant Director, Patient Accounts, will monitor the credit balance report and the production and progress of the Business Office Account Representatives with the assistance of the Patient Services Supervisor.*
5. *A new process for handling unclaimed money has been developed with the assistance of UNTHSC Accounting. UNTHHealth will transfer the unclaimed money to an account held by the UNTHSC Accounting Department. The money will be held in that account for the required three years which will relieve the UNTHHealth Business Office of the required holding period.*

Additional Comments from Management: *As of July 31, 2013, Signature credit balances have been reduced to \$306,500 (a 36% reduction).*

Individual Responsible for Implementation: Karen Cruz, Controller and Executive Director of Financial Reporting
Barbara Tucker, Director, Patient Accounts

Expected Implementation Date: Credits balances will be completely resolved in Signature system by December 31, 2013. Refund policy will be revised and monitoring reports developed and implemented by November 30, 2013.

In Process

Risk Level:

High

Months Past Due

0

Observations and Suggestions:	Impact	Response	Implementation
<p>Charge entry, payment posting, deposit preparation (including cash receipt reconciliation), and patient account setup responsibilities are not segregated.</p> <p>8. Redistribute job responsibilities to provide for separation of recording, access to assets, and reconciliation functions.</p> <p>9. In conjunction with a system administrator, modify user access controls so that no individual employee handles charges, payment posting, deposit preparation, and patient account setup.</p>	<p>Implementation will provide assurance that internal controls are in place.</p>	<p><i>Management agrees and will implement the following:</i></p> <ol style="list-style-type: none"> 1. Access to the Payment Entry module has been removed for the Senior Business Office Account Representative. 2. Access to Charge Entry module will be removed from the payment posters. Charges needed for payment posters will be entered by the May St. charge entry staff. 3. The Patient Services and Insurance Follow-up Supervisors require access to the Payment Entry module in order to view EOB Batch numbers and additional payment details. They are not able to view without complete access. In order to mitigate the encroachment of separation of duties, a monthly Nextgen report will be generated to detail all payment activity by user name. The Assistant Director, Patient Accounts will monitor the activity by user name to ensure only appropriate individuals are entering payment activity. <p>Individual Responsible for Implementation: Barbara Tucker, Director, Patient Accounts</p> <p>Expected Implementation Date: Monitoring report will be completed by August 31, 2013. Access to Charge Entry module for Payment Posters will be removed by August 31, 2013.</p>	<p>In Process</p>
<p>Risk Level:</p>	<p style="background-color: red; color: white; text-align: center;">High</p>	<p>Months Past Due</p>	<p style="text-align: center;">0</p>

11-011 10/25/2011 **Sub-Recipient Follow-Up**

High Level Objective:

We performed a follow-up review on audit report #09-017 issued September 29, 2009, Sub-Recipient Review, during the period of June 2011 through August 2011.

The original objectives were to:

1. evaluate the control environment over subrecipient monitoring;
2. determine whether the subrecipient was informed of Federal award data and compliances, and only allowed activities were approved in the award documents;
3. determine whether the subrecipient's activities were monitored for Federal compliance;
4. determine whether required audits were performed and audit findings addressed;
5. determine whether appropriate sanctions were taken if subrecipients were unwilling or unable to have required audits, meet other Federal compliances or not meet award requirements; and
6. determine whether the impact of subrecipient activities on the Center was evaluated.

Observations and Suggestions:	Impact	Response	Implementation
<p>A comprehensive program of sub-recipient monitoring to ensure compliance with Federal guidelines has not been implemented.</p> <p>1. Document policies for key sub-recipient monitoring activities and implement required monitoring activities and best practices as indicated in prior Sub-Recipient Report (09-017 Issued September 29, 2009).</p>	<p>Implementation will provide assurance that Federal audit requirements are met, sub-recipient monitoring plans are documented, and plans are a result of risk based analyses.</p>	<p><i>Agree. Finalize policies and document responsibilities for monitoring sub-recipients by Spring 2012. Responsible party is LeJuan Byford.</i></p> <p>Person Responsible for Implementation: LeAnn Forsberg, Executive Director, Office of Grants and Contract Management</p> <p>Planned Implementation Date: June 2012</p>	<p>In Process. Responsible party has changed to LeAnn Forsberg due to LeJuan Byford leaving UNTHSC. The development of the final roles and responsibilities as been delayed by reviews of the policy and changes in staff. We hope to have all items completed by December 31, 2013</p>
<p>Risk Level:</p>	<p style="background-color: yellow; text-align: center;">Moderate</p>	<p>Months Past Due</p>	<p style="text-align: center;">13</p>

Observations and Suggestions:	Impact	Response	Implementation
<p>A training program has not been implemented for principal investigators on the processing and approval of sub-recipients invoices.</p> <p>2. Provide training to Principal Investigators as indicated in prior Sub-Recipient Report (09-017 Issued September 29, 2009).</p>	<p>Implementation will provide assurance that sub-recipient invoices are processed according to grant policies.</p>	<p><i>Agree. Provide sub-recipient monitoring training to Principal Investigators by Spring 2012. Responsible party is LeJuan Byford.</i></p> <p>Person Responsible for Implementation: LeAnn Forsberg, Executive Director, Office of Grants and Contract Management</p> <p>Planned Implementation Date: June 2012</p>	<p>In Process. Responsible party has changed to LeAnn Forsberg due to LeJuan Byford leaving UNTHSC. The development of the final training as been delayed by reviews of the policy and changes in staff. We hope to have all items completed by December 31, 2013</p>
Risk Level:	Moderate	Months Past Due	13

10-010 7/1/2010 **Time and Effort Reporting System Review**
 High Level Objective: The objectives of the review were to evaluate the actions taken in response to the previous report and to determine whether additional actions are necessary to address the observations noted.

Observations and Suggestions:	Impact	Response	Implementation
<p>The complexity of federal compliance has exceeded the ability of the current system to manage effort reporting.</p> <p>1. Develop and implement plans to address the purchase, or design and implementation, of a more efficient and effective effort reporting system.</p>	<p>Implementation will provide assurances that effort reporting compliance will be achieved in an efficient and effective manner.</p>	<p><i>Management agrees with the suggested action. The Director of the Office of Grant and Contract Management (OGCM) and staff have reviewed numerous commercial products, several products in use at other universities and have scheduled a meeting to determine feasibility of building an in-house system. All reviews will be completed and a decision to determine purchase or in-house build will be completed by the Fall of 2010. An implementation plan will be developed in the Fall of 2010 based on management's decision.</i></p> <p>Person Responsible for Implementation: LeAnn Forsberg, Executive Director, Office of Grants and Contract Management</p> <p>Planned Implementation Date: August 31, 2012 *Revised</p>	<p>In Process. The initial reports under Phase II, entitled Monthly Management Reports, were delivered into production in July 2012. Roll out of the remaining deliverable, certification reports, is expected to be complete by September 30, 2013.</p>
Risk Level:	Moderate	Months Past Due	11

Observations and Suggestions:	Impact	Response	Implementation
<p>Key time and effort terms, such as full workload and institutional base salary, have not been fully defined, documented, and communicated.</p> <p>3. Define, document, and communicate key effort reporting terms, including but not limited to:</p> <ul style="list-style-type: none"> • full workload and institutional base salary; • specific activities to be included or excluded from full workload and base salary; and • significant changes in expected effort. 	<p>Implementation will provide assurance that key effort terms are defined and consistently applied.</p>	<p><i>Management agrees with the suggested action. The policy regarding workload, institutional base salary and specific activities has been drafted and is currently being reviewed by management. We anticipate an approved policy by September 1, 2010. OCGM will incorporate significant changes in effort into our over all policies and/or procedures. We anticipate completion by December 2010.</i></p> <p>Person Responsible for Implementation: LeAnn Forsberg, Executive Director, Office of Grants and Contract Management</p> <p>Planned Implementation Date: August 31, 2012 *Revised</p>	<p>In Process. OGCM will obtain management input during policy development and rollout out by December 31, 2013.</p>
Risk Level:	Moderate	Months Past Due	11

