

MINUTES OF THE SPECIAL MEETING

BOARD OF TRUSTEES

THE UNIVERSITY OF TENNESSEE

January 16, 2003
Knoxville, Tennessee

A called meeting of the Board of Trustees of The University of Tennessee was held by conference call at 4:30 p.m., Thursday, January 16, 2003 from the Office of the Vice President, General Counsel and Secretary, Knoxville, Tennessee.

A. CALL TO ORDER

Vice Chair Clayton McWhorter called the meeting to order.

B. ROLL CALL

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

Mrs. Johnnie Amonette
Mrs. Barbara Castleman
Mr. B. C. "Scooter" Clippard
Mr. J. Steven Ennis
Dr. Lawrence J. Hak
Mr. James A. Haslam, II
Mr. Waymon L. Hickman
Dr. Rhynette N. Hurd
Mr. Jerry L. Jackson
Mr. D. Lynn Johnson
Mrs. Andrea J. Loughry
Mr. R. Clayton McWhorter
Mr. John H. Pontius
Dr. Richard Rhoda
Commissioner John W. Rose
Dr. Natalie A. Tate
Commissioner Faye Taylor
Mr. John C. Thornton
Mr. James L. "Bucky" Wolford

The Secretary announced the presence of a quorum by telephone.

C. APPROVAL OF DETERMINATION OF NECESSITY. Vice Chair McWhorter called on the Secretary to read the Determination of Necessity (Exhibit 1) to meet by conference call without a quorum physically present.

Mr. James A. Haslam, II, moved adoption of the Determination of Necessity as read. Mrs. Johnnie Amonette seconded, and the motion carried unanimously by roll call vote as attached.

D. ELECTION OF THE EXECUTIVE VICE PRESIDENT. The Vice Chair called on President John Shumaker for his recommendation for Executive Vice President.

President Shumaker said the search for an individual to become Executive Vice President of The University of Tennessee was begun in September 2002 with Sylvia Davis, Vice President for Budget and Finance, serving as chair of the advisory committee. Thirty-six individuals applied for the position. The advisory committee reviewed the applications and recommended two applicants for interview. President Shumaker interviewed Steven D. Leonard, Special Assistant to the Governor and Deputy Commissioner for Policy, Department of Finance and Administration, State of Tennessee, and Ray Newman, Executive Vice President, New Millennium Group LLC.

President Shumaker then recommended that Steven D. Leonard be elected Executive Vice President, effective January 16, 2003, with an annual base salary of \$225,000 and up to a 25% bonus based upon performance goals (Exhibit 2).

Mr. Jerry L. Jackson moved election of Mr. Leonard as Executive Vice President. Mr. Waymon L. Hickman seconded, and the motion carried unanimously by roll call vote as attached.

E ADOPTION OF RESOLUTION HONORING PROFESSOR ROBERT H. KIRK. Mr. James A. Haslam, II, presented the resolution (Exhibit 3) honoring Professor Robert H. Kirk upon his retirement from The University of Tennessee. Mr. Haslam moved adoption of the Resolution. Mr. D. Lynn Johnson seconded, and the motion carried unanimously by roll call vote as attached..

F ADJOURNMENT. There being no further business to come before the Board, the meeting was adjourned.

Catherine S. Mizell
Vice President, General Counsel and Secretary