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University of South Carolina
BOARD OF TRUSTEES

Executive and Governance Committee

April 24, 2020

The Executive and Governance Committee of the University of South Carolina Board of Trustees met at 11:30 a.m. on Friday, April 24, 2020, by telephone conference, hosted from Room 206-B in the Osborne Administration Building.

Committee members participating by telephone were Mr. John C. von Lehe Jr., Chairman; Mr. Hubert F. Mobley, Board Vice Chairman; Dr. C. Edward Floyd; Mr. Toney J. Lister; Mr. Miles Loadholt; and Mr. Eugene P. Warr Jr.

Other Trustees participating by telephone were C. Dan Adams; Mr. Chuck Allen; Mr. J. Egerton Burroughs; Mr. A. King Dixon II; Mr. Robert F. Dozier Jr.; Mr. William C. Hubbard; Mr. Richard A. Jones Jr.; Ms. Leah B. Moody; Ms. Rose Buyck Newton; Dr. C. Dorn Smith III; Ms. Molly M. Spearman; Mr. Thad H. Westbrook; and Mr. Mack I. Whittle Jr.

Also participating by telephone were USC Columbia Faculty Senate Chairman Mark Cooper, USC Columbia Student Government President Izzy Rushton, Board of Trustees Consultant Cameron Howell, and Board of Trustees Strategic Advisor David Seaton.

Others participating in person were Trustee C. Dan Adams; President Robert L. Caslen Jr; Secretary J. Cantey Heath Jr; General Counsel Walter "Terry" H. Parham; Assistant Vice President for Administrative Operations and Chief of Staff Division of Administration and

Finance Joe Sobieralski; Interim Communications Officer Jeff Stensland; Executive Vice President for Administration and CFO Ed Walton; and Board staff members Terri Saxon and Ina Wilson.

Others participating by telephone were Vice President for Human Resources Caroline Agardy; President's Chief of Staff Mark Bieger; Presidential Fellow Dr. Susan Bon; Director of Special Events Pam Bowman; President and Chief Executive Officer, USC Foundations Jason Caskey; Executive Director for Strategic Initiatives Jack Claypoole; USC Upstate Chancellor J. Derham Cole Jr.; Chief Audit Executive Pamela Dunleavy; Chancellor, Palmetto College Dr. Susan Elkins; Interim Vice President for Development and Alumni Relations William Elliott; Associate Vice President for Finance and Budget, University Budget Office Kelly Epting; College of Arts and Sciences Dean Lacy Ford; Vice President for Information Technology and Chief Information Officer Doug Foster; University Architect, Associate Vice President of Facilities Planning, Design and Construction Derek S. Gruner, Interim Vice President for Academic Affairs and Provost Tayloe Harding; Chief Executive Officer, My Carolina Alumni Association Wes Hickman; USC Aiken Chancellor Sandra Jordan; Assistant to the President for System Affairs Eddie King; Executive Director of Economic Engagement William Kirkland; Executive Communications Director Sally McKay; Vice Provost and Director of Global Carolina Allen Miller; Director of Government Relations Derrick Meggie; Vice President for Research Dr. Prakash Nagarkatti; USC Beaufort Chancellor Al Panu; College of Education Dean Jon Pedersen; Chief Operating Officer Jeff Perkins; Vice President for Student Affairs and Vice Provost, Dean of Students Dr. Dennis Pruitt; Executive Assistant to the President, Equal Opportunity Programs Cliff Scott; Special Assistant to the President James Smith; and Athletics Director Ray Tanner.

OPEN SESSION

I. Call to Order

Chair von Lehe called the meeting to order and welcomed everyone. Secretary Heath confirmed participants on the telephone. Mr. Stensland introduced members of the media: Mr. Lucas Daprile with *The State*, Mr. Ben Briner from *The State*, Mr. Hale McGranahan from the *Big Spur*, Mr. John Whittle with the *Big Spur*, Mr. Collin Taylor with *Gamecock Central*, Mr. Wes Mitchell with *Gamecock Central*, Mr. David Kloninger with the *Post and Courier*, Mr. Josh Kendall with *The Athletic*, Mr. Tyler Fedore with the *Dailey Gamecock*, Ms. Jessica Holdman with the *Post and Courier*, and Emily Correll with WLTX.

Chair von Lehe said notice of the meeting had been posted and the press notified as required by the Freedom of Information Act. The agenda and supporting materials had been circulated to the Committee, and a quorum is present to conduct business.

