May 24, 2013

Dr. Daniel:

We have completed the Texas Higher Education Coordinating Board (THECB) Facilities audit, as required by the THECB Facilities Audit Protocol. The detailed report is attached for your review. The objective of this audit was to determine if the University complied with THECB Rules §17.10-17.14 relating to facilities development project applications and approvals. This report has been combined with the Facilities Audit Peer Review Team report and submitted as a single comprehensive report to the THECB. See the Appendix for the Facilities Audit Peer Review Team report and letter.

We concluded that the University is in compliance with the THECB rules §17.10-17.14. The audit resulted in no recommendations considered significant to University operations. However, we noted two areas where improvements could be made regarding specificity of proposed fund sources and methodology for the determination and approval of fund sources.

Management has reviewed the recommendations and has provided responses and anticipated implementation dates. Please let me know if you have any questions or comments resulting from this audit.

Toni Stephens
Executive Director of Audit and Compliance

The University of Texas at Dallas
Mr. Rick Dempsey, Associate Vice President for Facilities Management
Dr. James O. Wright, Assistant Vice President for Environmental Health and Safety

Members of the UT Dallas Audit and Compliance Committee:
Dr. Hobson Wildenthal, Executive Vice President and Provost
Dr. Calvin Jamison, Vice President for Administration
Mr. Terry Pankratz, Vice President for Budget and Finance
Dr. Bruce Gnade, Vice President for Research
Dr. Darreline Rachavong, Vice President for Student Affairs
Mr. Curt Eley, Vice Provost for Enrollment Management
Dr. James Marquart, Vice Provost
Ms. Wanda Mizutowicz, Associate Vice President for Budget and Finance
Ms. Leah Teutsch, Chief Information Security Officer
Mr. Timothy Shaw, University Attorney
Ms. Lisa Choate, Partner, Ultimate Health Resources

The University of Texas System:
Dr. Pedro Reyes, Executive Vice Chancellor for Academic Affairs
Mr. Alan Marks, Attorney
Mr. J. Michael Peppers, Chief Audit Executive
Ms. Moshmee Kalamkar, Audit Manager

State of Texas Agencies:
Paul Turcotte, Program Director, Texas Higher Education Coordinating Board
Legislative Budget Board
Governor's Office
State Auditor's Office
Sunset Advisory Commission
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Executive Summary

**THECB Facilities Development Projects**

**Audit Report No. 1324
Audit No. 12-17**

**Responsible Party:**
- Dr. Calvin Jamison, Vice President for Administration
- Mr. Richard Dempsey, Associate Vice President for Facilities Management
- Dr. James O. Wright, Assistant Vice President for Environmental Health and Safety

**Auditors Assigned:**
- Seo Choi, Staff Auditor, In-Charge Auditor

**Audit Objective:** The objective of this audit was to determine if the University complied with THECB Rules §17.10-17.14 relating to facilities development project applications and approvals.

**Summary of Audit Recommendations:**

1. **Improve Specificity of Fund Sources in Submitting Approvals** – Facilities Management should be as specific as possible when submitting proposals for facilities projects. When a more specific fund source is determined, the project should be resubmitted for re-approval. Additionally, the Facilities should work with the THECB to determine whether re-approval should be submitted for the purchase of 3410 and 3420 Waterview Parkway.

2. **Document Methodology to Determine Fund Sources** – A formal methodology to determine the fund sources for facilities projects and the approval process for these fund sources should be created and documented.

**Conclusion:** We conclude that, generally, the University of Texas at Dallas is in compliance with the THECB Rules §17.10-17.16. Implementing the above recommendations will help enhance controls over this area.

**Does Management Agree with Recommendations?**
Yes ☑ No □

**Estimated Date of Implementation:**
August 31, 2013
Background

The Texas Education Code requires the Texas Higher Education Coordinating Board (THECB) to periodically conduct a comprehensive audit of all educational and general facilities on the campuses of public senior colleges and universities. Part of this process is having the internal audit function for the educational facility being audited to conduct a review of projects and acquisitions of real property, over the preceding five years, to determine if they were submitted to the THECB and received all required approvals. Additionally, Internal Audit is required to determine that the sample of projects was completed within the parameters specified in the project application approved by the THECB.

Audit Objective

The objective of our audit was to determine if the University complied with THECB Rules §17.10-17.14\(^1\) relating to facilities development project applications and approvals.

