

**MINUTES OF THE ADVANCEMENT AND PUBLIC AFFAIRS COMMITTEE
BOARD OF TRUSTEES
THE UNIVERSITY OF TENNESSEE
February 29, 2012**

The Advancement and Public Affairs Committee of the Board of Trustees of The University of Tennessee met at 8:30 a.m. on Wednesday, February 29, 2012, in the O. D. Larry Dining Hall (Student Alumni Center) on the UT Health Science Center Campus in Memphis, Tennessee.

I. CALL TO ORDER AND OPENING REMARKS BY COMMITTEE CHAIR

Chair Charles Wharton called the meeting to order.

II. ROLL CALL

Johnnie Ray, President of the UT Foundation, Inc. and Vice President for Development and Alumni Affairs called the roll of committee members. Those present were:

Mr. Charles Wharton, Chair
Ms. Anne Blackburn
Dr. Joe DiPietro
Mr. Doug Horne
Mr. Don Stansberry
Mr. Tommy Whittaker

Absent from this meeting:

Mr. Karl Schledwitz

The Chair announced a quorum was present.

III. MINUTES OF LAST MEETING

Chair Wharton noted there was a change on page 5. Trustee Stansberry made a motion to approve and Trustee Blackburn seconded. The minutes were approved with the change noted.

IV. FEDERAL, STATE, AND MEDIA RELATIONS REPORT

Hank Dye, Vice President for Public and Government Relations, gave an update on Federal Relations as reflected in Tab 2 of the Board materials. At Mr. Dye's request, Chancellor Cheek discussed work done with Senator Alexander that provides UT new opportunities with the Y-12 National Security Complex. The group was reminded to check the Federal Relations website frequently for up to date information.

There was an overview of activity in the current General Assembly. Mr. Dye discussed bills that involve the University of Tennessee and gave an update on the legislative activity in Nashville. The State Relations staff is closely monitoring approximately two dozen bills with potential impact on the University. In addition to the budget and tuition issues, of primary concern is anticipated activity involving gun legislation and bills that could affect lottery funds. The University will work with legislators to introduce and promote two bills – one to enhance video conferencing for Board committee meetings and the other to increase confidentiality regarding executive searches.

Gina Stafford, Assistant Vice President and Director of Communications, gave an update on social media highlighting strategic use of this medium by President DiPietro. A copy of the power point presentation can be found in Tab 2 of the Board of Trustee notebook.

Trustee Blackburn congratulated the Media Relations group for entering into the social media world and urged that the messages be strategically thought out with the opportunity to reinforce certain issues always taken in to account. Trustee Blackburn mentioned that the UT Foundation is attempting to do the same with social media and would like different departments to be mindful of not duplicating efforts.

Trustee Hall discussed the positive and negative effects of social media and asked that the group be mindful of that.

V. UT ADVOCACY COUNCIL

Mr. Dye concluded with a report on the launch of the new Advocacy program February 4, 2012 and referred the group to the Advocacy brochure in Tab 3 of the Board of Trustee notebook.

VI. FINAL REPORT AND ANALYSIS OF THE CAMPAIGN FOR TENNESSEE

Chair Wharton introduced Johnnie Ray, Vice President for Development and Alumni Affairs and President/CEO of the UT Foundation, Inc. Mr. Ray has been on board for about three months. Chair Wharton believes Mr. Ray will leave an extraordinary mark over the next several years and is pleased to have him on board.

Mr. Ray announced that at the UT Foundation (UTFI) Board of Directors meeting on Monday it was determined the foundation would move forward with a formal affiliation agreement for a UTHSC foundation. This is exciting news and a move in the direction of achieving higher levels of philanthropic support.

Mr. Ray is in his third month on the job. He gave not only an analysis of the recently completed campaign but his view of the future of philanthropy at UT. It is his hope that within a reasonable amount of time when people ask what are the best public universities in America the University of Tennessee will roll right off the top.

The university has just completed a very successful philanthropic campaign ending slightly above \$1.3 billion. Mr. Ray recognized Scott Rabenold who stepped forward at a very auspicious moment in the course of this campaign and provided the leadership during the last two years.

Certainly the dollar figure alone is extraordinary and places UT in excellent company. But it is not the amount that most matters. It is the impact of those resources that matter. And the success of the campaign is a clear and direct testament that people see extraordinary value in this institution. The importance of private support is that it speaks directly to issues of quality and it also a reflection of quality. And it is through quality that UT's impact on society is expressed.

Moving forward, a few highlights of the direction of the foundation are:

- The services offered by the foundation to the campuses and institutes to create economics of scale, reduce duplication and to eliminate any ambiguity will be clearly defined.
- We will build capacity to more vigorously pursue fund raising opportunities in the Foundation and corporate sectors, areas where UT should be quite competitive.

