THE UNIVERSITY OF TENNESSEE
BOARD OF TRUSTEES

EXECUTIVE COMMITTEE	
Friday, January 21, 2022	Executive Conference Room, Joint Institute for Advanced Materials, Cherokee Farm
9:00 a.m. EST/8:00 a.m. CST	2641 Osprey Vista Way, Knoxville, TN 37920

AGENDA

I. Call to Order and Roll Call

II. Remarks of the Chairperson

III. President's Update

    A. 2021 Objectives — Discussion .... Tab 1.1
    B. Online Market Opportunity Assessment — Discussion .... Tab 1.2

IV. Update on Compliance with Graduate Medical Education Accreditation
Requirements, UTHSC – Memphis, College of Medicine .... Tab 2

    A. Approval of Statement of Mission and Commitment to Graduate Medical
       Education (2022-2026) — Action/Roll Call Vote .... Tab 2.1
    B. Annual Institutional Review, Academic Year 2020-21 — Information .... Tab 2.2

V. Approval of Naming Opportunity, UTK — Action/Roll Call Vote .... Tab 3

VI. Planning for Winter Board Meeting — Discussion

VII. Consent Agenda — Action/Roll Call Vote .... Tab 4

    A. Minutes of the Last Meeting .... Tab 4.1
    B. Annual Report on Tuition and Fee Revenues, Academic Year 2020-21 .... Tab 4.2

VIII. Other Business
[Note: Under the Bylaws, items not appearing on the agenda may be considered only upon an affirmative vote representing a majority of the total voting membership of the Executive Committee. Other business necessary to come before the Executive Committee at this meeting should be brought to the Chair or Board Secretary's attention before the meeting.]

IX. Closing Remarks

X. Adjournment

University of Tennessee System 2021 Year-End Summary: Another Amazing Year!

The OneUT team across the state met every challenge, sought out new opportunities and excelled despite another challenging year due to the pandemic. True to our values, we were bold and impactful, nimble and innovative, and optimistic and visionary. While all the achievements we have outlined below would be considered exceptional at any point in time, considering the volume of adversity we have withstood during the past year these achievements are nothing short of amazing. It was definitely a strong second year of the greatest decade in the history of the University of Tennessee!

Our Chancellors and their leadership teams led their campuses through a global pandemic and its ever-changing regulatory environment, all while keeping our faculty, students and staff healthy and successful. Much of the credit for the below accomplishments go to them, and so much more. Each will be sharing a summary of 2021 successes with their respective campuses a bit later this month.

Following are just a few highlights from the year, each categorized in one of our five key strategic plan pillars. So much is left out, but for brevity these few highlights will validate what an incredible year we had together as OneUT.

Enhancing Educational Excellence

Enrollment and Graduation Rates. First and foremost, we strive to provide a great education to more students within the state of Tennessee and attract talent to our state. In 2021 we set new records in enrollment and graduation. Led by a strong increase in enrollment at UT Knoxville, we exceeded our goal of a 2% increase, achieving 2.7%. The result was yet another new record with 53,983 students! We also want to ensure that students who entrust their education and their future to us are successful. Both four-year and six-year graduation rates increased systemwide in 2021, at 0.8% and 2% respectively. Five years ago, our four-year graduation rate was 41%. In 2021, we finished at 48%. Five years ago, our six-year graduation rate was 59.6%. Last year, we finished at 64.9%. From faculty to staff, from the amazing recruiters to the student success teams, and everyone that makes UT such a welcoming and supportive place to live and learn, great job and thank you!

UT Promise. As the land-grant university for the state of Tennessee, we have the responsibility to make education accessible and affordable to our residents. Two years ago we introduced UT Promise, our last-dollar scholarship program that guarantees free tuition and mandatory fees at every UT campus for qualifying students with a household income under $50,000. We were the first statewide system to ever launch such a program. Now, because of costs much lower than expected and a strong start on the endowment (raising $31 million in just the first two years), we are able to increase the household income threshold to $60,000 for qualifying students in fall 2022.

UT Southern. We also acquired a new university in 2021, the first in more than 50 years! While UT Promise provides important financial assistance, access to a UT campus wasn't physically accessible to people in southern middle Tennessee that wanted to commute. By acquiring the former Martin Methodist College in Pulaski, we were able to make a great UT education more accessible and provide a tremendous boost for that region of the state. Martin Methodist College successfully transitioned to UT Southern on July 1, and results have immediately exceeded expectations. Enrollment in the fall was up 9% (leading the state) and applications for 2022 are up more than 200%! And a little fun icing on the cake: the UT Southern women's soccer team won the national NAIA championship!

Expanding Research Capabilities

UT Oak Ridge Innovation Institute. A key initiative for 2021 was to build the foundation and grow the UT Oak Ridge Innovation Institute (UT-ORII).   Dr. Joan Bienvenue became the first full-time executive director and vice provost for UT-ORII on March 1, 2021. UT-ORII has also hired a full-time student recruiter for its joint graduate programs and a complete interim leadership team is in place. UT-ORII is executing on the Department of Energy Office of Energy Efficiency and Renewable Energy's (DOE-EERE) $20 million award and was granted $8 million in the FY 22 budget by Gov. Bill Lee. With the support of UT Knoxville faculty and staff, the institute has secured extramural funding and submitted several promising proposals. Searches are currently underway for two senior-level joint hires and several affiliated researchers. The 2021 cohort of UT Knoxville students has enrolled in the three UT-ORII PhD programs , and the first two rounds of seed funding have been awarded to teams led by UT Knoxville and UT Chattanooga faculty. Graduate student enrollment is at 158, and well on our way toward 500!

Techstars. In partnership with the Tennessee Valley Authority (TVA) and Oak Ridge National Laboratory (ORNL), we successfully launched the regional TechStars, Industries of the Future Accelerator. The partners selected Tricia Martinez, a serial entrepreneur and Techstars alum, as the managing director. The competition to be selected as one of the first cohort was intense, with 233 full applications and 40 finalists. The fortunate 10 were selected in November and will be in-residence in Knoxville in early 2022. The goal is for companies to leverage the resources available from the partners and the community in ways that will encourage them to stay in the area and grow wildly successful, thus building a stronger entrepreneurial ecosystem in our state. Thanks to VP Stacey Patterson for organizing and leading this initiative.

UT Research Park. The UT Research Park at Cherokee Farm has seen tremendous growth recently. Despite the global pandemic, the number of tenants in the park has tripled in the past two years. A new 93,000 square foot Advanced Orthopedic Institute is under construction and will provide unparalleled ambulatory surgical care, and support a new UT Knoxville center for translational research in health fields.. The Spark Innovation Center was established and is serving six promising early-stage technology companies, who are working side by side with UT Knoxville researchers in the campus's new Institutes for Advanced Materials and Manufacturing. A recent DOE award ($900K total project) will enable the launch of a new Cleantech Accelerator program to serve the entire state. Thank you to Tom Rogers, director of the UT Research Park, for his leadership that has provided this turn around, and to Vice President Stacey Patterson and UT Research Park's new chair, UT Knoxville's Vice Chancellor for Research Deborah Crawford.

Fostering Outreach and Engagement

Substance Misuse and Addiction. In addition to education and research, the third pillar of our mission is to serve our state, and one way to do so is by addressing and helping to solve Tennessee's grand challenges. Unquestionably, opioid addiction is one of the greatest threats facing our state today. In 2019, we established the Substance Misuse and Addiction Resource for Tennessee (SMART) Policy Network. In 2021, it executed a strategy to increase awareness of SMART resources to every member of the state legislature, as well as statewide local officials.   The SMART Policy Network produced and distributed four briefs in the 2021 legislative session and worked with the UT government relations team on a legislative strategy. In the fall of 2021, SMART developed a proposal for state funding to move SMART into the UT Institute for Public Service (IPS) to create greater connectivity with local elected

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officials and develop a statewide outreach program. SMART also developed a proposal for the Commissioner of the Tennessee Department of Substance Abuse and Mental Health to assist the state in the areas of outreach, prevention, treatment and recovery. In addition, the government relations team successfully nominated a member of the SMART Steering Committee for appointment to the state's Opioid Abatement Taskforce, which will determine future investments in opioid-related treatment and prevention efforts statewide.

Center for Industrial Services. One of the great contributors to our state is the UT Center for Industrial Services (CIS), one of the six divisions of IPS. Through CIS, UT provided technical assistance and training to 793 businesses, facilitated $1.07 billion in customer-reported economic impact and helped companies create or retain over 13,000 jobs. The 2021 economic impact amount will increase as we verify fourth quarter results in the coming month. Economic impact includes increased sales, government contracts, improved efficiency, capital investment, and new and retained jobs. During 2021, CIS assisted 181 manufacturers and facilitated $160 million in economic impact (again, in only three quarters; fourth quarter impact is not yet available). CIS met its government contract goals by assisting 612 small business clients. Thank you to CIS Director Paul Jennings and IPS Vice President Herb Byrd for another impactful year.

New State Partnerships. As part of our mission is to serve the state, we are now actively consulting with all of the state's departments to explore new opportunities. In 2021, five new partnerships with state agencies have been officially secured. First, UT Martin is working in partnership with the Tennessee Department of Education (TDOE) to deliver free ACT prep workshops for students statewide and professional development opportunities for in-house high school ACT team leads. Second, the UT Health Science Center (UTHSC) is partnering with the Tennessee Department of Health to offer dentistry services in rural Tennessee. Third, UT Knoxville is providing support to the TDOE by helping to recruit and assess at least 50 qualified applicants to serve as facilitators for summer 2021 week-long professional development courses on foundational literacy skills for 11,0000 Tennessee educators. Fourth, the UT colleges of education was awarded grant funding to support the TDOE in implementing the Tennessee Literacy Success Act that passed during the special legislative session. And fifth, a system-wide proposal to support state literacy efforts, the Tennessee Reading Research Center, was awarded to UT Knoxville through the Tennessee Department of Education. There are several other partnership opportunities that we are working to officially secure. For example, SMART developed a proposal for the Commissioner of the Tennessee Department of Substance Abuse and Mental Health to assist the state in the areas of outreach, prevention, treatment and recovery, which is currently being reviewed. Thanks to UT System Vice President for Government Relations and Advocacy Carey Whitworth and her team for a very successful year.

Ensuring Workforce and Administrative Excellence

BeOneUT Values. After extensive conversations with stakeholders across the state, we unveiled the UT values encompassed in the acronym BeOneUT. These values are descriptive of who we are, but also aspirational: who we want to be. Yearly objectives and five-year strategic plans will change, but our values will live on, and may in the end be the most significant contribution of this decade, creating a culture of which we can all be proud.

Strategic Plans. In 2021, the updated UT System strategic plan was presented to Board of Trustees in June and October. Presentations for UT Chattanooga and UT Knoxville were presented at the fall board meeting and approved. A tremendous amount of talent and dedication went into each of these plans,

and the result is an exciting roadmap for the next five years for the system and our Knoxville and Chattanooga campuses.

New ERP. Led by Senior Vice President and Chief Financial Officer David Miller and Chief Information Officer Ramon Padilla, a systemwide team has worked diligently throughout 2021 to define our Enterprise Resource Planning (ERP) needs, conduct a thorough bidding and evaluation process, and select a vendor. They were successful! After a comprehensive and publicly competitive process, the team has selected Oracle to build the new system for a 2024 launch. In addition, UT pulled together the other state universities and the Tennessee Higher Education Commission (THEC) to present a collaborative approach to the ERP process and presented it to Gov. Bill Lee for support. We are hopeful that the State may fund up to $150 million in support, saving UT nearly $50 million in implementation costs.

Inclusion, Diversity and Engagement. On Oct. 23, the UT Board of Trustees reaffirmed the University's standing diversity statement. This reaffirmation clarifies the intent and opportunity of UT to foster campus communities that are diverse and fully-inclusive. UT Inclusion, Diversity and Engagement (UT IDE) is a reimagined presidential committee that will guide our direction to operate and manage all efforts involving diversity, inclusion, equity, engagement and belonging. Through UT IDE, we have created a strategic alliance to help us develop strategic direction, spark robust dialogue and facilitate awareness opportunities. We have launched the UT IDE Strategic Alliance Plan in support of the overall UT strategic plan refresh. In June 2021, we introduced the strategic alliance plan to enable the UT IDE governance structure that aligns the work with newly established committees, helping to develop the expected accountability measures to be monitored and reported annually. This governance structure will ensure a long-term sustainability plan for this work. Thank you Executive Director Delphia Howze for the tremendous work you did to create this foundation for us to continue to build on.

Engagement Surveys. In September 2021, UT implemented the first full employee engagement survey for staff with a 44% participation rate across the entire UT System. The survey found that over 80% of respondents are almost or fully engaged (59% engaged, and 21% almost engaged). The Employee Experience Score (EXM) was 26.27 with 717 detractors (19.1%), 1,333 Passives (35.5%) and 1,703 Supporters (45%). We will continue to conduct the quarterly engagement survey and utilize the pulse survey on an as-needed basis moving forward. We have also engaged with the Collaborative on Academic Careers in Higher Education (COACHE) at Harvard University to implement a full job satisfaction survey for all faculty at our campuses in 2022. I appreciate all the hard work CHRO Brian Dickens and all the campus HRO's did to accomplish this benchmark.

UT Policy Central Website. A new System Policy Office, housed within the Office of the General Counsel, was established in 2021. Also, a new General Policy Advisory Group, coordinated by the System Policy Office and with representatives from all campuses and institutes, has been established and is actively working on policy items. Several new and revised policies have been developed and issued. Among the policies that have been significantly updated are the following: Policy Governing Issuance of Systemwide Administrative Policies (System Policy GE0001), State and Federal Government Relations Activities (System Policy GE0003), and Conflict of Interests (System Policy FI0125). The new policy website is being created and will be launched by early 2022.

Advocating for UT

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Private gifts and alumni support. The primary mission of the UT Foundation (UTFI) is to generate private support for the University of Tennessee, expand donor and alumni engagement, and increase the level of advocacy on behalf of the University. UTFI established a "stretch" goal of $208.9 million and 67,312 donors in fiscal year 2021. During FY21, which ended on June 30, 2021, UTFI received just over $312.4 million in private commitments, representing 149% of the "stretch" goal. This total is the second-highest fundraising year in UT's history, highlighted by the $79 million commitment of Wildwood Farm from Melanie Taylor. The year ended with 66,672 donors, also the second-largest total in history, and representing 98% of the goal for the year. Congratulations to Vice President Kerry Witcher and all the vice chancellors of advancement and their outstanding teams.

State Funding and Legislation. Always a goal of our government relations and finance team is to achieve support from the state. We achieved 100% success in all funding requests, including $5.1 million in recurring funds for UTHSC, $2.3 million for UTIA for Extension agents, $8 million for UT-ORII, and $5.1 million for the Martin Methodist College acquisition and path forward. Additionally, UT was granted funding for our capital projects - $56.8 million the nursing renovation and addition at UT Knoxville, $11.2 million for the Nash buildout at UTHSC and $59.9 million for capital maintenance across the UT System. Beyond securing all primary funding requests, the FY 2021-22 state budget includes $4 million recurring to support graduate medical education in Tennessee, $1 million non-recurring to support engineering scholarships for minority students at public Tennessee universities, $500,000 non-recurring toward the UTM Grove dormitories demolition, and $500,000 non-recurring toward the IPS Law Enforcement Innovation Center (LEIC) for the Distressed and At Risk Rural Training (DARRT) initiative.

An off-list objective for me this year was to extend my visits to every Extension office by visiting all 10 AgResearch Centers. During my visits, I asked my usual question of what they would wish for if there were no limits, and without exception each center was desperate for more modern equipment. UTIA Dean Hongwei Xin calculated a total of $49.5 million. With the good fortune of the American Rescue Plan funding and the tremendous advocacy and hard work of Trustee Charlie Hatcher, Dean Xin and our government relations team, in December we were successful in getting this funded. An additional $50 million that was not in our plan is a bonus indeed!

On the legislative front, the government relations team successfully advocated for and achieved approval of measures to increase 4-H participation and provide greater confidentiality in chancellor searches. Again, thank you to the entire Government Relations team who worked tirelessly to make 2021 the most successful year ever!

Everywhere You Look, UT Tour. Starting in August, we launched an "Everywhere You Look, UT" tour, visiting 48 counties across the state. The mission was threefold. First, to thank all of our employees, supporters in local and state government and alumni. One can never say thank you enough. Second, to listen. To truly serve the University and the state, I must find as many ways to listen to our stakeholders as possible and this provided a great opportunity to hear about so many opportunities and concerns. And finally, to build our brand. We received plenty of publicity along the way, which allowed us to remind everyone that truly "Everywhere You Look, UT." During the 48 tour stops, we had approximately 1,000 total attendees, including state legislators and city and county elected officials. A shout out to my assistant Alison Ross, Vice President Tiffany Carpenter, and the communications and marketing team who organized what was a tremendous effort to make this tour incredibly successful.

Expand and Align UT Brand Across the State – In 2021, we built on the work done in 2020 to create brand consistency and identify opportunities to further leverage the brand and amplify the stories of the

collective impact of UT across the state. While each campus and institute has its own voice and strategic communications priorities, there is always a unique opportunity to quantify and promote the System's collective impact and unify the brand to raise awareness for all UT components.

From Memphis to Mountain City and every county in between—UT is there. And there's no bigger or better way to share that message than through the "Everywhere You Look, UT" mural campaign launched in 2018. We've set a goal to paint at least one mural in every Tennessee county by 2030—and we're well on our way with 24 murals completed as of December 2021! The campaign gained 12 murals in 2021, and team members are working to secure at least 15 new locations in 2022. First up is a 50-foot mural at Lone Oaks Farm in Hardeman County!

Other notable accomplishments and events of 2021

Selection of New UTHSC Chancellor. In June, Chancellor Schwab announced he was retiring from his position and rejoining the faculty. With the help of an outstanding search committee chaired by Trustee Bill Rhodes and co-chaired by Vice President Stacey Patterson, the committee presented me with four outstanding candidates. With the help of literally hundreds of students, faculty and staff throughout UTHSC and the UT System, we were able to select the ideal candidate to lead the UT Health Science Center for the next decade - Dr. Peter Buckley. Leadership matters, and Dr. Buckley will be an impactful, transformational leader.

