



THE INGRAM GROUP

To: Ben Hall

Cc: Debbie Turner, General Manager  
Sandy Boonstra, News Director

From: Marcille Durham, President, The Ingram Group

Re: Response to Ben Hall's Questions

Thank you for the questions that you provided to Rachel Albright on July 3rd regarding certain clients of The Ingram Group ("TIG") and other matters.

It is the policy of TIG not to discuss the business of our clients beyond what is already in the public record. Furthermore, TIG takes offense at any suggestion that it has acted inappropriately or otherwise failed to comply with the relevant state laws and regulations in the course of its work for clients. TIG has a 30-year history of integrity and professionalism, and, although we are aware of one recent, inadvertent mistake relating to our lobbyist registrations – which was self-reported and has since been corrected – that history continues.

All of your questions, however, are premised on a clear misreading of TIG's work for its clients, the law relating to lobbyist registration and other flawed assumptions that show a reckless disregard for the facts. Indeed, contrary to what your questions suggest, "lobbying" is not the main business of TIG. Rather, as our marketing materials make clear, TIG is primarily a strategic consulting firm that offers services in strategy development, media relations, community relations, public relations and government relations (which may or may not include "lobbying"). More often than not, clients do not engage us as lobbyists because they know the issues affecting their businesses and organizations best and, thus, prefer to make their own presentations to government officials. In such cases, we merely provide input on which government officials may be relevant to the discussion and, where necessary and appropriate, assist the client in setting appointments with those officials. We may attend these appointments, but we do not actively participate in the meetings. This work does not constitute "lobbying" – either as defined by Tennessee law or according to the guidance that we have received from the Tennessee Ethics Commission – and does not give rise to an obligation to register as a lobbyist. Any suggestion to the contrary is false.

Furthermore, your questions also incorrectly assume that TIG is required to “register to lobby” within seven days of being engaged by any client. Again, this is false. As we understand the law, TIG is required to “register to lobby” within seven days of being directed by a client to engage in lobbying. As noted above, not all TIG clients direct us to engage in lobbying because: (i) they prefer instead to do that work for themselves; or (ii) they have hired us to perform other consulting services only. With other TIG clients, the direction to engage in lobbying often does not come until after other strategic consulting or public relations work has been done. Once direction to engage in lobbying is received, however, it the practice of TIG to register promptly.

Several of your questions refer to unspecified emails. We would appreciate being provided with copies of the referenced emails prior to being asked to comment or respond. Based on your questions, however, it appears that your reading of these emails is not correct. For example, TIG has not done work for the Tennessee Association of Independent Colleges and Schools. Although TIG has represented a TAICS-member school in recent years, we have not been engaged by TAICS at any time. Likewise, although TIG has represented a lottery vendor since 2011, TIG has never done work for the Tennessee Education Lottery, which employs its own in-house lobbyist. TIG also does not provide lobbying services to Louisiana Pacific and has not done so since 2010. The 2012 meeting referred to in your question was simply a routine courtesy call by representatives of a Tennessee-based business on the Governor and new Haslam administration staffers. Finally, with respect to your question about Andrea Ball, we want to make clear that TIG did not play any role in organizing the bill signing ceremony that you reference.

Thank you for your attention in this matter. We trust the foregoing helps to resolve the misunderstandings that you appear to have about the work that we do for our clients. Please direct any additional questions to Ms. Albright’s attention.

## Hannah Parker

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**From:** Mark Cate  
**Sent:** Monday, April 02, 2012 6:00 PM  
**To:** 'Marcille Durham'  
**Subject:** RE: Request for meeting

Sorry, I've been slammed in back to back meetings all day. I did briefly speak with Commissioner McPeak and I think it would be most appropriate for you to call her directly tomorrow. I'll make sure she's prepared to receive your call.

Thanks.

MC

-----Original Message-----

**From:** Marcille Durham [<mailto:marcille@ingramgroup.com>]  
**Sent:** Monday, April 02, 2012 5:29 PM  
**To:** Mark Cate  
**Subject:** Re: Request for meeting

Mark,  
These folks have filed additional forms with the court today to specify a voluntary dismissal, which is a stronger filing. That should be preferable to the department. Were you able to gather more information from the Commissioner? The company is holding off one more day on the layoff of 27 people.  
Please let me know if you need additional information, or if you want me to speak directly to McPeak.  
Thanks much,  
Marcille

----- Original Message -----

**From:** Mark Cate [<mailto:Mark.Cate@tn.gov>]  
**Sent:** Wednesday, March 28, 2012 09:06 PM  
**To:** Marcille Durham  
**Subject:** Re: Request for meeting

I talked with Commissioner McPeak tonight and she's going to work on this first thing tomorrow. I'm optimistic we can find a resolution.

On Mar 28, 2012, at 5:51 PM, "Marcille Durham" <[marcille@ingramgroup.com](mailto:marcille@ingramgroup.com)> wrote:

> Mark, as I mentioned in my letter today, Andrea Ball would very much like to visit with you--however briefly--today regarding Dept of Insurance action that is driving her out of business. It is my opinion that this doesn't need to happen. Andrea is still here in the Plaza and wants to talk with you before going back to Knoxville. As I said, she will begin laying off 27 people tomorrow if there is no break in this case. Do you have any time this afternoon to meet her?

> Thanks much,

> Marcille

> [REDACTED]

## Hannah Parker

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**From:** Mark Cate  
**Sent:** Wednesday, April 04, 2012 2:10 PM  
**To:** 'Tom Ingram'  
**Subject:** RE: GOOD NEWS, Mizz C!

Left you a message.

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**From:** Tom Ingram [<mailto:tom.ingram@ingramgroup.com>]  
**Sent:** Wednesday, April 04, 2012 11:11 AM  
**To:** Mark Cate  
**Subject:** FW: GOOD NEWS, Mizz C!

Mark, any progress on Jimmy Neil front? On another matter, is there anytime today or tomorrow you and I can talk again about HR Comp Employee Leasing LLC? This is a very troubling case. Tx

----- Forwarded Message

**From:** Cindy Ingram <[cangelingram@comcast.net](mailto:cangelingram@comcast.net)>  
**Date:** Tue, 27 Mar 2012 22:25:21 -0400  
**To:** Tom Ingram <[tom.ingram@ingramgroup.com](mailto:tom.ingram@ingramgroup.com)>  
**Subject:** Fwd: GOOD NEWS, Mizz C!

Tom....I missed this update from Jimmy Neil about the International Storytelling Center , the Festival, etc.

Would you please forward this to those who you think might be part of moving this effort forward?

Thank you.

C

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**From:** "Jimmy Neil Smith" <[JNS@storytellingcenter.net](mailto:JNS@storytellingcenter.net)>  
**To:** [cangelingram@comcast.net](mailto:cangelingram@comcast.net)  
**Sent:** Tuesday, March 20, 2012 6:11:27 PM  
**Subject:** GOOD NEWS, Mizz C!

Mizz C,

I would like to share with you and Tom some very good news.

Today, Judge Marsha Phillips Parsons of the United States Bankruptcy Court in Greeneville confirmed our Chapter 11 reorganization plan, allowing ISC to successfully emerge from Chapter 11 bankruptcy. The court should enter a final decree within the

## Hannah Parker

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**From:** Mark Cate  
**Sent:** Monday, April 09, 2012 5:38 PM  
**To:** 'Marcille Durham'  
**Subject:** RE: update on PEO issue

Thanks for the info and update, Marcille.

**From:** Marcille Durham [<mailto:marcille@ingramgroup.com>]  
**Sent:** Monday, April 09, 2012 5:36 PM  
**To:** Mark Cate  
**Subject:** update on PEO issue

Mark,  
Just wanted you to know that Chuck Cagle was successful in amending one provision of the consent order for HR Comp Employee Leasing, and they have now lifted the cap on approved employees for the first year. The company can now sign clients as they are able to service them.

However, a number of egregious provisions remain and, based on my conversation with the National Association for PEO's (NAPEO), those provisions represent a level of punishment never seen by them in any state. Once the order is signed and HR COMP Employee Leasing has proven their worthiness, we will seek a review of the following:

- (1) A \$10,000 fine for "pre licensed" activity. That fine is 10X those levied in most or all states in similar circumstances.
- (2) Several provisions requiring *no* missteps in the next *seven* years. If HRCEL has an issue in *any* state in the next seven years, the state will revoke their TN license. Plus, the state will hold accountable any *employee* of HRCEL when the revocation occurred, and will not license any subsequent company for whom that employee works.
- (3) The order refers to Andrea Ball's "bad moral character" multiple times and, as a public record, is available to her competitors for widespread distribution anytime they think it benefits them. We understand we can't seal the record, but may seek other remedies at the appropriate time.

We appreciate your willingness to listen to us over the past six months, and will keep you posted if there are other developments.

Marcille

Marcille Durham  
The Ingram Group  
424 Church Street, Suite 1650  
Nashville, TN 37219  
Office: (615) 345-9200  
Cell: [REDACTED]  
Fax: (615) 610-4382

## Hannah Parker

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**From:** Mark Cate  
**Sent:** Monday, July 02, 2012 3:59 PM  
**To:** 'Marcille Durham'  
**Subject:** RE: more department issues

Good to know. Please do keep me in the loop.