- Begin shifting greater autonomy to each campus vice chancellor to chart their philanthropic and alumni relations strategies according to their specific campus situations.
- The foundation will tie itself very directly to a role in advancing the university strategic plan.

There is much to celebrate with the end of the campaign, yet so much more to be done and the university will always need friends and investors. Thus the role of the foundation is clear and set – be a key factor in advancing the University of Tennessee to ever higher levels of achievement.

In Mr. Ray's three-month old close up view of the University of Tennessee it is very clear that because of the vision of the university president and chancellors, the years ahead will not be for the tired or the timid. This period will not be for those who want to sit on the sidelines and coast into the future.

Chair Wharton reiterated that on Monday, the UTFI approved the go ahead to set up an affiliated foundation at the UTHSC in Memphis. This achievement is one of the primary reasons the Foundations Study Committee revisited how the foundation should look during the 2008-2009 period. It is a monumental step forward and is now moving along.

It was asked if there was a timeline on when the deferred gifts would come in. Mr. Ray stated there was no timeline since these are estate gifts. To his knowledge an analysis has not been made but the gifts will come in steadily over the course of time.

Trustee Horne stated there are three Trustees that on the UTFI Board, Trustees Wharton, Driver and himself. Some of the UTFI board attended the AGB conference in California in January which was very beneficial. Very successful foundations have the best and brightest on their board. If any of the Trustees would like to suggest a nominee to serve on the UTFI Board of Directors, please let him know. It is the duty of the board to work with the university president and chancellors to advance and achieve the university's objectives.

There have been no discussions regarding the start of the next fundraising drive. Mr. Ray stated that generally at the end of a successful campaign, there is a gap of time between the two. You need time to refresh the donor pipeline. You also do not want to downplay the success of the last campaign and you want full credibility going into the next campaign. In relation to deferred gifts, you need time to build new relationships to achieve that same high percentage since these gifts can only be given once. Clearly, at the end of any campaign, you do not in any way back off of activity. In fact, the level of activity outside the context of the campaign will remain at the same high level. It has been discussed to utilize this time and go forward with perhaps more focused types of campaigns for things that will materialize such as endowed chairs and professorships.

Trustee Horne asked how many current development officers are on staff and how many will be have in the next year or two. Mr. Ray deferred to Bruce Downsborough who stated there are about 80 positions of which 70 are currently filled. Trustee Horne reminded the Trustees that they are all development people.

VII. NAMING A WING OF A BUILDING ON THE INSTITUTE OF AGRICULTURE CAMPUS

Dr. DiPietro asked the Board to name a wing of a building on the Institute of Agriculture campus the "Robert and Nancy Burchfiel Wing" donated by Ethel Burchfiel Cooper when a suitable building has been identified and recommended for the naming by the Chancellor and the President, subject to the condition that the University accepts title to a certain tract of real estate

in Los Angeles, California to be transferred from the Estate of Ethel Burchfiel Cooper. Ms. Cooper's trust assets include a tract of real estate in Los Angeles, California estimated to be worth \$1,760,000. The executor will authorize transfer of the title to the university upon commitment by the Board of Trustees to the naming. Chancellor Arrington supports this proposal.

Motion made by Trustee Stansberry, seconded by Chair Wharton, the motion was unanimously approved.

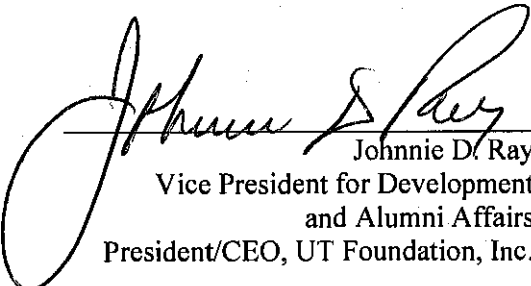
VIII. OTHER BUSINESS


Chair Wharton announced efforts are continuing to establish an outreach program to eighth, ninth and tenth graders across the state to work with the UT Alumni Association. This is to create a program that reaches every child in the state and presents them and their parents with information on how to attend college, not necessarily UT, and the importance of higher education.

At the last meeting Trustee Horne suggested that the UTAA president should serve a two year term as opposed to a one year term. One of the UTAA committees is reviewing this and Mr. Lofton Stuart will have a recommendation at the next Trustees meeting.

IX. ADJOURNMENT

With no other business, the meeting was adjourned.


Johnnie D. Ray
Vice President for Development
and Alumni Affairs
President/CEO, UT Foundation, Inc.


Hank Dye
Vice President for Public and
Government Relations