The Departure of UTIA Senior Vice Chancellor and Senior Vice President Chancellor Tim Cross. Tim announced early last summer that he was stepping down after an illustrious and legendary tenure as leader of the UT Institute of Agriculture. Thankfully, Vice President of Academic Affairs and Student Success Linda Martin, whose background is agriculture, stepped up to be the interim as we search for a new permanent leader, and she has done an incredible job.

Executed Affiliation Agreements for UTHSC. After years of negotiations, we **s**uccessfully negotiated and finalized a key affiliation agreement with the University's medical education partner in Memphis with Methodist Hospital and made significant progress on an affiliation agreement in Knoxville with UT Medical Center, which we hope to sign in the first month or two in 2022. Thank you to General Counsel Ryan Stinnett and his legal team for their tireless work on these agreements.

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On any normal year, our colleagues across OneUT should be proud of their accomplishments, but again, in the face of the continuing challenges the pandemic has thrown us, 2021 was an outstanding success. I look forward to an even more successful year in 2022! Thank you to all the passionate, talented and dedicated staff, faculty and students, to the exceptional Board, and to all those that support us in the state, from the governor to the constituents through their representatives. Together, we are truly OneUT!

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2021 OBJECTIVES

ENHANCING EDUCATIONAL EXCELLENCE

OBJECTIVE: CREATE ACQUISITION STRATEGY

As part of our mission to provide affordable and accessible higher education, the University of Tennessee System will identify geographic locations in need of access to public higher education or other gaps in our offerings. In 2021, we will develop a long-term acquisition strategy, along with cultivating a pipeline for opportunities in the future.

RESULTS

- Researched opportunities to strategically improve access and offerings. Early conversations identified online education as one of our biggest opportunities. We are woefully behind and falling further behind by the year. Many other leading public universities like Purdue, University of Arkansas and University of Arizona have already acquired online providers.
- Engaged Huron Consulting to research the market, and they prepared a report on the current situation and future opportunities. That report has been shared with the Board and chancellors and posted on Transparent UT.

OBJECTIVE: COMPLETE MARTIN METHODIST COLLEGE (MMC) ACQUISITION

THE UNIVERSITY OF TENNESSEE SOUTHERN

The University of Tennessee System strives to provide affordable and accessible higher education to all Tennesseans. While we have addressed financial access with initiatives like the UT Promise, we must also address geographic access. Not everyone can travel to and/or afford to be a resident at our four campuses. Southern Middle Tennessee is a higher education desert and to better serve Tennesseans in that region, we will establish our first new campus in more than 50 years. Our first step in expanding access is to achieve successful approval from the Tennessee General Assembly, as well as approvals from the Southern Association of Colleges and Schools Commission on Colleges (SACSCOC) and the UT Board of Trustees for Martin Methodist College (MMC) to officially join the UT System by July 1, 2021. Upon receiving approval for the acquisition, fully transform MMC into UT Southern (policies, onboarding, SACSCOC, enrollment growth strategies, student success improvement, training, professional development, etc.). In addition, we will develop a new brand identity for UT Southern to ensure consistency with the UT brand and establish a toolkit that will successfully implement the brand.

RESULTS

- Successfully transitioned MMC to UT Southern on July 1. Results have immediately exceeded expectations. Enrollment in the fall was up 9%, leading the state, and applications for 2022 are up more than 200%.
- Became a case study for other university systems to follow. The UT System Office of Academic Affairs and Student Success (AASS) led a 2021 NASH Leadership Academy Team focused on the acquisition.

OBJECTIVE: INCREASE ENROLLMENT SYSTEMWIDE BY 2%

Consistent with our goal to provide high-quality, public education to the residents of Tennessee, and in support of the Drive to 55, we aspire to increase total enrollment (graduate and undergraduate) by 2% systemwide.

RESULTS

- Enrollment increased by 2.7 % in fall 2021 systemwide for an all-time high of 53,983 students.
- Hired a new Assistant Vice President for Student Success, Bernie Savarese, in November 2021.

ENHANCING EDUCATIONAL EXCELLENCE

OBJECTIVE: DOUBLE UT PROMISE APPLICANTS AND PARTICIPANTS AND INCREASE RETENTION 10%

UT PROMISE

Increase the number of UT Promise applicants and participants by 100%. Increase retention of UT Promise from fall to spring semester by 10% systemwide for the 2021-22 academic year. In addition, we will add $10 million to the UT Promise endowment.

RESULTS

- Successfully brought UT Southern into the UT Promise program and established processes align with their campus culture.
- Implemented an opt-in form for students to either accept or deny their UT Promise award.
- Saw an increase of more than 1,000 applicants from 2021-2022 to 2022-2023.

OBJECTIVE: LAUNCH UT ONLINE

UT ONLINE

In order to enhance educational opportunities for students, we will prepare, pilot and implement the UT Online Consortium across the UT System. After piloting in Fall 2021, our goal is to offer 10 new courses through the consortium by year end and expand to 40 new courses offered on the online platform by the end of 2022.

RESULTS

- Concluded Phase I of III of the UT pilot in June 2021.
- Began work on Phase II in early August 2021. Phase II includes a technical process pilot spring 2022, Student Pilot fall 2023, identifying new courses for the consortium, ensuring high-quality online courses via UT's new systemwide partnership with Quality Matters, developing a work plan for Phase III, and making necessary adjustments to the program (e.g., fees, policies, incentives, sharing courses with the larger consortium, etc.).

* The initial pilot was delayed due to COVID-19 and is now due to launch in fall 2022. The goal is to offer 10 new courses through the consortium by the end of 2022 and identify 40 new courses to go through the campus approval process to be offered on the online platform by 2023.

OBJECTIVE: INCREASE SYSTEMWIDE RETENTION AND GRADUATION RATES BY 1%

Convene a systemwide team to develop focused strategies around first-, second- and third-year retention rates, as well as four-year and six-year graduation rates. As a result, our goal is to increase retention and graduation rates systemwide by a minimum of 1% for academic year 2021-22. As retention and graduation rates continue to improve systemwide, incremental increases become increasingly more difficult to achieve. Future efforts to make improvements will require significant coordination and intentionality.

RESULTS:

- Established workgroups to identify opportunities to increase systemwide graduation and retention rates.
- For 2020-21, first-year retention decreased by 2.7% systemwide. While we did not achieve our goal of a 1% increase, we were unable to anticipate the full impact of COVID-19 at the time these goals were established.
- Graduation rates increased across the System - four-year graduation rate increased by 0.4% and six-year graduation rate by 0.9%.
- Administering the UT Student Experience Survey each semester. Data collected provided insight into ways we can continue to enhance student success and improve retention and graduation rates.

ENHANCING EDUCATIONAL EXCELLENCE

OBJECTIVE: CREATE NEW OPPORTUNITIES FOR ADULT LEARNERS

Grow enrollment and better serve adult learners systemwide by expanding credentialing opportunities, partnering with industry and exploring cohort-based online degree offerings. Develop micro and/or stackable credentials to take advantage of areas of strength and available expertise. Our goal is to increase the percentage of adult learners systemwide by 10% during the upcoming academic year.

RESULTS

UT campuses continue to create new academic programs and certificates that offer flexible options for adult learners and returning students.

- UT Martin received final approval for two fully online master's program (Criminal Justice and Sport Coaching).
- UT Chattanooga is in the process of developing a new Bachelor of Applied Science in Cybersecurity which will offer online courses, flexible transfer, award academic credit through prior learning assessment, and provide learners the opportunity to attend part-time or full-time.
- UT Knoxville is in the process of developing a new Master of Science in Marketing that will be fully online and will be designed in a simulcast format for local and non-local students working full-time.
- All new academic program proposals now include a section on Tennessee Transfer Pathways alignment and early engagement with the Tennessee Board of Regents
- UT Knoxville has created several new fully online concentrations in (1) Community Development and Leadership Development; (2) American Studies; and (3) Cultures and Societies—all of which are designed and marketed to students who have an AA or AS degree already and are seeking a fully distance option.

OBJECTIVE: LAUNCH TENNESSEE DIGITAL JOBS FACTORY

Develop a vision and strategy roadmap for workforce development needs and partnerships to enhance computational literacy and digital skills for UT students, alumni, faculty and staff (e.g. re-skilling/up-skilling of existing workforce, follow-on certification and certificates, and credentialing for graduates).

RESULTS:

- Reached more than 400 learners in digital skills training programs, including AWS Cloud Computing, Power BI, Python, and Google IT Support. All learners are welcome, including those seeking their first job in IT, professionals and workers seeking to upskill, high school and college students, and anyone else who is interested in learning.
- Hosted training on Canvas Catalog which meant: (1) learners were afforded a Canvas-like experience even if they were not affiliated with UT; (2) engagement metrics were collected; (3) users were able to self-enroll for the training; and (4) credit card payments were accepted. There was a minimal cost associated with using Canvas Catalog which we passed along to the learners.
- Continue working with other organizations with a shared interest in workforce development to enlarge their efforts and to share our mission and grow our impact. We actively seek opportunities to fill gaps. For example, TDJF was contracted to provide Google IT Support training for Pellissippi State Community College's Reimagine Your Career Program. For this program, TDJF is leveraging free access to Coursera which is provided to all Tennesseans by the state through the end of 2022. The first cohort is underway, and a second cohort will begin in January 2022.

EXPANDING RESEARCH CAPABILITIES

OBJECTIVE: REACH AN ALL-TIME HIGH IN RESEARCH EXPENDITURES

Research expenditures as reported to the National Science Foundation Higher Education Research and Development (HERD) survey have hit all-time records in each of the previous four years. Working with each of the campus Vice Chancellors for Research, we will develop ways to continue to support faculty engaged in research and expand proposals submitted, diversify the funding agencies, and support seed investments to strengthen our research enterprise systemwide.

RESULTS

- Established monthly meetings for chief research officers to discuss and develop policies and procedures and create collaborative opportunities. The System research office is working with each of them to better understand investment priorities that will help lead to large interdisciplinary research programs at each campus. We have invested seed funds to initiate some of those efforts this year including the One Health initiative at UTIA and the Center for Urban Informatics and Progress at UTC.
- The COVID-19 pandemic has had a profound impact on the research enterprise at universities across the country including the campuses and institutes within the UT System. Some groups geared up and were conducting research in response to the needs of the pandemic, while other groups were forced to shut down and put work on hold. The immediate need to offer on-line instruction also pulled faculty away from their research in FY21. The full impact of the pandemic on the UT research enterprise may not be realized for a few years, and while we expect projects to fully rebound, this will take time.
- Overall, research expenditures were lagging FY20 numbers for the first three quarters of the year but made a significant rebound in the fourth quarter of the year. While the official numbers are not available at this time, we do expect a slight overall increase and another all-time high in total research expenditures system wide in FY21.

OBJECTIVE: GROW OAK RIDGE INNOVATION INSTITUTE AT UT

Facilitate growth of research expenditures systemwide and develop top graduate talent by supporting the full launch of the Oak Ridge Innovation Institute at UT. In FY21, the goals of ORI at UT will be to:
- Recruit and hire a permanent, full-time executive director, two student recruiters, and complete the leadership team;
- Secure at least $10M in additional funding from the state or other extramural sources;
- Recruit two senior level joint faculty hires in the area of data science to help lead and grow new joint programs;
- Recruit an exceptionally well qualified 2021 cohort of students for the three joint graduate programs;
- Seed and facilitate the submission of UT-ORNL teams to submit at least two center-type proposals (at least $5M each) at UT campuses.

EXPANDING RESEARCH CAPABILITIES

OBJECTIVE: GROW OAK RIDGE INSTITUTE AT UT (CONTINUED)

RESULTS:

- Hired Dr. Joan Bienvenue as the first full-time Executive Director and Vice Provost for the UT-Oak Ridge Innovation Institute (UT-ORII). UT-ORII has also hired a full-time student recruiter, Timothy Guthrie, for the joint graduate programs, and a complete interim leadership team is in place. Searches are underway for the two senior level joint hires. The 2021 cohort of students are active in all UT-ORNL joint graduate programs, and the first two rounds of seed funding has been awarded.

- Led the Science Alliance Student Mentoring and Research Training (SMaRT) program. Eighteen top-level undergraduate students from around the country participated the in-residence interdisciplinary research training. The SMaRT program collaborated with the national GEM Consortium that promotes participation of underrepresented groups in STEM, and four of our participants came through this pipeline. Overall, the diversity of the cohort matched or exceeded that represented in the U.S. population. While on campus, the students won the campus wide undergraduate Summer Research Scholars award for being the most engaged cohort. Four of the students remained with UT faculty to participate in internships, and four peer-reviewed publications have been awarded. Several of these students are now applying to return to complete their graduate studies in one of the three joint PhD programs.

- Included in the FY22 budget by Gov. Bill Lee and the Institute has secured extramural funding and submitted several promising proposals, including an NSF Research Traineeship (NRT) pre-preproposal by the team led by Dr. Michael Kilbey.

- Received a $3.7 million award from the Department of Energy Office of Science to host the World Data System International Program Office for the next five years and partnered with UTHSC on the submission of a five year, $15M proposal to establish the Tennessee Clinical and Translational Science Institute (TN-CTSI) as part of the National Center for Advancing Translational Sciences, Clinical and Translational Science Award Program (waiting on notice of award). Finally, UT-ORII is partnered with a UTHSC-led consortium (that includes UTK, UTC, University of Memphis) for the of a submission of a $25 million Good Jobs Challenge proposal, focused on developing new careers avenues in the areas of Data Analytics, Clinical Trials, Regenerative Science, Pharmaceutical Formulations, and Animal Husbandry.

OBJECTIVE: SECURE UT'S POSITION TO SUPPORT THE Y-12/PANTEX CONTRACT

Actively engage with Texas A&M University System to develop an effective workforce development plan for Y-12 and Pantex to support the M&O contracting team. The UT System will engage all UT campuses and at least two two-year community colleges in Tennessee in the effort.

RESULTS

- Entered into a strategic alliance with Texas A&M and developed a comprehensive workforce development plan to support the proposal SNO, LLC team. The full proposal was submitted in January 2021. On November 29, 2021, the US Department of Energy announced an intent to make an award for the contract, but the final contract has not yet been awarded.

EXPANDING RESEARCH CAPABILITIES

OBJECTIVE: RECRUIT 10 HIGH TECH COMPANIES TO THE REGION

Launch the regional TechStars Accelerator in partnership with ORNL and TVA resulting in the recruitment of at least ten new high potential companies to the region this year. Engage the full entrepreneurial support community to help close the gaps identified by the 2020 assessment and recruit 100+ mentors to support the companies and their founders. In addition, UTRF will help launch at least five additional startups focused on the commercialization of UT technologies and help support the more than 40 active UTRF technology-based startups in the state.

RESULTS

- Partnered with Oak Ridge National Lab, Tennessee Valley Authority and Techstars to launch the Knoxville-Oak Ridge Corridor, Industries of the Future Accelerator. The partners selected Tricia Martinez as the Managing Director. Tricia is a serial entrepreneur, a Techstars alum, and most recently a Presidential Innovation Fellow where she served at the Department of Energy working across National Laboratories to drive commercialization and innovation. The accelerator has recruited ten companies and more than 100 mentors for participation in the first cohort who will be in residence in Knoxville starting February 2022. The participating companies are building breakthrough technologies in Artificial Intelligence, cleantech, Quantum, advanced manufacturing, biotech, and 5g technology. The Innov865 Alliance is working together to support the accelerator and to address identified gaps in the region. In addition, UTRF, TVA, KUB, and the city of Knoxville worked together to support the refurbishment and preparation of entrepreneurial space downtown.
- UT Research Foundation had a banner year in FY21, executing an all-time high 51 license agreements with commercial partners and supported the launch of six new startup companies based on UT intellectual property. UTRF currently manages 217 active license agreements and 45 active companies based on UT intellectual property.

OBJECTIVE: LAND TWO NEW PROJECTS FOR UT RESEARCH PARK AT CHEROKEE FARM

Support regional economic development and partnerships by executing at least two new building projects that result in at least 50,000 square feet of new space and at least 200 new jobs at the UT Research Park at Cherokee Farm. Cherokee Farm Development Corporation will also seek extramural funding to help support and grow the Spark Innovation Center and develop a strategy to take advantage of and market the Opportunity Zone status of the park.

RESULTS:

- The UT Research Park at Cherokee Farm has seen tremendous growth recently. Despite the global pandemic, the number of tenants in the park has tripled in the past two years.
- Began construction on a new 93,000 square foot Advanced Orthopedic Institute to provide unparalleled ambulatory surgical care, and support a new UT Knoxville center for translational research in health fields.
- Established the Spark Innovation Center to serve six promising early-stage technology companies, which are working side by side with UT Knoxville researchers in the campus's new Institutes for Advanced Materials and Manufacturing.
- A recent DOE award ($900K total project) will enable the launch of a new Cleantech Accelerator program to serve the entire state.

OBJECTIVE: CREATE TWO NEW PARTNERSHIPS THROUGH UTRF

To serve the state's widespread needs for research commercialization and entrepreneurship, the UT Research Foundation will explore partnership agreements with at least two other institutions in Tennessee to help support their technology transfer and commercialization needs.

RESULTS:

- Developing an innovation economy in Tennessee requires a network of support resources at all the state's public higher education institutions. UTRF developed and presented a proposal to all of the vice presidents for research at the Locally-Governed Institutions (LGI) in June. The proposal was included as part of THEC's request for pilot funding. Two universities (MTSU and the University of Memphis) are moving forward with the agreement (as a pilot) prior to any state support.

FOSTERING OUTREACH AND ENGAGEMENT

OBJECTIVE: ALIGN WORK OF THE SUBSTANCE MISUSE AND ADDICTION RESOURCE FOR TENNESSEE (SMART) POLICY NETWORK TO MEET STATE NEEDS

Unquestionably opioid addiction is one of the greatest threats facing our state today. In 2021, we will execute a strategy to increase awareness of SMART resources to every member of the state legislature and statewide local officials. In addition, the group will develop four policy briefs in the areas of criminal justice reform and telehealth to align with the state's goals.

