

THE UNIVERSITY OF TENNESSEE
BOARD OF TRUSTEES

MINUTES OF THE ADVANCEMENT AND PUBLIC AFFAIRS COMMITTEE

March 1, 2013
Chattanooga, Tennessee

The Advancement and Public Affairs Committee of the Board of Trustees of The University of Tennessee met at 10:45 a.m. EST on Friday, March 1, 2013, in the University Center on the campus of The University of Tennessee at Chattanooga.

I. CALL TO ORDER

Chair Charles E. Wharton called the meeting to order.

II. ROLL CALL

Johnnie Ray, President & CEO 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
Ms. Vicky Gregg
Mr. Doug Horne
Mr. Karl Schledwitz
Mr. Don Stansberry
Mr. Tommy Whittaker

Ms. Monice Hagler was unable to attend. The Chair announced a quorum was present.

III. MINUTES OF LAST MEETING

Chair Wharton presented the minutes from the November 9, 2012 meeting. Trustee Schledwitz moved approval, Trustee Whittaker seconded, and the motion carried.

IV. UT FOUNDATION AND ALUMNI AFFAIRS REPORT

Mr. Ray recognized Janet McKinley, Chair of the UT Development Council, and Jennifer Stanley, President of the UT Alumni Association, and thanked them for their volunteer leadership and contributions to The University of Tennessee.

Mr. Ray then gave the following overview of fundraising:

- Aggregate system fundraising is running roughly 19 percent ahead of last year, including a 10 percent increase in cash gifts.
- The Foundation (which is only 18 months old) received a 100 percent clean outside audit report.
- New uniform protocols have been constructed and implemented for fund raising and fund raisers across the system based on best practices. All fund raisers have been trained and have now implemented the new metrics into their work and the data base is being reprogrammed to accommodate all changes.
- Annual Giving is now ready to begin using the phone bank and other means to raise unrestricted money for the campuses year round.
- The Fund for the Future re-branding is in the final stages based on the principles of the strategic plan.
- An exercise was conducted to see how the Foundation should best be constructed to support all five goals of the strategic plan.
- 41 vacancies have now been filled including 18 new field development officers.
- In keeping with the Strategic Plan, greater autonomy and accountability have been shifted to the Chancellors and Vice Chancellors to run their programs.
- Some mid-course structural and operational adjustments will be reviewed including the design of a financial model less dependent on interest rates and investment performance.

In communications and marketing efforts, the Foundation is trying to gain maximum possible value out of new media to reach the constituencies. For example:

- In recent months more attention has been devoted to communications, working with campus leadership to enhance the promotion of both the UT System Strategic Plan and the individual messaging priorities of each campus and institute.

- By volume, e-mail has become the single most important channel of communications between the university and its alumni.
- In calendar year 2012, the university sent more than 6.8 million emails to the approximately 130,000 alumni who have valid email addresses on line. This number does not include the e-mails that originate within individual academic units.

In the Alumni Affairs area:

- The alumni Board of Governors has successfully transitioned from 72 members to a more involved 32 member board.
- Programs and services available to alumni continue to expand in the career services area.
- Quarterly marketing e-mails are being sent to all alumni making them aware of alumni networking opportunities and benefits.
- Restructuring of the chapter model will allow the chapters to place a greater emphasis on campus messaging and campus priorities.

Mr. Ray also reported some challenges the Foundation is facing. Because interest rates and endowment market performance did not meet the projections of the original pro forma, the Foundation dealt with a \$1.8 million budget adjustment in its first year. The Foundation has made this adjustment with reasonable ease, but the concern is more long term because there are no signs this deficit will be made up anytime soon. The Foundation is working with the Chancellors for a plan to move forward and respond to this.

In closing, Mr. Ray said he is pleased with the progress the Foundation is making.

President DiPietro addressed the issue with short term interest rates as something no one could have predicted. If the Foundation had been in existence 30-40 years ago, there would be more flexibility with this situation. It is a matter of where we are and the economy, not just a matter of predicted interest rates.

V. MODIFY THE NAME OF THE JOHN TICKLE ENGINEERING BUILDING

UT Knoxville makes the recommendation to modify the name of the John Tickle Engineering Building as indicated in the memorandum from Chancellor Cheek, with President DiPietro's signature indicating his concurring recommendation.

Trustee Stansberry moved that the name of the John Tickle Engineering Building on the campus of The University of Tennessee, Knoxville be modified to be the John D. Tickle Engineering Building (Exhibit 1). Trustee Schledwitz seconded, and the motion carried.