Motion for Executive Session

Chair von Lehe said there was a need to enter Executive Session to discuss contractual matters related to Athletics Coaching Contract Extensions, an Assistant Football Coach contract, and a personnel matter related to the appointment of the Vice President for Communications. He called for a motion to enter Executive Session. Mr. Mobley so moved, and Mr. Loadholt seconded the motion. The vote was taken, and the motion carried.

The following were invited to remain: Trustees, President Caslen, Secretary Heath, the Faculty Representative and the Student Representative to the Board, Mr. Seaton, the President's Executive Council, Mr. Gruner, Dr. Howell, Mr. Miles, and Ms. Dunleavy.

EXECUTIVE SESSION

Executive Session removed

Return to Open Session

II. Contracts

Chair von Lehe called on Mr. Parham to present contracts.

A. Global Content Delivery Agreement – Shorelight Educational, LLC

Mr. Parham said in 2015 and 2019 the Board approved agreements with a company called Shorelight to create a Pathway Program to recruit and attract international students. The Provost Office is seeking the Board's approval of a new agreement with Shorelight which is known as a Global Content Delivery Agreement. Under this Agreement, Shorelight will provide the University, free of charge, use of Shorelight's technology that will allow the University to establish virtual interactive classrooms around the world and thereby generate revenue by engaging potential pools of international students which the University would not otherwise reach. The technology permits synchronous instruction and discussion for students in specially equipped classrooms and allows these classes to be broadcasted to students' computers or other devices. The Provost's Office hopes to open new graduate programs as early as this fall in International Business and is actively exploring possibilities in public health, engineering, and other disciplines. In all cases, the University of South Carolina controls the qualifications and admissions of these students under the University's standards, the academic content of the classes, and providing or approving any instructors that teach these classes. Shorelight is responsible for creating the classrooms, which are called Global Study Centers as well as arranging for the technology, the production and marketing of the classes, and the recruitment of

students. The University of South Carolina Board of Trustees sets the tuition the students will pay. Shorelight collects the tuition and keeps a cost of acquisition fee, which is their student recruitment and program operating cost, and pays the University a guaranteed cost of instruction fee per class, a guaranteed administrative fee of five percent, and the remaining net revenue is split between Shorelight and the University. It is a guaranteed source of revenue for the University. The term of the agreement is five years, and the Provost's Office estimates it can generate three cohorts of 200 students per year and the University could receive revenue up to \$16 million.

Chair von Lehe called for a motion and second to recommend approval by the full Board of the Global Content Delivery Agreement with Shorelight Educational, LLC as described by Mr. Parham. Mr. Lister so moved, and Dr. Floyd seconded the motion. The vote was taken, and the motion was approved.

B. Gift Agreement – Xpoda Educational Software

Mr. Parham said the College of Engineering and Computing seeks the Board's approval to receive a gift from a company named Xpoda Educational Software. The gift is for 500 end-user licenses for educational use of Xpoda's non-code business applications software. The software is used to train and educate students who want a career in app development. That is how the College Integrated Information Technology will use the gift. The gift is for a five-year term and is valued at \$1.32 million.

Chair von Lehe called for a motion and second to recommend approval by the full Board of the Gift Agreement with Xpoda Educational Software as described by

Mr. Parham. Mr. Warr so moved, and Mr. Mobley seconded the motion. The vote was taken, and the motion was approved.

C. Enrollment for Education Solutions Agreement – Microsoft

Mr. Parham said Vice President for Information Technology and Chief Information Officer Doug Foster seeks the Board's approval to renew the University's Master Agreement with Microsoft. This is the agreement under which all the faculty, staff, and students on all the University campuses are provided access to the Microsoft suite of products that includes Microsoft Office 365, Microsoft Teams, Skype, Email, Word, Excel, Excess, and Power Point. These products represent the core technology that the University uses to run its businesses. The State of South Carolina has the contract with Microsoft and the University is piggybacking on that state contract, adopting all the terms and conditions that the state has arranged. The term of the University's contract is 36 months ending in March 2023. The cost of the contract over that three-year period is \$2.625 million.

Chair von Lehe called for a motion and second to recommend approval by the full Board of the University's Master Agreement with Microsoft as described by Mr. Parham. Mr. Loadholt so moved, and Mr. Lister seconded the motion. The vote was taken, and the motion was approved.