Observations and Suggestions:	Impact	Response	Implementation
<p>Written policies and procedures were not documented for all key time and effort activities.</p> <p>4. Define, document, and communicate:</p> <ul style="list-style-type: none"> • Policies and procedures for effort reporting activities; • Location where procedures may be accessed; and • Continuous monitoring processes to ensure compliance with policies and procedures. 	<p>Implementation will provide assurance that expectations are documented and consistently applied.</p>	<p><i>Management agrees with the suggested action. The Director and Compliance Manager of the OGCM will review current policies and procedures as described above to ensure they are current, accessible and monitored. This will be completed by December 2010.</i></p> <p>Person Responsible for Implementation: LeAnn Forsberg, Executive Director, Office of Grants and Contract Management</p> <p>Planned Implementation Date: August 31, 2012 *Revised</p>	<p>In Process. Once Phase II is completed then policies and procedures for the new effort reporting process can be finalized. Expected completion July 2013.</p>
<p>Risk Level: Moderate</p>	<p>Months Past Due 11</p>		
<p>The Center has not established time frames for certifying personnel activity reports, and sanction policies for noncompliance.</p> <p>6. Establish written deadlines for completion of activity reports and sanction policies for non-compliance with policy.</p>	<p>Implementation will provide assurance that effort is certified prior to submitting final project reports, and specific time frames exist to for sanction policies.</p>	<p><i>Management agrees with the suggested action. The Director and Compliance Manager of the OGCM will include the process for dealing with past due effort activity reports as part of the various policies and procedures related to time and effort reporting. We anticipate having all of the associated policies completed by December, 2010.</i></p> <p>Person Responsible for Implementation: LeAnn Forsberg, Executive Director, Office of Grants and Contract Management</p> <p>Planned Implementation Date: August 31, 2012 *Revised</p>	<p>In Process. Once Phase II is completed then deadlines for the new effort reporting process can be finalized. Expected completion July 2013.</p>
<p>Risk Level: Moderate</p>	<p>Months Past Due 11</p>		
<p>Compliance assessments were not performed for faculty with significant effort and salary distribution from federal funds.</p> <p>8. Establish periodic reviews of significant effort (80%, 90%, 100%, etc.) charged to federal projects.</p>	<p>Implementation will provide assurance that nonfederal duties are considered in determining federal effort.</p>	<p><i>Management agrees with the suggested action. The Compliance Manager for OGCM will develop a step in the PAR review procedure to cover this aspect. We estimate the revised procedure will be implemented by December 2010.</i></p> <p>Person Responsible for Implementation: LeAnn Forsberg, Executive Director, Office of Grants and Contract Management</p> <p>Planned Implementation Date: August 31, 2012 *Revised</p>	<p>In Process. Once Phase II is completed and full workload defined then periodic reviews of significant effort can begin. Expected completion Sept 2013.</p>
<p>Risk Level: Moderate</p>	<p>Months Past Due 11</p>		
<p>An independent internal evaluation process to ensure effort system effectiveness has not been documented and implemented.</p> <p>9. Document and implement an independent internal evaluation process including, but not limited to:</p> <ul style="list-style-type: none"> • The procedures to be performed; • The frequency of the activities to be performed; and • The process for reporting and resolving deficiencies. 	<p>Implementation will provide assurance that an independent internal evaluation process is in place to meet federal requirements.</p>	<p><i>Management agrees with the suggested action. The Director and Compliance Manager for the OGCM will work with Research Compliance to implement agreed upon procedures for the internal evaluations. We anticipate having the process documented by January 31, 2011.</i></p> <p>Person Responsible for Implementation: LeAnn Forsberg, Executive Director, Office of Grants and Contract Management</p> <p>Planned Implementation Date: August 31, 2012 *Revised</p>	<p>Vice President for Research is completing a restructuring of the Research Compliance area. The restructuring should be completed by 8/31/13 and then we will be able to determine the most appropriate evaluation process.</p>
<p>Risk Level: Moderate</p>	<p>Months Past Due 11</p>		

High Level Objective: The objective of the review was to determine whether the human research protection program was in compliance with federal guidelines and Center policies.

Observations and Suggestions:

The anticipated growth in research and complexities of federal requirements may exceed the capability of the current manual system to manage protocols in an efficient manner.

6. Develop a strategic plan for the purchase or design and implementation of a more efficient IRB management system.

Impact

Implementation will provide assurances that the human subject protection program is administered in an efficient and effective manner.

Response

Management will, within the next 12 months, develop a strategic plan for the acquisition and implementation of an "enterprise-wide" system that can accommodate not only IRB functions, but other components of the research enterprise at UNTHSC.

Person Responsible for Implementation: Brian Gladue, Director for OPHS and IRB Chairman

Planned Implementation Date: May 2012 *Revised

Implementation

In Process. Research into appropriate electronic systems packages ongoing; main issue is to have cross-compatibility with other Research Division components (not just OPHS) as well as initial and recurring costs and staff support. Activity was placed on hold pending recruitment and arrival of new VP Research. The strategic plan should be in place by August 31, 2013.

Risk Level: Low

Months Past Due 14

High Level Objective: The objectives of the review were to determine whether NHARP awards were administered in accordance with THECB guidelines and UNTHSC policies. The period reviewed was January 2010 through January 2011 for personnel costs, and July 2010 through January 2011 for all other expenditures. Grant expenditures prior to the extension were reviewed in Audit Report # 10-015 dated July 19, 2010.

Observations and Suggestions:

Spending in excess of approved budgets and unallowable charges for two of four grants resulted in the return of funds to the THECB.

3. Train PIs to periodically monitor the financial status of grants as required by policy.

Impact

Implementation will provide assurance that PIs are aware of their responsibilities for financial oversight.

Response

Management agrees. OGCM will provide periodic training to PIs on the responsibilities of properly monitoring and managing grants as required by policy.

Person Responsible for Implementation: LeAnn Forsberg, Executive Director, Grant & Contract Management

Planned Implementation Date: May 1, 2012

Implementation

In Process. Completion of PI manual and training will be completed by August 31, 2013.

Risk Level: Low

Months Past Due 14

High Level Objective: The objectives of the review were to evaluate the actions taken in response to the previous report and to determine whether additional actions are necessary to address the observations noted.

Observations and Suggestions:

Compliance assessments were not performed for faculty with significant effort and salary distribution from federal funds.

7. Provide mandatory training on time and effort requirements to new principal investigators and those submitting first time proposals.

Impact

Implementation will provide assurance that nonfederal duties are considered in determining federal effort.

Response

Management agrees with the suggested action. Mandatory training will be implemented. The Director and Compliance Manager of the OGCM will develop a new training session covering all of the suggested actions by February 2011.

Person Responsible for Implementation: LeAnn Forsberg, Executive Director, Office of Grants and Contract Management

Planned Implementation Date: August 31, 2012 *Revised

Implementation

In Process. Once Phase II is completed then training for the new effort reporting process can be finalized and rolled out to principal investigators. Expected completion July 2013.

Risk Level: Low

Months Past Due 11

High Level Objective: Objectives of the review were to evaluate the actions taken in response to recommendations reported in Audit No. 07-012, Advancement Office Review.

Observations and Suggestions:

The written agreement between the Center and the UNTHSC Foundation has not been revised or reaffirmed since September 1994.

6. Review and update the agreement between the Center and the Foundation including a "right to audit clause." Refer to Legal Counsel and the AGB-CASE model agreement for guidance.

7. Distribute or make available the reaffirmed agreement to stakeholders including Center administrators, Advancement Office employees, and the Foundation Board of Directors.

Impact

Implementation will provide assurance that the agreement meets legal, fiscal, and administrative requirements, and is distributed to those primarily responsible for contract compliance.

Response

Management agrees. In process. The Vice President for Development will raise this topic at the April 2009 Foundation Board meeting and complete by the June meeting. The updated agreement will be distributed upon approval of appropriate Center and Foundation administrators.

Person Responsible for Implementation: Gary Grant, Vice President of Development

Planned Implementation Date: November 30, 2012 *Revised

Implementation

In Process. The Agreement will be on the agenda for the Foundation Board meeting July 18th.

If it is approved at that meeting, and if that is in time for the August BOR meeting, then perhaps.

If not, then it will be presented at the first appropriate BOR meeting after the Foundation approves it.

Plan to implement by August 31, 2013.

Risk Level:

Low

Months Past Due

8

High Level Objective: The objective was to determine the effectiveness of the cost transfer process for grants held by UNTHSC.

Observations and Suggestions:

Of the 28 transfers reviewed, 12 transfers had no explanation for why the correction was made over 90 days after the original charges.

1. Develop a cost transfer form that collects all required information including reason for transfers occurring 90 days after the original charge.

2. Require all principal investigators to complete the cost transfer form prior to making the transfer.

Impact

Implementation will provide assurance that all required information is collected and documented.

Response

Office of Grant and Contract Management (OGCM) agrees with the suggestion to develop a cost transfer form. However, we have reviewed federal regulations which state, "cost transfers should be accomplished within.... 90 days from discovery of the error." Our current policy statement of 90 days from transaction date is not in line with federal regulations and will be updated to reflect the language of the federal compliance documents. The cost transfer form will be in line with our modified policy and current federal regulations.

We have developed a cost transfer form and will post on the OGCM website for use by faculty and staff.

Individual Responsible for Implementation: LeAnn Forsberg, Executive Director of the Office of Grant And Contract Management and Mazen Barakat, Manager, Grant and Contract Accounting

Expected Implementation Date: May 31, 2013

Implementation

In Process. New Forms will be distributed and posted to faculty and staff by July 31, 2013.

Risk Level:

Low

Months Past Due

2

High Level Objective: The objective was to evaluate back office billing functions including accounts receivable, unapplied payments, credit balances, adjustments, and denials.

Observations and Suggestions:

Prompt payment discounts did not always comply with UNT Health policy.
 10. Establish and implement a process for supervisory review of AR discounts.

Impact

Implementation will provide assurance that discounts are made according to policy.

Response

Management agrees and will implement the following:

1. *Weekly reports of all A/R discounts will be developed in Nextgen and will be provided to Business Office and Clinical Supervisory staff on a monthly basis.*
2. *Current policy does require supervisory approval before adjustments are posted in the Business Office, but the prompt pay and cash discounts in the clinics or at charge entry do not have the same requirement. The A/R Discount policy will be revised to include changes relating to the Nextgen EPM and to include the requirement of supervisory review of all A/R discounts.*

Individual Responsible for Implementation: Barbara Tucker, Director, Patient Accounts

Expected Implementation Date: *Weekly reports will be developed by November 30, 2013. The A/R Discount Policy will be revised and implemented by November 30, 2013.*

Implementation

In Process

Risk Level: Low

Months Past Due 0

UNT at Dallas

Management Action Status Summary

Management Action Status Summary

University of North Texas at Dallas

As of July 31, 2013

12-027

1/9/2013 UNT Dallas Gift Review

High Level Objective: The objectives was to review the gifts received by UNT Dallas Advancement personnel and assess the adequacy of controls and monitoring around them.

Observations and Suggestions:

University gifts and grants are being inconsistently managed and monitored.

