

Minutes of the Texas Permanent School Fund Corporation

Board of Directors

May 3, 2023

The Board of Directors of the Texas Permanent School Fund (PSF) Corporation met at 3:07 p.m. on Wednesday, May 3, 2023, in Room #1-104 of the William B. Travis Building, 1701 N. Congress Avenue, Austin, Texas.

Present: Tom Maynard, Keven Ellis; Patricia Hardy; Aaron Kinsey; Marisa Perez-Diaz; Jim Stanislaus; Brad Wright; Commissioner Dawn Buckingham

Public Testimony

The Board of Directors received no presentations of public testimony.

Tom Maynard, Chair of the Texas Permanent School Fund Corporation Board of Directors, requested a roll call. It was determined that the number of board members present constituted a quorum of the board.

Mr. Maynard provided introductory comments to include the announcement of the resignation of Holland Timmins, chief executive officer, effective May 31, 2023, and an acknowledgement of Mr. Timmins' successful twenty-year tenure and service to the fund.

Mr. Maynard stated that the purpose of the special called meeting of the board on this day is to begin the search process for the next Chief Executive Officer of the Texas Permanent School Fund Corporation.

DISCUSSION ITEM

1. Discussion of CEO Hiring Process (Discussion)

Mr. Maynard stated that discussion items would include an overview of the elements of the hiring process, as well as the timeline and board approach to related action items. Mr. Maynard introduced Chuck Campbell, Fiduciary Council, Jackson Walker LLP, to address the process of hiring the chief executive officer by the board.

Mr. Campbell noted the changes put forth by SB1232 and the new governance structure that was put in place as a result of that legislation, specifically the delegation of authority to the board to establish a process for the hiring of the chief executive officer and to hire the chief executive officer. He reviewed the legal parameters surrounding these board actions to include the statute, bylaws, and fiduciary duties.

Mr. Maynard shared that NEPC had been asked to assist the board with the process and introduced Judy Murphy, Human Resources Specialist, NEPC, to provide an overview of the executive search process, the role and selection of the executive search firm, and the timeline for the hiring process from search launch to hire.

ACTION ITEM

2. Discussion of Possible Decision on Executive Search Firm (Discussion and Possible Action)

MOTION AND VOTE: *It was moved by Mr. Wright and seconded by Ms. Hardy that the Board direct staff to conduct a search for and recommend one or more executive search firms to the Board or a committee of the Board, for selection by the Board, to assist with the process of hiring a chief executive officer for the Texas Permanent School Fund Corporation.*

MOTION: *It was moved by Dr. Ellis, and seconded by Ms. Hardy, to amend the motion to read as follows:*

It was moved by Mr. Wright and seconded by Ms. Hardy that the Board direct a committee of the Board staff to conduct a search for and recommend one or more executive search firms ~~to the Board or a committee of the Board~~, for selection by the Board, to assist with the process of hiring a chief executive officer for the Texas Permanent School Fund Corporation.

The motion to amend the main motion language was carried unanimously.

VOTE: *A vote was taken on the motion that the Board direct a committee of the Board to conduct a search for and recommend one or more executive search firms, for selection by the Board, to assist with the process of hiring a chief executive officer for the Texas Permanent School Fund Corporation as amended. The motion carried unanimously.*

DISCUSSION ITEM

3. Discussion of Possible Creation of, and Member Appointment to, Executive Search Subcommittee (Discussion and Possible Action)

Mr. Maynard introduced this item and provided an overview of the Executive Search Subcommittee charge to include the creation of a job description and scope of search, recommendation to the Board of no more than three executive search firm candidates, recommendation to the Board of the process to hire the chief executive officer, working directly with the executive search firm to select the finalists for the position of chief executive officer, and recommendation to the Board for an acting chief executive officer. The membership of the Executive Search Subcommittee of the board was determined as follows:

Mr. Maynard, Chair
Mr. Wright

Dr. Ellis
Commissioner Buckingham

The meeting of the Board of Directors of the Texas PSF Corporation adjourned at 4:02 p.m.