Thanks.

MC

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**From:** Marcille Durham [<mailto:marcille@ingramgroup.com>]  
**Sent:** Monday, July 02, 2012 10:46 AM  
**To:** Mark Cate  
**Subject:** more department issues

Hi Mark,

Just a note to keep you in the loop on our Commerce and Insurance issue. We've learned that a different "Fraud Investigator" for the Department, Rich Riddle, has been routinely tracking ALL of our client's employees on LinkedIn. He viewed each of their accounts last week, and has started again today. The staff apparently feel intimidated by this new level of personal intrusion --- and now worry that there's something they're not being told. One employee turned in her notice today. Chuck Cagle is contacting the investigator directly and demanding that they identify any official investigation of this company that would generate this level of surveillance. We'll keep you posted.

MD

Marcille Durham  
The Ingram Group  
424 Church Street, Suite 1650  
Nashville, TN 37219  
Office: (615) 345-9200  
Cell: (615) 838-1568  
Fax: (615) 620-4382

**BEFORE THE COMMISSIONER OF COMMERCE AND INSURANCE  
OF THE STATE OF TENNESSEE**

**IN THE MATTER OF:**

**HR COMP EMPLOYEE LEASING, LLC,  
Applicant**

)  
)  
) **No.: 12-012**  
)  
)

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**CONSENT ORDER**

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Comes now the parties, HR Comp Employee Leasing, LLC, represented by Charles W. Cagle and the Tennessee Department of Commerce and Insurance ("Department") represented by Tony Greer, and enter into this Consent Order for the purpose of resolving this licensing proceeding.

These Findings of Fact and Conclusions of Law issue as a result of such application filing:

**FINDINGS OF FACT**

1. HR Comp Employee Leasing, LLC ("HR Comp EL"), is a Tennessee domiciled limited liability company with a principle address of 7317 Clinton Highway, Suite 101, Powell, TN 37849.
2. Andrea Ball is a Tennessee resident with an address of 7317 Clinton Highway, Suite 101, Powell, TN 37849.
3. Andrea Ball is the owner and sole controlling person of HR Comp EL.
4. HR Comp, LLC ("HR Comp") is a Tennessee domiciled limited liability company with a principal address of 7317 Clinton Highway, Suite 101, Powell, TN 37849.

5. Andrea Ball is a director and controlling person of HR Comp and Andrea Ball's husband, Chris Ball, is the owner of HR Comp.
6. On or around November 25, 2009, Chris Ball submitted an application for a staff leasing license for HR Comp.
7. On January 11, 2010, Andrea Ball, as director of HR Comp, entered into a staff leasing arrangement with Bardan Enterprises, Inc. This staff leasing arrangement continued in force for approximately ten (10) months, from January 11, 2010 until November, 2010.
8. On January 12, 2010, Andrea Ball responded to a Department of Commerce and Insurance inquiry, about HR Comp's unlicensed staff leasing activity, that HR Comp did not have any staff leasing clients. In fact Bardan Enterprises, Inc. was a staff leasing client of HR Comp on January 12, 2010 when Andrea Ball sent that response to the Department.
9. Bardan Enterprises Inc. is a Tennessee domestic corporation with an address of 6703 Penrod Lane Knoxville, TN 37918.
10. On or around June 24, 2010, Chris Ball submitted an affidavit to the Department stating that HR Comp had not solicited any staff leasing business in Tennessee.
11. On July 22, 2010, the Department sent notice to Chris Ball that the license application for HR Comp had been denied. The Department determined that Chris Ball was not of good moral character because the affidavit he sent the Department was not true.
12. On or around June 2011, Andrea Ball submitted an application for a staff leasing license for HR Comp EL.
13. On or around December 16, 2011, the Department sent notice to Andrea Ball that the license application for HR Comp EL had been denied. The Department determined that



Andrea Ball was not of good moral character because the January 12, 2010 response she sent the Department about HR Comp's unlicensed activity was not true.

14. On April 5, 2012, Andrea Ball resubmitted an application for a staff leasing license for HR Comp EL. Andrea Ball also admitted that she and HR Comp had engaged in unlicensed staff leasing activity and that her statements to the Department on January 12, 2010 stating that she and HR Comp had no staff leasing clients was not true.

#### CONCLUSIONS OF LAW

15. Tenn. Code Ann. § 62-43-106 provides that any person who engages in the business of or acts as a staff leasing company by entering into any staff leasing arrangement with a client relating to business conducted by the client in this state without first procuring a license or who otherwise violates this chapter may be penalized as provided in §§ 62-43-115 and 62-43-116.

16. Tenn. Code Ann. §§ 62-43-109(a)(5) provides that the Commissioner may deny a license upon finding that the applicant is not of good moral character.

17. Tenn. Code Ann. § 62-43-115 states, in pertinent part, that upon a finding that a person had conducted business without a valid license or violated Title 62, Chapter 43, the commissioner may impose a civil penalty of up to one thousand dollars (\$1,000) for each set of facts constituting a separate violation and place the licensee on probation for a period of time, subject to conditions specified by the Commissioner.

18. Applying the standards delineated in Tenn. Code Ann. §§ 62-43-106, 62-43-109(a)(5) and 62-43-115 to the Findings of Fact established contained in paragraphs 1-14, and the record taken as a whole, the Commissioner finds that Andrea Ball engaged unlicensed staff

leasing activity and made untrue statements to the Department about not having engaged in unlicensed employee leasing activity.

### ORDER

Accordingly, based upon the above Findings of Fact and Conclusions of Law, it is hereby

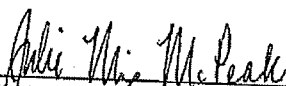
**ORDERED** that:

1. Andrea Ball shall pay a civil penalty to the Department in the amount of ten thousand dollars (\$10,000).
2. Due to the untrue response Andrea Ball sent the Department in response to the unlicensed activity inquiry, the Commissioner shall issue a probationary license to Andrea Ball for HR Comp EL for a period of one year from the entry of this order. During the course of that year, HR Comp EL must file monthly reports, sworn to by Andrea Ball, demonstrating that all applicable payroll taxes have been paid on a timely basis. Such reports shall be due no later than seven (7) working days after the end of each calendar month. Provided that the terms of this order are complied with in full, one year from the entry of this order, Andrea Ball and HR Comp EL shall be issued a non-probationary license.
3. If during the seven (7) years subsequent to the entry of this Consent Order, any current or subsequent owner, director, principle, manager, member, stockholder with majority interest, or person having any control over the operations of HR Comp EL is convicted of a felony, or of any crime an element of which is dishonesty or fraud, under the laws of the United States, this state, or of any other state, the license issued to HR Comp EL, or any subsequent registration issued HR Comp EL, pursuant to this Consent Order shall be automatically revoked upon such conviction.

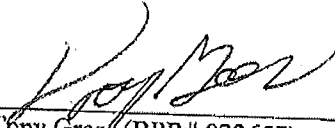
4. If during the seven (7) years subsequent to the entry of this Consent Order, a disciplinary action in any state results in the suspension or revocation of an employee leasing, staff leasing, or professional employer organization registration or license or a disciplinary action results in a violation relating to the misappropriation of funds, failure to pay all applicable payroll taxes, or failure to maintain workers compensation insurance by HR Comp EL, then the license issued to HR Comp EL, or any subsequent registration issued HR Comp EL, shall be automatically revoked upon such suspension, revocation or finding of violation.
5. If the license, or any subsequent registration, issued to HR Comp EL pursuant to this Consent Order is revoked as set forth in paragraphs three (3) or four (4), no license or registration shall thereafter be issued to any company that consists of any person that has at any time been an owner, officer, director, member or employee of HR Comp EL or any person that has had financial control over the operation of HR Comp EL.
6. If the license, or any subsequent registration, issued to HR Comp EL pursuant to this Consent Order is revoked as set forth in paragraphs three (3) or four (4), the commissioner may issue an order allowing continued operation of HR Comp EL for such duration, and upon such conditions and limitations, as the Commissioner deems appropriate to allow sufficient time for HR Comp EL to wind down its staff leasing arrangements or professional employer organization contracts so as not to interrupt the business operations of HR Comp EL's clients.
7. The Department agrees that it will take no further administrative action against Andrea Ball for the stipulated facts and conclusions of law stated in this order.

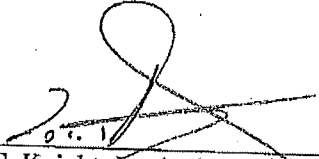
8. It is understood by the parties that this Consent Order shall be of no force or effect until accepted by the Commissioner. In the event this Consent Order is not accepted by the Commissioner, the parties' rights to further participation in these proceedings shall not be prejudiced.
9. The parties waive all further rights to hearing and review with regard to the matters contained in this Consent Order.

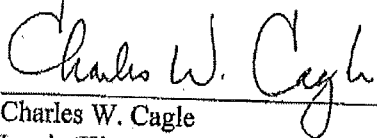
ENTERED this the 9<sup>th</sup> day of April, 2012.