2. Coordinate with the UNT Dallas CFO and the ORS to update the intra-system cooperation agreement between UNT Dallas and ORS for services to support grant management. The updates should state the role of Advancement personnel in the grant management process.

4. Update all management reporting to the Board of Regents, where applicable, regarding UNT Dallas gifts to clearly delineate between gifts and grants as defined by ORS UNT.

5. Update UNT Dallas policies and procedures where applicable based on the updated agreement. Coordinate training for Advancement and faculty personnel from ORS to detail roles and responsibilities regarding grant management.

Impact

Performing the above action items will help ensure gifts and grants are managed and monitored appropriately.

Response

University Advancement commits to contact ORS and work through the roles and definitions of gifts and grants, as well as work with ORS and the UNT Dallas CFO regarding the contract modification to reflect the agreed upon roles and definitions.

University Advancement commits to review current gifts and grants based on agreed-upon definitions and to delineate management/tracking roles after the meeting with ORS has concluded to ensure proper monitoring and management are in place.

University Advancement agrees to update reporting methods for the Board of Regents based upon the agreed-upon definitions of gifts and grants after the meeting with ORS has concluded.

University Advancement agrees to update department policies and procedures after the meeting with ORS has concluded.

University Advancement will work with ORS to clearly define roles, definitions, and contract updating by February 1, 2013.

If necessary after the meeting with ORS, University Advancement will modify the Board of Regents reporting on the first possible report subsequent to the meeting and agreement with ORS.

University Advancement will update department policies and procedures within 30 days of agreement of roles and definitions with ORS.

Person responsible for Implementation: *Doug Smith, Vice President for University Advancement and Beverly Mendoza, Manager of Advancement Services*

Planned Implementation Date: February 1, 2013

Implementation

2. University Advancement has met with ORS regarding the roles and definitions. University Advancement also met with Dr. Ron Hy, Associate Provost for Academic Excellence and head of the Office of Research at UNT Dallas, and agreed to roles and definitions, as well as to delineate roles and definitions as it pertains to grants subject to ORS review. Dr. Hy and the new UNT Dallas CFO will renegotiate the ORS –UNT Dallas contract ending in FY13.

4. University Advancement has not yet had the opportunities to update the reporting methods in writing but will do so by June 2013.

5. University Advancement has not yet had the opportunities to update the department policies and procedures in writing but will do so by June 2013.

No change in status as of 06/28/13, additional follow-up scheduled for September, 2013.

Risk Level:

Moderate

Months Past Due

5

High Level Objective:

The objective was to:

- Determine that investments were managed in compliance with the Public Funds Investment Act (PFIA), Regents Rules 10.1 Investments, UNT System Administrative Policy 4.1, UNT Investment Policy 11.5, and UNT Dallas Investment Policy 10.07;
- Verify that investments are adequately and appropriately inventoried and safeguarded;
- Perform a review of the recording and reporting of investment transactions for accuracy and general compliance of investment reports submitted to the UNT Board of Regents; and
- Evaluate UNT System’s issuance and management of commercial paper for compliance with Regents Rules 10.3. The UNT System is responsible for the issuance and management of commercial paper for all UNT System Institutions.

Observations and Suggestions:

The UNT System and UNT Dallas did not maintain a yield equal to or greater than the yield on a Treasury Note as required by UNT System Investment Policy 04.100 and UNT Dallas Investment Policy 10.007.

Suggested Management Action for Vice Chancellor for Administration and Chief of staff:

1. Reviewing the Investment yields and re-balancing the investments to comply with UNT System Investment Policy 04.100, Objective 6; and

Suggested Management Action for the Vice President for Finance and Administration/CFO – UNT Dallas

2. Reviewing the Investment yields and re-balancing the investments to comply with UNT Dallas Investment Policy 10.007, Objective 6.

Impact

Implementation will provide assurance that the UNT System will be in compliance with their Investment Policy.

Response

Investment yields have been and continue to be at historically low levels. *We do not anticipate that this condition will persist in the long term. However, please note that UNT System policy 8.20, which was adopted in August 2012, supersedes 10.007 for UNTD, 4.100 for UNT System and successfully resolves the finding noted above. As such, at this point, we feel that no further management action is required.*

Person responsible for implementation: Allen Clemson, Vice Chancellor for Administration and Chief of Staff
 Carlos Hernandez, Vice President for Finance and Administration/CFO – UNT Dallas

Planned Implementation Date: August 2012

Implementation

Risk Level:

Moderate

Months Past Due

0

High Level Objective: The objective was to determine compliance with the Business Service Center (BSC) Purchasing Card Program Guide, UNT Dallas policies, and state regulations.

Observations and Suggestions:	Impact	Response	Implementation
<p>Based on procedures performed, areas were identified that were not consistently in compliance with elements of the BSC Purchasing Card Program Guide. Nearly ten percent (107) of all transactions reviewed reflected instances of non-compliance with the BSC program guidelines as follows:</p> <ul style="list-style-type: none"> • 18 instances where the “Food & Beverage Purchase Justification” form to support food purchases was not on file or was completed incorrectly. • 44 instances where a vendor standing check with the Texas Comptroller’s Office was not made for purchases of \$500.00 or more. • 33 instances where a “Missing Receipt Affidavit” form was not on file to support purchases for which invoices were missing. • 5 instances where sales tax totaling \$310.91 was paid on various purchase transactions. • 4 instances where an “Exception Request Form” was not obtained when restricted purchases were made. • 2 instances where split purchases were made. <p>1 instance where credit card information was maintained in an unsecure place.</p> <p>1. Require purchasing cardholders, reconcilers and approvers to attend BSC-provided PCard training; and emphasize the importance of complying with purchasing guidelines, University policy, and state regulations.</p>	<p>Implementation will assure compliance with purchasing card guidelines, University policies, and state regulations, use of the PCard for department purchases is continued, and the overall control environment is strengthened.</p>	<p><i>We concur, cardholder and reconciler will be required to complete BSC PCard training.</i></p> <p>Person responsible for implementation: <i>J. Carlos Hernandez, Vice President for Finance and Administration/CFO</i></p> <p>Planned Implementation Date: August 2013</p>	<p>Follow-up scheduled for September 2013.</p>
Risk Level:	Moderate	Months Past Due	0

High Level Objective: The objective of the review was to determine compliance with UNT Dallas policy and state statutes.

Observations and Suggestions:

The UNT Dallas student body or the student government was not made aware of \$319,955.38 in student service fees that were transferred from UNT and recorded in UNT Dallas reserve account 301011.

2. Obtain SSFAC recommendations regarding the allocation, disbursement and expenditure of the \$319,955.38 held in reserve account 301011.

Impact

Implementation will provide assurance that the recommendations are obtained from the SSFAC and compliance with Texas Education Code 54.5031 is achieved.

Response

Student Service Fee Advisory Committee (SSFAC) was informed of the additional funding from UNT Dallas reserve account 301011 and asked to consider various renovations which would enhance Student Life at UNT Dallas. After several discussions, forums, etc. SSFAC recommend five (5) projects to the President's office for approval. Cost of projects totaled \$191,000.00. Additional projects will be identified and voted on once the first slate of projects has been completed. This will allow us to properly evaluate the best use of the remaining \$128,955.38 and to provide additional funding in the event unforeseen expenses arise during implementation of the approved improvements.

Person responsible for implementation: Dr. Jared Cobb, Director of Student Life

Planned Implementation Date: January 2014

Implementation

Follow-up scheduled for February 2014.

Risk Level:

Moderate

Months Past Due

0

High Level Objective: The objectives was to review the gifts received by UNT Dallas Advancement personnel and assess the adequacy of controls and monitoring around them.

Observations and Suggestions:

Impact

Response

Implementation

Procedures for managing, tracking, monitoring and reporting gifts are currently being developed in conjunction with the implementation of the Raisers Edge software system.

6. Update and reconcile current gift processing procedures with UNT policies and procedures already established. Ensure UNT policies and procedures are followed and referenced where required in relation to any and all intra-system cooperation agreement and accreditation requirements.

7. Update and document controls and processing procedures for gifts in the new Raiser's Edge fundraising and donor management system. Work with UNT Advancement personnel to implement the new system and coordinate user access and data entry procedures and controls.

Properly documented policies and procedures around the gift processing will help ensure they are managed appropriately.

University Advancement continues to assess gift processing procedures to ensure they meet the highest industry standards that ensure safety, privacy and documentation. University Advancement will update and document controls and processing procedures that reflect Raisers Edge implementation.

University Advancement commits to update and document controls and processing procedures that reflect Raisers Edge implementation, the new relationship with UNT Dallas Foundation, and staffing resources. University Advancement commits to assess and continually update gift processing procedures.

Person responsible for implementation: *Doug Smith, Vice President for University Advancement and Beverly Mendoza, Manager of Advancement Services.*

Planned Implementation Date: February 1, 2013

6. University Advancement is finalizing the implementation and tweaking of Raisers Edge at UNT Dallas. Updates to document controls and processing procedures are anticipated by June 1, 2013.

7. University Advancement is finalizing the implementation and tweaking of Raisers Edge at UNT Dallas. The administration of the new UNT Dallas Foundation is being solidified. Updates to document controls and processing procedures are anticipated by June 1, 2013.

No change in status as of 06/28/13, additional follow-up scheduled for September, 2013.

Risk Level:

Low

Months Past Due

5



Background Report

Committee: Audit

Date Filed: July 8, 2013

Title: UNT System Consolidated Quarterly Compliance Report March 2013 through May 2013

Background:

This report represents the quarterly compliance actions for the University of North Texas System, University of North Texas, University of North Texas Health Science Center and the University of North Texas at Dallas from March 1, 2013 through May 31, 2013. Regular reporting of compliance actions to the UNT System Board of Regents is required by the United States Sentencing Commission's Federal Guidelines §8B2.1(b)(2)(A).

