

AGENDA

**Special Called Meeting of the Board of Trustees
University of Kentucky
10:00 A.M.
June 29, 1999
Boardroom, 18th Floor, Patterson Office Tower**

Invocation

Roll Call

Item 1 Consideration of a contract for Charles T. Wethington, Jr.

Minutes of the Special Called Meeting of the Board of Trustees of the University of Kentucky, Tuesday, June 29, 1999.

The Board of Trustees of the University of Kentucky met in a Special Called Meeting at 10:00 a.m. (Lexington time) on Tuesday, June 29, 1999 in the Board Room on the 18th floor of Patterson Office Tower. The call for the Special Meeting had been issued by the Chairperson, Governor Edward T. Breathitt.

A. Meeting Opened

Governor Edward T. Breathitt, Chairperson, called the meeting to order at 10:00 a.m., and the invocation was pronounced by Mr. Ted Bates. Following the invocation, Mr. Bates asked for a minute of silence in memory of the four crew members who were killed in the Kentucky Hospital Air Medical Service helicopter crash on June 14th. The crew included Sheila Zellers of Elizabethtown, Kentucky, Don Greene of Somerset, Kentucky, Brian Harden of Richmond, Kentucky, Ernest Jones, Jr. of Oakwood Village, Ohio.

B. Roll Call

The following members of the Board of Trustees answered the call of the roll: Mr. Ted Bates, Governor Edward T. Breathitt (Chairperson), Mr. Nathan Brown, Mr. Paul W. Chellgren, Mr. Merwin Grayson, Mr. John "Jack" Guthrie, Mr. James F. Hardymon, Professor Loys L. Mather, Dr. Robert P. Meriwether, Mr. Billy Joe Miles, Dr. Elissa Plattner, Mr. Steven S. Reed, Mr. C. Frank Shoop, Mrs. Marian Sims, Dr. W. Grady Stumbo, Mr. Martin Welenken, Ms. JoEtta Y. Wickliffe, Mr. Billy B. Wilcoxson, and Mr. Russell Williams. Absent from the meeting was Professor Daniel R. Reedy. The University administration was represented by President Charles T. Wethington, Jr.; Chancellor James W. Holsinger; Vice Presidents Joseph T. Burch, Ben W. Carr, Edward A. Carter, George DeBin and Eugene Williams; Dr. Juanita Fleming, Special Assistant for Academic Affairs; and Mr. Richard E. Plymale, General Counsel.

Members of the various news media were also in attendance. A quorum being present, the Chairperson declared the meeting officially open for the conduct of business at 10:03 a.m.

Governor Breathitt pointed out that Professor Reedy was absent because of a long scheduled trip to Central and South America in connection with his duties as a faculty member. He passed out a letter from Professor Reedy explaining his absence and his views which would be addressed later in the discussion on the agenda item.

Governor Breathitt called on President Wethington for comments.

C. President Charles Wethington's Comments

President Wethington thanked Governor Breathitt and said that he deliberately did not comment at the June meeting on the contract issue since he really did hope that it was an issue that could be resolved by the Board. As a result, he had determined to let the Board do what it felt best at that June meeting without his input. After the June meeting, he and Governor Breathitt felt very strongly that it was important for the University that every effort be made to

pull together the University family in support of some compromise that would resolve the contract issue.

He reminded the Board that at the May meeting they voted in a near unanimous fashion to offer him a new contract. Because of that strong support by the Board, he willingly accepted the contract and on May 15th signed the new contract with Governor Breathitt in attendance. He stated that he believes that he has a legally binding contract with the Board.

President Wethington recalled that at the June meeting there was an effort made to reconsider the new contract. Without speculating about the reason for the change of heart of certain Board members, the new contract was upheld by a 10 to 10 tie vote. Obviously, that action by the Board did indicate to him that he and Governor Breathitt needed to take some action to try to work out a compromise that would certainly suit the vast majority of the Board members.