RESULTS

- Produced and distributed four briefs in the 2021 legislative session and worked with the government relations team to discuss a legislative strategy.
- Developed a proposal for state funding to move SMART into the UT Institute for Public Service to create greater connectivity with local elected officials and develop a statewide outreach program.
- Developed a proposal for the Commissioner of the Tennessee Department of Substance Abuse and Mental Health to assist the state in the areas of outreach, prevention, treatment and recovery.
- Successfully nominated a member of the SMART Steering Committee for appointment to the State's Opioid Abatement Taskforce, which will determine investments in opioid-related treatment and prevention efforts statewide.

OBJECTIVE: PRODUCE $250 MILLION ECONOMIC IMPACT FOR THE STATE IN MANUFACTURING

Through the Center for Industrial Service (CIS), UT will provide technical assistance and training to 200 manufacturers across Tennessee, producing $250 million in economic impact, including increased sales, improved efficiency, capital investment, and new and retained jobs. In addition, CIS will provide counseling to 500 small businesses in government contracting, helping them secure $1 billion in new contracts and increasing jobs.

RESULTS

- Assisted 793 businesses, facilitated $1.07 billion in customer-reported economic impact and helped companies create or retain over 13,000 jobs. Economic impact includes increased sales, government contracts, improved efficiency, capital investment, and new and retained jobs.
- Assisted 181 manufacturers and facilitated $160 million in economic impact. Met our government contract goals, however, by assisting 612 small business clients.

Represents results for first three quarters only.

OBJECTIVE: TRAIN 400 POLICE AGENCIES IN CULTURAL COMPETENCY

The Law Enforcement Innovation Center (LEIC) will launch the Cultural Competency in Policing program with UT police departments this spring. Each University police officer within the system will receive the training this year. The program will also be offered to law enforcement officers throughout the state. Approximately 400 police agencies will be offered this training courtesy of the University of Tennessee.

RESULTS

- Conducted 17 two-day Cultural Competency trainings with 303 officers participating from 49 agencies, including all UT campuses. More than 80% of participants have been supervisors.
- Tracking to meet the goal by the end of the two-year span of the funding.

FOSTERING OUTREACH AND ENGAGEMENT

OBJECTIVE: GROW PARTICIPATION IN ELECTED OFFICIALS ACADEMY BY 15%

In 2021, the Municipal Technical Advisory Service will introduce and offer to municipally elected officials a revamped and improved Elected Officials Academy. This will be developed as an online and participatory educational session available to the more than 2,000 municipally elected officials in the states' 345 cities and towns. Given the online opportunity and recent elections, we will increase participation by 15% than after the last major election cycle of 2018.

RESULTS
- Re-designed the Elected Official's Academy curriculum and modified to offer an online option for completion. Offering the improved course electronically has been a huge success with registrations by year's end more than five times those of the last election cycle (from 89 elected officials to 486 thus far registered for Elected Official's Academy Level 1)

OBJECTIVE: DEVELOP FIVE NEW PARTNERSHIP OPPORTUNITIES FOR UT WITH STATE GOVERNMENT

Part of our mission is to serve the state. We will identify and pursue five new partnerships with state agencies in 2021 to align UT expertise with state interests and address grand challenges.

RESULTS

In 2021, five new partnerships with state agencies have been officially secured.
- UT Martin is working in partnership with the Tennessee Department of Education (TDOE) to deliver free ACT prep workshops for students statewide and professional development opportunities for in-house high school ACT team leads.
- UT Health Science Center is partnering with the Tennessee Department of Health to offer dentistry services in rural Tennessee.
- UT Knoxville is providing support to the TDOE by helping to recruit and assess at least 50 qualified applicants to serve as facilitators for summer 2021 week-long professional development courses on foundational literacy skills for 11,0000 Tennessee educators.
- The UT colleges of education was awarded grant funding to support the TDOE in implementing the Tennessee Literacy Success Act that passed during the special legislative session.
- A system-wide proposal to support state literacy efforts, the Tennessee Reading Research Center, was awarded to UT Knoxville through the Tennessee Department of Education.
- There are several other partnership opportunities that we are working to officially secure. For example, SMART developed a proposal for the Commissioner of the Tennessee Department of Substance Abuse and Mental Health to assist the state in the areas of outreach, prevention, treatment and recovery, which is currently being reviewed.

ENSURING WORKFORCE AND ADMINISTRATIVE EXCELLENCE

OBJECTIVE: COMPLETE PHASE I OF ENTERPRISE RESOURCE PLANNING (ERP)

Phase I of implementing a new ERP system is aligning business processes, establishing data governance, and the change management plan to facilitate selection of the next ERP software in CY21. Streamline and standardize administrative processes to reduce the implementation time and cost of the ERP implementation. Additionally, serve as the statewide leader in ERP planning and implementation for higher education.

RESULTS

- A systemwide team worked diligently throughout 2021 to define our Enterprise Resource Planning (ERP) needs, conduct a thorough bidding and evaluation process, and select a vendor. After a comprehensive and publicly competitive process, the team has selected Oracle to build the new system for a 2024 launch.
- Pulled together the LGIs and the Tennessee Higher Education Commission (THEC) to present a collaborative approach to the ERP process and presented it to Gov. Bill Lee for support. We are hopeful that the State may fund up to $150 million in support, saving UT nearly $50 million in implementation costs.

OBJECTIVE: MEASURE PROGRESS IN DIVERSITY AND INCLUSION

Establish and annually monitor and report accountability measures for University of Tennessee inclusion, diversity and engagement (UT IDE) for faculty, staff and student under-represented groups (ex. recruitment, retention, and graduation rates as compared to the non-minority populations).

RESULTS

- Reaffirmed the University's standing diversity statement by the Board of Trustees. This reaffirmation clarifies the intent and opportunity of UT to foster campus communities that are diverse and fully-inclusive.
- Re-imagined the presidential committee that will guide our direction to operate and manage all efforts involving diversity, inclusion, equity, engagement and belonging.
- Created a strategic alliance to help us develop strategic direction, spark robust dialogue and facilitate awareness opportunities.
- Launched the UT IDE Strategic Alliance Plan in support of the overall UT strategic plan refresh. In June 2021, we introduced the strategic alliance plan to enable the UT IDE governance structure that aligns the work with newly established committees, helping to develop the expected accountability measures to be monitored and reported annually. This governance structure will ensure a long-term sustainability plan for this work.

OBJECTIVE: LEADERSHIP TRAINING

Create a UT Executive Leadership Certification Master Class plan by 2022 to develop higher education and private-sector leadership, practices, mentorship, and best in class strategies for success. This Master Class would provide participants with real-world business challenges and utilize current and past leaders' expertise to bridge the gap between theory and practice in addressing the challenges.

RESULTS

- Launched a number of new programs (both online self-service and instructor led face-to-face) through the Employee and Organizational Development office to increase employee training and career development.
- Re-imagining program content through collaboration for both the Leadership Institute and Executive Leadership Institute to ensure that the content is both relevant and current as we work to finalize the structure for the "Master Class."

ENSURING WORKFORCE AND ADMINISTRATIVE EXCELLENCE

OBJECTIVE: COMPLETE UTK, UTC AND UT SYSTEM STRATEGIC PLANS

Complete new strategic plans for the UT System, UT Chattanooga and UT Knoxville. All plans will be aligned and presented for approval at the June 2021 Board meetings.

RESULTS
- Presented the updated system strategic plan to Board of Trustees in June and October. UT Chattanooga and UT Knoxville presented their strategic plans at the fall board meeting.

OBJECTIVE: LAUNCH UT POLICY CENTRAL

Improve and streamline the policymaking process, developing and launching a new policy-specific website, and offering new employee trainings on key policies. The goal is to roll out the new website and policy templates in the first quarter of 2021, with employee trainings to begin later in the year.

RESULTS
- Established a new System Policy Office, housed within the Office of the General Counsel.
- Created a new General Policy Advisory Group with representatives from all campuses and institutes, Several new and revised policies have been developed and issued. Among the policies that have been significantly updated are the following: Policy Governing Issuance of System-wide Administrative Policies (System Policy GE0001), State and Federal Government Relations Activities (System Policy GE0003), and Conflict of Interests (System Policy FI0125).
- Developing a new, interactive policy website to be launched in early 2022.

OBJECTIVE: CREATE BOARD RESOURCE SITE

In collaboration with the Board Secretary, develop educational materials (written briefs and/or video modules) pertaining to federal and state laws applicable to higher education. Topics under consideration include Title IX/Clery Act, First Amendment/free speech on campus, foreign influence/export control regulations, and new/revised legislation on emerging topics (e.g., name/image/likeness in intercollegiate athletics). The goal is to create materials for 3-4 important topics in 2021. The training materials will also be available on Transparent UT.

RESULTS
- Developing several educational modules. The first two presentations – covering the topics of free speech activities on campus and public records in Tennessee – will be available in Diligent for Trustees to review in early January. Training sessions on foreign influence, conflicts of interest, and name, image and likeness will follow.

ADVOCATING FOR UT

OBJECTIVE: INCREASE PRIVATE GIFTS AND EXPAND DONOR ENGAGEMENT

While the UT Foundation has experienced record-breaking numbers in recent years, the pandemic certainly had an impact on results in 2020. As the foundation prepared for 2021, the challenge has been to establish goals that are aggressive as well as realistic given the many factors at play. Based upon these parameters, UTFI has set a primary goal of raising $176 million in private support, with a secondary, or "stretch" goal of $208 million. In addition, the primary goal for donors is 60,540, with a stretch goal of 67,312.

RESULTS

- Established a "stretch" goal of $208.9 million and 67,312 donors in fiscal year 2021. During FY21, which ended on June 30, 2021, UTFI received just over $312.4 million in private commitments, representing 149% of the "stretch" goal. This total is the second-highest fundraising year in UT's history, highlighted by the $79 million commitment of Wildwood Farm from Melanie Taylor.
- Ended the year with 66,672 donors, the second-largest total in history, and representing 98% of the goal for the year.

OBJECTIVE: ACHIEVE STATE FUNDING SUCCESS

THE UNIVERSITY OF TENNESSEE
UT FOUNDATION

Realize 100% success in all funding requests, including $5.1 million in recurring funds for UTHSC, $2.3 million for UTIA for Extension agents, $10 million for ORI and $5.1 million for the Martin Methodist College acquisition and path forward. Additionally, successfully achieve funding for ranked capital projects, such as the nursing renovation and addition at UT Knoxville, the Innovation and Product Realization Facility at UT Martin and the Nash Buildout at UTHSC.

RESULTS

- Achieved 100% success in all funding requests, including $5.1 million in recurring funds for UTHSC, $2.3 million for UTIA for Extension agents, $8 million for UT-ORII, and $5.1 million for the Martin Methodist College acquisition and path forward.
- Received funding for our capital projects - $56.8 million the nursing renovation and addition at UT Knoxville, $11.2 million for the Nash buildout at UTHSC and $59.9 million for capital maintenance across the UT System.
- Worked in support of $4 million recurring to support graduate medical education in Tennessee, $1 million non-recurring to support engineering scholarships for minority students at public Tennessee universities, $500,000 non-recurring toward the UTM Grove dormitories demolition, and $500,000 non-recurring toward the IPS Law Enforcement Innovation Center (LEIC) for the Distressed and At Risk Rural Training (DARRT) initiative.

OBJECTIVE: DEVELOP THREE NEW POLICY INITIATIVES THAT ADDRESS GRAND CHALLENGES

From access to higher education, to workforce development, to mental health, to opioid abuse and beyond – develop opportunities for UT to lead in creating policy initiatives that tackle grand challenges facing our state and nation.

RESULTS

- Obtained funding to add the UT Southern campus, located in Pulaski, Tenn., to aid in the state's goal to educate more Tennesseans (Drive to 55).
- Developed and secured legislation and funding aimed at addressing the grand challenge of improving our rural healthcare workforce through Graduate Medical Education (GME).
- Working to develop and identify new policy initiatives that address the state's grand challenges outside of the state legislative session.
- Secured $50 million in new funding to address food security and supply chain resiliency in Tennessee agriculture by developing a funding proposal for American Rescue Plan funds.

ADVOCATING FOR UT

OBJECTIVE: EXPAND AND ALIGN UT BRAND ACROSS THE STATE

In 2021, we will build on the work done in 2020 to create brand consistency and identify opportunities to further leverage the brand and amplify the stories of the collective impact of UT across the state. 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. The team will create a plan for 2021 and work with campus and institute communicators to find additional opportunities to amplify messages that reinforce "Everywhere You Look, UT." Add 12 additional murals in strategic locations across the state, with the ultimate goal of having a mural in all 95 counties by 2030. In addition, we will Expand Our Tennessee magazine (formerly Tennessee Alumnus) to four times a year to increase awareness of impact and connectivity across the UT System.

RESULTS

- Established monthly lead communicators meetings to align communications and identify opportunities to amplify messages.
- Developed a systemwide marketing and communications plan to highlight UT's work around the grand challenges.
- Secured and painted 12 new murals in 2021. We are in discussions for 15 additional murals for 2022.
- Developed a process and timeline to expand Our Tennessee magazine to four issues annually, which will begin in 2022.

OBJECTIVE: EXECUTE AFFILIATION AGREEMENTS FOR UTHSC

Successfully negotiate and finalize key affiliations with the University's medical education partners in Memphis and Knoxville. Goal is to finalize affiliation agreements in place by the end of the current fiscal year (June 30, 2021).

RESULTS

- Successfully negotiated and finalized a key affiliation agreement with the University's medical education partner in Memphis with Methodist Hospital and made significant progress on an affiliation agreement in Knoxville with UT Medical Center, which we hope to sign in early 2022.

BONUS ACCOMPLISHMENTS

SELECTION OF NEW UT HEALTH SCIENCE CENTER (UTHSC) CHANCELLOR

In June, Chancellor Schwab announced he was retiring from his position and rejoining the faculty. With the help of an outstanding search committee chaired by Trustee Bill Rhodes and co-chaired by Vice President Stacey Patterson, the committee presented me with four outstanding candidates. With the help of literally hundreds of students, faculty and staff throughout UTHSC and the UT System, we were able to select the ideal candidate to lead the UT Health Science Center for the next decade - Dr. Peter Buckley. Leadership matters, and Dr. Buckley will be an impactful, transformational leader.

THE DEPARTURE OF UTIA SENIOR VICE CHANCELLOR AND SENIOR VICE PRESIDENT CHANCELLOR TIM CROSS

Tim announced early last summer that he was stepping down after an illustrious and legendary tenure as leader of the UT Institute of Agriculture. Thankfully, Vice President of Academic Affairs and Student Success Linda Martin, whose background is agriculture, stepped up to be the interim as we search for a new permanent leader, and she has done an incredible job.

EVERYWHERE YOU LOOK, UT TOUR

Starting in August, we launched an "Everywhere You Look, UT" tour. The System Communications and Marketing Office planned and executed a statewide "Everywhere UT" tour with campus and institute communicators to highlight UT's impact across the state. The tour visited 48 counties with approximately 1,000 total attendees at event stops, including state legislators and city and county elected officials.

100% SUCCESS ON LEGISLATIVE AGENDA, GOVERNMENT OPERATIONS RULES, AND FISCAL REVIEW CONTRACT VOTES

The System Office of Government Relations successfully advocated for and achieved unanimous approval of UT's official legislative package including measures to increase 4-H participation and provide greater confidentiality in Chancellor searches. The team also led efforts in securing approval of a number of rules

COVID SPECIAL SESSION

The government relations team and General Counsel's office led efforts to secure critical bill language that protected UT research and federal funding interests in light of changing federal and state requirements surrounding COVID-19.

CONSISTENT DIPLOMAS

The UT System Office of Academic Affairs and Student Success led a systemwide committee to redesign and develop consistent UT diplomas and transcripts (which included acquiring a single contract for diploma services, standardizing and updating the design of the UT diploma, and developing board policies on future changes to diplomas and the award of posthumous and honorary degrees across the System).

University of Tennessee System

Online Market Opportunity Assessment

Huron Report

January 4, 2022

University of Tennessee System
Online Market Opportunity Assessment

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PURPOSE OF REPORT

The University of Tennessee System ("UT System" or "the System") seeks to explore potential opportunities to expand its educational offerings through online modalities. The System aims to strengthen its standing as a leader in a rapidly changing marketplace for higher education, meeting the needs of citizens in the state of Tennessee and beyond.

System leaders recognizes that the institution would likely benefit from initiating a partnership or alliance to achieve substantial and immediate growth in online education for two primary reasons. First, the UT System faces significant competition in online education by established institutions (particularly, from out-of-state providers that Tennessee residents can access). Second, leaders have determined that developing a significant online presence would require investments that may be cost-prohibitive and require more time than is desirable to remain competitive.

Given national and regional enrollment trends, the continued growth of online education, the COVID-19 pandemic, and recent mergers and acquisitions in the market, System leaders expressed interest in exploring options for entering the online education market via strategic alliance. As an initial step, the UT System engaged Huron Consulting Group ("Huron") to conduct an assessment of the online education market.

This report summarizes Huron's exploratory work, which is intended to inform UT System leadership's decisions about the best means for accelerating growth in the online higher education market. This report includes the following sections:

- **The Market in Context** summarizes high-level trends of the national and online higher education market relevant to opportunities that the UT System may contemplate.
- **UT System Opportunities** summarizes Huron's understanding of the UT System's objectives, options for entry into the online higher education market, and key decision points.
- **Appendices** include (a) summary of the process for assessing potential partners and (b) case study summaries of recent online education market acquisitions.

THE MARKET IN CONTEXT

UT System leaders committed to exploring options for the System to establish a presence in the online education market. This exploration and any resulting decisions will occur in context of the overall online education market, the drivers of growth, and the rationale for entry. Summarized herein are key trends, market examples, and analyses that support the UT System's rationale for considering the expansion of online education capabilities.

National Higher Education Market

Even prior to the COVID-19 pandemic, the higher education industry faced several transformative challenges and pressures. Student demographics and needs have diversified due to an increased share of adult learners and a shrinking number of high school graduates entering the market. As such, the cost of serving and retaining an increasingly diverse population of learners has risen. Also, changes in funding models due to declining state and federal support and an increasing reliance on tuition revenue have put pressure on institutional leaders to prioritize sustainable financial strategies. Meanwhile, prospective students and their families are increasingly price sensitive, especially as alternative educational pathways have proliferated.

