

**TEXAS WOMAN'S UNIVERSITY BOARD OF REGENTS
FINANCE AND AUDIT COMMITTEE MINUTES
May 16, 2019**

**5500 Southwestern Medical Ave.
Dallas, TX 75235**

Roll Call:

Present Committee Members:

Regents Wu (Acting Chair), Hyde, Wilson, and Jester (ex-officio)

Present Administrators:

Dr. Carine M. Feyten, Chancellor and President; Ms. Katherine Antwi Green, General Counsel, Secretary to the Board, and Associate Vice President of Compliance; Mr. Jason Tomlinson, Vice President of Finance and Administration, Dr. Monica Mendez-Grant, Vice President for Student Life; Dr. Carolyn Kapinus, Interim Provost and Vice President for Academic Affairs; Dr. Randall Langston, Vice President for Enrollment Services; Dr. Kimberly Russell, Vice President of University Advancement

I. Call to Order:

With a quorum being present, Regent **Wu**, Acting Chair of the Finance and Audit Committee, called the meeting to order at **01:00 p.m.**

Regent **Wu**, reminded everyone that the meeting is being streamed live and asked that everyone speak loudly and clearly as they make comments during the meetings.

Regent Wu introduced the new Board of Regent Members who were appointed in April and confirmed in May, Regent Gallardo, Regent Hyde, and re-appointed Regent Wilson.

Regent Gallardo noted that he was very excited to be a Board member of TWU as a former employee of TWU.

Additionally Regent Hyde made comments about his enthusiasm to be a member of the Board and Regent Wilson commented that she was happy to be re-appointed and excited about the new members.

II. Consider Approval of the Minutes of the Committee Meeting of February 21, 2019

Motion to Approve Minutes: Regent **Wilson** motioned and Regent **Hyde** seconded. The motion passed with a vote of **3-0-0**.

The minutes of the Finance and Audit Committee Meeting of **February 21, 2019**, were approved as submitted.

III. Agenda

Motion to Take up Agenda Items: Regent **Wilson** motioned and Regent **Hyde** seconded. The motion passed with a vote of **3-0-0**.

Item A. Staff Council Report

Ms. Carolyn Becker, Staff Council President and Ms. Cynthia Alexander, Staff Council President Elect provided an update on Texas Woman's University Staff Council's 2019 projects and initiatives and highlighted the 2019 TWU Staff Award winners.

Ms. Becker explained that, at this time, TWU employs approximately 900 full time staff members, and that the goal for Staff Council this year was to expand the engagement and outreach of Staff Council across all three campuses.

Additionally, Ms. Becker introduced Angie Fielder, an alum of TWU, who now serves as an Administrative Assistant in the Center for Faculty Excellence and noted that Ms. Fielder recently received the Deborah A. Brown and Mona S. Hersch-Cochran TWU Alumni Volunteer Leadership Award. Ms. Fielder explained her role as the Administrative Assistant in the Center for Faculty Excellence and her involvement on Staff Council, noting that one of her most rewarding volunteer efforts was participating in all five commencement ceremonies for the May 2019 graduating class.

Ms. Becker also introduced Ms. Cynthia Alexander, Staff Council President Elect, who will be transitioning to President in July of 2019. Ms. Alexander's presidency is notable in that she is the first Staff Council President from the Dallas Campus, and the first non-exempt employee to serve in this roll. Additionally Ms. Alexander explained her goals for her presidency over the next year, and her intent to utilize the serve, lead, and invest imperatives of the University's Strategic Plan.

Item B. Enrollment Update

Dr. Randall Langston, Vice President for Enrollment Management, provided a presentation of TWU's Fall 2019 enrollment status for first-time-in-college, transfer and graduate populations as well as new initiatives related to recruitment.

Dr. Langston explained the conversion rates as students move through the application process to acceptance. He noted that overall the University is up 75% in Summer 2019 applications and up 52% in Admissions from Summer 2018. Fall 2019 enrollment applications are already up 4.6% from Fall 2018 and are expected to rise dramatically as Fall approaches.

Additionally, Dr. Langston explained a future push towards an online campus visit component for TWU distance education students, a new CRM to enhance communication capabilities, Digital Viewbook initiative, and a Territory Management initiative for Undergraduate Admissions.

Item C. University Advancement Philanthropic Progress Report

Dr. Kimberly Russell, Vice President for University Advancement, provided a report summarizing significant accomplishments and future goals and strategies in the areas of fundraising and constituent engagement for the TWU Foundation's 2019 fiscal year to date.

Additionally, Dr. Russell provided more details about the Feasibility Study being performed by MPK&D, and provided the dates for their upcoming campus visits to perform the study.