This quarterly report has been consolidated to reflect the compliance actions for all UNT System components. This report reflects the actions that management and each compliance function has taken to manage their highest risks.

Financial Analysis/History:

This is a report item only.

Allen Clemson
Digitally signed by Allen Clemson
DN: cn=Allen Clemson, o=System, ou=UNTS,
email=allen.clemson@untsystem.edu, c=US
Date: 2013.08.07 13:20:44 -05'00'

Interim Vice Chancellor for Finance

Legal Review:

This item has been reviewed by General Counsel.

Nancy S. Footer
Digitally signed by Nancy S. Footer
DN: cn=Nancy S. Footer, o=UNT System, ou=Office of
General Counsel, email=nancy.footer@untsystem.edu, c=US
Date: 2013.08.07 14:03:37 -05'00'

Vice Chancellor/General Counsel

Schedule: n/a

No action required. Information only. Submitted by:

Steven A. Hill I

UNT System Compliance Officer

Chancellor

Attachments:

- [UNT System Consolidated Quarterly Compliance Report
March 2013 through May 2013](#)

UNT System Consolidated Quarterly Compliance Report March 2013 through May 2013



Section I. Management Risks

- The actions taken by UNT System Executive Management to address the UNT System Management Risks identified during the Fiscal Year (FY) 2013 risk assessment are reported below.

Management Risk #1: Delay in transition of UNT Dallas as an independent accredited University

Action Taken by Executive Management:

- UNT Dallas hosted the SACS accreditation visitation team on April 22-24, 2013, and received an exit report of no findings of non-compliance.
- The SACS Board of Trustees placed the granting of separate accreditation to UNT Dallas on the agenda for its June, 2013 meeting.

Management Risk #2: Law School start-up not meeting milestones for funding and operations

Action Taken by Executive Management:

- The UNT Dallas College of Law selected the Director of Admissions who will develop and implement the plan to recruit the first year class for the UNT Dallas College of Law that will matriculate in Fall 2015.

Management Risk #3: Ineffective implementation of shared services strategy for Information Technology Shared Services (ITSS) and Business Services Center (BSC)

Action Taken by Executive Management:

- ITSS completed a customer satisfaction survey. The results are being analyzed with the results expected to be completed next quarter. The plan is to use the survey as a benchmark to evaluate and make adjustments to customer support.
- The IT Governance Council's decision to authorize an initial pilot of Microsoft Office 365 (which may replace Microsoft Exchange) has been rescheduled pending the conversion of all student email to Office 365, which has been scheduled by Microsoft for late next quarter.
- ITSS still plans to work with UNT and UNT Dallas executive management on the Constituent Relationship Management (CRM) possibilities associated with enrollment and retention following the completion of an Insight Review of CRM. Further action will be based on the results of the Insight Review.
- The BSC continues to work with System components to implement major projects, such as electronic payroll action request (ePAR) processing, electronic time sheet reporting, and electronic travel advance planning.

- The BSC has begun a major initiative to identify all business processes and create standard operating procedures for each of the BSC areas. The BSC will look to identify efficiency opportunities for business process standardizations and improvements.

Management Risk #4: Not making sufficient progress in establishing the UNT System College of Pharmacy by the next legislative session

Action Taken by Executive Management:

- The plan with milestones for the establishment of the UNT System College of Pharmacy continues to be followed.
- The UNT System College of Pharmacy Planning Council continues to meet to discuss progress and next steps.

Management Risk #5: Ineffective implementation of Human Resources services

Action Taken by Executive Management:

- Continued intensive recruitment effort for multiple positions to support the new HR Service Delivery Model; six positions remain open.
- Project manager hired and began managing the HR Transition.
- All Centers of Excellence (COE) Directors hired during this quarter and substantial headway made in hiring other HR staff.
- Talent Management COE actions taken during this quarter included initiating a System-wide review of the current learning & development programs.
- Total Rewards COE actions taken during this quarter included initiating a System-wide review of the current total rewards programs.
- UNT System HR partnered with Tower's Watson on planning the implementation of the Global Grading project for the Health Science Center's compensation and classification program.
- Talent Acquisition COE actions taken during this quarter included Recruiter, Sourcing Specialist and Recruiting Assistants meeting with key stakeholders to discuss topics such as hard to fill positions, average time to fill position vacancies, common areas of turnover, and current job posting methods, etc.
- Continued cross utilization of HR staff across System HR components to fill staffing gaps.
- Completed move of the majority of Centers of Excellence personnel to new location at the Health Science Center in early May (except Benefits and Contact Center personnel from BSC).
- The Project Manager began meeting with Towers Watson to plan the completion of the original Scope of Work for HR transition, including re-design of up to seven processes.

Management Risk #6: Having policies, procedures, and/or practices in place that may not provide comprehensive protection of minors participating in UNT System related activities

Action Taken by Executive Management:

- System and Institutional Compliance was informed by applicable UNT faculty that a grant was disapproved to host an event that would involve Dallas Independent School District (DISD) students participating in activities in the UNT System building during the 2013 summer.
- System and Institutional Compliance updated the list of camps, programs, and activities that involve minors on and off the System Administration downtown campus, so as to ensure that all applicable personnel complete the training required by TDSHS.
- System and Institutional Compliance continue to work with applicable UNT System, UNT, and UNT Dallas personnel to review the policies, procedures, and practices that are in place and work towards making any adjustments needed to ensure that minors participating in UNT System affiliated activities are protected.
- UNT Risk Management Services (RMS) developed a Sexual Abuse and Child Molestation Awareness Training and examination program that was approved by the Texas Department of State Health Services (TDSHS). In the interim, applicable UNT System personnel, required to take the training will continue to complete the third party (by Abuse Prevention Systems) sexual abuse and child molestation awareness training until the newly developed and approved required training and examination is implemented.
- UNT RMS is currently in the process of creating a Youth Camp Policy applicable to all university operated and third party camps held on the UNT campus. The policy will outline requirements for all camps, including criminal history background checks, sexual abuse and child molestation awareness training as mandated by the TDSHS, access control, and the reporting of suspected or known abuse. This information will be shared with UNT system personnel as applicable.

Section II. Compliance Risks

High-Risk #1: Electronic Information Handling (Information Technology Shared Services - ITSS)

Action Taken by Management:

- The ITSS Information Security office submits security reports each month to the Texas Department of Information Resources (DIR) that relate to instances of security violations involving UNT System resources in fulfillment of Texas Administrative Code (TAC) 202.76. The required reports were submitted to DIR this reporting period.
- ITSS conducted a fail-over test in March 2013. The test was completed in fulfillment of Texas Administrative Code (TAC) 202.74(a)(4)(d), which tested the recoverability of data communications networks.
- Texas Administrative Code 202.77e requires institutions of higher education to use new employee orientation to introduce information security awareness and inform new employees of information security policies and procedures. This material is presented to new employees as part of the online onboarding process. Security awareness training was provided to five (5) UNT System faculty and staff via the online security awareness training course.
- IT support is provided to UNT System through Information Technology Shared Services.

Action Taken by System and/or Institutional Compliance:

- System and Institutional Compliance continues to partner with ITSS to identify opportunities to enhance the processes and procedures associated with Information Security and Electronic Information Handling.

Section III. Compliance Training

- UNT System and Institutional Compliance developed a general compliance/ethics awareness training draft that is designed to be web-based.
- UNT System and Institutional Compliance are conducting final editing to ensure the training applies to UNT System, UNT, and UNT Dallas employees.

Section IV. Confidential and Other Complaint Reporting for UNT System

- UNT System maintains a web-based Compliance Hotline that allows anonymous or confidential reporting as required by the U.S. Federal Sentencing Guidelines.
- An analysis of the **one (1) report (via hotline)** received by UNT System Compliance during this quarter reveals the following breakdown of the complaint:
 - **A complaint pertaining to another college** was received. Institutional Compliance was in communication with the complainant to clarify the issue. **(Hotline)**



Section I. Management Risks

- The actions taken by UNT Executive Management to address the UNT Management Risks identified during the Fiscal Year 2013 risk assessment are reported below.

Management Risk #1: Pace of progress towards Tier 1, and its associated funding, is tied directly to Bold Goal Two

Action Taken by Executive Management:

- An experienced Vice President for Research has been hired.
- A submitted Tuition Revenue Bond request was very highly ranked by the Texas Higher Education Coordinating Board (THECB) but was not passed in a bill.
- The divisions of Academic Affairs and Research continue to expand their close coordination.
- The divisions of Academic Affairs and Research continue their planning to focus the research cluster program around (a) collaborative achievements by all clusters, and (b) adding expertise in a subset of the existing clusters.
- Constant improvement of predictive models of enrollment control the quality of our students while enhancing our revenue streams.

Management Risk #2: The transition to shared services is still underway and the impact/benefit to the campus is still developing

Action Taken by Executive Management:

- ITSS completed a customer satisfaction survey. The results are being analyzed with the results expected to be completed next quarter. The plan is to use the survey as a benchmark to evaluate and make adjustments to customer support to UNT.
- UNT continues to participate in the IT Governance Council (ITGC). The Council's decision to authorize an initial pilot of Microsoft Office 365 (which may replace Microsoft Exchange) has been rescheduled pending the conversion of all student email to Office 365, which has been scheduled by Microsoft for late next quarter.
- ITSS still plans to work with UNT and UNT Dallas executive management on the Constituent Relationship Management (CRM) possibilities associated with enrollment and retention following the completion of an Insight Review of CRM. Further action will be based on the results of the Insight Review.
- The BSC continues to work with System components to implement major projects, such as electronic payroll action request (ePAR) processing, electronic time sheet reporting, and electronic travel advance planning.
- The BSC has begun a major initiative to identify all business processes and create standard operating procedures for each of the BSC areas. The BSC will look to identify efficiency opportunities for business process standardizations and improvements.

