

THE UNIVERSITY OF TENNESSEE  
BOARD OF TRUSTEES

MINUTES OF THE WINTER MEETING  
February 27, 2014  
Martin, Tennessee

The Winter Meeting of The University of Tennessee Board of Trustees was held at 12:45 p.m. CST, on Thursday, February 27, in the University Center Ballroom on the campus of The University of Tennessee at Martin.

**I. CALL TO ORDER AND INVOCATION**

Trustee J. Brian Ferguson, Vice Chair of the Board, called the meeting to order. Reverend Lee Clements, a campus minister and Pastor at Trinity Presbyterian, offered the invocation.

**II. ROLL CALL**

Secretary Catherine S. Mizell called the roll, and the following members were present:

J. Brian Ferguson, Vice Chair  
Charles C. Anderson, Jr.  
George E. Cates  
Joseph A. DiPietro  
Spruell Driver, Jr.  
John N. Foy  
D. Crawford Gallimore  
Vicky B. Gregg  
Monice Moore Hagler  
Julius T. Johnson  
Raja J. Jubran  
Brad A. Lampley  
Bonnie E. Lynch  
James L. Murphy, III  
Sharon Miller Pryse  
Richard G. Rhoda  
Karl A. Schledwitz  
Don C. Stansberry, Jr.  
Victoria S. Steinberg  
Betty Ann Tanner  
Charles E. Wharton  
Tommy G. Whittaker  
Thaddeus A. Wilson

The Secretary announced the presence of a quorum. Governor Haslam, Commissioner Huffman, and Mr. Shah were unable to attend the meeting. Members of the administrative staff and media representatives were present. The meeting was also webcast for the convenience of the University community, the general public, and the media.

### III. INTRODUCTIONS

Vice Chair Ferguson welcomed Emeriti Trustees and thanked them for attending events on the previous day and for their continued support of the University.

### IV. PRESIDENT'S REPORT

The President's Report (Exhibit 1) focused on Strategic Plan performance factors, including Six-Year Freshman Graduation Rate, Freshman Retention Rate, Total Degrees Awarded, Research and Sponsored Projects Expenditures, Research Expenditures, Numbers of Research and Sponsored Program Proposals, Participants in all Outreach and Engagement Activities, Patient Billings or Clients Served, Alumni Who Donate, Fundraising Progress, and Unrestricted E&G Expense per Student and per Degrees Awarded.

The President told the Trustees about UT Knoxville's seventh and most recent Rhodes Scholar, Lindsay Lee. Ms. Lee is a Haslam Scholar with interests in math and Spanish. She plans to study statistics at the University of Oxford and apply that knowledge to public health. Lindsay is president of Knoxville's Campus Disability Advocates and is active in the SGA.

The President highlighted a research initiative in child development at UT Health Science Center. Dr. Anne Zachry, Assistant Professor of Occupational Therapy, advocates the use of old-fashioned toys that allow babies to develop muscles during play. Her interaction with children led her to discover that children who spent more time in car seats, carriers, and bouncers were developmentally behind. Her book, *Retro Baby*, has been published by the American Academy of Pediatrics.

President DiPietro also highlighted the outreach service provided by the National Forensic Academy (NFA) through training law enforcement officers around the country and the world. The Director of the Tennessee Bureau of Investigation sent two investigators to the NFA, saw the benefits, and wanted all investigators to attend. Because training slots are limited at NFA, the Director secured additional funding to send more agents to a special session. Thirty-five TBI agents have completed the training to date.

To demonstrate the significant impact of private donors on the University's educational programs, the President reported that the Honors College at UTC was recently expanded

by a one million dollar commitment from a donor. The fundraising is ongoing and scholarships are being used to recruit students to the program.

The President expressed confidence in the commitment of the Advocacy Council and President's Council to advocate on behalf of the University when called to do so. He reported on another very successful UT Day on the Hill.

