

## Appendix Book - August 15, 2024 Board of Regents Meeting

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# UNT System Acronym List

<b>ACT</b>	American College Testing: a standardized test used for college admissions
<b>ASF</b>	Assignable Square Feet
<b>AUX</b>	Auxiliary Reserves
<b>BOR</b>	Board of Regents
<b>BSC</b>	Business Service Center
<b>BSS</b>	Business Support Services
<b>CAE</b>	Chief Audit Executive
<b>CAFR</b>	Comprehensive Annual Financial Report
<b>CIA</b>	Chief Internal Auditor
<b>CIP</b>	Capital Improvement Plan
<b>CIP</b>	Construction in Progress
<b>CM</b>	Construction Manager
<b>CMAR</b>	Construction Manager at Risk
<b>CO</b>	Change Order
<b>COL</b>	College of Law
<b>CP</b>	Commercial Paper
<b>DEI</b>	Diversity, Equity and Inclusion
<b>FTE</b>	Full Time Equivalent: generally used in reference to Full Time Student Equivalent (FTSE) but can also be used in reference to Full Time Faculty Equivalent (FTFE). See FTSE or FTFE below for definitions.
<b>FTIC</b>	First Time in College: a student who has never enrolled in a college or university. Students who have earned college credits only through dual credit courses are still considered FTIC.

<b>FTSE</b>	Full Time Student Equivalent: is computed by dividing headcount enrollment by a set number of semester credit hours based on the rank of the student (Undergraduate FTSE = 15 SCH; Masters and Special Professional FTSE = 12 SCH; Doctoral FTSE = 9 SCH). FTSE is generally lower than headcount enrollment because of part time students.
<b>FTFE</b>	Full Time Faculty Equivalent: a measure of instructional faculty calculated from the percent of time directly related to teaching.
<b>FY</b>	Fiscal Year
<b>GAI</b>	General Academic Institution
<b>GMAT</b>	Graduate Management Admission Test: a standardized test for admission into graduate programs of business schools.
<b>GME</b>	Graduate Medical Education: clinical training following graduation from medical school leading to specialty certification. Texas, like most states, requires one year of graduate medical education to be eligible for state licensure. Also called residency training.
<b>GSF</b>	Gross Square Feet
<b>HEAF</b>	Higher Education Assistance Fund (also known as HEF)
<b>HERRF</b>	Higher Education Emergency Relief Fund
<b>HR</b>	Housing Reserve
<b>HR</b>	Human Resources
<b>HRI</b>	Health-Related Institution
<b>HSC</b>	Health Science Center
<b>HUB</b>	Historically Underutilized Business
<b>IA</b>	Internal Audit
<b>LAR</b>	Legislative Appropriations Request
<b>MCAT</b>	Medical College Admission Test: a standardized test for admission into medical school
<b>MP</b>	Master Plan

<b>NACUBO</b>	National Association of College and University Business Officers
<b>OBS</b>	Office of the Board Secretary
<b>OGC</b>	Office of General Counsel
<b>OGCA</b>	Office of Grants & Contract Administration
<b>OFPC</b>	Office of Facilities Planning and Construction
<b>P3</b>	Public-Private Partnership (also known as PPP)
<b>PM</b>	Project Manager
<b>PP</b>	Private Placement
<b>PUF</b>	Permanent University Fund: a sovereign wealth fund created by the State of Texas to support higher education at the University of Texas System and Texas A&M System, but not other public higher education systems or institutions in Texas
<b>PSAT</b>	Preliminary Scholastic Aptitude Test: used to prepare high school students who plan to take the SAT for admission to college. (See SAT below)
<b>QEP</b>	Quality Enhancement Plan: required for reaffirmation of accreditation by SACSCOC. The QEP describes a carefully designed and focused course of action that addresses a well-defined topic or issue(s) related to enhancing student learning.
<b>RB</b>	Revenue Bonds
<b>RFP</b>	Request for Proposal
<b>RFQ</b>	Request for Qualifications
<b>RFS</b>	Revenue Financing System Bonds
<b>RPTC</b>	Reappointment, Promotion, and Tenure Committee
<b>RR</b>	Regents Rules
<b>SACS</b>	Southern Association of Colleges and Schools: a shortened abbreviation for “SACSCOC.” (See below).
<b>SACSCOC</b>	Southern Association of Colleges and Schools Commission on Colleges: the recognized regional accrediting body for institutions of higher education that

award associate, baccalaureate, masters or doctoral degrees in eleven U.S. Southern states.

