

MINUTES OF THE WINTER MEETING

BOARD OF TRUSTEES

THE UNIVERSITY OF TENNESSEE

March 6, 2003
Nashville, Tennessee

The winter meeting of the Board of Trustees of The University of Tennessee was held at 10:00 a.m., Thursday, March 6, 2003 in Ballroom 4, The Sheraton Hotel, Nashville, Tennessee.

I.

CALL TO ORDER AND INVOCATION

Vice Chair Clayton McWhorter called the meeting to order, and Mr. D. Lynn Johnson gave the invocation.

II. ROLL CALL

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

Mrs. Johnnie D. Amonette
Governor Philip N. Bredesen
Mrs. Barbara C. Castleman
Mr. B. C. "Scooter" Clippard
Mr. J. Steven Ennis
Commissioner Ken Givens
Dr. Lawrence J. Hak
Mr. James A. Haslam, II
Mr. Waymon L. Hickman
Dr. Rhynette N. Hurd
Mr. Jerry L. Jackson
Mr. D. Lynn Johnson
Mrs. Andrea J. Loughry
Mr. R. Clayton McWhorter
Mr. John H. Pontius
Dr. Richard G. Rhoda
Commissioner Lana C. Seivers
Dr. John W. Shumaker
Mr. Don C. Stansberry, Jr.
Mr. William B. Stokely, III

Dr. Natalie A. Tate
Mr. John C. Thornton
Mrs. Susan R. Williams
Mr. James L. "Bucky" Wolford

The Secretary announced the presence of a quorum.

III. APPROVAL OF MINUTES OF PRIOR MEETINGS

Mrs. Johnnie Amonette moved approval of minutes since October 2002 with one addition. A revision to the minutes of the October 25, 2002 Executive Committee meeting should reflect Mr. R. Clayton McWhorter's presence at the meeting. Mr. Jerry L. Jackson seconded, and the motion carried unanimously.

IV. ELECTION OF CHAIRMAN OF THE BOARD

Mr. James A. Haslam, II, made the following motion:

It is my great honor and privilege to nominate the Honorable Philip N. Bredesen, Governor of the State of Tennessee, to serve as Chairman of the Board of Trustees of The University of Tennessee.

I further move that the nominations cease and that Governor Bredesen be elected by acclamation to the office of Chairman of the Board effective immediately.

The motion was seconded by Mr. Jerry L. Jackson, and carried unanimously.

Vice Chair Clayton McWhorter presented a Trustee lapel pin to Governor Bredesen and recognized him for remarks.

Governor Bredesen thanked the Board for electing him as Chairman. The Governor assured the Board that despite the budget difficulties of the current year, his commitment to higher education is strong.

Governor Bredesen deferred responsibility for chairing the meeting to Vice Chair McWhorter..

V. INTRODUCTIONS

Vice Chair McWhorter introduced new Trustees, Commissioner of Agriculture Ken Givens and Commissioner of Education Lana Seivers, and presented Trustee lapel pins to each.

VI. REPORT OF THE PRESIDENT

President Shumaker reported that he and Governor Bredesen have begun

working together to assist with the budget challenge for higher education, with a strong commitment to the preservation of the academic quality at the University. The focus on students as the University's primary constituency remains strong. The nine percent budget reduction for The University of Tennessee system totals \$38.2 million. With the help of the chancellors and other administrative staff, approximately \$33.2 million in reductions have been identified to date. An estimated \$5 million in revenue enhancements have been identified to offset some of the \$38 million. The best estimate is that the reductions will involve some 375 faculty and staff positions and will affect about 1000 students across the 42,000 student system.

A priority of the University to focus on enrolling brighter students who will persist through graduation and stay in Tennessee after graduation. The University must also support its faculty and empower them to reach goals of professional achievement as teachers, scholars and resources for our community and state.

The University's endowment is a tremendous asset, but more private support for the University must be emphasized. The University administration is confident it can raise the endowment to well over a billion dollars in the years ahead and is laying the groundwork for a capital campaign with an ambitious target of well above \$500 million. The exact goal will be determined through in a feasibility study.

The University must enhance its revenues from research. Much of what the University does in the research area is funded through federal grants and contracts. The University's new office in Washington, D. C. has great potential to increase the flow of federal dollars into the research and educational programs of The University of Tennessee.

