Minutes of the Human Resources and University Relations Committee
University of Kentucky Board of Trustees
Monday, June 29, 2026

The Human Resources and University Relations (HRUR) Committee of the University of Kentucky Board of Trustees met on Monday, June 29, 2026, in the Longship Club, Kroger Field.

A. Call to Order

Brenda Gosney, chair of the Human Resources and University Relations Committee, called the meeting to order at 1:48 p.m. and opened the session.

B. Roll Call

The following members of the Human Resources and University Relations Committee were in attendance: Brenda Gosney, David Figg, Paula Pope, Zach Stacy, Clark Williams and Elaine Wilson.

C. Approval of Minutes

Chair Gosney reported that the minutes for the April 23, 2026, HRUR Committee meeting had been distributed and called for a motion for approval. Trustee Figg moved to approve the minutes and was seconded by Trustee Williams. Hearing no corrections, Chair Gosney called for a vote. The motion passed without dissent.

D. Chair's Report

Chair Gosney reported that three petitions to address the Board had been received, two concerning Integrate Blue and one concerning Enterprise Services, and that the petitioners had been invited to speak. She noted that each would be allotted three minutes and would speak in the order in which the petitions were received.

Dr. Katie Goldey, an assistant professor in the College of Health Sciences, expressed concern that centralization would affect faculty members' ability to fulfill the University's teaching and research mission. She stated that colleges rely on specialized support from units such as information technology (IT), grant support services, marketing and communications and advising. She cited concerns from clinical and research units about the loss of embedded IT specialists and reported inefficiencies in grant support services and the departure of veteran academic advisors. Dr. Goldey noted requirements unique to the health sciences and asked the Board to pause the initiative and provide oversight.

Dan Moon, an administrative assistant in an academic unit, shared several concerns regarding Integrate Blue. They described the operational impact of removing college-specific institutional knowledge from marketing, communications and IT staff. Moon noted that current employees moved into Beyond Blue would retain their pay and benefits while newly hired employees would not be offered comparable University benefits or pay scales, and raised similar concerns about the outsourcing of facilities positions to Compass Group. Moon stated that the restructuring was proceeding without a vote of the Committee or the full Board and encouraged trustees to examine the impacts on the University's staff workforce before the plans took effect on July 1.

Scott Zurkuhlen, a grounds department employee, addressed the Board regarding the proposed outsourcing of facilities positions to Compass Group. He shared his experience as a cancer patient and credited the University health plan, and the staff shared leave pool with supporting his recovery. He expressed concern that employees newly hired under the Compass contract would not receive comparable pay, benefits, health coverage or access to the staff shared leave pool and employee education program. He referenced service-quality concerns he associated with a similar Compass arrangement at another university and asked the Board to oppose the inclusion of facilities in the contract or to review the contract and convene to vote on it.

Chair Gosney thanked the petitioners for their comments and for their commitment to the University.

E. University Relations Report

Chair Gosney introduced Vice President for University Relations, Jay Blanton, to open the afternoon's presentations. Vice President Blanton described two large and interconnected initiatives, the Enterprise Services Partnership and Integrate Blue, framed around how the University is positioning itself to grow and how it is caring for its employees. He introduced Tim Slocum, senior vice president and chief operations officer for UK HealthCare, and Gina Dugas, senior vice president for finance and administration, to present on the partnership, and Craig Collins, senior vice president and chief financial officer for UK HealthCare and chief executive officer of Beyond Blue, to present on Integrate Blue.

F. Enterprise Services Partnership Update

Senior Vice President Slocum reported that the University considered the present time appropriate to assess its support services, citing its pivotal position, expansion and the routine expiration of a number of UK HealthCare contracts. He explained that the partnership spans the enterprise, including the academic core, UK HealthCare, UK King's Daughters and UK St. Clair. He reviewed the University's history of partnerships, including a longstanding relationship with Compass Group in UK HealthCare for food, nutrition and environmental services and the recent expansion of its relationship with Microsoft to launch the CATS AI initiative.

