



THE UNIVERSITY OF TENNESSEE  
BOARD OF TRUSTEES

MINUTES OF THE EXECUTIVE COMMITTEE MEETING  
January 22, 2021  
Knoxville, Tennessee

The Executive Committee of The University of Tennessee Board of Trustees met at 9:00 a.m. EST on Friday, January 22, 2021. 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 of the Committee were present: John C. Compton, Chair; Amy E. Miles; William (Bill) C. Rhodes III; and Donald J. Smith. The Secretary announced the presence of a quorum. In addition, Trustees Bradford D. Box, Leighton Chappell (Student), Charles Hatcher (Tennessee Commissioner of Agriculture), Decosta E. Jenkins, Kara Lawson, Alan D. Wilson and Jamie R. Woodson were in attendance. 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 Steve Angle; Chancellor Steve Schwab; and additional 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 Chairperson**

Chair Compton began his remarks by highlighting that it was a year ago in January when the World Health Organization announced an outbreak of a mysterious virus in Wuhan, China. He commended President Boyd, the chancellors, faculty, staff, and others from across the UT System for their remarkable efforts in responding to the crisis and continuing to provide a high-quality educational experience for the University's students.



Chair Compton addressed the recent developments involving the football program at UT Knoxville. He expressed his support of the very difficult decisions made by Chancellor Plowman during the week. Chair Compton discussed the qualities and characteristics identified as key requirements for selection of the athletic director and the decision to hire Danny White as the next athletic director for the UT Knoxville football program. He noted that Mr. White and his family will be formally introduced at a press conference being held later in the day.

He closed his remarks by reflecting on the positive momentum at the University in terms of enrollment growth, graduation rate improvements, research dollar growth, and a recent award given to the Board for excellence in leadership.

### **III. Review of 2020 Objectives**

President Boyd indicated that a full report detailing the 2020 goals and the accomplishments for the year was distributed to the Board in advance of the meeting. He reminded the members of the Committee that the 2020 goals were considered to be highly ambitious. Despite the pandemic, the team met and, in certain instances, exceeded the goals established. President Boyd shared some of the accomplishments under each of the pillars of the strategic plan, including the following:

#### Enhance Educational Excellence

- Increased Enrollment and Graduation Rates
- A successful initial year of the UT Promise Program in terms of recruitment, mentorship, and fundraising
- The establishment of the OneUT Mental Health Task Force to advance student mental health and wellbeing
- Increased efforts to enhance campus safety across the UT System
- New initiatives to increase access to higher education across the State of Tennessee

#### Expanding Research Capabilities

- Increased Research Expenditures
- The launch of the Oak Ridge Institute
- Progress on the UTIA-UT Knoxville Reunification
- Renewal of the five-year contract with US Department of Energy for co-management of the Oak Ridge National Laboratory

#### Fostering Outreach and Engagement

- Actions to address grand challenges (e.g., opioid addiction)
- UT's service to the State of Tennessee in response to COVID-19 (e.g., manufacturing and delivery of personal protective equipment, staffing of testing centers, and research efforts to combat the virus)



### Ensuring Workforce and Administrative Excellence

- Efforts to relocate UT System Administration departments to the new UT Tower
- Meaningful progress on the ERP initiative
- Efforts to promote the OneUT spirit (e.g., One UT Collaboration and Innovation Grants)
- Alignment of UT Press with the UT Knoxville Library System

### Advocating for UT

- Development of a system-wide, integrated marketing communications plan and consistent brand strategy
- The strong performance of the Government Relations and Advocacy office and appointment of Carey Whitworth as Vice President

President Boyd emphasized the outstanding results achieved during an unprecedented pandemic crisis.

## **IV. Update from the President**

President Boyd provided an update on the start of the 2021 spring semester. He explained that the University will not be mandating the COVID-19 vaccine, based, in part, on the uncertainty as to the availability of the vaccine to all members of the University community. President Boyd explained that the University will be advocating for faculty and staff to be moved up in Tennessee's vaccination plan (to the same phase applicable to K-12 schools). Updated strategic plans are in progress for the UT System, UT Chattanooga, and UT Knoxville. These plans will be presented to the Board later this year. President Boyd stated that UT Promise applications for Fall 2021 are nearly double the number of applications received for Fall 2020. Fundraising for the UT Promise program continues, but the overall cost remains below the original projections. President Boyd closed his remarks by sharing preliminary results of a recent student survey. While students have persevered in their studies, students are struggling with feelings of isolation and loneliness. Although all of the campuses have worked very hard to engage and remain connected with students, it is clear that there is more work to be done.

The members of the Committee thanked the leadership team for their efforts during 2020. Chair Compton expressed the Board's gratitude to the chief business officers across the UT System, especially those working in the athletics, who have worked diligently to address and manage the negative financial impacts associated with the pandemic. President Boyd confirmed that the 2021 Objectives are being finalized utilizing the strategic plan framework. These goals will be presented to the Board at its upcoming Winter meeting, scheduled for February. Chair Compton advised that the annual presidential performance review process is underway. The results of the review will be presented at the June meeting of the Board.