Scope and Methodology

Current Coordinating Board rules require that institutions submit for its consideration new construction projects costing $4 million or more, repair and renovations projects costing $4 million or more, acquisitions of real property, and gifts or donations of improved real property. Prior to September 1, 2009, the amounts were $1 million for new construction and $2 million for repair and renovation. Current Coordinating Board rules require institutions to submit projects for re-approval if the total cost of a project exceeds cost estimates by more than 10%, the gross square footage is changed by more than 10%, the institution has not contracted for the project within 18 months from its final Coordinating Board approval date, or any funding source of an approved project is changed. Audit reviewed a sample of capital projects meeting the above criteria necessary for THECB approval for the five year period from September 1, 2006 and August 31, 2011.

To satisfy our objectives, we reviewed applicable documentation, and conducted tests for a sample of 15 facilities development projects which were required to be submitted for THECB approval during the period of fiscal year 2007 through fiscal year 2011.

Schedules A, B, C, and E from The University of Texas at Dallas Annual Financial Reports (AFR) for fiscal years 2007 - 2011 were used to create a combined schedule. This schedule was sent to the Office of Finance to verify that

\(^1\) http://www.thecb.state.tx.us/index.cfm?objectid=5FF781B0-02C3-BADE-83515CAEBA7BA22E
all amounts were final reported values. All values over $500,000 were retained to make up a population of 42 development projects. The development projects were coded as requiring THECB approval or as valued over $500,000 but under the THECB approval threshold. A sample size of 35%, or 15 projects, was used.

After review of the sample selection with Facilities Management and Finance, it was determined that the sample selection was based upon one year of cost, rather than total cost per project. The original sample was used for testing, except one project. This project was an umbrella project name on the AFR for several different subset projects, which did not require approvals. Another project was chosen to replace this project.

Construction and financial documentation for the following projects were reviewed:

- 3410 & 3420 Waterview Parkway purchase
- Student Housing Living/Learning Center 1
- Natural Science and Engineering Research building
- Math, Science, Engineering and Teaching Center
- Campus Services and Bookstore
- Renovation of Founders Hall
- Renovation of Natural Science & Engineering Research Building: Vivarium
- Campus Landscape Enhancement Project
- Arts and Technology Facility C- Utility Infrastructure
- Student Living/Learning Center Phase II
- 17217 Waterview Parkway Renovation
- Major Renovation Project
- Berkner Building Mechanical Systems
- Student Union Major Repairs
- Student Services Building

Using this sample, each project was tested to determine whether required approvals were received or whether re-approvals were required based upon cost, square footage, and fund source. Of the 15 projects chosen, 14 are subject to the THECB’s approval or re-approval requirements. The following were reviewed in order to determine compliance:

- THECB approval documentation to determine approved cost, square footage, and fund source
- Ledger inquiry in PeopleSoft and the UT Dallas Annual Financial Reports for the corresponding years to determine actual cost and fund source of each project
- Facilities Inventory on THECB site, as-built drawings, project tracking sheets submitted to the THECB, and CADD drawings to determine actual gross square footages
Where applicable, our examination was conducted in accordance with guidelines set forth in The Institute of Internal Auditors’ *International Standards for the Professional Practice of Internal Auditing*. The *Standards* set criteria for internal audit departments in the areas of independence, professional proficiency, scope and performance of audit work, and management of the internal auditing department.

Specific procedures included:

- Gaining an understanding of policies as related to THECB rules §17.10-17.14
- Interviewing persons responsible for different areas of facilities development projects to gain an understanding of approval and reporting procedures
- Testing a sample facilities development projects using the documentation mentioned above

It should be noted that lack of responses or delays in response from relevant parties caused a significant delay in audit completion.

**Audit Results and Management’s Responses**

According to The UT System, a significant recommendation is defined as one that may be material to operations, financial reporting, or legal compliance. This would include an internal control weakness that does not reduce the risk of irregularities, illegal acts, errors, inefficiencies, waste, ineffectiveness, or conflicts of interest to a reasonable low level. There were no recommendations considered significant to University operations.

**Audit Results**

Overall, we found that the University of Texas at Dallas is in compliance with the Texas Higher Education Coordinating Board rules §17.10-17.14 relating to facilities development project applications and approvals. Our audit work highlighted the following best practices:

- Facilities projects were built within the allowable variance as approved by the THECB.
- Costs for the facilities projects were within the allowable variances as approved by the THECB.

