



THE UNIVERSITY OF TENNESSEE
BOARD OF TRUSTEES

MINUTES OF THE EXECUTIVE COMMITTEE MEETING
January 17, 2020
Knoxville, Tennessee

The Executive Committee of The University of Tennessee Board of Trustees met at 10:00 a.m. EDT on Friday, January 17, 2020, at the Executive Conference Room, in the Joint Institute for Advanced Materials (JIAM), located at Cherokee Farm in Knoxville, Tennessee.

I. Call to Order

Chair John Compton called the meeting to order.

II. Roll Call

Board Secretary, Cynthia C. Moore, called the roll, and the following members were present: John C. Compton, Chair, Amy E. Miles (by telephone), William (Bill) C. Rhodes III (by telephone), Donald J. Smith (by telephone), and Kim H. White (by video). The Secretary announced the presence of a quorum and that others present at the meeting location in Knoxville included Interim President Boyd, Senior Vice Chancellor, Chancellor Steve Schwab, and Chief Financial Officer David Miller, Vice President Linda Martin, Chief Audit and Compliance Officer Brian Daniels, Chief Human Resources Officer Brian Dickens, other members of the administrative staff, and members of the media. Trustees participating electronically confirmed no one else was present at their various locations. Ms. Moore also addressed the Open Meetings Act requirements for meetings conducted with members participating electronically, including the requirement that all votes be conducted by roll call.

III. Remarks of the Chair

Chair Compton welcomed everyone to the first meeting of the year, and he indicated that it would serve primarily as a foundational meeting for planning for 2020. He highlighted a number of important items on the agenda for the meeting, starting with a report from Mr. Brian Daniels regarding the recent Performance Audit Report conducted by the Office of the Comptroller. Chair Compton stated that he was proud of the work that had been done in connection with the audit and pleased with the outcome. However, he noted that the report identifies room for improvement in certain areas. The agenda also includes a discussion regarding the development of plans to continue to refine the work of the board and its committees. Chair Compton advised that the largest part of the meeting discussion would focus on a review of Interim President Boyd's proposed goals for 2020, which have been circulated to all of the members of the Board in advance of the meeting.



Chair Compton updated the Executive Committee on the status of the annual presidential performance review, including the steps involved beginning with Interim President Boyd's self-assessment, a 360-degree survey sent to various constituency groups, and interviews that conducted with the leadership of the State of Tennessee as required under the Board's Policy. The performance review has been scheduled for January 24th, and Amy Miles and Bill Rhodes will be involved with the review. The results of the performance review will be circulated to the Executive Committee and then discussed with the full Board at the upcoming Winter meeting in February.

IV. Performance Audit Report

Mr. Daniels briefed the Executive Committee on the findings contained in the Performance Audit Report ("Sunset Audit") conducted by the Office of the Comptroller. He began his remarks by explaining that each state agency is subject to periodic review to determine whether the agency should be continued, modified, or discontinued. He noted that, at the conclusion of the hearing, the University had received a positive recommendation for a four-year continuance. As such, the next performance audit will be conducted in four years.

Mr. Daniels reported that it had been a very robust review from both the University's perspective as well as the state audit office. Comptroller Justin Wilson presented the report at the hearing before the Education, Health and General Welfare Subcommittee of the Joint Government Operations Committee. Mr. Daniels indicated that there were approximately 12 findings, but they can be categorized into four key areas:

- Board Governance and Oversight;
- System Efficiency and Effectiveness;
- Safety and Security; and
- Mental Health.

Mr. Daniels indicated that the University is required to submit a corrective action plan by February 1, 2020, which will be based on the action items set forth in management's response to the audit. The findings and corrective actions associated with the Sunset Audit will be reviewed with the Audit and Compliance Committee at its next meeting, scheduled for February 3, 2020, and all trustees will be invited to attend the meeting.

With regard to the safety and security findings, Mr. Daniels noted that he and Austin Oakes, Executive Director of Capital Projects, will be accompanying Interim President Boyd on a tour of the UT campuses, where they will be meeting with the individuals responsible with Clery reporting and compliance, campus police, and others. In response to a question raised by Chair Compton, Mr. Daniels noted that more information on campus safety and security will be shared with the Board at the upcoming Winter meeting scheduled for February. Interim President Boyd expressed his gratitude to Mr. Daniels and his team for the exceptional work that was done in connection with the audit and the hearing.