- System HR continued its intensive recruitment effort for multiple positions to support the new HR Service Delivery Model.
- All Centers of Excellence (COE) Directors were hired during this quarter and substantial headway made in hiring other HR staff.

Management Risk #3: Inadequate modeling and predictability to manage changes in enrollment

Action Taken by Executive Management:

- Promoting enhanced communication with enrollment and retention and continuing with reorganizing and restructuring of appropriate units.

Management Risk #4: Having policies, procedures, and/or practices in place that may not provide comprehensive protection of minors participating in UNT related activities

Action Taken by Executive Management:

- System and Institutional Compliance was informed by applicable UNT faculty that a grant was disapproved to host an event that would involve Dallas Independent School District (DISD) students participating in activities in the UNT System building during the 2013 summer.
- System and Institutional Compliance updated the list of camps, programs, and activities that involve minors on and off the System Administration downtown campus, so as to ensure that all applicable personnel complete the training required by TDSHS.
- System and Institutional Compliance continue to work with applicable UNT System, UNT, and UNT Dallas personnel to review the policies, procedures, and practices that are in place and work towards making any adjustments needed to ensure that minors participating in UNT affiliated activities are protected.
- UNT Risk Management Services (RMS) developed a Sexual Abuse and Child Molestation Awareness Training and examination program that was approved by the Texas Department of State Health Services (TDSHS). In the interim, applicable UNT System personnel, required to take the training will continue to complete the third party (by Abuse Prevention Systems) sexual abuse and child molestation awareness training until the newly developed and approved required training and examination is implemented.
- UNT RMS is currently in the process of creating a Youth Camp Policy applicable to all university operated and third party camps held on the UNT campus. The policy will outline requirements for all camps, including criminal history background checks, sexual abuse and child molestation awareness training as mandated by the TDSHS, access control, and the reporting of suspected or known abuse.

Section II. Compliance Risks

High-Risk #1: Fire and Life Safety (Risk Management Services - RMS and Facilities)

Action Taken by Management:

- Risk Management Services reported conducting a total of thirty-one (31) semi-annual life safety code inspections of Education and General Buildings (E&G) and Residence Halls with no significant impairments reported. Risk Management Services reported

conducting two (2) monthly Child Development Center life safety inspections with no significant impairments reported.

- UNT Facilities reported that all fire alarms, wet based systems, and fire extinguishers were inspected or tested.
- The Art building is not code compliant due to inadequate smoke detector coverage. The installation of additional smoke detectors by a licensed fire alarm contractor will resolve this issue by the end of August 2013.
- The Discovery Park and Sycamore fire alarm systems were disabled or removed as part of approved construction projects. Both buildings are under fire watch for the remainder of the projects, which requires a comprehensive walk-through of the building twice-a-day.
- The Auditorium and Physics building's fire sprinkler systems were disabled or removed as a part of approved construction projects. Both buildings are under fire watch for the remainder of the projects, which requires a comprehensive walk-through of the building twice-a-day.
- The fire extinguishers met all codes and standards.
- There were no fire suppression systems requiring inspection or testing this quarter.

Action Taken by Institutional Compliance:

- Institutional Compliance plans to follow-up with Risk Management Services and UNT Facilities to assist in resolving the impairments identified during the inspections or tests as quickly as possible.

High-Risk #2: Laboratory Inspections and Follow-up (Risk Management Services - RMS)

Action Taken by Management:

- Of the 170 laboratories inspected this quarter, only two (2) laboratories required re-inspection to resolve findings identified during the inspection.
- Risk Management Services (RMS) coordinated with Academic Affairs, the Office of Research Services, the Chemistry department, the Office of General Counsel, and Institutional Compliance to successfully respond to notifications from the City of Denton when the University exceeded allowable thresholds of Mercury and Silver, in accordance with EPA regulatory limits of the Resource Conservation and Recovery Act (RCRA).
- RMS is also working with the same UNT units to develop a formal protocol for responding to notices from the City of Denton when allowable RCRA metal thresholds are exceeded.
- Mercury issues were resolved by the installation of a Mercury scrubber system that chemically removes most of the Mercury from the waste stream.
- Recent research using Silver compounds have caused waste water to exceed the threshold for Silver. This issue was successfully resolved by cleaning out all silver left in applicable laboratory drains. Metal recovery cartridges have been purchased and will be installed in-line with the Mercury scrubber to allow most of the Silver and additional Mercury to be removed from the waste stream.

- The Assistant Director for Environmental Services assisted Institutional Compliance in identifying laboratories that will be reviewed during the laboratory inspection and follow-up operations review.

Action Taken by Institutional Compliance:

- Institutional Compliance worked with RMS and the Office of General Counsel to develop a formal protocol for responding to notices from the City of Denton when UNT exceeds allowable RCRA metal thresholds, which helped to identify the source of each issue.
- Institutional Compliance identified the laboratories that will be included in its review of laboratory inspection and follow-up operations and provided the sample information to the Assistant Director for Environmental Services. The review will be completed and feedback provided to the RMS Director and Environmental Services during next quarter.

High-Risk #3: Chemicals of Interest (Risk Management Services - RMS)

Action Taken by Management:

- RMS continued to closely monitor purchase and inventory levels of forty (40) specific chemicals on the Department of Homeland Security (DHS) Chemicals of Interest (COI) list to ensure that none of the inventory quantities exceeded the maximum threshold limits set by DHS.

Action Taken by Institutional Compliance:

- Institutional Compliance continues to partner with Risk Management Services to identify opportunities to enhance Chemicals of Interest processes and procedures.

High-Risk #4: Emergency Planning & Preparedness and Business Continuity (Risk Management Services - RMS)

Action Taken by Management:

- **Emergency Planning & Preparedness**
- UNT's Bomb Threat Annex, developed by RMS Emergency Management and reviewed by the Emergency Management Advisory Committee, was signed by President Rawlins on March 12, 2013.
- RMS Emergency Management is in the initial stages of developing standards, training, and procedures as they relate to UNT-International. It is Emergency Management's goal to address exposures as they pertain to students, staff, and faculty traveling abroad.
- RMS Emergency Management is in the process of researching and developing a long term plan to improve the campus emergency notification system. In a situation requiring mass notification and warning, UNT relies on the Eagle Alert Notification System. While this system is adequate for slow developing events, an event such as a tornado, active shooter on campus, bomb threat, or other events requiring immediate warning, it can take up to 10 minutes to send out a text notification. A voice alert can take up to 30 minutes. To alleviate the reliance on a single point warning system and increase the chance of reaching the campus community with timely warning, Emergency Management is seeking to integrate a warning system that will incorporate multiple means of reaching the campus community as soon as a threat is realized. Possible solutions include indoor and outdoor P.A. systems, desktop computer override notification, digital signage, cable television override, as well as more timely text and voice notification.

- **Drills** – The UNT Police Department (UNTPD) and RMS Emergency Management conducted an Active Shooter Table Top Exercise on April 25, 2013 at the Sullivant Public Safety Center at UNT. Following the exercise, an After Action Report (AAR) was developed and disseminated to exercise participants. The AAR revealed a number of areas where improvements could be made as well as strengths that should be sustained.
- RMS Emergency Management has coordinated with UNTPD to develop all hazards training and table top exercises to ensure continued Texas Commission on Law Enforcement Officer Standards and Education (TCLEOSE) Certification. Emergency Management has developed a 4-hour training module that will cover UNT's Emergency Management Plan and incorporate a series of table top exercises for UNTPD personnel. Additional four hour training sessions will take place next quarter.
- **Community Outreach: Collaborative Adaptive Sensing of the Atmosphere (CASA) Radar**
The Collaborative Adaptive Sensing of the Atmosphere (CASA) radar system was installed at Discovery Park on April 11, 2013. CASA is a multi-sector partnership among academia, industry, and government dedicated to engineering revolutionary weather-sensing networks.

The radar installed at UNT is one of eight radars that will be installed in the North Texas region. Currently, the CASA radar system is being calibrated and should be in full operational use no later than the 1st quarter of FY14.

While use of the CASA radar system is guided by the North Central Texas Council of Governments (NCTCOG) CASA Steering Committee, UNT will have access to the generated data, which will allow for further research opportunities, continued community outreach, and marketing and promotional opportunities for UNT.

- **Safety Coordinator Program** – RMS Emergency Management focused this quarter on training Safety Coordinators, recruiting new members, and drafting an initial emergency preparedness guide for all buildings. A Safety Coordinator Orientation and recruiting event is tentatively scheduled during the next quarter. Further training and planning is ongoing.
- Due to the upcoming demolition of the student union, RMS Emergency Management is in the process of developing evacuation and shelter plans for the temporary food court that will remain in place until the new student union is complete.
- RMS Emergency Management is working with the Sage Hall Safety Coordinator Program to determine new severe weather shelter locations. After a recent remodel of Sage Hall, it was determined that previously identified first floor shelter locations were no longer suitable shelter locations. At this time, the Sage Hall Building Representative and Safety Coordinators are working with nearby buildings to identify additional shelter locations.
- The Eagle Student Services Center Safety Coordinator Program has identified severe weather shelter locations. New tornado shelter signs will be installed once braille requirements are addressed with Facilities Management and OGC.
- As of approximately the end of this quarter, safety coordinator training has been conducted for 238 faculty or staff out of 289 registered and active participants. There are 55 buildings and 86 departments participating in this program with the goal of every occupied building and department having a safety coordinator program.