<b>SAT</b>	Scholastic Aptitude Test: A standardized test for college admissions.
<b>SCH</b>	Semester Credit Hour: the unit of measuring educational credit, usually based on the number of classroom/instructional hours per week throughout a term.
<b>SF</b>	Student Fees
<b>SF</b>	Square Feet
<b>SFP</b>	Statement of Financial Position
<b>SRECNP</b>	Statement of Revenues, Expenses and Changes in Net Position
<b>STEM</b>	Science, Technology, Engineering and Math
<b>TAMS</b>	Texas Academy of Mathematics and Science: the nation's first early college entrance residential program for gifted high school aged students
<b>THC</b>	Texas Historical Commission
<b>THECB</b>	Texas Higher Education Coordinating Board: a nine member board appointed by the Governor that provides coordination of higher education in Texas and was created by the Texas Legislature in 1965.
<b>TRB</b>	Tuition Revenue Bond
<b>T/TT</b>	Tenured/Tenure Track Faculty: faculty who hold the ranks of assistant professor, associate professor, and professor prior to or after the awarding of tenure.
<b>VC</b>	Vice Chancellor

# Supplemental Material:

FY25 Internal Audit Plan Detail

# FY25 Audit Plan Detail

Entity	Audit Name	Business Outcome	Rationale	Auditable Unit
<b>Academic Governance / Experiential Medical Training</b>				
UNTD	Academic Development and Governance (M)	Effective oversight of the institution's academic activities: help to ensure student outcomes are assessed regularly and achieved; maintains high standards of quality and accreditation; prioritizes programs appropriately; and ensures accountability, and the overall student experience.	Academic Governance is a core institutional and strategic function that leads directly to institutional performance.  Limited previous audit coverage in this domain.	<ul style="list-style-type: none"> <li>Academic Governance (M)</li> <li>Accreditation (M)</li> <li>Program/Course Development (M)</li> </ul>
<b>Auxiliary Services</b>				
UNT	Cash and Digital Payments Management (L)	Receipt of cash and digital payments are securely managed, accurately recorded and comply with all payment card industry (PCI) requirements	High potential for fraud risk related to cash. Increased use of digital payment methods.	<ul style="list-style-type: none"> <li>Cash Management (L)</li> <li>Digital Payment Methods (M)</li> </ul>
<b>Medical Payment Revenue Cycle</b>				
UNT, UNTD	Medical Billing (H)	Healthcare billings are performed completely, accurately and timely, and support reimbursement requirements, while complying with federal regulations.	Numerous clinical areas exist at UNT and UNT Dallas, supported by HSC. No recent audit coverage.	<ul style="list-style-type: none"> <li>Billing / Coding (H)</li> </ul>

**Inherent Risk Rating:**

**C** – Critical Risk; **H** – High Risk; **M** – Medium Risk; **L** – Low Risk; **AD** Advisory; **CM** Continuous Monitoring

# FY25 Audit Plan Detail

Entity	Audit Name	Business Outcome	Rationale	Auditable Unit
<b>Compliance</b>				
Enterprise	Data Privacy (FERPA, HIPAA) (H)	Personal data is identified, collected, handled, and protected in compliance with regulations (e.g., FERPA, HIPAA). Appropriate insurance coverage exists, and communication protocols are established in the event of a data breach event.	Increased attention on privacy concerns from public and regulators. Limited recent coverage of data privacy in UNTS Enterprise.	<ul style="list-style-type: none"> <li>Privacy (FERPA, HIPAA) (H)</li> <li>Data Governance and Protection (H)</li> </ul>
UNTS, UNT, UNTD	Compliance Program Maturity Assessment (H)	Compliance Programs are adequately designed, implemented, and monitored in line with the Department of Justice Sentencing Guidelines.	Assess current maturity level based on previously identified corrective actions completed.	
<b>Finance</b>				
UNTD	Strategic Budget Expense Review (M)	Expenses are adequately budgeted in line with strategic objectives and resource needs.	Transition in Presidential leadership	<ul style="list-style-type: none"> <li>Budgeting / Decision Support (M)</li> </ul>
UNT	Asset Management (M)	Assets are appropriately procured, tracked, received, maintained, and protected until appropriate disposition. Assets are accurately captured within tracking and financial systems.	Limit recent coverage. A disparate process executed by numerous individuals.	<ul style="list-style-type: none"> <li>Asset Management (M)</li> <li>IT Asset Management (H)</li> <li>Receiving and Warehousing (M)</li> </ul>

**Inherent Risk Rating:**

**C** – Critical Risk; **H** – High Risk; **M** – Medium Risk; **L** – Low Risk; **AD** Advisory; **CM** Continuous Monitoring



# FY25 Audit Plan Detail

Entity	Audit Name	Business Outcome	Rationale	Auditable Unit
<b>Financial Aid</b>				
UNTHSC	Joint Admission Medical Program (JAMP) <b>(M)</b>	The Institution is in compliance with the JAMP Agreement requirements and Expenditure Guidelines.	Mandatory audit	<ul style="list-style-type: none"> <li>Financial Aid <b>(H)</b></li> </ul>
<b>Human Resources</b>				
Enterprise	HR Talent Planning, Acquisition, Development and Retention <b>(C)</b>	Attract, retain, and develop top talent in line with strategic resource needs to ensure strategic, operational and faculty needs are fulfilled with quality and effectiveness.	Staff turnover, retirement and lack of robust people systems. No recent audit activity.	<ul style="list-style-type: none"> <li>Talent Acquisition &amp; Offboarding <b>(C)</b></li> <li>Talent Development &amp; Retention <b>(H)</b></li> <li>Workforce / Succession Planning <b>(H)</b></li> </ul>
<b>Institutional Safety</b>				
UNT, UNTHSC	Health and Environmental Laboratory Safety <b>(M)</b>	Safe and secure acquisition, maintenance and monitoring of laboratory equipment meets health and environmental standards. All faculty and students are trained appropriately in safe use of equipment.	Increase in research and subsequent use of laboratory facilities	<ul style="list-style-type: none"> <li>Environmental Health and Safety <b>(M)</b></li> </ul>

