

MINUTES OF THE TRUSTEESHIP COMMITTEE
BOARD OF TRUSTEES
THE UNIVERSITY OF TENNESSEE

September 10, 2009
Nashville, Tennessee

The Trusteeship Committee of the Board of Trustees of The University of Tennessee met at 1:45 p.m., CDT, on Thursday, September 10, 2009, in the offices of Bradley Arant Boult Cummings, Suite 700, 1600 Division Street, Nashville, Tennessee.

I. CALL TO ORDER

Trustee Andrea J. Loughry, Chair, called the meeting to order.

II. ROLL CALL

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

Anne Holt Blackburn
William Y. Carroll
Andrea J. Loughry
James L. Murphy, III
Jan F. Simek

The Secretary announced the presence of a quorum. Trustee Charles Wharton was also in attendance.

III. APPROVAL OF MINUTES OF PRIOR MEETING

Chair Loughry called for corrections or additions to the minutes from the May 14, 2009 meeting of the Trusteeship Committee. There being no corrections or additions, Trustee Carroll moved approval the minutes, and Trustee Murphy seconded. The motion carried unanimously.

IV. OPENING REMARKS OF THE COMMITTEE CHAIR

Inviting AGB to Host a Forum at the Baker Center for Public Policy

Chair Loughry discussed three major research initiatives being undertaken by the AGB in the next year. She proposed exploring the possibility of inviting AGB to host a forum at the Baker Center on one of the research initiatives. She noted that AGB is also considering specialized regional conferences or workshops which might be another opportunity for the Baker Center. The Committee discussed the need to be cost-conscious but reached consensus that the Chair should pursue these possibilities with AGB and suggest that academic leadership training might be an appropriate topic for a regional conference or workshop at the Baker Center.

Chair Loughry noted the need for new Trustees to have access to beneficial reference materials. She asked the Committee to think of ways to assist new Trustees with institutional knowledge, AGB reference materials and other reference materials.

V. BYLAW AMENDMENTS

A. Titles of Certain Elected University Officers

Chair Loughry recognized Dr. Simek to address the next item for business. Dr. Simek stated that the Bylaw amendments being presented today (Exhibit 1) are necessary to bring the titles of certain elected University officers into conformance with the system administration reorganization approved by the Board on June 17, 2009. Chair Loughry asked if there were any financial implications by removing the title "Vice President" from the officer titles. Dr. Simek responded that with the exception of the eliminated positions, there were no financial impacts. Trustee Wharton asked whether the title of Vice President for Agriculture could be changed to Chancellor at this time. Dr. Simek stated that there are conversations with constituents that need to occur first. Chair Loughry asked whether the title changes proposed would affect the role of these positions as elected officers or their reporting relationship to the Board. Ms. Mizell confirmed that the listing of the officer title in the Bylaws and not the title itself denotes the status of an elected officer and noted that all of the elected officers can only be terminated by the Board.

There being no further discussion, Chair Loughry called for a motion. Trustee Murphy moved approval of the Bylaw amendments concerning titles of certain elected University officers as presented at the meeting, and Trustee Blackburn seconded. The motion carried unanimously.

B. Health Affairs Advisory Board

Trustee Murphy stated that in keeping with a recommendation of the final report of the ECG Management Consultants to the Audit Committee, and in keeping with the endorsement of the Executive Committee and the Audit Committee, a Bylaw amendment is proposed to create a Health Affairs Advisory Board (Exhibit 2). He stated that the Bylaw amendment directs the Vice Chair of the Board to appoint members of a Health Affairs Advisory Board to serve in an advisory capacity to the President and the UTHSC Chancellor in the oversight and management of UTHSC, including its relationship with the UT Medical Group and other affiliated entities. He stated that the Health Advisory Board would encompass more than just the Health Science Center in Memphis because the Health Science Center also has health facilities in Knoxville and Chattanooga. He stated that what is being proposed is a structure similar to the structure of the campus Athletics Boards. He reported that the Bylaw amendment requires that there be at least one Trustee from Memphis, Knoxville, and Chattanooga. He added that it is likely we would appoint all three Trustees from Memphis to the Health Affairs Advisory Board.

Trustee Blackburn asked how the length of a Trustee member's term on the advisory board will relate to his or her term on the Board of Trustees. Trustee Murphy explained that when a Trustee member's term on the Board of Trustees expires, the Trustee will no longer serve on the Health Affairs Advisory Board. A former Trustee would not hold a Health Affairs Advisory Board seat designated for a Trustee. Trustee Blackburn further asked if a Trustee were reappointed to the Board of Trustees, would he or she remain on the advisory board for an additional six years. Ms. Mizell confirmed that as the Bylaw amendment is currently drafted, the Trustee would remain on the board for his or her additional six-year term on the Board of Trustees. Trustee Blackburn suggested that it would be more appropriate for the Trustee appointments to the advisory board be for a two-year period like other appointed members of the board.

