

**MINUTES OF MEETING OF THE
AUDIT AND ETHICS COMMITTEE OF THE
BOARD OF DIRECTORS OF
THE UNIVERSITY OF TEXAS /TEXAS A&M INVESTMENT MANAGEMENT COMPANY**

A meeting of the Audit and Ethics Committee (the "Committee") of The University of Texas/Texas A&M Investment Management Company (the "Corporation") convened in open session on **March 4, 2021**, by means of video and telephone conference enabling all persons participating in the meeting to hear each other, at the offices of the Corporation, Suite 1700, 210 West 7th Street, Austin, Texas, said meeting having been called by the Committee Chair, Janet Handley ("Chairman"), with notice provided to each member in accordance with the Corporation's Bylaws. The audio portion of the meeting was electronically recorded and broadcast over the internet. Participating in the meeting were the following members of the Committee:

Janet Handley, Chair
Clifton L. Thomas, Jr.
James C. "Rad" Weaver

thus constituting a majority and quorum of the Committee. Chairman Handley called the meeting to order at 9:04 a.m. Employees of the Corporation attending the meeting were Britt Harris, President, CEO and Chief Investment Officer; Rich Hall, Deputy Chief Investment Officer; Joan Moeller, Treasurer and Secretary; Carolina de Onis, General Counsel; Cecilia Gonzalez, Corporate Counsel and Chief Compliance Officer; and other employees. Other attendees were Jerry Kyle of Orrick, Herrington & Sutcliffe LLP; Eric Polonski of The University of Texas System ("UT System") Administration; and Robert Cowley and Anida Akhмурzina of Deloitte & Touche LLP. Copies of materials supporting the Committee meeting agenda were previously furnished to each Committee member.

Approval of Minutes

The first matter to come before the Committee was the approval of the minutes of the Audit and Ethics Committee meeting held on December 1, 2020. Upon motion duly made and seconded, the following resolution was unanimously adopted by the Committee:

RESOLVED, that the minutes of the Meeting of the Audit and Ethics Committee of the Board of Directors held on December 1, 2020, be, and are hereby, approved.

Audit Results and Communications and Audited Financial Statements for the Corporation

Chairman Handley asked Mr. Robert Cowley, engagement partner from the independent accounting firm of Deloitte & Touche LLP, to present the audit results and communications for the August 31, 2020 and 2019 audits of the Corporation's Financial Statements. Mr. Cowley confirmed the completion of the audits. Mr. Cowley reviewed with the Committee the Audit Results and Communications Letter covering required communications dated February 5, 2021. Mr. Cowley confirmed that Deloitte & Touche LLP issued a clean unqualified opinion on the Financial Statements, and that accounting principles utilized by management are of good quality, are acceptable, and have been consistently applied under accounting principles generally accepted in the United States. Mr. Cowley stated that there were no changes to accounting policies this year. He also stated they had no uncorrected or material corrected misstatements to report and was very complimentary of the Corporation's employees, and the cooperation that Deloitte & Touche LLP had received

throughout the audit process. Mr. Harris and Ms. Moeller thanked the parties for their good work. Chairman Handley called for approval of the audit results and communications on the Corporation for the fiscal year ended August 31, 2020, and the audited financial statements and audit report for the Corporation for the fiscal years ended August 31, 2020 and August 31, 2019. Upon motion duly made and adopted, the following resolutions were approved unanimously:

RESOLVED, that Deloitte & Touche LLP's Financial Statement Audit Results and Communications on the Corporation for the year ended August 31, 2020, be, and is hereby approved in the form as presented to the Audit and Ethics Committee, subject to approval by the Corporation's Board.

And

RESOLVED, that the annual financial statements and audit report for the Corporation for the years ended August 31, 2020, and August 31, 2019, be, and are hereby approved in the form as presented to the Audit and Ethics Committee, subject to approval by the Corporation's Board.