**Inherent Risk Rating:**

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# FY25 Audit Plan Detail

Entity	Audit Name	Business Outcome	Rationale	Auditable Unit
<b>Research</b>				
UNT, UNTHSC, UNTD	Research and Grants Management (H)	Grants are managed in compliance with regulations and laws, ensuring thorough and timely reporting, and accurate pre-/post-award administration.	Research growth. Increased size and complexity of grants enhance the need for oversight and adequate resources	<ul style="list-style-type: none"> <li>• Research Compliance (H)</li> <li>• Research Administration (M)</li> <li>• Conflict of Interest / Commitment (M)</li> <li>• Grants Accounting and Payroll (H)</li> </ul>
UNTHSC	Faculty Development	Texas Higher Education Coordinating Board (THECB) program funds were expended in accordance with the terms and conditions of the Faculty Development Center Support Grant contract. Also, the Annual Financial Report was prepared in accordance with THECB guidelines.	Mandatory audit	<ul style="list-style-type: none"> <li>• Grants Accounting and Payroll (H)</li> </ul>
UNTHSC	Family Medicine	THECB program funds were expended in accordance with the terms and conditions of the Family Medicine Residency Program contract. Also, the Annual Financial Report was prepared in accordance with the THECB guidelines.	Mandatory audit	<ul style="list-style-type: none"> <li>• Research Administration (M)</li> </ul>

**Inherent Risk Rating:**

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# FY25 Audit Plan Detail

Entity	Audit Name	Business Outcome	Rationale	Auditable Unit
<b>Student Enrollment and Financial Management</b>				
UNT, UNTHSC, UNTD	Tuition and Fees - Ongoing Assurance (M)	Resident and non-resident tuition rates and fees for Undergraduate and Graduate students are accurate and timely billed.	Important revenue driver and potential impact of errors on student accounts.	<ul style="list-style-type: none"> <li>Tuition and Fees (M)</li> </ul>
<b>Student Services</b>				
Enterprise	Student and Employee Mental Health Management (H)	UNTS Enterprise provides appropriate and timely mental health support to students and employees. Providers are appropriately trained and compliance reporting (e.g., Clery) is submitted accurately and timely.	Increase in mental health support. Health and Safety programs not recently reviewed.	<ul style="list-style-type: none"> <li>Student Health / Mental Health (H)</li> <li>Payroll and Benefits (M)</li> </ul>
<b>Supply Chain</b>				
Enterprise	Third-Party Framework Development (H)	Development of an effective framework for the selection, ongoing monitoring and offboarding of third-party providers in line with the risk profile and in compliance with laws.	Enterprise-wide program under development	<ul style="list-style-type: none"> <li>3<sup>rd</sup> Party Management (H)</li> </ul>
Enterprise	Annual Assessment of Procurement Practices	The University of North Texas System has adopted the rules and policies required by Texas Education Code § 51.9337 requirement.	Mandatory audit	<ul style="list-style-type: none"> <li>Procure to Pay (H)</li> <li>Conflict of Interest / Commitment (M)</li> </ul>

**Inherent Risk Rating:**

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# FY25 Audit Plan Detail

Entity	Audit Name	Business Outcome	Rationale	Auditable Unit
<b>Technology</b>				
Enterprise	IT Change Management (M)	Ensure seamless and secure transition in IT systems and processes, minimizing disruptions to educational services and enhancing overall operational efficiency.	Recent enterprise changes to this process. Request by management to ensure effective and efficient process.	<ul style="list-style-type: none"> <li>IT Change Management (M)</li> </ul>
Enterprise	Data Center Migration and Readiness (M)	Infrastructure and data are migrated completely and accurately to primary and backup data centers with minimal disruption to data information access.	New primary and backup datacenters are introduced in the eco-system	<ul style="list-style-type: none"> <li>IT Physical and Environmental Controls (M)</li> <li>IT Infrastructure, Operations and Maintenance (M)</li> </ul>
<b>University Relations</b>				
UNT, UNTHSC, UNTD	Gifts and Endowments - Foundation Operations (H)	Foundation operations enable the maximization of private financial support, manage investments effectively and use funds in the furtherance of the UNTS Enterprise mission.	Strategic area with no recent coverage.	<ul style="list-style-type: none"> <li>Gifts and Endowments / Foundation (H)</li> </ul>

**Inherent Risk Rating:**

**C** – Critical Risk; **H** – High Risk; **M** – Medium Risk; **L** – Low Risk; **AD** Advisory; **CM** Continuous Monitoring



## Executive Report

**To:** University of North Texas System Board of Regents, Audit Committee

**From:** Clay Simmons, Vice President and Chief Integrity Officer

**Dept.:** University of North Texas, University Integrity and Compliance

### SUMMARY:

This serves as the UNT FY24 Third Quarter compliance report on the effectiveness of its compliance and ethics program. University Integrity and Compliance (UIC) continues to build out the compliance and ethics function at UNT and conduct ongoing training, monitoring, and reviews across the university.