  
\_\_\_\_\_  
Julie Mix McPeak, Commissioner  
Department of Commerce and Insurance  
State of Tennessee

**APPROVED:**

  
\_\_\_\_\_  
Tony Greer (BPR# 023657)  
Assistant General Counsel  
Department of Commerce and Insurance  
Davy Crockett Tower, Twelfth Floor  
500 James Robertson Parkway  
Nashville, Tennessee 37243  
(615) 253-7847  
Attorney for the Insurance Division

  
\_\_\_\_\_  
Larry C. Knight, Jr., Assistant Commissioner  
Department of Commerce and Insurance  
Davy Crockett Tower, Fourth Floor  
500 James Robertson Parkway  
Nashville, Tennessee 37243

  
\_\_\_\_\_  
Charles W. Cagle  
Lewis, King, Krieg & Waldrop, P.C.  
424 Church Street, Suite 2500  
Post Office Box 198615  
Nashville, Tennessee 37219  
(615) 259-1389  
Attorney for Andrea Ball and HR Comp Employee Leasing, LLC

(Probationary Licensure)

# State of Tennessee



## THE DEPARTMENT OF COMMERCE AND INSURANCE

### DIVISION OF INSURANCE

### CERTIFICATE OF LICENSURE, PROBATIONARY

Staff Leasing Company

*Whereas, HR COMP EMPLOYEE LEASING, LLC (License# 524), having complied with such of the requirements of the laws of Tennessee as are applicable to the said organization in order to enable it to transact business herein; now, therefore, I, the undersigned, Commissioner of Commerce and Insurance do hereby license HR COMP EMPLOYEE LEASING, LLC subject to all the requirements and conditions of the laws to transact the business of a Staff Leasing Company, from April 9, 2012 to April 8, 2014.*



In witness whereof, I have hereunto set my hand and caused the seal of my office to be affixed, at City of Nashville, in the State of Tennessee, this 9<sup>th</sup> day of April, A.D. 2012.

*Julie Mix McPeak*

Julie Mix McPeak  
Commissioner  
Department of Commerce and Insurance

## Hannah Parker

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**From:** Mark Cate  
**Sent:** Monday, February 13, 2012 8:58 AM  
**To:** 'Marcille Durham'  
**Subject:** RE: Information

Thanks, Marcille. I'll get back with you if I have questions.

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**From:** Marcille Durham [<mailto:marcille@ingramgroup.com>]  
**Sent:** Monday, February 13, 2012 8:55 AM  
**To:** Mark Cate  
**Subject:** RE: Information

Good morning, Mark. Attached are three documents prepared by Andy Davis at the TEL which should, collectively, answer the questions you had about growth in Tennessee lottery sales year over year, growth in net lottery proceeds since inception, and how TEL's operating costs – broken out by type – compare with the other lottery corporations. You'll see that (1) gross sales have grown each year despite a recession, (2) net lottery proceeds have grown each year with the exception of 2009 (for which the TEL withheld bonuses even when the statute allowed them), and (3) TEL's operating costs such as personnel, advertising and general operations are very much in line with – if not lower than -- similar corporations.

Thanks so much for taking the time to meet with me Friday. Feel free to call with any questions.

Marcille

Marcille Durham  
The Ingram Group  
424 Church Street, Suite 1650  
Nashville, TN 37249  
Office: (615) 345-9200  
Cell: [REDACTED]  
Fax: (615) 620-4382

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**From:** Mark Cate [<mailto:Mark.Cate@tn.gov>]  
**Sent:** Sunday, February 12, 2012 3:26 PM  
**To:** Marcille Durham  
**Subject:** RE: Information

That sounds good. Thanks, Marcille.

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**From:** Marcille Durham [<mailto:marcille@ingramgroup.com>]  
**Sent:** Sunday, February 12, 2012 3:09 PM  
**To:** Mark Cate  
**Subject:** RE: Information

Thanks so much, Mark. The TEL has prepared everything you asked for, and I'm trying to get my hands on it this afternoon. One consideration when we looked at operating expenses as a percentage of scholarship proceeds was that we had to use stats from corporations *only* to do apples-to-apples comparisons. State-run lotteries are impossible to compare because so many of their costs (rent, etc.) are absorbed by the agency under whose umbrella they operate.

I'll email the info as soon as I see it.

Marcille

**Marcille Durham**  
**The Ingram Group**  
424 Church Street, Suite 1650  
Nashville, TN 37219  
office phone: (615) 345-9200  
cell phone: [REDACTED]  
fax phone: (615) 620-4382

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**From:** Mark Cate [Mark.Cate@tn.gov]  
**Sent:** Sunday, February 12, 2012 3:06 PM  
**To:** Marcille Durham  
**Subject:** Information

Marcille:

I'll be meeting with Senator McNally and Representative Brooks this week to discuss the lottery bills. Please send me the information we discussed as soon as you can.

Thanks so much.

MC



Tennessee Education Lottery Corporation  
Incremental Year over Year Sales and Proceeds  
Compared to Industry Growth Non VLT States

**SALES**

Base Year	FY05	Actual		Growth @ Industry Average		Incremental over Industry Avg
		Gross Sales	%	Growth \$\$\$	%	
		<u>\$ 844,319,000</u>		<u>\$ 844,319,000</u>		
FY06		\$ 996,268,000	18.0%	\$ 151,949,000	918,592,841	74,273,841
FY07		\$ 1,058,132,000	6.2%	\$ 61,864,000	935,470,153	16,877,312
FY08		\$ 1,064,960,000	0.6%	\$ 6,828,000	948,462,667	12,992,514
FY09		\$ 1,087,885,000	2.2%	\$ 22,925,000	952,256,518	3,793,851
FY10		\$ 1,138,390,000	4.6%	\$ 50,505,000	965,969,814	13,713,296
FY11		\$ 1,186,557,000	4.2%	\$ 48,167,000	994,820,175	28,850,361
Cumulative		<u>\$ 6,532,192,000</u>		<u>\$ 342,238,000</u>	<u>\$ 5,715,572,168</u>	<u>\$ 150,501,175</u>
						<u>\$ 191,736,5</u>

**PROCEEDS**

Base Year	FY05	Actual		Growth @ Industry Average		Incremental over Industry Avg
		Total Proceeds	%	Growth \$\$\$	%	
		<u>\$ 234,296,000</u>		<u>\$ 234,296,000</u>		
FY06		\$ 275,380,000	18.0%	\$ 41,084,000	254,257,425	19,961,425
FY07		\$ 284,279,000	3.2%	\$ 8,999,000	257,807,392	3,549,967
FY08		\$ 286,141,000	0.7%	\$ 1,862,000	259,032,946	1,225,554
FY09		\$ 280,152,000	-2.1%	\$ (5,989,000)	253,483,339	(5,544,607)
FY10		\$ 288,873,000	3.1%	\$ 8,721,000	258,600,811	5,112,472
FY11		\$ 293,490,000	1.6%	\$ 4,617,000	257,445,888	(1,154,922)
Cumulative		<u>\$ 1,708,315,000</u>		<u>\$ 59,194,000</u>	<u>\$ 1,540,632,800</u>	<u>\$ 23,149,888</u>
						<u>\$ 36,044,1</u>

**Lottery Industry  
Growth vs. TEL  
(Non-VLT states)**

**SALES**

Reported through:	<u>INDUSTRY FY 2011</u>	<u>TENN FY2011</u>
3-Year Average	1.3%	3.7%
5-Year Average	1.4%	3.6%

**Year over Year Growth Rates (Aggregate)**

<u>Fiscal Year</u>	<u>INDUSTRY</u>	<u>TENN</u>
2006	8.8%	18.0%
2007	1.8%	6.2%
2008	1.4%	0.6%
2009	0.4%	2.2%
2010	1.4%	4.6%
2011	2.0%	4.2%

**PROCEEDS**

Reported through:	<u>INDUSTRY FY 2011</u>	<u>TENN FY2011</u>
3-Year Average	-0.2%	0.9%
5-Year Average	0.2%	1.3%

**Year over Year Growth Rates (Aggregate)**

<u>Fiscal Year</u>	<u>INDUSTRY</u>	<u>TENN</u>
2006	8.5%	18.0%
2007	1.4%	3.2%
2008	0.5%	0.7%
2009	-2.1%	-2.1%
2010	1.9%	3.1%
2011	-0.4%	1.6%

Operating Expenses as a % of Gross Sales  
(as reported in each lottery's financial reports)

**FY 2010**

	<u>Tennessee</u>	<u>Connecticut</u>	<u>Georgia</u>	<u>Kentucky</u>	<u>Louisiana</u>	<u>New Mexico</u>
Advertising	0.9%	1.0%	0.7%	1.1%	1.9%	1.5%
Personnel Costs	1.0%	1.4%	0.6%	1.6%	1.9%	2.4%
All Other Operating (Note 1)	0.6%	0.6%	0.7%	1.3%	0.9%	1.1%

**FY 2009**

Advertising	1.0%	1.1%	0.4%	1.0%	1.9%	1.5%
Personnel Costs	1.0%	1.4%	0.7%	1.6%	1.9%	2.5%
All Other Operating (Note 1)	0.6%	0.9%	0.8%	1.5%	0.9%	1.3%

Note 1: All Other Operating includes Rents, Utilities, Telecommunications, insurance, vehicles, retailer marketing and merchandising costs, and other general and administrative costs.

