



MINUTES
BAYLOR UNIVERSITY
BOARD OF REGENTS
November 2, 2018

Regents present: Joel Allison, Chair, Daniel Chapman, Vice Chair, Jerry Clements, Vice Chair, Mark Hurd, Vice Chair, Jay Allison*, Jennifer Elrod, Cary Gray, Larry Heard, Milton Hixson, Dan Hord, Neal Jeffrey, Mark Lovvorn, Katie Jo Lunningham, Jill Manning, Rene Maciel, Mark McCollum, Michael McFarland, Melissa Mines, Alicia Monroe, Randy Pullin, Jeff Reeter, Todd Reppert, William Robbins, Jr., Clifton Robinson, Mark Rountree, Kim Stevens, Phil Stewart, Julie Turner, Dennis Wiles, Gordon Wilkerson, Ron Wilson, William Brett Beene, William Cassara, Andrea Dixon, Malcolm Foley, Dusty Sanderson, Gaynor Yancey

* called-in

Regents absent: none

Staff present: President Linda Livingstone; Christopher Holmes, Corporate Secretary and General Counsel; Sarah Schmuck, Board Relations Specialist, and other staff

Mr. Allison, Chair of the Board of Regent for Baylor University, called the meeting to order at 11:00 a.m. on Friday, November 2, 2018. Mr. Holmes certified that a quorum was present. Track coach, Todd Harbour, gave a short devotional and opened the meeting with prayer.

CONSENT AGENDA ITEMS

Chair Allison asked for approval of the July 2018, regular meeting minutes. They were unanimously approved.

INFORMATION ITEMS AND ITEMS FOR BOARD ACTION

1. Academic Affairs Committee Report

Regent Elrod addressed the board and reviewed the committee report; including areas for improvement. There were no motions.

2. Advancement and Development Committee Report

This report was given later in the meeting.

3. Audit Committee Report

Regent Rountree addressed the board and gave updates on risk management, internal audit and cyber security. He reported that the internal audit plan had been approved.

4. Compliance and Regulatory Affairs Committee Report

Regent Pullin addressed the board regarding Paul Liebman and his team's task to identify risks around the university and to have a depository of data. Regent Pullin solicited the assistance of the board on: compliance on-campus, their responsibilities as board members and called for awareness of risks both on campus, at work, etc.

5. Finance and Facilities Committee Report

Regent Heard addressed the board and stated that he was impressed with Mr. Brett Dalton and his leadership in always considering the university's model with long-term strategic planning. Mr. Dalton introduced comprehensive resource management.

Chair Heard asked for the approval of the following after the committee report:

- Approval is sought in the amount of \$2.5 million for Phase 1 renovation of the Waco Hall Complex; specifically, for ADA and life safety issues. No discussion. Motion was carried unanimously.
- Approval is sought for changes to the Investment Policy as recommended by the BRIC. No discussion. Motion was carried unanimously.

6. Nominating, Governance, and Regent Leadership Committee Report

Regent Gray addressed the board and noted that the committee had a good discussion regarding board operations, board size and board performance. Regent compliance questions and concerns were raised. The committee has looked over these questions and concerns and concluded that there is no action needed at this time. The regent emeritus program was also discussed.

Regent Gray made a motion to approve this year's regent selection task force. Mr. Doug Beck has been asked to chair the task force. Mr. Gray named the recommended members. There being no discussion, the motion was approved unanimously.

7. Student Life Committee Report

Regent Stevens gave a report on representatives from student government that includes a panel working on a faith formation study. The committee heard from Dr. Ramsey and discussed the university's spiritual foundation.

8. University Leadership and Compensation Committee Report

Regent McCollum gave a report on the university's approved compensation philosophy including a threshold for approval for highly compensated persons. Willis Towers Watson recommended the university raise the threshold from \$250,000 to \$375,000. There are only thirty-five persons that will need to be reviewed. A pay equity analysis from Willis Towers Watson should be available for review at the February Board of Regents meeting.

Regent McCollum made a motion from the committee to raise the threshold from \$250,000 to \$375,000. There being no further discussion, the motion was approved unanimously.

The board took a brief break and then transitioned into a working lunch that included training sessions on the following:

Title IX – led by Title IX Coordinator, Laura Johnson

NCAA Compliance – led by Vice President & Director of Intercollegiate Athletics, Mack Rhoades

Endowments – led by Chief Business Officer, Brett Dalton

PRESIDENT'S REPORT

President Livingstone updated the Board with a review of campus activities during homecoming week. She then gave an overview on the university's eight goals:

1. Initiate the implementation of Illuminate.
2. Launch the public phase of Give Light; which was completed the evening prior.
3. Finalize the University's executive leadership team.
4. Expand Baylor's voice in higher education; specifically, to engage in Washington and Austin. A federal strategy has been developed with Arnold Porter.
5. Modernize the University's financial and human resources systems.
6. Enhance the University's campus climate.
7. Resolve open investigations by the NCAA and Big 12 Conference.
8. Continue aggressive outreach initiatives to increase alumni engagement and regain trust throughout the Baylor Family.

Afterwards, the Board went into Executive Session at 1:45 p.m.



Kristy Orr, Board Professional