

MINUTES OF THE EXECUTIVE AND COMPENSATION COMMITTEE MEETING
BOARD OF TRUSTEES

THE UNIVERSITY OF TENNESSEE

March 1, 2005
Chattanooga, Tennessee

The Executive and Compensation Committee of the Board of Trustees of The University of Tennessee met at 3:00 p.m., Eastern Standard Time, Tuesday, March 1, 2005 in the Chattanooga Room of the University Center, Chattanooga, Tennessee.

I. CALL TO ORDER

Mr. Don C. Stansberry, Jr., Chair of the Committee, called the meeting to order.

II. ROLL CALL

The Secretary called the roll, and the following members were present:

Mr. Waymon L. Hickman
Mrs. Andrea J. Loughry
Mr. James L. Murphy, III
Dr. John D. Petersen
Mr. Don C. Stansberry, Jr.
Mr. William B. Stokely, III
Mr. John C. Thornton
Mrs. Susan R. Williams

The Secretary announced the presence of a quorum.

III. APPROVAL OF MINUTES OF LAST MEETING

Chair Don Stansberry called for corrections or additions to the minutes. Mrs. Susan Williams moved approval of the minutes. Mr. James L. Murphy, III, seconded, and the motion carried unanimously.

IV. APPROVAL OF PRESIDENT'S RECOMMENDATION FOR APPOINTMENT AND COMPENSATION OF VICE PRESIDENT FOR HEALTH AFFAIRS AND CHANCELLOR OF THE UNIVERSITY OF TENNESSEE HEALTH SCIENCE CENTER.

Mr. Stansberry asked President Petersen to present his recommendation for appointment of Vice President for Health Affairs and Chancellor of The University of Tennessee Health Science Center.

Dr. Petersen explained that a broad-based search committee was appointed in the

fall of 2004 to assist in the identification of candidates for the position of Vice President for Health Affairs and Chancellor of The University of Tennessee Health Science Center (Exhibit 1). Dr. Bob Waller, President Emeritus of the Mayo Foundation, chaired the search committee. The committee reviewed a number of excellent applicants and narrowed the list to eight candidates who were invited to the campus for interviews. Seven candidates accepted the invitation. Following the campus interviews, the search committee recommended four finalists to the President for consideration. The four finalists came to Knoxville, visited the Graduate School of Medicine, and interviewed with the President and the senior administrative staff.

President Petersen recommended the appointment of William F. Owen, Jr., M.D. to serve as Vice President of Health Affairs and Chancellor of The University of Tennessee Health Science Center beginning on or around April 1. He recommended that Dr. Owen receive an annual base salary of \$375,000, an annual non-accountable expense allowance of \$10,000 prorated monthly, use of the Chancellor's residence, use of an assigned vehicle, and moving expenses not to exceed \$20,000.

Mr. Waymon Hickman moved approval of the President's recommendation to appoint Dr. William F. Owen as Vice President of Health Affairs and Chancellor of The University of Tennessee Health Science Center. Mr. William B. Stokely, III, seconded, and the motion carried unanimously.

V. OTHER BUSINESS

The Chair asked for other business to come before the Committee. No other business was presented.

VI. ADJOURNMENT

There being no further business to come before the Executive and Compensation Committee, the meeting was adjourned.

Catherine S. Mizell
Vice President, General Counsel and Secretary