- **Business Continuity** – RMS Emergency Management met with OGC to discuss university business continuity and continuity of operation requirements. RMS plans to develop further initiatives or plans relating to business continuity.
- RMS Emergency Management will incorporate Title 9 of the Code of Federal Regulations (CFR) Parts 2 and 3, Handling of Animals and Contingency Planning as part of the continuity planning process. The Federal Register requires contingency planning for research animals and training of personnel involved with research. The contingency plan must be completed by July 29, 2013. Training of personnel must be completed by September 27, 2013.

Action Taken by Institutional Compliance:

- Institutional Compliance continues to partner with Risk Management Services to identify opportunities to enhance Emergency Planning & Preparedness and Business Continuity processes and procedures.

High-Risk #5: Research Conflict of Interest (Office of Research Integrity & Compliance – ORI&C)

Action Taken by Management:

- During this quarter Research Integrity & Compliance continued to receive online FY 2013 financial conflict of interest disclosures from Investigators with proposed or awarded external funding for research projects at both UNT and UNT Dallas.
- The online disclosure process was developed by the Vice President for Research and Economic Development to incorporate the requirements of the revised U.S. Public Health Service conflict of interest regulation.

Action Taken by Institutional Compliance:

- Institutional Compliance continues to partner with the Office of Research Integrity & Compliance and the Office of Research Services to identify opportunities to enhance Research Conflict of Interest processes and procedures.
- Institutional Compliance still plans to work with the Office of Research Integrity & Compliance and the Office of Research Services to establish how the newly implemented online disclosure submission process contributes to reducing the time it takes applicable research personnel to complete and submit their disclosure information.

High-Risk #6: Time and Effort Reporting (Office of Research Services - ORS)

Action Taken by Management:

- The Office of Research Services continues to work with the Office of Grants and Contract Management at the UNT Health Science Center, Information Technology Shared Services (ITSS), and the Financial Information Systems Team (FIST) programmers to continue finalizing the development of the next generation of UNT and UNTHSC effort reports and reports that assist in managing committed effort.
- The online management reporting system phase (2a) has been completed. Training material has been developed in cooperation with IT Shared Services. Training will start with the applicable units next quarter. It is anticipated that having campus wide training completed by the end of the fiscal year.
- IT Services has hired a full time contractor devoted to working on the online certification system phase (2b) until the end of June 2013. Monthly status reports from ITSS indicate a

late August 2013 delivery date. Next progress report including timeline will be provided during a June monthly meeting.

- Spring effort reports will be distributed during the next quarter using the existing method. It is anticipated that the new online system will be used to process summer effort reports in the October 2013 timeframe.

Action Taken by Institutional Compliance:

- Institutional Compliance continues to partner with the Office of Research Services to identify opportunities to enhance UNT's Time and Effort processes and procedures and assist in any way with the development of the in-house time and effort reporting system.

High-Risk #7: Human Subject Research Monitoring (Office of Research Integrity & Compliance – ORI&C)

Action Taken by Management:

- The UNT Institutional Review Board (IRB) reviewed and approved 143 human subject research protocols.
- A total of twenty-two (22) IRB studies originally approved by Expedited review were renewed for an additional year of approval under the IRB Chair's continuing review procedure, with no adverse events or unanticipated problems involving risks to subjects reported.
- Forty-seven (47) modifications to previously approved studies were approved by the IRB Chair.

Action Taken by Institutional Compliance:

- Institutional Compliance continues to partner with the Office of Research Integrity & Compliance and the Office of Research Services to identify opportunities to enhance Human Subject Research Monitoring.
- Institutional Compliance still plans to assist in verifying if human subject research protection awareness can be added to the new faculty orientation process.

High-Risk #8: Export Controls (Office of Research Integrity & Compliance – ORI&C)

Action Taken by Management:

- During this reporting period, at the request of UNT-International, the Director of Research Integrity & Compliance conducted seven-teen (17) reviews of petitions for proposed H-1B beneficiaries to determine whether or not an export control license would be needed for the release of any controlled technology or technical data by UNT to each H-1B beneficiary. The review procedure includes obtaining a completed checklist from each beneficiary as well as a statement from the department Chair. No licenses were needed as a result of these reviews and no issues related to this review process were noted.

Action Taken by Institutional Compliance:

- The Institutional Compliance Office (ICO) did evaluate the process that is in place to review petitions for proposed H-1B beneficiaries and found the process is operating as it was designed. Institutional Compliance still plans to document and provide some feedback to the Research Vice President and the Director of Research Integrity & Compliance.

High-Risk #9: Electronic Information Handling (Information Technology Shared Services - ITSS)

Action Taken by Management:

- The ITSS Information Security office submits security reports each month to the Texas Department of Information Resources (DIR) that relate to instances of security violations involving UNT resources in fulfillment of Texas Administrative Code (TAC) 202.76. The required reports were submitted to DIR this reporting period.
- ITSS conducted a fail-over test in March 2013. The test was completed in fulfillment of Texas Administrative Code (TAC) 202.74(a)(4)(d), which tested the recoverability of data communications networks.
- Texas Administrative Code 202.77e requires institutions of higher education to use new employee orientation to introduce information security awareness and inform new employees of information security policies and procedures. This material is presented to new employees as part of the online onboarding process. Security awareness training was provided to four hundred nine (409) UNT faculty and staff via the online security awareness training course.
- IT support is provided to UNT through University Information Technology.

Action Taken by System and/or Institutional Compliance:

- System and Institutional Compliance continues to partner with University Information Technology and ITSS to identify opportunities to enhance the processes and procedures associated with Information Security and Electronic Information Handling.

High-Risk #10: HIPAA Compliance (Office of Institutional Compliance)

Action Taken by Management:

- Institutional Compliance is working with the UNT System Office of General Counsel to review UNT's current HIPAA policies, practices, and processes, so as to determine the required revisions that need to be made to ensure compliance with modified HIPAA Rules.
- The Department of Health and Human Services (DHHS) Office for Civil Rights released its final rule which modifies HIPAA Privacy, Security and Enforcement Rules related to the Health Information Technology for Economic and Clinical Health (HITECH) Act. This includes HIPAA breach notification rule modifications and increases privacy protections for genetic information apart from HITECH requirements.

Action Taken by Institutional Compliance:

- Institutional Compliance is working with the UNT System Office of General Counsel and has developed a draft survey that is designed to assist in identifying UNT units required to comply with applicable HIPAA and HITECH requirements.

High-Risk #11: Individual Conflict of Interest (Office of Institutional Compliance)

Action Taken by Management:

- Institutional Compliance has identified key elements of other higher education non-research conflict of interests programs.

Action Taken by Institutional Compliance:

- Institutional Compliance still plans to discuss the key elements of the other higher education non-research conflict of interest programs with the Office of General Counsel and then UNT executive management to establish an ongoing priority for this risk.

High-Risk #12: Records Management and Retention (Office of Institutional Compliance)

Action Taken by Management:

- The duties and responsibilities associated with the vacant Director of Institutional Records Management program continue to be satisfied by the UNT Compliance Officer and the Office Manager for Institutional Compliance.
- The UNT Compliance Officer and Office Manager have met with other key records management partners to ensure that important obligations related to their records management relationship are met by the program.
- The implementation of steps three and four of the six step records management process (establishing records management plans for each UNT System, UNT, and UNT Dallas unit) continues.

Action Taken by Institutional Compliance:

- The UNT Compliance Officer and Office Manager has established a training plan with the former Director of Institutional Records Management to transfer mandatory records management and associated software related knowledge to facilitate ongoing records management excellence.

Section III. Compliance Training

- UNT System and Institutional Compliance developed a general compliance/ethics awareness training draft that is designed to be web-based.
- UNT System and Institutional Compliance are conducting final editing to ensure the training applies to UNT System, UNT, and UNT Dallas employees.

Section IV. Confidential and Other Complaint Reporting for UNT

- UNT maintains a web-based Compliance Hotline that allows anonymous or confidential reporting as required by the U.S. Federal Sentencing Guidelines.
- An analysis of the **six (6) reports (2-hotline, 2 referred by Risk Management Services, 1 referred by OGC)** and **1 report (via the phone hotline)** received by UNT Institutional Compliance during this quarter reveals the following breakdown of complaints:
 - **Three issues involving laboratory operations and non-completion of a federal requirement** were received. Institutional Compliance assisted RMS in addressing both laboratory issues and worked with the department and OGC on federal issue. **(Email)**
 - **One alleged employee misconduct** issue was received. Institutional Compliance will work with HR to resolve. **(Hotline)**

- **Two issues involving alleged misuse of a vehicle and funds** were received. Institutional Compliance is working with the department on the vehicle issue and Internal Audit is handling the funds issue. **(Phone hotline and Hotline).**

Section I. Organizational Actions

This section reflects organizational actions for this reporting period:

The actions taken by the UNT Health Science Center (UNTHSC) Executive Management to address the UNTHSC Management Risks identified during the fiscal year 2013 risk assessment are reported below.

Management Risk #1: Reduction in state funding from (i) Loss/Reduction of state formula funding rate and/or decrease in student enrollment impacting state and tuition funding; (ii) Lack of support for tuition revenue bond for a new building to support labs and other necessary space requirements

Action Taken by Executive Management:

- (a) Reviewed program prioritization, including the financial impact of dollars invested, and made recommendations that improved efficiency and effectiveness for mission-centric areas; (b) Set revenue expectations for clinical practice and extramural research; (c) Set enrollment expectations for student enrollment for the four schools; and (d) Offered a Voluntary Separation Program for Tenured faculty.

