

THE UNIVERSITY OF TENNESSEE  
BOARD OF TRUSTEES

MINUTES OF THE TRUSTEESHIP COMMITTEE

May 9, 2016  
Nashville, Tennessee

The Trusteeship Committee of The University of Tennessee Board of Trustees met at 3:00 p.m. CDT on Tuesday, May 9, 2016, in the offices of Bradley Arant Boult Cummings, 1600 Division Street, Nashville, Tennessee.

**I. CALL TO ORDER**

Chair Driver called the meeting to order.

**II. ROLL CALL**

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

Spruell Driver, Jr., Chair  
Joseph A. DiPietro  
Raja J. Jubran  
James L. Murphy, III  
Tommy G. Whittaker

The Secretary announced the presence of a quorum. Members of the administration were also present.

**III. MINUTES OF LAST MEETING**

Chair Driver called for any corrections to the minutes of the September 9, 2015 meeting. There being none, Trustee Murphy moved approval of the minutes as presented. Trustee Whittaker seconded, and the motion carried.

**IV. AGB STATEMENT ON TRUST, ACCOUNTABILITY, AND INTEGRITY**

Catherine Mizell, General Counsel and Secretary, led the Committee in a detailed review of the Association of Governing Board Statement on Trust, Accountability, and Integrity, which reports the results of AGB's study on how governing boards are engaged in the oversight of intercollegiate athletics. The study was a follow-up to an earlier AGB Statement on Board Responsibilities for

Intercollegiate Athletics. Ms. Mizell had presented a general overview of these AGB materials at the Committee meeting in September 2015. The Committee's discussion at that time suggested the need for a more detailed review of how the Board of Trustees is carrying out its oversight responsibilities with respect to athletics to determine if there are gaps that need to be addressed. The discussion in September 2015 also raised the question of whether the Board should establish a standing committee on intercollegiate athletics. In the meantime, the General Assembly's enactment of Public Chapter 753 settled that question by requiring that an Athletics Committee be added to the Board's standing committee structure. Ms. Mizell said the AGB materials will provide guidance on potential specific responsibilities of the Athletics Committee and noted that a preliminary draft of those responsibilities is included for discussion in the proposed Amended and Restated Bylaws.

Ms. Mizell called the Committee's attention to AGB's three primary recommendations concerning Board oversight of intercollegiate athletics:

1. The governing board is ultimately accountable for athletics policy and oversight and should fulfill this fiduciary responsibility.
2. The board should act decisively to uphold the integrity of the athletics program and its alignment with the academic mission of the institution. Policies that define the administration of athletics programs should be consistent with those for other academic and administrative units of the institution or system.
3. The board must educate itself about its policy role and oversight of intercollegiate athletics.

With respect to the third recommendation, the Committee's focus on the issue is a crucial first step.

With the aid of a PowerPoint presentation (Exhibit 1), Ms. Mizell led a review of AGB materials, beginning with an overview of the Board's current oversight with respect to intercollegiate athletics, which essentially is carried out by appointment of two Trustees to the athletics board at each of the three undergraduate campuses. The athletics boards are only advisory to the Chancellors and do not maintain any regular communication with the Board of Trustees. From a financial and compliance perspective, however, the Audit and Compliance Committee does receive and review the annual NCAA Statement of Revenues and Expenses for the athletics departments; the State Audit Department audits the financial statements annually, and the results are reported to the Audit and Compliance Committee; and the Office of Audit and Compliance periodically audits various aspects of the athletics programs, including compliance, and reports the results to the Audit and Compliance

Committee.