## V. Update on Proposed Acquisition of Martin Methodist College

At the special meeting held in December 2020, the Board requested that the administration follow-up on the following four items:

- 1) Size of Prize (demographic information/market analysis);
- 2) Academic Disciplines (offerings needed to attract/retain students);
- 3) Economics (investments needed to grow/sustain the campus); and
- 4) Engagement (internal/external stakeholders)

President Boyd highlighted the engagement efforts undertaken to solicit further feedback from a broader group of stakeholders, including UT faculty leadership, local governmental officials, community and business leaders, and state legislators. He remarked that there is strong support across the region for the proposed acquisition and establishment of a new UT campus.

Linda Martin, Vice President for Academic Affairs and Student Success, addressed the first question regarding the current and projected size of the campus. Among the key findings, an increase in the college going rate in the identified market area (35 counties) to the state average would result in a nominal increase in the actual number of enrolled students. However, a number of other factors (reduced tuition costs, value of the UT brand, tuition discounting for out-of-state students within close proximity of the campus, etc.) are anticipated to have a positive impact on enrollment. The level of enrollment at Martin Methodist College (MMC) has declined as a direct result of the pandemic, similar to what has been experienced at other small institutions in higher education. The full impact of the pandemic has yet to be seen. Based on the analysis, a smaller size campus of approximately 1,000 to 1,500 students is projected for the near-term. Dr. Martin then reported on the efforts that would be needed to prioritize and streamline academic programs and to capitalize on opportunities to expand certain offerings, with existing resources, through collaboration.

David Miller, Senior Vice President and Chief Financial Officer, reviewed the updated pro forma financial projections for fiscal year 2022, based on current enrollment figures and with modest growth. Mr. Miller explained that the figures reflect an increase in the projected amount of recurring state appropriations (\$5.1 million), along with a non-recurring state appropriation (\$500,000) for transition support. The financial projections also reflect anticipated increases in expenses associated with the projected enrollment figures. As presented, with very modest growth, the campus would breakeven. As the enrollment figures grow, surplus funds would be available for reinvestment in the campus.

Mr. Miller answered questions from members of the Committee regarding the amount of projected recurring state appropriations as a percentage of total revenue and how this figure compares to the support provided to other UT campuses. Mr. Miller confirmed that the amount of state funding per student is generally higher for smaller campuses and lower for large campuses, which is not unusual due to economies of scale.



Mr. Miller then presented a review of housing capacity and future needs, reflective of projected enrollment assuming different demand levels for on-campus, residential housing. He closed his presentation by providing an overview of the current level of classroom space, and the anticipated need for additional space depending on enrollment growth and the applicable utilization factor applied.

Chair Compton opened the floor for additional questions from the trustees. President Boyd will continue to provide updates to the Board on the proposed acquisition of MMC. Subject to receiving the necessary approvals and state financial support, the proposed acquisition will be presented to the Board for its consideration at the Annual Meeting scheduled for June.

## **VII. Planning for Upcoming Board and Committee Meetings**

Chair Compton shared some of the agenda topics slated for the upcoming Winter meeting of the Board including: (i) the proposed goals for 2021, (ii) the annual safety reports, (iii) the financial reports of athletic programs, (iv) the results of the student experience survey, and (v) a report on information privacy and security. In addition, the revised operating budget will be presented, along with the proposed tuition and fees for the UT Health Science Center. He asked that the Committee Chairs work with the staff liaisons to finalize the meeting agendas and submit them to the Board Secretary by the end of the following week (January 29).

## **VIII. Consent Agenda**

Chair Compton called the Committee's attention to the Consent Agenda and asked if there were any requests to remove an item from the agenda. There being none, upon motion duly made and seconded, a roll call vote was taken, and the Committee approved: (i) the minutes of the September 11, 2020 meeting of the Committee, and (ii) the Resolutions pertaining to the other action items included on the Consent Agenda. (A complete list of the approved items appears at the end of these minutes.)

## **VI. Rulemaking Process under Tennessee Uniform Administrative Procedures Act**

General Counsel Ryan Stinnett explained that a number of administrative rules may need to be amended and/or promulgated in the upcoming year. He reviewed certain provisions of the Tennessee Uniform Administrative Procedures Act (Act) and discussed possible options for managing future rulemaking hearings. It was noted that the Tennessee Higher Education Commission and the Tennessee Board of Education have delegated the authority to conduct rulemaking hearings to staff members. Mr. Stinnett stressed that the rulemaking hearings are held for the purpose of capturing public comment only.



The members of the Committee expressed their support for delegating responsibility for the conduct of rulemaking hearings to the General Counsel's office, noting that it would result in a more efficient process and that the legal team has the requisite expertise needed to ensure the University's compliance with the applicable provisions of the Act. Chair Compton confirmed that final approval of new or revised rules would remain with the Board.

**IX. Other Business**

None.

**X. Closing Remarks**

Mr. Miller recognized Judy Burns, Enterprise Risk Officer, for her work on the follow-up report on the proposed acquisition of MMC, which was prepared in late December and over the holiday break. Chair Compton thanked the management team for the comprehensive report.

**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".

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Cynthia C. Moore  
Secretary and Special Counsel

Approved Consent Agenda Items

- Minutes of the Last Meeting (September 11, 2020)
- Annual Report on Tuition and Fee Revenues, Academic Year 2019-20
- Acceptance and Sale of Gift Property in Mineral Wells, TX - UT Knoxville
- Standing Resolution Granting Certain Authority to the Secretary

Attachments. Copies of the following presentations are filed with the official minutes of this meeting.

- President's Goals 2020
- Update on Potential Acquisition of Martin Methodist College