President DiPietro recognized UT Martin faculty member Dr. Clinton Smith, Assistant Professor of Special Education. In November, Dr. Smith received the Master Teacher of Honor award from Kappa Delta Pi International Honor Society in Education. Dr. Smith serves on the Tennessee Education Association board of directors and is Secretary of the National Education Association Caucus for Educators of Exceptional Children. He was selected as head track and field coach of Team Tennessee for the Special Olympics USA national games 2014 and has participated in the Over the Edge fundraiser, repelling from a 24-story building to raise money for Special Olympics of Greater Memphis. He also volunteers as a basketball coach for Martin Middle School. Dr. Clinton Smith certainly embodies the University mission to educate, discover, and connect with his community.

The President closed by expressing his satisfaction with the direction in which the University is moving. He is very proud of the team's commitment to advance all components of the system, with a distinct attitude around collaboration and cooperation.

## **V. INTRODUCTION OF THE NEW ATHLETICS DIRECTOR FOR UT MARTIN**

Chancellor Tom Rakes introduced the new UT Martin Athletics Director Julio Freire. Mr. Freire expressed his excitement about Skyhawk Athletics. He said the four key areas of focus going forward are: (1) athletics will always be aligned with UT Martin's objectives and strategic initiatives, as well as with those of the UT System; (2) programs will be focused on the student-athletes' experience to reach their full potential academically, athletically, and socially; (3) plan for comprehensive excellence in all endeavors; and (4) community engagement is most important in positioning athletes to compete.

## **VI. CHANCELLOR RAKES' UPDATE ON UT MARTIN GAP ANALYSIS**

Chancellor Rakes reminded the Trustees that the results of a gap analysis by the Huron Group were reported at the 2013 Winter Meeting. He introduced Dr. Robert Nanney, past Faculty Senate President and Professor and Chair in the Department of Communications, to present UT Martin's Strategic Initiative Update (Exhibit 2).

## **VII. ACTION ITEM FROM THE HEALTH AFFAIRS COMMITTEE**

### **A. Designation of UT-Regional One Physicians as a Faculty Practice Plan for the College of Medicine in Memphis and Authorization for Execution of Associated Agreements**

Chancellor Steve Schwab introduced this item by reiterating that the clinical enterprise will generate the revenue to fund the Health Science Center's strategic plan. He presented the proposal to develop a faculty practice plan with The MED (Exhibit 3), which was reviewed in detail at the Health Affairs Committee meeting on January 17, 2014 and recommended by the Committee for approval by the Board.

Trustee Anderson moved that the Board of Trustees authorize the administration to execute a Master Affiliation Agreement between the University and The Regional Medical Center (Shelby County Healthcare Corporation) and an Affiliation Agreement between the University and UT Regional One Physicians, under which UT Regional One Physicians will serve as a faculty practice plan for multi-specialty care, such authorization being subject to prior review and approval of the agreements by the Chair of the Health Affairs Committee on the recommendation of the University's President, Chief Financial Officer, and General Counsel and further subject to the prior review and approval of all required or appropriate state government officials. The motion was seconded and carried unanimously.

## **VIII. ACTION ITEMS FROM THE FINANCE AND ADMINISTRATION COMMITTEE**

Finance and Administration Committee Chair Charles Anderson reported that the Committee had considered two new rules regarding use of University property and unanimously recommended adoption of both rules.

### **A. TUAPA Rule on Use of University Property**

Trustee Anderson moved that the Board of Trustees adopt the proposed Chapter 1720-1-2 of the Rules of The University of Tennessee, titled "Use of University Property," (Exhibit 4) to supersede the current Chapter 1720-1-2, titled "Access to University Property." The motion was seconded, the Secretary called the roll, and the motion carried unanimously.

### **B. TUAPA Rule on Use of University Property by Non-Affiliated Persons for Free Expression Activities**

Trustee Anderson moved that the Board of Trustees adopt the proposed Chapter 1720-1-12 of the Rules of The University of Tennessee, titled "Use of University Property by Non-Affiliated Persons for Free Expression Activities," (Exhibit 5) to

supersede the “Speaker Policy” adopted by the Board of Trustees on June 19, 1969. The motion was seconded, the Secretary called the roll, and the motion carried unanimously.

