

Minutes of the retreat of the Board of Trustees of the University of Kentucky, Sunday, October 24, 2010.

The Board of Trustees of the University of Kentucky began its retreat at 1:00 p.m. (Lexington time) on Sunday, October 24, 2010 at Spindletop Hall, 3414 Iron Works Pike, Lexington, Kentucky.

A. Members Present

The following members of the Board of Trustees were present: E. Britt Brockman, (Chair), Sheila Brothers, Penelope Brown, Jo Hern Curris, Dermontti Dawson, William S. Farish, Jr., Oliver Keith Gannon, Pamela T. May, Everett McCorvey, Billy Joe Miles, Terry Mobley, Sandy Bugie Patterson, Joe Peek, Erwin Roberts, Charles R. Sachatello, Frank Shoop, Ryan Smith, James W. Stuckert, and Barbara Young. Carol Martin "Bill" Gatton was absent from the meeting.

President Lee T. Todd, Jr. was present for the President's Remarks. The University administration was represented by Vice President for University Relations Tom Harris and Executive Director for Public Relations and Marketing Jay Blanton. Faculty members on the Presidential Search Committee Lee Meyer and Hollie Swanson, and a member of the media were also present.

B. Chairman's Opening Remarks

Dr. Brockman welcomed the Board members and thanked them for attending the retreat. With the last Board retreat being in August 2008 and with President Lee Todd's announcement of his retirement effective June 30, 2011, Dr. Brockman thought the Board needed to have a retreat to discuss the process regarding the transition of presidents. He asked President Todd to give some remarks about his interview for the presidency nine years ago and provide any words of wisdom for the Board.

C. President's Remarks

President Todd gave his thoughts about his experience when he was interviewed and his perception as a candidate. He also expressed his thoughts on hiring the next president. He informed the Board that they may need to recruit candidates for the position and possibly encourage others to apply. He cautioned the Board to not let anything they heard about a potential candidate go unquestioned. He told of the various groups that he met with on campus and said that the Presidential Search Committee needs to observe the interviews that are held with the groups on campus. There should also be an opportunity for the candidates to talk with members of the Committee one-on-one.

President Todd said that he does not believe the Board needs to go around the state this time because the state's loyalty is there. He said that research is a part of the economy, and Dr. Leonard Heller can talk to the Board about the Coldstream Research Campus.

President Todd told the Board that Mrs. Todd was treated poorly during her visit, and he advised the Board to work on that part of the process. He talked about the important role of the president's spouse and said the Search Committee should meet with the spouses. The Board should address spouse support and assistance with the potential spouse.

The University needs to plan the announcement of the candidate better. It needs to seek advice regarding handling the final announcement and do a better job this time.

President Todd said his view of the position was to help the state in the best way he could. He encouraged the Board to seek someone that has premium on helping the state. He said that he was hired to build the institution, and the Board needs to find someone to build on what has been done. The Board should hire someone who is willing to work in Frankfort, who wants to have an impact on the state, who is good at recruiting and selling the University, who has a high energy level, who has an entrepreneurial attitude, who will take measured risk, who has already shown a tendency to be at the national level, who has a strong respect for research, who has an appreciation for faculty, who has an interest in athletics, who wants to keep alumni attached to the University, and who will be willing to do fundraising. He stressed the importance of the Committee to ask the candidates important questions and noted that the president's evaluation process should be addressed with the finalists.

He said that the Top 20 ranking has a risk of just being about numbers. The key should not be about recruiting smart out of state students but about helping Kentucky students. The best way to improve rankings is to change K-12.

President Todd concluded his remarks by giving leadership quotes from the book entitled *Good to Great* by author Jim Collins. He gave the top five leadership qualities and encouraged the Board to read the book. He wished the Board success in their search for the next president. Dr. Brockman thanked President Todd for setting the tone for the retreat.

D. General Counsel's Remarks

Dr. Brockman informed the Board that General Counsel Barbara Jones was unable to attend the retreat. He read the following information that Ms. Jones asked him to read to the Board:

Open Meetings and Open Records Law

1. The Search Committee is subject to the Open Meetings Law.
Lexington Herald-Leader Company v. University of Kentucky Presidential Search Committee, 732 S.W.2d 884, S.Ct (1987)

The Open Meetings Law requires the following:

- a. Public notice of the meeting date, time and location, "convenient to the public" (KRS 61.820).
- b. The Search Committee can only have videoconferencing in open meetings, not in closed meetings (KRS 61.826).

