

1. Title

Oversight Responsibilities for UTIMCO

2. Rule and Regulation

Sec. 1 Chancellor. The Chancellor of The University of Texas System serves on the Board of Directors of The University of Texas Investment Management Company (UTIMCO). The Chancellor oversees the operations of UTIMCO and coordinating interaction between the U. T. System and UTIMCO, ensures that UTIMCO implements the core investment functions delegated to it in conformance with these *Rules and Regulations*, the Investment Management Services Agreement, and the Investment Policy Statements adopted by the Board of Regents, and directs UTIMCO in areas other than core investment functions, such as relations with the media, intergovernmental relations, and public disclosure issues.

Sec. 2 Executive Vice Chancellor for Business Affairs. The Executive Vice Chancellor for Business Affairs designates and supervises the U. T. System liaison to UTIMCO, overseeing audits and investment performance assessments of UTIMCO, and reviewing budgetary and investment reports submitted by UTIMCO.

Sec. 3 Vice Chancellor and General Counsel. The Vice Chancellor and General Counsel oversees legal services provided to UTIMCO by outside legal counsel, consistent with the requirements of the Texas Disciplinary Rules of Professional Conduct, and providing counsel, advice, and legal interpretations to the Board of Regents, the Chancellor, and other U. T. System officials concerning UTIMCO-related issues.

Sec. 4 Authority of Vice Chancellor and General Counsel to enter into investment management agreements with foundations and similar tax-exempt charitable organizations. The Vice Chancellor and General Counsel, in consultation with the Chancellor, is authorized to enter into investment management agreements under which the Board of Regents will control, manage, and invest funds for foundations and similar tax-exempt charitable organizations affiliated with the U. T. System and its institutions at the request of the foundation or tax-exempt charitable organization provided that (i) any such foundation or charitable organization is integral to the public and educational

purposes of the U. T. System, (ii) funds invested are exclusively dedicated to the educational purposes of the U. T. System, and (iii) any such agreement furthers the support and maintenance of U. T. System institutions. Funds managed under such agreements will be invested by UTIMCO under its Investment Management Services Agreement with the U. T. System Board of Regents.

Sec. 5 Systemwide Compliance Officer. The Systemwide Compliance Officer is responsible, and will be held accountable for, apprising the Chancellor and the Audit, Compliance, and Management Review Committee of the institutional compliance functions and activities at UTIMCO. The Systemwide Compliance Officer provides institutional compliance assistance to the Chief Compliance Officer of UTIMCO in the exercise of their responsibilities and prescribes the format for the annual risk based compliance plan and the quarterly compliance status reports to be submitted by UTIMCO.

Sec. 6 Joint Meeting. A joint meeting of the UTIMCO Board of Directors and the U. T. System Board of Regents may be held to discuss investment policies including asset allocation, investment performance, determination of risk, performance of the Corporation, organizational issues, proposed budget, and related issues. Notice of the joint meeting shall be provided in accordance with the Texas Open Meetings Act.

3. Definitions

None

4. Relevant Federal and State Statutes

None

5. Relevant System Policies, Procedures, and Forms

None

6. Who Should Know

Administrators
UTIMCO Board of Directors
UTIMCO Employees

7. System Administration Office(s) Responsible for Rule

Office of the Board of Regents

8. Dates Approved or Amended

Editorial amendment made September 3, 2014, to add new Section 6
Editorial amendments made March 13, 2013, to add new Section 4 as
authorized by the Board on November 9, 2005, and to renumber former
Section 4 as Section 5
December 10, 2004

9. Contact Information

Questions or comments regarding this Rule should be directed to:

- bor@utsystem.edu