D. Lease Agreement – South Carolina Emergency Management Division

Mr. Parham said as part of the State of South Carolina's preparation for dealing with COVID-19, the South Carolina Emergency Management Division (SCEMD) contacted the University recently about possibly designating and securing the use of

one of our facilities in the event that area hospitals experience a bed shortage as a result of a surge in Coronavirus patients. Working primarily through Athletics Director Ray Tanner and Police Chief Chris Wuchenich, SCEMD representatives and Prisma Health officials walked through a number of facilities and ultimately agreed that the University's volleyball complex was the best possible site to serve as a temporary location to handle overflow patients should that become necessary. Because the State of South Carolina regulations control the form of lease documents used by state agencies, the South Carolina Department of Administration, Division of Real Property Services drafted the lease agreement and the University modified it to the extent the state would allow to substantially address the University's issues. The lease provides that the University will not charge the SCEMD a rental fee for the facility but that SCEMD will reimburse the University for all actual costs that the University incurs as a result of its use of the volleyball complex such as utilities, maintenance, repairs, custodial services, waste disposal, parking, communication technology services, and food services that the University arranges or provides. The University has added specific provisions to the lease agreement to ensure the University is protected given the possible use that would be made of the facility. The lease provides that SCEMD will reimburse the University for the cost of covering and protecting the volleyball courts. The lease provides that SCEMD accepts the facility as is and that the University does not make any representations or warranties about its condition or its fitness for use as a temporary healthcare facility. The lease provides that the University is not responsible for cleaning the facility before SCEMD takes it over, and that they will pay all costs incurred by the University to decontaminate the facility at the end of the lease

in order that it can be used safely thereafter. The lease provides that the University is not responsible during the term of the lease for cleaning any areas that will be used to provide healthcare or any areas that are potentially contaminated or that would otherwise pose a risk of health concerns for any of the University's employees and that the employees remain safe. The lease provides that the University is not responsible for any claims that arise out of SCEMD's use of the facility and that SCEMD ensures that whomever ultimately uses the facility as a sublessee or a service provider such as Prisma Health will indemnify the University and hold the University harmless from any claims resulting from its particular use of the volleyball facility. The lease provides that at the end of the lease, SCEMD must turn the volleyball facility back over to the University in the same condition as when it was received. The lease provides that either party can terminate the agreement upon a 15-day notice.

Chair von Lehe called for a motion and second to recommend approval by the full Board of the lease agreement with the South Carolina Emergency Management Division as described by Mr. Parham. Dr. Floyd so moved, and Mr. Warr seconded the motion. A vote was taken, and the motion was approved.

E. SIMULATIONiQ Agreement – Education Management Solutions, LLC

Mr. Parham said the USC School of Medicine in Greenville seeks the Board's approval to enter into a software licensing agreement with Education Management Solutions, LLC. (EMS). EMS offers this integrated software which has a digital audio/video recording system embedded that is used in simulation training centers like the one the USC School of Medicine in Greenville has to mirror real patient experiences for the medical school students. The software sends a fictional patient in

the form of a mannequin, a command to execute, for example simulating a woman giving birth. The software's video recording system records the students notes and treatment decisions in an electronic medical system similar to Prisma Health's system. The current software, which supports our existing simulation training center is no longer viable and would cost \$1 million to upgrade the mannequins and hardware. This new software would allow the School of Medicine to use the existing mannequins and hardware. The term of the agreement is five years and runs from May 1, 2020 to April 30, 2025 and the total cost is \$834,910.

Chair von Lehe called for a motion and second to recommend approval by the full Board of the software licensing agreement with Education Management Solutions, LLC as described by Mr. Parham. Mr. Mobley so moved, and Mr. Loadholt seconded the motion. Ms. Moody asked if the software licensing agreement had been reviewed by Chief Information Officer Doug Foster. Mr. Perkins advised that the Greenville Hospital System is now part of the Prisma Health System. The software application that will be used in an information technology system at Greenville hospital will be embedded in the Prisma Health information technology system as opposed to the University of South Carolina's information technology system. Mr. Perkins said he would review the software licensing agreement with Doug Foster if the Board so desired. Chair von Lehe asked that the agreement be reviewed, and the results of the review shared with Ms. Moody. There being no further discussion the vote was taken, and the motion was approved.