Finally, Dr. Russell provided some highlights about TWU's Spring Homecoming and awards presentation and introduced Jasmine Carter, the new Executive Director of Alumni Engagement and Executive Director of Alumni Association.

Item D. Quarterly Status Report of the Office of Audit Services

Mr. Ali Subhani, Director of Audit Services, presented the 3rd Quarter Status Report of the Office of Audit Services.

Mr. Subhani's presentation noted a need for the Purchasing department to come into compliance with TEC 51.9337, which is expected to be completed by August 2019.

Additionally, Mr. Subhani noted that an additional Audit Project of asset management found a lack of accounting for some University assets and created objectives to bring that accounting to an acceptable status.

Mr. Subhani reported on an Audit of Housing at the University. The Audit found that internal controls are generally adequate, but there are some opportunities to strengthen controls and processes.

Additionally, Mr. Subhani provided a report on planned projects for Audit Services next year, including executive travel and entertainment, vulnerability management process, tuition and HIPAA assurance projects, as well as a decentralized IT organization and operations consulting project and conflict of interest investigation project.

Finally, Mr. Subhani provided a report on the results from a recently conducted peer review of TWU's Office of Audit Services. The peer review identified that the Office of Audit Services generally conforms with most areas of performance.

Item E. Capital Construction Project Report

Mr. Jason Tomlinson, Vice President for Finance and Administration and Mr. Rob Ramirez, Associate Vice President of Facilities Management and Construction, provided a quarterly report of the status of on-going Board approved construction projects on TWU campuses and related updates.

Mr. Tomlinson explained the types of items that the Office of Finance of Administration generally presents to the Board.

Mr. Ramirez, provided an update on the café opening in the Oakland Complex, which is planning for mid-June. Additionally, he provided an update on the New Student Union at Hubbard Hall noting the \$54.5 million project budget, the status of construction, the estimated project schedule, and completion dates.

Additionally, Mr. Ramirez provided an overview of the Science & Technology Learning Center project, noting that no ground water was found, but that construction is running a little slower than expected due to the recent high volume of rain in the area.

Mr. Ramirez provided an update of the P3 Student Housing Project, which has an estimated move-in date of August 2019, the Dining Facility, which has an earlier than expected opening date.

Finally, Mr. Ramirez provided an overview of the Renovation for the Institute in Women's Leadership and the Margo Jones Theatrical lighting upgrades, the later of which has an estimated completion date of August 2019.

Item F. Recommended Approval of the Texas Woman's University Revenue Financing System Refunding Bonds, Series 2019

Mr. Jason Tomlinson, Vice President of Finance and Administration, recommended approval of the Twelfth Supplemental Resolution to the Master Resolution Authorizing the Issuance of Board of Regents of Texas Woman's University Revenue Financing System Refunding Bonds, Series 2019.

Mr. Tomlinson requested that the Board approve the refunding of Series 2019 bonds as doing so now would save approximately \$790,000.

Regent Wu asked how the plan to refund would change if rates were to go up before July. Mr. Tomlinson explained that if the rates were to shift in a way that is unfavorable for refunding, TWU would decline to refund and that the Board's approval would be permission to refund the bonds, but not make refunding mandatory, so TWU would not be forced to refund if rates were not favorable at the time of refunding.

Regent Wu also asked about the ballpark cost of refunding the bonds. Mr. Tomlinson explained that the cost to refund is approximately \$200,000, but the approximate savings of \$790,000 is a net savings which takes the cost of refunding into account.

Motion to Move Approval of Item to Consent Agenda: Regent Hyde motioned and Regent Wilson seconded. The motion passed with a vote of 3-0-0.

Item G. Recommended Approval of a Budget Increase for the Margo Jones Theatrical Lighting Upgrades

Mr. Jason Tomlinson, Vice President for Finance and Administration and Mr. Rob Ramirez, Associate Vice President of Facilities Management and Construction, recommended approval of an increase to the total project budget for the Margo Jones theatrical lighting upgrades to provide more flexibility in addressing necessary items during the construction of the project.

The increase would be for approximately \$100,000.00

Motion to Move Approval of Item to Consent Agenda: Regent Wilson motioned and Regent Hyde seconded. The motion passed with a vote of 3-0-0.

Item H. Recommended Approval of the Allocation of Funds for the Construction of New Parking on the Denton Campus

Mr. Jason Tomlinson, Vice President for Finance and Administration and Mr. Rob Ramirez, Associate Vice President of Facilities Management and Construction, recommended approval of \$4.5 million for the construction of new parking and infrastructure improvements on the TWU Denton Campus along with delegated authority to the Chancellor and President to negotiate and execute the upcoming design and construction contracts for the new roads, parking lots, and required infrastructure on the campus' eastern property.