Amid these realities, traditional higher education institutions face increased competition from remote offerings, certification options, and innovative nontraditional offerings. The landscape of credential providers has been dynamic for several years and is becoming increasingly competitive as in-demand

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THE UNIVERSITY OF TENNESSEE SYSTEM   HURON   **University of Tennessee System**
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work skills change within workers' lifetimes. The pace of this change has challenged universities to expand into educational offerings that are nontraditional in content, modality, and outcomes (e.g., certifications in lieu of degrees) as a means of linking learner skills and workforce needs.

FIGURE 1: TOTAL ENROLLMENT BY LEARNER TYPE (FALL 2015 – 2020)
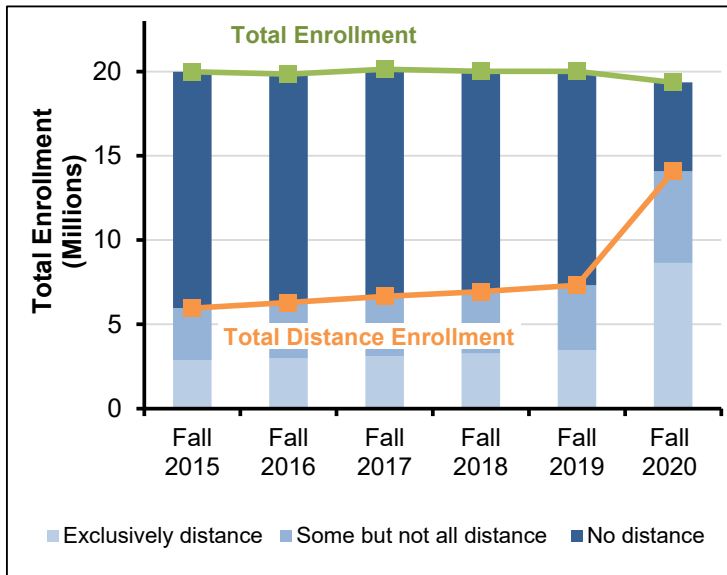
Prior to the COVID-19 pandemic, institutional leaders were facing nontraditional education challenges amidst industrywide enrollment declines (total U.S. enrollments declined 3% from fall 2015 to fall 2020).[1] Although recent reports show graduate enrollment increasing (2.1% from fall 2020 to fall 2021) undergraduate enrollments have continued to decline, falling 6.5% since fall 2019.[2]

Despite overall declines, what growth is occurring has largely been driven by online enrollment (i.e., distance education or remote learning). Prior to the pandemic, the online market saw a 10% increase in the number of students enrolling in at least one distance education course

since Fall 2017. In Fall 2019, total enrollment in exclusively distance programs totaled over 3 million students—and an additional 3.9 million were enrolled in at least one distance course.

The COVID-19 pandemic necessitated immediate growth in remote learning. While the lasting impact of this rapid change has yet to be determined, in fall 2020 colleges and universities educated roughly two-thirds of students either wholly (45%) or partially (28%) in a virtual format. By contrast, in 2019 (before the pandemic) 63% of the 20 million students enrolled in higher education took no online courses at all.[3]

FIGURE 2: EXCLUSIVELY ONLINE ENROLLMENT BY INSTITUTIONAL TYPE (FALL 2017 – 2019)

In addition to an increase in overall distance enrollment in recent years, the distribution of students across different institutional sectors is shifting. Four-year public institutions are capturing an increasing share of exclusively online enrollment, while for-profits' share has declined (from 21% to 18%). The University of Arkansas' recent acquisition of for-profit Grantham University may signal a continuing trend (see case studies

in the Appendices section of this report). An August 2021 article about that acquisition noted that online

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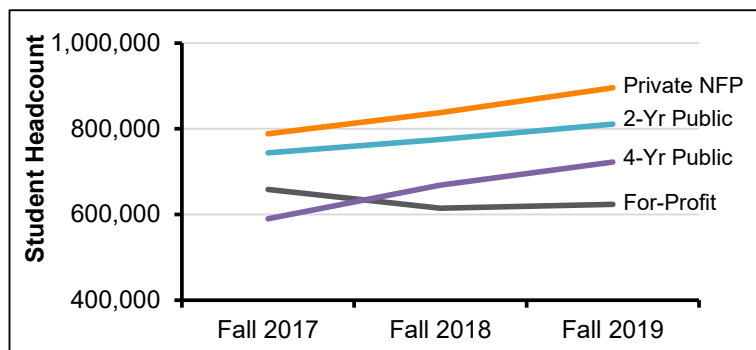
[1] IPEDS Fall Enrollment; total distance enrollment represents any student taking more than one class via distance education at an institution receiving Title IV funding; does not include enrollment for alternative providers (e.g., bootcamps)
[2] *Inside Higher Ed*, Enrollments Still Falling 2 Years Into Pandemic
[3] *Inside Higher Ed*, Detailing Last Fall's Online Enrollment Surge

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education "really is, from a mission perspective, the proper business of state institutions…this migration of for-profit schools into public universities is in the early innings of what we're likely to see."[4]

Drivers of Online Education Growth

As evidenced above, the online education market is growing. The COVID-19 pandemic accelerated the adoption of online course delivery by forcing many institutions to transition to remote learning—a shift that had already begun before the pandemic. The initiation of Western Governors University in 1997, the launch of the primarily online Minerva University in 2014, and Purdue University's acquisition of Kaplan in 2017 underscore that the market has been evolving for several years.

In recent years, online growth and competition have primarily resulted from four categories of activity: (a) acquisitions and mergers of online providers, (b) evolution of alternative credential providers, (c) creation of in-house online delivery capabilities, and (d) continued expansion of educational technology platforms.

(a) **Acquisitions and Mergers:** As colleges and universities accelerate the adoption of online education, several have pursued acquisitions and mergers as effective options for market entry. The table below includes a representative sample of recent mergers and acquisitions.

FIGURE 3: SAMPLE OF RECENT HIGHER EDUCATION ACQUISITIONS AND MERGERS

Acquiring Entity	Acquired Entity / Partner	Transaction Date
University of Massachusetts System	Brandman University	09/02/2021
University of Arkansas	Grantham University	08/11/2021
University of Arizona	Ashford University	08/04/2021
Saint Leo University	Marymount California	07/29/2021
Southern New Hampshire University	Kenzie Academy	03/09/2021
Post University	American Sentinel	02/01/2021
Purdue University	Kaplan University	04/27/2017

(b) **Alternative Credential Providers:** Higher education is seeing an expansion of offerings from non-degree-granting providers, including short-form bootcamps, massive open online course (MOOC) providers, and vocational training providers. Google, Amazon, and IBM have created their own credentials through online skill development and workforce-readiness training programs. Penn Foster, which provides a wide array of credentials, announced in October 2021 its intention to acquire healthcare-focused Carrus to accelerate middle-skills career development programs. Coding bootcamps offer similar, mid-career trainings within the tech industry. In many cases, alternative providers are aligned to the skill needs of particular industries and they offer career-aligned upskilling that benefit non-traditional, mid-career students.

(c) **Internal Development of Online Capabilities:** Numerous institutions have opted to create their own internal capabilities for online course development and deployment. The University of Michigan, for example, launched its Academic Innovation Unit in 2014 to serve as the coordinating body across its various new education models, including Michigan Online. Other institutions, such as Rush University College of Nursing and Harvard Business School, have stood up internal online portfolios that receive similarly high rankings to their in-person offerings. In December 2021, Inside Higher Ed reported that the "University of North Carolina system is leveraging $97 million in pandemic recovery funding to launch a nonprofit ed-tech start-up intended to bolster adult online education."

The ability to provide education at scale is a benefit for institutions that are not bound by region. Institutions such as Western Governors University and Southen New Hampshire University have achieved nationwide scale, large enrollments, and growing recognition for their innovations in providing accessible education. Strayer University, for example, has an individual institutional

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[4] *Inside Higher Ed*, Arkansas to Expand Online With Grantham Acquisition

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structure within the state of Tennessee with more than 4,000 exclusively online students, as well as expansive enrollments across the country.[5]

(d) **Educational Technology:** Partnerships between universities and educational technology providers are also growing. "Ed tech" refers to hardware, software, and content designed to enhance teacher-led learning in classrooms, as well as companies that provide online courses or educational technologies. During 2020-2021, the U.S. recorded tremendous growth in the number of ed tech companies due to high consumer demand for online and e-learning courses, improved access, affordability, and stronger ROI for postsecondary learning.[6] Per a report by HolonIQ, global ed tech venture capital funding totaled $20.8 billion in 2021. An estimated 98% of U.S. universities have offered at least one online class since 2020, largely due to the pandemic.[7]

The Tennessee Market

While national trends show a decrease in overall enrollment, Tennessee and the southern U.S. region are seeing an increase in potential students. The 2020 census showed that Tennessee had a 9% increase in population since 2010, bumping the state up one spot to the 16th most populous in the country. Similarly, the projected number of Tennessee high school graduates is expected to increase in the early 2020s and stay relatively consistent through the mid-2030s. The U.S. South region is projected to see the highest number of high school graduates. This presents a key opportunity for the UT System to be innovative in meeting the educational needs of its growing in-state and in-region populations.[8]

The UT System has potential to positively influence educational attainment among the Tennessee population. The state of Tennessee is currently below the national average for postsecondary degree attainment. More than 590,000 individuals in Tennessee have completed some college but hold no degree—and about 9% of those have at least two years of academic progress completed.[9] Additionally, about 40% of Tennessee high school seniors (20,000 individuals) take steps to enroll in college each year but do not follow through in the fall.[10] To address these realities, Tennessee legislative and executive leaders have pledged support for higher education through major state-wide initiatives, such as The Drive to 55 that aims to "equip 55% of Tennesseans with a college degree or certificate by 2025."[11]

While major state-wide initiatives have spurred growth in overall degree attainment, this has not included substantial growth in online enrollment. Tennessee community colleges are the largest in-state providers of online courses, enrolling about 12,500 total undergraduates in exclusively distance courses in 2019. Of the students enrolled in exclusively distance education courses at a Tennessee institution, 83% are living within the state, suggesting that current Tennessee providers draw minimal interest from out-of-state students.

The University of Tennessee's Place in the Market

In light of industry trends and market developments, the UT System's position and opportunity within the broader higher education ecosystem should include the following considerations:

- National enrollment and online course delivery trends prior to and following the COVID-19 pandemic indicate continued growth in demand for hybrid, distance, and fully online learning.
- The UT System's online portfolio and presence in the online education market lags many of its peers. Currently, the UT System does not have a platform for greatly expanding online education, developing curriculum and credentials, or providing academic support for online learners.

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[5] IPEDS Fall Enrollment
[6] *edSurge, edSurge, EDSCOOP, CrunchBase. Govtech, Holon IQ, EdTech Digest, Medium, Educationdata*
[7] *Toptal, TechCrunch, TechCrunch, ThinkImpact, Elitecontentmarketer*
[8] U.S. Census Bureau's American Community Survey 1-Year Estimates, Knocking at the College Door, Projections of High School Graduates, December 2020
[9] National Student Clearinghouse, Some College, No Degree Study 2019
[10] 2018-2019 Tennessee SCORE Stopping Summer Melt Report, 2021
[11] https://driveto55.org/the-alliance/

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- Recent acquisitions (e.g., University of Arizona and Ashford University, University of Arkansas and Grantham University) have created competitive pressures to move into the online market.
- Tennessee's emphasis on postsecondary education attainment could align with a rapid expansion into the online education market by the UT System.
- The UT System is a nationally recognized institution with academic strengths that could be leveraged by acquiring or partnering with an established online provider(s).

UT SYSTEM OPPORTUNITIES

Considering the current state of the national and online higher education markets, UT System leaders identified the need to explore the potential for a move into the online market. The goals and objectives are summarized in the following diagram of priorities.

FIGURE 4: UT SYSTEM ARTICULATED PRIORITIES

Enrollment Growth	Expanded Capabilities	Quality of Programs	Quick Market Movement	Opportunity for Innovative Offerings	High Level of Impact
The UT System needs to play a leading role in achieving the state "Drive to 55" goal and would like to scale online offerings nationally.	To be a strong online provider, UT must expand its current capabilities by building internally or partnering with an entity that offers robust capabilities.	Regardless of the path forward, the quality of UT's academic programming and brand trust should be preserved.	UT should move quickly to accelerate its presence in the online education market and position itself alongside the leaders in this space.	UT should consider opportunities to build upon established strengths or capture the market with new, innovative offerings.	There is a strong desire for the UT System to make substantial impact in these five areas with offerings that could redefine the online education market (both within TN and nationally).

Based on the priorities above, Huron partnered with UT System leaders to summarize the ecosystem of degree-offering institutions and alternative providers—some of which could represent potential partners for further exploration.

Key Decision Points

Decision about which model(s) to pursue and how to structure a partnership should be guided by the UT System's strategy and aspirations for online growth. Answering the following questions will help UT System leaders narrow options for entry models, evaluate the desirability of potential partners, and make key decisions in the partnership process.

- **Capacity:** What is the UT System's internal capacity (e.g., existing resources, capabilities) to develop and manage online offerings?
- **Curriculum:** What is the UT System's appetite to manage curriculum development and delivery?
- **Speed:** How quickly does the UT System want to expand its presence in the market?
- **Investments:** What upfront and ongoing investments (e.g., financial, personnel, resources) is the UT System willing to commit?
- **Financial Commitment:** What financial commitment does the UT System expect from a partner?
- **Gaps:** What current UT System gaps can a partner's investment or capabilities fill?
- **Culture:** Which institutions represent the best cultural fit for the UT System?
- **Opportunities:** What opportunities do different types of institutions create for the UT System?

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THE UNIVERSITY OF TENNESSEE SYSTEM

HURON

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Models for Market Entry

To identify the universe of options that the UT System might consider for expanding into the online education market, Huron identified the prevailing models driving growth in online enrollment (outlined in the figure below). Based on our understanding of the UT System's appetite for growth and innovation and desire to move quickly in the market, the Huron team focused its initial work on acquisition and joint venture models. While the models illustrated below may represent the most likely options for the UT System, they are not mutually exclusive (i.e., multiple options could be pursued concurrently).

FIGURE 5: MODELS FOR EXPANDING INTO THE ONLINE EDUCATION MARKET
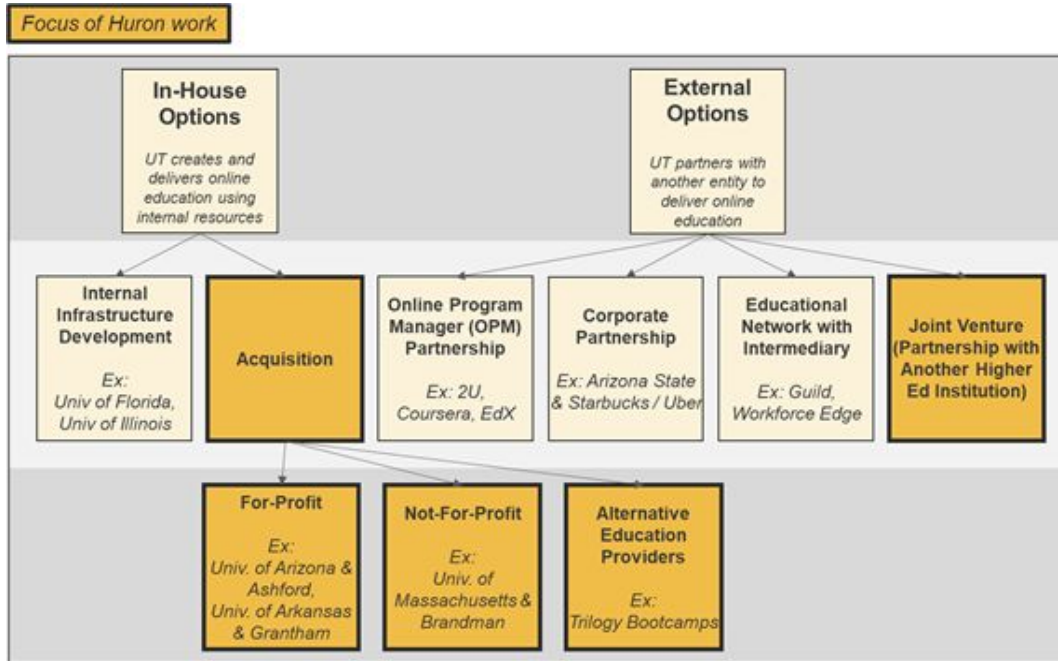
Acquisition and Joint Venture Structural Options

Focusing on acquisitions and joint ventures as potential models, it is helpful to consider how each of these options might be structured within the UT System. The figure below summarizes three high-level structures by which the UT System could integrate an acquired entity or joint venture. These structures may vary based on the selected partner and the fit between the UT System and the partner.

FIGURE 6: ILLUSTRATIVE STRUCTURAL OPTIONS

Standalone	Hosted	Distributed
UT System Office administers the acquired entity or joint venture partnership as a standalone unit or initiative within the UT System	One UT System campus hosts and administers the acquired entity or joint venture on behalf of all campuses	Individual campuses manage and administer their offerings locally with some central support from the UT System Office

Standalone

In this arrangement, the acquired entity or joint venture could function as a unique entity within the UT System alongside the current campuses. The UT System Office could act as the primary administrator of

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the entity and manage all offerings. The entity could have status as its own unit or "campus" within the System. Recent examples of this structure include Purdue University Global and UMass Global.

Hosted

In this arrangement, a single UT campus or the UT System Office could host the acquired entity or joint venture as a program or initiative on behalf of the System, but the entity would not have status as a standalone entity like other campuses. In one case, a single UT campus could host the initiative, manage all offerings, and provide administrative support. The initiative could report through that campus and require financial and staff resources from that campus. In another case, the UT System Office could host the initiative, funding all activities and administering all offerings on behalf of the System. Recent examples of this structure include the University of California's UC Online initiative, which is hosted by the Office of the President and is open to students from all UC campuses.

Distributed

In this arrangement, the offerings and activities of the acquired entity or joint venture partnership could be absorbed into individual UT campuses. Campuses could continue to manage and deliver their unique offerings and the UT System Office could provide administrative support via a "service center" model. Funding would likely be required from both the System Office and the individual campuses. This model is similar to UT's current approach, in which offerings are primarily delivered by the individual campuses with support from the UT System Office.