V. Development of Work Plans for the Board and Committees

Board Secretary Cynthia Moore advised the members of the Committee that work plans were a recommendation contained in the Comptroller's report. She noted that there is an extensive list of matters that currently come before the board for its review and/or action. Many of these reports are required by statute, the Bylaws, Board policy, or are in response to requests made by prior boards and/or this board. Ms. Moore indicated that she will be undertaking a review of these items to confirm which requirements apply and that she will then be working with the senior staff to consider what, if any, adjustments should be considered. The proposed work plans should assist in capturing not only the required action items, but ensuring that the work of board aligns with the priorities set forth in the strategic plan. In addition, the development of work plans will provide an opportunity to review and assess any gaps/overlaps that should be addressed by the Committee Chairs. Ms. Moore indicated that she will be working on these assessments over the first quarter of 2020, with the goal of bringing draft work plans to the Executive Committee at its next meeting.

Chair Compton indicated that the reviewing what items are on the agendas, including the consent agendas, was something raised previously by Trustee Rhodes and others. He noted that this exercise will allow for a 360-degree review of the work of the Board, which is timely now that this Board has been in place for approximately 18 months and since Ms. Moore is new to the role. Chair Compton stated that he has asked Ms. Moore to contact all of the members of the Board for their input as part of this process. The Committee members expressed support for the process and the development of the plans.

VI. President's Update

Interim President Boyd began his update by stating that he is looking forward to the 2019 review, as it has been an outstanding year because of the efforts and contributions of the entire team. He also noted that it was a very exciting day to be at JIAM because Volkswagen is onsite. Later in the day, there will be a ribbon-cutting ceremony announcing a new Innovation Hub. He noted that this partnership is due to the talents and capabilities available through the relationship by and between the University of Tennessee and the Oakridge National Laboratory.

UT Promise

Interim President Boyd stated that nothing is more important than providing an affordable education to more students in the State of Tennessee. Bold goals have been set for the fall of 2020, to have 2,000 UT Promise students. To date, the University has received over 6,200 applications, with 4,200 coming from prospective freshman and the remaining 2,000 from existing UT students. Interim President Boyd indicated that not all of the applicants will qualify, but that he expects for the University to meet this year's goal.



TVA Tower

As mentioned previously, there is a potential opportunity to relocate and consolidate the UT System Administration offices to the TVA Tower. It is anticipated that the lease will be considered by the County Commission on January 17. The University would then enter into a sublease from the County for a portion of the Tower. Interim President Boyd indicated that some preliminary space planning has been undertaken by the University in anticipation of this relocation. If the project progresses as anticipated, the UT System Administration would be in a position to move late in the year.

Legislative Update

Interim President Boyd noted that the legislature is back in session. He has set a personal goal of meeting with all the legislators. He noted that there are two very important funding requests for the University. The first involves a request for additional funding of the UT Extension Offices (\$6.6 million). Interim President Boyd discussed the important work performed by the offices in serving the state as a whole and their local communities specifically. He noted that the additional funding would allow for additional staff to support the valuable programs being offered by the offices. Second, the University has the opportunity to seek a 7 to 1 funding match from the federal government for the Oakridge Research Institute. In light of this opportunity, the University has requested additional funding from the state in the amount of \$8 million per year for the next 10 years in order to support the Institute. Lastly, it was noted that there are some legislative efforts being considered nationally pertaining to pay for student athletes. In this regard, Interim President Boyd believes that this issue will ultimately be decided through the judicial system.

Employee Benefits

Interim President Boyd expressed his desire for the University to be one of the best places to work in the State of Tennessee and to be one of the best places to work at a university in the nation. He noted that the administration is looking for ways to provide support to its employees. In this regard, he requested that Senior Vice Chancellor and Chief Financial Officer David Miller provided an update to the Committee on two new benefits for employees. Mr. Miller provided an overview of a paid leave policy for Body Organ and Bone Marrow donations. Under the new policy, effective March 1, employees would not have to use their paid sick leave for performing these selfless acts benefiting others. The second benefit relates to paid family leave. It was noted that the University was considering the development of a paid parental leave policy. On January 7, 2020, Governor Lee signed an executive order for paid family leave applicable to 22 state agencies, which is scheduled to become effective on March 1, 2020. While the executive order does not apply to the University, the University generally provides similar benefits as the state. A task force has been formed to consider how the policy could be implemented in an instructional setting. The state family leave policy is for 12 weeks, which is effectively the length of an academic term. A goal has been set to have a policy in place for University employees by July 1, 2020.



