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August 15, 2013

The Campaign Against Wallace Hall

By [Thomas K. Lindsay](#)

The University of Texas-Austin campus. Photo: UT

With universities coming under increasing scrutiny for skyrocketing tuition and poor student-learning outcomes, a number of their board members have begun to press hard for reform. This has led to clashes at several flagships -- the universities of Virginia, Iowa, Oregon, and Wisconsin, among others. But the latest skirmish, involving a board member at the University of Texas-Austin (UT), has taken a nastier turn, one that may bode ill for the cause of higher-education reform nationally.

UT regent Wallace Hall faces impeachment by the Texas house. His crime? Apparently, Hall has been making too many open-records requests in an effort to enhance transparency at the university he is legally entrusted with overseeing.

The legislators pressing Hall's impeachment might benefit from examining the recent history of boards, both corporate and collegiate. Since the 2002 [Sarbanes-Oxley Act](#), corporate boards have largely sought to bolster transparency in order to exercise more meaningful oversight. Recently, despite these efforts, the boards of two companies, [Hess Corp.](#) and [Chesapeake Energy Corp.](#), were shaken up at the demand of shareholders, who charged that board members were continuing to act like cheerleaders rather than overseers.

But this movement toward greater transparency and stronger board oversight is not seen in higher education. Quite the contrary, in fact. As a result, students, parents, and taxpayers could suffer.

This difference between current corporate and university board practice is counterintuitive: Some major universities, with endowments and annual operating budgets in the billions, are larger than many corporations. And the recent Penn State ([sex abuse](#)) and University of Illinois ([influence peddling](#)) scandals reveal the harm that can come when oversight is lacking. Why, then, do universities balk at providing the transparency needed for boards to be effective?

In the course of the impeachment committee's formation, legislators have offered several reasons for their attack on Hall. First, they charged that Hall demanded and received documents that should have been out of his reach due to privacy laws. However, this accusation was rebutted by none other than UT's chancellor, Francisco Cigarroa, in a [July 9 letter](#) to UT president Bill Powers. Cigarroa insisted that Hall had not been

allowed to inspect any records that had not been vetted by the UT system's lawyers.

Another charge was that Hall had not used his records requests to accomplish even one improvement at UT. This was rebutted by Gene Powell, chairman of the UT board, in a [July 15 letter](#) to Representative Jim Pitts (who filed the impeachment resolution). Powell wrote that Hall's actions "have resulted in suggestions for process improvement and better governance at the UT System and at UT institutions."

Another charge is that Hall's requests for further investigation of the UT Law School's forgivable-loans program constituted a "[witch hunt](#)." This accusation was also rebutted in Powell's letter, which explains that Hall's suspicions were justified. After UT's internal investigation was finished, regents learned of an [anonymous letter](#) detailing that more law professors received these loans than was previously known. "The discovery of this letter was a key factor in the board's action to seek an investigation outside of the UT system," Powell wrote.

Finally, some legislators seek to justify the extraordinary formation of an impeachment committee on the grounds that Hall's efforts to garner greater transparency in UT's operations are hypocritical, for Hall himself apparently [failed to disclose](#) several lawsuits in which he was involved when he completed the background check required to become a regent. But even if this last charge survives scrutiny, it is questionable whether it merits an expensive impeachment hearing, including [hiring an attorney and investigator](#). Instead, Hall should be required to demonstrate that none of the lawsuits constitute a conflict of interest with his duties as a regent.

With Cigarroa's and Powell's recent efforts to, in Powell's words, "[clear up some of the misinformation](#)" spurring Hall's accusers, one might expect the committee to call for its own disbandment. This has not happened, and Hall's indicters have yet to offer an official response to the letters' revelations.

Worse, this unfortunate set of developments distracts from the larger issue of the danger of power without accountability. Accountability depends on transparency; to the extent that boards, as legal fiduciaries, are deprived of full transparency, they are not in fully in charge. If the board is not in charge, who is, and why?

Worse still, power without accountability risks inviting inefficiency at best and corruption at worst. To prevent both, regents in Texas and beyond must garner the full facts regarding the institutions placed in their trust. They deserve access to this information without interference -- and certainly without the threat of impeachment.

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http://www.realclearpolicy.com/articles/2013/08/15/the_campaign_against_wallace_hall_611.html at August 15, 2013 - 11:56:13 AM EDT