The review continued with the eight areas of Board engagement addressed in the AGB materials:

- General oversight responsibilities
- Executive leadership
- Athletics department mission
- Fiscal responsibility
- Academics and student-athlete welfare
- Compliance
- Personnel
- Communication and information flow

For each area of Board engagement, Ms. Mizell suggested ways in which the Board's oversight could be enhanced and presented draft Bylaw amendments to accomplish that purpose. For example, it would be stated expressly that the Board, with its Athletics Committee, shall exercise oversight of intercollegiate athletics and hold the Chancellor accountable for appropriate execution of their responsibility for administration and control of those programs. Further, the Athletics Committee would be fully empowered to review the operation of the athletics programs and would be expected to consult with the President and the Chancellors on matters having a long-term impact on the operations, reputation, and standing of the athletics programs and consequently on the UT System.

At the end of the review, the consensus of the Trusteeship Committee was that in view of the new requirement of an Athletics Committee as a standing committee of the Board, the next steps in the process of assessing and enhancing Board oversight of intercollegiate athletics should be: (1) appointment of the committee as proposed in the draft Bylaws; (2) an organizational meeting of the committee to review proposed specific responsibilities of the committee; (3) identification of priority areas of engagement and possible assignment of working groups for those areas composed of committee members and administrative staff; (4) consideration of the kind of information that should flow regularly to the committee and to the Board; and (5) an educational program for Trustees on intercollegiate athletics and the Board's oversight responsibilities.

## **V. BYLAWS REVIEW**

Ms. Mizell reminded members that at the May 19, 2015 meeting, the Committee voted to recommend various Bylaw amendments to the Board of Trustees, some of which related to a proposed reorganization of the President's Staff in an effort

to reduce the number of direct reports to the President. Subsequent to the meeting, it became apparent that some the proposed amendments needed further consideration, including those related to the proposed staff reorganization, as that plan continued to evolve. Accordingly, then-Committee Chair Jim Murphy chose not to submit the amendments to the Board at the June 25, 2015 meeting. Review of the Bylaws continued at the September 9, 2016 Committee meeting, and at that time the Committee anticipated submitting proposed amendments to the Board at the April 1, 2016 meeting. During the recent legislative session, however, it became apparent that legislation impacting the Bylaws was likely to be enacted but not before the April 1 meeting. Consequently, further action on the Bylaws was deferred again.

Ms. Mizell explained that with enactment of Public Chapter 753 on April 12, 2016, various amendments to the Bylaws are necessary to conform to the new law. Because the necessary amendments are substantial, it seemed appropriate to take the opportunity to do a comprehensive review and revision of the Bylaws for consideration by the Board at the June 22-23 Annual Meeting.

Ms. Mizell then guided the Committee through a review of the proposed Amended and Restated Bylaws (Exhibit 2). Amendments conforming to Public Chapter 753 were highlighted. Committee members made various suggestions for clarification, simplification, and to increase flexibility. For example, the opportunity for students and employees to address the Board should be incorporated into the new statutory requirement for the Board to provide an opportunity for members of the public to address the Board or a committee of the Board. The provision against a Trustee serving more than two consecutive terms as chair of a committee should be deleted to allow greater flexibility in making chair appointments.

Ms. Mizell said she would incorporate the Committee's suggestions into a new version and circulate it for review. She said she would reorganize the sections to promote clarity and readability, but she also suggested that the Committee's recommendation to the Board should include authorization for the Secretary to make further organizational changes, format changes, and technical corrections before publishing the Amended and Restated Bylaws. Committee members concurred.

## **VI. 2016 WORKSHOP TOPIC**

A topic for the 2016 workshop was discussed at the Executive and Compensation Committee earlier in the day, with Trusteeship members present. In that meeting, Vice Chair Jubran said a workshop will not be held unless there is a relevant and significant topic and ample time to prepare materials. The

Committee discussed potential topics and location options. Vice Chair Jubran said he would work with Dr. DiPietro and his staff to determine if a workshop will be held, and if so, to determine a final topic and location.


**VII. OTHER BUSINESS**

There was no other business to come before the Committee.

**VIII. ADJOURNMENT**

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

Respectfully Submitted,

  
Catherine S. Mizell, Secretary