



THE UNIVERSITY OF TENNESSEE BOARD OF TRUSTEES

MINUTES OF THE AUDIT AND COMPLIANCE COMMITTEE June 23, 2022

The Audit and Compliance Committee of The University of Tennessee Board of Trustees met at 2:45 p.m. (EDT) on Thursday, June 23, 2022. The meeting was held in the Student Union Ballroom located at the University of Tennessee, Knoxville.

Committee Members Present: Amy E. Miles, Committee Chair; John C. Compton, Board Chair; Brad Box; and Decosta E. Jenkins.

Others in Attendance: Trustees: Lane Gutridge (Student Trustee); Shanea A. McKinney and Christopher L. Patterson.

University Administration: President Randy Boyd; Brian Daniels, Chief Audit and Compliance Officer; David Miller, Senior Vice President and Chief Financial Officer; Cynthia Moore, Board Secretary and Special Counsel; Ryan Stinnett, General Counsel; Chancellor Steve Angle (UT Chattanooga); Chancellor Keith Carver (UT Martin); and Chancellor Donde Plowman (UT Knoxville). In addition, other members of University staff were present.

Ms. Moore announced the presence of a quorum. The meeting was webcast for the convenience of the University community, the general public, and the media.

Committee Chair Miles welcomed everyone to the meeting. She stated that the Committee's charter is to be reviewed annually. After a review of the charter, it was determined that no changes were necessary; therefore, it was not brought before the Committee for any action.

Approval of the Minutes

Committee Chair Miles noted that the minutes of the February 18, 2022 meeting were included in the meeting materials (Tab 1). She asked for any corrections to the minutes. Hearing none, the minutes were approved.

Athletics Compliance Update

Brian Daniels, Chief Audit and Compliance Officer, called upon Ryan Stinnett, General Counsel, to provide the Committee with an update on athletics compliance at the University of Tennessee. Mr. Stinnett provided a detailed summary of the information provided to the Committee with the meeting materials. He reminded the Committee that the Board's Policy on Oversight of Intercollegiate Athletics, requires that each chancellor with an intercollegiate program, provide a written report to the Committee to ensure that the Committee members understand and monitor each institutions' compliance with the applicable rules and regulations governing that campus. Mr. Stinnett reviewed the four key pieces of information each campus is to provide:

- An explanation of the compliance reporting structure for athletics.
- The process for reporting and investigating alleged violations.
- The number of full-time compliance employees working in each athletics department.
- A description of rules infractions reported since the last update to the Committee.

Mr. Stinnett reviewed the reports provided by Chancellors Angle (UT Chattanooga), Carver (UT Martin), and Plowman (UT Knoxville). He discussed how each of those three campus compares to its peers in terms of staffing, noting that, two of the campuses, UT Martin and UT Knoxville have supplemented their compliance staffing over the last year. Mr. Stinnett added that, from a legal perspective, there is nothing that would give rise to concerns with respect to staffing.

Mr. Stinnett discussed the process for reporting compliance violations at UT Martin and UT Chattanooga, which includes direct lines of communication with a faculty athletics representative, who can provide feedback and advice on compliance concerns. The Associate Director at those campuses may also bring concerns directly to the attention of the chancellor. Mr. Stinnett noted that UT Knoxville has a more complex reporting structure that includes co-faculty athletics representatives. In addition, the policy for UT Knoxville provides that Level I or Level II violations are to be reported to the Office of General Counsel, which will either lead or assist with the investigation. Mr. Stinnett emphasized that reporting of violations or potential violations is mandatory, and that there were no Level I or II violations reported at any of the three campuses. Mr. Stinnett advised the Committee that the number of violations, all of which were Level III violations, reported over the past year is not unusual. He added that the reporting of violations or potential violations indicated that an institution's compliance program is working, that issues have been identified, corrected, and self-reported.

Turning to UT Southern, Mr. Stinnett reminded the Committee members that the campus is a member of the National Association of Intercollegiate Athletics ("NAIA"), which has different requirements. Mr. Stinnett that the Board Policy will be updated to incorporate provisions that are applicable to UT Southern and its affiliation with NAIA. He shared a copy of the report provided by UT Southern, noting that due to the size of that campus, the Athletic Director has full responsibility for compliance reporting.

In response to a question raised by Committee Chairperson Miles, Mr. Stinnett stated that the compliance structure, which includes a compliance office within the particular athletic departments, is consistent with the practices used by other NCAA institutions.

Name, Image and Likeness

Mr. Stinnett introduced Ms. Katheryn Jones, Director of Name, Image and Likeness, UT Knoxville Athletics, to provide an update on that topic. Ms. Jones began her presentation by reviewing the case law and legislation that resulted in the change to the NCAA policy to allow student athletes to receive compensation based on their name, image and likeness ("NIL"). Those changes allow student athletes to receive compensation, both monetary and in-kind; however, said compensation cannot be tied to enrollment at a certain institution or to athletic performance.

Ms. Jones discussed the methods the UT Knoxville has used to educate and empower its students with respect to NIL, including establishing the “Introduction to NIL” course in the fall of 2021. The course is designed to assist student athletes in developing an entrepreneurial mindset and can be a part of a minor in entrepreneurship. The course is part of a suite of resources that the UT Knoxville provides to student athletes so that they are better equipped to navigate NIL while competing at the collegiate level and after leaving the institution.

