

**TEXAS WOMAN'S UNIVERSITY BOARD OF REGENTS
FINANCE AND AUDIT COMMITTEE MINUTES
August 9, 2018**

**TWU T. Boone Pickens Institute of Health Sciences - Dallas Center,
Multipurpose Room # 3620
5500 Southwestern Medical Ave, Dallas, TX 75235**

Roll Call:

Present Committee Members:

Regents Wilson (Chair), Jester, Schrader, Wu & Perez (Ex-Officio)

Present Administrators:

Dr. Carine Feyten, Chancellor and President; Ms. Destinee Waiters, General Counsel 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. Alan Utter, Provost and Vice President for Academic Affairs; Dr. Randall Langston, Vice President for Enrollment Services; Ms. Robin Head, Interim Vice President of Advancement

Call to Order:

With a quorum being present, Mary Wilson, Chair of the Finance and Audit Committee, called the meeting to order at **1:15 p.m.**

Finance and Audit Committee:

I. Consider Approval of the Minutes of the Committee Meeting of May 16, 2018

Motion: Regent Schrader motioned and Regent Jill Jester seconded. The motion passed with a vote of 4-0-0.

The minutes of the Finance and Audit Committee meeting of May 16, 2018, were approved as submitted.

II. Agenda

Motion: Regent Jester motioned and Regent Schrader seconded. The motion passed with a vote of 4-0-0.

Item A. Approval of the Fiscal Year 2019 Budget

Mr. Jason Tomlinson, Vice President for Finance and Administration presented the request for the Committee to recommend approval of the FY 2019 Budget. He explained that The Board of

Regents is responsible for the approval of the annual operating budget within the limits of the available revenue by September 1st of each year. (General Appropriations Act) Budget Increases 1) State Appropriated Funds – Increases to the operating budget from any state appropriated funding source requires advance approval of the Board. 2) Grant Funds – Grant funds are received by the University and presented to the Board for approval at its regular board meeting. 3) Income in excess of budget estimates. 4) University Fund Balances – When it is in the best interest of the University and sustainable in the future, the Chancellor may approve the expenditure of University Fund Balances (up to 5%) with subsequent reporting to the Board at its next regular board meeting.

Discussion: The Board requested that before the full Board vote on Friday that the administration provide the full Board with more detail on the FY 2019 Budget.

Item B. Report on Capital Construction Projects on Texas Woman’s University (TWU) Campuses

Mr. Rob Ramirez, Associate Vice President for Facilities Management and Construction, briefed the Committee on the on-going Board Approved major capital constructions projects on TWU campuses and related contracts. Including schedules, phase and updates. He then presented a time lapse video of the construction projects on the Denton Campus to the Committee.

Discussion: The Board Requested that in the future the Administration provide information as to whether the projects were on time and on budget.

Item C. Consider Recommending Approval to Delegate Authority to Chancellor/President to Approve and Execute Upcoming Construction Contracts for the 2nd Floor Renovation of Old Main Building (OMB), to Include the Relocation Construction Requirements

Mr. Jason Tomlinson, Vice President for Finance and Administration and Mr. Rob Ramirez, Associate Vice President for Facilities Management and Construction presented the request for the Committee to recommend approval that authority be delegated to the Chancellor/President to approve and execute the forthcoming construction contract(s) for the 2nd Floor renovation of the OMB and the necessary relocation efforts of the current occupants to accommodate the new Texas Woman’s University (TWU) Institute for Women in Leadership (IWL). The Institute for Women in Leadership project on the 2nd Floor of OMB requires delegated authority to the Chancellor/President to execute the forthcoming construction contract in order to proceed on schedule. In addition, the current departments on the 2nd Floor of OMB will need to be relocated to other locations within OMB and around the Denton campus. The Chancellor/President will require delegated authority for the forthcoming construction contracts for these relocation efforts as well. Both phases of this project are being expedited to allow the IWL to move in to their new location prior to the Fall of 2019. He noted that preliminary estimates for the design and construction projects required for the relocation efforts on the 2nd Floor of the Old Main Building are \$3.8 million, including all hard and soft costs. Preliminary estimates for the construction of the Institute for Women in Leadership on 2nd Floor of Old Main is \$6.2 million.

Item D. Consider Recommending Approval of Resolution to Amend the Authorized Representatives for Local Government Investment Pool (TexPool)

Mr. Jason Tomlinson, Vice President for Finance and Administration presented the request for the Committee to recommend approval for the following: to amend the authorized representatives for the TexPool Investment Pool as listed in the accompanying resolution and approval of said resolution and to delegate the authority for the designation of employees as “authorized representatives” to the Chancellor/President for operational efficiency. He noted that these “authorized representatives” will be allowed to transmit or withdraw funds from the Pool, issue letters of instruction, and take other actions as necessary or appropriate for the investment of local funds. Local government investment pools are authorized investments under the Public Funds Investment Act, Chapter 2256 of the Texas Government Code. The Board of Regents for Texas Woman’s University (TWU) previously approved TexPool as an authorized investment pool. TexPool requires that the Board of Regents approve resolutions to revise the authorized representatives and due to personnel changes, modifications are currently necessary.

