



THE UNIVERSITY OF TENNESSEE
BOARD OF TRUSTEES

MINUTES OF THE EXECUTIVE COMMITTEE MEETING
September 11, 2020
Knoxville, Tennessee

The Executive Committee of The University of Tennessee Board of Trustees met at 9:00 a.m. EDT on Friday, September 11, 2020. Following continuing guidance from the U.S. Centers for Disease Control and Prevention (CDC) regarding COVID-19 and in compliance with the Tennessee Pledge and other state and local guidelines, the meeting was held virtually with all Committee members participating electronically or by telephone. The meeting was hosted from the University of Tennessee, Knoxville campus.

I. Call to Order and Roll Call

Chair John Compton called the meeting to order.

Board Secretary, Cynthia C. Moore, called the roll, and the following members were present: John C. Compton, Chair, Amy E. Miles, William (Bill) C. Rhodes III, Donald J. Smith, and Kim H. White. The Secretary announced the presence of a quorum. Others present included President Randy Boyd, Senior Vice President and Chief Financial Officer David Miller, Vice President for Academic Affairs and Student Success Linda Martin, General Counsel Ryan Stinnett, Chief Audit and Compliance Officer Brian Daniels, Chancellor Donde Plowman, Chancellor Keith Carver, and other members of the administrative staff. The meeting was webcast for the convenience of the University community, the general public, and the media.

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. Except as otherwise indicated, the Trustees participating electronically confirmed that there was no one else present at their various locations.

II. Remarks of the Chair

Chair Compton welcomed everyone to the meeting. In his remarks, he noted that it was the 19th anniversary of 9/11, which attack unfolded at almost the exact time as this meeting. Chair Compton shared his reflections on the shock, deaths, devastation, and lingering effects of the tragedy, as well as the lessons learned and the volunteer spirit that united the country following the unprecedented and horrific event. He also indicated that it is also the six-month anniversary, of COVID-19 being declared a global pandemic. He cautioned about comparing the two events, but highlighted a number of parallels, especially those relating to lessons learned and the volunteer spirit.



Chair Compton expressed his gratitude to everyone who has contributed to the successful reopening of the UT campuses, including – the Chancellors; the Provosts/Deans; faculty and lecturers; the graduate students, who are both continuing their educational pursuits and serving as teaching and research assistants; campus workers; undergraduate students; and parents. He thanked all the stakeholders who have cooperated and worked so hard to ensure that the University continues to meet its important mission. Chair Compton closed his introductory remarks by highlighting the key items to be discussed and considered at the meeting.

III. Approval of Minutes

Upon motion duly made and seconded, a roll call vote was taken, and the Committee approved the minutes of the May 8, 2020 meeting.

IV. Update from the President

President Boyd began his remarks by providing an update on the University's efforts to expand opportunities for affordable higher education for Tennesseans. He reminded the members of the Committee that UT Promise, a last-dollar scholarship for undergraduates with a family household income under \$50,000 attending one of UT's campuses, launched Fall 2019. President Boyd indicated that there are more than 1,100 UT Promise students on UT campuses now. Additionally, the University trained over 1,500 mentors. President Boyd stated that it was a great start for what is expected to be a transformational program for the University and the State of Tennessee.

Martin Methodist College

President Boyd indicated that, by pursuing strategic partnerships with other higher education institutions, there may be opportunities to provide additional access to a UT education in other parts of the state. While on an extension office visit, President Boyd met with Mark LaBranche, President of Martin Methodist College (MMC) located in Pulaski, Tennessee, to talk about the current challenges facing higher education and ways the two institutions might be able to partner for the benefit of the state. From those conversations, the University and MMC have decided to enter into a nonbinding letter of intent (Letter of Intent) as a first step in advancing more in-depth discussions pertaining to the possibility of MMC joining the UT System.

It was noted that MMC is a historic institution that, for 150 years, has provided opportunities in critical areas such as nursing, education, criminal justice, social services and business serving southern, middle Tennessee near the Alabama border. Its graduates are vital to the long-term economic success of the region.

President Boyd advised that there is a substantial amount of due diligence to be done to ensure that it would be beneficial for both institutions. Any such partnership would be subject to approval by the boards of trustees at both institutions, the Tennessee state legislature, and the regional



accrediting body. By moving forward with the Letter of Intent, the institutions can explore this opportunity in greater detail and bring the respective stakeholders into this very important conversation. He advised that the leadership team intends to provide a detailed report of the due diligence findings to the Board at upcoming meetings.

