



BOARD OF DIRECTORS

Minutes of the Fall Meeting November 8, 2024

The Board of Directors met at 10:00 a.m. EST on Friday, November 8, 2024, in the Iris room at the Tennessean Downtown in Knoxville.

I. WELCOME, OPENING REMARKS and CALL TO ORDER

Chair Alan Wilson welcomed everyone and introduced newly elected/appointed members serving their first meeting – Misty Mayes, Trustee David Watson, Chancellor Linda Martin and UTAA past president Brian Winbigler. The Chair stated the meeting was open to the public; however, no visitors were present. He then called the meeting to order and asked for the roll.

II. ROLL CALL

The Secretary called roll and the following members of the Board of Directors were present:

Alan D. Wilson, Chair
Arthur L. Sparks, Vice Chair
Kerry W. Witcher, President and CEO
K. Jeannie Beauchamp
Karen M. Bowling
Chancellor Yancy Freeman
Ronald E. Frieson, Past Chair
C. Douglas Haney
Judith A. Herbert
Renee B. Iacona
Deborah A. Ingram
Emily Capadalis Love
Chancellor Linda Martin
Misty D. Mayes
J. Phenise Poole
David N. Watson
Brian L. Winbigler

Board of Directors not present:

Isaac E. Bennett
Randal D. Boyd, University President
Douglas A. Brown
Richard F. Warren

Ms. LeBlanc confirmed the presence of a quorum.

Treasurer Adam Heller, vice chancellors for advancement Evan Beech, Charley Deal, Brigitte Grant and Jeanna Swafford were also participating, as well as other Foundation leaders.

III. FOUNDATION PRESIDENT’S REPORT

Kerry Witcher thanked members of the Board for their continued support of the Foundation. Since the Board had not been together since June, he recapped FY24 performance in dollars raised, numbers of donors, engaged alumni and advocacy network – indicating the best year ever in the foundation’s history. Knoxville, Chattanooga and Southern had record years. He continued with funds sources, purpose and uses of funds, fundraising progress for the greatest decade in UT history at \$3 Billion and other key numbers (Exhibit 1). The president also reviewed goals and priorities for FY25, stating the strategic plan should come to the board for approval at the June 2025 meeting. While the UTC VC search was well underway, UTC Chancellor Angle announced he would be stepping down at the end of the year. It was decided that the UTC Chancellor search would need to be completed first, so the UTC Advancement VC search has been postponed to next year, pending appointment of a Chancellor at Chattanooga.

Challenges going forward are - getting ACE fully functional, the funding model which will be reviewed in depth during the workshop, and donor advised funds to enhance giving. He ended with ways the Board can engage and a quote from the former UT President Emeritus Joe Johnson. The Chair thanked Kerry, the Vice Chancellors, and their teams for a great year and also the Communications team for a job well done on the Annual Report.

IV. AFFILIATION AGREEMENT BETWEEN UT AND UTFI

Mr. Witcher stated the Board had been in discussion regarding the revised Affiliation and Services Agreement due to limitations in the original (as compared to other public affiliated foundations in the state). The revised Affiliation Agreement will improve the Foundation’s ability to serve the University through property acquisition as well as provide support services to other University affiliated foundations. The UT Board of Trustees approved the restated Affiliation Agreement; and upon motion and second, the proposed Affiliation Agreement by and between The University of Tennessee and UT Foundation (Exhibit 2) was approved effective immediately.

V. COMMITTEE REPORTS

a. Executive Committee

Article VI Section 1 of the UTFI Bylaws states the Executive Committee shall report to the Board all decisions made since its last meeting. Mr. Wilson read the report (Exhibit 3) in the material, and Mr. Henderson advised that the Maplehurst offer had been declined.

b. Audit and Finance Committee

Committee Chair Karen Bowling stated the committee had met on October 22 to receive an investment update from LCG, and to review the fiscal results and the draft budget. She asked the CFO to review the financial reports, and Adam briefly shared the budget to actual results for fiscal year 2024, with a net surplus slightly higher than expected (Exhibit 4). He also reported on the balance of savings for future use and investment position and noted the ACE CRM project implementation was completed on budget.