Defining the Market of Online Institutions

To identify potential partners, the UT System should consider size and a diverse set of institutional characteristics (e.g., mission, academic programs, financial health, online capabilities). The Huron team defined the market of online institutions—some of which could be potential partner candidates. These institutions include two primary groups:

- **Online Degree-Offering Institutions**, which are U.S. higher education institutions that offer a mix of formal credentials (including degrees) in an online format, and
- **Alternative Providers,** which are non-degree granting providers of online credentials (e.g., skill-specific bootcamps, professional trainings and certificates, vocational trainings).

The alternative providers include companies that provide online software development bootcamps, continuing education courses for working professionals, web development and data science courses, and other certification programs. This market includes members of the Council on Integrity in Results Reporting, programs accredited by the Distance Education Accrediting Commission (DEAC), and others.

Online Degree-Offering Institutions

To define the U.S. market of online degree-offering institutions, Huron conducted a screening process of U.S. Title IV institutions recognized in the NCES's Integrated Postsecondary Education Data System (IPEDS). Huron created a list of all institutions that had (a) at least 6,000 total students enrolled and (b) 50% or more of all students enrolled in exclusively distance education before the pandemic. **The list generated by this screening consisted of the 51 largest online degree-granting institutions, which are summarized in Figure 7 below.**

Note that the screening process did not capture an institution's appetite for or ability to enter a partnership--the analysis is meant to serve as a summary of the online education market based solely on publicly available information. Inclusion in the list of does not imply these institutions are "on the market." Additional research will be necessary to measure a selected institution's appetite for partnership and to define the ideal partnership structure.

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FIGURE 7: LIST OF 51 DEGREE-OFFERING INSTITUTIONS WITH >6,000 STUDENTS AND >50% EXCLUSIVELY DISTANCE EDUCATION (PRE-PANDEMIC)

Institution	Type (Affiliated Organization)	Fall 2019 Enrollment per IPEDS	% Exclusively Distance Education
Western Governors University	Private NFP	136,139	100%
Southern New Hampshire University	Private NFP	113,514	94%
Grand Canyon University	For-Profit per DOE [Publicly traded; Grand Canyon U Inc.]	96,211	78%
University of Phoenix - Arizona	For-Profit [Privately held; Apollo Educ Group]	94,724	99%
Liberty University	Private NFP	85,586	82%
University of Maryland Global Campus	Public [University System of Maryland]	58,281	80%
Strayer University - All Regions	For-Profit [Publicly traded; Strategic Educ Inc.]	55,779	98%
Walden University	For-Profit [Publicly traded; Adtalem Global Educ]	48,420	100%
American Public University System	For-Profit [Publicly traded; American Public Educ Inc.]	45,249	100%
Arizona State Univ Digital Immersion	Public	45,073	97%
Purdue University Global	Public	38,138	99%
Capella University	For-Profit [Publicly traded; Strategic Educ Inc.]	37,859	100%
Chamberlain University	For-Profit [Publicly traded; Adtalem Global Educ]	35,502	91%
Ashford University	*[Acquired by University of Arizona]*	32,620	100%
Colorado Tech Univ - Colorado Springs	For-Profit [Publicly traded; Perdoceo Educ Corp.]	27,232	96%
Eastern Gateway Community College	Public	25,648	94%
Excelsior College	Private NFP	25,245	100%
DeVry University - All Regions	For-Profit [Privately held; Cogswell Capital]	24,315	94%
Full Sail University	For-Profit [Privately held]	21,666	75%
Columbia Southern University	For-Profit [Privately held; Columbia Southern Educ]	20,034	100%
Ultimate Medical Academy - Clearwater	Private NFP	18,195	99%
University of the Cumberlands	Private NFP	16,966	56%
Lamar University	Public	15,460	54%
Wilmington University	Private NFP	14,730	57%
Embry-Riddle Aeronautical- Worldwide	Private NFP	13,773	82%
Colorado State University - Global Campus	Public	12,670	100%
Fayetteville Technical Community College	Public	12,021	58%
Bellevue University	Private NFP	11,637	90%
Park University	Private NFP	11,415	60%
Indiana Wesleyan University - Natl & Global	Private NFP	11,410	86%
Northcentral University	Private NFP	11,223	100%
Saint Leo University	Private NFP	10,912	59%
Coastline Community College	Public	10,822	81%
Post University	For-Profit [Privately held]	10,642	92%
Regent University	Private NFP	10,365	79%
Brandman University	*[Acquired by University of Massachusetts]*	10,231	80%
Thomas Edison State University	Public	10,227	99%
Maryville University of Saint Louis	Private NFP	10,013	61%
American InterContinental University	For-Profit [Publicly traded; Perdoceo Education Corp.]	9,952	100%
Columbia College	Public	9,913	59%
Rasmussen University - Florida	For-Profit [Publicly traded; American Public Educ Inc.]	8,808	70%
Louisiana State University - Shreveport	Public	8,579	74%
Colorado Christian University	Private NFP	7,587	51%
Trident University International	For-Profit [Publicly traded; Perdoceo Educ Corp.]	7,298	100%
American College of Financial Services	Private NFP	7,097	98%
Grantham University	*[Acquired by University of Arkansas System]*	7,079	100%
Aspen University	For-Profit [Publicly traded; Aspen Group]	6,893	98%
Concordia University - Chicago	Private NFP	6,205	58%
South University-Savannah Online	For-Profit [Privately held; Dream Center South Univ]	6,195	100%
American College of Education	For-Profit [Privately held; ACE Holdco PBC]	6,057	100%
Franklin University	Private NFP	6,031	100%

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University of Tennessee System
Online Market Opportunity Assessment

APPENDICES

The following appendices provide additional information to supplement this report.

- *Appendix I: Partner Evaluation and Screening Process*
- *Appendix II: Case Studies of Strategic Alliances*

Appendix I: Partner Evaluation and Screening Process

The analysis herein represents an initial phase of collaboration between the UT System and Huron focused on assessing the online education market. We understand that the System seeks to expand its presence in the online education market and strengthen its overall, long-term competitive market position.

To identify potential partners for outreach, the UT System would need to conduct an additional level of research, analysis, and due diligence. For example, if the UT System is interested in pursuing a particular institution because of mission-alignment and strong existing capabilities, leaders will want to conduct a more intensive exploration of additional factors, including:

- The institution's **recent financial performance**, including operating results, balance sheet, debt obligations, and capital investments;
- The institution's **enrollment pipeline,** including applications, acceptance rates, and recent enrollment growth;
- The institution's **academic portfolio**, including disciplines, credentials, and modalities;
- The institution's **governance structures**, including its executive leadership, board, owners or affiliates, and state oversight bodies;
- The institution's **appetite for partnership**, either joint venture or acquisition; and
- The **most viable structure for the partnership**, including the standalone, hosted, or distributed model or an alternative structure.

Aligning these features with the UT System's goals, priorities, and financial realities will help to assess the appropriate partnership model (e.g., whether a potential partner is fiscally strong enough to enter into a joint venture or be acquired). To evaluate potential partners, variables to consider include:

Criteria 1: Institutional Characteristics
    a. For-profit or not-for-profit status
    b. Enrollment size and growth
    c. Distance education enrollment relative to total enrollment
    d. Student profile (e.g., Pell-grant recipients, regional or national focus)
Criteria 2: Alignment with UT Goals and Objectives
    a. Mission alignment with UT's strategy
    b. Graduation rate
    c. Reputation (e.g., rankings, corporate relationships, recent press, legal considerations)
    d. Accreditations
    e. Enrollment portfolio
    f. Fiscal health, including 4-year enrollment growth, total net assets, endowment assets
Criteria 3: Academic Portfolio Offerings
    a. Breadth and quality of online degree types
    b. Breadth and quality of online disciplines
Criteria 4: Online Delivery Capabilities
    a. Market research, marketing, and recruitment
    b. Content development
    c. Technology and infrastructure
    d. Student support services
    e. Management and monitoring

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Online Market Opportunity Assessment

Appendix II: Case Studies of Strategic Alliances

University of Arkansas System
Acquisition of Grantham University

UNIVERSITY OF ARKANSAS

Fast Facts	University of Arkansas	Grantham University
Type of Institution	Public University System	Private For-Profit University
Physical Location	Fayetteville, AR	Lenexa, KS
Acquired Online Enrollment Total	--	4,000
Accrediting Body	Higher Learning Commission	Distance Education Accrediting Commission (DEAC)

Partnership Background
The University of Arkansas System announced the deal to acquire Grantham University in August 2021.

Finances Overview
The formal sale price of Grantham's assets to UA was $1—and reportedly does not include revenue sharing arrangements. However, it is unclear what commitments UA assumed in the transaction. UA will assume all Grantham assets, as well as 170 staff, 240 part-time faculty, current students, tuition revenue, and academic courses. The deal does not have a revenue-sharing agreement and Grantham owners will no longer control the university. Grantham will increase UA's online enrollment by 500%.

Structure Overview
Due to the recent announcement of the acquisition, information on the partnership structure has not yet been made widely available.

Academic Overview
Grantham University is an online university and its acquisition by the University of Arkansas will increase UA's ability to deliver online courses—Grantham will add 36 undergraduate credentials to UA's current 24. This will also allow UA to introduce online graduate credentials for the first time. As part of this deal, Grantham students will have the option to enroll in UA online and in-person courses. In addition to the growth of online degree offerings, Grantham was also an attractive option because its credentials align with workforce needs in the state of Arkansas.

Considerations for UT
- As another public university system within the region, UT and the University of Arkansas System have attributes in common. UT could explore the details of this deal further as it considers partnerships of its own.
- The stakeholders involved in the Grantham deal are likely similar to those that would be engaged in a UT System partnership, including: Grantham Board, Level Playing Field Corporation (Grantham owner), and Distance Education Accreditation Commission (Grantham accreditor).
- This deal represents a larger trend in higher education in which public institutions seek to acquire online universities. As the market for these partnerships grow, UT should consider swift action.
- Grantham University's focus on adult learners, military service members and veterans aligned well with key student audiences within the state of Arkansas. UT may consider aligning its partnership with the state's growing populations or workforce demands as well.

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THE UNIVERSITY OF TENNESSEE SYSTEM

HURON

University of Tennessee System
Online Market Opportunity Assessment

University of Arizona
Acquisition of Ashford University

THE UNIVERSITY OF ARIZONA

Fast Facts	University of Arizona	Ashford University
Type of Institution	Public University	Private For-Profit University
Physical Location	Tuscon, AZ	San Diego, CA
Acquired Online Enrollment Total	--	35,000
Accrediting Body	Higher Learning Commission	Western Association of Schools and Colleges (WASC)

Partnership Background
The University of Arizona announced a deal to acquire Ashford University in August 2021. Similar to the Arkansas and Grantham deal, this is another example of a public university acquiring a for-profit entity.

Finances Overview
The deal anticipates that the newly created University of Arizona Global Campus (UAGC) will receive $225M in revenue over 15 years and will be applied in the following ways: (a) first dollars cover AUGC academic expenses (e.g., faculty), (b) next $25M go to AUGC (guaranteed for first five years), (c) next dollars cover Zovio OPM service, (d) up to 19.5% of tuition and fee revenue go to Zovio, and (e) remaining funds stay with UAGC.

Structure Overview
As part of the contract, UAGC will operate as an independent, non-profit affiliate of the University of Arizona. An independent board will govern UAGC, of which Arizona will appoint 4/9 of the members. The Ashford president will serve as the UAGC president. Ashford's parent company, Zovio, will continue to provide several services, including recruiting, financial aid, counseling, information technology, and academic support.

Academic Overview
The acquisition of Ashford by Arizona will provide Arizona with expanded online course delivery capabilities. As part of the acquisition announcement, Arizona indicated that Ashford would supplement Arizona's current mix of online bachelor's, master's, and doctoral degrees with a focus on nontraditional and underrepresented students.

Considerations for UT
- Ashford has been accused of aggressive and dishonest recruitment tactics, including a pending lawsuit. If UT considers similar for-profit institutions, the System should monitor the legal, reputational, and public relations outcomes of the Ashford deal to inform its next steps.
- The financial details outlined in the deal may be helpful for UT, especially if they would prefer a long-term, multi-year deal in lieu of a large initial payment.
- The UAGC structure may be of interest to UT if the System is interested in acquiring an entity as a standalone unit within the UT System. Additional exploration of the Arizona and Ashford model would be informative as UT solidifies its desired structure.

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THE UNIVERSITY OF TENNESSEE SYSTEM   HURON

University of Tennessee System
Online Market Opportunity Assessment

Purdue University
Acquisition of Kaplan University

P PURDUE UNIVERSITY.

Fast Facts	Purdue University	Kaplan University
Type of Institution	Public University	Privately-Held For-Profit (Graham Holdings)
Physical Location	West Lafayette, Indiana	Davenport, IA
Acquired Online Enrollment Total	--	32,000
Accrediting Body	Higher Learning Commission	Higher Learning Commission

Acquisition Background
Purdue University announced a deal in 2017 to acquire Kaplan University. This acquisition was intended to provide Purdue with expanded online delivery and the announcement was one of the largest acquisitions in higher education to date.

Driving Forces
The driving forces for Purdue, as reported to its Board in April 2017 and shared online, were as follows:
1) There were millions of people *not* being served by the land-grant institution's current higher ed model;
2) The online education market is growing; and
3) Purdue determined that building a large online institution itself would be cost and time-prohibitive.

Transaction Overview
Purdue paid $1 to Graham Holdings for Kaplan University's academic assets (which was one of four lines of business within Kaplan Inc. owned by Graham Holdings company). The acquired university was initially known as "NewU" (later named Purdue Global). Meanwhile, Kaplan Inc. held onto its Professional Ed, Test Prep, and international lines of business—and created a Service Company for back-office support as illustrated below. Also, Purdue contracted with Kaplan Inc. for a 30-year support services agreement for Kaplan Inc.'s Service Company to provide IT infrastructure, marketing, and other administrative services. The agreement includes buy-out options for Purdue after year six.

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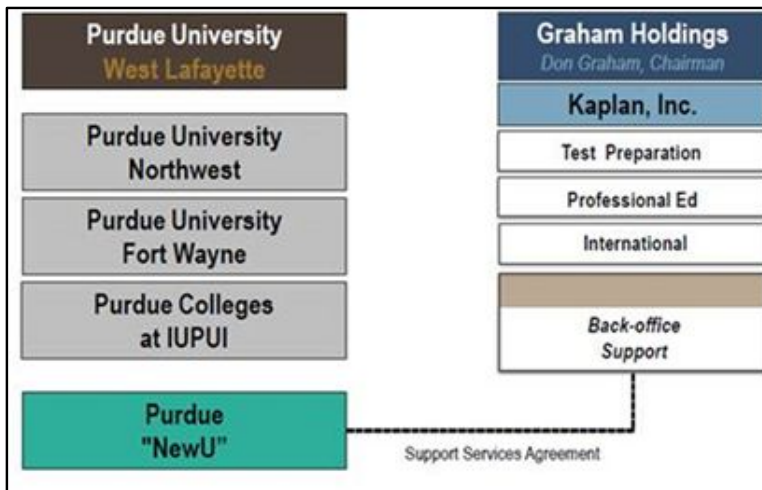
Agreement Overview
Per the agreement, Kaplan provides operational support to Purdue Global for an initial term of 30 years with a buyout option after six years. The operational support includes marketing, human resources, and financial aid administration. The agreement includes terms for Purdue to receive initial cash flows to cover direct expenses and additional amounts. Graham Holdings is reimbursed for its costs and receives a percentage of the institution's revenue after meeting certain conditions.

Major aspects of the agreement included the following:
(a) **Service Fee:** Kaplan committed to provide services under a support services agreement. Purdue committed to pay an annual fee to Kaplan's Service Company based on a percentage of revenues for the NewU and other cash flow waterfall considerations.
(b) **Cash Flows:** Cash flows were outlined in the agreement, including (a) an initial amount to Purdue's NewU to cover direct costs plus certain revenues; (b) amounts to Kaplan's Service Company for direct costs plus a percentage of revenue; and (c) remainder amounts to Purdue's NewU. The agreement included efficiency and revenue growth incentives for both parties.
(c) **Adverse Impact Fee:** The agreement provided for an adverse impact fee payable to Kaplan's Service Company if Purdue takes actions inconsistent with the agreement.
(d) **Cost Caps:** Caps were established on reimbursable direct costs as percentage of revenue (sliding scale based on size of revenue) for both Purdue's NewU and Kaplan's Service Company.
(e) **Working Capital:** Agreement addressed Title IV receivables and tuition receivable on Kaplan's books as of agreement date, as well as working capital needs beyond the transaction date
(f) **Buyout Options:** The agreement established terms for Purdue's option to buyout the service contract after year six (with buyout costs based on a percentage of revenue).

Considerations for UT
Positives:
- As a landmark instance of a public institution acquiring a large for-profit, Purdue quickly established a national brand for their new Purdue Global organization.
- Purdue's acquisition allowed the institution to reach new student populations not formerly served by the land-grant institution, which seeking to protect the core university brand by establishing Purdue Global as a distinctly separate organization.
- Purdue only incurred an initial $1 upfront cost and established a cash flow waterfall designed to protect the institution.
- The acquisition created significant financial upside potential.

Challenges:
- The deal has resulted in financial challenges, with significant expenses being incurred for marketing and student recruitment and Purdue Global reporting a sizeable loss in fiscal 2020 (followed by net positive results in fiscal 2021).
- The long-term student outcomes and enrollment totals for Purdue Global are not yet clear. Enrollments declined in initial years, though they recently increased.
- Purdue committed to a long-term services agreement with Kaplan Inc.
- Purdue faculty raised several concerns about quality, governance, and brand.

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University of Tennessee System
Online Market Opportunity Assessment

University of Massachusetts System
Acquisition of Brandman University

Fast Facts	University of Massachusetts	Brandman University
Type of Institution	Public University System	Private Non-Profit
Physical Location	Boston, MA	Irvine, CA
Acquired Online Enrollment Total	--	10,000
Accrediting Body	New England Commission of Higher Education (NECHE)	WASC Senior College & University Commission (WSCUC)

Partnership Background
The University of Massachusetts and Brandman University (BU) deal materialized over several years. UMass first hired consultants in 2017 to become "a bigger player" in the online market. In March 2019, UMass announced a goal of launching a fully online college. Shortly after, in June 2020, UMass announced the pursuit of a "strategic partnership" with BU, and in September 2021 a formal acquisition of BU was announced. Reports stated that UMass explored 100+ partner options and discussions took place over 2.5 years.