F. Voluntary Separation Program – USC College of Education

Mr. Parham said in October of 2019 the USC College of Education requested and this Board approved a voluntary separation program for up to 12 employees in the College. Under that program, eligible employees were required to resign by January 1, 2020 in exchange for which they would receive a voluntary separation incentive payment equal to \$100,000 or their base salary. That program, which was approved by the State Division of Human Resources as well, was designed as a cost saving measure for the College because they would realize a savings through not filling the positions vacated by the employees or by filling the positions with lower salaried faculty or administrative staff. The program approved in October was for a maximum of 12 employees; however, only six employees voluntarily separated. Through this program, the College estimates it will save \$2.1 million over five years from the first six employees who voluntarily separated. This program is key to the College's cost savings measures and the College believes it can realize a comparable savings by reoffering the program. The College is seeking approval to reoffer the program for a maximum of six employees under the same terms and conditions as approved by the Board in October 2019. The new program offer would begin August 15, 2020.

Chair von Lehe called for a motion and second to recommend approval by the full Board for the College of Education to reoffer a voluntary separation program as described by Mr. Parham. Mr. Lister so moved, and Dr. Floyd seconded the motion. Mr. Williams asked what the alternate plan would be should six employees not sign up for the voluntary separation program. College of Education Dean Pedersen said the six employees have already expressed interest in the program. There being no further discussion the vote was taken, and the motion was approved.

G. Services Agreement – SSB Consulting Group, LLC

Mr. Parham said the Division of University Development seeks the Board's approval of a service agreement with SSB Consulting Group, LLC to assist University Development with customer relationship management (CRM). The Development Office currently has a relationship with Blackbaud that provides the platform under which the University has a central repository of the University's information related to alumni, parents, friends, faculty and staff, foundations and businesses that either support or might be likely to support the University. SSB works in tandem with Blackbaud and represents the next step in improving the database and preparing the University as an aside to undertake its next capital campaign whenever that occurs. The SSB will help the Development Office expand the information it has on donors and prospective donors. The term the agreement is five years and the cost of the agreement is \$515,000.

Chair von Lehe called for a motion to recommend approval by the full Board of the service agreement with SSB Consulting Group, LLC as described by Mr. Parham. Mr. Warr so moved, and Mr. Mobley seconded the motion. The vote was taken, and the motion was approved.

H. ATM Lease Agreement – Founders Federal Credit Union

Mr. Parham said the Division of Administration and Finance has asked to revisit an issue discussed with the Board in December of 2019 involving a potential ATM lease agreement with Founders Federal Credit Union. When this issue was presented in December, several Board members asked whether the University had issued an RFP so that all interested financial institutions could bid on the opportunity to place an

ATM behind the Russell House. Under the State Procurement Code, the University was not required to issue an RFP; however, in keeping with best business practices the University withdrew the lease agreement offer and issued an RFP. Though the RFP generated inquiries from several financial institutions, no financial institutions other than Founders Federal Credit Union submitted a proposal. The Business Office contacted the financial institutions that originally expressed an interest and learned those institutions were changing strategies and perspectives about ATMs and did not want to commit to a lease and this time. The University is now seeking approval of the Board to enter into an ATM lease agreement with Founders Federal Credit Union. The lease agreement is a standard ATM lease agreement used by the University and has a term of three years with two renewals for up to a one-year additional term. If the lease is extended the full five years, Founders Federal Credit Union will pay the University \$326,380.

Chair von Lehe moved for a motion to recommend approval by the full Board of the ATM Lease Agreement with Founders Federal Credit Union as described by Mr. Parham. Mr. Loadholt so moved, and Mr. Lister seconded the motion. The vote was taken, and the motion was approved.

I. Affiliation Agreement – USC Upstate Foundation

Mr. Parham said the next document for approval is an Affiliation Agreement between USC Upstate and the USC Upstate Foundation. Each campus in the University system that is supported by a Foundation has a Master Affiliation Agreement with that Foundation. These agreements are updated periodically to ensure compliance with The Southern Association of Colleges and Schools Commission on

Colleges (SACSCOC) standards and to accurately reflect current practices. As the University approaches SACSCOC reaccreditation in the fall, all Affiliation Agreements are being reviewed to ensure they are up to date. The agreements are relatively standard, and they recognize, among other things, the Foundations are a 501(c)3 organizations created solely to support their institution, they operate independently in accordance with IRS requirements and guidelines, they maintain in accordance with standards, state and Federal laws appropriate gift management and asset management and gift distribution policies. USC Upstate is seeking the Board's approval to reconfirm its current Affiliation Agreement with the USC Upstate Foundation. This agreement provides that USC Upstate will assist the USC Upstate Foundation by providing office space and personnel. All affiliated support Foundation agreements ensure that the value provided by the campus to the Foundation must be less than the value provided by the Foundations to the University. The term of this agreement is five years.