### PURPOSE:

The purpose of this report is to demonstrate progress of identified areas noted in the Compliance Program Effectiveness Assessment provided by Protiviti. See Appendix for Definitions.

<b>Ongoing Process: Compliance Program Elements</b>		
<b>Maturity Progress: Framework Assessment Reporting</b>		
<b>Category</b>	<b>Ongoing Process</b>	<b>Maturity Progress</b>
Risk Assessment		<b>X</b>
Policies and Procedures		<b>X</b>
Training and Communications		<b>X</b>
Reporting and Accountability		<b>X</b>
Third Party Management	<b>X</b>	
Commitment by Senior/Middle Mgmt.	<b>X</b>	
Autonomy and Resources	<b>X</b>	
Incentives and Disciplinary Measures	<b>X</b>	
Periodic Testing and Review		<b>X</b>
Investigations of Misconduct		<b>X</b>
Analysis and Remediation	<b>X</b>	

### ASSESSMENT:

## **Risk Assessment**

UIC continues to monitor risks previously identified in the annual risk assessment while monitoring the institution and environment for emerging issues.

UIC has implemented the OneTrust GRC tool in partnership with the other UNT System Enterprise compliance offices and System IT Information Security. UIC has completed an upload of existing risk descriptions and ranking information. Definitions and nomenclature for the risk assessment are aligned with UNT System's Enterprise Risk Management program to ensure uniformity of terms throughout the organization.

UNT's FY25 Risk Assessment meetings began in May and were in full swing in the third quarter. UIC met with 62 leaders, subject matter experts, and teams across the institution to discuss FY24's identified risks as well as current and emerging risks. This year's assessment also included a partnership with Internal Audit to combine the two offices' risk assessment meetings with certain leaders to reduce the administrative load on those individuals. This pilot program worked very well and will likely continue in the future.

The risks identified during the FY25 Risk Assessment will be documented in the GRC and UIC will work with risk owners to begin documenting associated mitigation controls in the system.

## **Policies and Procedures**

UNT reviews policies on a regular basis (at least every 6 years) to ensure they incorporate changes in law and regulation and accurately reflect current business practices. Currently, 90% of UNT policies are up to date, leaving 20 total policies overdue for review. 32 policies are in the review process, including all overdue policies. Of the 20 overdue policies, nine are currently in OGC review and three are HR policies that HR has informed us will be moved from the campus policy manual to System Regulations. UIC continues to work with policy partners to revise these last overdue policies and we believe that all will be up to date by the end of the calendar year.

## **Training and Communications**

Completion percentages for the four required training modules fall in the expected mid and upper 90s. These are typical rates we expect to see this time in the academic year. Ethics training rates are at 99% for all employee groups (staff, faculty, and student) and is likely attributable to a pause on ethics training as we transition our ethics training from our standard *Ethics and Standards of Conduct* module to the *Professional Standards in the Workplace* module in August. This delay was necessitated by system limitations and an effort to reduce the training burden on employees.

Separately, the Business Operations Training team developed a Senate Bill 17 compliance training module which is currently in review. This module, when completed, will be offered to UNT faculty and staff to assist with our ongoing compliance activities around this law. It will also be provided to the other UNT institutions for their use.

## **Reporting and Accountability**

UIC received 33 reports for the 3<sup>rd</sup> Quarter, up from 22 in the 2<sup>nd</sup> Quarter. This number of reports is comparable to previous years for the quarter. Of the reports submitted this quarter, 28 are closed, leaving 5 still under review. Of the 28 closed, 2 were queries, 1 was substantiated, 8 unsubstantiated, and 4 where the allegations could not be determined due to lack of information from the reporter. The remaining 13

cases fell into other categories that resulted in closure.

### **Periodic Testing and Review**

UIC work on compliance with Texas Education Code 51.3525 (SB17) is progressing well. Although this is a massive undertaking, we have received excellent cooperation from university units and colleges and have made significant progress in reviewing all university activities for prohibited activity. UIC developed tools and reporting documentation for university units to use as they review their operations and to provide support to units examining complex activities for compliance with the law. UIC has also served as the centralized clearinghouse for SB17 issues and has worked closely with OGC to reach determinations on the allowability of borderline activities. To date, the university has eliminated over 297 activities and made modifications to 89 activities to bring them into compliance.

Work on international compliance continues. UIC advocated and received additional funding in the FY25 budget for Research Integrity and Compliance (RIC) to purchase loaner laptops for faculty/staff traveling to high-risk countries. UIC will partner with RIC to determine if university policies should be updated to address concerns in this area. Additionally, UIC worked with UNT System Purchasing to insert the Chief Integrity Officer into the travel reimbursement process when employees travel overseas without registering their travel with risk management. This will allow UIC to directly contact employees about the travel requirements and ensure that they receive appropriate training before traveling overseas in the future.

### **Investigations of Misconduct**

UIC has completed revisions to its internal investigation process document and has provided it to OGC for review. The new process is already being used in UIC investigations.

In the third quarter, UIC conducted two investigations. One of those investigations is ongoing and the other is closed.