## Hannah Parker

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**From:** Mark Cate  
**Sent:** Sunday, February 12, 2012 3:26 PM  
**To:** 'Marcille Durham'  
**Subject:** RE: Information

That sounds good. Thanks, Marcille.

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**From:** Marcille Durham [mailto:[marcille@ingramgroup.com](mailto:marcille@ingramgroup.com)]  
**Sent:** Sunday, February 12, 2012 3:09 PM  
**To:** Mark Cate  
**Subject:** RE: Information

Thanks so much, Mark. The TEL has prepared everything you asked for, and I'm trying to get my hands on it this afternoon. One consideration when we looked at operating expenses as a percentage of scholarship proceeds was that we had to use stats from corporations *only* to do apples-to-apples comparisons. State-run lotteries are impossible to compare because so many of their costs (rent, etc.) are absorbed by the agency under whose umbrella they operate.

I'll email the info as soon as I see it.

Marcille

Marcille Durham  
The Ingram Group  
424 Church Street, Suite 1650  
Nashville, TN 37219  
office phone: (615) 345-9200  
cell phone: [REDACTED]  
fax phone: (615) 620-4382

---

**From:** Mark Cate [Mark.Cate@tn.gov]  
**Sent:** Sunday, February 12, 2012 3:06 PM  
**To:** Marcille Durham  
**Subject:** Information

Marcille:

I'll be meeting with Senator McNally and Representative Brooks this week to discuss the lottery bills. Please send me the information we discussed as soon as you can.

Thanks so much.

MC

## Hannah Parker

---

**From:** Mark Cate  
**Sent:** Monday, February 13, 2012 7:51 PM  
**To:** 'Marcille Durham'  
**Subject:** RE: McNally proposal

Will do. We're working on it.

---

**From:** Marcille Durham [<mailto:marcille@ingramgroup.com>]  
**Sent:** Monday, February 13, 2012 4:49 PM  
**To:** Mark Cate  
**Subject:** McNally proposal

Hi Mark.

Just touching base to let you know that Chairman Gresham reported earlier today that they now plan to "tweak" the McNally bill. Don't yet know what that means but if you need anything more from us, just give me a call.

Thanks again,  
Marcille

Marcille Durham  
The Ingram Group  
424 Church Street, Suite 1650  
Nashville, TN 37219  
Office: (615) 345-9200  
Cell: [REDACTED]  
Fax: (615) 620-4382

Previous    Next

**Mar 2, 2012 4:28:42 PM**

From: Alexia Poe <Alexia.Poe@tn.gov >  
To: 'marcille@ingramgroup.com' <marcille@ingramgroup.com >  
Subject: **Re: Monday meeting with Louisiana Pacific**

Thanks Marcille. Be safe this afternoon/evening.

**From:** Marcille Durham [mailto:marcille@ingramgroup.com]  
**Sent:** Friday, March 02, 2012 03:27 PM  
**To:** Alexia Poe  
**Cc:** AnnaCatherine Davenport; Hannah Parker  
**Subject:** Monday meeting with Louisiana Pacific

Hi Alexia,

Hope you're well.

Attached is a white paper provided by Louisiana Pacific that may be useful background for part of Monday's dis go, this one if very high on their list.

In the event Mark Cate is joining the LP meeting, would you please forward a copy to him as well?

Many thanks.

Looking forward to seeing you on Monday!

MD

Marcille Durham  
The Ingram Group

Attachments:

## Hannah Parker

---

**From:** Tom Ingram <tom.ingram@ingramgroup.com>  
**Sent:** Saturday, March 17, 2012 11:14 AM  
**To:** Mark Cate  
**Subject:** Re: HEY, THERE, FRIEND!

Ok. Tx

Sent from my iPhone

On Mar 17, 2012, at 12:08 PM, "Mark Cate" <[Mark.Cate@tn.gov](mailto:Mark.Cate@tn.gov)> wrote:

No bother at all. I usually spend Saturday morning catching up. I'll send you some thoughts later today and then you can tell me what be a good time to talk tomorrow. Thanks.

---

**From:** Tom Ingram [<mailto:tom.ingram@ingramgroup.com>]  
**Sent:** Saturday, March 17, 2012 9:53 AM  
**To:** Mark Cate  
**Subject:** Re: HEY, THERE, FRIEND!

Wow, didn't mean to bother you on weekend. Impressive response time. Absolutely want your notes and happy to talk today, tomorrow or Monday am. Will get into issues as far as you deem wise. Thanks.

On 3/17/12 10:39 AM, "Mark Cate" <[Mark.Cate@tn.gov](mailto:Mark.Cate@tn.gov)> wrote:

Will do. Ironically, I'm working on some notes I plan to send you later today. I know you and the Governor are having lunch on Monday and we discussed it yesterday. He and I have been discussing roles and responsibilities and I told him you have some good thoughts as well. If possible, I'd like to send you some notes and then maybe talk tomorrow if you have some time. Just let me know.

MC

**From:** Tom Ingram [<mailto:tom.ingram@ingramgroup.com>]  
**Sent:** Saturday, March 17, 2012 9:37 AM  
**To:** Mark Cate  
**Subject:** FW: HEY, THERE, FRIEND!  
**Importance:** High

Mark, pls see attached request from old friend of Cindy and me, Jimmy Neil Smith. Pls forward to Emkes, Hargerty or whomever appropriate for review and response. Let me know if I can do anything else to help Jimmy Neil.

BTW, I have lunch with Bill on Monday. Will keep you posted on conversations. Tx

----- Forwarded Message

**From:** Cindy Ingram <[cangelingram@comcast.net](mailto:cangelingram@comcast.net)>  
**Date:** Wed, 14 Mar 2012 13:22:22 -0400  
**To:** Tom Ingram <[tom.ingram@ingramgroup.com](mailto:tom.ingram@ingramgroup.com)>  
**Subject:** Fwd: HEY, THERE, FRIEND!

## Hannah Parker

---

**From:** Mark Cate  
**Sent:** Monday, March 19, 2012 8:53 PM  
**To:** 'Marcille Durham'  
**Subject:** Follow-up

Marcille:

I talked with Commissioner Huffman this afternoon. I think the next step for you and Chuck is to talk with him directly. Let me know once that has happened.

Thanks.

MC



## Hannah Parker

---

**From:** Tom Ingram <tom.ingram@ingramgroup.com>  
**Sent:** Friday, March 30, 2012 8:15 AM  
**To:** Mark Cate  
**Subject:** Re: Pls call me

Knew you were out of country. Really need to talk about another matter when you have a chance. Tx

Sent from my iPhone

On Mar 30, 2012, at 8:30 AM, "Mark Cate" <Mark.Cate@tn.gov> wrote:

> I'm in the Bahamas--hopefully someone let you know. But I did talk with Martineau on Wednesday and he's fine for another month if that's what we need.

>

>

> 

---

From: Tom Ingram [tom.ingram@ingramgroup.com]

> Sent: Thursday, March 29, 2012 8:55 AM

> To: Mark Cate

> Subject: Pls call me

>

> When you can. [REDACTED]

>

> Sent from my iPhone

**Hannah Parker**

---

**From:** Tom Ingram <tom.ingram@ingramgroup.com>  
**Sent:** Sunday, April 01, 2012 5:04 PM  
**To:** Mark Cate  
**Subject:** Are you back home yet?

I really need to discuss a matter with you tonight or early tomorrow. tx

## Hannah Parker

---

**From:** Mark Cate  
**Sent:** Sunday, April 08, 2012 4:38 PM  
**To:** 'Marcille Durham'; Hannah Parker  
**Subject:** RE: Rural Schools Meeting

I'll plan to come by at 11:30 a.m. if that works. Thanks, Marcille.

---

**From:** Marcille Durham [<mailto:marcille@ingramgroup.com>]  
**Sent:** Sunday, April 08, 2012 3:29 PM  
**To:** Mark Cate; Hannah Parker  
**Subject:** RE: Rural Schools Meeting

Mark,  
The TSSE will be very happy to have you speak as long (or as short) as you wish. They will adjust their schedule to accommodate your remarks. I've asked for a list of luncheon attendees and will pass it on asap. While this group represents 80+ rural districts, their luncheon is a Board event and is usually attended by around 20 folks.

Thanks,  
Marcille

---

**From:** Mark Cate [<mailto:Mark.Cate@tn.gov>]  
**Sent:** Sunday, April 08, 2012 3:15 PM  
**To:** Hannah Parker  
**Cc:** Marcille Durham  
**Subject:** RE: Rural Schools Meeting

How long am I supposed to be there? Will did mention to me that they would like for me to say a few words.

---

**From:** Hannah Parker  
**Sent:** Sunday, April 08, 2012 3:12 PM  
**To:** Mark Cate  
**Cc:** Marcille Durham  
**Subject:** Re: Rural Schools Meeting

Yes, I have this on the calendar for tomorrow. I wasn't aware that Mark would be speaking however.

Marcille, can you please provide a copy of the agenda and a list of attendees?