VI. MODIFY THE NAME OF THE FRANK H. MCCLUNG MUSEUM

UT Knoxville makes the recommendation to modify the name of the Frank H. McClung Museum to The Frank H. McClung Museum of Natural History and Culture as indicated in the memorandum from Chancellor Cheek, with President DiPietro's signature indicating his concurring recommendation.

Trustee Stansberry moved that the name of the Frank H. McClung Museum be modified to be the Frank H. McClung Museum of Natural History and Culture (Exhibit 2). Trustee Blackburn seconded, and the motion carried.

VII. RENAMING THE PANHELLENIC BUILDING AS THORPE HALL (UTK)

This item was deferred.

VIII. RENAMING OF THE FORMER STUDENT HEALTH CENTER AS TEMPLE HALL

UT Knoxville makes the recommendation to rename the former UT Knoxville Student Health Center as Temple Hall in honor of Oliver P. Temple and Mary Boyce Temple as indicated in the memorandum from Chancellor Cheek, with President DiPietro's signature indicating his concurring recommendation.

Trustee Whittaker moved that the former Student Health Center on the campus of The University of Tennessee, Knoxville be renamed Temple Hall (Exhibit 3). Trustee Stansberry seconded, and the motion carried.

IX. NAMING A NEW RESIDENCE HALL AS THE FRED D. BROWN JR. RESIDENCE HALL

UT Knoxville makes the recommendation to name the new UT Knoxville residence hall in honor of Fred D. Brown, Jr., as indicated in the memorandum from Chancellor Cheek, with President DiPietro's signature indicating his concurring recommendation.

Trustee Driver submitted a letter of recommendation for this naming, which is included in Exhibit 4. He expressed appreciation to Chancellor Cheek and Vice Chancellor Margie Nichols for bringing this recommendation to the Board. Trustee Driver is an alumnus of the Minority Engineering Scholarship Program founded by Fred Brown and has a shared pride along with other alums in honoring Mr. Brown in this way.

Trustee Blackburn moved that the new residence hall on the campus of The University of Tennessee, Knoxville be named the Fred D. Brown Jr. Residence Hall (Exhibit 4). Trustee Stansberry seconded, and the motion carried.

X. NAMING THE FOOTBALL PRACTICE FACILITY AS THE ANDERSON TRAINING CENTER

UT Knoxville makes the recommendation to name the new football practice facility as the Anderson Training Center in honor of the Anderson family of Knoxville, Tennessee and Florence, Alabama as indicated in the memorandum from Chancellor Cheek, with President DiPietro's signature indicating his concurring recommendation.

Trustee Stansberry moved that the new football practice facility on the campus of The University of Tennessee, Knoxville be named the Anderson Training Center (Exhibit 5). Trustee Schledwitz seconded, and the motion carried.

XI. OTHER BUSINESS

No other business was brought to the Chair's attention prior to the meeting.

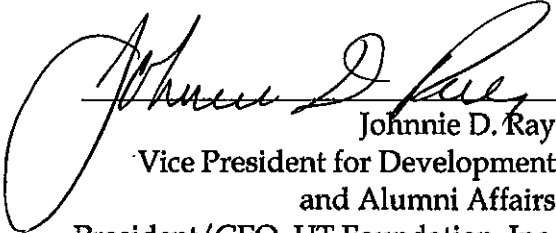
For the Committee's information, Vice President Haynes announced that the House has cleared the way for the "guns in trunks" bill to make its way to the Governor. Some comments by administrators and Trustees about the impact of this legislation are summarized below:

- University policy current provides that employees and students shall not possess firearms on University property.
- The University has regulatory authority over employees and students. The question is how this new legislation impacts that ability to regulate. For those individuals who are not employees or students, the only regulatory scheme that prevents them from bringing guns onto University property is the criminal code. The new legislation removes "guns in trunks" as a criminal offense.

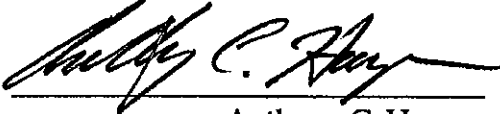
- If this bill is signed into law by the Governor, the University will need to communicate its policy to employees, students, and visitors.

XII. ADJOURNMENT

With no other business, the meeting was adjourned.



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



Anthony C. Haynes
Vice President for Government
Relations and Advocacy