Chair von Lehe called for a motion and second to recommend approval by the full Board of the Affiliation Agreement between the USC Upstate and the USC Upstate Foundation as described by Mr. Parham. Mr. Lister so moved, and Dr. Floyd seconded the motion. The vote was taken, and the motion was approved.

J. Assistant Football Coach Contract

Mr. Parham said with the approval of President Caslen, Athletics Director Ray Tanner is recommending that Louis Desmond Kitchings be hired as a new assistant football coach under a one-year contract beginning April 24, 2020 and ending May 31, 2021 . He would earn an annual salary of \$300,000 and will have the same opportunity as other assistant football coaches to earn incentive bonuses. He would also receive

the use of a car or an automobile allowance. The contract contains the standard termination provisions that are in all other USC coaching contracts.

Chair von Lehe called for motion to recommend approval by the full Board to hire Louis Desmond Kitchings as a new assistant football coach as described by Mr. Parham. Mr. Loadholt so moved, and Mr. Lister seconded the motion. The vote was taken, and the motion was approved.

K. Athletics Coaching Contract Extensions

Mr. Parham said President Caslen and Athletics Director Ray Tanner are requesting approval to extend eight athletic coaching contracts for a period of one year. Those contracts are for Assistant Football Coaches Bobby Bentley and Mike Peterson, Assistant Men's Basketball Coaches Perry Clark and Chuck Martin, Assistant Women's Basketball Coach Lisa Boyer, Head Men's and Women's Track Coach Curtis Frye, Head Men's Golf Coach Bill McDonald, and Head Women's Softball Coach Beverly Smith. The contracts do not include salary increases and the buyout provisions for the Men's Golf Coach and the Women's Softball Coach will need to be adjusted to reflect the one-year extension the Board is considering.

Chair von Lehe called for a motion to recommend approval by the full Board of one-year extensions for eight athletic coaching contracts as described by Mr. Parham. Mr. Warr so moved, and Mr. Mobley seconded the motion. The vote was taken, and the motion was approved.

III. Gift Agreement

— John S. Poole and Lynne W. Poole

Mr. Parham said the Buildings and Grounds Committee met earlier this morning and considered a proposed gift naming opportunity for the USC Upstate Aquatics Center, which requires consideration by the Executive and Governance Committee as well. The University is seeking the Board's approval of a Gift Naming Agreement with John S. Poole and Lynne W. Poole to name the Lee and Brad Poole Aquatic Center at USC Upstate. The term of the naming rights being granted is 10 years. Mr. Parham said John Poole is a USC graduate and a letterman on the USC Swim Team. He founded Carolina Alliance Bank in Spartanburg in 2007, and Lee and Brad for whom the Aquatic Center is being named are his and Lynne's sons.

Chair von Lehe called for a motion and second to recommend approval by the full Board of the Gift Naming Agreement with John S. Poole and Lynne W. Poole. Mr. Lister so moved, and Dr. Floyd seconded the motion. The vote was taken, and the motion was approved.

IV. University Educational Foundations Endowment Update

Chair von Lehe called on Mr. Caskey to provide an update on the University Educational Foundation Endowment. Mr. Caskey reviewed the Investment Policy Statement which addresses the Endowment's core principles, spending policy, and asset allocations. The spending policy has been consistent the past several years and the target return on the endowment is 7.5% based on a 4.25% spending rate, an assumed inflation rate of 2%, and an assessment on the endowment of 1.25%. Asset allocations are currently 70% for global equities, which is broken down to 50% for U.S. equities and 20% for international equities. Allocations to global fixed income are 20% and 10% are allocated to diversifying strategies. All investments of the Educational Foundation, the Business Partnership Foundation, the

Development Foundation, and the Alumni Association are combined and as of December 31, the combined investments totaled \$632 million. Allocations based on the spending targets are based on the \$632 million endowment total. Equities comprise the largest percentage of the allocations. As of December 31, the returns on the Endowment over the past 10 years reflect 23% for the one-year period, 10% for the three-year period, 7.3% for the five-year period, and 9.1% for the 10-year period. USC System Endowment encompasses assets of the University in Columbia and the endowed assets of USC Upstate and several other entities. Endowment calculations for all colleges and universities are completed annually on June 30. The Endowment for the USC System was \$788 million as of June 30, 2019, which decreased from the June 30, 2018 total of \$809 million due to the restructuring of a large gift that was restricted. The University Endowment's performance has matched or exceeded peer performance over the past 10 years. The University's spending rate is in line with peer spending rates. The overall strategy is long term and is designed to withstand volatility.