Regent Wu asked if this cost was considered in the original decision to bring construction projects on the campus, which Mr. Tomlinson answered in the affirmative.

Regent Hyde asked how about the increase of parking anticipated by approval of this project to which Mr. Ramirez responded that there would be approximately a 15% increase in parking spaces.

Motion to Move Approval of Item to Consent Agenda: Regent Wilson motioned and Regent Hyde

seconded. The motion passed with a vote of **3-0-0**.

Item I. Recommended Approval of the Allocation of Funds for Interior Lighting in Denton Campus Buildings

Mr. Jason Tomlinson, Vice President for Finance and Administration and Mr. Rob Ramirez, Associate Vice President of Facilities Management and Construction, recommended approval of \$1.3 million for the LED lighting retrofit of the selected E and G buildings on the TWU Denton Campus along with delegated authority to the Chancellor and President to negotiate and execute the contract. The buildings in need of interior lighting upgrades include: the Arts and Science Building, Music Building, Visual Arts Building, Bralley Annex, Ann Stuart Science Complex, Woodcock Hall, Classroom Faculty Office Building, Multi-Purpose Classroom Building, Stoddard Hall, FMC Service Center, Admissions and Registration Building, and the Administration Conference Tower.

Motion to Move Approval of Item to Consent Agenda: Regent Hyde motioned and Regent Wilson seconded. The motion passed with a vote of **3-0-0**.

Item J. Recommended Approval of the Allocation of Funds for the New Dental Hygiene Clinic

Mr. Jason Tomlinson, Vice President for Finance and Administration and Mr. Rob Ramirez, Associate Vice President of Facilities Management and Construction, recommended approval of \$12 million for the new Dental Hygiene clinic on the TWU Denton campus along with delegated authority to the Chancellor and President to negotiate and execute the upcoming design and construction contracts for the new Dental Hygiene clinic.

Mr. Tomlinson explained that this upgrade was part of the Master Plan and explained that approval of this item is a contingency plan if the legislature does not approve the alternate and originally planned source of funding.

Dr. Feyten provided some remarks about the importance of this project and how it would impact and advantage the Dental Hygiene students.

Motion to Move Approval of Item to Consent Agenda: Regent Wilson motioned and Regent Hyde seconded. The motion passed with a vote of **3-0-0**.

Item K. Recommended Approval of TWU Grants Awarded January 24, 2019 – April 18, 2019

Mr. Jason Tomlinson, Vice President for Finance and Administration, recommended approval of grants awarded to TWU as reflected in the Grants Report from January 24, 2019 through April 18, 2019. The value of the grants totaled \$365,024.00.

Motion to Move Approval of Item to Consent Agenda: Regent Hyde motioned and Regent Wilson seconded. The motion passed with a vote of **3-0-0**.

Item L. Recommended Approval of the Design and Construction of the New Student Union Food Options

Mr. Jason Tomlinson, Vice President for Finance and Administration and Mr. Rob Ramirez, Associate Vice President of Facilities Management and Construction, recommended approval of the design and construction of new Student Union food options for an amount not to exceed \$1.3 million for hard and

soft costs.

Motion to Move Approval of Item to Consent Agenda: Regent **Wilson** motioned and Regent **Hyde** seconded. The motion passed with a vote of **3-0-0**.

IV. Recess Finance and Audit Committee Meeting into Executive Closed Session

Regent **Wu** announced that the Committee would recess into Executive Closed Session for the purposes of deliberating about the purchase, exchange, lease or value of real property and to consult with TWU's attorney regarding legal matters and/or contemplated litigation or settlement offers pursuant to sections 551.072 and section 551.071 of the Texas Government Code, respectively at **02:34 p.m.**

V. Reconvene to Open Session and Take Any Possible Action Regarding Matters Discussed in Executive Closed Session

At the conclusion of the Executive Closed Session, Regent **Wu** reconvened the meeting of the Finance and Audit Committee into open session, a quorum being present at **03:04 p.m.**

There were two action items stemming from closed session deliberations and the Board voted to move both items to the Consent Agenda with the following votes:

Motion to Move Approval of Recommendation to Purchase Real Property to Consent Agenda: Regent **Wilson** motioned and Regent **Hyde** seconded. The motion passed with a vote of **3-0-0**.

Motion to Move Approval of Recommendation to Negotiate Electrical Contract for Dallas and Houston to Consent Agenda: Regent **Hyde** motioned and Regent **Wilson** seconded. The motion passed with a vote of **3-0-0**.

VI. Adjourn

With no further business coming before the Finance and Audit Committee, Regent **Wu** adjourned the Finance and Audit Committee meeting at **03:05 p.m.**