He stated that he was well aware, always has been and always will be, that he serves at the pleasure of the Board. So, without regard to the reasons for the change of opinion and change of vote on the part of certain Board members, the fact is that certain Board members did change their vote and that a significant percentage of the Board at the June meeting was not in favor of the contract extension. Since he serves at the pleasure of the Board, it was incumbent upon him, he believes, to try to work out some solution with the faculty and with Governor Breathitt that would be in the best interests of the University.

President Wethington said that Governor Breathitt had worked long and hard with faculty members and with him to put together a coalition. That is, a coalition that represents the positive leadership of the Board, along with the faculty and the staff. He urged the Board to support the compromise which had been worked out because of the need to get the issue resolved and get on with the business of the University.

President Wethington said that he feels very strongly about the University. The University has been very good to him, and in turn, he has given the University most of his professional life. He has always acted in what he believes to be in the best interests of the University.

In May, President Wethington believed it to be in the best interests of the University to have a continuity of leadership in the position of president during the period of the capital campaign. He said that he strongly believed it then and the majority of the Board evidently did. Therefore, that was the direction in May. As a result of the June meeting, he said that he believes that it is in the best interests of the University that a compromise be supported since a significant percentage of the Board evidently does not believe that the continuity of leadership in the position of president is essential throughout the period of the capital campaign. He said that, in the best interests of the University, it is important to move ahead with a compromise that has been put before the Board at this meeting, and clearly, there is sufficient reason for him to change his position about what is in the best interests of the University at this time.

President Wethington noted that on June 30th the University will finish one of the best years in the recent history of the University of Kentucky in his opinion. There has been solid progress academically. The University is sound financially. It has had an excellent first year of

a major capital campaign effort, the university's first ever. And, there has been fantastic success with completing the match of the Research Challenge Trust Fund, the money set aside by the Governor and General Assembly to boost the university's research enterprise. In his opinion, it is absolutely essential that this progress continue and the University move ahead to carry out the provisions that are in the five-year Strategic Plan that the Board unanimously approved in May, 1998.

President Wethington said that it is his strong feeling that for all of the reasons he mentioned, and to ensure that there is some solidarity in the Board, that we move ahead with a compromise that will put the contract issue behind us and get on with the business of the University which, in his opinion, is far more important than having some disagreement over a contract issue.

He said that the next two, three, or four years are critical in laying the foundation for the drive to become a top twenty public research university by the year 2020. That can only happen if the administration and the Board are working together to make it happen. He pledged to the Board that the administration of the University will work with the Board of Trustees to move the agenda of the University of Kentucky forward. He concluded his comments by asking the Board to join with the administration, the faculty and staff, and the University community to help make the University of Kentucky a better University.

D. Governor Edward Breathitt's Comments

Governor Breathitt thanked President Wethington. He said that he believed that everyone needs to know exactly how they arrived at the meeting today and arrived at the language that is in the contract proposal which is an action item for consideration.

He said that he met with the two faculty representatives on the Board, Loys Mather and Dan Reedy, on June 11th to get their input on resolving the disagreement that was evident at the June 8th meeting. Governor Breathitt said that he has nothing but the highest respect for those two representatives of the faculty. They acted in the best interests of the viewpoint of the faculty, and they presented their views on resolving the matter satisfactorily.

Governor Breathitt explained that they then met with the University attorneys, Dick Plymale and Paul Van Booven, regarding drafting the language that would accomplish the faculty representatives' input and would meet the desire of the University Senate as expressed in seeing that a search for a new president begin in the year 2000. He said that he, the two faculty representatives, and the lawyers had separate meetings with President Wethington, and President Wethington reaffirmed what he said in his comments: that we resolve this issue and work together as one unit in the best interests of the University.

