

DRAFT 5-8-08
MINUTES OF THE TRUSTEESHIP COMMITTEE
BOARD OF TRUSTEES
THE UNIVERSITY OF TENNESSEE

February 15, 2008
Nashville, Tennessee

The Trusteeship Committee of the Board of Trustees of The University of Tennessee met at 10:30 a.m., CST, February 15, 2008 in the offices of Boulton, Cummings, Conners, and Berry, Suite 700, 1600 Division Street, Nashville, Tennessee.

I. CALL TO ORDER

Mr. Don C. Stansberry, Chair, called the meeting to order.

II. ROLL CALL

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

Ms. Anne Blackburn
Ms. Andrea Loughry
Dr. John Petersen
Mr. Bob Talbott

The Secretary announced the presence of a quorum.

Also present at the meeting were Trustee Charles Wharton, Vice President for Public and Government Affairs Hank Dye, members of the public relations staff, and a media representative.

III. APPROVAL OF MINUTES OF PRIOR MEETING

Chair Stansberry called for corrections or additions to the minutes from the October 19, 2007 meeting of the committee. There being no corrections or additions, Mr. Talbott moved approval the minutes, and Ms. Loughry seconded. The motion carried unanimously.

IV. PRESIDENT'S REMARKS

President Petersen briefed the committee on continuing discussions with the Knoxville campus about the interface between the campus and the system. He distributed and discussed the following documents (Collective Exhibit 1): (1) diagram of The University of Tennessee System displaying campuses and institutes on one side and managed organizations on the other; (2) a summary description of the system and the system-managed components, with the reverse side graphically depicting; (3) an organizational chart dated February 4, 2008; and (4) a document entitled "The University of Tennessee Management and

Reporting Responsibilities,” dated October 30, 2007.

Chair Stansberry asked whether it would be possible to summarize all these documents in an easily understandable single piece. President Petersen responded that the Management and Reporting Responsibilities document probably serves that purpose. Mr. Talbott asked the President to identify the official with primary responsibility for the ORNL relationship, as well as the other system-managed organizations. President Petersen responded that he, Executive Vice President David Millhorn, and Vice President for Science and Technology Thomas Zacharia work together closely to manage the ORNL relationship and that Dr. Millhorn works closely with him in the other areas.

Chair Stansberry reiterated his concern that all questions about structure be resolved by the Board before a new Chancellor is hired for the Knoxville campus. Ms. Loughry stated that this matter would be on the agenda for the March meeting.

V. REVIEW OF PROPOSED REVISION OF OUTREACH COMMITTEE CHARTER

Chair Stansberry recognized the Secretary, Catherine Mizell, to present the proposed revision of the Outreach Committee charter (Exhibit 2).

Ms. Mizell explained that the Outreach Committee recommended changes to its charter at the Fall Meeting in November 2007. Under the Bylaws, all committee charters are subject to approval by the Trusteeship Committee. Accordingly, the proposed revisions are before this committee for approval and recommendation to the Board of Trustees. Ms. Mizell explained that the proposed revisions to the charter clarify the role and scope of the committee’s responsibilities, adding increased emphasis on the committee’s oversight of the University’s research activities and changing the name of the committee to Research, Outreach, and Economic Development. Ms. Loughry noted that the proposed revisions are consistent with the goal of aligning committee structure and responsibilities with the University’s mission and strategic plan.

Mr. Talbott moved approval of the proposed committee charter revision, and Ms. Loughry seconded. The motion carried unanimously.

VI. REVIEW OF PROPOSED BYLAW AMENDMENTS

Chair Stansberry recognized Ms. Mizell to present the proposed Bylaw Amendments (Exhibit 3).

Ms. Mizell explained that the proposed revisions to Article III of the Bylaws simply conform the Bylaws to the changes in the charter of the Outreach Committee,

including changing the name of the committee to Research, Outreach, and Economic Development Committee and redefining its purposes and powers.

Ms. Mizell then explained that the proposed revision to Article IV of the Bylaws concern election and appointment of the senior staff of the University. She noted that the principal question is which senior administrative officers should be elected by the Board as officers of the University. Discussions in an earlier committee meeting suggested that the elected officers should be those positions critical to assisting the Board in its oversight of the University and the President. In keeping with that notion, the proposed revisions to Article IV provide for the following positions to be elected by the Board and serve at the will of the Board: President, Executive Vice President, Senior Vice President and Chief Financial Officer, Vice President and General Counsel, Secretary of the University; and Vice President and Treasurer. The Chancellors and the Vice President for Agriculture would be appointed by the President with the prior approval of the appointment and the initial and all subsequent compensation by the Board or the Executive and Compensation Committee and would serve at the will of the President. All other vice presidents and senior administrative staff would be appointed by the President without Board action and would serve at the will of the President. All changes in their compensation would be subject to approval by the Board or the Executive and Compensation Committee.