Although the above controls exist, opportunities to enhance this compliance program are detailed below.
(1) **Improve Specificity of Fund Sources in Submitting Proposals**

In reviewing the fund sources used to fund projects, it was determined that one out of fifteen projects required a more specific fund source for the proposed project. The project was approved for Other Local Funds. However, the actual fund sources used include endowments, designated tuition, and restricted gifts for operations. While endowments are other local funds, the THECB has specific categories for the other two fund sources, which should have been used in submitting the project for approval.

At the time of approval, a specific fund source for the purchase of this land had not been determined. However, without specificity of fund sources in submitting approvals for facilities projects, ambiguity lies in which fund sources can appropriately be used to fund projects. Additionally, the University may need to resubmit proposals with the new fund sources for re-approval by the Texas Higher Education Coordinating, thereby creating bottlenecks and inefficiencies in facilities project planning.

**Recommendation:** Facilities Management should be as specific as possible when submitting proposals for facilities projects. When a more specific fund source is determined, the project should be resubmitted for re-approval. Additionally, the department should work with the THECB to determine whether re-approval should be submitted for the purchase of 3410 and 3420 Waterview Parkway.

**Management’s Response:** After much follow-up discussion with regard to the acquisition and renovation of this property, UT Dallas has resolved to work with UT System and the THECB in determining whether re-approval should be submitted for the purchase of 3410 and 3420 Waterview Parkway to include more specific fund sources for the project. The funding decision for the project is not a facilities issue, but is largely due to policy decisions by the leadership team associated with available resources.

**Estimated Implementation Date:** August 31, 2013

**Responsible Party:** Dr. Calvin Jamison, Vice President for Administration

(2) **Document Methodology to Determine Fund Sources**

Currently, no documented formal methodology exists to determine which fund sources will be used to fund facilities projects. Additionally, no documented process exists for the approval of these fund sources.
Because the experience and knowledge of those determining fund sources has been utilized in the past to determine fund sources for facilities projects, it has not been a priority to document a formal methodology for this process. However, without a documented methodology, inconsistencies and uncertainty may exist regarding the appropriateness of the fund sources chosen for each project. Additionally, in the event other parties may need to determine fund sources in the future, a documented formal methodology would allow these parties to continue to determine fund sources for facilities projects appropriately and in consistence with previous methods.

**Recommendation:** A formal methodology to determine the fund sources for facilities projects and the approval process for these fund sources should be created and documented.

**Management's Response:** A formal methodology to determine the fund sources for facilities projects will be documented. Additionally, the approval process for fund source determination, at the University level, will also be documented.

**Estimated Implementation Date:** August 31, 2013

**Responsible Party:** Dr. Calvin Jamison, Vice President for Administration

**Conclusion**

We conclude that the University is in compliance with the Texas Higher Education Coordinating Board (THECB) rules §17.10-17.14 relating to facilities development project applications and approvals. Implementing the above recommendations will help enhance controls over this area.

We appreciate the courtesy and cooperation received from the management and staff at Facilities Management and the Office of Finance.
APPENDIX: Peer Review Team Report and Responses

The following is the Facilities Audit Peer Review Team report and letter that were submitted to the University of Texas at Dallas. Management's responses are included at the end of the report.

SAM HOUSTON STATE UNIVERSITY
Huntsville, Texas 77341

Facilities Management
P.O. Box 2257

June 18, 2012

James O. Wright
Director of Environmental Health & Safety
University of Texas at Dallas

Re: Peer Review Team Facilities Audit Report

The Peer Review Team (PRT) appointed by the Texas Higher Education Coordinating Board (THECB) conducted a comprehensive audit of the main campus facilities for the University of Texas at Dallas on June 6th and 7th, 2012. On behalf of our team, I would like to thank you and your staff for the hospitality and professionalism that was exhibited during our stay. We greatly appreciate Teresa Johnston's organization and advance preparation which ensured the timely and accurate completion of the facilities on-site audit.

The PRT felt your institution is managing space well, however, the audit data indicates there is a breakdown in the remittance of information from the users of facilities space to the Business Services office. We encourage you to review those processes and identify the obstacles preventing timely updates of information, as this area shows the most potential for improvement. Additionally, we recommend that training for those reporting space changes be identified and implemented on a regular basis. Having departments audit each other could be an option for consideration in verifying facilities space. A built-in reward system is an added incentive to report accurate data.