## Appendix

Category	Definition
Risk Assessment	<i>Does the Institution have a comprehensive risk assessment process?</i>
Policies and Procedures	<i>Has the Institution established standards and procedures to prevent and detect misconduct, including criminal conduct?</i>
Training and Communications	<i>Do Institution employees receive training regarding ethical conduct and compliance with regulations and policies, and procedures?</i>
Reporting and Accountability	<i>Does the Institution take reasonable steps to communicate aspects of the compliance and ethics program to the appropriate individuals?</i>
Third Party Management	<i>Does the Institution have a process to identify and proactively monitor high-risk vendor relationships (e.g., business associates, etc.)?</i>
Commitment by Senior /Middle Mgmt.	<i>How has the Institution responded to specific instances where compliance raised concerns?</i>
Autonomy and Resources	<i>Has there been sufficient staffing for compliance personnel to effectively audit, document, analyze, and act on the results of the compliance efforts?</i>
Incentives and Disciplinary Measures	<i>Does the Chief Compliance Officer promote and enforce the Program consistently through appropriate incentives and disciplinary measures to encourage a culture of compliance and ethics?</i>
Periodic Testing and Review	<i>What testing of controls, collection and analysis of compliance data, and interviews of employees and third parties does the Institution undertake?</i>
Investigations of Misconduct	<i>How has the Institution ensured that the investigations have been properly scoped, and were independent, objective, appropriately conducted, and properly documented?</i>
Analysis and Remediation	<i>When noncompliance, unethical behavior, or criminal conduct has been detected, does the Institution reasonably prevent further similar behavior?</i>





## Executive Report

**To:** University of North Texas System Board of Regents, Audit Committee

**From:** Desiree K. Ramirez, CCEP, CHC, Executive Vice President, Chief Integrity and Privacy Officer

**Dept:** University of North Texas Health Science Center at Fort Worth  
Office of Institutional Integrity and Awareness

### SUMMARY:

This serves as the HSC FY2024 Third Quarter compliance report on the effectiveness of compliance program to UNT Board of Regents Audit Committee. This is provided in accordance with the UNT System Audit Committee charter

### PURPOSE:

The purpose of this report is to demonstrate progress of identified areas noted in the Compliance Program Effectiveness Assessment provided by Protiviti. As a reminder, the table below reiterates the categories and relevant information from the assessment. Please see appendix for definitions. Bolded categories are reported for this quarter.

<b>Ongoing Process: Compliance Program Elements</b>		
<b>Maturity Progress: Framework Assessment Reporting</b>		
<b>Category</b>	<b>Ongoing Process</b>	<b>Maturity Progress</b>
<b>Risk Assessment</b>	<b>X</b>	<b>X</b>
Policies and Procedures	X	
<b>Training/Communication</b>	<b>X</b>	<b>X</b>
<b>Reporting and Accountability</b>	<b>X</b>	<b>X</b>
Third Party Management	X	
Commitment by Mgmt.	X	
Autonomy and Resources	X	
Incentives/ Disciplinary Measures	X	
Periodic Testing and Review	X	X
<b>Investigations of Misconduct</b>	<b>X</b>	<b>X</b>
Analysis and Remediation	X	

## **Risk Assessment**

The FY25 Compliance Workplan and Risk Assessment will be focus specifically on compliance risk. We will achieve this by providing stakeholders with targeted questions that address potential risks related to federal, state, and local laws, as well as university policies, and contractual obligations. To guide this process, we will use the UNT System Enterprise Risk Management methodology, incorporating additional questions on top priorities, vulnerabilities, and implementation of upcoming developments. This information will be entered into the One Trust ERM tool to enhance prioritization, visibility, and trend analysis.

## **Training and Communication**

HSC is dedicated to fostering a robust compliance culture, empowering students, employees, and community partners to uphold high ethical standards. The Institutional Compliance Program reflects HSC's commitment to adhering to laws, policies, and regulations. All HSC employees and students are required to complete the necessary training as part of this program.

New employees must complete mandatory training within 30 days of hire. In the second quarter, the completion rate was **100%**. We have also been monitoring non-mandatory training activities. Our observations indicate that employees are independently pursuing professional development through LinkedIn Learning, focusing on areas such as **foundational AI and decision intelligence, project management, communication, leadership, and Microsoft skills**.

## **Reporting and Accountability**

### **Strategic Plan**

Strategic plans are integral to reporting and accountability within the framework of an effective compliance program. Strategic plans provide a roadmap for integrating compliance and integrity efforts with organizational goals, ensuring that all elements of the program work together to maintain effective reporting and accountability.

The Office of Institutional Integrity and Awareness has titled the strategic plan ***Legacy 2030: The Timeless Impact of Integrity***; and our vision is to **cultivate transformative integrity leaders for dynamic healthcare**. This is a 5-year roadmap that include strategic objectives, roadmap milestones, strategic initiatives, and individual action items that support the HSC Strategic plan.

This strategic plan is essential as education and healthcare rapidly evolve. In light of rapid technological advancements and heightened ethical demands, this plan helps the program to maintain relevance, mitigate risk, and foster a culture of integrity. By adopting best practices and new technologies, it aims to improve efficiency and effectiveness, ultimately enhancing services and promoting ethical behavior. The Office of Institutional Integrity and Awareness seeks to lead in applying this integrity framework, empowering our community to navigate changes ethically, build trust, and achieve excellence.