In response to a question raised by Chair Compton, Mr. Miller explained that there are two potential impacts to the budget. First, there is the expense associated with hiring additional instructional staff for when someone is on paid leave. The second impact, although anticipated to be less significant, is that employees have the ability to be paid for accrued annual leave. Presumably, more annual leave may be paid out as individuals would have the ability to use paid leave for a variety of family related circumstances that they have generally used annual leave for previously. While the policy does not require Board approval, the Board will be updated on the development of the policy.

V. President's 2020 Goals

Chair Compton asked Interim President Boyd to review his goals for 2020, focusing on the macro and micro themes under each heading.

Interim President Boyd began his remarks by declaring that r this to be the "Greatest Decade" in the history of the University of Tennessee. He noted that it is meant as no disrespect to those who have come before. He believes that they would expect the current leadership to continue to build upon the great foundation that was provided from past efforts.

He reviewed the five key areas of the Strategic Plan –

- Goal 1 - Enhancing Educational Excellence
- Goal 2 - Expanding Research Capacities
- Goal 3 - Fostering Outreach and Engagement
- Goal 4 - Ensuring Workforce and Administrative Excellence
- Goal 5 - Advocating for UT

A copy of the full list of 2020 Goals was circulated to the Board in advance of the Committee meeting, and a copy is filed with these minutes. Interim President Boyd then highlighted certain initiatives planned for 2020 under each of the goal areas.

Goal 1 - Enhancing Educational Excellence

- **Increasing enrollment, graduation rates and retention.** In FY 2020, the goal is to increase enrollment to 51,582 across the system and award 12,458 degrees. In addition, the plan is to improve the six-year graduation rate for undergraduates to 65.2%, and increase freshman fall-to-fall retention to 80.9%. In response to questions regarding the metrics, it was noted that these figures are for the upcoming year.
- **Executing on the UT Promise.** UT Promise will officially kick-off in the fall of 2020. The benefits of the program will be to reduce financial stress on students, which should help with retainment and graduation goals. There is much hard work remaining, including recruiting and training mentors for the program. It was noted that even with the great response, the goal



is 2,000 students for the first year of the program. As it is the first year, there are no statistics to determine the percentage of students that will actually qualify and enroll.

- **Endowing the UT Promise.** To date, \$24 million has been raised for the endowment. The objective for 2020 will be to increase the endowment to \$50 million, which is halfway to the longer-term objective of a \$100 million endowment. In response to questions regarding the cost of the UT Program, Interim President Boyd reported that the initial annual cost, based on 2,000 students, is expected to be \$5.9 million, which is approximately 4% of the University's total institutional aid. Building the endowment is important for the long-term financial sustainability of the program.
- **UT Online.** The University is planning to expand its online offerings through a UT consortium model which should help to incentivize and grow online enrollment; provide greater flexibility in course scheduling; decrease time to degree; further enrich available course offerings in current degree programs; promote the creation of new joint UT degree programs; and provide greater flexibility for degree completion. Vice President Linda Martin indicated that each campus is defining their own approach to advancing the goals set in this area.
- **OneUT for Student Mental Health & Wellbeing:** Student mental health and wellbeing is vitally important for ensuring student success, progression toward degree, and degree completion. The leadership will be continuing to develop a strategy for building a more robust and supportive mental health culture on each UT campus, based on recommended best practices.
- **Enhance Campus Safety.** Lastly, the Comptroller's report highlighted the need for a continued focus on enhancing campus safety and security. Efforts are underway to visit each of the campuses and more information will be shared with the Board as to progress in this area.

Trustees noted that, in light of the projected demographic trends regarding the anticipated number of high school graduates, being innovative through initiatives like the UT Promise and online programming is imperative for attracting students and remaining competitive in the market.

Goal 2 - Expanding Research Capabilities

- **Increasing research expenditures.** In this area, the goal is to increase research expenditures by 7% each year. For FY 2020, the goal for research expenditures, as reported to the National Science Foundation, is \$477.4 million. To meet this goal, Interim President Boyd discussed several key initiatives as described further below.
- **Oak Ridge Institute.** The 2020 goal is to launch the first phase of new faculty recruitment (24 of 120 faculty/researchers); recruit approximately 50 new collaboratively-mentored graduate students for the fall of 2021; and explore the acquisition of a facility to house the Institute. Full



implementation will require new state and federal funding; implementation pace and scope will depend on the level of funding committed.

