

**MINUTES OF THE REGULAR BOARD MEETING OF THE
TEXAS SOUTHERN UNIVERSITY BOARD OF REGENTS
HELD IN HOUSTON, TEXAS ON MARCH 14, 2008**

1. **CALL TO ORDER.** Chairman Glenn Lewis called the regular meeting of the Texas Southern University Board of Regents to order at 4:10 p.m., on Friday, March 14, 2008.
2. **ROLL CALL.** Regents Present: Mr. Glenn Lewis, Chairman; Mr. Richard Salwen, Vice Chair; Mr. Gary Bledsoe, Mr. Richard Holland, Mr. Richard Knight Jr., Mrs. Curtistene McCowan, Ms. Tracye McDaniel and Mr. Larry Taylor, Student Regent

Regents Absent: Mr. E. Javier Loya and Mr. Samuel L. Bryant

Others Present: Dr. John Rudley, President; Ms. Gita Bolt, General Counsel; Dr. James Douglas, Interim Provost; Ms. Karen Griffin, Executive Director for Board Relations; Mr. James Hooton, Reorganization Plan Administrator; Dr. Willie Marshall, Vice President for Student Services; Ms. Janis Newman, Chief of Staff; Ms. Yolanda Nimmer-Williams, Interim Director of Internal Audit; Mr. Billie Owens, Sr. Vice President of Business & Finance; Mr. Lance Ross, Vice President of Facilities Planning & Operations; Ms. Lana Shadwick, Vice President of Institutional Advancement; Ms. Gloria Walker, Chief Operating Officer; Mr. Shannon Broussard, Director of Student Activities & Special Events, and Ms. Martha Morgan, Transcriber

3. **CONFLICT OF INTEREST.** Chairman Lewis called the Regents' attention to the Conflict of Interest Statement and advised them to complete the statement form if there is a conflict and submit it to Ms. Griffin in the Office of Board Relations.
4. **NEXT BOARD MEETING.**

Chairman Lewis stated that he had received a request from the president's office to consider backing the board meeting up to 11:00 a.m. He stated that by doing so it would allow the Regents to have more meeting time. This item was opened for discussion.

Regent Knight stated that he supports the idea. However, he emphasized that the earlier meeting time is good and recommended for the board's consideration that it only be done if accompanied by some type of committee system.

Chairman Lewis informed the board members that it was his intent to have the committee assignments by the next meeting; however, due to some professional obligations he will get it done for the next meeting. Also, the Chairman explained that considerations were being made by the Board to cut-back on the monthly meeting and have quarterly meetings. He was not certain if the Board was prepared to do so right now.

On motion by Regent Knight, seconded by Regent McDaniel, the Board supported the President's recommendation (of changing the time of the board meeting) along with the establishment of a very viable board committee system to be presented at the next meeting.

Regent Bledsoe expressed his concerns of changing the time and how it affects the community that is served both on campus and in the greater Houston area. He stated that the people may want to attend but not able to because students may be in class, faculty members may have responsibilities in class and members in the community may have to work. Regent Bledsoe suggested that if the time is changed then the Board should allow flexibility for the beginning times for the meetings so that it is not necessarily locked into 11:00 a.m. so that there would specifically be times when the Board could allow members of the community to come and participate and see what the Board is doing.

Chairman Lewis responded by saying that the Board has the authority to schedule its meetings whenever it choose; whatever time and whatever day it choose as long and the Board complies with the posting rules.

After much discussion and several recommendations from board members and the administration, Chairman Lewis asked Regent Knight to withdraw his motion in favor of a motion that says the Board would schedule the next board meeting for April 11, 2008 and hold off posting the time until they [the Board Members] have had an opportunity to review the information.

Regent McDaniel stated that there are other universities that have structures in place to engage the public and the university community; perhaps their models can be looked at to see how they are done and then bring a recommendation back so that the Board can have that kind of public engagement available in our meeting structure and then we can move forward. She stated that the key point is the process and making sure that the board has the forum available whether it is monthly or quarterly meetings; but, that it is available for people if they want to come or have access to the regents.

Chairman Lewis clarified that Dr. Rudley and his administration will have that information prepared for the Board members by the April 11, 2008 board meeting so that they will be able to discuss it at the meeting.