## 2025-2030 OIIA Strategic Plan

### Our Mission

Create solutions for a healthier community.

### Our Vision

Cultivate transformative integrity leaders for dynamic healthcare.

### Our Values

Courageous Integrity

Be Curious

We Care

Better Together

Show Your Fire

## OIIA Vision Objectives and Key Results

### 1 Enhance Core Services

Provide paramount services and ethical leadership with excellence.

1. **Integrity Framework:** Everyone is utilizing the integrity framework.
2. **Engagement:** All customer segments are highly engaged.
3. **Risk Management:** Compliance risk management processes are protecting all stakeholders.
4. **Ethical Leadership:** Establish an Institute of Ethical Wellness

### 2 Innovative Solutions

Deliver new services and expanded leadership for better healthcare.

1. **AI:** Utilize AI ethically and effectively throughout HSC.
2. **Leadership:** Provide global leadership in healthcare education by operating an external leadership platform for the integrity framework.
3. **Budget:** Secure additional budget annually through diverse funding sources to expand our resources and improve our services.

### 3 Remarkable Team

Define a transformative team that thrives together and delivers positive impact.

1. **Staff Development:** Provide world-class development opportunity for the OIIA team to help individuals and the organization to succeed.
2. **Communication:** Effective communication is fostering unity, collaboration, and excellence.
3. **Team Leadership:** Lead healthcare and higher education as a team.

### 4 Awareness & Influence

World renowned for integrity practices, leadership, and support.

1. **Visibility:** Increase global visibility in education and healthcare.
2. **Influence:** Provide integrity leadership and resources that are influencing HSC and beyond.
3. **Expansion:** Expand wellness services in more communities.

### Conflict of Interest

In a compliance program, the "Conflict of Interest" element addresses defining, disclosing, and managing personal interests that could impact the organization. UNTHSC's updated COI disclosure system will enhance this process by streamlining reporting and review, promoting transparency, ensuring regulatory compliance, and aiding in risk mitigation through data analytics. The system also improves efficiency and automation in managing conflicts of interest.

### Investigations of Misconduct

The compliance and integrity program must have an efficient and trusted mechanism by which employees and students can anonymously or confidentially report allegations of a breach of the company's code of conduct, policies, or suspected or actual misconduct. HSC encourages employees and students to report any suspected compliance concerns. FY24 third quarter yielded **16** Trustline calls. **Eight** issues were closed, **eight** are currently under review by the Office of Integrity or the appropriate investigative office. Most reported concerns were ethical/compliance, academic and conflict of interest.

## Reference

<b>Category</b>	<b>Definition</b>
Risk Assessment	<i>Does the Institution have a comprehensive risk assessment process?</i>
Policies and Procedures	<i>Has the Institution established standards and procedures to prevent and detect misconduct, including criminal conduct?</i>
Training and Communications	<i>Do Institution employees receive training regarding ethical conduct and compliance with regulations and policies, and procedures?</i>
Reporting and Accountability	<i>Does the Institution take reasonable steps to communicate aspects of the compliance and ethics program to the appropriate individuals?</i>
Third Party Management	<i>Does the Institution have a process to identify and proactively monitor high-risk vendor relationships (e.g., business associates, etc.)?</i>
Commitment by Senior /Middle Mgmt.	<i>How has the Institution responded to specific instances where compliance raised concerns?</i>
Autonomy and Resources	<i>Has there been sufficient staffing for compliance personnel to effectively audit, document, analyze, and act on the results of the compliance efforts?</i>
Incentives and Disciplinary Measures	<i>Does the Chief Compliance Officer promote and enforce the Program consistently through appropriate incentives and disciplinary measures to encourage a culture of compliance and ethics?</i>
Periodic Testing and Review	<i>What testing of controls, collection and analysis of compliance data, and interviews of employees and third parties does the Institution undertake?</i>
Investigations of Misconduct	<i>How has the Institution ensured that the investigations have been properly scoped, and were independent, objective, appropriately conducted, and properly documented?</i>
Analysis and Remediation	<i>When noncompliance, unethical behavior, or criminal conduct has been detected, does the Institution reasonably prevent further similar behavior?</i>



## Executive Report

**To:** University of North Texas System Board of Regents, Audit Committee

**From:** Keith Maddox, Chief Compliance Officer

**Dept.:** University of North Texas at Dallas  
Office of Compliance and Integrity

### SUMMARY:

This serves as the Dallas FY24 Third Quarter compliance report on the effectiveness of the compliance program to UNT Board of Regents Audit Committee. This is provided in accordance with the UNT System Audit Committee charter.

### PURPOSE:

The purpose of this report is to demonstrate the progress of identified areas noted in the Compliance Program Effectiveness Assessment provided by Protiviti. During the second quarter of FY24, the Chief Compliance Officer (CCO) was onboarded. The new CCO has been assessing the system and working with Protiviti to help advance the maturity of the program, including developing processes, policies, and procedures to ensure an effective compliance program per the Department of Justice guidance and the previous Protiviti review.