## **IX. REPORT OF THE AUDIT COMMITTEE**

The Audit Committee held a meeting on December 18, 2013, and Committee Chair Gallimore highlighted the issues addressed at that meeting and ongoing work of the Internal Audit Department:

### **External IT Audit**

Over the last year, the Audit Committee has been involved in an external assessment of the information technology security posture of the University. At the Audit Committee’s December meeting, BerryDunn consultants presented the results of the assessment along with related recommendations to improve the security posture of the University. The Audit Committee will provide oversight and suggested that UT management prioritize the recommendations for implementation. Dr. DiPietro committed to coordinating efforts system-wide by working with the Chancellors, Dr. David Millhorn, and Mr. James Perry to determine next steps. Ms. Sandy Jansen will incorporate follow-up procedures to track implementation and report back to the Audit Committee. The final report was issued in February and management is developing implementation plans.

### **CEO Audits**

In the fall, the internal audit team completed the required audits of the chief executive officers. The auditors found that expenditures were reasonable and appropriate. Trustee Gallimore commended the President for his commitment to setting the tone of good financial stewardship at the top.

### **Institutional Compliance**

Dr. Taylor Eighmy, chair of the UT Knoxville campus compliance committee, gave an update indicating enhanced compliance efforts. Institutional compliance efforts are also underway at the Health Science Center and the Institute of Agriculture. The Institutional Compliance Office is preparing to facilitate the upcoming compliance risk assessment at the Martin campus.

### **Audit and Consulting Services and Institutional Compliance Strategic Plan**

Audit and Consulting Services recently developed a strategic plan to align with UT System’s strategic plan and to better serve the University. The goals include meeting stakeholders’ needs and adding value to the University, fostering the professional development of team members, expanding IT audit coverage, research audit coverage, and the use of data analytics to focus audits on high-risk areas, and ensuring effectiveness and efficiency. The Institutional Compliance goals are to

enhance campus compliance committee efficiency and effectiveness and to promote an ethical culture.

## **X. CONSENT AGENDA**

The Vice Chair directed the Board's attention to the Consent Agenda and called for any requests to remove items. Hearing none, the Vice Chair called for a motion to approve the Consent Agenda, consisting of the following items:

- A. Minutes of the Last Meeting
- B. UT Knoxville Gas Line Easement for Steam Plant (Exhibit 6)
- C. UTHSC Acquisition of 885 Madison Avenue (Exhibit 7)
- D. UTHSC Acquisition of 239 Dr. M.L. King Avenue (Exhibit 8)
- E. UTHSC Acquisition of 964 Union Avenue (Exhibit 9)
- F. FY 2014 Revised Operating Budget (Exhibit 10)
- G. Repurposing of UT Martin Student Publication Fee (Exhibit 11)
- H. Honorary Doctorate of Letters and Science, UT Knoxville (Exhibit 12)
- I. Revisions to the UT Knoxville Faculty Handbook and Manual for Faculty Evaluation (Exhibit 13)
- J. Renaming the UTHSC College of Allied Health as College of Health Professions (Exhibit 14)
- K. UT Health Science Center Strategic Plan, 2014-2018 (Exhibit 15)
- L. Revised Compensation for the Executive Vice President/Vice President for Research and Economic Development (Exhibit 16)
- M. Revisions to the Policy on Comprehensive Presidential Performance Reviews (Exhibit 17)
- N. Naming of the Corporate Governance Center, College of Business Administration, UT Knoxville (Exhibit 18)

A motion to approve the Consent Agenda was duly made and seconded, and the motion carried unanimously.

## XI. ANNOUNCEMENTS

The Vice Chair noted upcoming meetings of the Board and various committees. He asked Dr. DiPietro to tell the Trustees about this year's *Tennessee Blue Book*. The President explained that the cover of the book is orange in honor of Head Coach Emeritus Pat Summitt.

Vice Chair Ferguson thanked Chancellor Rakes and his team for hosting the meeting; Robert and Jenny Kirkland for hosting the reception at Discovery Park of America; Betty Ann and John Tanner and Crawford and Nancy Gallimore for hosting dinner; and the Board and campus staff for coordinating logistics.

## XII. ADJOURNMENT

With no further business to come before the Board, the meeting was adjourned.

Respectfully Submitted,

  
Catherine S. Mizell, Secretary