Regent Salwen made an alternative suggestion in the form of a friendly amendment to set the April 11, 2008 meeting at 11:00 a.m. to see how it works.

Regent Knight accepted the friendly amendment to his motion with the understanding that the information that will be prepared for the Board members will be received as part of the agenda packet prior to the meeting so that it may be viewed before the scheduled board meeting.

5. **BOARD OF REGENTS' BUSINESS**

A. **Approval of Minutes**

February 8, 2008 Regular Board Meeting Minutes - On motion by Regent Salwen, seconded by Regent Holland, the Board approved the minutes of the Regular Board Meeting held on February 8, 2008.

February 25, 2008 Special Teleconference Board Meeting Minutes - On motion by Regent Salwen, seconded by Regent McDaniel, the Board approved the minutes of the Special Teleconference Meeting held on February 25, 2008.

B. **Reorganization Plan**

Chairman Lewis reminded the Board that the 'Reorganization Plan' (the Plan) is required to be submitted and approved by the Legislative Audit Committee (LAC) comprised of members of the legislature before we can access some \$38 million that has already been appropriated to us [TSU]. It is being held in Austin pending approval of this plan. However, before it can be submitted to the LAC for approval, we as a board have to approve it first. So, what you have before you is a proposal. Until it is approved by the board, it is not our plan.

Regent Holland commented that prior to having a President, the Reorganization Plan Administrator (the Administrator) reported directly to the Board; but, now that the President is in place he does not see a need for the Administrator to report to the Board.

Chairman Lewis asked "Are there any other comments?" [Pause] "As Regent Holland has pointed out and we all know from having reviewed it that the Plan calls for the plan administrator to report directly to the board; and Regent Holland's comment is that given the fact that we have selected a permanent president that this Board has chosen and given his particular expertise in financial matters that maybe we should give that responsibility to the president and have the Administrator report directly to the President."

Regent McCowan and Regent Bledsoe both agreed with Regent Holland's comments.

Regent Knight remarked, "This has nothing to do with the personality; it has to do with structure, accountability and reporting. It is my sense that at least for some time in the near foreseeable future; I would prefer that the Plan Administrator continue to report to the Board or dually to both the President and Board. Then, if in fact, the Board determines at some time in the near future that policy initiative is sufficiently being vetted then I would have no problem with reconsidering. But, I believe that the position should be likened to an auditor's position be it internal

auditor or external auditor; at least for the time being. This has nothing to do with the President's expertise; it is a policy issue, in my opinion."

Chairman Lewis explained for the benefit of those in the audience that Regent Knight has a significant amount of experience in being a chief executive officer of organizations that are much larger than this university.

Regent Salwen agreed that the Board should maintain the arrangement as it currently exists. He also stated that another reason to not change deals with perception on the part of the outside world. Regent Salwen further explained that this university went through some very difficult times and one of the things that happened that helped to create some of those difficult times was that under the previous permanent President there was no independent auditor. The auditor reported to President. TSU is in a position where the outside world continues to view what happens on the campus with some suspicion. With that Regent Salwen said that it is a good thing for TSU to have two people with the integrity, reputation, expertise and knowledge that they both have to have each of them reporting independently to the Board.

Chairman Lewis clarified that the internal auditor reported to the board as a matter of law and not as a matter of board policy. However, what happened in the previous administration is questionable whether or not that was always done. But, the internal auditor is required to report directly to the board as a matter of state law.

Regent McDaniel echoed what Regent Knight said and added that not only does the Board have a responsibility to have the reorganization administrator to report directly to the Board along with the auditor through the execution of the Plan. Because TSU now has a stellar credible President, the Board cannot pass that responsibility on at this point. Regent McDaniel stated that this reporting process should continue as it is until the Plan is executed because the university is going through a corrective action and the Board needs to get reports and be on top of those on a regular basis.

She stated that she brought this to the attention of the board at her first meeting as a regent. She said that she would like to have the reorganization administrator to report to the Board regarding the status of what is going on at every meeting. Regent McDaniel said "I think that is our responsibility."

Regent Bledsoe asked for the will of the board because it seemed that there might be a division as what is appropriate regarding the dual reporting.

Regent Knight responded "Technically speaking there really would not be a dual reporting requirement, but that individual would report to the Board and be instructed by the Board to work with the President as closely as need be. I believe that shared accountability is no accountability."