Cooperation between the two systems of higher education in Tennessee must be stressed in the interest of students. The University of Tennessee does not function in a vacuum. It is closely connected with the K-12 system and must strive to make sure that system develops and thrives. The University is a partner in the higher education venture with the Tennessee Board of Regents and the network of private institutions throughout the state. Dr. Shumaker pledged to the Board and public his continuing commitment to work with all the University's educational partners to make the available resources go further to create new and exciting approaches to educational opportunities and research. The University has a wonderful and dynamic partnership with Battelle in UT-Battelle, a private corporation formed to manage the Oak Ridge National Laboratory. Already that partnership is yielding results in terms of new research opportunities for Tennessee.

The University is working well and following the lead of Dr. Manning and the Board of Regents to begin to address questions of general education requirements and articulation agreements between community colleges and four-year institutions which would allow students to transfer back and forth between

institutions. The success of the Board of Regents in addressing the issue has stimulated the University to work more closely with them to assist interested students in succeeding.

A creative and dramatic partnership with Board of Regents institutions to address critical and emerging needs in Tennessee public health and preventative medicine is being proposed. For years there has been talk of The University of Tennessee and the Tennessee Board of Regents moving in parallel sequence towards the goal of an accredited school of public health that would increase and enhance the state's ability to compete for federal dollars in this critical and emerging area. The best way to proceed in developing comprehensive public health teaching programs, research programs and community outreach programs is for the two systems to work together.

Dr. Shumaker introduced Dr. Charles Manning, Chancellor of the Tennessee Board of Regents; Dr. Ralph Faudree, Provost of the University of Memphis; Dr. Paul Stanton, President of East Tennessee University; Dr. Wilsie Bishop, Dean of the College of Public and Allied Health, East Tennessee State University; Dr. Ron Franks, Vice President of Health Affairs and Dean of the College of Medicine, East Tennessee University; and President James Hefner, Tennessee State University.

President Shumaker then introduced Dr. Michael Blackwell, Dean of The University of Tennessee College of Veterinary Medicine, and asked him to more fully explain the proposed College of Public Health.

Dr. Blackwell expressed his hope that those in attendance would leave the meeting realizing the State is entering a new age in health care in which education is of utmost importance. Dr. Blackwell presented the proposed Tennessee College of Public Health through a series of slides showing current health statistics for citizens of Tennessee along with the impact innovative statewide education, research and public service programs would have in the area of preventative medicine and the well being of the Tennessee's citizens (Exhibit 1). Dr. Blackwell said education is important to the improvement of the health of general population, and improved overall health is necessary to reduce the burden on the health care system of the State.

Dr. Shumaker announced that the process of setting out the bylaws, charter, structure, budget, and details of the proposed Tennessee College of Public Health is underway. He is convinced that most of the resources necessary to create the college already exist, but organizing and packaging those resources requires attention. Dr. Shumaker said he hoped the Board will approve the concept of the Tennessee College of Public Health with a charge to him to work with Chancellor Manning and others to develop all the details for final action at the June Board meeting.

Dr. Charles Manning, Dr. Paul Stanton, Dr. James Hefner, and Dr. Ralph Faudree

expressed their commitment to the Tennessee College of Public Health and their interest in working in a joint effort with The University of Tennessee to see the proposal become a reality. Commissioner Ken Givens, Scooter Clippard and Rhynette Hurd offered their wholehearted support of the proposal.

Governor Bredesen said the proposed effort will take the concept of preventative care to the general population of Tennessee. He asked whether policies such as smoking policies and physical education policies at the University encourage students to be more aware of preventative medicine. Dr. Shumaker asked that the Chancellors and Provost address the question in their reports to the Board.

Dr. Shumaker presented the Scorecard (Exhibit 2), which defines where the University is today in terms of effectiveness and quality for each University of Tennessee campus and projects where the University expects to be in the year 2010. Dr. Shumaker noted that the Scorecard now includes a detailed scorecard for the campuses in Chattanooga and Martin, as well as the strategic initiatives for the flagship University of Tennessee (includes Knoxville, the Health Science Center in Memphis, the Institute of Agriculture, the Institute for Public Service and the Space Institute in Tullahoma).

Dr. Shumaker asked Drs. Nick Dunagan, Bill Stacy, Jim Gibb Johnson and Loren Crabtree to report on their respective campuses and Executive Vice President Steve Leonard to conclude the presentations with a report on the Space Institute.

VII. CAMPUS REPORTS

Drs. Nick Dunagan, Bill Stacy, Jim Gibb Johnson, and Loren Crabtree reported on the programs and activities on the Martin, Chattanooga, Health Sciences and Knoxville campuses and how each will respond to necessary budget reductions. In response to the Governor's question about student interest in preventative health initiatives, each campus head said the physical fitness initiatives including physical education classes and intramural sports programs are very well received by the student body and most are filled to capacity and beyond. Each of them expressed enthusiastic support of the newly proposed Tennessee College of Public Health. Executive Vice President Steve Leonard reported on the streamlined and refocused efforts at the Space Institute in Tullahoma, particularly the research and partnering initiatives that are readily available.