Management Risk #2: Reduction in research funding from: (i) Loss/inability to reach institutional goal for extramural research funding; (ii) Minimal current clinical and translational research capability

Action Taken by Executive Management:

- Set revenue expectations for extramural research, mentored existing faculty, and recruited new faculty with funding; (b) Continued to establish Phase 1 clinical trial capability and developed a plan to incentivize clinical research; (c) Vice President for Research reviewed activities and developed a strategic plan for enhancing research; and (d) Conducted grant writing workshops for specific groups of faculty that established one-on-one grantsmanship activities with internal and external consultants.

Management Risk #3: Reduction in clinical revenues from: (i) Reduction in rate of clinical reimbursement from Center for Medicare and Medicaid Services (CMS) and other insurance providers or clinical contracts; (ii) Reduction in clinical volume

Action Taken by Executive Management:

- Monitored developments in Congress and developed financial models that outline impact of potential reimbursement reductions; (b) Reviewed marketing plans and physician metrics; (c) Reviewed faculty clinical performance to budget with Department Chairs to reinforce performance expectations; and (d) Reviewed Patient Revenue Cycle functions to improve efficiencies, reduce costs and evaluate opportunities for improvement relative to charge capture, claims submission and follow-up.

Management Risk #4: Clinical education: (i) Increased costs of supporting student clinical rotations; (ii) Inadequate funding of residency positions Graduate Medical Education (GME) may limit growth of medical school positions (seats)

Action Taken by Executive Management:

- Planned growth through secured contracts for near term; (b) Planned for FY 2013 budget to account for increased clinical rotation costs; and (c) Monitored residency position developments at federal and state levels.

Management Risk #5: Failure to reach shared services program goals of reducing administrative costs and addressing utilization of resources while maintaining or improving service quality and complying with state and federal regulations

Action Taken by Executive Management:

- Assisted the Business Services Center (BSC) Implementation Team to develop a high performing culture that reflects stakeholder input, accountability, and efficient high quality services at a reduced cost to the UNTHSC; (b) Worked with the BSC to expressly recognize the strategic importance of maintaining high quality purchasing services for research and clinical care; (c) Supported and participated in BSC Partner meetings; (d) Kept the lines of communication open between UNTHSC and BSC counterparts at the executive and director/management level; and (e) Participated on Shared Governance Council to facilitate collaborative peer driven decision making structure.

Management Risk #6: Failure to follow the compliance program including: (i) Non-compliance with significant state and federal regulations with an emphasis on health care and grant recipient regulations; (ii) Non-compliance with accrediting requirements (including failure to maintain regional and program-specific accreditation); (iii) Inadequate accountability for non-compliance; (iv) Inadequate compliance training

Action Taken by Executive Management:

- Supported the development of robust institutional and clinical compliance programs; (b) Supported a continuous improvement plan that followed accreditation standards; (c) Added a separate section for compliance issues in faculty and staff evaluations; (d) Supported efforts to promote programs that provide specific compliance training of the UNTHSC employees; (e) Strengthened the UNTHSC non-retaliation policy; (f) Created greater awareness of Compliance program through in-person Enterprise Risk Assessment Meetings; and (g) Contracted with external consultants to conduct an assessment of student learning outcomes for all degree programs. The consultants presented their results to academic leadership on January 7-8, 2013. Provost appointed a Student Learning Outcomes Review Group consisting of representatives from all schools, Office of Strategy and Measurement, and Center for Learning and Development to follow-up on recommendations.

Management Risk #7: Threats to health and safety of faculty, staff, students and general public

Action Taken by Executive Management:

- Supported safety programs, policies, procedures, educational programs, inventories and inspections; (b) The Emergency Operations Committee (EOC) conducted a meeting to discuss and refine communication protocols during severe weather situations; and (c) The EOC is planning its Emergency Management Annual Exercise for next quarter.

Management Risk #8: Inability to obtain accurate and reliable data and information to support optimal decision-making and reporting requirements

Action Taken by Executive Management:

- Supported approaches to ensure accuracy and reliability of data received from academic and non-academic units, which included communicating with Executive Team members; and (b) Secured data storage online and with secured tape backups.

Management Risk #9: Reputational risk: (i) From not obtaining MD Program approval including risk from solicitation burnout and failure to maintain excitement about institutional vision

Action Taken by Executive Management:

- Assigned a prospect manager to each donor, held strategic discussions with leadership, and began the implementation of the Raiser's Edge software program which will assist with improving the quality of the donor data base; (b) Continued discussions with key legislators of the Tarrant County Delegation and legislative leadership; and (c) Revisited all donors and listed supporters concerning their continued support of the MD Program.

Management Risk #10: Pharmacy School: (i) Failure to receive pre-candidate status accreditation to admit students in the Fall of 2013 from the Accreditation Council for Pharmacy Education (ACPE) and (ii) Failure to raise adequate funds for the for the new Pharmacy School

Action Taken by Executive Management:

- Actively pursued ACPE requirements for accreditation to be ready for a site visit in 2013; and (b) Actively sought funds for the new Pharmacy school, including working with potential donor(s) for the naming rights of the school.

Management Risk #11: Having policies, procedures, and/or practices in place that may not provide comprehensive protection of minors participating in UNT Health Science Center related activities

Action Taken by Executive Management:

- Implemented general training about reporting child abuse for all students and employees; (b) Reviewed UNTHSC polices for compliance with Regents Rule 04.1100; (c) Reviewed training programs targeted to individuals who routinely worked with visiting minors; and (d) Reviewed a proposed policy on minors in sponsored programs.

Section II. Risk Assessment Monitoring Activities Conducted by Individual Compliance Divisions

High-Risk #1: Physicians at Teaching Hospitals (PATH) (Clinical Division)

Action Taken by Management:

- The following clinical departments were audited for PATH risks: Family Medicine, Pediatrics, and Physical Therapy.
- Annual and targeted education training is on-going.

High-Risk #2: Procedures – for inpatient and outpatient (Clinical Division)

Action Taken by Management:

- The following clinical departments were audited for inpatient and outpatient codes: Family Medicine, Pediatrics, and Physical Therapy.
- Annual and targeted education training is on-going.

High –Risk #3: Evaluation and Management Codes: inpatient and outpatient (Clinical Division)

Action Taken by Management:

- The following clinical departments were audited for Evaluation and Management Codes: Family Medicine, Pediatrics, and Physical Therapy.
- Annual and targeted education training is on-going.

High-Risk #4: Billing versus Performing Provider (Clinical Division)

Action Taken by Management:

- Risk is assessed on a Semi-Fiscal year basis (Quarter 2 and Quarter 4) through a review of one month of UNTHSC paid claims. Quarter 2 review was postponed and will be done during quarter 4 due to a vacant position.
- No evidence of non-compliance was found at the last review (Quarter 4 of FY 2012). Next review scheduled in Quarter 4 of FY 2013.

High-Risk #5: Grants Management: Time and Effort Reporting (Research Division)

Action Taken by Management:

- Phase II (b) – certification system – all specifications have been provided to the Financial Information Systems Team (FIST) programmers in Denton. UNTHSC Office of Grant and Contract Management (OGCM) continue to meet with FIST programmers and our counterparts in Denton on project related tasks. FIST has hired an external consultant to assist with the programming. The most recent update reflects FIST is working to keep the completion of Phase II (b) on track for the end of August.
- Continuing to develop/update policy, procedure and training materials as the project continues. Implementation date will have to be determined based on updated delivery timeline from the programmers. Meetings have taken place with User Productivity Kit (UPK) trainers in Denton and content has been developed and anticipation of on-line training availability to be shortly after the Phase II (b) programming is complete.

High-Risk #6: Grants Management: Sub-recipient Monitoring (Research Division)

Action Taken by Management:

- OGCM completed and submitted the final policy. The policy was reviewed and approved by General Counsel. The policy is currently at the executive level to be reviewed.
- OGCM will have training for Principal Investigators (PI's) completed in summer 2013.

High Risk #7: Risk Management Guidelines for Texas State Agencies including Occupational Safety and Health Administration (OSHA) standards (Safety Division)

Action Taken By Management:

- Blood-borne pathogen training is being conducted and tracked by the Director of Nursing, using an online training module. Certain job codes are identified as being occupationally exposed, but not all employees are correctly identified to receive training and some employees are not being offered vaccinations.
- Conducted an annual safety briefing to the Facilities Maintenance and custodial staff.

High Risk #8: Life Safety (Safety Division)**Actions Taken by Management:**

- The Safety Office filled a full time position for an Emergency Manager who will also function as a fire and life safety inspector. The position began March 1, 2013.
- An engineering plan has been completed for the Fire Marshal deficiencies and is awaiting approval from the state before renovations are made.
- The Emergency Manager worked with the fire systems technician to conduct inspections.

High Risk #9: Radiation Safety (Safety Division)**Actions Taken by Management:**

- Environmental surveys conducted by laboratory staff were reviewed each month during the quarter by the Safety Office.
- The Safety Office conducted the quarterly training review online.
- The quarterly security review of laboratories authorized for radioactive materials was conducted. This activity compares card and key access lists against the databases of people authorized users say are working in their labs.
- The Radiation Safety Officer (RSO) performed the quarterly safety interlock checks on the gamma irradiator as required by our radioactive materials license.
- The Institutional Radiation Safety Committee had their quarterly meeting in March.
- Isotope inventories were collected from authorized users and corrected inventories used to compile the institutional quarterly inventory.
- Radioactive orders were tracked and delivered to authorized users.