Discussion and Appropriate Action Affirming the Continuance of the Lead Audit Partner for Deloitte and Touche LLP

Chairman Handley presented a recommendation that Mr. Cowley remain as the lead audit partner for the next three audit periods ending August 31, 2021, 2022 and 2023, as long as Deloitte remains as the external auditor for the Investment Funds and UTIMCO during this time frame. Chairman Handley requested that the Committee adopt a resolution affirmatively determining that Robert Cowley, lead audit partner, continue in his role for the 2021, 2022, and 2023, year-end audits and not rotate off of the audit engagements for both the Investment Funds and UTIMCO corporate.

WHEREAS, the Charter of the Audit and Ethics Committee (the "Charter") requires that the lead audit partner rotate off of the audit every 7 years, unless the Committee adopts a resolution affirmatively determining that such rotation is not required; and

WHEREAS, Deloitte & Touche LLP ("Deloitte") has served the Permanent University Fund, The University of Texas System General Endowment Fund, the Permanent Health Fund, The University of Texas System Long Term Fund, and The University of Texas System Intermediate Term Fund (the "Investment Funds") and UTIMCO as external auditors since 2007, and Robert Cowley has served as the lead audit partner respectively, since 2014; and

WHEREAS, UTIMCO wishes to continue to retain Mr. Robert Cowley as the Deloitte lead audit partner for the Investment Funds and UTIMCO audits for the years ended August 31, 2021, 2022 and 2023, as long as Deloitte remains as the external auditor.

NOW, THEREFORE, be it

RESOLVED, that the Committee affirms the continuance of Robert Cowley as the Deloitte lead audit partner for the Investment Funds and UTIMCO audits for the years ended August 31, 2021, 2022 and 2023, and that rotation off of the audits after seven years is not required.

Update on Compliance, Reporting and Audit Matters

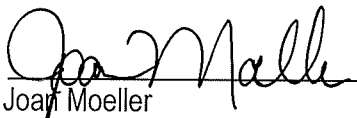
Chairman Handley asked Ms. Gonzalez to provide an update on compliance and reporting matters. Ms. Gonzalez presented the investment compliance report for the quarter ended November 30, 2020, for items monitored by the Committee. Ms. Gonzalez next reported on the Institutional Compliance Program Report for the quarter ended November 30, 2020, the status of training, pre-clearance of trades, and compliance hotline activity. Ms. Gonzalez reported that all high-risk areas continued to be monitored and remain well controlled with the exception of Information Technology and Security, which continues to show an opportunity for enhancement, but noted that progress is being made. In addition, Ms. Gonzalez presented the Institutional Compliance Action Plan for fiscal year 2021. Finally, Ms. Gonzalez reported there was one new contract of \$250,000 or more for the period November 11, 2020, through February 18, 2021. Ms. Gonzalez answered the Committee Members' questions. Next, Chairman Handley asked Eric Polonski to provide an update on the audit of the UT Compliance Program. Mr. Polonski provided an overview of the audit that will be taking place as approved by the Board of Regents and noted that the overall objective is to determine the effectiveness of the Compliance Program. He reported that the timeline for delivery of the completed report will be May 2021. Mr. Polonski answered the Committee Members' questions.

Unaudited Reports

Chairman Handley asked Ms. Moeller to present the Unaudited Financial Statements for the Permanent University Fund ("PUF"), General Endowment Fund ("GEF"), Permanent Health Fund ("PHF"), Long Term Fund ("LTF"), and the Intermediate Term Fund ("ITF"), each for the quarter ended November 30, 2020. Ms. Moeller provided highlights of the statements, with no new items or significant changes reported. Ms. Moeller then discussed the Corporation's unaudited financial statements for the four months ended December 31, 2020. Ms. Moeller answered the Committee members' questions.

Adjourn

There being no further business to come before the Committee, the meeting was adjourned at approximately 9:37 a.m.

Secretary: 
Joan Moeller

Approved: 
Janet Handley, Chair

Date: 6/29/2021

Audit and Ethics Committee of the Board of Directors of
The University of Texas/Texas A&M Investment Management Company