He reported that guiding principles had been established at the outset of the initiative and outlined a timeline that began in late 2025 and included extensive employee engagement. He stated that the University followed a structured procurement process under the Kentucky Model Procurement Code, issuing a request for proposals (RFP), soliciting feedback, shortlisting vendors and entering into a contract with Compass Group.

Senior Vice President Slocum stated that all UK employees would remain UK employees with the same pay and benefits they have today. He noted that employees who choose to pursue promotional opportunities with Compass Group could do so and that the University had negotiated comparable pay and benefits with Compass for those employees over the life of the contract. He stated that a substantial number of individuals already work on UK campuses through a partner, reflecting a longstanding arrangement.

Senior Vice President Dugas described student benefits, including a reduction in meal plan pricing this academic year, a seamless dining experience across campus, athletics and healthcare facilities, new investments in dining facilities and food concepts and expanded paid internships. She reported meaningful savings on core concession items at on-campus athletic events, beginning at Kroger Field in the fall and extending to Historic Memorial Coliseum.

She reported that the partnership would extend the University's relationship with Compass in healthcare enterprise-wide to UK St. Clair and UK King's Daughters. She described two opportunities to advance the Commonwealth. The first is a group purchasing organization (GPO) with Compass to extend the University's purchasing power to businesses, municipalities and schools statewide. The second is scaling the food connection work of the Martin-Gatton College of Agriculture, Food and Environment into a statewide model, including a mobile unit to deliver fresh food, health education and other resources to communities across the Commonwealth with UK Extension and the health colleges.

Senior Vice President Dugas reported that Compass would make significant investments across service lines, the University's people and place, and transition and long-term priorities under a 30-year contractual term. She noted that the agreement includes cancellation provisions for non-performance or convenience and that the partnership would be managed by a dedicated University team focused on compliance and key performance indicators. She stated that FCR 15 would be presented to the Board to authorize a capital investment for facilities.

Vice President Blanton opened the floor for questions. Trustee Gray asked about anticipated annual revenues for Compass and associated fees. Senior Vice President Dugas explained that revenue would be associated with dining operations and that management fees in areas without revenue are capped, keeping University expenses within budget on a not-to-exceed basis, with reconciliations applying the fee only against actual spending. She noted that capital investments would be provided by Compass and amortized over the life of the contract.

Trustee Swanson noted that the speakers had raised significant concerns and asked what recourse or processes would be put in place to address those concerns. Vice President Blanton replied that one concern involved academic advising, which falls under Integrate Blue and is separate from the Enterprise Services Partnership, and said that advisor turnover had actually declined as a percentage after academic advising moved into Student Success. Turning to the Enterprise Services Partnership, he stated that the contract lays out specific key performance indicators, metrics and penalties that apply if those metrics are not met, adding that it is a contract and the University would hold the partner to it.

Trustee Shoop asked whether the mobile unit initiative would involve one unit or several. Vice President Blanton responded that plans were still being developed but currently envisioned one large unit traveling county by county to address needs such as food insecurity and access to care. Trustee Shoop expressed support for working through Extension offices as trusted points of contact in rural communities.

G. Integrate Blue Update

Senior Vice President Collins reported that the Integrate Blue initiative had begun approximately one year earlier, in response to changes facing the University. He reviewed several recent developments including the addition of two regional hospitals, UK King's Daughters and UK St. Clair, and the launch of the Advancing Kentucky Together Network. Senior Vice President Collins described Project Blue Connect, which expanded the University's electronic medical record to UK King's Daughters and UK St. Clair to establish a single record across the UK HealthCare enterprise. He noted the addition of Champions Blue to modernize the organization's athletics structure.

He reported the key drivers as protecting the University's workforce without reductions in force, accelerating growth using existing resources, maximizing technology across the organization and mitigating risk. He noted the goal of reducing information-security risk to healthcare and student records and the value of a consistent approach to IT and to marketing and communications.