Finances Overview
As part of the deal, BU will pay $96M over 10 years to Chapman University, BU's former owner. BU will pay $37M to Chapman to buy its headquarters in California that will likely serve as the online education and global campus headquarters. Most payments will not begin until 6th year of the partnership. UMass does not owe contractual payments to any entity but will "support" payments if needed.

Structure Overview
Similar to other recent acquisitions, BU will become UMass Global: a private "affiliate" of the public system that will operate in similar fashion to the other campuses within the system. Its leadership structure will be slightly different from other case studies, with UMass Global retaining an independent board of regents that includes representation from the UMass board. The current BU leadership team is involved in the new entity: the BU chancellor will lead UMass Global and the UMass board chair will chair the UMass Global board. UMass Global will retain its separate accreditation.

Academic Overview
At the time of the acquisition, Brandman was a non-profit institution within the Chapman University System with an online enrollment of 10,000 from 45 states. Brandman also operated 25 physical campuses in California and Washington.

Considerations for UT
- The deal is a recent and helpful example of a system similar in size to UT acquiring a private, online provider.
- UMass' acquisition of out-of-state assets could provide a helpful reference point if UT considers acquiring a non-Tennessee entity.
- UMass' structural details may be of particular interest to UT as they consider how to integrate an online entity within their existing system structure.
- The unique leadership and governance elements of the UMass and Brandman partnership could be a model for UT to consider, particularly if UT's future partner seeks to retain some level of control.

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THE UNIVERSITY OF TENNESSEE
BOARD OF TRUSTEES

AGENDA ITEM SUMMARY

Meeting Date: January 21, 2022

Committee: Executive

Item: **Update on Compliance with Graduate Medical Education Accreditation Requirements, UTHSC-Memphis, College of Medicine (UTHSC-COM)**

Type: Action

Presenter: Chancellor Steve J. Schwab, MD

Background Information

The Accreditation Council for Graduate Medical Education (ACGME) requires a written statement documenting the Sponsoring Institution's commitment to GME by providing the necessary financial support for administrative, educational, and clinical resources, including personnel, and which must be reviewed, dated and signed at least once every five years by the Designated Institutional Official (DIO), a representative of the Sponsoring Institution's senior administration and a representative of the Governing Body. Although a statement of commitment to GME is currently active, the ACGME recently cited the UTHSC-COM, as the Sponsoring Institution, for lack of inclusion of the institutional commitment of financial support for clinical resources. Item #1 below is a revised statement of commitment, which includes language that identifies financial support for clinical resources.

Consistent with ACGME requirements, the Annual Institutional Review (AIR) is an annual evaluation of the UTHSC-COM as a sponsor of ACGME-accredited graduate medical education programs considering certain performance indicators. The DIO must annually submit a written executive summary of the AIR to the Sponsoring Institution's Governing Body. The written executive summary (item #2 below) includes a summary of institutional performance indicators for the AIR, action plans and performance monitoring procedures resulting from the AIR.

Attached to this summary are the following two items:

1. Statement of Mission and Commitment to Graduate Medical Education (2022-2026). The Statement has been updated to reflect the latest ACGME requirements and is being presented for approval by the Executive Committee on behalf of the Board of Trustees.

Executive Committee - IV. Update on Compliance with Graduate Medical Education Accreditation Requirements, UTHSC - Memphis, College of Medic...

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THE UNIVERSITY OF TENNESSEE
BOARD OF TRUSTEES

2. <u>Annual Institutional Review Executive Summary, Academic Year 2020-21</u>.   This report provides a summary of the findings of the most recent Annual Institutional Review (AIR), along with UTHSC-COM's proposed action plan to address the findings. This report is required to be submitted to the Board of Trustees, but does not require any formal action.

These materials are being presented to the Executive Committee to ensure compliance by UTHSC-COM with ACGME institutional accreditation standards.

Committee Action

The Chair will call for a motion to recommend adoption of the following Resolution.

Resolved: The Executive Committee, acting on behalf of Board of Trustees, hereby approves the Statement of Mission and Commitment to Graduate Medical Education (2022-2026) as presented in the meeting materials, which shall be attached to this resolution after adoption and shall supersede the last Statement previously adopted by the Board of Trustees on June 25, 2021.

Executive Committee - IV. Update on Compliance with Graduate Medical Education Accreditation Requirements, UTHSC - Memphis, College of Medic...

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University of Tennessee Health Science Center
College of Medicine
Statement of Mission and Commitment to Graduate Medical Education
2022-2026

Statement of GME Mission

The GME mission and the mission of the University of Tennessee Health Science Center, College of Medicine (the "College of Medicine") are to create an environment that provides our trainees with the education and experiences that will make them skilled and compassionate physicians. The College of Medicine aims to improve the health and well-being of Tennesseans and the global community by fostering integrated, collaborative, and inclusive education, research, scientific discovery, clinical care, and public service.

Statement of Commitment to GME

The University of Tennessee Board of Trustees, the governing body of the College of Medicine, together with the College of Medicine and its participating teaching hospitals are fully committed to the education of physicians and the professional, ethical, and personal development of all residents and fellows (each a "resident" or collectively "residents") training at the College of Medicine. The College of Medicine will ensure the provision of necessary administrative, educational, financial, human, and clinical resources to its graduate medical education programs, administrators, faculty, and trainees to ensure a high quality and effective graduate medical education training experience for the residents. The Board of Trustees and College of Medicine are also committed to promoting patient safety and resident well-being and providing a supportive educational environment.

Administrative and Human Resources:

The Graduate Medical Education Committee (GMEC), in collaboration with the Designated Institutional Official (DIO) has the responsibility and authority for oversight of the College of Medicine residency and fellowship training programs. The DIO chairs the GMEC. The College of Medicine ensures that the DIO, Program Directors, Program Coordinators, and core faculty members have sufficient financial support, time, and resources to carry out their responsibilities. The College of Medicine and Graduate Medical Education Office are responsible for the administrative support of the residency and fellowship programs. The College of Medicine is committed to staffing the Graduate Medical Education Office in a manner that fully supports the administrative and program support needs of graduate medical education at the College of Medicine.

Educational Resources:

The College of Medicine currently sponsors more than 70 ACGME accredited residency and fellowship programs. The College of Medicine Graduate Medical Education Office is committed to providing a scholarly environment in which the resident is viewed as a learner. The College of Medicine provides and will continue to provide the resources, including space, technology and educational tools to effectively support each of its graduate medical education programs and the oversight necessary to foster graduate medical education programs in which physicians in training develop personal, clinical, and professional competence under the guidance and supervision of College of Medicine faculty and staff. The Sponsoring Institution ensures that faculty and residents have ready access to adequate communication resources and technological support, electronic medical literature databases and specialty/subspecialty specific and other appropriate full-text reference material.
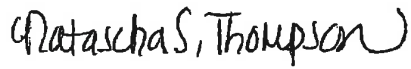
Financial Resources:

All residents in College of Medicine residency and fellowship training programs are provided with financial support and benefits to ensure that they are able to fulfill the responsibilities of their training.   The College of Medicine or its applicable employer-participating sites maintain comprehensive health, dental, vision, life, workers compensation and disability insurance programs for all residents. Residents have absolute immunity from malpractice claims for educational activities under the Tennessee Claims Commission Act of 1985 or the Federal Tort Claims Act when rotating at the Veteran's Affairs facilities.

Clinical Resources:

The College of Medicine ensures the availability of appropriate clinical resources, directly and in partnership with clinical training sites, in satisfaction of ACGME Institutional Requirements, including appropriate support services and systems. To ensure the appropriate oversight of clinical faculty, teaching faculty hold regular or clinical appointments in the College of Medicine. The College of Medicine supports safe and appropriate clinical care and resident clinical training through effective curricula, evaluation, and resident supervision.

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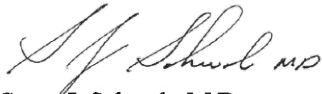
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This Statement of GME Mission and Statement of Commitment are supported by the College of Medicine, the Board of Trustees, the Graduate Medical Education Committee, and GME administration.

Natascha S. Thompson, M.D.
Designated Institutional Official
Associate Dean, GME
Chair, GMEC

Scott Strome, M.D.
Executive Dean, UTHSC College of Medicine
On behalf of the Sponsoring Institution (COM)

Steve J. Schwab, M.D.
Chancellor, UTHSC

Randy Boyd
President, University of Tennessee

UT Board of Trustees
As a representative of the Governing Body
(UT Board of Trustees)

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University of Tennessee Health Sciences Center College of Medicine
Annual Institutional Review Executive Summary

Academic Year July 1, 2020-June 30, 2021

Submitted to the University of Tennessee Board of Trustees

Date: November 29, 2021

On September 17, 2021, a subcommittee of the College of Medicine's Graduate Medical Education Committee (GMEC) including the DIO, Graduate Medical Education (GME) administration, hospital partner representation, program directors, and resident representatives conducted the College of Medicine's Annual Institutional Review (AIR). Consistent with Accreditation Council for Graduate Medical Education (ACGME) requirements, the AIR is an annual evaluation of the College of Medicine as a sponsor of ACGME-accredited graduate medical education programs considering certain performance indicators.

The AIR for academic year 2020-2021 included an investigation of the College of Medicine's performance based on the following indicators identified by the GMEC (* indicates ACGME required performance indicators):

- Institutional accreditation and results of the College of Medicine's most recent ACGME institutional self-study or site visit *

- Most recent letters of notification from the ACGME *

- ACGME survey results for residents, fellows, and faculty *

- ACGME-accredited programs' accreditation information, including accreditation and recognition statuses and citations *

- The College of Medicine's Institutional Dashboard, which includes program-specific performance indicators (accreditation status, citations, areas for improvement, match fill rate, IMG percentage in comparison to the national average, board pass rate, compliance on ACGME resident and faculty surveys, faculty to resident ratio and compliance with GME administrative requirements)

- Results from ACGME program site visits

- Special Reviews conducted by the GME/GMEC and program progress in addressing actionable items resulting from the Special Reviews

- Program Director effectiveness summary

- GME policy changes

- GMEC responsibility grid, which tracks GMEC compliance with ACGME-identified GMEC responsibilities

- CLER site visit report (if applicable)

- Duty hour/Clinical and Educational work hour data, summaries and trends

- Diversity data, including GME office diversity, resident and fellow diversity, ACGME resident and fellow survey data on diversity

- Wellness data and GME counselor utilization

- 2020-2021 Match data and UCOM post-match survey

- 2021 retention data

- The College of Medicine's achievements and performance against its 2020-2021 AIR Action Plan

A summary of the College of Medicine's performance based on the above indicators is presented in this Executive Summary, on pages 3-17. Of significance, the College of Medicine was placed on Probationary Accreditation by the ACGME on September 28, 2021 following a virtual site visit that was held on June 29, 2021. The adverse accreditation decision against the Sponsoring Institution followed an unsuccessful appeal to the ACGME of the withdrawal of accreditation of the Plastic Surgery Integrated and Independent programs. In addition, the Peds Heme-Onc program was placed on Probationary Accreditation following a January 2021 site visit and the Neurology program remains on Accreditation with Warning status following a December 2020 site visit. The ACGME's decision to place the College of Medicine on Probationary Accreditation was based on its determination that there were eleven areas as to which the College of Medicine was out of compliance with the ACGME's published educational standards. The College of Medicine is working to address each of the ACGME's eleven citations of non-compliance.

Review of ACGME institutional resident/fellow survey data shows that the UT COM, as the Sponsoring Institution, performs at or near the national mean for all areas assessed with full compliance in all areas, as determined by scoring at or above the 70% metric. Comparing the past 3 years of survey data, scoring in the areas of resources, professionalism, faculty teaching/supervision, evaluation, educational content, diversity and inclusion and clinical experience/education are stable over time. There is a potential declining trend identified in the patient safety and teamwork area. The ACGME faculty survey results, when viewed on the institutional level, also show scoring at or near the national mean for all areas assessed with no identified areas of non-compliance. Comparison data over the past 3 survey cycles demonstrates stable performance metrics in resources, professionalism, patient safety and teamwork, faculty teaching and supervision, educational content and diversity and inclusion.

As required by the ACGME, this Executive Summary includes the College of Medicine's Action Plan, which was updated following receipt by the College of Medicine of the ACGME's Letter of Notification placing the College of Medicine on Probationary Action. The Action Plan outlines in greater detail the College of Medicine's efforts to address the ACGME's citations to date, the additional measures the College of Medicine will be taking to remedy institutional underperformance and the GMEC's oversight priorities for Academic Year 2021-2022. The Action Plan, including performance monitoring procedures, was reviewed and adopted by the GMEC on November 19, 2021.

If the Board of Trustees has any questions regarding this report, the Action Plan or the College of Medicine's accreditation status, please feel free to contact me or any member of the GMEC (listed below).

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Natascha S. Thompson

[Signature]
Natascha S. Thompson, MD, FACP
Associate Dean for Graduate Medical Education
and Designated Institutional Official (DIO)

Role	First Name	Last Name	Suffix	Title/Area
Chair	Natascha	Thompson	MD	Associate Dean of GME & DIO
GMEC Secretary	Bran	Upchurch		Sr. Accreditation Specialist
GME Admin. (one vote each)	Aaron	Haynes		Assistant Dean of GME
	Cheri	Lowe		Medical Educator
Resident Representatives	Abigail	Combs	MD	OB/GYN (PGY3)
(one vote each)	Matthew	Haltom	MD	Pulmonary Critical Care (PGY5)
	Ballie	Lott	MD	Pediatrics-Emergency Medicine (PGY6)
	Kara	Parikh	MD	Neurosurgery (PGY4)
	Venusa	Phomakay	MD	Allergy and Immunology (PGY6)
	Melanie	Watt	MD	Medicine/Pediatrics (PGY4)
	Ryan	Walsh	MD	Emergency Medicine (PGY3)
Hospital Representatives	Martin	Croce	MD	Chief Medical Officer, Regional One Health
(one vote per hospital)	Lyniel	Smith		Program Coordinator, Medical Education. Regional One Health
	Lori	Kessler	PharmD	Administrative Director, MH Research Foundation, Methodist Le Bonheur Healthcare
	Robin	Womeodu	MD	Chief Medical Officer and DIO, Methodist Le Bonheur Healthcare
	Anne	Sullivan	MD	Designated Institutional Official, BMH
	Gina	Raymond	MD	Associate Chief of Staff, VAMC
	Angelina	Kuo		Director, Clinical Education and Training Office,St. Jude
	Brian	Green	MD	Memphis Radiological PC
Program Directors	Mark	Bugnitz	MD	Program Director, Pediatrics / Duty Hour Subcommittee Chair
	Robert	Bradsher	MD	Program Director, Internal Medicine
	Muneeza	Khan	MD	Program Director, Family Medicine
	Danielle	Tate	MD	Program Director, OB/GYN
	Alex	Feliz	MD	Program Director, Surgery
	Dan	Wells	MD	Program Director, Medicine/Pediatrics
Coordinator Rep. (one vote)	Paula	Odom		Program Coordinator, OB/GYN
Subcommittees	Bindiya	Bagga	MD	Wellbeing Subcommittee Chair
	Kim	Huch	MD	Internal Review Subcommittee Chair
	Claudette	Shephard	MD	Associate Dean of Diversity and Inclusion
Non-Voting Attendees	Bailey	Hansen	MD	GME Administrative Chief Resident
	Victor	Carrozza		Accreditation Specialist
	Casey	Montgomery		New Innovations Coordinator
	Ralph	Lorenz		GME Assistant Director

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Summary of Findings from 2020-2021 Annual Institutional Review

Institutional Letter of Notification and Results of Site Visit: The College of Medicine was placed on **_Probationary Accreditation_** by the ACGME on September 28, 2021	— The ACGME notified the College of Medicine of its continued Accreditation with Commendation - 4/29/21
	— ACGME Institutional Site Visit - 6/29/21 - prompted by citations and events connected to the ACGME's withdrawal of accreditation for the College of Medicine's plastic surgery programs and other underperforming programs
	— Notification of Institutional Probationary Accreditation - 10/1/21, effective 09/28/21:
	  • **11** total citations
	  • **3** of the citations relate to the College of Medicine's (the SI's) Structure for Educational Oversight:
	    o Findings by the ACGME of a lack of oversight by the SI of learning and working environments of all of its accredited residency and fellowship programs
	    o Lack of oversight of program compliance with ACGME requirements
	    o SI written statement of commitment to GME must include an institutional commitment of financial support for clinical resources
	  • **5** citations relate to the GMEC Structure for Educational Oversight:
	    o Meeting minutes must document the execution of all required GMEC functions and responsibilities.
	    o GMEC meeting minutes do not reflect the oversight of Annual Program Evaluations or oversight of Plastic Surgery residents' appointment in other programs
	    o GMEC approval of appeals for the withdrawal of the Plastic Surgery programs was not evident to the site visitor.
	    o GMEC minutes must document substantial oversight of the SI's AIR.
	    o Executive summary of the AIR must summarize institutional performance on all required institutional performance indicators, action plans and monitoring procedures.
	  • **1** citation relates to Resident/Fellow Forum
	  • **2** citations relate to the Learning and Work Environment (Plastic Surgery specific)

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Number of Residents/Fellows	928 (includes trainees in accredited and non-accredited programs) • Internal Medicine (Memphis and Nashville), Family Medicine (Memphis, Nashville and Jackson) and Pediatrics continue to be the College of Medicine's largest accredited GME training programs

ACGME 2020-2021 Survey Results for Residents/Fellows and Faculty	**<u>Resident/Fellow Survey Results</u>**
	
	Institutional level data (due to rounding by the ACGME the total is not 100%):
	   • **89%** residents/fellows with ***positive*** overall evaluation of their programs
	   • **6%** with neutral evaluation
	   • **4%** with negative or somewhat negative overall assessments of their programs
	   • At/near national mean for all areas assessed; all areas considered compliant
	   • Potential declining trend in Patient Safety and Teamwork
	
	Thirteen (13) programs with answers indicating full compliance in surveyed areas:
	   • Pediatrics
	   • Med-Peds
	   • Emergency Medicine
	   • Hematology-Oncology
	   • Allergy-Immunology
	   • Neurosurgery
	   • Urology
	   • Ophthalmology
	   • ENT
	   • Orthopedic Surgery
	   • Radiology
	   • Family Medicine-Jackson
	   • Surgery- Nashville
	
	The ten (10) programs with the ***<u>highest number of non-compliant* areas</u>*** are the following:
	   • Pediatric Hematology/Oncology (20)
	   • Family Medicine-Nashville (19)
	   • Nephrology (16)
	   • Dermatology (15)
	   • Pathology (13)
	   • Pediatric Critical Care (13)
	   • Plastic Surgery (13)
	   • Neonatology (11)
	   • Rheumatology (9)

| ACGME 2020-2021 Survey Results for Residents/Fellows and Faculty (cont.) | • Surgery-Memphis (9)

*The College of Medicine considers a response non-compliant if a response is below 70% on the program compliance metric in any specific area.