High Risk #10: Chemical Safety (Safety Division)**Actions Taken by Management:**

- Continued development of training for the new Globally Harmonized System (GHS) requirements due December 31, 2013.
- Explored options for digital safety data sheet library to replace the current materials safety data sheet (MSDS) library.
- Provided online chemical safety training to all new employees that required it.

- Coordinated six hazardous waste pickups.

Section III. Compliance Training

- Code of Ethics/Standard of Conduct Training was given to sixty-two (62) new employees.

Section IV. Compliance Complaints

UNTHSC maintains a Compliance Hotline reporting system that allows for anonymity or confidentiality as required by the U.S. Sentencing Guidelines.

- An analysis of the **two (2)** reports received by UNTHSC during this quarter reveals the following breakdown of concerns or complaints:
 - **Two Human Resources** complaints were received and are ongoing. **(1- Hotline, 1 - Phone)**

Section I. Management Risks

- The actions taken by UNT Dallas Executive Management to address the UNT Dallas Management Risks identified during the Fiscal Year 2013 risk assessment are reported below.

Management Risk #1: Inadequate enrollment growth

Action Taken by Executive Management:

- Library staff provided 17 tours and information sessions for visiting students hosted by other UNT Dallas departments, with 236 students attending.
- Hired an Academic and Career Planning Advisor for the Midlothian Multi-Institutional Teaching Center.
- Restructured the Writing Center to provide more accessible services to students needing writing assistance.
- Developed a non-course based option for reading and writing that will be implemented this fall semester.
- Revised the schedule of course offerings to make more courses accessible to students.
- A Strategic Enrollment Management Plan (SEM) has been developed.
- A Strategic Enrollment Management Committee has been reconstituted, and is meeting to assess and evaluate enrollment by programs and yield rates.
- Enhanced recruitment strategies continue to be evaluated.
- A more strategic process in developing the academic course offering schedule has been implemented.
- An Experiential Learning Center is being established (internships will be developed in all degree programs)

Management Risk #2: Inadequate budget resources

Action Taken by Executive Management:

- Continuing to proactively manage expenses across the organization to ensure budget compliance.
- Forced salary savings continue to accrue to cover significant unbudgeted one-time expenses.
- University has developed a multi-year financial forecast.
- Continue to leverage Business Service Center services and Information Technology Shared Services, including IT help desk functions rather than duplicating these costs.

- University will prioritize investment in strategic program development.
- Identify and employ strategies to increase student enrollment, persistence, and success.

Management Risk #3: Failure to timely achieve accreditation by the Southern Association of Colleges and Schools (SACS)

Action Taken by Executive Management:

- UNT Dallas hosted the SACS accreditation visitation team on April 22 - 24, 2013, and received an exit report of no findings of non-compliance.
- The SACS Board of Trustees placed the granting of separate accreditation to UNT Dallas on the agenda for its June, 2013 meeting.

Management Risk #4: Lack of experienced leadership in key functional areas

Action Taken by Executive Management:

- UNT Dallas continues to assess current executive leadership and making changes on an as needed basis, followed by subsequent recruitment of experienced executives.
- UNT Dallas continues to take full advantage of available internal and external mentoring resources that can enhance higher education business knowledge.
- The University continues to use a robust performance evaluation plan which includes a candid assessment of leadership strengths and weaknesses with recommended action plans, including a timeline, for improving leadership deficiencies.

Management Risk #5: Staff turnover in key areas

Action Taken by Executive Management:

- Hired a Dean for Liberal Arts and Life Sciences and interviewed candidates for the Dean of Business and Public Leadership.
- Created three Chairs in the Division of Liberal Arts and Life Sciences—Language and Communications, Mathematics and Life Sciences, and Social Sciences—and eliminated the Associate Dean's position.
- Reclassified two positions—Academic Support and Advising and Library.
- Staff turnover has been stabilized in Student Success.
- Regular staff forums will begin this fall.
- Conducted planning retreat for staff.
- Established a staff performance recognition process.
- Established professional development plans.

Management Risk #6: How the transition of the Controller function from UNT affects the support UNT Dallas requires from UNT and appropriately addressing external audit recommendations

Action Taken by Executive Management:

- The UNT Controller has accepted the position of Vice President for Finance and Administration and Chief Financial Officer at UNT Dallas. The process to fill the UNT Controller position is ongoing. Arrangements were made for the recent incumbent to share time during the transition to ensure critical activities were not overlooked.
- Excellent cooperative effort continues to exist between UNT Dallas and UNT's financial teams.
- UNT Dallas and UNT accounting staff continue to work on the full scope transition plan for UNT Dallas accounting self-sufficiency, which targets substantial completion in late FY 2013.
- Systemic accounting issues identified during the 2011 audit continue to be addressed by the Accounting Principles Committee, which is composed of controllers and budget directors from each UNT System institution. Resolution is expected to take several years.
- UNT Dallas' Vice President for Finance and Administration and Chief Financial Officer has agreed to serve as UNT System Controller to support and coordinate FY 13 financial reporting activities, ongoing efforts of the UNT System Accounting Principles Council, assist with BSC efforts in BOR reporting and Controller centralization projects, and support other system-wide efforts as needed.

Management Risk #7: Having policies, procedures, and/or practices in place that may not provide comprehensive protection of minors participating in UNT related activities

Action Taken by Executive Management:

- System and Institutional Compliance updated the list of camps, programs, and activities that involve minors on and off the UNT Dallas campus, so as to ensure that all applicable personnel complete the training required by TDSHS.
- System and Institutional Compliance continue to work with applicable UNT System, UNT, and UNT Dallas personnel to review the policies, procedures, and practices that are in place and work towards making any adjustments needed to ensure that minors participating in UNT Dallas affiliated activities are protected.
- UNT Risk Management Services (RMS) developed a Sexual Abuse and Child Molestation Awareness Training and examination program that was approved by the Texas Department of State Health Services (TDSHS). In the interim, applicable UNT Dallas personnel, required to take the training will continue to complete the third party (by Abuse Prevention Systems) sexual abuse and child molestation awareness training until the newly developed and approved required training and examination is implemented.
- UNT RMS is currently in the process of creating a Youth Camp Policy applicable to UNT operated and third party camps held on the UNT campus. The policy will outline requirements for all camps, including criminal history background checks, sexual abuse and child molestation awareness training as mandated by the TDSHS, access control, and the reporting of suspected or known abuse. This policy will be shared with UNT Dallas to consider for use in its operations.

Section II. Compliance Risks

High-Risk #1: Emergency Planning & Preparedness and Business Continuity (UNT Dallas General Services Director working with UNT Dallas Police Chief and UNT Risk Management Services – RMS)

Action Taken by Management:

- UNTD PD/Chief of Police provided emergency response training for all new student orientation sessions.
- UNTD PD/Chief of Police identified and provided training to newly established Campus Emergency Response Team (CERT).
- UNTD PD/ Chief of Police tested newly installed “emergency all-call” system.

Action Taken by System and/or Institutional Compliance:

- System and Institutional Compliance continue to partner with the UNT Dallas Police Chief and UNT Risk Management Services as applicable to identify opportunities to enhance emergency planning & preparedness and business continuity processes and procedures at UNT Dallas.

High-Risk #2: Electronic Information Handling (Information Technology Shared Services - ITSS)

Action Taken by Management:

- The ITSS Information Security office submits security reports each month to the Texas Department of Information Resources (DIR) that relate to instances of security violations involving UNT Dallas resources in fulfillment of Texas Administrative Code (TAC) 202.76. The required reports were submitted to DIR this reporting period.
- ITSS conducted a fail-over test in March 2013. The test was completed in fulfillment of Texas Administrative Code (TAC) 202.74(a)(4)(d), which tested the recoverability of data communications networks.
- Texas Administrative Code 202.77e requires institutions of higher education to use new employee orientation to introduce information security awareness and inform new employees of information security policies and procedures. This material is presented to new employees as part of the online onboarding process. Security awareness training was provided to four-teen (14) UNT Dallas faculty and staff via the online security awareness training course.
- IT support is provided to UNT Dallas through Campus Technology Support Services.

Action Taken by System and/or Institutional Compliance:

- System and Institutional Compliance continues to partner with Campus Technology Support Services and ITSS to identify opportunities to enhance the processes and procedures associated with Information Security and Electronic Information Handling.

High-Risk #3: Grants Management (Associate Provost for Academic Excellence)

Action Taken by Management:

- Grant Management Workshops were held on March 2 and April 26, 2013 for all faculty and professional staff. The workshops focused on budget building and post award process and procedures.
- Met with the Vice President for University Advancement to coordinate grants and contracts administered by his office, generally through the University Foundation.

Action Taken by System and/or Institutional Compliance:

- System and Institutional Compliance is partnering with the UNT Dallas responsible administrator and UNT's Office of Research Services to assist in implementing the final audit recommendations agreed to by UNT System Internal Audit and UNT Dallas executive management.
- System and Institutional Compliance attended the Grant Management Workshops held on March 2 and April 26, 2013.

Section III. Compliance Training

- UNT System and Institutional Compliance developed a general compliance/ethics awareness training draft that is designed to be web-based.
- UNT System and Institutional Compliance are conducting final editing to ensure the training applies to UNT System, UNT, and UNT Dallas employees.

Section IV. Confidential and Other Complaint Reporting for UNT Dallas

- UNT Dallas maintains a Compliance Hotline reporting system that allows anonymous or confidential reporting as required by the U.S. Federal Sentencing Guidelines.
- An analysis of the **one (1) report (via hotline)** received by UNT Dallas Compliance during this quarter reveals the following breakdown of the complaint:
 - **One** alleged report of **fraud** was received. Report was referred to UNT System Internal Audit. **(Hotline)**