The budget presented in June was a preliminary draft and the final fiscal year ’25 budget is brought forward for approval today. Mr. Heller stated the main differences in the final budget are UTK academic units receiving credits for vacancy savings in FY24, and UTK Athletics TN Fund final budget increasing investment in advancement analytics and major gift officer capabilities.

Adam stated Audit and Finance Committee had reviewed the draft budget. Karen Bowling moved approval, Doug Haney seconded, and the final FY 2025 budget (Exhibit 5) was approved as submitted.

The Treasurer then presented budget to actual reports through September 30, with revenue and expenses as expected for Q1 (Exhibit 6).

Mrs. Bowling presented a request to withdraw \$325,000 from UTFI strategic reserves to fund a comprehensive campaign feasibility study at UTK, as supported by the campus chancellor and foundation president and in alignment with advancement initiatives. It would leave the reserve balance well above the 35% of the operating budget as required in policy 5.22. Karen Bowling moved, Phenise Poole seconded, and the motion carried.

c. Nominating and Governance Committee

Committee Chair Emily Love reported that Nominating and Governance Committee had met by conference call October 14, to complete the annual governance review. In compliance with the Committee Charter, the qualifications and competencies for Board members, Board of Directors job description, the orientation program and self-evaluation process were reviewed with no recommended changes. Committee charters and Board administered policies were also reviewed.

In conjunction with approval of the restated Affiliation Agreement, UT Board of Trustees also approved an updated UT Affiliated Foundations policy, with which UTFI will participate and comply. UTFI Leadership has suspended the former UTFI Affiliated Foundations policy pending further review for alignment with the new UT policy approved last month.

The Foundation Bylaws were reviewed in full, with minor revisions recommended. With no questions regarding the revisions, Emily Love moved that the Restated Bylaws (Exhibit 7) are approved effective immediately. The motion was seconded and approved.

The Committee will meet again in December to begin reviewing the board profile and needs for next year's election. Also, the annual ethics certification forms were provided for signature and the policy was in Diligent for review as needed.

d. Real Estate Committee

Committee Chair Richard Warren was absent, so Chair Alan Wilson shared the report (Exhibit 8) on the Real Estate Committee activities since the June 2024 meeting. Woody Henderson mentioned discussion is under way with neighbors of the Whitehouse property.

VI. UTAA SCHOLARSHIPS/UT PROMISE UPDATE

President Kerry Witcher stated UT Alumni Association is the oldest association in the country, established in 1836. UTAA includes a system-wide program as well as robust programs on each campus. He introduced Mike McCay, AVP for Alumni Affairs and Advocacy and Executive Director for the UTAA to present an update on Fund for the Future and UT Promise (Exhibit 9). Mike thanked the past UTAA Presidents who helped launch and support the program. In response to the question asked, 1,215 students system-wide are using the UT Promise scholarships.

VII. CONSENT ACTION AGENDA

Having received no requests to discuss any item on the consent agenda, Mr. Wilson called for motion, Brian Winbigler moved approval of the items, Renee Iacona seconded, and the June 14, 2024 Minutes and Standing Committee Appointments (Exhibit 10) were approved.

VII. CONSENT ACTION AGENDA

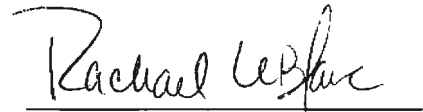
Having received no requests to discuss any item on the consent agenda, Mr. Wilson called for motion, Brian Winbigler moved approval of the items, Renee Iacona seconded, and the June 14, 2024 Minutes and Standing Committee Appointments (Exhibit 10) were approved.

VIII. INFORMATION

The Chair noted the UTFI annual report had been presented to UT Board of Trustees as required in the Affiliation Agreement. A copy was included in Diligent (Exhibit 11) and a hard copy provided. 2025 meeting dates and locations were also included for reference (Exhibit 12).

IX. ADJOURNMENT

With no additional business, the meeting was adjourned. Following adjournment and break, the Board received an update from Carey Whitworth on government relations activity.


Rachael LeBlanc, Secretary