Ms. Jones advised the Committee members that over the past year, the UT Knoxville has seen an equal rate of male and female student athletes entering into a large number of NIL agreements. Those agreements focus on not only on merchandise, but extend to meet-and-greet appearances, social media endorsements, traditional commercial endorsements, and sports camps/clinics and youth lessons. Student athletes are also using NIL to assist the nonprofit communities surrounding the campus, as well as their home communities.

Title IX Update

In introducing Dr. Ashley Blamey, Title IX Coordinator, Mr. Daniels noted that June 23, 2022, marked the 50th anniversary of that legislation. Dr. Blamey began her presentation by noting that new Title IX regulations were released by the U. S. Department of Education on the morning of the meeting.

Dr. Blamey noted that Title IX applies to K-12 and institutions of higher education that receive federal funding. The goal of the legislation, which is enforced by the U.S. Department of Education’s Office of Civil Rights (hereinafter “DOE” and “OCR”), is to eliminate sex-based discrimination in education programs and activities. Dr. Blamey discussed the history and impact of Title IX via a timeline based on the life and career of legendary University of Tennessee Women’s Basketball Coach, Pat Summit.

Title IX was signed into law by then President Richard Nixon in 1972. In 1987, the Civil Rights Restoration Act was introduced and passed in 1988. That Act specifies the agencies receiving funds must comply with civil rights legislation in all operations, including athletics. Together, those two pieces of legislation have had a tremendous, positive impact on women and girls. Dr. Blamey noted that in 1971, only 7% of girls and women were competing in high school and collegiate sports, by 2006, that number had grown to 41%.

Dr. Blamey stated that over the last ten years, the higher education community saw a dramatic expansion of Title IX work related to sexual harassment and sexual violence.* In 2020, new regulations governing Title IX were issued. The new regulations, released by the DOE on the 50th anniversary of the Act, are anticipated to supersede many of the regulations issued in 2020.

* *The “Violence Against Women Act” (first signed into law in 1994 and reauthorized twice) increased the expectations for institutions of higher education on assessment, prevention, reporting, and hearing standards.*

Dr. Blamey noted that the UT System Title IX Annual Report is available on the UT System Audit and Compliance website, as well as the Transparent UT website. The Annual Report highlights the mission, model and history of the Title IX Office. Additionally, each campus publishes its own Title IX Report, which provides data on formal complaints, and serves to demonstrate the system-wide commitment to transparency.

Five-Year Update (Independent Commission Report)

Dr. Blamey reminded the Committee that five years ago, an independent commission charged by then-President Joe DiPietro to review the UT System's Title IX compliance and to make enhanced recommendations for a Title IX model. The commission issued a report that contained system-wide and campus-level recommendations. Since that time, the Title IX Office has implemented or resolved recommendations and retained "pending" recommendations that required ongoing assessment.

One outstanding item at the system-level is the development of a Campus Climate Survey model. The last system-wide Campus Climate Survey was conducted in 2017. In the spring of 2022, UT Knoxville conducted a Campus Climate Survey based on a survey issued by the National Academies of Science, Engineering and Medicine (NASEM). The Title IX Office is hopeful that the NASEM survey can be used as a system-wide survey.

Dr. Blamey noted that the impactful tasks completed following the 2017 report include the following:

- Adding the roles of a system-level Title IX Coordinator and Deputy Title IX Compliance Coordinator;
- Implementing a federally compliant system-wide Title IX Policy;
- Establishing a system-level Title IX website;
- Publication of a system-level Title IX Annual Report and individual campus-level Title IX Annual Reports; and
- Delivery of the annual system-wide Title IX training for campus Title IX staff.

Three-Year Update (State Performance Audit Report)

In 2019, the Comptroller's Office issued a Performance Audit Report, that identified concerns related to Title IX, including: (i) prolonged investigation notice; (ii) alignment of information; and (iii) Title IX records maintenance. Dr. Blamey advised that the alignment of policies, reports, daily crime logs, and Title IX records maintenance has been clarified through the Office's response.

Proposed Changes to Title IX Regulations

Dr. Blamey provided the Committee with a brief overview of the proposed changes to the Title IX regulations issued by the DOE on June 23, 2022:

- Mandatory Reporting obligations will continue and expand;
- Elimination of cross-examination and live hearing requirements for campus;

- Extension of gender discrimination protections to include sexual orientation and gender identity; and
- Expansion of informal and restorative process and resolution options.

Moving Forward

Dr. Blamey advised the Committee members that the Office will continue to focus on effective prevention, respond appropriately to all reported violations, and monitor patterns and trends in order to create an environment where everyone can live, learn, and work.

Consent Agenda

Committee Chair Miles called the attention of the Committee members to the information items included in the Consent Agenda. No items were removed from the Consent Agenda for discussion. A complete list of the informational items included on the Consent Agenda appears at the end of these minutes.

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

Respectfully Submitted,

/s/ Cynthia C. Moore

Cynthia C. Moore

Secretary and Special Counsel

Consent Agenda Items

- 2022 Audit Plan Update
- Outstanding Audit Issues
- Travel Exception Report
- Institutional Compliance Program Update