VIII. REPORT OF THE NATIONAL ALUMNI ASSOCIATION

The Vice Chair recognized David Noblit, Chair of the National Alumni Association, who made a brief report on the activities of the Alumni Association.

IX. NEW BUSINESS

A. REPORT OF THE ACADEMIC PROGRAMS AND PLANNING COMMITTEE

1. **Report of Information Items.** Mrs. Andrea Loughry, Chair of the Academic Programs and Planning Committee, reported that the committee received information reports on The University of Tennessee Research Foundation and on plans for improved retention and progression rates for students at the Knoxville campus.
2. **UT System Report on Academic Programs Identified as “Low-Producing” by THEC.** Mrs. Loughry moved approval of the report on Academic Programs Identified as “Low Producing” by THEC (Exhibit 3).
Mr. James A. Haslam, II, seconded, and the motion carried unanimously.
3. **Proposal for a Program of Study Leading to the Degree of Doctor of Physical Therapy (DPT)–UT Health Science Center.** Mrs. Loughry moved approval of a Program of Study Leading to the Degree of Doctor of Physical Therapy (DPT), UT Health Science Center (Exhibit 4). Mr. D. Lynn Johnson seconded, and the motion carried unanimously.
4. **Creation of Tennessee College of Public Health.** Mrs. Loughry moved approval of the creation of the Tennessee College of Public Health Education as previously presented (Exhibit 5). Mr. Scooter Clippard seconded, and the motion carried unanimously.

B. REPORT OF THE FINANCE AND ADMINISTRATION COMMITTEE

1. **Report on Information Items.** Committee Chair Steve Ennis reported on five information items presented to the committee, including the year-to-date and quarterly investment results, a budget update, an organizational/streamlining report, an update on the reconstitution of the chancellor’s position at Knoxville and an Athletics Task Force report.
2. **Filing of Liaison Committee Minutes.** Mr. Ennis moved acceptance of minutes filed for the UT Bowld Hospital Liaison Committee meetings held on August 19, 2002 and October 2, 2002 (Exhibit 6). Mr. Jerry Jackson seconded, and the motion carried unanimously.

C. REPORT OF THE ADVANCEMENT AND OUTREACH COUNCIL

Mr. Scooter Clippard, Chairman, reported that the Council met earlier in the day with the majority of Trustees in attendance. Governor Bredesen’s Senior Advisor for Legislation and Policy, Anna Windrow, explained how

the executive branch of government works from day to day with both bodies of the General Assembly.

D. REPORT OF THE LIAISON COMMITTEES

- 1. UT Chattanooga Liaison Committee.** Mr. John Thornton said student morale is good on the Chattanooga campus. The Student Government Association on the campus has a number of projects underway including an evaluation of faculty, which will be shared with the Liaison Committee members at the next meeting. The students are also working on a Habitat for Humanity project to build a home in the area. Dr. Marvin Ernst reported on behalf of the faculty bringing the committee up to date on work in progress on admission standards, a revised sexual harassment policy, distance learning policies and faculty salaries.

Enrollment at UTC has increased approximately 20 percent, and the number of students living on campus has doubled as a result of the addition of UTC Place. The Chattanooga campus is second in the State of Tennessee in the graduation of African-American students. The African-American population on campus is 18 percent and growing.

- 2. UT Martin Liaison Committee.** Mr. Jerry Jackson distributed copies of the UT Martin Liaison Committee report (Exhibit 7). He said an item of special importance is the partnering between UT Martin and the Tennessee Technology Center in Jackson which will make it possible for students to attend a variety of UT Martin classes on the Tennessee Technology Center campus in Jackson. Mr. Jackson said applications for first time students are up by 22 percent from the previous year. He asked Chancellor Nick Dunagan for a brief report on the WestStar program. Dr. Dunagan said WestStar is a program that encourages leaders from across rural West Tennessee to look beyond the boundaries of their cities or counties and think regionally in their efforts to solve problems and maximize potential which will ultimately make West Tennessee a better place to live and work.

X. OTHER BUSINESS

The Vice Chair asked for other business to come before the Board. None was presented.

XI. ADJOURNMENT

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

Catherine S. Mizell
Vice President, General Counsel and Secretary