



THE UNIVERSITY OF TENNESSEE
BOARD OF TRUSTEES

MINUTES OF THE AUDIT AND COMPLIANCE COMMITTEE

June 24, 2021
Memphis, Tennessee

The Audit and Compliance Committee of The University of Tennessee Board of Trustees met at 10:15 a.m. (CDT) on Thursday, June 24, 2021, in the Refectory, Mooney Building, located at the University of Tennessee Health Science Center, Memphis, Tennessee.

I. Call to Order and Roll Call

Ms. Amy Miles, Committee Chair, called the meeting to order. Board Secretary, Cynthia C. Moore, called the roll, and the following members of the Committee were present: Amy E. Miles, Committee Chair; Bradford D. Box; John C. Compton, Board Chair; D. Crawford Gallimore; and Decosta E. Jenkins. In addition, the following trustees were in attendance: Christopher L. Patterson; William (Bill) C. Rhodes III; and Donald J. Smith.

Others present included: President Randy Boyd; Brian Daniels, Chief Audit and Compliance Officer; David Miller, Senior Vice President and Chief Financial Officer; Ryan Stinnett, General Counsel; Ashley Blamey, UT System Title IX Coordinator; Chancellor Keith Carver (UT Martin); Chancellor Donde Plowman (UT Knoxville); staff members from the Office of Audit and Compliance; and other members of the UT senior leadership and administrative staff. The meeting was webcast for the convenience of the University community, the general public, and the media. Ms. Moore addressed the Open Meetings Act requirements for meetings conducted with members participating electronically and announced the presence of a quorum.

II. Opening Remarks of the Committee Chair

Committee Chair Amy Miles opened the meeting by providing an update on the status of the Quality Assurance and Improvement Program (QAIP) review conducted of the Office of Audit and Compliance (OAC). She advised that the full report will be forthcoming and presented at a subsequent meeting; however, she stated that OAC had received the highest possible marks. Committee Chair Miles explained that these types of assessments are important not only for complying with auditing standards, but for promoting best practices. She thanked the senior leadership team and others for their participation in the process, noting that the comments received will be valuable to both the OAC and the Audit and Compliance Committee. Committee Chair Miles extended her congratulations to Brian Daniels, Chief Audit and Compliance Officer, and to the entire OAC team.



Committee Chair Miles also informed the Committee that, as required by the Committee's Charter, she and Mr. Daniels had conducted a review of the Charter to determine whether any revisions should be presented to the Committee for its consideration. In this regard, she reported that no proposed revisions to the Charter are being recommended at this time.

III. Requests to Address the Board

No requests to address the Board were assigned to be heard by the Committee.

IV. Approval of the Minutes

Committee Chair Miles noted that the minutes of the last meeting (held on February 25, 2021) were included in the meeting materials (Tab 1). She asked for any corrections to the minutes. Hearing none, the minutes were approved.

V. Consent Agenda

Committee Chair Miles called the Committee's attention to the Consent Agenda (Tab 2). She noted that the items presented are informational in nature and would not be discussed, unless there was a request to remove an item from the Consent Agenda. There were no requests to remove any of the information items from the Consent Agenda. (A complete list of the Consent Agenda items appears at the end of these minutes.)

VI. UT System Title IX: 2020 Annual Report

Mr. Daniels introduced Ashley Blamey, UT System Title IX Coordinator, who provided the annual Title IX report. Dr. Blamey began her presentation by highlighting the work that has been done since 2017 to enhance compliance across the UT System. She indicated that this work prepared the University to respond to the unique and challenging circumstances presented in 2020, including the recent regulatory revisions and the COVID-19 pandemic.

Dr. Blamey remarks focused on the five key elements of the University's model for Title IX, which is based on the Centers for Disease Control and Prevention's (CDC's) social ecological model –

- Policy;
- Prevention and Education;
- Support Measures;
- Investigation and Resolution; and
- Patterns and Trends.

She also explained that, despite the regulatory changes, the model has remained substantially unchanged.



Dr. Blamey reviewed the efforts undertaken in response to the new Title IX regulations. These efforts included, among other things, the creation of a policy template and other resources that could be customized for use across the UT System. She noted that further revisions to the regulations are anticipated under President Biden's administration.

In response to the pandemic, Dr. Blamey advised that prevention and education initiatives were reimagined. There was a greater emphasis on the delivery of information online and through the expanded use of social media and other non-traditional forms of communication. She then discussed the importance of the University's efforts to provide supportive measures (e.g., accessing medical care, counseling, and academic resources), noting that only approximately 12% of complaints advance to investigations. This percentage is reflective of various factors, including that respondents may be outside the University community. All campuses provide reports of prohibited conduct, including the location of the reported event and the respondent status. Dr. Blamey emphasized that these reports are not legally required, but are prepared in order to support transparency and trust.

Dr. Blamey described the campus and system level efforts to study patterns and trends in this area. She highlighted recent Title IX reports issued by other universities (e.g., LSU, Michigan State, and University of South Carolina). She indicated that these reports are studied in connection with the University's efforts to regularly assess its own policies and procedures. Additionally, Dr. Blamey reviewed the recent changes to the annual attestation required by the National Collegiate Athletic Association (NCAA).

Recently, a number of governmental funding agencies, including the National Science Foundation (NSF) and National Aeronautics and Space Administration (NASA), have been incorporating the reporting of alleged sexual harassment, other forms of harassment, and sexual assault involving principal or co-principal investigators as conditions of their grants/contracts. Dr. Blamey stated that the National Institute of Food and Agriculture is in the process of establishing reporting requirements based on those required by the NSF, and she anticipates that other funding agencies may impose similar requirements.