Start of the Fall 2020 Semester (COVID-19)

On the COVID-19 front, President Boyd praised the efforts of the leadership team, faculty, and staff from across the UT System, who continue to make adjustments for the health and safety of the entire UT community.

Although it has been an uncertain year and very difficult to predict the full impact of the pandemic, President Boyd reported that overall enrollment is up across the UT System, with UT Knoxville experiencing the largest enrollment gain of more than 1,000 students. UT Chattanooga experienced a small growth of approximately 100 students, while UT Martin and the UT Health Science Center experienced only small drops in enrollment (approximately 100 students each).

With respect to the residence hall capacity, the University did experience a decline in on-campus housing across the UT System, with decreases of 15% at UT Chattanooga and Knoxville and a decrease of 8% at UT Martin.

As to the number of COVID-19 cases, as of September 10, 2020 –

- UT Knoxville has 675 active student cases, 10 active employee cases, and 2,131 individuals in isolation.
- UT Chattanooga has 67 active student cases, 9 active employee cases, and 266 individuals in isolation.
- UT Martin has 32 active student cases, 1 active employee case, and no individuals in on-campus isolation.
- UT Health Science Center has 5 active student cases, 5 active employee cases, and 11 individuals in isolation.
- Currently, there have been no hospitalizations of which are campuses have been made aware.

To deal with increasing numbers of isolations and quarantines at UT Knoxville, Chancellor Plowman has announced that the campus is turning Massey Hall into a quarantine dorm. In addition, the campus has secured additional hotel space in Knoxville. Current residents in Massey are being moved to other spaces on campus or being offered refunds. In an attempt to slow the spread of COVID-19, Chancellor Plowman has announced certain restrictions through at least September 27, which include the following:



- No visitation in any on-campus housing;
- All on-campus dining will be converted to carry out;
- Fitness facilities will be closed for two weeks; and
- All indoor in-person campus events are canceled.

However, in-person classes and research will continue, and social gatherings on campus will continue to be allowed if held outdoors, follow CDC guidance for social distancing, and require all attendees wear masks.

President Boyd advised that he and Chancellor Plowman met with Dr. Lisa Piercey from the Tennessee Department of Health and members of the Unified Command Group. As a result, the University will now, in many cases, be quarantining in dorms and sorority houses so long as certain protocols are followed, as opposed to leasing off-campus housing. Public health officials feel strongly that students should remain on campus as opposed to being sent home. Last week, Dr. Fauci urged colleges “not to shut down after an outbreak because it would scatter and spread the virus further.”

President Boyd extended his gratitude and appreciation to the University’s emergency management coordinators, facilities workers, residence hall managers and staff, and all of the other employees across the UT System, who serve daily on the front line.

From a financial perspective, President Boyd indicated that two months into FY 2021, academic revenue is up approximately \$10.4 million and auxiliary revenue is down by approximately \$20.1 million. Currently, the total fiscal impact of COVID-19 to date is estimated at \$83 million.

This reduction in revenue and increase in costs has been partially offset in several ways:

- CARES Act & Coronavirus Relief Fund assistance of \$21 million for the campuses, with additional funds going directly to students;
- Reductions in operating and equipment spending since March of \$45 million; and
- Anticipated FY 2020 funding for future auxiliary renewal and replacement needs was \$10 million below budget.

Total offsets, so far, are estimated to be \$76 million.

With respect to intercollegiate athletics, the SEC is planning to play conference-only games. President Boyd advised that the University is now projecting a \$40-50 million deficit in the UT Knoxville athletic budget. He indicated that the leadership team is working closely with the campus in addressing the anticipated deficit for FY 2020-21. President Boyd stated that it is expected to be an ongoing and very fluid situation as the season progresses. As such, matters could get worse or better. The athletics conferences in which UT Martin and UT Chattanooga participate have postponed all fall sports. More detailed financial information and updates on intercollegiate athletics will be provided at future meetings of the Board and its committees.



President Boyd also advised that the campuses are considering calendar adjustments for the Spring 2021 semester. UT Chattanooga has announced plans to start on January 19, 2021 and end on April 26, 2021, with no spring break. UT Knoxville and UT Martin are still evaluating various alternatives.

Other Updates

President Boyd shared recent developments pertaining to the Oak Ridge Institute (ORI). The national search for the first executive director and vice provost for ORI has been announced, along with a number of recent leadership appointments. Michelle Buchanan, Oak Ridge National Laboratory Deputy for Science and Technology, and Stacey Patterson, UT System Vice President for Research, will serve as interim co-directors of ORI until a director is named.

