

**Minutes of the Texas Permanent School Fund Corporation
Board of Directors
January 7, 2022**

The Board of Directors of the Texas Permanent School Fund (PSF) Corporation met at 1:07 p.m. on Friday, January 7, 2022, in Room #1-104 of the William B. Travis Building, 1701 N. Congress Avenue, Austin, Texas. Attendance was noted as follows:

Present: Tom Maynard, Lawrence A. Allen, Jr., Keven Ellis; Patricia Hardy; Marisa Perez-Diaz; Mark Havens

Public Testimony

The Board of Directors received no presentations of public testimony.

Tom Maynard, Chairman of the State Board of Education Committee on School Finance/Permanent School Fund and acting meeting Chair requested a roll call. It was determined that the number of board members present constituted a quorum of the board.

Mr. Maynard provided opening comments and an introductory welcome to the first meeting of the Texas Permanent School Fund Corporation (Corporation) Board of Directors.

ACTION ITEM

1. Election of Temporary Officers of the Board of Directors

Mr. Maynard introduced this item and reviewed the provisions of SB 1232 providing authority to elect temporary officers of the board of directors from its members, to include a temporary Chair and temporary Vice-Chair/Secretary.

Mr. Maynard stated that upon adoption and final approval of the bylaws of the Texas Permanent School Fund Corporation the permanent officers will be elected.

NOMINATION: *Dr. Ellis nominated Mr. Maynard for temporary chair of the Texas Permanent School Fund Corporation Board of Directors.*

MOTION AND VOTE: *It was moved by Dr. Ellis and seconded by Ms. Hardy and carried without objection to close nominations for the temporary Chair of the Texas Permanent School Fund Corporation Board of Directors.*

MOTION AND VOTE: *It was moved by Dr. Ellis and seconded by Ms. Hardy and carried without objection to elect Mr. Maynard as temporary chair of the Texas Permanent School Fund Corporation Board of Directors.*

NOMINATION: *Dr. Ellis nominated Mr. Allen for temporary Vice-Chair/Secretary of the Texas Permanent School Fund Corporation Board of Directors.*

MOTION AND VOTE: *It was moved by Dr. Ellis and seconded by Ms. Hardy and carried without objection to close nominations for the temporary Vice-Chair/Secretary of the Texas Permanent School Fund Corporation Board of Directors.*

MOTION AND VOTE: *It was moved by Dr. Ellis and seconded by Ms. Hardy and carried without objection to elect Mr. Allen as temporary Vice-Chair/Secretary of the Texas Permanent School Fund Corporation Board of Directors.*

DISCUSSION ITEMS

2. Overview of SB 1232 and the Formation of the Corporation and Future Steps

Holland Timmins, executive administrator, and chief investment officer of the Texas Permanent School Fund provided a summary of the history and implications of SB 1232. Mr. Timmins called on John Grubenman, chief of staff and director of private markets, to give a presentation on Senate Bill 1232 that summarized the law, explained the implementation, and described the transition process and operational needs of the Corporation.

3. Initial Operations and Administrative Processes of the Board of Directors and the Corporation

Mr. Timmins stated that no recommendation would be presented for this item and introduced Chuck Campbell, Fiduciary Counsel, Jackson Walker LLP, to provide a review of initial Corporation processes.

Mr. Campbell introduced Alyca Riley, Attorney, Jackson Walker LLP, and John Wright, PSF General Counsel, and provided a summary of operations and administrative processes to include bylaws provisions for board member composition, quorum requirements, open meetings act implications, fiduciary duties, ethics policies and procurement guidelines and oversight.

4. Review of Draft of Bylaws of the Corporation

Mr. Campbell provided a summary of the draft bylaws of the Corporation to include the background of the bylaws template and an overview of the purpose of each article.

ACTION ITEM

The Board of Directors of the Texas Permanent School Fund Corporation entered into executive session at 2:07 pm pursuant Texas Government Code §551.072 and §551.074 to obtain the advice of legal counsel. The Board of Directors entered into open session at 3:20 p.m. No action was taken in closed session.

5. Selection of Chief Executive Officer of the Corporation (Discussion and Possible Action)

MOTION AND VOTE: *It was moved by Dr. Ellis and seconded by Mr. Allen and carried without objection to appoint Holland Timmins as Interim Chief Executive Officer (CEO) of the Corporation and authorize the Interim CEO to perform all duties necessary to carry out the operations of the Corporation, recognizing that the Interim CEO will perform duties to the Corporation in accordance with applicable law and policy, although the Interim CEO will remain employed, paid and provided*

benefits by the Texas Education Agency until no later than the transfer of employees from the Texas Education Agency to the Corporation as provided under SB 1232.

6. Selection of Location and Facilities for Operations of the Corporation and Real Estate Broker or Agent for Assistance (Discussion and Possible Action)

MOTION AND VOTE: *It was moved by Dr. Ellis and seconded by Ms. Hardy and carried without objection to authorize the Interim CEO to acquire (through lease) any of the facilities presented to the Board for the operations of the Corporation, subject to negotiations and legal review, and to perform all duties necessary to accomplish such task, including the hiring of a real estate broker, agent, or other consultant for assistance, and any final lease will be brought back to the Corporation board at a future meeting.*

DISCUSSION ITEM

7. Report of the Executive Administrator/Chief Investment Officer of the Permanent School Fund and Chief Investment Officer of the General Land Office/School Land Board

Mr. Timmins gave a presentation on the combined assets of the Permanent School Fund managed by the State Board of Education and School Land Board.

Rusty Martin, Chief Investment Officer, General Land Office, provided the board a presentation on the School Land Board asset types and target weightings, asset allocations and releases from the Real Estate Special Fund Account to the State Board of Education and directly to the Available School Fund.

The meeting of the Board of Directors of the Texas PSF Corporation adjourned at 3:33 p.m.