Although data management by your institution is very effective, more efficient electronic methods could be adopted to help eliminate duplicate entry and reduce potential errors. The GIS System shows to be an effective tool for reporting room area. Capitalizing on the GIS database and implementing an electronic reporting system could tax existing IT resources and geospatial staff.

Sam Houston State University
A Member of the Texas State University System
Sam Houston State University is an Equal Opportunity/Affirmative Action Institution
It is the recommendation of the team that you review and finalize your space management procedures as soon as possible. Be sure all references and links are current and that frequency and deadlines are specific. Facilities data is updated in a timely manner once Business Services is notified of the changes, however, it is essential that all departments are knowledgeable and fully participate at all levels when completing space surveys to ensure the accurate communication of facilities data to the THECB.

Please find the attached Peer Review Team Audit Report, Audit Summary, and Completed Audit Worksheets. According to the audit protocol, you have until July 5, 2012 to submit a response to your CEO who will have until August 6, 2012 to submit the institutional facilities report to the THECB. Thank you for your participation and cooperation with audit.

Respectfully,

Mary Holland
PRT Team Lead

cc: Teresa Johnston, UTD
Paul Turcotte, THECB (PRT)
Cheryl Benningfield, UNT (PRT)
The University of Texas at Dallas Office of Internal Audit

THECB Facilities Development Projects

May 2013

Peer Review Team
Facilities Audit Report

<table>
<thead>
<tr>
<th>Institution</th>
<th>University of Texas at Dallas</th>
</tr>
</thead>
<tbody>
<tr>
<td>Point of Contact</td>
<td>James O. Wright</td>
</tr>
<tr>
<td>Dates of Audit</td>
<td>June 6th and 7th, 2012</td>
</tr>
</tbody>
</table>

The facilities audit examined and verified for accuracy the following:

A. Rooms are identified by a unique alphabetic or numeric code
B. Space Use (formerly Room Type) Codes reflect actual use
C. Functional Category (formerly Room Use) Codes reflect actual use
D. Classification of Instructional Programs (CIP) Code identifies academic disciplines, instructional programs, and departments
E. Prorated use accurately reflects the time used for each function
F. Reported Room Area
   1. Square footage is accurate and verifiable
   2. Number of rooms with a variance of greater than 10% from reported
G. Inventory Control Systems are in place and in use.
   1. Formal processes are efficient, effective, and enforced
   2. Reporting mechanisms provide for both top-down and bottom-up feedback
   3. Changes (renovations, conversions, etc.) are reflected in the inventory data in a timely and accurate manner, and
   4. Checks and balances to ensure data congruence between various internal reporting systems to external entities.
Peer Review Team  
Facilities Audit Report

A) Rooms are identified by a unique alphabetic or numeric code:

<table>
<thead>
<tr>
<th>Scale</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>All rooms reviewed have unique numbers and are posted</td>
</tr>
<tr>
<td>4</td>
<td>All rooms identified as unique in the report but not on site</td>
</tr>
<tr>
<td>3</td>
<td>&gt;90% of reviewed rooms have unique identification</td>
</tr>
<tr>
<td>2</td>
<td>&lt;90% of reviewed rooms have unique identification</td>
</tr>
<tr>
<td>1</td>
<td>100% of rooms unidentifiable based on unique numbering</td>
</tr>
</tbody>
</table>

Institution Rating on scale of 1-5 = 3

PRT Recommendations:

Of the 35 rooms reviewed, 3 had incorrect signs. All E&G space must be uniquely and accurately identified.

B) Space Use (formerly Room Type) Codes reflect actual use:

<table>
<thead>
<tr>
<th>Scale</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>&lt;5% deviation between reported and PRT data</td>
</tr>
<tr>
<td>4</td>
<td>5-10% deviation between reported and PRT data</td>
</tr>
<tr>
<td>3</td>
<td>10-15% deviation between reported and PRT data</td>
</tr>
<tr>
<td>2</td>
<td>&gt;15% deviation between reported and PRT data</td>
</tr>
</tbody>
</table>

Institution rating on scale of 1-5 = 3

PRT Recommendations:

3 rooms (8.6%) of the 35 rooms reviewed had inaccurate space use codes. Office service should have been daycare service and telecommunications service. A non-class lab had been converted to an office.