- **UTIA-UTK Reunification.** The reunification efforts are moving forward. These efforts include streamlining financial and administrative processes. In addition, new opportunities for collaboration are being considered, including the One Health initiative. This initiative is meant to improve health outcomes by addressing a wide range of research considerations encompassing plant, animal, and human health.
- **Co-management of the Oak Ridge National Laboratory.** The UT-Battelle contract to manage the Oak Ridge National Laboratory (ORNL) on behalf of the US Department of Energy officially expires this spring. UT and Battelle have co-managed ORNL since winning the contract in 2000. Maintaining and strengthening our partnership with ORNL is a high priority.
- **UT Research Park at Cherokee Farm.** Continued expansion and development of the research park is contemplated through new partnerships, such as the Volkswagen Innovation Hub.

Goal 3 - Fostering Outreach and Engagement

Interim President Boyd stated that, as the land-grant university, the University has a responsibility to make a positive impact across our state, transferring and leveraging intellectual, physical, and financial resources to improve the lives of our fellow Tennesseans. The University can serve a unique role in addressing “Grand Challenges” facing the State of Tennessee.

- **SOAR 2.0.** For 2020, the University plans to build on the tremendous success of the first addiction and opioid summit hosted last August, entitled Summit for Opioid and Addiction Response (SOAR). A series of next steps is planned, from releasing an asset mapping tool to convening SOAR 2.0. There is much to do across the state to mitigate this crisis, and the University intends to provide important leadership.
- **Leadership in Public Policy and Training.** Similarly, the University has the capacity to become the leader in policy development and thought leadership on key issues facing the State of Tennessee. Closer collaboration between the Baker Center, the Government Relations team, and the Institute for Public Service (IPS) will be developed to help inform specific areas of focus.

Goal 4 - Ensuring Workforce and Administrative Excellence

The University will continue to strive to be more effective and efficient in our administrative operations. The following are some key initiatives that will aid in these efforts:

- **UT Tower.** The UT System, the UT Research Foundation and the UT Foundation will move into the TVA East Tower. We expect to make the move at the end of summer or early fall. Doing



so will change the culture and increase efficiency by having teams working closer together instead of being spread across various different locations.

- **ERP Implementation.** Systemwide planning will continue throughout 2020, resulting in a Request for Proposals in early fall and vendor selection by December. Trustees raised questions as to whether measurable goals should be defined, as the project progresses, in order for determining the overall success of implementing the new ERP program.
- **Financial Dashboards.** Additional dashboards are planned to provide greater insight into the University's operations.
- **Strategic Plan Metrics.** Key metrics will be finalized and tracked for providing annual updates on progress.
- **Pulse Surveys.** The University will begin undertaking surveys to measure employee and student satisfaction.
- **Developing a OneUT Culture.** Continuing to further increase collaboration, capture synergies, and increase impact by working together statewide as a team – as OneUT, is a key goal for 2020. Some of these efforts will be supported by executing on the OneUT Collaboration and Innovation Grants announced at the end of 2019.

Advocating for UT

Interim President Boyd indicated that the University's brand affects its rankings, reputation, funding, and recruitment. While we have made tremendous progress, we still have much work to do.

- **Systemwide Integrated Marketing Communications Plan.** The team will develop an integrated communications and marketing plan that outlines System and campus/institute roles and goals with a series of objectives, strategies, and tactics to build the collective brand through a common voice and message. While each campus and institute has its own voice and strategic communications priorities, there is a unique opportunity to quantify and promote the System's collective impact and unify the brand to raise awareness for all UT components.
- **Consistent Brand Strategy.** Ensuring a consistent visual brand identity is critical to increasing awareness of the University of Tennessee.
- **Fundraising.** For the 2020 year, the Foundation has set a goal of generating \$243 million in private support. At mid-year, the Foundation has met 57% of the goal. In addition, there is a goal to increase the donor base to 66,375, which would surpass last year's record level. During the 2020 year, the goals are to expand the number of engaged alumni to 210,000



- **Government Relations.** Interim President Boyd discussed the return on investment based on the accomplishments of the Office of Government Relations team. He indicated that the University will continue to aggressively pursue federal, state, and other funding for its top priorities.

The Committee members noted the goals identified include both qualitative and quantitative measures, along with a range of short and mid-range goals. In response to questions from the trustees as to whether the list was too ambitious, Interim President Boyd expressed his preference for stretch goals and his confidence in the team to deliver on the identified goals.