On Apr 8, 2012, at 4:09 PM, "Mark Cate" <[Mark.Cate@tn.gov](mailto:Mark.Cate@tn.gov)> wrote:

Hannah probably knows more of the details, but I already have this on my calendar.

---

**From:** Marcille Durham [<mailto:marcille@ingramgroup.com>]  
**Sent:** Sunday, April 08, 2012 2:57 PM  
**To:** Mark Cate  
**Cc:** Hannah Parker  
**Subject:** Rural Schools Meeting

Mark ~

You may know that the rural schools' directors are in town tomorrow for their annual meeting. They would be honored to have you stop by during their luncheon, anytime between 11:30-1:00 at the City Club, to say a few words about the ongoing discussions over BEP and its impact on their schools. I've learned that such a visit or other outreach from the Gov's office might extend their timeline for discussions. Please let us know if such a visit would be possible, and they'll arrange their schedule accordingly.

Apologies for emailing you on Easter Sunday. The information I received seemed important and timely enough to warrant the contact. I'll check with your office in the morning.

Best,  
Marcille

Marcille Durham  
The Ingram Group  
424 Church Street, Suite 1650  
Nashville, TN 37219  
Office: (615) 345-9200  
Cell: [REDACTED]  
Fax: (615) 620-4382

## Hannah Parker

---

**From:** Mark Cate  
**Sent:** Monday, April 09, 2012 3:18 PM  
**To:** Will Cromer; 'wayneq@mlec.net'; 'marcille@ingramgroup.com'  
**Cc:** Stephen M. Smith; Cynthia Gore  
**Subject:** RE: TSSE Meeting Tomorrow

Got it. Thanks.

**From:** Will Cromer  
**Sent:** Monday, April 09, 2012 3:11 PM  
**To:** 'wayneq@mlec.net'; 'marcille@ingramgroup.com'  
**Cc:** Stephen M. Smith; Mark Cate; Cynthia Gore  
**Subject:** RE: TSSE Meeting Tomorrow

All,

I spoke with Wayne, and the group can do 8:15am tomorrow. We'll still meet in G-11.

Thanks for adjusting your schedules on short notice.

Will

**From:** Will Cromer  
**Sent:** Monday, April 09, 2012 12:47 PM  
**To:** 'wayneq@mlec.net'; [marcille@ingramgroup.com](mailto:marcille@ingramgroup.com)  
**Cc:** Stephen M. Smith; Mark Cate; Cynthia Gore  
**Subject:** TSSE Meeting Tomorrow  
**Importance:** High

Wayne & Marcille,

Thanks again for letting the administration speak to the TSSE board this morning. We hope that was helpful for your group.

For tomorrow, we just found out that House Education Committee has moved its meeting time from noon to 10:30am. The committee chairman specifically asked Stephen to be in attendance, so he won't be able to make our 11am meeting if we keep it at that time.

Is there any chance your group could meet with us at 8am tomorrow instead? Sorry for the inconvenience.

Thanks,

Will

**Will Cromer**  
Director of Policy & Research  
Office of the Governor  
G-12, State Capitol  
Nashville, TN 37243

615.741.3763  
[will.cromer@tn.gov](mailto:will.cromer@tn.gov)

## Hannah Parker

---

**From:** Tom Ingram <tom.ingram@ingramgroup.com>  
**Sent:** Sunday, May 13, 2012 11:19 AM  
**To:** Mark Cate  
**Subject:** Re: UPDATE

Will do.

Sent from my iPhone

On May 13, 2012, at 8:50 AM, "Mark Cate" <[Mark.Cate@tn.gov](mailto:Mark.Cate@tn.gov)> wrote:

Thanks, Tom. I know we're getting together for lunch soon but give me a call this week if you get a chance. I'd like to update you on a few things.

---

**From:** Tom Ingram [<mailto:tom.ingram@ingramgroup.com>]  
**Sent:** Saturday, May 12, 2012 9:09 PM  
**To:** Mark Cate  
**Subject:** Re: UPDATE

Thx. Btw, great legislative session.

Sent from my iPhone

On May 12, 2012, at 7:36 PM, "Mark Cate" <[Mark.Cate@tn.gov](mailto:Mark.Cate@tn.gov)> wrote:

Got it. Let me look into this and see if we can figure something out.

MC

---

**From:** Tom Ingram [<mailto:tom.ingram@ingramgroup.com>]  
**Sent:** Saturday, May 12, 2012 1:54 PM  
**To:** Mark Cate  
**Subject:** Fwd: UPDATE

Mark, here's the latest from jimmy Neil smith. Any help or response to him appreciated.

Thx

Sent from my iPhone

We can raise a portion of the required \$1 million from our friends and donors, perhaps half, but we still need another \$500,000.

It would be a tragedy if we lost ownership and usage of the Center building, so the ISC board and I are working with the Town of Jonesborough and a network of our friends to retain the structure. So, I am wondering if Tom would advise us on how we could secure \$500,000 from the State of Tennessee through existing monies or through the 2012-2013 budget. I know time is very short, but I am hopeful that there's still time to secure State monies. I haven't wanted to ask for funding until we have assurances that we are successfully emerging from Chapter 11.

ISC invested about \$5 million into the planning, design, and construction of the building, much of it from state and federal agencies. It's a grand building sitting in the heart of Tennessee's oldest town. We must not allow that investment to wind up in the hands of private developers.

Would Tom meet with me to discuss the possibility of a State appropriation...from existing monies or new monies...and how it might be done? Tom has been so very helpful in the past, and I have always been so grateful for his support and assistance. I always will.

I will meet him wherever he prefers.

Now, Cindy, have I done a convincing job of this request?

Jimmy Neil

Jimmy Neil Smith  
Founder and President Emeritus  
International Storytelling Center  
116 West Main Street  
Jonesborough, Tennessee 37659  
Phone: [REDACTED]  
Fax: [REDACTED]  
Email: [jns@storytellingcenter.net](mailto:jns@storytellingcenter.net)

----- End of Forwarded Message



Here'e Jimmy Neil's mail. I completely forgot to send it.

---

**From:** "Jimmy Neil Smith" <[JNS@storytellingcenter.net](mailto:JNS@storytellingcenter.net)>  
**To:** [cangelingram@comcast.net](mailto:cangelingram@comcast.net)  
**Sent:** Sunday, March 11, 2012 6:28:45 PM  
**Subject:** HEY, THERE, FRIEND!

Cindy,

I hope you and your family are well and happy. I enjoy reading about your escapades on Facebook.

I'm writing for a special purpose...

I have a problem and I'm looking for ways to solve it, and it occurred that you and Tom might will willing to help me.

As you probably know, the International Storytelling Center has been in Chapter 11 bankruptcy since January 1, 2011. We have continued to operate ISC and our programming since we filed. And, on March 20, we expect the court to confirm our Chapter 11 reorganization plan which allows us to successfully emerge from bankruptcy. Yes, stronger than ever.

However...

Our reorganization plan includes ISC, as an organization, and the annual National Storytelling Festival. Our plan, unfortunately, does NOT include the wonderful, classic Storytelling Center building in downtown Jonesborough. In order to retain the building for the future, we are needing \$1 million to settle with Rural Development-USDA, the federal agency that holds the mortgage.

The building is an iconic structure, symbolic of storytelling, and a beacon for storytelling worldwide, and the building houses our information and welcome area, our gift shop, two large rooms for educational programs and other activities, and a theater where 26 tellers-in-residence from across America perform daily, May to October. Storytelling, as you know, is Jonesborough's primary attraction and our community's pathway to economic sustainability for the future. Jonesborough is currently being branded as the Storytelling Capital of the World. According to ETSU research, ISC and our ongoing activities generate \$6.9 million annually in economic impact and generates 111 jobs.

**Hannah Parker**

---

**From:** Mark Cate  
**Sent:** Tuesday, May 15, 2012 1:49 PM  
**To:** 'Tom Ingram'  
**Subject:** RE: Call

I'm in meetings until 5:30 p.m. Can I call you then or at some point tonight? If not, I can talk first thing in the morning.  
Thanks, Tom.

-----Original Message-----

**From:** Tom Ingram [<mailto:tom.ingram@ingramgroup.com>]  
**Sent:** Tuesday, May 15, 2012 8:58 AM  
**To:** Mark Cate  
**Subject:** Call

Just left MSG. In fla. have cell, 865-██████████ If you call and miss me, suggest good time and I will call you back. Have a great day.

Sent from my iPhone

**Hannah Parker**

---

**From:** Mark Cate  
**Sent:** Friday, May 18, 2012 8:04 AM  
**To:** 'Tom Ingram'  
**Subject:** RE: Call

I'd like to send you some information this weekend and then talk by phone maybe Sunday. Would that work for you?

-----Original Message-----

**From:** Tom Ingram [<mailto:tom.ingram@ingramgroup.com>]  
**Sent:** Tuesday, May 15, 2012 2:03 PM  
**To:** Mark Cate  
**Subject:** Re: Call

Sure.

Sent from my iPad

On May 15, 2012, at 1:49 PM, "Mark Cate" <[Mark.Cate@tn.gov](mailto:Mark.Cate@tn.gov)> wrote:

> I'm in meetings until 5:30 p.m. Can I call you then or at some point tonight? If not, I can talk first thing in the morning.  
> Thanks, Tom.