C) Functional Category (formerly Room Use) Codes reflect actual use:

<table>
<thead>
<tr>
<th>Scale</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>&lt;5% deviation between reported and PRT data</td>
</tr>
<tr>
<td>4</td>
<td>5-10% deviation between reported and PRT data</td>
</tr>
<tr>
<td>3</td>
<td>10-15% deviation between reported and PRT data</td>
</tr>
<tr>
<td>2</td>
<td>&gt;15% deviation between reported and PRT data</td>
</tr>
</tbody>
</table>

Institution rating on scale of 1-5 = 3

PRT Recommendations:

3 rooms (8.6%) of the 35 rooms reviewed were coded with an incorrect functional category. Functional categories of the service areas should mirror those of the areas they service.
D) Classification of Instructional Programs (CIP) Code identifies academic disciplines, instructional programs, and departments:

<table>
<thead>
<tr>
<th>Scale</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>&lt;5% deviation between reported and PRT data</td>
</tr>
<tr>
<td>4</td>
<td>5-6.9% deviation between reported and PRT data</td>
</tr>
<tr>
<td>3</td>
<td>7-9.9% deviation between reported and PRT data</td>
</tr>
<tr>
<td>2</td>
<td>10-15% deviation between reported and PRT data</td>
</tr>
<tr>
<td>1</td>
<td>&gt;15% deviation between reported and PRT data</td>
</tr>
</tbody>
</table>

Institution rating on scale of 1-5 = 2

PRT Recommendations:

Of the 35 rooms reviewed, 4 CIP codes (11.4%) were found that did not reflect the use of the spaces. While Business Services is doing an excellent job managing the data provided, space representatives need to complete the surveys correctly.

E) Prorated use reflects the time used for each function:

<table>
<thead>
<tr>
<th>Scale</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>&lt;5% deviation between reported and PRT data</td>
</tr>
<tr>
<td>4</td>
<td>5-6.9% deviation between reported and PRT data</td>
</tr>
<tr>
<td>3</td>
<td>7-9.9% deviation between reported and PRT data</td>
</tr>
<tr>
<td>2</td>
<td>10-15% deviation between reported and PRT data</td>
</tr>
<tr>
<td>1</td>
<td>&gt;15% deviation between reported and PRT data</td>
</tr>
</tbody>
</table>

Institution rating on scale of 1-5 = 3

PRT Recommendations:

3 rooms (8.6%) were found with incorrect proration. This again reflects on the information received from the surveys returned to the Business Services office.

F) 1) Reported room area (square footage) is accurate and verifiable:

<table>
<thead>
<tr>
<th>Scale</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>&lt;5% deviation between reported and PRT data</td>
</tr>
<tr>
<td>4</td>
<td>5-6.9% deviation between reported and PRT data</td>
</tr>
<tr>
<td>3</td>
<td>7-9.9% deviation between reported and PRT data</td>
</tr>
<tr>
<td>2</td>
<td>10-15% deviation between reported and PRT data</td>
</tr>
<tr>
<td>1</td>
<td>&gt;15% deviation between reported and PRT data</td>
</tr>
</tbody>
</table>

Institution rating on scale of 1-5 = 5

PRT Recommendations:

The inventory was off a total of 173 square feet out of 17,916 square feet or 1 percent. The institution does an excellent job of reporting total E&G square footage.
F.2) Number of rooms with a variance of greater than 10% from reported:

<table>
<thead>
<tr>
<th>Scale</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>&lt;5 rooms deviation between reported and PRT data</td>
</tr>
<tr>
<td>4</td>
<td>5-7 rooms deviation between reported and PRT data</td>
</tr>
<tr>
<td>3</td>
<td>8-10 rooms deviation between reported and PRT data</td>
</tr>
<tr>
<td>2</td>
<td>11-15 rooms deviation between reported and PRT data</td>
</tr>
<tr>
<td>1</td>
<td>&gt;15 rooms deviation between reported and PRT data</td>
</tr>
</tbody>
</table>

Institution rating on scale of 1-5 = 5

PRT Recommendations:
3 rooms of the 35 rooms measured had variances of more than 10 percent.

