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Senate Committee on Higher Education
State Capital
1100 Congress Avenue
Austin, Texas 78701

Honorable Members,

SB 177 is a Trojan horse. The Texas House Select Committee on Transparency in State Operations attempted to subject members of the UT System Board of Regents to many of these same arguments. It is obvious their purpose was to limit the ability of regents to fulfill their duties to the People of Texas. It is also obvious that SB 177 has the same purpose.

Speaking as a regent, some of us on the Board have been fighting an uphill battle for four years and longer for more transparency, greater mission clarity, greater accountability and improvements in the integrity of System operations. Opposition to our efforts has come not only from others on the Board, but most surprisingly from members of the legislature, including the author of SB 177.

For transparency to truly exist, individual board members of our institutions must have unfettered access to information and be encouraged to challenge the status quo. We should demand more from our boards, not less. Yet under your SB 177, the legislature will codify the absurd view that a board member's primary duty is to be a cheerleader for the institutions they are obligated to oversee. Under SB 177, going beyond cheerleading to ask hard questions, press for necessary reforms, and uncover unpleasant truths will put a board member in violation of the rules. SB 177 destroys rather than encourages good governance.

If SB 177 had been enacted last session, the UT System Board of Regents and Chancellor Cigarroa would not have been able to address procurement violations, hidden compensation schemes at the law school, hiring irregularities, needed audit function improvements, transparency and responsiveness to the Public Information Act, efficiency gains or the secret admissions practices that were exposed at our flagship campus.

SB 177 suggests that management at UT is the sole domain of the chancellor, and would remove the Board from its responsibilities to be informed, responsible, and accountable. There is no greater board responsibility than hiring and firing institutional leadership, yet this bill would strip this duty and obligation from the UT System Board of Regents absent chancellor recommendations. Where is the logic in this?

"...review and, as necessary, revise those goals at least once during each six-year period." The average tenure of a president in higher education is frequently no more than 6 years, which would suggest that a board might have one institutional review during their entire term. The tenure of a regent is for six years as well, suggesting some regents may

never even have an update from many of the institutions, which they are sworn to govern. Is this really good governance, to do nothing for years at a time? Why have a board at all if your desire is for it to not govern?

SB 177 plainly states that the board "...shall protect each institution under its governance from undue external influence and ensure that the powers and duties of the board are not controlled by a minority of its members or by organizations or interests that are separate from the board in any manner, including through delegation, tradition, or inaction."

Does this prohibition extend to members of the Legislature? By way of example, Senator Watson texted directly into our closed executive session in an attempt to influence specific board members regarding sensitive personnel matters at the flagship. While the senator's conduct was unseemly and inappropriate, he should be judged by his constituents not by another layer of regulation.

Does this prohibition extend to Representatives Trey Fisher and Lyle Larson who not only attempted to chill Chancellor Cigarroa's investigation into UT Austin's admissions practices by threatening to attend and tape interviews with those knowledgeable of wrongdoing but also pressed to attend confidential executive sessions of the Board itself to wield their "external influence"? Instead of muzzling oversight, the Legislature should be assisting our boards with the freedom and encouragement to ferret out corruption.

Finally, what is the meaning of "shall preserve institutional independence and defend each institutions right to manage its own affairs" in SB 177? Does that mean our institutions should "manage" themselves separate from a board's oversight and governance responsibilities? Under these rules, the legislature would remove clear lines of responsibility and accountability in favor of bureaucracy.

Our public institutions of higher education, which are in fact government agencies, need boards that are actively engaged in the *management, governance and accountability* of these operations. SB 177 eschews these duties in favor of policy wonks, employees and politicians. Nothing in SB 177 addresses the present dangers to our students and the People of Texas, dangers we all know about precisely because the provisions in SB 177 have so far not been adopted.

Regards,



Wallace L. Hall, Jr.