>

> -----Original Message-----

> **From:** Tom Ingram [<mailto:tom.ingram@ingramgroup.com>]  
> **Sent:** Tuesday, May 15, 2012 8:58 AM  
> **To:** Mark Cate  
> **Subject:** Call

>

> Just left MSG. In fla. have cell, [REDACTED]. If you call and miss me, suggest good time and I will call you back. Have a great day.

>

> Sent from my iPhone

>

## Hannah Parker

---

**From:** Mark Cate  
**Sent:** Wednesday, August 15, 2012 8:24 PM  
**To:** Marcille Durham (marcille@ingramgroup.com)  
**Subject:** FW: Degree Designation Meeting Agenda  
**Attachments:** Degree Designation Meeting Agenda - 8-16-12.doc

Please call me about this when you get a chance. Thanks.

MC

---

**From:** Will Burns  
**Sent:** Wednesday, August 15, 2012 12:45 PM  
**To:** [ssouth@southcollegetn.edu](mailto:ssouth@southcollegetn.edu); [kmyatt@argosy.edu](mailto:kmyatt@argosy.edu); High, Katie; Clark, Kay; Moore, Cyndee P.; Gary Adcox ([jgadcox@national-college.edu](mailto:jgadcox@national-college.edu)); Pressnell, Claude  
**Cc:** Richard Rhoda; [sen.mike.bell@capitol.tn.gov](mailto:sen.mike.bell@capitol.tn.gov); 'sen.dolores.gresham@capitol.tn.gov'; [Sen.Jim.Summerville@capitol.tn.gov](mailto:Sen.Jim.Summerville@capitol.tn.gov); 'Judd Matheny'; Haire, Catherine; James, Nathan; [doug.garrett@capitol.tn.gov](mailto:doug.garrett@capitol.tn.gov); Phil DeBusk ([phil.debusk@cot.tn.gov](mailto:phil.debusk@cot.tn.gov)); [khall@southcollegetn.edu](mailto:khall@southcollegetn.edu); Mark Cate; Will Cromer; 'Anne Landis Jetton'; Stephanie Bellard; Julie Woodruff  
**Subject:** Degree Designation Meeting Agenda

Attached is an agenda for our meeting tomorrow. Please note that it is general in nature and while there are specific presentations scheduled to facilitate our discussion, there will be opportunities to not only add agenda items, but to thoroughly discuss all presentations.

Please note that we will begin at 11:00 CDT in the THEC Boardroom located on the 18<sup>th</sup> floor of Parkway Towers. We will have box lunches for you. Thank you for your willingness to assist us in this matter.

Will Burns  
Associate Executive Director  
of Legal and Regulatory Affairs  
Tennessee Higher Education Commission  
404 James Robertson Parkway, Parkway Towers, Suite 1900  
Nashville, TN 37243  
Telephone: 615-741-7571  
Fax: 615-253-6395



RICHARD G. RHODA  
*Executive Director*

STATE OF TENNESSEE  
**HIGHER EDUCATION COMMISSION**  
PARKWAY TOWERS, SUITE 1900  
NASHVILLE, TENNESSEE 37243-0830  
(615) 741-3605  
FAX: (615) 741-6230

BILL HASLAM  
*Governor*

**AGENDA**  
**TENNESSEE HIGHER EDUCATION COMMISSION**  
**Meeting Relative to Degree Designations**  
**Commission Boardroom, Parkway Towers**  
**August 16, 2012, 11:00 a.m. CDT**

- I. Welcome – Statement of Purpose**  
Richard G. Rhoda, Executive Director  
Tennessee Higher Education Commission
- II. Accreditation Overview**  
Claude Pressnell, President  
Tennessee Independent Colleges and Universities Association
- III. Review of Process in Developing Transfer Pathways Pursuant to Complete College Act**  
Kay Clark, Chief Academic Officer  
Tennessee Board of Regents
- IV. Overview of 50 State Survey Regarding Degree Designation**
- V. Roundtable Discussion/Working Lunch**

## Hannah Parker

---

**From:** Mark Cate  
**Sent:** Thursday, August 16, 2012 9:09 PM  
**To:** 'Marcille Durham'  
**Subject:** RE: Meeting Today

Sorry I missed you today. Please call tomorrow if you get a chance.

---

**From:** Marcille Durham [<mailto:marcille@ingramgroup.com>]  
**Sent:** Thursday, August 16, 2012 8:29 AM  
**To:** Mark Cate  
**Subject:** Meeting Today

Mark,

I got your email, and will try to catch you by phone within the next hour. I wanted to give you a heads-up that the proprietary school representatives respectfully declined to participate in the meeting set up by THEC today. I believe Will intends to move ahead with the meeting.

It had been the understanding of TAICS that they would meet with THEC officials -- at Mike Bell's request -- to come to a compromise on the three or four proposed rules with which they take issue. Quite frankly, they have been disappointed in the past that THEC will not meet one-on-one to explain the heavy-handed position they take on these schools, but always brings Claude Presnell to argue for them. (You may remember that Claude admitted in the last meeting that TICUA views proprietary schools as being in competition with his institutions.) When TAICS folks called earlier this week to ensure that the meeting was between the parties impacted by the rules --THEC and TAICS -- they learned that not only had Will included Claude, but also UT, TBR, Steve South and his assistant, and Argosy University. Bottom line, the meeting they thought they'd be having had been abandoned, and THEC had loaded the room with folks who were already on record as opposing the inclusion of the proprietary sector as partners in the state's overall higher education scheme. An agenda shed more light on where they were headed today -- not addressing all of our concerns but focusing on the ability to offer academic degrees. It appears the strategy they'll pursue is allowing academic degrees only at institutions whose credits are widely transferrable-- clearly a factor they control.

TAICS has committed to be in touch with THEC in the next 48 hours to set a one-on-one meeting, but now wonder if it will be granted. Tween you and me, TAICS may soon be reaching out individually to TBR and UT in an effort to search for common ground among the sectors.

I'll give you a call shortly.

Marcille

Marcille Durham  
The Ingram Group  
424 Church Street, Suite 1650  
Nashville, TN 37219  
Office: (615) 345-9200  
Cell: [REDACTED]  
Fax: (615) 620-4382

## Hannah Parker

---

**From:** Mark Cate  
**Sent:** Thursday, September 20, 2012 5:30 PM  
**To:** 'Marcille Durham'  
**Subject:** RE: Letter from TAICS

I just got the letter and will read it tonight.

---

**From:** Marcille Durham [<mailto:marcille@ingramgroup.com>]  
**Sent:** Thursday, September 20, 2012 2:12 PM  
**To:** Mark Cate  
**Subject:** Letter from TAICS

Hi Mark,

Just a note to give you a heads up that you'll likely receive a letter today from TAICs – addressed to the Governor – commenting on the “burdensome nature” of the most recent round of THEC rules for proprietary schools. While THEC reported again last week to Sen. Bell that the Governor’s office had questions about the rules and had asked to see them, we now believe they were referring to the routine review of rules in the legal counsel’s office. Apparently the rules are still there.

Along those same lines, the Board of TAICS will be calling Hannah soon to request a meeting with you to discuss your current efforts to improve Tennessee’s higher education scheme -- and offer ways they might actually contribute to student outcomes. I hope you’ll have time to sit down with them.

Feel free to call with any questions.

Thanks much,  
Marcille

Marcille Durham  
The Ingram Group  
424 Church Street, Suite 1650  
Nashville, TN 37219  
Office: (615) 345-9200  
Cell: [REDACTED]  
Fax: (615) 620-4382

## Hannah Parker

---

**From:** Mark Cate  
**Sent:** Wednesday, September 26, 2012 8:17 PM  
**To:** 'Marcille Durham'  
**Subject:** RE: Meeting with THEC

That sounds good. I'll let Hannah know you'll be in touch.

---

**From:** Marcille Durham [<mailto:marcille@ingramgroup.com>]  
**Sent:** Wednesday, September 26, 2012 11:38 AM  
**To:** Mark Cate  
**Subject:** Meeting with THEC

Hi Mark. You may remember that the Board of TN Association of Independent Colleges and Schools (TAICS) has a preliminary meeting with THEC tomorrow morning (Rhoda and Burns, only) in advance of an official meeting on October 2. Their goal is to make progress on resolving the 4 proposed rules with which TAICS takes issue. Unless those rules have already been returned to THEC, they should still be in your office – being reviewed, as are all rules, by your legal folks.

The Board would still like to schedule a substantive meeting with you in the near future to make a case for including the proprietaries in the overall higher education scheme. Currently, there are numerous states working to integrate all sectors of higher education – proprietaries included - and taking such steps as instituting common course numbering to assure that the needs and goals of all students are both met and attainable. Some of those same states are encouraging coordination between *schools and industry* to better meet the employment needs of the state.

I'll touch base with Hannah to see if such a meeting with you is possible.

