

TENNESSEE BOARD OF REGENTS

Office of the Chancellor

1415 Murfreesboro Road, Suite 340 | Nashville, TN 37217-2833 | Phone 615.366.4403 | Fax 615.366.3922 | www.tbr.edu January 7, 2016

The Honorable Bill Haslam Governor, State of Tennessee 1st Floor, State Capitol Nashville, Tennessee 37243

Ms. Emily Reynolds, Vice-Chair Tennessee Board of Regents 3737 West End Avenue, Apt. 106 Nashville, Tennessee 37205

Dear Governor Haslam and Vice-Chair Reynolds:

Several months ago I expressed to you my plans to retire in January 2017 with an announcement in the spring. I will turn 65 that month and will have accumulated roughly 40 years of State service. This timing was intended to allow the Governor to actively engage in the search and have some meaningful time with the new Chancellor prior to leaving office.

After much serious consideration, I have decided to accelerate that timeline and will instead retire at the end of this month. Given the announcement of plans to form separate governing boards for the six TBR universities, I cannot, in good conscience, continue as Chancellor for another year.

Simply put, I believe the path being proposed is the wrong one for many reasons. However, as an employee of the Board, I will not act contrary to the Board's stated interests and objectives, and because of my feelings, I would not be in a position to help implement a proposal that, in my view, will do nothing to further TBR's work to accomplish the State's goals.

I cannot be objective on this topic. I believe the proposed FOCUS plan is unworkable and will seriously impair the critical alignment of the State's needs, the TBR's oversight responsibility, and each institution's accountability. Other workable organization models exist offering more local involvement. The North Carolina structure, for example, provides that contribution without destroying the effectiveness and accountability of a comprehensive system focused on the State's agenda. It would be prudent to consider alternative structures to the one proposed.

The Honorable Bill Haslam Ms. Emily Reynolds January 7, 2016

Throughout my long career in public service, I have observed that ambiguity is the ally of ineffectiveness and inefficiency. Intentionally, clear accountability was designed as the heart of the Complete College Tennessee Act of 2010, with responsibility and authority co-located. As outlined, the FOCUS proposal will not lead us closer to the State's goals. Instead, it disperses authority and responsibility so that the institutions, the System or THEC can always implicate one or the other if goals are not achieved.

With your full support, for which I am grateful, I and the TBR System have endeavored over the past five years to meet the State's expectations by empowering our institutions with the responsibility to pursue strategies they believed would result in the best opportunity for student success and holding them accountable for their results. We have scaled many innovations and practices to move the needle on success and completion across the System to efficiently meet the challenges of Drive to 55. This success has been recognized widely across the U.S., and most recently with a \$2 million grant from the Gates Foundation to continue our good work. These achievements are possible because of the governing structure that reinforces responsibility and accountability among the various types of institutions within our System.

We have made tremendous progress thanks to the hard work of countless individuals committed to our goals. Tennessee's Community Colleges and our TCATs have served as national models. We have six great universities in the TBR, each serving the purpose and communities it was created to serve. I fear the FOCUS will weaken the effective collaboration we have worked so hard to achieve and instead drive competition and shift priorities away from the State's goals.

I have been proud to lead all of our institutions as Chancellor of the TBR. If any of our efforts toward meeting the State's goals are considered lacking, it is my responsibility, and not because of the dedicated people who serve our campuses or the System office so well.

God has blessed me by allowing me to serve the State of Tennessee for all these years. I am proud to be a career State employee. It has been an honor to be associated with both of you, the past and present members of the Board, and all the incredible faculty and staff across the Tennessee Board of Regents. You all have my very best wishes for every future success.

Sincerely,

John G. Morgan

Chancellor

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