As a result of these efforts, he said that the action item before the Board is principally the work of the two faculty representatives and the University lawyers and has his solid support, which he believes reflect the views of the alumni, the Development Council and the people of Kentucky because they have a view of what they think is in the best interests of the University. He believes they want Charles Wethington to continue on the capital campaign and make the last two years of his administration the most effective years that the University has ever had in his administration or in the history of the University.

E. Consideration of a contract for Charles T. Wethington, Jr. (Agenda Item 1)

Governor Breathitt said he very much appreciated the input from the faculty representatives, the lawyers, and the volunteer Board members who had only one interest: the best interests of the University. He then read Agenda Item 1: that the Chairman be authorized to execute a contract. He paused and said, "let me make this point, not to review, not to negotiate, but only to execute that means to sign my name at the direction of this board." He continued reading the agenda item, between the Board and Dr. Wethington on the terms and conditions that follow: Dr. Wethington shall serve as President of the University until June 30, 2001, and the terms and conditions, including those relating to salary and benefits, set out in the contract executed on May 15, 1999 shall be included in the contract; that during the period beginning July 1, 2001 and ending on June 30, 2003, Dr. Wethington will assist the Board and the new President in development and fundraising, including the capital campaign; that the other terms, conditions, and benefits set out in the May 15, 1999 contract shall remain the same during his term with the sole exception of those relating to residence at Maxwell Place; and the parties agree that upon execution of this contract, the May 15, 1999 contract shall be void and shall no longer be binding on either party.

Governor Breathitt stated that this was carefully worked out as a compromise which accomplishes two things basically: it starts the search for a new president in 2000 and enables President Wethington to continue to assist to the completion of the four year capital campaign. He pointed out that President Wethington insisted on the word "assist." He noted that many people had recommended that President Wethington be given a title and responsibility by the Board. However, President Wethington said that President Singletary did not look over his shoulder when he became President and he did not intend to look over the shoulder of the next president of the University. The next president should have a free hand and he should only assist him with these responsibilities at his direction. Governor Breathitt said he thought the position of President Wethington was very statesmanlike.

Mrs. Sims moved that the Board approve Agenda Item 1. Professor Mather seconded the motion.

Governor Breathitt asked for any comments.

Mrs. Sims said that the newspapers called her passionate, and she felt like that was an understatement. Like every person at the table, she has one thing in her heart and, that is, that the University of Kentucky move forward in the greatest possible way with grace, power and dignity and move in the direction that the Governor has envisioned for the University in 2000. As an alumni representative, she said she was so thrilled to say that she believed in the motion and the compromise. She believes that President Wethington can do the job and help the University with that sincere and earnest mission that is so critical for the University of Kentucky.

Professor Mather thanked Governor Breathitt for his remarks but said he felt that Governor Breathitt was a bit too generous in describing the role that he and Professor Reedy played. He said the motion and the contract that goes with it represent a compromise and with all compromises everyone needs to understand that there are things in there that each one would like to see changed no doubt, and obviously some things that each one ought to find some

measure of agreement. But above all, it offers for everyone an equitable resolution to a very difficult situation. It offers the Board and the University the opportunity to put these matters aside, come together and move ahead in building a better university. Clearly, it is in the best interests of the University of Kentucky. He stated that he would be voting for the resolution, and he urged everyone on the Board to do so. He said that he had been asked to read the following letter prepared by Professor Reedy before he left town:

“I regret not being in attendance at the meeting today, but I write to express my support of the agenda item before you. It is, in my opinion, a reasonable and equitable resolution of the issue that has been before us during the past two months. Further, I believe that it will be widely accepted by University’s constituent groups, and I shall endeavor to speak positively on behalf of this resolution to them and to others.

On the one hand, this potential resolution provides for a leadership change in the year 2001; on the other, it maximizes President Wethington’s demonstrated capacity in fundraising and the capital campaign. I believe that an incoming president will consider Dr. Wethington’s knowledge of constituent groups who are in a position to support the University’s fund drive to be a valuable resource that should and will be utilized. This action is also in keeping with the practice that was followed in providing Dr. Otis A. Singletary with a two-year post-presidential appointment.