- c. The Search Committee **cannot** go into closed session to meet initially with the search firm.
 - d. The Search Committee **can** go into closed session to interview and discuss the candidates with the search firm representatives but must follow the closed meeting procedures as set forth in the applicable statutory exception (KRS 61.810 (1) (f).
2. The Search Committee Records could be subject to the Open Records Law.
- a. Candidate applications would not be considered an open record at any time during the search process. This means no one, including the press, would ever be entitled to review any of the candidate applications unless disclosed by the candidates themselves.
 - b. The only candidate application that would ever become public would be the candidate that is finally selected by the Board of Trustees when the selection is announced.
 - c. The Search Committee's notes on each candidate would be considered preliminary and would contain recommendations, and therefore, would not be subject to disclosure to the public at any time.

3. Litigation Caveat

While everything above has addressed the protections the Search Committee has through the Closed Meetings Law and the Open Records Law, should an unsuccessful candidate choose to litigate a failure to select him or her, all of the applications and notes of members might be considered "discoverable" and subject to disclosure to counsel for the party who chooses to litigate. Be professional in the comments made in notes when interviewing and considering the candidates.

Dr. Brockman then asked Mr. Stuckert, Chair of the Presidential Search Committee, to give a report on the Committee.

E. Chair of Presidential Search Committee Remarks

Mr. Stuckert, Chair of the Presidential Search Committee, reported that the Committee is now complete with the appointment of the staff representative. He announced that he had appointed Terry Mobley to be Vice Chair of the Committee, and Peggy Way will serve as the Administrative Assistant in handling matters for the Committee. The Committee has an office in the Helen G. King Alumni House.

Mr. Stuckert reported that he and Mr. Mobley met on Friday, October 22, 2010 at 3:15 p.m. with Executive Vice President Frank Butler and Director of Purchasing Bill Harris to

receive the responses to the RFP that had gone out, and three replies were received. He asked Mr. Harris to go back and ask why the University did not receive more replies. Jan Greenwood is one of the three received and former Dean of Arts and Sciences Michael Baer is a member of one of the other firms submitting a reply. He noted that there were seven land-grant universities seeking presidents at this time.

Mr. Stuckert said that there had been various constituencies such as the deans wanting to meet with the Committee. He wants the faculty to come up with a list of things they think are pertinent when seeking the next president. He informed the Board of the website for the search, www.uky.edu/PresidentialSearch, and encouraged them to review it often.

Mr. Stuckert mentioned several current and past presidents who might be helpful in recruiting possible candidates and noted that someone would be contacting those individuals.

He concluded his remarks by stressing the importance of secrecy and confidentiality throughout the search process.

F. Presidential Transition Workshop

Dr. Brockman introduced Dr. William E. Shelton, a consultant with the Association of Governing Boards of Universities and Colleges. He reviewed Dr. Shelton's biography, noting that he is a longtime higher education executive and served as president of Eastern Michigan University for 11 years.

Dr. Shelton began the workshop by saying that selecting a president is the most important decision that the Board will make. The average length of service for a president is eight years, and there is a much smaller pool of candidates now.

Dr. Shelton stressed the importance of confidentiality and the need for the Board and Presidential Search Committee to sign confidentiality forms because people are risking their careers by being candidates. He talked about the role of the Board versus the role of the Search Committee. He noted that the transition is tougher on the person leaving the position than the person coming into the position.

Dr. Shelton displayed a chart titled "Desired Workshop Outcomes." He briefly reviewed the chart and said that a search is an art rather than a science.

His next chart was titled "Characteristics of a Successful Search." He reviewed the items on the chart, noting that the search consultant takes on the responsibility to coordinate the process working with the Search Committee.

Dr. Shelton provided a series of charts on The Academic President 1986 – 2006 and noted the following:

There are more females than in 1986.

The age has changed -- older nominees are getting the jobs.

A Ph.D. is more dominant.
Higher Education experience has increased.
There are more senior executives in academic affairs getting the jobs.
Other senior executive are being hired.
Presidents' appointments have increased.

Dr. Shelton said that the cultural fit with the institution is most important. He cautioned that there are lots of candidates who meet the position description, but not the cultural fit. It is important for the candidates to know where the University is today and where it wants to go. That will determine who the president is. When a president fails, it is not because of credentials. More often than not, it is because of the lack of a good fit with the culture of the institution. If the cultural fit is unknown, the search firm cannot make that decision.

Dr. Shelton led the Board members in an exercise defining the characteristics of UK as well as the strengths and challenges confronting the institution. He said that UK would be very attractive to potential candidates for a number of reasons. He had the Board participate by naming reasons that candidates should be interested in coming to the University of Kentucky. The Board gave the following reasons:

Flagship institution	William T. Young Library
Carnegie Classification	Politics
Land-grant institution	Large Employer
State loved institution	Research
Medical Center	Agriculture
Professional school centered	Alumni base
Athletics (SEC Conference)	Music

Dr. Shelton talked about preparing for the search. He talked about the Search Committee's charge, and a code of ethics, including confidentiality. There needs to be a written charge by the Board. The Board interview is the last piece of the process.