On the outreach front, the Law Enforcement Innovation Center (LEIC) of the Institute for Public Service has developed a partnership with the International Association of Chiefs of Police and the Office of Community Oriented Policing Services (US Department of Justice) to develop and deliver a customized curriculum in de-escalation tactics. They have received a \$1.3 million grant for the effort. In addition, LEIC is also working with the Museum of Tolerance in Los Angeles to design and deliver a cross-cultural competency leadership program to be used throughout Tennessee and nationally.

The University's chief human resources officer, Brian Dickens, is currently working on a refresh of the University's existing Diversity Statement, which was approved previously by the Board in 2014. An update on the University's diversity efforts will be presented to the full Board at the upcoming fall meeting.

Following President Boyd's update, Chair Compton reiterated that the potential acquisition of MMC is currently exploratory in nature. The leadership team is just beginning its due diligence. He affirmed that the full Board will have an opportunity to fully discuss the merits before any final decisions are made. With respect to the enrollment figures, he remarked that the results are outstanding, which reflect all the actions taken to ensure the quality of the programs and the affordability of a UT education. Lastly, he shared that he was pleased regarding the holistic approach that UT Knoxville is using to address the athletics budget situation resulting from the pandemic. The trustees expressed their support for the leadership team's willingness to consider new partnerships and the potential acquisition of MMC. In this regard, the trustees advocated for a robust due diligence process, assessing all of the potential positives and negatives. In addition, the trustees encouraged the leadership team to take as much time as necessary for conducting the due diligence and expressed their willingness to hear the report at such time as it is ready. The trustees thanked President Boyd for his efforts to keep them fully apprised throughout the entire COVID-19 pandemic period.



V. Approval of Amendment to Master Ground Lease (UT Research Park)

At the request of Chair Compton, David Miller explained that the University entered previously into a Master Ground Lease Agreement with the University of Tennessee Research Foundation (UTRF) for approximately 140 acres of University-owned property. UTRF has an option to lease portions of the property and to sublease to third parties to construct and operate offices, research laboratories, and other research facilities. The University has the right to approve the subleases and, in coordination with the Office of State Architect, review and approve the building design to ensure that it is consistent with the Research Park Master Plan Guidelines.

Approximately 27 +/- acres of the leased property were designated as "Future Development" and not included in the area that could be subleased immediately. UTRF is negotiating with a prospective tenant, whose site plan shows the need for approximately 0.50 +/- acres of the Future Development area to accommodate the footprint of the building and associated parking.

The University requests permission to amend the Master Ground Lease Agreement to include this additional area. Upon approval by the Executive Committee, the University will seek all required state approvals.

Upon motion duly made and seconded, a roll call vote was taken, and the Board approved an amendment to the Master Ground Lease with UTRF to include the additional Future Development area as set forth in *Resolution 057-2020*.

VI. Approval of Facility Naming - UT Knoxville (New Engineering Complex)

President Boyd advised that UT Knoxville seeks Board approval to name the New Engineering Complex after its distinguished and generous alumni, Eric L. Zeanah (BS Industrial Engineering 1984) and Elaine E. Zeanah (BS Nursing 1982). President Boyd shared his support for the naming in honor of their many contributions and generous support of the campus.

Upon motion duly made and seconded, a roll call vote was taken, and the Board approved the naming of UT Knoxville's New Engineering Building as the "Zeanah Engineering Complex" as set forth in *Resolution 058-2020*.

VII. Planning for Upcoming Board and Committee Meetings

Chair Compton shared the current plans for holding the fall meeting virtually in order to allow the UT Knoxville campus to focus first and foremost on serving its students. The proposed agendas for the committee meetings and the full Board meeting were discussed. The Committee members recommended a deeper-dive on the financial implications of the COVID-19 pandemic, especially with respect to auxiliary operations. It was noted that additional information on the student



experience, including how they are coping with the pandemic, would be shared with the Board. The campus annual public safety reports will also be presented at the full Board meeting.

VIII. Closing Remarks

Before closing the meeting, Chair Compton asked if there were any additional items that the leadership team would like to share with the members of the Committee. In this regard, David Miller announced that the University has hired Ramon Padilla to serve as its chief information officer. Dr. Linda Martin also reported that Dr. Jorge Pérez has agreed to a two-year appointment to lead the Institutional Effectiveness team. Updates were provided on the planned move of the UT System administration to the UT Tower, along with the UT signage and marketing efforts across the State of Tennessee.

XI. 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

Attachments. A copy of the following document is filed with the official minutes of this meeting.

- Presentations: President's Report