There being no further discussion, Trustee Murphy moved approval of the proposed Bylaw amendment. Chair Loughry asked Trustee Blackburn if she wished to move to amend the proposed Bylaw amendment to set a two-year term for Trustee members like other appointed members of the Health Affairs Advisory Board, with members being eligible for reappointment for successive two-year terms. Trustee Blackburn so moved approval of an amendment to the motion, Trustee Carroll seconded, and the motion unanimously carried.

Trustee Murphy then moved approval of the Bylaw amendment concerning a Health Advisory Board, as amended at the meeting. Trustee Carroll seconded the motion, and it unanimously carried.

VI. AMENDMENT OF THE CODE OF ETHICS FOR APPOINTED TRUSTEES

Ms. Mizell stated that a question was raised by a new Trustee at orientation about whether the language of the Code of Ethics for Appointed Trustees prohibits Trustees from writing a letter of recommendation for a relative for employment. Ms. Mizell stated that this question had not previously been presented to her and that that legal research revealed that some universities in states with identical statutory language expressly prohibit Board members from writing letters of recommendation for relatives for employment with the university. In consultation with the Vice Chair and after further review, she proposes amendment of the Code of Ethics to make it clear that letters of recommendation and other actions in aid of a relative seeking employment with the University are prohibited under Article II, Section 2, of the Code even though routine letters of recommendation for non-relatives seeking employment with the University are allowed under Article II, Section 3 (Exhibit 3). Trustee Blackburn asked for clarification if she were to be called as a reference. Trustee Murphy responded that if the call is in regard to a relative, the Trustee should explain that he or she cannot comment. He further stated that the language in the Code of Ethics goes beyond letter writing and states that they may not "take any other action in aid" of a relative's effort to obtain employment with the University.

Trustee Murphy stated that letters of recommendation for admission to the

University are acceptable, and Trustees often write such letters for students they are acquainted with. Trustee Murphy moved approval of the amendment of the Code of Ethics for Appointed Trustees. Trustee Blackburn seconded the motion, and it unanimously carried.

VII. SETTING NEXT COMMITTEE MEETING

Chair Loughry stated that the Committee will meet again prior to the end of the year and then reviewed proposed meeting dates with the Committee (Exhibit 4).

Trustee Murphy moved that the next meeting be set for Thursday, November 12, in Nashville at a specific time to be determined. Trustee Blackburn seconded the motion, and it unanimously carried.

VIII. FOLLOW-UP FROM LAST MEETING

Chair Loughry stated that the follow-up items, "The Gremlins of Governance" and 2010 AGB National Conference on Trusteeship, would be discussed at the November Committee meeting. She asked Ms. Mizell to update the Board on the subject of online board tools.

Ms. Mizell reported that she is still gathering information on implementing an online board portal. She explained that the plan is to issue a Request for Proposals (RFP), select a vendor, and have a board portal in place by next June. Trustee Wharton stated that he finds it uncomfortable to read a computer screen and asked if there would continue to be a paper option. Trustee Murphy stated that as we move forward, we will address those kinds of preferences. Chair Loughry stated that in her contact with other university boards, she has found that several have moved or are moving in a paperless direction.

Chair Loughry asked Trustee Murphy to discuss the fourth Board meeting in 2010. Trustee Murphy stated that the fourth meeting held this year in a workshop format was beneficial and productive and he recommend a fourth meeting for next year in a workshop format. Trustee Blackburn asked about feedback from other Trustees regarding the use of time at the workshop. Trustee Murphy responded that his perception was that the feedback was very positive. He stated that there was very good participation from the Trustees and Dr. Simek received adequate guidance on what he needed to do to come back with the next round of changes. Trustee Murphy stated the facilitator did a good job in asking the right questions and keeping things moving. Trustee Blackburn stated that it also helped to have a very narrowly focused topic and time for extensive discussion.

Trustee Wharton asked if this Committee would have involvement in the presidential search. Trustee Murphy responded that the job description for the President is included in the Bylaws, and this Committee recommends Bylaw amendments. Trustee Wharton then asked about the timing of the presidential search. Trustee Murphy responded that a search may occur at the earliest next spring and maybe

even next summer with the idea of having the appointment beginning possibly with the 2011 fiscal year or academic year.

IX. BOARD INVOLVMENT IN ACCREDITATION (JOINT ADVISORY STATEMENT FROM AGB-CHEA)

Chair Loughry discussed a recent advisory statement from AGB-CHEA regarding more involvement by Board members in accreditation. Trustee Wharton suggested that the Board receive a spreadsheet that illustrates when each college is up for accreditation review and identifies any strengths or weaknesses. Trustee Murphy concurred and asked that Ms. Mizell communicate the request to Dr. Simek.

X. OTHER BUSINESS

The Chair asked if there was any other business to come before the Committee. There was none.

XI. ADJOURNMENT

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

Catherine S. Mizell
Secretary