Thanks much,  
Marcille

Marcille Durham  
The Ingram Group  
424 Church Street, Suite 1650  
Nashville, TN 37219  
(615) 345-9200



## Hannah Parker

---

**From:** Mark Cate  
**Sent:** Saturday, August 25, 2012 8:36 AM  
**To:** 'Marcille Durham'  
**Subject:** RE: call today

Marcille--sorry I was swamped yesterday. I'll be in the office Monday but heading to Tampa for the RNC on Tuesday.

---

**From:** Marcille Durham [<mailto:marcille@ingramgroup.com>]  
**Sent:** Friday, August 24, 2012 9:30 AM  
**To:** Mark Cate  
**Subject:** call today

Any change you'd be available for a call today? I'm just back in town and hope to catch up on events of last week.

Thanks much,  
Marcille

Marcille Durham  
The Ingram Group  
424 Church Street, Suite 1650  
Nashville, TN 37219  
Office: (615) 345-9200  
Cell: [REDACTED]  
Fax: (615) 620-4382

## Hannah Parker

---

**From:** Mark Cate  
**Sent:** Thursday, August 30, 2012 4:18 PM  
**To:** 'Marcille Durham'  
**Subject:** RE: Next week

Please work through Hannah to see what we can work out. Thank, Marcille.

-----Original Message-----

**From:** Marcille Durham [<mailto:marcille@ingramgroup.com>]  
**Sent:** Thursday, August 30, 2012 10:28 AM  
**To:** Mark Cate  
**Subject:** Next week

Mark,

I spoke with Tom yesterday, and he asked about your availability next week--preferably Tuesday through Thursday. We know it's a holiday week, but issue is quite time sensitive. Would you be available--30 minutes or so? Would you rather we request through Hannah?

Marcille

**Leslie Hafner**

---

**From:** Leslie Hafner  
**Sent:** Tuesday, September 18, 2012 6:26 PM  
**To:** 'Janet Murphy'  
**Subject:** RE: Time with Tom Ingram

Thank you very much Janet.

A group of the agency liaisons have a monthly "Bill Review" at 6:30p.m. at a local watering hole.

I need to stop by that.

Likely for 45 minutes.

If stopping by Jimmy Kellys at 7:30 p.m. ish is too late, please let me know.

I appreciate the kind invitation.

Leslie

---

**From:** Janet Murphy [<mailto:janet.murphy@ingramgroup.com>]  
**Sent:** Tuesday, September 18, 2012 4:47 PM  
**To:** Leslie Hafner  
**Subject:** Time with Tom Ingram

Leslie,

I did want to follow-up with you and let you know that Tom hopes to see you tomorrow night, Wednesday, September 19<sup>th</sup>, around 6:30 – 6:45 p.m. at Jimmy Kelly's. He wanted make it official! He also did reach out to Commissioner Hunter that he did not intend to overlook her, that she was very much included and encouraged to come as well. Just as an FYI.  
Thanks so much!

*Janet Murphy*  
The Ingram Group  
424 Church Street, Suite 1650  
Nashville TN 37219

615-345-9200

615-620-4382 (fax)

[REDACTED]

**Hannah Parker**

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**From:** Tom Ingram <tom.ingram@ingramgroup.com>  
**Sent:** Friday, September 28, 2012 8:35 PM  
**To:** Mark Cate  
**Subject:** Re: Tourism mting Monday

Thx

Sent from my iPhone

On Sep 28, 2012, at 6:40 PM, "Mark Cate" <[Mark.Cate@tn.gov](mailto:Mark.Cate@tn.gov)> wrote:

> That is correct.

>

>

>

> On Sep 28, 2012, at 5:33 PM, "Tom Ingram" <[tom.ingram@ingramgroup.com](mailto:tom.ingram@ingramgroup.com)> wrote:

>

>> I am assuming attendees are you, gov, Colin, Lewis and me only. Correct?

>>

>> Sent from my iPhone

>

## Hannah Parker

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**From:** Tom Ingram <tom.ingram@ingramgroup.com>  
**Sent:** Friday, October 05, 2012 6:47 PM  
**To:** Mark Cate  
**Subject:** Re: Follow-up

Good. Thx

Sent from my iPhone

On Oct 5, 2012, at 7:43 PM, "Mark Cate" <[Mark.Cate@tn.gov](mailto:Mark.Cate@tn.gov)> wrote:

Good to talk with you this afternoon. I just noticed that I have a meeting with Kate on Monday morning so I'll follow-up with you after that.

Have a good weekend.

MC

## Hannah Parker

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**From:** Tom Ingram <tom.ingram@ingramgroup.com>  
**Sent:** Monday, November 26, 2012 8:25 PM  
**To:** Mark Cate  
**Cc:** Janet Murphy  
**Subject:** Re: Let's get together

Ok.

Sent from my iPhone

On Nov 26, 2012, at 9:23 PM, "Mark Cate" <[Mark.Cate@tn.gov](mailto:Mark.Cate@tn.gov)> wrote:

I'll just meet you there. No problem.

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**From:** Tom Ingram [<mailto:tom.ingram@ingramgroup.com>]  
**Sent:** Monday, November 26, 2012 8:23 PM  
**To:** Mark Cate  
**Subject:** Re: Let's get together

Up to you. I'll probably be moving to Kelly's later.

Sent from my iPhone

On Nov 26, 2012, at 9:18 PM, "Mark Cate" <[Mark.Cate@tn.gov](mailto:Mark.Cate@tn.gov)> wrote:

And btw, Hannah said we are meeting at the Capitol Grille. I'm fine with Kelly's if that's easier -- I really didn't have a preference.

---

**From:** Tom Ingram [<mailto:tom.ingram@ingramgroup.com>]  
**Sent:** Monday, November 26, 2012 8:14 PM  
**To:** Mark Cate  
**Subject:** Re: Let's get together

Ok

Sent from my iPhone

On Nov 26, 2012, at 9:05 PM, "Mark Cate" <[Mark.Cate@tn.gov](mailto:Mark.Cate@tn.gov)> wrote:

Let's add Lipscomb/Leadership TN to our discussion list. I'm disappointed with what I'm hearing -- and I'm even more invested in it since I've introduced the concept to the Hydes, Gregg Morton, etc.

---

**From:** Tom Ingram [<mailto:tom.ingram@ingramgroup.com>]  
**Sent:** Sunday, November 25, 2012 6:08 PM  
**To:** Mark Cate  
**Subject:** Re: Let's get together

Great. Tx

Sent from my iPhone

On Nov 25, 2012, at 6:31 PM, "Mark Cate" <[Mark.Cate@tn.gov](mailto:Mark.Cate@tn.gov)> wrote:

Hope you had a good Thanksgiving as well. That sounds good – I'll look forward to it.

MC

---

**From:** Tom Ingram  
[<mailto:tom.ingram@ingramgroup.com>]  
**Sent:** Sunday, November 25, 2012 5:26 PM  
**To:** Mark Cate  
**Subject:** Let's get together

Mark, following our conversations Monday night after dinner and subsequently after the planning meeting Monday, I have some thoughts I'd like to share with you. I'm going to ask Janet to see if there's a good time for us to get together next week when I'm in Nashville, maybe drinks and/or dinner. Hope you had a great Thanksgiving and some deserved time off. Have a good week. Hope to see you next week. Thanks.



## Hannah Parker

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**From:** Janet Murphy <janet.murphy@ingramgroup.com>  
**Sent:** Tuesday, December 04, 2012 9:14 AM  
**To:** Mark Cate  
**Subject:** RE: Time with Tom Ingram

Mark,

I haven't spoken with him this morning but I believe he is planning on driving to Nashville this afternoon. As soon as I hear from him, I'll let you know for sure.

Thanks!

Janet

**From:** Mark Cate [<mailto:Mark.Cate@tn.gov>]  
**Sent:** Tuesday, December 04, 2012 7:31 AM  
**To:** Janet Murphy  
**Subject:** RE: Time with Tom Ingram

Janet -- I understand that Tom is sick. Are we canceling our meeting for tomorrow?

Thanks.

MC

**From:** Janet Murphy [<mailto:janet.murphy@ingramgroup.com>]  
**Sent:** Wednesday, November 28, 2012 4:15 PM  
**To:** Mark Cate  
**Cc:** Hannah Parker  
**Subject:** Time with Tom Ingram

Mark/Hannah,

I'm moving drinks with Tom on Wednesday, December 5<sup>th</sup>, at 5:00 p.m. CST to Jimmy Kelly's.

Thanks so much!

J.

*Janet Murphy*  
The Ingram Group  
424 Church Street, Suite 1650  
Nashville TN 37219  
615-345-9200  
615-620-4382 (fax)  
[REDACTED] (cell)

## Hannah Parker

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**From:** Tom Ingram <tom.ingram@ingramgroup.com>  
**Sent:** Tuesday, January 01, 2013 2:41 PM  
**To:** Mark Cate  
**Subject:** Re: Nephew

Be glad to. Hope you're having a good break.

On 1/1/13 3:26 PM, "Mark Cate" <[Mark.Cate@tn.gov](mailto:Mark.Cate@tn.gov)> wrote:

He and Todd talked by phone back in August but I don't think that led to a meeting. I'll email him again but it would be great if you could introduce him to Bernie Toon.

