Special Called Meeting Agenda

April 6, 2020, 1-3 p.m.

Real-Time Livestream Link: https://livestream.com/accounts/7090653/events/9065203

The University of North Texas System Board of Regents will convene a special called meeting by audioconference according to the following agenda. It is necessary to conduct this special meeting by audio only with no in-person attendance due to the request by the Office of the Attorney General to allow for the advance of the public health goal of limiting face-to-face meetings (also called social distancing) to slow the spread of Coronavirus (COVID-19). The meeting will be livestreamed in real time for public attendance at the link listed in this posting.

The discussion of the agenda matters is of sufficient urgency to be considered prior to the next regularly scheduled meeting of the Board on May 14, 2019.

- 1. Call to Order
- 2. Identification of Participants
- 3. Recess the Board to the Audit and Finance Committee

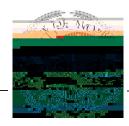
<u>Government Code, Chapter 551, Section .072</u> - Deliberations Regarding the Purchase, Exchange, Lease or Value of Real Property

Discussion regarding the purchase or value of real property associated with the UNT campus

Reconvene in open session to consider action on executive session items, as necessary

6. Adjournment

Board Briefing



Committee: Audit & Finance

Date Filed: April 6, 2020

Title: Approval to Retain a Firm to Perform the FY20 – FY22 UNT System External Audits

Background:

The UNT System Board of Regents has directed System management to procure an audit firm to perform financial audits of the consolidated annual financial report, program reviews, and compliance audits. UNT System management, the Vice Chancellor for Finance, and the Chief

Audit Executive reviewed the responses submitted to a request for qualifications ("RFQ") for the services. Management selected BKD, LLP to conduct the external audit for FY 2020 to FY 202 with two (2) options to extend in one (1) year increments.		
Financial Analysis/History:		
Proposed Fees:		
	Vice Chancellor for Finance	
Legal Review:		
This item has been reviewed by General Counsel.		
	Vice Chancellor/General Counsel	
Schedule: The identified external audit firm will be hired upon approve	al by the Board of Regents.	



Board Order

Title: Approval to Retain a Firm to Perform the FY20 – FY22 UNT System External Audits

At an official meeting of the Board of Regents of the University of North Texas System properly posted and held on April 6, 2020, pursuant to a motion made by Regent and seconded by Regent , the Committee approved the motion presented below:

Whereas, the UNT System requires an annual audit of the UNT System Comprehensive Annual Financial Report, and

Whereas, the UNT Health Science Center requires a financial review for accreditation purposes, an annual compliance audit of the Title IV program, and an annual audit of the Cancer Prevention and Research Institute of Texas (CPRIT) program,

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

- 1. Selection of BKD, LLP to conduct the FY 2020 FY2022 UNT System external audit and other reviews required by the UNT Health Science Center.
- 2. The Chancellor or her designee to allocate funding in a reasonable amount, negotiate and enter into an audit services contract with BKD, LLP.

VOTE: ayes nays	abstentions	
BOARD ACTION: Attested By:	Approved By:	
Rosemary R. Haggett, Secretary Board of Regents	Laura Wright, Chair Board of Regents	

External Audit Services Contract

Presented to:

UNT System Board of Regents Audit and Finance Committee

April 6, 2020

Consistent with regent rules, the UNT System (UNTS) attains an annual audit of financial operations performed by an external audit firm

Following the completion of the existing contract at the end of 2019, the UNT System Controller began the process of attaining a follow-on contract for external audit services

While UNT System provides management support, the Board of Regents Audit & Finance Committee has specific responsibilities related to the external auditor, including

Appointment and assurance of external auditor

Approval of audit fees and terms

Attainment of an annual audit report

Approval of audit scope and approach



In December 2019, UNTS issued the Request for Qualifications (RFQ) on a new audit services contract

Contract terms issued for 3 years with two additional one-year extensions Process was managed by the UNTS Procurement and led by the UNTS Controller

Contract evaluation criteria was based on qualifications in five key areas Corporate background and experience

Credentials and qualifications of the team who will serve our account

Methodology and service approach to providing audit services

Acceptance of contract terms and conditions

References from clients similar to UNTS with audits of similar size and scope

Evaluation team recommends selection of BDK, LLP

UNTS received four contract proposals for review (incumbent did not bid)

Two proposals were down-selected for on-site presentations

BKD, LLP received the highest scores and was rated most qualified based on RFQ responses, on-site presentations, and customer references



Contract Scope, Approach & Cost

Contract Scope:

Contract scope includes services for some audits, previously performed by other firms, to achieve better integration and potential efficiencies

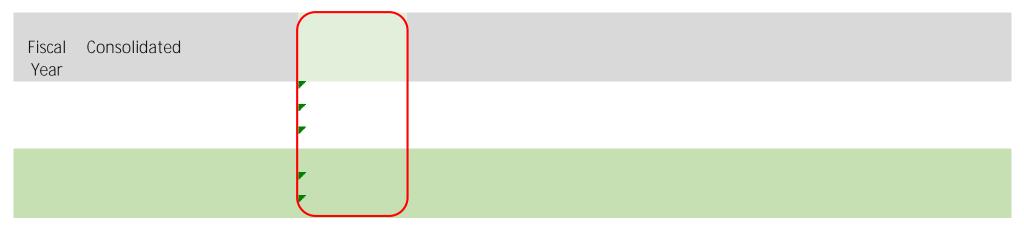
Financial audit scope is consistent with prior years with the addition of new requirement associated with capital leases

Approach:

Consistent with prior years, including on-site audit reviews

Cost:

Financial audit costs and other audit costs consistent, or lower than prior years



Recommendation:

The UNTS Chief Financial Officer recommends selection of the contract proposal as provided by BKD LLP