Overall areas with the **_largest number of non-compliant responses_**:

1. Satisfied with faculty feedback (16)
2. Satisfied with process to deal with problems or concerns (16)
3. Interprofessional team skills modeled or taught (14)

Faculty Survey Results

Institutional level data:
• **97%** faculty with positive overall evaluation of their programs
• **2%** with neutral evaluation
• **1%** with an overall somewhat negative evaluation
• At/near national mean for all areas assessed; all areas considered compliant

Programs with the **_highest number of non-compliant areas_**:
• Family Medicine - Nashville (9)
• Child and Adolescent Psychiatry (7)
• Forensic Pathology (4)
• Pediatric Critical Care (4)
• Maternal Fetal Medicine (3)
• Vascular Surgery (3)

Areas with the **_largest number of programs with non-compliant responses_**:
1. Faculty members satisfied with process for evaluation as educators (79%)
2. Process to transition patient care and clinical duties when residents/fellows fatigued (87%)
3. Interprofessional teamwork skills modeled or taught (87%)
4. Information not lost during shift changes, patient transfers, or the hand-over process (89%)
5. Residents/fellows participate in clinical patient safety investigation and analysis of adverse events (89%) |
| **ACGME-Accredited Programs - Accreditation Statuses and Citations** | **Overall Data**
• **63** programs hold Continued Accreditation |

ACGME-Accredited Programs - Accreditation Statuses and Citations (cont.)	**6** programs hold Initial Accreditation **1** program holds Continued Accreditation w/o Outcomes **1** program on ***Initial Accreditation with Warning*** (Radiation Oncology, extended from 2019) **1** program on ***Continued Accreditation with Warning*** (Neurology) **1** program on ***Probationary Accreditation*** (Pediatric Hematology/Oncology) **2** programs had their ***Accreditation Withdrawn*** – decision upheld following appeal (Plastic Surgery Independent and Integrated) **Program Closures** - Transplant Hepatology - the program voluntary withdrew its accreditation. - Plastic Surgery Integrated and Independent Programs had accreditation withdrawn by the ACGME, 6/30/2021, accreditation decision upheld following appeal, one of seven citations were resolved (diversity citation resolved). The citations related to an asserted environment of gender discrimination, findings of intimidation, fear of retaliation, and lack of professionalism and honesty on behalf of some members of the faculty of those programs. **Other Accreditation Changes** - The Orthopedic Surgery program's accreditation moved from Accreditation with Warning to Continued Accreditation - OBGYN (Nashville) moved from Continued Accreditation Without Outcomes to Continued Accreditation - Maternal Fetal Medicine moved from Continued Accreditation Without Outcomes to Continued Accreditation - Gynecology/ Oncology moved from Continued Accreditation Without Outcomes to Continued Accreditation - Pediatric Hematology -Oncology moved from Continued Accreditation to Probationary Accreditation

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	2020-2021 ACGME Site Visits
	Nephrology, Neurology, Pediatric Hematology/Oncology, Pediatric Otolaryngology, and Plastic Surgery Integrated and Independent
	
	2020-2021 Self Studies
	• None
	
	Citations and Areas For Improvement (AFIs) resulting from the ACGME program level site visits, survey results and program Web Ads submissions:
	• Total of **58** citations in **16** programs (vs. 27 citations in 15 programs in the prior academic year)
	• The bulk of the citations are connected to **4** residency programs:
	    o Pediatric Hematology Oncology,
	    o Plastic Surgery- Integrated
	    o Plastic Surgery – Independent; and
	    o Surgery
	• Total of **29** areas for improvement in **17** programs
	    o The nephrology program received 7 AFIs.

Institutional Dashboard and Special Reviews	**5** of 75 programs have been identified as underperforming based on 3 or more non-complaint areas on the dashboard:
	
	    o Family Medicine - Nashville (3)
	    o Neonatology (3)
	    o Nephrology (3)
	    o Neurology (3)
	    o Pediatric Hematology Oncology (3)
	
	Areas with a high volume of non-compliant programs:
	
	    o percent of IMG
	    o non-compliant Resident Survey results
	    o non-compliant Faculty survey results
	    o work hours do not exceed 80-hour per week, on average over a four-week period
	
	Number of Special Reviews conducted by the GMEC of underperforming/potentially underperforming programs: 6 + 1 f/u SR survey (Peds Heme-Onc)
	
	• Neurology – continued monitoring by GMEC
	
	• Child and Adolescent Psychiatry
	
	• Cardiology

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	• Peds Heme-Onc – continued monitoring by GMEC • Surgery Memphis – continued monitoring by GMEC • Dermatology – continued monitoring by GMEC • Family Medicine Nashville – continued monitoring by GMEC Number of Internal Reviews conducted as a part of routine oversight and review of GME programs: 12 Number of Program Director Changes: 9
Results from Program Site Visits	• Nephrology: (3) citations and accreditation status unchanged (Continued Accreditation) • Neurology: (3) citations and accreditation status unchanged (Continued Accreditation with Warning) • Pediatric Hematology -Oncology: (15) citations and accreditation changed to Probationary Accreditation following January 2021 site visit • Pediatric Otolaryngology: The College Medicine is waiting for this report from the program's ACGME Review Committee. • Plastic Surgery Independent: (7) citations and accreditation changed to Withdrawn • Plastic Surgery Integrated: (7) citations and accreditation changed to Withdrawn
Program Director Summary	• 91% institutional compliance on program director effectiveness

GME Policy Changes	• Development and implementation of a GME Technical Standards Policy
	• Revisions of (4) GME Policies
	  o GME Leave Policy
	  o EEO/Affirmative Action Policy
	  o Resident Evaluation Policy
	  o Resident Salary Policy

GMEC Responsibility Grid	The GMEC has responsibility for each of the requirements set forth in the ACGME Institutional Requirements as updated effective July 2021.
ACGME Clinical Learning Environment Review (CLER) Site Visits	- Last CLER Site Visit: September 19, 2017 - Next CLER Site Visit: Not scheduled
Duty Hour/Work Hour Data and Summary	• Duty hour violations decreased from 378 ('19-'20) to 274 ('20-'21) • 38% (28 of 74) programs reported duty hour violations in '20-'21 (vs. 49% of programs in '19-'20)

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	• Short break, day off and 80-hour violations accounted for 91% of total recorded violations (274) • 9 programs account for 73% of all violations
Diversity Data	GME Office Diversity: • Female 82% • Male 18% • Black 35% • White - 62% • Hispanic-3% Residents and fellows: • 52% male (natl avg 54%) and 48% female (natl avg 45%) • White – 67% (48% natl avg) • Black - 8% (5% natl avg) • Asian – 19% (20% natl avg) • Hispanic – 4% (6% natl avg) • Other/unknown – 2% (14% natl avg) The School of Medicine's scores are consistent with national averages on Diversity Section on ACGME Resident Survey and Faculty Survey.
Wellness Data and GME Counselor Utilization	Top five (5) programs with *__lowest well-being scores and highest burnout scores__* on survey: • Dermatology • Rheumatology • Nephrology • Pediatric Hematology -Oncology • Family Medicine-Nashville GME counselor: • Top program utilizers – Internal Medicine/Pediatrics, Pediatrics, Internal Medicine, OB-GYN, Family Medicine, Radiation Oncology, Orthopedics • Peak resident appointments in Sept, Oct, Nov with highest number of new utilizers in Sept and Oct • Majority of appointments are counseling rather than board prep • Referral sources in order of frequency: Program Director, self-referral and other residents

2020-2021 Match Data and UTCOM Post-Match Survey	• 25/27 residency programs filled during Match week, pre-the Supplementary Offer and Acceptance Program (excludes certain programs);
	   o 3 positions unfilled (includes Memphis, Jackson, and Nashville programs)
	   o Unfilled programs: Child Neurology (2) and Radiation Oncology (1)

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	• UTCOM Post-Match Survey revealed:
	   o Most important factors in UT student residency selection: personality/culture of program, interaction with residents, geographic location, interaction with faculty, experience on rotation
	   o 54% of students did not rank UT high on list.
	   o There were a fair number of comments re: UT/Methodist issues impacting rank of UT program.

Retention Data 2021	Graduates in 2021: • 9% fellowship in TN (vs. 4% in 2020) • 41% fellowship outside of TN (vs. 36% in 2020) • 18% practice in TN (vs. 30% in 2020) • 22% practice outside of TN (vs. 24% in 2020)

2020-2021 AIR and GME Action Plan for AY '21-'22: approved by GMEC November 19, 2021

Areas for improvement	Status (new, continued, resolved)	Data Source and Performance Indicators	Action and Responsible Party	Timeframe/Metrics
Structure for Educational Oversight, Sponsoring Institution:	New	Institutional Site Visit and ACGME LON	Hiring of GME Assistant Dean for Program Improvement and establishment of Program Improvement Subcommittee of GMEC with quarterly reporting to GMEC on progress of programs with unfavorable ACGME accreditation statuses or programs identified as underperforming (Assoc Dean for GME)	January 2022 start
Institutional Citation on ACGME LON related to IR I.A.1- Residency and fellowship programs accredited by the ACGME must function under the ultimate authority and oversight of one Sponsoring Institution. Oversight of resident/fellow assignments and of the quality of the learning and working environment by the Sponsoring Institution extends to all participating sites.			Standing GMEC agenda item for Clinical Learning Environment updates	Starting November 2021 GMEC meeting
			Review and modification of GME/GMEC Special Review (SR) process (GME office and GMEC) * if progress report requirement generated from SR, then PD must present report to GMEC at designated time period	November-December 2021 GMEC meetings
Institutional Citation on ACGME LON related to IR I.A.2 - SI oversight must ensure its accredited program's compliance with ACGME requirements – Plastic Surgery, Peds Heme-Onc and Neurology			* Department Chair signature line on progress report generated from SR * Tracking of SR report due dates via GMEC agenda	
			Review & modification (if needed) of GMEC policies/procedures	By March 2022
Institutional Citation on ACGME LON related to IR I.A.6 - SI's written statement of commitment to GME does not document institutional commitment of financial support for clinical resources			Independent analysis of GME operations	October 2021 – September 2022
			A new statement of commitment that adheres to ACGME standards will be submitted by the Board of Trustees this academic year (Chancellor and Board of Trustees)	By January 2022

Areas for Improvement	Status (new, continued, resolved)	Data Source and Performance Indicators	Action and Responsible Party	Timeframe/Metrics
GMEC Oversight	New	Follow up site visit and ACGME LON	Restructure of meeting minutes to provide greater level of detail to ensure that ACGME can more easily ascertain that all functions and responsibilities of the GMEC are being met (GME Office – Senior Accreditation Specialist and DIO)	Meeting minutes – immediate
Institutional Citations related to IR I.B.4-6				
• Meeting minutes must document the execution of all required GMEC functions and responsibilities				
• GMEC oversight of APEs			Review of meeting minutes by consultant prior to finalization (GME Office and Consultant)	Starting November 2021
• GMEC oversight of Plastic Surgery residents' appointment in other programs				
• GMEC approval of appeals for the withdrawal of the Plastic Surgery programs			AIR presentation to entire GMEC rather than presentation to AIR Subcommittee and presentation of Action Plan to GMEC (DIO)	AIR presentation – completed
• GMEC minutes do not document substantial oversight of the SI's AIR				
• The executive summaries of the AIR do not summarize institutional performance on all required institutional performance indicators, action plans and monitoring procedures			Executive summary will be restructured to more clearly identify performance on all required institutional performance indicators, action plans and monitoring procedures (DIO and Senior Accreditation Specialist)	Executive Summary – review by GMEC prior to submission
			Mock site visit – 2 weeks prior to next institutional site visit (Consultant and GME Office)	To be determined

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Areas for Improvement	Status (new, continued, resolved)	Data source and Performance Indicators	Action and Responsible Party	Timeframe/Metrics
Learning and Work Environment	New	ACGME Resident Survey	Separation of Chair and PD roles (GME office and Dean's office)	Chair/PD separation: Emergency Medicine – July 2022 target
• Satisfied with process to deal with problems or concerns (survey data)		Program Citations	Implementation of program-specific anonymous reporting mechanisms to be monitored by and incentivized by PD Report Card (GME Office and Program Directors)	Family Medicine (Jackson) – July 2022 target
• Able to raise concerns without fear or intimidation (survey data)		Institutional Citations on ACGME LON	Regular feedback from PD to trainees regarding program improvement efforts (Program Directors)	Family Medicine (Memphis) – July 2022 target
• Raise concerns and provide feedback in confidential manner (program citations)			COM Ombudsman (Dean's office and GME/UME)	Urology – July 2022 target
Dermatology – July 2023 target
• Institutional citation related to IR III.A (not apparent that the SI provides opportunities to raise concerns and provide feedback without intimidation or retaliation, and in a confidential manner)			GME Assistant Dean for Program Improvement to serve in mentorship role for new PDs and assist in program improvement activities (Asst Dean for PI)	>80% resident satisfaction in learning and work environment questions on survey
				80% of programs with anonymous reporting mechanism by AY '22
• Institutional citation related to IR III.B.6.a. (not apparent that the SI engaged in partnership with the PD for Plastic Surgery to provide a culture of professionalism over a period of 3 years)				Ombudsman trained and in place by AY '22

Asst Dean for Program Improvement – Jan '22 |

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Areas for improvement	Status (new, continued, resolved)	Data source and Performance Indicators	Action and Responsible Party	Timeframe/metrics
Transitions of Care	New	Annual Program Evaluation	Added element on Annual Program Evaluation submitted to GME office (GME office and Program Directors)	>80% programs with program-specific handoff policies by July 2022
			GME review of Program Handbooks for program-specific handoff policies (GME office)	
			Strong recommendation from GME office to include discussion of transitions of care in program-specific orientation sessions (Program Directors)	
80 Hour Work Week	New	New Innovations Duty Hour Logger	Quarterly monitoring of programs via the Duty Hours Subcommittee (Chair GMEC Duty Hour Subcommittee)	100% compliance with the 80-hour work week on New Innovations logging and resident survey results
		ACGME Resident Survey Results	Add Duty Hour presentation to GME lecture series 2021 (GME Office and GME Chief Resident)	
Wellness	New	Wellness Committee	Wellness champion meet and greet – August 2021 (Chair of Wellness Committee)	Post centralized collection of program wellness initiatives on GME website by December 2021
			Collection of program wellness strategies (Chair of Wellness Committee)	
			Pilot of cross-program wellness events (Chair of Wellness Committee)	
Supervision	New	PD Report Card	Inclusion of program-specific supervision policy on PD report card (GME office and Program Directors)	100% of programs have a program-specific supervision policy by AY '22

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2.2

Areas for improvement	Status (new, continued, resolved)	Data source and Performance Indicators	Action and Responsible Party	Timeframe/metrics (Green = goal met, Blue = goal partially met, Red = goal not met)
Feedback –Students and Residents	Continued	ACGME Resident and Faculty surveys	Implementation of Residents as Educators curriculum (TLC and GME Office)	ACGME Resident Survey
		GQ Data	Increased emphasis in Internal Reviews and Special Reviews (Chairs Internal Review and Special Review Committees)	Goal = at least 80% scoring on satisfaction with faculty feedback on resident survey
Scholarly activity	Continued	GME data	Implementation of GME Research didactic series and certificate program January 2020 (GME Research Lead)	Goal = a minimum of 25 resident and fellow participants per year
POCUS (Point of Care Ultrasound)	Continued	UME and GME data	• Partnership with UME and GME to enhance POCUS training/skills at student, resident and faculty level (UME and GME offices) • Dr. Nate Rogers identified as GME POCUS lead July 2019 • Equipment procurement (GME POCUS Lead) • Faculty training sessions (GME POCUS Lead)	Completion of US Leadership Academy course by GME POCUS lead Faculty training sessions Equipment procurement Continued development of POCUS elective in IM and Med-Peds programs with goal to expand to other programs

2.2

Areas for improvement	Status (new, continued, resolved)	Data source and Performance Indicators	Action and Responsible Party	Timeframe/metrics (Green = goal met, Blue = goal partially met, Red = goal not met)
Retention of UT medical students within UT residency programs	Continued	NRMP data	Collaboration with the Office of Medical Education and Student Affairs (GME, OSA, UME) / UT student post match survey – implemented 2020 (GME and OSA) / Management of Residency Exploration Day transitioned to GME office (GME and OSA) / GME tracking of student retention by UTHSC and by program (GME office)	Annual GME tracking via Match Data – Spring / Goal = retention of 1/3 UT students within UT residency programs
Retention of UT residents to practice in TN	Continued	GME data	Improved precision of GME tracking via Annual Program Evaluation (GME office) / Added state dollars for primary care residencies	Mechanism: yearly tracking via APE / Goal = 50% of graduates remain in TN to practice
Creating a culture of diversity and inclusion in the GME community (GME staff, senior leadership, residents and fellows, faculty)	Continued	GME data	Item on Annual Program Evaluation (since AY '19) / Monitoring of WebAds data (ongoing GME office) / GME Diversity Task Force (since AY '19-'20) / Appointment of GME representatives (Chair of GME Diversity Task Force and 2 resident reps on College of Medicine Diversity and Inclusion Think Tank (DITT) / New Associate Dean for Diversity and Inclusion / Faculty Early Action Program (GME and Faculty Affairs) / Resident Early Action Program (GME and UME)	ACGME resident and faculty survey diversity questions / Goal = scoring above 90% on all diversity metrics on ACGME survey
Patient safety/quality improvement	Resolved (9/17/21)	MUH/UTHSC Patient Safety Collaborative	Engagement of MUH early learners in patient safety event analysis via SOLVER program	SOLVER project timeline of 18 months – session for first cohort November 2019 / Goal = engagement of 80% of PGY1 learners and first year fellows in patient safety event analysis

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THE UNIVERSITY OF TENNESSEE
BOARD OF TRUSTEES

AGENDA ITEM SUMMARY

Meeting Date: February 21, 2022

Committee: Executive

Item: **Proposed Naming Opportunity, UTK**

Type: Action

Presenter: Randy Boyd, President

Background Information

Pursuant to the Board Policy on the Naming of Facilities and Other Assets and the Board-approved Guidelines for Naming Opportunities and Endowments, of the University of Tennessee (BT0008), the Board of Trustees approves the naming of facilities and other significant assets of the University upon the recommendation of the President.

