

THE UNIVERSITY OF TENNESSEE  
BOARD OF TRUSTEES

MINUTES OF THE EXECUTIVE AND COMPENSATION COMMITTEE

November 8, 2012  
Knoxville, Tennessee

The Executive and Compensation Committee of The University of Tennessee Board of Trustees met at 11:15 a.m. EST, Thursday, November 8, 2012, in Hollingsworth Auditorium, 2421 Joe Johnson Drive, Knoxville, Tennessee.

**I. CALL TO ORDER**

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

**II. ROLL CALL**

Secretary Catherine S. Mizell called the roll, and the following members of the Executive and Compensation Committee were present:

Don C. Stansberry, Jr., Chair  
Charles C. Anderson  
George E. Cates  
Joseph A. DiPietro  
Spruell Driver, Jr.  
D. Crawford Gallimore  
James L. Murphy, III  
Charles E. Wharton

The Chair announced the presence of a quorum of the Committee. Other Trustees and members of the administration, public, and media were also present.

**III. APPROVAL OF MINUTES OF PRIOR MEETING**

Chair Stansberry asked for any corrections to the minutes of the October 2, 2012 meeting of the Committee. Trustee Driver noted that the minutes should be corrected to show the agreed upon date for the January 2013 meeting of the Committee as January 28 instead of January 29. Trustee Driver moved approval

of the minutes as corrected. Trustee Anderson seconded the motion, and it carried unanimously.

#### **IV. PRESIDENT'S REMARKS**

President DiPietro began by introducing the Interim Chancellor for UTC, Dr. Grady Bogue. He announced that the firm of Parker Executive Search has been engaged to assist with the search for a new Chancellor. Thirty-nine candidates have been declared, initial interviews will be conducted in December, the top candidates will visit UTC in January, and the Board should have a final candidate to consider at the March 1 meeting.

President DiPietro then announced that Theotis Robinson has indicated his desire to retire in January 2014 and that the Office of Equity and Diversity will be realigned with Human Resources. Until his retirement, Mr. Robinson will serve as Vice President and Advisor for Equity and Diversity. With this change, current Chief Human Resources Officer Linda Hendricks will be reinstated as a Vice President. The System HR Office will set strategy, provide training and research, and assure compliance by all entities. An assistant vice president for equity and diversity will be created within the System HR Office. The assistant vice president will coordinate closely with the Equity and Diversity offices on each campus. Several Trustees commended the realignment. President DiPietro also introduced Dr. Noma Anderson, Dean of the College of Allied Health Sciences at the Health Science Center, as the new chair of the Diversity Advisory Council.

Finally, President DiPietro announced that a search for a Vice President for Communications and Marketing was launched October 24. Initial interviews will be held in late January or February, and final interviews will probably occur in late February or early March.

#### **V. FY 2012-13 MERIT INCREASE TO BASE SALARY OF PRESIDENT DIPIETRO**

Chair Stansberry noted that at the Annual Meeting on June 21, 2012, the Board approved his recommendation of a 2.5% increase to President DiPietro's base salary, increasing it from \$420,000 to \$430,500. He explained that the 2.5% increase was the across-the-board increase awarded to other employees (except those with unsatisfactory performance) and did not include a merit component. He delayed recommending a merit increase while he considered how to

structure a plan to reward the President's performance and at the same time encourage his retention. He ultimately decided that such a plan should have long-term goals to be assessed and rewarded at the end of a multi-year period and that the plan should not replace the option for the President, like all other executive officers, to receive an annual merit increase when a merit pool is available. He noted that other executive officers were awarded a merit increase at the June meeting, with 3.5% being the maximum merit increase. In view of the very high marks President DiPietro received in his annual performance evaluation, Chair Stansberry recommended that a merit increase of 3.5% be made to the President's base salary, retroactive to July 1, 2012, bringing his base salary to \$445,567.50.

Trustee Cates moved that a merit increase of 3.5% to the base salary of President DiPietro be approved, increasing the base salary from \$430,500 to \$445,567.50, retroactive to July 1, 2012. Trustee Driver seconded the motion, and it carried unanimously. Trustee Driver moved that the Vice Chair of the Board be authorized to execute an amendment to Dr. DiPietro's current employment agreement to incorporate the change in his base salary. Trustee Murphy seconded the motion, and it carried unanimously. Trustee Schledwitz asked the record to reflect that upon Dr. DiPietro's hire, the Board was informed that the offering salary was on the lower end of major universities. He noted that although Dr. DiPietro's salary has increased, his initial salary was lower than desired.

## **VI. PERFORMANCE AND RETENTION PLAN FOR EXECUTIVE OFFICERS**

This agenda item was deferred.

## **VII. 2013 FALL MEETING DATES**

The Secretary explained that the dates previously approved by the Board for the 2013 Fall Meeting, October 24-25, were based on available information concerning the home football schedule at UT Knoxville, but the final schedule does not include a home football game on October 26. Therefore, the administration recommends that the 2013 Fall Meeting dates be changed to October 17-18 to coincide with the South Carolina football game on October 19.

Trustee Gallimore moved that the 2013 dates for the Fall Meeting be changed to October 17-18, 2013. The motion was seconded by Trustee Driver and carried unanimously.

**VIII. OTHER BUSINESS**

There was no other business to come before the Committee for action.

**IX. ADJOURNMENT**

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

Respectfully Submitted,



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Catherine S. Mizell  
General Counsel and Secretary