

**TEXAS WOMAN'S UNIVERSITY SYSTEM BOARD OF REGENTS
FINANCE AND AUDIT COMMITTEE MINUTES
May 19, 2022**

**TWU Dallas Campus
3rd Floor – Room 3620
5500 Southwestern Medical Avenue, Dallas, TX 75235**

Roll Call:

Present Committee Members:

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

Present Administrators:

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

I. Call Finance and Audit Committee Meeting to Order

With a quorum present, Regent Jester, Acting Chair of the Finance and Audit Committee, called the meeting to order at **3:18 p.m.**

Regent Jester reminded everyone that the meeting was being streamed live and asked that everyone speak loudly and clearly as they make comments during the meeting. She also welcomed everyone to the Dallas Campus.

II. Consider Approval of the Minutes of the Finance and Audit Committee Meeting of February 17, 2022

Motion to Approve Minutes: Regent Wilson motioned, and Regent Hyde seconded. The motion passed with a unanimous vote.

The minutes of the Finance and Audit Committee Meeting of **February 17, 2022** were approved as submitted.

III. Agenda

Regent Jester said that the Board would now take up the Agenda Items as listed.

Motion to Take up Agenda Items as Listed: Regent Wilson motioned, and Regent Hyde seconded. The motion passed with a unanimous vote.

Item A. Report on Texas Woman's University System Investments Managed by the Texas A&M University System

Mr. Jason Tomlinson, Vice President for Finance and Administration, introduced Mr. David Verghese, Deputy Chief Investment Officer, Texas A&M University System. Mr. Verghese briefed the Board on Texas Woman's University System's (TWU) short and long-term investments.

Mr. Verghese provided information regarding the investment objectives, fund performance, cash concentration pool, asset allocation, net earnings, and book value and market value as of the period ended March 31, 2022 for both the overall Texas A&M University System fund and TWU's portion.

Regent Jester asked how often the target allocation is adjusted. Mr. Verghese stated that it is reviewed as often as monthly depending upon market conditions.

Regent Shepard asked for additional details about the investments in private equity. Mr. Verghese stated that the long-term target for the investment allocation in private equity is 25% but currently it is at 17.38%. He told the Board that returns tend to be higher on the private equity side, and are not as volatile as other forms of investments. He indicated that the investments they tend to make are private firms that are too small to be listed on a public market but that may ultimately become publicly traded.

Regent Jester asked if the discussed target allocation was the Texas A&M University System fund or TWU's portion. Mr. Verghese stated that TWU's allocation would follow the Texas A&M University System allocation.

Regent Jester told Mr. Verghese that the Board appreciates the relationship with Texas A&M University System and thanked Mr. Verghese for presenting at the meeting.

Item B. Report on Philanthropic Support and the Texas Woman's University Foundation

Dr. Kimberly Russell, Vice President for University Advancement, presented a report on philanthropic support of the TWU Foundation for Quarters 1, 2, and 3 of Fiscal Year 2022. Dr. Russell summarized the TWU Foundation's Quarter 1, 2, and 3 commitments, five-year comparison, investment performance, assets, and liabilities and net assets. She also informed the Board of recent events hosted by University Advancement, including Homecoming.

Item C. Report on Office of Compliance

Ms. Alex Yarbrow, Director of Compliance, briefed the Board on the recent activities of the Office of Compliance. She discussed information related to Health Insurance Portability and Accountability Act (HIPAA) compliance at TWU, including the re-evaluation of designated health care components and ongoing HIPAA compliance measures. Ms. Yarbrow then provided an update on the System's policy management process, including a review of 2021 accomplishments.

Regent Jester commented that the Board appreciates the level of work required to update policies spread across the entire University.

Item D. Recommend Approval of Enterprise Resource Planning Software and Budget – Phase 1

Mr. Jason Tomlinson, Vice President for Finance and Administration, recommended approval of a new Enterprise Resource Planning (ERP) software and budget for TWU along with delegated approval to the TWU Chancellor and President for the negotiation and execution of any contracts.

Mr. Tomlinson provided a history of the current ERP software the University uses and the need to implement new and updated solutions. He discussed the goals of the University related to the new ERP software and described the assessment and discovery process regarding evaluation of possible providers. Mr. Tomlinson showed the Board the scope of the service components, the reporting capabilities that will be included in the purchase, and the two phases of the implementation.