At the request of Chancellor Plowman and Vice President Linda Martin, as Interim Senior Vice Chancellor & Senior Vice President for UT Institute of Agriculture, The University of Tennessee, Knoxville (UTK) seeks Board approval to name the Large Animal Hospital in the College of Veterinary Medicine in honor of Charles and Julie Wharton. Attached is a letter in support of this proposed naming recognition. Additionally, this naming has been approved by Kerry Witcher, Vice President for Development & Alumni Affairs and President and CEO of the University of Tennessee Foundation.

It is my distinct privilege and honor to recommend the naming of the "Charles and Julie Wharton Large Animal Hospital" in grateful recognition of their philanthropic generosity and long-standing commitment and service to the University.

Committee Action

The Chair will call for a motion to recommend adoption of the following Resolution.

> **Resolved: The Executive Committee, acting on behalf of Board of Trustees, hereby approves the naming of the Large Animal Hospital in the College of Veterinary Medicine at The University of Tennessee, Knoxville, as the "Charles and Julie Wharton Large Animal Hospital" in grateful recognition of the Wharton Family's distinguished history of service, engagement and philanthropic generosity.**

UTIA INSTITUTE OF AGRICULTURE
THE UNIVERSITY OF TENNESSEE

Office of the Senior Vice President and Senior Vice Chancellor

101 Morgan Hall
2621 Morgan Circle Drive
Knoxville, TN 37996
office: 865-974-7342
fax: 865-974-8781

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January 13, 2022

President Randy Boyd
University of Tennessee
800 Andy Holt Tower
Knoxville, TN 37996-0180

President Boyd:

It is our honor to notify you that the Charles and Julie Wharton Endowment has been established to support all aspects of the Large Animal Hospital in the College of Veterinary Medicine. With this gift, I respectfully request naming this facility the **Charles and Julie Wharton Large Animal Hospital**, in grateful recognition of the Wharton Family's lifelong dedication to the university, and specifically this college.

Charles and his late wife, Julie, have a long and distinguished history of engagement and service to the University. Before her passing, Julie was engaged in a variety of University of Tennessee activities, including active service on the UT Alumni Association's Women's Council and participating as a leading member of the College of Veterinary Medicine's search committee to identify the College's fifth permanent dean. Charles has long served in a variety of essential leadership roles for the University, including:
- Member and Chair of the UT Development Council
- Member of the UT Foundation Board of Directors
- Member of the UT Board of Trustees

In addition, the Wharton's philanthropic generosity has impacted university students, faculty, and programs for decades across several disciplines, including:
- Tickle College of Engineering
- UT Knoxville Athletics
- Herbert College of Agriculture
- UT College of Veterinary Medicine
- UT Extension
- UT AgResearch
- UT Institute of Agriculture-wide initiatives

While continuing to invest in these other areas, Charles' financial commitment to the Large Animal Hospital exceeds Board of Trustee requirements to name this facility.

Thank you for your consideration and support of naming this facility for two of our key benefactors.

Sincerely,

Donde Plowman
Chancellor

Linda C. Martin
Interim Senior Vice Chancellor & Senior Vice President

THE UNIVERSITY OF TENNESSEE
BOARD OF TRUSTEES

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AGENDA ITEM SUMMARY

Meeting Date: January 21, 2022

Committee: Executive

Item: <u>**Consent Agenda**</u>

Type: Action

Presenter: John Compton, Committee Chair

Background Information

Items on the Consent Agenda are not presented or discussed in the Committee unless a Committee member requests that an item be removed from the Consent Agenda. In accordance with the Bylaws, before calling for a motion to approve the Consent Agenda, the Chair will ask if any member of the Committee requests that an item be removed from the Consent Agenda. The Bylaws provide than an item will not be removed from the Consent Agenda solely for the purpose of asking questions for clarification. Those questions should be presented to the Secretary before the meeting.

Committee Action

If there are no requests to remove items on the Consent Agenda, the Chair will call for a motion to omit the reading of the minutes of the prior meeting and to approve the items on the Consent Agenda.

THE UNIVERSITY OF TENNESSEE
BOARD OF TRUSTEES

MINUTES OF THE EXECUTIVE COMMITTEE MEETING
September 10, 2021
Knoxville, Tennessee

The Executive Committee of The University of Tennessee Board of Trustees met at 9:00 a.m. EDT on Friday, September 10, 2021. 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; 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; Brian Daniels, Chief Audit and Compliance Officer; Linda Martin, Vice President for Academic Affairs and Student Success; David Miller, Senior Vice President and Chief Financial Officer; Stacey Patterson, Vice President for Research, Outreach and Economic Development; Tiffany Carpenter, Vice President for Communications and Marketing; Ryan Stinnett, General Counsel; Chancellors Steve Angle, Keith Carver, Mark La Branche, Donde Plowman and 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. Committee members participating electronically confirmed that there was no one else present at their various locations.

II.   Remarks of the Chairperson

Chair John Compton opened the meeting by acknowledging Kara Lawson's resignation from the Board of Trustees. On behalf of the Board, he expressed his gratitude to Ms. Lawson for her service to the Board and the University. Chair Compton reflected on the upcoming 20th anniversary of 9/11 and extended thoughts and prayers to the families of those impacted by the attack. Chair Compton concluded his opening remarks by noting that there is a lot of excitement associated with the start of the academic year. He encouraged the University community to consider obtaining a COVID-19 vaccine in a continuing effort to promote student, faculty and student safety.

4.1

III.   Update from the President

Everywhere You Look, UT

President Boyd highlighted the work of UT Extension and how it serves the citizens of Giles County, including 4-H Youth Development. He shared his plans for visiting more than 50 counties as part of the "Everywhere You Look, UT" program. President Boyd believes that it is very important to: (i) recognize and thank those individuals serving in UT Extension offices for their efforts; (2) listen and learn more about the services they perform, including understanding opportunities and challenges; and (3) promote and share with others their successes. In this regard, President Boyd provided a report on the following three programs and their positive impact on the State of Tennessee and its citizens –

- ➢ Consulting services provided by the County Technical Assistance Service, Institute of Public Service;
- ➢ Testing services offered by the Soil, Plant and Pest Center, Ellington Agricultural Center; and
- ➢ Dental services to the underserved and uninsured through new regional dental clinic established by UTHSC's College of Dental Medicine in Union City, through the generous financial support provided by the Bill and Carol Latimer Charitable Foundation.

Fundraising

For the fiscal year ended June 30, 2021, fundraising included the following achievements:

- ➢ Raised more than $312 million, representing a 59% increase over FY 2020;
- ➢ Third time surpassing $300 million and second-best fundraising year in the University's history;
- ➢ $40 million commitment from the Haslam Family;
- ➢ Commitment to gift Wildwood Farm by Melanie Taylor, valued at $79.5 million and representing the largest single commitment in UT history;
- ➢ 66,672 donors, which is the second highest total;
- ➢ 15,223 visits, an 11% increase compared to prior year; and
- ➢ 1276 proposals, with requests of more than $577 million.

President Boyd expressed his gratitude to the development officers for an exceptional year, especially due to the lingering impacts of the pandemic.

Research and Grants

President Boyd advised that the U.S. Economic Development Administration (EDA), a bureau within the U.S. Department of Commerce, was allocated $3 billion in supplemental funding under

the American Rescue Plan to assist communities nationwide in their efforts to build back better by accelerating economic recovery from the coronavirus pandemic and building local economies that will be resilient to future economic shocks. He reported that the UT Knoxville campus is engaged in collaborative efforts with Oak Ridge National Laboratory, the Tennessee Valley Authority, and other partners in the region to identify projects and seek funding.

COVID-19

President Boyd concluded his remarks by outlining the efforts of the campuses in mitigating the impacts of COVID-19. The same principles of collaboration, transparency, and decisive action will continue to be applied in addressing the ongoing challenges of the pandemic.

Chair Compton thanked President Boyd for his broad engagement efforts with faculty, staff, students, alumni, community leaders, legislators, and others across the state. Chair Compton also noted the recent declines nationally regarding the number of high school students going to college. He emphasized the importance of monitoring this trend, especially in light of the State's Drive to 55 initiative. Chair Compton was hopeful that recent actions led by President Boyd (e.g., UT Promise and UT Southern) would continue to encourage high school graduates to pursue post-secondary education. President Boyd reported that the University anticipates fall, first-year student enrollment (in aggregate) to be higher for Academic Year 2021-22 than the previous year. Further, applications for admission to UT Southern are currently up 240%.

IV.   Ohio Valley Athletics Conference Certification

Chair Compton informed the members of the Board that the Ohio Valley Athletics Conference (UT Martin is a member) requires a signed certification from the Board Chair confirming that—

- Responsibility for the administration of the athletics program has been delegated to the chief executive officer of the institution;

- The chief executive officer has the mandate and support of the board to operate a program of integrity in full compliance with NCAA, OVC, and all other relevant rules and regulations; and

- The chief executive officer, in conjunction with the Director of Athletics and Faculty Athletic Representative, determines how the institutional vote shall be cast on issues of athletics policy presented to the NCAA and the Ohio Valley Conference.

He noted that these statements are consistent with and reflected in the Board's Policy on Oversight of Intercollegiate Athletics and that he would be signing the certification form for the upcoming Academic Year (2021-22) following the meeting.

4.1

V.   Approval of the Minutes

Upon motion duly made and seconded, the Committee approved the minutes of the May 7, 2021 meeting.

VI.   Governance Matters

Policy on Presidential Performance Review

Chair Compton reviewed the current elements of the Presidential Performance Review, as set forth in Board Policy (BT0004), with respect to the annual review process. He explained that the Board Policy also contemplates a "comprehensive" review every 3-4 years with the assistance of at least one external advisor. Except for the external advisor, the elements of the comprehensive review mirror those required for the annual review.   Chair Compton expressed his opinion that he believes the annual review process to be a very thorough exercise. He shared his preference for eliminating the comprehensive review requirement.

At the request of Chair Compton, Board Secretary and Special Counsel Cynthia Moore reviewed the proposed changes to the Board Policy on President Performance Reviews intended to streamline the policy and eliminate the redundant provisions. In this regard, Ms. Moore explained that the proposed revised policy would allow for the engagement of an external advisor, from time to time, as part of the annual review process. Ms. Moore also advised that, if adopted, the new Policy on Presidential Performance Reviews will necessitate certain corresponding modifications to the University's Bylaws and the Charter of the Executive Committee.

The Chair called for a motion to approve the resolutions as set forth in the meeting materials recommending that the Board of Trustees adopt the proposed revisions to: (i) the Policy on Presidential Performance Review; (ii) the University Bylaws; and (iii) the Charter of the Executive Committee.   Ms. Moore confirmed that the Committee's recommendations will be presented at the upcoming Fall Meeting of the Board of Trustees for approval.

Terms of Service

Chair Compton indicated that four trustees' terms of service are scheduled to expire on June 30, 2022. Three of these trustees serve on the Executive Committee. Chair Compton advised that these appointments are made by the governor, at his discretion, but that the University would undertake to engage with the governor's office regarding these appointments. Chair Compton asked that those whose terms are expiring to notify him whether they would be willing to continue to serve. Trustee Rhodes noted the importance of this engagement in terms of succession planning, in light of the number of trustees serving in leadership roles.

4.1

Board Self-Assessment

The Bylaws and Executive Committee Charter contemplate a board self-evaluation no less than every four years. An updated, written self-assessment is being prepared. It is anticipated that the self-assessment will be distributed in early 2022.

Update on Board Governance Documents

Ms. Moore stated that it is a good governance practice to periodically review the Board's governance documents. For the upcoming year, she believes that it would be appropriate to begin this process by starting with the Board's Conflict of Interest Policy and Code of Ethics.

VII.   Planning for Upcoming Board and Committee Meetings

Chair Compton then reviewed the key topics planned for the upcoming Winter Meeting, and solicited the Committee members' input on any other items that should be brought before the Board. The primary topics identified were: (i) strategic plans for UT Chattanooga and UT Knoxville; (ii) review of lecturer pay (UT Knoxville); (iii) a special session focused on the use of standardized testing in admissions; and (iv) metrics associated with the strategic plan for the UT System.

VIII.   Other Business

None.

IX.   Closing Remarks and Adjournment

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

Respectfully Submitted,

Cynthia C. Moore

Cynthia C. Moore
Secretary and Special Counsel

THE UNIVERSITY OF TENNESSEE
BOARD OF TRUSTEES

4.2

AGENDA ITEM SUMMARY

Meeting Date: January 21, 2022

Committee: Executive

Item: **Annual Report on Tuition and Fee Revenues,**
                     Academic Year 2020-21

Type: Action

Presenter: David L. Miller, Senior Vice President and Chief Financial Officer

Background Information

The Tuition Transparency and Accountability Act, enacted by the General Assembly in 2018 and codified at Tennessee Code Annotated § 49-7-1604, requires each governing board of Tennessee public universities to submit to the Office of Legislative Budget Analysis, for distribution to the General Assembly, a report including the following information:

- expenditures of revenues derived from any increases to in-state undergraduate tuition and mandatory fees in the previous full academic year;
- how revenues were used;
- effect on student financial aid; and
- effect on the average total cost of attendance per student.

Committee Action

The report must be filed by February 1 of each year. As such, the University's report for Academic Year 2020-21 is presented for approval by the Executive Committee on behalf of the Board prior to submission to the Office of Legislative Budget Analysis.
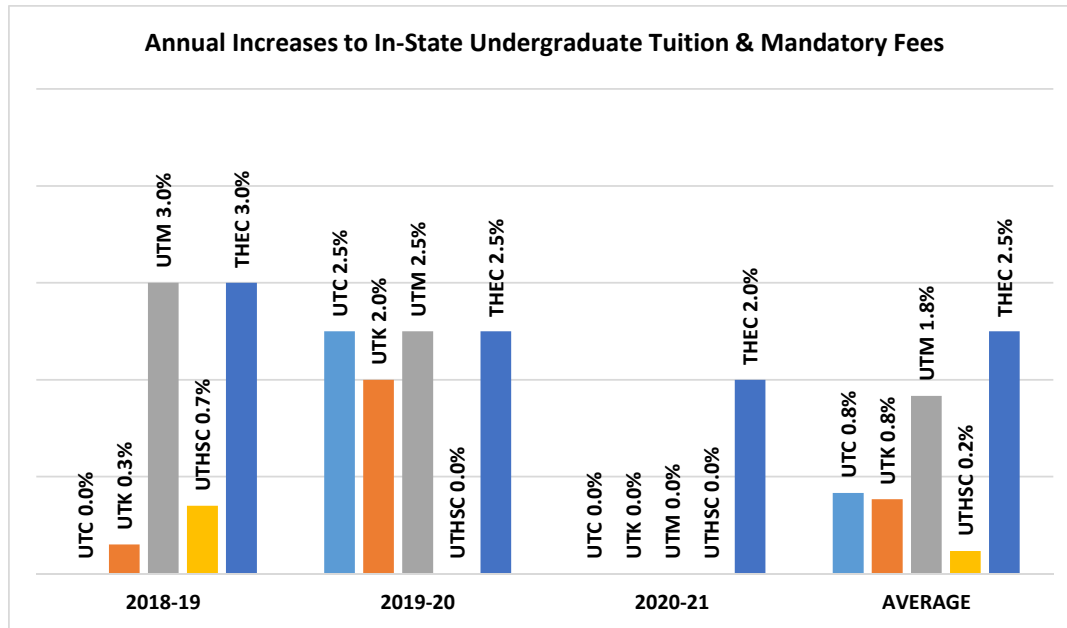
Resolved: The Executive Committee, acting on behalf of Board of Trustees, hereby approves the Annual Report on Tuition and Fee Revenues for Academic Year 2020-21 as presented in the meeting materials, which shall be attached to this resolution after adoption.

The University of Tennessee
Annual Report on Tuition and Fee Revenues
Academic Year 2020-21

4.2

There were no changes to in-state undergraduate tuition and mandatory fees at UT campuses in 2020-21. Detailed schedules of tuition and fees at each UT campus can be found online in Section C of UT's 2020-21 Budget Document:
http://finance.tennessee.edu/wp-content/uploads/2020/07/FY-2020-21-Proposed-Budget-Document-website-and-Book.pdf

UTC – UT Chattanooga; UTK – UT Knoxville; UTM – UT Martin; UTHSC – UT Health Science Center

How Revenues Were Used

Since there were no increases, there was no additional revenue to allocate.

The Effect on Financial Aid

Few UT students pay the full level of tuition and fees without some kind of financial aid. Most receive one or more scholarships, grants, waivers, or discounts. Tuition and fees did not increase, but student financial aid did, reducing the net price paid by most students. Scholarships and fellowships for all students (undergraduate and graduate) increased by $27.5 million, from $331.4 million in 2019-20 to $358.9 million in 2020-21, an increase 8.3%.

The Effect on Total Cost of Attendance

A student's total cost of attendance includes tuition and mandatory fees, housing, meals, books, supplies, transportation, and various incidental expenditures. These costs can vary widely from one student to another based on choices they make regarding living arrangements, meal plans, commuting, and academic programs. Since there was no change to tuition and fees, there was no effect on the total cost of attendance. UT Knoxville reduced prices for housing and meal plans, which lessened the total cost of attendance for students who chose to reside on campus.