In concluding her remarks, Dr. Blamey provided information on the University's efforts with respect to: (i) the annual mandatory training of Title IX personnel, (ii) the training provided in connection with intercollegiate athletics programs, and (iii) the mandatory reporter training for the UT System and the campuses.

In response to the presentation, the Committee members raised questions and concerns over the level of completion of the mandatory reporter training. Dr. Blamey provided additional information on recent activities to customize and improve the method of delivery of the training on the campuses. The Committee members acknowledged the challenges associated with the COVID-19 pandemic, but emphasized the critical importance of the education and



prevention efforts and charged the campus chancellors with ensuring that the mandatory reporter training is completed.

The Committee members queried Mr. Daniels and Dr. Blamey regarding the organizational structure and reporting lines associated with the Title IX compliance function. They shared their views regarding the benefits and recent accomplishments of the current model, emphasizing the collaborative efforts of the Title IX coordinators in promoting consistency and minimizing risks in this area.

Dr. Blamey also responded to inquiries from the Committee members regarding the Executive Order issued by President Biden that directs the US Department of Education to review the Title IX regulations, the anticipated timeline and process by which such regulations may be amended, and whether the University anticipates the issuance of "Dear Colleague Letters" by the Department's Office of Civil Rights.

VII. Athletics Compliance Update

Committee Chair Miles reminded the Committee members that the ongoing investigation by the NCAA of the UTK Football program would not be discussed in the public meeting, noting that investigations are reserved for the executive session of the Audit and Compliance Committee in accordance with statutory and other legal requirements.

Annual Compliance Report

As required by the Board's Policy on Oversight of Intercollegiate Athletics (BT0033), Ryan Stinnett, General Counsel, presented the annual compliance report. Mr. Stinnett outlined the key reporting requirements, which include:

- An explanation of the institution's reporting structure for the intercollegiate athletics compliance office and to whom the compliance office reports to outside of the athletics department;
- A description of the process for reporting and investigating alleged violations of NCAA rules;
- The number of full-time employees in the athletics compliance office and a comparison of that number with the institution's athletics peers; and
- A description of all NCAA rules infractions since the last annual report.

Mr. Stinnett then reviewed each of the foregoing requirements by campus. A copy of the presentation is filed with these minutes.



In connection with the report, the Committee members raised questions regarding the level of staffing and whether changes may be necessary now that student athletes will have the opportunity to benefit from their name, image and likeness (NIL). Chancellor Plowman remarked that the staffing needs are under consideration at UT Knoxville. She believes that additional resources may be needed. The Committee members made a number of recommendations for next year's report, including the standardization of the reporting by the campuses of rules infractions so that there is comparative data for prior years. Additionally, peer data regarding rules infractions may also provide further insights as to whether there is any correlation between compliance staffing levels and the number and/or type of rules infractions.

Name, Image, and Likeness (NIL) Update

Mr. Stinnett provided an update on the NIL landscape, which continues to evolve daily. He highlighted a recent US Supreme Court decision (*NCAA v. Alston*), in which the court ruled unanimously that the NCAA could not limit educational-related benefits to student-athletes.

In addition, Mr. Stinnett reviewed the recent legislation adopted by the Tennessee General Assembly and signed into law by Governor Lee on May 11, 2021. Public Chapter 400 will take effect on January 1, 2022, and it provides certain NIL rights to student-athletes enrolled in four-year public or private institutions of higher education located in Tennessee. He discussed key provisions of the new law, including the following items:

- An intercollegiate athlete may obtain representation by a third party, including an athlete agent, for the purpose of securing compensation for the use of the athlete's name, image, or likeness.
- An institution, or an officer, director, or employee of the institution may not be involved in the development, operation, or promotion of a current or prospective intercollegiate athlete's name, image, or likeness.
- An entity whose purpose includes supporting or benefitting the institution or its athletic program may not compensate or cause compensation to be provided to a current or prospective intercollegiate athlete for the athlete's name, image, or likeness if the arrangement is contingent on the athlete's enrollment or continued participation at an institution.
- An institution may prohibit an intercollegiate athlete's involvement in name, image, and likeness activities that are reasonably considered to be in conflict with the values of the institution.
- Intercollegiate athletes are prohibited from involvement in name, image, or likeness activities that promote gambling, tobacco, alcohol, and adult entertainment.



- No intercollegiate athlete or the athlete's representative may enter into an agreement for compensation for the use of the athlete's name, image, or likeness if the agreement conflicts or unreasonably competes with the terms of an existing agreement entered into by the institution the athlete attends.

Mr. Stinnett also advised that a large number of states have or are in the process of enacting NIL laws. Some of these state laws will go into effect starting on July 1. He indicated that the patchwork of state laws is problematic when recruiting student-athletes nationally. While many have advocated for a federal solution, one does not exist. Additionally, no NCAA standard has been adopted.

Mr. Stinnett confirmed that the University will continue to monitor the developments in this area. He concluded his remarks by sharing that the campuses are working to develop financial literacy workshops for their intercollegiate athletes as required by the new Tennessee statute.

Committee Chair Miles thanked Mr. Stinnett for the update and noted that the Committee will receive future reports on this particular topic.

VIII. Adjournment

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

Respectfully Submitted,

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

Cynthia C. Moore
Secretary and Special Counsel

List of Information Items Presented to the Committee

- 2021 Audit Plan Update
- Outstanding Audit Issues
- Travel Exception Report
- Institutional Compliance Program Update
- University Code of Conduct Update

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

- System Title IX: 2020 Annual Report
- Athletics Compliance Update (System-Wide)