Chair von Lehe stated the report was accepted as information.

V. Report from the Ad Hoc Advisory Committee on Governance

Chair von Lehe called on Committee Chair Dorn Smith for a report from the Ad Hoc Advisory Committee on Governance. Dr. Smith reported that Dr. Cameron Howell has been retained as a Board consultant to assist with addressing governance issues outlined by the Association of Governing Boards (AGB) and SACSCOC. Dr. Howell is in the process of conducting interviews with each Board member, advisors to the Board, and key administrators. He has not been able to connect with five Board members and Dr. Smith asked that those individuals make every effort to schedule time to be interviewed. Dr. Smith's first goal of the Ad Hoc Advisory Committee on Governance is to satisfy the requirements of the

SACSCOC monitoring report review that is coming up in September. His second goal is to reorganize the Board committee structure. There will be a full review and revision of the Board of Trustee Bylaws. Dr. Smith called on Dr. Howell to provide an overview of his work to date.

Dr. Howell provided an overview of the process for conducting a governance review and update and outlined the purpose and goals. He noted the Board has already achieved several steps in the process. The Ad Hoc Committee's purpose is to assess and revise, as appropriate, governance policies and practices of the USC Board of Trustees. That includes ensuring adherence to SACSCOC compliance criteria, demonstrating that the Board is engaged in active self-assessment and continual improvement, and forecasting and enacting a plan for assessment and potential revision. Dr. Howell said to accomplish these goals, there should be unwavering attention to the Board's fiduciary role, thought and actions demonstrating the Board as a single corporate body, communication, objective assessment, continual improvement, and prioritization and triage. The success of the Ad Hoc Governance Committee would be reflected by SACSCOC removing the University from monitoring status; completion of the work plan; Board members building trust, relationships, and improved policies and practices; and the Board of Trustees demonstrating fulfillment of its fiduciary role.

Dr. Howell reviewed the draft scope-of-work document summarizes the terms of his engagement which outlines that Dr. Howell will assist the Board of Trustees and its Governance Committee, reporting weekly to the chair of the Governance Committee, the Secretary to the Board, and the General Counsel; the he will enact a work plan approved by the Governance Committee; and that he will provide information, context, synthesis, and

analysis to facilitate decisions by the Governance Committee and the Board of Trustees. In developing a work plan, the Governance Committee will establish priority topics for assessment, discussion, and potential revision. Priority topics for examination will be among the most important agenda items for the Governance Committee's April 28 meeting.

Chair von Lehe stated this Ad Hoc Advisory Committee on Governance report was accepted as information.

VI. Report from the Ad Hoc Advisory Committee on Finance

Chair von Lehe called on Committee Chair Mack Whittle for a report from the Ad Hoc Advisory Committee on Finance. Mr. Whittle said the Ad Hoc Committee on Finance met on March 31 and April 15; it is its intent to meet every two weeks until there is more certainty about what the future. The administration has taken a two-pronged approach to addressing the revenue shortage due to the COVID impact. The short-term approach is to cover the losses of revenue due to cancelled on-campus classes through summer school. The net loss is projected to be in the \$20 million range. The University has a strong balance sheet and should be able to absorb this loss by implementing expense cuts and other measures. Students have been reimbursed their pro-rata fees for room and board and parking, which contributes to the \$20 million net loss. Administration has quickly taken action to mitigate some of the financial issues such as delaying the \$240 million Campus Village, the \$285 million health campus and medical school, and \$88 million in other planned projects. One-time cost saves continue to be quantified and will be implemented on an as needed basis. As the University potentially faces a new normal this fall, the Administration is running multiple models to estimate revenue losses under varying scenarios. These models reflect various levels of revenue losses and subsequent expense reduction. A financial dashboard is being developed

to help the Administration and the Board more quickly identify potential areas of concern. The Athletics Department is doing much of the same and has developed multiple models reflecting different scenarios based on fall sports. It will be late spring or early summer before it is known what fall semester sports will look like.

Chair von Lehe expressed appreciation for what the Committee has accomplished working closely with Administration to address the financial impacts of COVID-19. He said the Ad Hoc Advisory Committee on Finance report was accepted as information.

VII. Adjournment

There being no other matters to come before the Committee, Chair von Lehe declared the meeting adjourned at 1:10 p.m.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "J. Cantey Heath, Jr.", written in a cursive style.

J. Cantey Heath, Jr.
Secretary