

MINUTES OF THE EXECUTIVE AND COMPENSATION COMMITTEE MEETING
BOARD OF TRUSTEES

THE UNIVERSITY OF TENNESSEE

November 1, 2004
Nashville, Tennessee

The Executive Committee of the Board of Trustees of The University of Tennessee met at 2:30 p.m., Central Standard Time, Monday, November 1, 2004 in the offices of Boulton, Cummings, Conners & Berry, Nashville.

I. CALL TO ORDER

Mr. Don C. Stansberry, Jr., Chair of the Executive Committee, called the meeting to order.

II. ROLL CALL

The Secretary called the roll, and the following members were present:

Mrs. Andrea J. Loughry
Mr. James L. Murphy, III
Dr. John D. Petersen
Mr. John Pontius
Mr. Don C. Stansberry, Jr.
Mr. William B. Stokely, III
Mr. John C. Thornton
Mrs. Susan R. Williams

The Secretary announced the presence of a quorum.

III. REPORT ON THE FACULTY SENATE RETREAT

Ms. Loughry reported that she, President Petersen and Trustees Stansberry, Murphy, Vickerstaff, and Johnson attended the UT Knoxville Faculty Senate retreat on September 24, providing an excellent opportunity for direct dialogue between Trustees and Faculty Senators. The Senators requested that all Faculty Senate presidents receive Board meeting agendas and that Board meetings be held in a room large enough to allow attendance by interested members of the University community. Ms. Loughry reported that Senate members are very much in support of the University's effort to achieve AAU membership.

IV. DISCUSSION OF STRATEGIC AND LONG-RANGE PLANNING

Mrs. Loughry noted that discussion at the Board retreat centered to a large degree on the Board's effort to become more involved in setting meeting agendas. She said a more visibly active role has become essential and expected of Board members.

Mr. Murphy said issues that repeatedly come before the Board might be more effectively addressed on a committee level. For example, he said, the issue of professors and graduate assistants who do not have a strong command of spoken English is a problem the Board hears often. Such an issue could be addressed by the Academic Affairs and Student Life Committee.

After a general discussion of the Board's responsibility to oversee strategic and long-range planning for the University, the committee agreed that it should take an active role in ensuring that an effective planning process is in place.

V. FOLLOW-UP ON BOARD SELF-STUDY WORKSHOP

A. Develop new processes for Board and committee meetings

1. Use of consent agenda

Mr. Stansberry expressed his view that Board meeting discussions should be framed to communicate a particular message to the citizens of the State. A consent agenda would facilitate this process.

Following considerable discussion, committee members endorsed the concept of a consent agenda. Mr. Stansberry noted that a Bylaw change necessary to implement a consent agenda will go before the Governance Committee for its consideration and then to the full Board upon the recommendation of the Committee.

2. Executive Committee's Role in Developing Agenda

Mr. Stansberry said the initial suggestion of items that need to come to the Board must originate with the President and members of his administrative staff who serve as staff liaisons with standing committees. Dr. Petersen said the staff liaisons should work with the respective committee chairs to develop the agenda for committee meetings.

Following discussion of possible agenda items for the next Board meeting, the committee agreed to meet approximately six weeks prior to each regular Board meeting in an effort to identify major items for consideration and determine how those items should be presented.

3. Standing Committees to Meet Between Regular Meetings and in Conjunction with Regular Meetings

Mr. Stansberry suggested that committee meetings aside from those in conjunction with a Board meeting be set at the discretion of the chair of each committee when such a meeting is deemed necessary or advantageous in the promotion of communications across the State. The committee concurred.

Mr. Stansberry further suggested that when committee meetings are held in conjunction with Board meetings and Trustees have an opportunity to attend all committee meetings, agenda items taken forward to the full Board meeting should be limited to recommendations on action items unless the Vice Chair of the Board and the Chair of the committee agree that specific information items should be reported at the Board meeting. The committee concurred.

B. Develop a Set of Personal Qualifications and Core Competencies for Membership on the Board.

Mr. Murphy said the development of personal qualifications and core competencies for Board members was an item discussed in the Governance Task Force Report. He said the Governance Committee intends to make its recommendations to the full Board at the winter meeting on March 2, 2005. The criteria will then be communicated to the Governor.