G.1) Policy and Procedures - Inventory Control Systems:

<table>
<thead>
<tr>
<th>Compliance Elements</th>
<th>Scale</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Documented facility inventory processes are effective, efficient and evidence demonstrates processes are practiced consistently (i.e. Space Management Policies &amp; Procedures)</td>
<td>5</td>
<td>Noteworthy</td>
</tr>
<tr>
<td></td>
<td>4</td>
<td>Very good</td>
</tr>
<tr>
<td></td>
<td>3</td>
<td>Acceptable</td>
</tr>
<tr>
<td></td>
<td>2</td>
<td>Ineffective or not enforced</td>
</tr>
<tr>
<td></td>
<td>1</td>
<td>No control systems in place</td>
</tr>
</tbody>
</table>

Institution rating on scale of 1-5 = 3

PRT Recommendations:
Documentation should be more specific detailing how and when the institution’s staff should inform facilities of changes to the use of space and changes to space itself. Training should be defined and implemented on a regular basis.

G.2) Internal Communication - Inventory Control Systems:

<table>
<thead>
<tr>
<th>Compliance Elements</th>
<th>Scale</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Facility Inventory System provides an internal mechanism for data input, feedback and reporting to and from management and departments.</td>
<td>5</td>
<td>All levels integrated in the feedback process</td>
</tr>
<tr>
<td></td>
<td>4</td>
<td>Effective process; few minor procedural issues</td>
</tr>
<tr>
<td></td>
<td>3</td>
<td>Effective process; no major procedural issues</td>
</tr>
<tr>
<td></td>
<td>2</td>
<td>Ineffective process; major procedural issues</td>
</tr>
<tr>
<td></td>
<td>1</td>
<td>No control systems in place</td>
</tr>
</tbody>
</table>

Institution rating on scale of 1-5 = 4

PRT Recommendations:
Data management is very effective, but could be more efficiently collected to reduce duplicative data entry required. Replace the Excel template survey with a database driven tool to reduce potential errors. Once updates are entered by the space representatives, the information could then be reviewed and approved as permanent data to be transmitted to THECB.
Peer Review Team
Facilities Audit Report

G.3) Timely Reporting - Inventory Control Systems:

<table>
<thead>
<tr>
<th>Compliance Elements</th>
<th>Scale</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Changes (e.g. renovations) are reflected in the institution's inventory data in a</td>
<td>5</td>
<td>Changes routinely reflected on inventory within 30 days</td>
</tr>
<tr>
<td>timely and accurate manner. For example:</td>
<td>4</td>
<td>Changes routinely reflected on inventory within 60 days</td>
</tr>
<tr>
<td>Start times begin when change is substantially complete (90%) or as reflected in</td>
<td>3</td>
<td>Changes routinely reflected on inventory within 90 days</td>
</tr>
<tr>
<td>written procedures.</td>
<td>2</td>
<td>Changes take &gt;90 days to be reflected on the inventory</td>
</tr>
<tr>
<td></td>
<td>1</td>
<td>No control systems in place</td>
</tr>
</tbody>
</table>

Institution rating on scale of 1-5 = 2

PRT recommendations:
The manual does not specify a required timeframe for renovated spaces to be reported to the Director of Business Services. Spaces surveyed had been renovated in excess of 90 days prior to the review and had not been updated in inventory. Although the data is updated in a timely manner once Business Services is notified of changes, it is essential that all departments fully participate at all levels when completing space surveys to ensure the accurate communication of facilities data to the THECB.

G.4) External Communication - Inventory Control Systems:

<table>
<thead>
<tr>
<th>Compliance Elements</th>
<th>Scale</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reported inventory data is reconcilable and compatible between the institutions</td>
<td>5</td>
<td>No data incongruence</td>
</tr>
<tr>
<td>internal data and data reported to external reporting agencies, including the THECB.</td>
<td>4</td>
<td>Little data asymmetry</td>
</tr>
<tr>
<td></td>
<td>3</td>
<td>Some data asymmetry</td>
</tr>
<tr>
<td></td>
<td>2</td>
<td>Significant data asymmetry</td>
</tr>
<tr>
<td></td>
<td>1</td>
<td>No control systems in place</td>
</tr>
</tbody>
</table>

Institution rating on scale of 1-5 = 5

PRT recommendations:
Data reporting processes and procedures are excellent.
Management’s Responses to the Peer Review Team Report:

UT Dallas is in agreement with all of the findings and recommendations. We will finalize our draft procedures and include specific guidelines to timely update space information by January 2013. We will also offer training to persons responsible for updating the space inventory before the space surveys are submitted so that we are accurately transmitting data to THECB.