### Risk Assessment

The foundation of an effective compliance program is an annual Compliance Risk Assessment. The UNT Dallas program is undergoing a Compliance Risk Assessment, aligning with the Enterprise Risk Management (ERM) methodology and other Institution Compliance programs. The Compliance Risk Assessment (CRA) is being reviewed and evaluated for approval by the appropriate stakeholders in conjunction with the CCO. The results of the CRA will inform a Compliance Work Plan (CWP) for the program.

### Department of Justice (DOJ) Element Status

Compliance Process	Status
<b>DOJ Guidance Question 1: Is the Compliance Program Well Designed?</b>	
Risk Assessment	In progress – drafting UNT Dallas-specific compliance risk universe.
Policies and Procedures	The Code of Conduct Policy has been drafted and is being reviewed by applicable parties for finalization.
Training and Communications	A strategic plan has been discussed with the President’s Cabinet and will be implemented in September 2024 to improve participation rate.
Reporting and Accountability	In progress – new process will include resources consistent across the System.
Third-Party Management	System-level efforts are underway. UNT Dallas is participating in the process.

<b>DOJ Guidance Question 2: Is the Compliance Program implemented effectively?</b>	
Commitment by Senior and Middle Management	Started – CCO continues to meet regularly with interim President and Cabinet members. Additional meetings have also been held with other management officials as needed.
Autonomy and Resources	Started – CCO has requested additional staff and discussed with the Interim President and CFO. Supporting documentation has been submitted to support hiring needs.
Incentives and Disciplinary Measures	Not started – CCO is evaluating program to determine actions needed for enforcement and consistency.
<b>DOJ Guidance Question 3: Does the Compliance Program Work in Practice?</b>	
Continuous Improvement, Periodic Testing, and Review	Not started – work plan will result from Compliance Risk Assessment
Investigation of Misconduct	Not started – analysis of process enhancements included in consultant proposal scope of services
Analysis and Remediation of Any Underlying Misconduct	Not started – analysis of process enhancements included in consultant proposal scope of services



## Executive Report

**To:** Laura Wright, Chair, UNT System Board of Regents  
 Melisa Denis, Chair, Audit Committee

**From:** Renaldo Stowers, Deputy General Counsel & Chief Compliance Officer  
 Steve Hill, Director of Compliance

**Dept.:** UNT System Administration Compliance & Ethics Program

**SUMMARY:** This serves as the FY24 Fourth Quarter compliance report on the effectiveness of the System Administration Compliance & Ethics Program. The Program has implemented the foundational infrastructure and begun refining processes that were implemented during the program redesign consistent with its objective of continuous maturation.

**PURPOSE:** Inform the Board of progress made in achieving a desired level of maturity for the System Administration compliance program, including implementing recommendations from the 2022 external compliance program assessment and refining other processes and systems.

The table below summarizes compliance framework categories where a defined initiative is ongoing and those where notable progress toward maturity was made this quarter:

**Framework Category:** Compliance Program Elements/Compliance Program Assessment Categories.  
**Ongoing Process:** Framework Categories where compliance program initiatives are ongoing.  
**Maturity Progress:** Framework Categories where maturity initiatives are described in detail in

	Framework Category	Ongoing Process	Maturity Progress
1	Risk Assessment	X	X
2	Policies & Procedures	X	X
3	Training & Communications	X	-
4	Reporting & Accountability	X	-
5	Third-Party Management	-	-
6	Management Commitment	-	-
7	Autonomy & Resources	X	X
8	Incentives & Discipline	X	-
9	Continuous Improvement, Periodic Testing & Review	X	-
10	Investigation of Misconduct	X	X
11	Analysis & Remediation of Underlying Misconduct	X	-

The following summarizes the actions taken this quarter to advance the Program to the desired maturity level:

**Risk Assessment.** After a brief delay to revise the survey tool, the Program launch its first strategic compliance risk survey. This corrects the Q3 report which represented the survey was initiated in that quarter. The survey will allow the Program to identify gaps between business functions, policies, and training, and identify opportunities to improve specific policies and training from a compliance and operational perspective.

**Policies & Procedures.** The Program completed a criticality analysis of all compliance-related policies and has begun analyzing the remaining System Administration policies. An important objective of the analysis is to identify policies that are required or recommended by federal and state law, Regents Rules and System Regulations, and implement a process that alerts the Program and Policy Office when there is a change in the laws, rules and regulations. This process will contribute ensuring policies and related training are updated and communicated timely. In addition, the Program worked with the Policy office to propose a defined process for adopting and revising policies that will assist in better aligning them with the System's mission, values and operations, and improving the communication of policies to the appropriate audiences.

The Program also incorporated the Compliance & Ethics Program Compliance Workgroup into the risk assessment process, which will aid significantly in identifying compliance risk at the operational level. The workgroup consists of employees who have compliance responsibilities and who have operational knowledge of System Administration functions and activities that present compliance risks.