Dr. Petersen said he will identify verbally to the Governor individuals who could make a contribution to the University if they were appointed to the UT Board of Trustees. Mr. Murphy said Trustees might also consider identifying those candidates that they feel are qualified to hold the position.

C. Work with Other Tennessee Higher Education Institutions on Major Problems Facing the State

Dr. Petersen noted specific initiatives in which efforts are being made by the University to work closely with other higher education entities. Dr. Brice Bible and his staff are helping to coordinate efforts across the state in the area of information technology. Vice President Sylvia Davis and her staff are beginning to develop a framework on the potential of bonding capital statewide. Dr. Petersen also discussed the joint efforts being made with respect to a School of Public Health and a proposed expansion of Pharmacy that would allow for the greatest benefit to the State while remaining as cost efficient as possible.

D. Communications

Dr. Petersen said that members of his senior administrative staff designated to provide support to the standing committees should be in frequent contact with committee chairs. He said he will also make himself available if any Trustee wants to talk to him directly. After his public relations and communications staff is in place, Dr. Petersen will begin sending regular information pieces to the Trustees every six weeks or so. Public relations strategies and communication efforts will be coordinated with the public relations staff on the campuses.

Mr. Stansberry asked Dr. Petersen to consult with the committee chairs on appointments and other major issues within their committees' areas of responsibility.

The committee asked that committee chairs be given directory information for administrative staff down through three levels of reporting and that they be advised in a timely manner of any major issue the University is facing.

E. Develop a Strategy for Addressing the Capital Funding Issue

The committee asked that the strategy for addressing the capital funding issue be considered by the Finance and Administration Committee and the Advancement and Public Affairs Committee. The item will be placed on each Committee's agenda for the November 2004 meeting.

F. Develop a Mission/Vision for the System as a Whole

Dr. Petersen said his staff is working on the mission for the System. He said he hopes to have draft to take through the appropriate committee to the Board in the near future.

VI. REVIEW OF DRAFTS OF OTHER STANDING COMMITTEE CHARTERS

Mr. Stansberry called attention to the drafts of the other standing committee charters (Exhibit 1). He asked if there were any concerns about the proposed charters. The committee agreed that the proposed charters should go forward for review by the Governance Committee.

VII. DISCUSSION OF ROLE AND RESPONSIBILITIES OF THE EXECUTIVE AND COMPENSATION COMMITTEE AND APPROVAL OF COMMITTEE CHARTER

Mr. Stansberry presented the proposed charter for the Executive and Compensation Committee (Exhibit 2). After discussion, Mr. Murphy moved approval of the charter, and Ms. Loughry seconded. The motion carried unanimously.

VIII. APPROVAL OF 2005 REGULAR BOARD MEETING DATES

Mr. Stansberry presented a slate of dates for regular meetings of the Board of Trustees in 2005. He said it is his desire to set the meetings as far in advance as possible. The proposed dates were:

March 1-2, 2005	Winter Board meeting in Chattanooga
June 22-23, 2005	Annual Board meeting in Knoxville
October 19-20, 2005	Fall Board Meeting in Knoxville

The Committee asked the Secretary to determine if there would be a conflict if the fall meeting were changed to October 27-28, 2005. If not, the dates including the revised fall meeting will be presented to the Board at its November meeting.

Ms. Susan Williams made a motion to approve the 2005 meeting dates including the October 27-28 revised date for the fall meeting. Mr. Murphy, seconded, and the motion carried unanimously.

IX. SETTING DATES FOR EXECUTIVE AND COMPENSATION COMMITTEE MEETINGS 45 DAYS IN ADVANCE OF REGULAR BOARD MEETING DATES

The weeks of January 17, 2005; May 2, 2005; and September 5, 2005 were submitted as possible dates for Executive and Compensation Committee meetings. The committee set January 14, 2005 as the date of its next meeting.

X. OTHER BUSINESS

The Chair asked for other business to come before the Committee. No other business was presented.

XI. ADJOURNMENT

There being no further business to come before the Executive and Compensation Committee, the meeting was adjourned.

Catherine S. Mizell
Vice President, General Counsel and Secretary