He talked about presidential compensation in higher education. He presented a book entitled *A Guide for Governing Boards* by Robert H. Atwell and suggested that the Board members purchase the book. He said that the Board can expect the salary of a new president to be approximately \$700,000. The search can be done in six to nine months because October to January is when presidents look for positions.

Dr. Shelton talked about the following items in preparing for the search:

- The search structure and timeline.
- Communication protocols.
- Institutional assessment.
- The leadership statement/position description.
- Executive search firm.

He presented the following advantages of using a search firm:

- Coordination of search process by an experienced professional.
- Assist with constituent group input, institutional assessment, and search committee composition.
- Expertise in the preparation of leadership statement, position notice, and media releases.
- Recruitment and screening of candidate pool.
- Reference and credential checks.
- Arrangement of travel and interview schedules for semifinalist and finalist.
- Assistance with development of employment agreement.

He then reviewed some of the disadvantages listed below and suggested that the Executive Committee of the Board might select the search firm, not the Search Committee:

- External view of institutional culture and character.
- Reduction in institutional control of the search process.
- Potential of using a “Recycled” candidate pool.
- Potential conflict of interest with multi-client firms.
- Cost.

Dr. Shelton reviewed the various questions and decisions that should be decided with the search firm prior to hiring the firm:

- How will firm handle airport interviews?
- Will expenses go straight to firm or through the University?
- Does firm get billing expenses plus their fee?
- Who does what and when is it done?
- Who is in their prospective candidate pool?
- Who will the firm deliver that the University could not get from a pool of candidates?
- Is there diversity in candidate pool?
- What is the contingency plan if the University does not get the number one candidate?

Dr. Shelton said that it is important to have a clear understanding with the search firm that the firm’s job is not finished if there is not a particular person that the Board wants. If this happens, the University should hire an interim person that is not on staff or someone inside the University, and the search should continue. The final bill should not be paid to the search firm until a candidate is selected. The Board should set dates as to when and who makes that decision.

Dr. Shelton presented the phases of the process which include search, screening, and selection. He stressed the need for a signed preliminary document by the candidate.

- Search – Committee and search firm meet regularly and collect information.
- Screen – Committee does this process and selects 8-15 semi-finalists. Candidates are subject to continued search information. Committee schedules reference check and reviews the findings on the references. There are airport interviews, usually 90 minutes and done in 2 ½ days. Committee

selects 3 to 5 candidates to send to the Board.

Select – The Board selects the candidate. It is important to recheck background again. Before announcement is made, there needs to be a signed letter of intent, and the Board should get a list of special requirements.

Dr. Shelton had the Board participate in an exercise regarding the strengths and weaknesses of the University and rate them.

Strengths

Deans	Flagship
Employee Benefits	Loyalty
Faculty	Research
Medical Center	Shared government
Business Plan	Creative Spirit
Alumni base	Passion for all things in Kentucky
Student focus	Expertise
Athletics	Wide variety of faculty
National and international Programs	Centralized campus
Endowment	Extension offices

Those rated the highest were Medical Center, flagship, research, athletics, faculty, and a passion for all Kentucky.

Weaknesses

State funding
Poor communications – internal and external
Lack of political leverage
Academic brand
Aspirations verses reality
Physical infrastructure
Morale
Lack of supervisor support for UK offerings
Student population (open door policy or be more selective) and pursuit of rankings
Division among constituent groups (silos)
Athletics

Those rated the highest in the weakness category were funding, lack of political leverage, and aspirations versus reality.

Dr. Shelton then asked the Board to name some opportunities and external threats at the University, and the Board named the following:

Opportunities

Increase out of state enrollment
World recognition, such as equestrian games
Cutting edge on research
Agriculture development (going green)
Honors programs
Academic perception and prestige

External Threats

Health plan
Remedial Education K-12
Technology
CPE Funding Formula for Higher Education
Drain on UK during search process
Traditional business model thinking

Dr. Shelton concluded his remarks by saying that it is important that the Chair of the Board lets the deans and others know that the institution is going to move forward during the search process. The chief academic officers need to be engaged and make sure that the business of the University continues.

G. Closing Remarks by Chair Brockman

Dr. Brockman said that the next step would be to select a national search firm that will assist in the process. Proposals have been submitted, and the goal is to select a firm in mid-November. He thanked Dr. Shelton for his informative presentation, and the Board gave Dr. Shelton a round of applause. Dr. Brockman asked the Board to complete the evaluation form for Dr. Shelton before leaving. He thanked everyone for attending the retreat, and the retreat ended at 5:15 p.m.

Respectfully submitted,

Pamela T. May
Secretary, Board of Trustees