I support the particulars of this Action Item in toto. It provides an opportunity for us, as a Board of Trustees, to resolve differences of opinion and to devote our energies anew to the furtherance of the University’s current five-year strategic plan which we expect to move us forward as an increasingly visible state university at national and international levels. I look forward to contributing to those efforts as a faculty member and to expending such efforts as may be beneficial in support of our administrative officers to move the University toward even greater levels of achievement.”

Governor Breathitt thanked Professor Mather and asked for any other comments.

Mr. Wilcoxson said he would like to make a statement. He said it had been his honor to serve approximately 13 continuous years on the Board of Trustees and during that time he has developed a profound respect for Charles Wethington, not just in the way he has moved the University forward, but in the way he has handled adversity. He has taken on difficult challenges as one would expect a top administrator to do, and he has walked on. He said, “Now, we have come along with another difficult chapter and thankfully we are going to resolve this matter. I predict to you, to each one of you, that Charles will again walk on in continued service to this institution. At the end of the day, courage, consistency and persistence have been the hallmark of his service and will continue to be. That is all I have to say.”

Governor Breathitt thanked Mr. Wilcoxson and asked for any other comments. He then asked the Secretary to call the roll. He explained that those in favor of the motion should signify by saying aye and opposed no. Upon a vote being taken on Mrs. Sims motion, the result was as follows:

	<u>Aye</u>	<u>No</u>
Ted Bates	X	
Edward Breathitt	X	
Nate Brown	X	
Paul Chellgren	X	
Merwin Grayson	X	
Jack Guthrie	X	
James Hardymon	X	
Loys Mather	X	
Robert Meriwether	X	
Billy Joe Miles	X	
Elissa Plattner	X	
Steven Reed	X	
Frank Shoop	X	
Marian Sims	X	
Grady Stumbo	X	
Martin Welenken	X	
JoEtta Wickliffe	X	
Billy Wilcoxson	X	
Russ Williams	X	

Mr. Grayson reported that everyone in attendance voted aye.

Mr. Shoop asked to make a statement. He said, "This is a very good thing that we have done here today." He said he liked something that President Wethington said in his comments and reiterated President Wethington's statement "We need to get this issue behind us and move on in the best interest of the University." He said that he believed that the Board had just done that by voting unanimously. This proves, in his opinion, that the Board has a deep commitment to working with the President, the administration, the Board, the faculty, and the students, and this has just been demonstrated.

Governor Breathitt thanked Mr. Shoop for his comments, and President Wethington was given a standing ovation.

F. Meeting Adjourned

There being no further business to come before the Board, the Chairperson adjourned the meeting at 10:24 a.m.

Respectfully submitted,

Merwin Grayson
Secretary
Board of Trustees

(Agenda Item 1 which follows is an official part of the Minutes of the meeting.)

Agenda Item 1

June 29, 1999

Members, Board of Trustees:

CONTRACT FOR CHARLES T. WETHINGTON, JR.

Action Item: that the Chairman be authorized to execute a contract between the Board and Dr. Wethington on the terms and conditions that follow: Dr. Wethington shall serve as President of the University until June 30, 2001, and the terms and conditions, including those relating to salary and benefits, set out in the contract executed on May 15, 1999 shall be included in the contract; that during the period beginning July 1, 2001 and ending on June 30, 2003, Dr. Wethington will assist the Board and the new President in development and fundraising, including the capital campaign; that the other terms, conditions, and benefits set out in the May 15, 1999 contract shall remain the same during his term with the sole exception of those relating to residence at Maxwell Place; and the parties agree that upon execution of this contract, the May 15, 1999 contract shall be void and shall no longer be binding on either party.

Action taken:

Approved

Disapproved

Other _____