Item E. Consider Recommending a Resolution to Approve Authority be Granted to Chancellor/President and Vice President for Finance and Administration to Process Withdrawals or Changes Related to Texas Woman’s University (TWU) Investments Managed by the A&M System

Mr. Jason Tomlinson, Vice President for Finance and Administration presented the request for the Committee to recommend approval of a resolution to grant authority to the TWU Chancellor/President and Vice President for Finance and Administration to process any required withdrawals or changes related to the Texas A&M University System Cash Concentration Pool and System Endowment Fund. He noted that in March 2016, Texas Woman’s University contracted with the A&M System to manage the long-term and endowment portfolios. The A&M System is considered a qualifying institution as defined in Section 51.0031 of the Texas Education Code. Texas A&M University System, as the qualifying institution, requires a Board resolution designating signature authorization to the Chancellor/President and Vice President for Finance and Administration.

Item F. Consider Recommending a Resolution to Approve the Texas Woman’s University (TWU) Investment Policy and the Endowment Investment and Distribution Policy

Mr. Jason Tomlinson, Vice President for Finance and Administration presented the request for the Committee to recommend approval of a resolution regarding the TWU Investment Policy and the Endowment Investment and Distribution Policy. The Public Funds Investment Act of the State of Texas (Texas Gov’t Code 2256) requires the governing body of TWU to annually review and adopt a written investment (to include endowed funds) policy outlining the investment strategy, appoint an Investment Officer, and adopt internal controls to safeguard the University’s funds.

Item G. Texas Woman's University Summer and Fall 2018 Enrollment Report

Randall Langston, Ph.D., Vice President for Enrollment Management, briefed the Committee on

TWU's Summer and Fall 2018 enrollment status for First Time in College, Transfer, and Graduate populations. Noting that, enrollment is critical to the University and, along with scholarships and retention efforts, serves as a significant source of revenue for the institution. Providing board members this vital information permits attendees the ability to be aware of issues and initiatives aligned with the "Invest" strategic imperative. He also noted that enrollment impacts revenue at TWU and is a very important fiscal consideration related to sustainability of the institution.

Item H. Consider Recommending Acceptance of Grants Awarded from April 26, 2018 Through July 6, 2018

Mr. Jason Tomlinson, Vice President for Finance and Administration presented a request for the Committee to recommend approval of grants awarded to TWU as reflected in the Grants Report from April 26, 2018 through July 6, 2018 totaling \$1,857,872.00.

Item I. Report on Philanthropic Support

Ms. Robin J. Head, Interim Vice President for Development, presented the University Advancement fundraising progress, ending the first half of the TWU Foundation's fiscal year 2018. She explained to the Board of Regents how private donations contribute to the University's budget and help to realize the goals of the University's Strategic Plan.

Item J. Consider Recommending Approval of a Revision of the University Naming Policy

Robin J. Head, Interim Vice President for Development presented a recommendation to the Committee to approve the revision to the TWU Naming Policy. She noted that the updated policy outlines the parameters for approval on naming of facilities, programs and academic positions and that this revised policy would authorize the Chancellor/President to approve naming for buildings, facilities, grounds and academic positions that are not considered prominent, but that the policy would still require Board Approval on prominent naming of buildings, facilities, academic positions and grounds.

Item K. Consider Recommending Approval of a Prominent Naming of the Residential Village (East Building)

Robin J. Head, Interim Vice President for Development presented a recommendation to the Committee to approve the naming of the Residential Village (aka East Building), in recognition of the generous gift from TWU Alumna, Mary L. A. Stanton, in the amount of \$10,001,901. The gift will name the portal building in the Residential Village (aka East Building) as the Mary L. A. Stanton Hall aka "Mary's Hall" for the useful life of the facility. It is the policy of TWU that Regents approve the naming of prominent buildings. She noted that this is considered a prominent naming opportunity as outlined in the TWU Naming Policy.

III. Adjourn to Executive Session:

Regent Wilson, Chair announced that the Committee would adjourn for Executive Closed Session to discuss Litigation and Personnel Matters under V.T.C.A., Government Code Section 551 at 3:24 p.m.

IV. Reconvene to Open Session:

At the conclusion of the Executive Closed Session, the Chair reconvened the meeting of the Board into open session, a quorum being present at 4:30 pm.

** Regent Schrader left the Meeting at 4:30pm*

Item L. Consider Approval of the of the Annual Audit Plan and Quarterly Status Report of the Office of Audit Services

Mr. Ali Subhani, Director of Audit Services, presented for the Committees' approval the Audit Plan for fiscal year 2019 and briefed the Committee on the quarterly Audit Services Activity for the 4th Quarter of fiscal year 2018.

Motion: Regent Wu motioned to vote on Action items A, C, D, E, F, H, J, K and L on the Agenda as listed, and Regent Jester seconded. The Items passed with a vote of 3-0-0.

V. Presentations and Recognitions

None.

VI. Adjourn

With no further business coming before the Finance and Audit Committee, the Committee adjourned in its entirety at **4:42 pm.**