Senior Vice President Collins provided an overview of Beyond Blue, an affiliated corporation of the University organized to support its mission. He explained that it operates as a holding company under the University's public-entity rules and the Kentucky Model Procurement Code and remains subject to the oversight of the Board of Trustees. He described the entities within Beyond Blue, including Royal Blue Health, Claire Blue Health, Champions Blue, Rehab Blue, a newly formed entity intended to support patient care following hospitalization, and InsureBlue, a captive insurance company acquired with UK King's Daughters. He noted that the Healthcare Committee would receive additional information on InsureBlue.

He reviewed the University's history of centralization across areas such as student affairs, philanthropy, undergraduate academic advising, grant administration and, more recently, the consolidation of healthcare and academic IT under a single Chief Information Officer. He noted that Project Integrate Blue was formally launched in the summer and fall of 2025.

Senior Vice President Collins stated that the goals are growth and expanded career opportunities rather than staff reductions or cost savings. He explained that every business unit was included in the assessment, which relied on a work activity analysis survey, employee input, evaluation by a review team and validation with deans and business unit leaders to determine whether functions should be centralized or moved to Beyond Blue as a shared service. He identified marketing and communications and IT as the primary areas affected in the initial step.

He described the rationale for moving certain functions to Beyond Blue, including leveraging CATS AI and standardized data, more flexible and choice-based employee benefit options, structured leadership so colleges can focus on their academic and research missions and the commercialization of shared services. He reported that centralization was already underway, with several areas centralized earlier in the year and additional functions, including Enterprise IT moving to Beyond Blue and Enterprise marketing and communications centralizing within the University, taking effect July 1. He noted that Student Success would continue to centralize in the fall, with additional areas under evaluation.

Chair Gosney opened the floor for questions. Trustee Petrone asked how compensation and benefits would be handled within Beyond Blue for newly hired employees, given that differentiated compensation could mean they would not receive the same salary and benefits as current employees. Senior Vice President Collins explained that the University's existing benefit plans are being incorporated into Beyond Blue and that employees would carry their existing compensation and benefit package based on their home entity as of July 1. He anticipated bringing forward a Beyond Blue benefit plan in 2027, developed in collaboration with Vice President Melissa Frederick, and noted that employees would retain their benefits if they moved within Beyond Blue or returned to their home entity.

Chair Brockman commended the University's earlier centralization of philanthropy and sought assurance that future employees would have access to comparable and competitive health benefits. Senior Vice President Collins responded that healthcare benefits are procured through periodic requests for proposals across the University's sites to remain competitive and that the University is committed to offering competitive health plans within Beyond Blue, though some differences could arise in areas such as retirement or paid time off. Chair Brockman asked about oversight of centralized services. Senior Vice President Collins explained that the University is establishing service-level expectations with each of the colleges and the deans to be reviewed regularly, and that affected staff would remain within their colleges while reporting relationships change. He added that grant-funded staff would remain within the University to ensure appropriate reimbursement.

Trustee Williams asked about safeguards and cancellation provisions for the 30-year contract. Senior Vice President Slocum explained that the University's agreements include key performance indicators for each service line with dollars at risk for non-performance and provisions for cancellation for both non-performance and convenience clause, consistent with the University's current contracts. Trustee Williams noted the importance of remaining sensitive to any cost difference between University employees and partner employees performing comparable work.

Trustee Swanson asked where anticipated cost savings would be realized. Senior Vice President Collins reiterated that the initiative was not driven by cost savings or staff reductions and that savings were anticipated in areas already outsourced. Vice President Blanton offered the example of decentralized marketing and communications spending on services such as photography, videography, graphic design and web design, noting that staff embedded in the colleges could share services across units to improve quality and achieve efficiencies while remaining focused on their home colleges.

H. Other Business

Chair Gosney thanked the presenters and asked if there was any other business to come before the Committee. Hearing none, the meeting was adjourned at 2:03 p.m.

Respectfully submitted,
Hannah Nocket