Chair Compton requested that, at a future date, that more detail be provided as to how these goals cascade down and across the UT System. In response to how these goals compare to prior years, Chair Compton indicated that based on his review of the goal setting that was performed by the prior board with President DiPietro that the approach is consistent as to the overall format, but that he believes that the goal setting exercise undertaken by Interim President Boyd is more comprehensive as to a list of defined initiatives.

The Committee members expressed their support for the goals, noting that the list of goals are quite impressive and could even be used for the next decade.

VIII. Planning for the 2020 Winter Meeting of the Board

Chair Compton requested that the Committee Chairs work with the leadership team to finalize the agendas for upcoming February's meetings, with the goal of providing the agendas to the Board Secretary by next Friday, January 24.

IX. Update on Faculty, Staff and Student Engagement

Mr. Miller introduced Dr. Brian Dickens, who has joined the UT system staff after a national search, chaired by Dr. Herb Byrd. Mr. Miller indicated that Dr. Dickens was the unanimous choice of all those who met the finalists. Mr. Miller indicated that Dr. Dickens will be taking on the responsibility for addressing the University's efforts to assess faculty, staff and student engagement.

Dr. Dickens began his remarks by speaking to the importance of creating a robust engagement program. A program that can be undertaken annually to develop benchmark data, that includes pulse surveys, and even targeted check-in questions. Through the program, he hopes to obtain much better information as to not only satisfaction, but meaningful engagement. The program being considered would include dashboard analytics, which can be broken down institutionally (e.g., system, campus, and department), by demographics, and by sectors of the work force. In considering, third party vendors the University is looking for a partner to help from a strategy perspective to address communications, survey apathy, how to train managers to use data, and



develop action plans in response to the information obtained. Dr. Dickens concluded his remarks by indicating that he is working with Vice President Linda Martin to identify a provider that can provide specialized assistance with efforts for measuring student engagement.

The Committee members expressed their support for the approach presented by Dr. Dickens. It was highlighted that 67% of the expenses of the University relate to employees, who directly impact the success of the students and the University as a whole. Dr. Dickens will provide updates on the roll-out of the engagement program at future board meetings.

X. Proposed Amendments to the Bylaws

Ms. Moore provided a brief overview of the proposed amendments to the Bylaws. She indicated that a large number of the edits were for increased clarity and consistency, but that there is one substantive change being proposed regarding the removal of the President as a member of the Education, Research and Service Committee and as a member of the Finance and Administration Committee. In this regard, Ms. Moore noted that the change is being recommended in order to advance open communications between the President and trustees and to eliminate any potential concerns regarding the Tennessee Open Meetings Act. Additionally, as the President does not serve as a voting member of the Board, and it is somewhat inconsistent for the President to serve as a voting member of the committees. The changes presented would be consistent with the President's status for the Audit and Compliance Committee. The proposed resolution would also allow the Board Secretary to update the Committee Charters to make conforming changes.

In connection with the change being proposed for the President, a question was raised as to whether the Board Chair should also be named as an ex officio, voting member of all the committees. As structured, it limits the ability for concurrent committee meetings. In response, Ms. Moore indicated that this is an item can be reviewed further in connection with the work plans and meeting schedules that are being developed.

Upon motion duly made and seconded, a roll call vote was taken, and the Resolution to recommend to the Board of Trustees the proposed amendments to the Bylaws was approved.

XI. Consent Agenda

Chair Compton asked whether any committee member would like to remove an information item from the Consent Agenda for discussion. Hearing no requests, he called for a motion that the items listed in the Consent Agenda be approved, as presented in the meeting materials. Upon motion duly made and seconded, a roll call vote was taken, and the Consent Agenda was approved.



XII. Other Business

There was no other business to come before the Committee. Board Chair Compton announced that the next Executive Committee meeting, currently scheduled for May 8, will be rescheduled in light of the commencement exercises that are being held that day and that the Secretary's office will be reaching out with new dates. He also reminded that Committee members that the Winter Meeting of the Board of Trustees will be held at the University of Tennessee at Chattanooga.

XIII. Adjournment

With no further business to come before the Committee, the Chair adjourned the meeting.

Respectfully Submitted,

A handwritten signature in blue ink that reads "Cynthia C. Moore".

Cynthia C. Moore
Secretary and Special Counsel

Attachment

- University of Tennessee Objectives for 2020

Approved Consent Agenda Items

- Minutes of the Last Meeting (October 2, 2019)
- Resolution Appointing a Managerial Group for U.S. Government Contracts
- Designation of University Surgical Associates, PLLC, as a Faculty Practice Plan for College of Medicine - Chattanooga