Regent Shepard stated that Oracle is an excellent company and that utilizing Oracle systems may ultimately save the University money in the future with efficiencies gained from the use of the systems.

Regent Jester said that she appreciated all of the due diligence completed by the team.

Motion to Move Approval of Item D to Consent Agenda: Regent Wilson motioned, and Regent Hyde seconded. The motion passed with a unanimous vote.

Item E. Recommend Approval of Infrastructure Construction on the Texas Woman's University System's Denton Campus

Mr. Jason Tomlinson, Vice President for Finance and Administration, introduced Mr. Rob Ramirez, Senior Associate Vice President for Facilities Management and Construction. Mr. Ramirez recommended approval of the construction and budget for new roads, parking, and general infrastructure improvements on TWU's Denton Campus, along with delegated authority to the TWU Chancellor and President to negotiate and execute any design and construction contracts related to the improvements.

Mr. Ramirez informed the Board the infrastructure improvements are needed to support and provide access to the new Health Sciences Center that will be built. He said that the projects are included in the 2018 Master Plan.

Regent Shepard asked where the Quarkertown Project would be located. Mr. Ramirez informed the Board that the Quarkertown Project will be located within the East/West Mall and provided updates on development of the East/West Mall.

Dr. Feyten told the Board that the vision is to extend the campus East to West and have a mall with nice walkways and greenery creating an inspirational space. She said that one of the goals and recommendations from the Master Plan was to move parking areas away from the center of the campus to outer areas.

Motion to Move Approval of Item E to Consent Agenda: Regent Wilson motioned, and Regent Hyde seconded. The motion passed with a unanimous vote.

Item F. Recommend Approval of Administrative Conference Tower 1 Foundation Repair Revised Budget

Mr. Rob Ramirez, Senior Associate Vice President for Facilities Management and Construction, recommended approval of revising the budget for the design and construction of the Administration Conference Tower first floor foundation repairs, along with all necessary delegated approvals to the TWU Chancellor and President for the negotiation and execution of any design, construction, and procurement contracts.

Mr. Ramirez briefed the Board on the history of the project and informed them that the latest findings

revealed the need to expand the scope of repairs to more areas within the building. He explained that additional settlement was recorded and the approach for repairs has evolved because of this.

Regent Coleman asked where staff would be located during the project demolition. Mr. Ramirez said that some would be relocated to Brackenridge temporarily and others may be asked to telecommute where possible.

Motion to Move Approval of Item F to Consent Agenda: Regent Hyde motioned, and Regent Wilson seconded. The motion passed with a unanimous vote.

Item G. Recommend Approval of Acceptance of Grants

Mr. Jason Tomlinson, Vice President for Finance and Administration, recommended approval of acceptance of grants TWU received from January 14, 2022 to April 14, 2022.

Motion to Move Approval of Item G to Consent Agenda: Regent Wilson motioned, and Regent Hyde seconded. The motion passed with a unanimous vote.

IV. Adjourn Finance and Audit Committee Meeting to Executive Closed Session

Regent Jester then announced that the Committee would recess to Executive Closed Session for the purposes of Deliberations Regarding Personnel Matters Relating to Appointment, Employment, Evaluation, Reassignment, Duties, Discipline, or Dismissal of Public Officers or Employees pursuant to Section 551.074 of the Texas Government Code. Regent Jester stated the Committee will hear a recommendation to approve an Interim Chief Audit Executive.

The meeting adjourned at **4:08 p.m.**

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

At the conclusion of the Executive Closed Session, Regent Jester reconvened the meeting of the Finance and Audit Committee into open session, a quorum being present at **4:17 p.m.** Regent Jester stated the Board would take any possible action regarding matters discussed in Executive Closed Session.

Motion to Move Approval of Item A.1 Recommend Approval of Interim Chief Audit Executive to Consent Agenda: Regent Wilson motioned, and Regent Hyde seconded. The motion passed with a unanimous vote.

Regent Jester then stated that the Board has recognized Ms. Sharon Delgado as TWU's Interim Chief Audit Executive.

VI. Adjourn Finance and Audit Committee Meeting

With no further business coming before the Finance and Audit Committee, Regent Jester adjourned the Finance and Audit Committee meeting at **4:18 p.m.**