**From:** Tom Ingram [<mailto:tom.ingram@ingramgroup.com>]  
**Sent:** Sunday, December 30, 2012 9:41 PM  
**To:** Mark Cate  
**Subject:** Re: Nephew

We should get his resume to Todd Womack with corker being ranking on foreign relations. I'll also be happy to introduce him to Bernie Toon with the first group, who was lugar's special counsel on foreign relations. Let me know how I can help otherwise. Have a great new year's.

Sent from my iPhone

On Dec 30, 2012, at 4:57 PM, "Mark Cate" <[Mark.Cate@tn.gov](mailto:Mark.Cate@tn.gov)> wrote:

Tom:

I hope you and your family had a great Christmas. Attached is the resume of my nephew who relocated to Washington in August. He has a part-time job helping a political consultant, but he's struggling to make the right contacts for other opportunities. He's most interested in policy work (especially foreign policy) and is willing to start with just a good internship. He's a Wake Forest grad, studied Arabic, and spent time in Morocco and Vietnam. Any thoughts on how I can get him better connected?

Thanks.

MC

<Joseph P. Wright Resume.doc>

## Hannah Parker

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**From:** Tom Ingram <tom.ingram@ingramgroup.com>  
**Sent:** Monday, February 04, 2013 8:03 PM  
**To:** Mark Cate  
**Subject:** Re: West Tennessee ideas

Tx. I'll get on first thing tomorrow. Kate called soon after your call. I treated as news. She's very disappointed and surprised. I must say I worry about Jim or anyone else going in there, dealing with so many longstanding systemic problems while under attack by the Tennessean. The beauty of the Larry plan was to buy some time to verify the severity of the problems. We'll stand to help in any way needed.

Sent from my iPhone

On Feb 4, 2013, at 8:57 PM, "Mark Cate" <[Mark.Cate@tn.gov](mailto:Mark.Cate@tn.gov)> wrote:

Here are some thoughts:

Blair Taylor – President, Memphis Tomorrow  
John Moore – President, Memphis Chamber of Commerce  
Cato Johnson – Sr. Vice President, Methodist Hospital  
Kyle Spurgeon – President, Jackson Chamber of Commerce

I was trying to think of people who might be able to make it work and would find value in participating.

MC

## Hannah Parker

---

**From:** Tom Ingram <tom.ingram@ingramgroup.com>  
**Sent:** Tuesday, February 05, 2013 2:44 PM  
**To:** Mark Cate  
**Subject:** Re: West Tennessee ideas

Thx. John moore is a yes.

On 2/4/13 8:56 PM, "Mark Cate" <[Mark.Cate@tn.gov](mailto:Mark.Cate@tn.gov)> wrote:

Here are some thoughts:

Blair Taylor – President, Memphis Tomorrow  
John Moore – President, Memphis Chamber of Commerce  
Cato Johnson – Sr. Vice President, Methodist Hospital  
Kyle Spurgeon – President, Jackson Chamber of Commerce

I was trying to think of people who might be able to make it work and would find value in participating.

MC

## Hannah Parker

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**From:** Marcille Durham <marcille@ingramgroup.com>  
**Sent:** Monday, February 11, 2013 9:12 AM  
**To:** Mark Cate  
**Subject:** TennCare Planning

Good morning, Mark.

It's been some time since we discussed an offer from both Memorial Hospital (Chattanooga) and NHC (National Health Care) to act as resources in your current TennCare deliberations, but I wanted to reiterate it now as the Governor and others drill down on expansion, etc. The two offering to bring their day-to-day experience with Medicaid and industry expertise to your discussions are:

- Jim Hobson, CEO, Memorial Healthcare System (also Chairman of the Board of Hospital Alliance, and Board Member of THA); and
- Steve Flatt, CEO, NHC – one of the region's largest long-term care providers.

If these would be helpful to your team in any way, please let me know.

Marcille

Marcille Durham  
The Ingram Group  
511 Union Street, Suite 1900  
Nashville, TN 37219  
Office: (615) 345-9200  
Cell: [REDACTED]  
Fax: (615) 620-4382

## Hannah Parker

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**From:** Randy Boyd <rboyd@petsafe.net>  
**Sent:** Monday, February 18, 2013 5:30 PM  
**To:** Janet Murphy; Mark Cate  
**Subject:** Re: Meeting with Tom Ingram

Oh no, I didn't have this on my calendar. Terrible! I'm so sorry. I'm in Knoxville today.

Sent from my iPhone (any typos and all bad grammar are solely the fault of the iPhones auto correct features)

On Feb 18, 2013, at 6:09 PM, "Janet Murphy" <[janet.murphy@ingramgroup.com](mailto:janet.murphy@ingramgroup.com)> wrote:

Randy,

Just confirming the meeting this afternoon with Tom Ingram and Michael Perik with Higher Education?  
Thank you!  
Janet

*Janet Murphy*  
The Ingram Group  
511 Union Street, Suite 1900  
Nashville TN 37219  
615-345-9200  
615-620-4382 (fax)  
615-██████████ (cell)

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**From:** Randy Boyd [<mailto:rboyd@petsafe.net>]  
**Sent:** Tuesday, February 05, 2013 1:54 PM  
**To:** Janet Murphy  
**Subject:** RE: Meeting with Tom Ingram

Janet, I could wait as long as needed. I fly to Orlando either that night or early the next morning and haven't booked anything yet.

---

**From:** Janet Murphy [<mailto:janet.murphy@ingramgroup.com>]  
**Sent:** Tuesday, February 05, 2013 1:18 PM  
**To:** Randy Boyd  
**Subject:** RE: Meeting with Tom Ingram

Randy,

How late in the day are you here on Monday, February 18<sup>th</sup>? The Higher Education folks will be flying in that day.....

Thanks,  
Janet

*Janet Murphy*  
The Ingram Group  
511 Union Street, Suite 1900  
Nashville TN 37219

615-345-9200  
615-620-4382 (fax)  
615- [REDACTED] (cell)

**From:** Randy Boyd [<mailto:rboyd@petsafe.net>]  
**Sent:** Tuesday, February 05, 2013 11:28 AM  
**To:** Janet Murphy  
**Subject:** RE: Meeting with Tom Ingram

Hi Janet,

Thank you for contacting me and I'd really like to get together, but unfortunately I am out of the state those three days. I'm in Nashville all day Monday the 18<sup>th</sup>, and I'll be in town all of the following week. Any chance they are still in town then?

Thanks Janet,  
Randy

**From:** Janet Murphy [<mailto:janet.murphy@ingramgroup.com>]  
**Sent:** Tuesday, February 05, 2013 12:22 PM  
**To:** Randy Boyd  
**Subject:** Meeting with Tom Ingram  
**Importance:** High

Randy,

I am reaching out to you as a follow-up to a conversation I believe you had with Mark Cate in Governor Haslam's office. Mark has asked that I try to schedule a meeting with you, Tom Ingram, and Michael Perik/Nicole Rowe of Higher Education Partners. Michael and Nicole will be in Nashville the week of February 18<sup>th</sup>. Could you be available to meet with them sometime Tuesday, 2/19, Wednesday, 2/20, or Thursday, 2/21? Probably their most flexible day is Wednesday, February 20<sup>th</sup>.

This meeting would take place here in The Ingram Group offices at 511 Union Street, Suite 1900, Nashville 37219. Please let me know if this might work for you.  
Thank you!

*Janet Murphy*  
The Ingram Group  
511 Union Street, Suite 1900  
Nashville TN 37219  
615-345-9200  
615-620-4382 (fax)  
615- [REDACTED] (cell)

## Hannah Parker

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**From:** Tom Ingram <tom.ingram@ingramgroup.com>  
**Sent:** Saturday, May 04, 2013 4:59 PM  
**To:** Mark Cate  
**Subject:** Re: Tried to call

Great. Thx

Sent from my iPhone

On May 4, 2013, at 5:54 PM, "Mark Cate" <[Mark.Cate@tn.gov](mailto:Mark.Cate@tn.gov)> wrote:

> No problem at all. I usually make calls on Sunday afternoon. I'll try you tomorrow.

>

>

>

> On May 4, 2013, at 4:51 PM, "Tom Ingram" <[tom.ingram@ingramgroup.com](mailto:tom.ingram@ingramgroup.com)> wrote:

>

>> Tomorrow's fine or even monday. I hate to bother you on weekend. Call at your convenience. If I miss you, let me know good time and # to get back to you. Thx

>>

>> Sent from my iPhone

>>

>> On May 4, 2013, at 5:49 PM, "Mark Cate" <[Mark.Cate@tn.gov](mailto:Mark.Cate@tn.gov)> wrote:

>>

>>> I didn't see that a call was on the calendar. Lindsay had told me you would just call sometime this weekend. My daughter had a last minute rescheduled soccer game in Lexington Tn and there's almost not cell service out here. Tomorrow would be a lot better for me if possible.

>>>

>>>

>>>

>>> On May 4, 2013, at 2:06 PM, "Tom Ingram" <[tom.ingram@ingramgroup.com](mailto:tom.ingram@ingramgroup.com)> wrote:

>>>

>>>> Let me know if I had time wrong or we need to reschedule. Tx

>>>>

>>>> Sent from my iPhone

>