Ms. Mizell called to the committee's attention additional significant revisions, including a provision the offices of Secretary and the Vice President and General Counsel to be held by the same individual or by two individuals. Ms. Mizell explained that the Bylaws previously so provided, and the committee expressed general agreement with allowing for this flexibility. Ms. Mizell also called the committee's attention to the proposed revision making the office of Vice President and General Counsel a direct report to the Board. She noted that this reporting relationship has been assumed by both the President and the Board for some time but has never been reflected expressly in the Bylaws. She hastened to add that the proposal to include the express provision at this time should not be construed as indicative of the existence of a problem. President Petersen expressed his agreement with this proposed revision, as did other members of the committee. The committee did suggest that the reporting relationship should be described consistently with that of the Chief Internal Auditor—that is, reporting directly to the Board but administrative responsible to the President.

In the course of discussion, Ms. Mizell noted several technical or oversight errors in the draft mailed to the committee, including the provision Section 2(c) for the Vice President and General Counsel to be elected by the Board upon the recommendation of the "Vice Chair and the President." The committee agreed that the President should be responsible for conducting the search and recommending a candidate to the Board for election.

Following the discussion, Ms. Blackburn moved approval of the proposed amendments to Article III of the Bylaws, and Mr. Talbott seconded the motion. The motion carried unanimously.

Mr. Talbott moved approval of the proposed amendments to Article IV of the Bylaws, subject to adding that the Vice President and General Counsel is administratively responsible to the President, providing for the President (and not the Vice Chair) to be responsible for conducting the search and recommending a candidate for election of Vice President and General Counsel, and subject to correction of technical and oversight errors. Ms. Loughry seconded the motion, and it carried unanimously.

VII. REVIEW OF CAMPUS ATHLETICS BOARDS

Chair Stansberry asked Ms. Mizell to discuss the campus athletics boards. Ms. Mizell called the committee's attention to the Bylaw provision explaining that the athletics boards are the means by which the Board exercises oversight of intercollegiate athletics programs. The Bylaw provides for members of the Board of Trustees to be appointed to the athletics boards in the same manner as Trustees are appointed to standing committees.

Ms. Mizell then called the committee's attention to the resolutions previously adopted by the Board of Trustees concerning the athletics boards at the Knoxville and Chattanooga campuses (Exhibit 4). She explained that under the following agenda item, the committee would review proposed changes to the resolution for the UT Martin athletics board. She noted that the last Board of Trustees approval of the resolution concerning the Knoxville athletics board was in 2001, and the Chattanooga athletics board resolution was last approved in 1993. She explained that the Chattanooga resolution is under review and proposed changes will be presented at a subsequent committee meeting.

After discussion concerning Trustee appointments to the athletics boards and the term of those appointments, it was the consensus of the committee that President Petersen should ask that the resolution for the Knoxville athletics board be reviewed and that any needed changes be presented to a subsequent committee meeting.

VIII. REVIEW OF PROPOSED REVISION OF UT MARTIN ATHLETICS BOARD CONSTITUTION

Chair Stansberry asked Ms. Mizell to present the proposed revision of the UT Martin Athletics Board constitution (Exhibit 5). Ms. Mizell explained that the proposed changes are the result of a periodic review the Martin campus conducts

to ensure consistency with current position titles and designations and to align processes with administrative protocols. Some of the changes are housekeeping in nature, but others are aimed at broadening representation on the various standing committees. In addition, the Student Trustee and Faculty Trustee are added as members of the athletics board when those seats are held by representatives of the Martin campus.

Mr. Talbott moved approved of the proposed revision of the UT Martin Athletics Board constitution, and Ms. Blackburn seconded. The motion carried unanimously.

VIII. AGB NATIONAL CONFERENCE ON TRUSTEESHIP

Ms. Loughry reminded the committee to review the brochure they should have received from the Association of Governing Boards concerning the upcoming annual National Conference on Trusteeship. She encouraged committee members to consider attending the conference in furtherance of the Board's professional development.

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
Vice President, General Counsel and Secretary