**Training & Communications.** Increasing the Program's visibility and integration into System Administration operations is a continuing focus. This quarter the Program began publishing educational information on its website. The material educates the System Administration community about the purpose of Institutional Compliance and the value it can bring to organizations, and about the distinction between Institutional Compliance and Internal Audit to address confusion between the two functions. The Program also began publishing ethics opinions and compliance advisories on its resource page. This readily accessible information, modeled after a Texas Ethics Commission practice, makes ethics guidance available to all System employees.

**Reporting & Accountability, Autonomy & Resources, and Continuous Improvement, Periodic Testing & Review.** Consistent with a commitment to continuous improvement, the Program completed its annual self-assessment and presented it to System leadership. The review confirmed the Program's independence and autonomy, including unrestricted access to individuals and access to information necessary to perform assessments and investigations. It also confirmed that the Program has adequate access to the Board. The assessment identified systemization of communication with System leadership and Internal Audit as a critical step in maturing the Program.

**Incentives & Discipline, Investigation of Misconduct, Analysis & Remediation of Underlying Misconduct.** The Program collaborated with Human Resources and the Equal Opportunity/Title IX Office to develop and implement a defined process for collecting investigation and misconduct resolution data. This data allows the Program to evaluate the adequacy and effectiveness of the System Administration's response to compliance-related misconduct, identify potential trends, identify education and training opportunities, and assess remediation measures.





## Executive Report

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**To:** UNT System Board of Regents  
**From:** Susan Alanis, Deputy Chancellor  
**Department:** Finance and Operations

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### **PURPOSE:**

The Finance and Operations Department strives to provide transparent and informative financial reporting to the Board of Regents, leadership, and all constituents of UNTS. The Quarterly Financial Update and the Quarterly Operations Report contain summary information on the FY2024 year-end forecasted performance compared to budget, quarterly actual expenses and revenues, quarterly financial statements, and investment returns.

### **SUMMARY:**

The FY2024 year-end forecast as of the 3rd Quarter anticipates a net contribution to fund balances of \$24m across the UNT System due to positive performance compared to the adopted budget. The key drivers are:

- Tuition and Sales of Goods & Services revenues are projected to be greater than budget by 1%, due UNT and UNTD's increased Fall and Spring enrollment. This is slightly offset by UNT's schedule shift, adding more class days in August, causing more revenue to be classified as in in FY23.
- Grants and Contacts increased compared to the prior year from an increase in Pell and Texas Grants due to increased enrollment. HSC's AIM-AHEAD project is also contributing to this increase in revenue.

Attachments Filed Electronically:

1. Quarterly Financial Update – Q3 2024

# UNT System Board of Regents FY 2025 Financial Policy Updates

Susan Alanis, Deputy Chancellor  
August 15, 2024

# Purpose of Today's Presentation

- Provide high-level overview of changes to the following Rules and Policies **approved by the Finance Committee on July 10<sup>th</sup>**
  - Regents Rule 10.100 – Investments
  - System Regulation 08.2000 – Investment of System Funds
  - Regents Rule 04.1000 – Retirement and Deferred Compensation Plans

# Regents Rule 10.100 – Investments

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## Recommended Revisions

- Set policy review biannually
- Omit *Texas Public Funds Investment Act* references; investing under Prudent Person Standard.



# System Regulation 08.2000 Investment of System Funds

## Key Recommended Revisions

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### Incorporate investment risk themes

- Short Term Pool: *Custodial, Interest Rate, Credit, Inflation, Reinvestment, Market*
- Long Term Pool: Defined Risk Tolerance

### Adjust Investment Advisory Committee Responsibilities

- Continued composition: CFO's, Treasurer, and up to four external appointees
- External members should have **varied backgrounds and expertise** in investment management, risk assessment, and financial oversight.
- IAC to **recommend defined risk tolerance** for Board of Regents approval, considering financial stability, liquidity needs, and long-term goals.

# System Regulation 08.2000 Investment of System Funds

## Key Recommended Revisions, cont.

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**Asset Allocation Adjustment:** LTP target parameter changes to provide Goldman Sachs greater flexibility in taking advantage of market opportunities

<u>LTP Target Allocation Parameters</u>		
Asset Class	Lower Limit	Upper Limit
Cash or Cash Equivalents	0%	10%
Global Public Fixed Income	5%	50%
Global Public Equities	20%	<del>65%</del> 75%
Alternative Investments	<del>15%</del> 0%	35%

Planned discussion with Board of Regents and Goldman Sachs at Fall retreat to reaffirm investment risk tolerance and strategy.

# System Regulation 08.2000 Investment of System Funds

## Key Recommended Revisions, cont.

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### LTP Distribution Policy

#### Current:

- Fixed annual distribution of 2.5% of rolling 16-quarter Market Value
- Required Quarterly Distribution

#### Recommended:

- Grant authority to **IAC to set annual distribution rate** in context of other health metrics; reflect in annual budget to be approved by the BOR
- Institutions opt-in/out of receiving distributions

# Regents Rule 04.1000 – Retirement and Deferred Compensation Plans

- Add **Roth IRA after-tax contribution option** to 403(b) catch-up option to comply with federal law
- Establish **Texa\$aver administered by ERS** as the single 457(b) plan
- **Delete procedural content** related to the Retirement Plans Investment Committee to be governed by a System Regulation



Questions?

# Annual room cost assuming 3%/yr increase

