

THE UNIVERSITY OF TENNESSEE BOARD OF TRUSTEES  
AUDIT COMMITTEE MEETING  
JANUARY 27, 2012, MEETING MINUTES

Audit Committee members present: Chairman Mr. James Hall, Mr. Doug Horne, Mr. Crawford Gallimore, and Mr. Don Stansberry. Dr. DiPietro and other Trustees were also present, as well as members of the staff. Mr. Peccolo called the roll and confirmed a quorum of the committee.

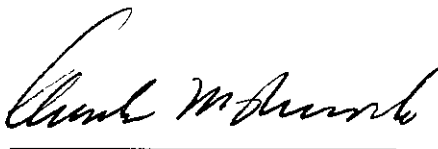
Chairman Hall stated the item for consideration is the recommendation for appointment of the Executive Director of Audit and Consulting Services. He thanked Butch Peccolo and the staff who assisted in the search and provided four well qualified applicants for the Audit Committee to interview. After interviewing the four applicants, the Committee felt two were extremely qualified - the individual the Committee will be recommending, as well as Judy Burns who has served so well as Interim Executive Director for the past 18 months. Before moving forward with the recommendation, Chairman Hall asked the Committee and staff to pause and thank Judy for her outstanding service. It has been a pleasure working with her.

The individual with the most experience in oversight of a university system with several different medical practices will serve the administration as well as the future of the University best. Chairman Hall stated Ms. Jansen will be at the Board meeting in February, so everyone will have an opportunity to meet her. Her qualifications are outlined in her vitae which is included in the material. Chairman Hall offered other members of the committee to comment as well.

Trustee Stansberry moved that the Audit Committee recommend to the Executive and Compensation Committee the appointment of Ms. Sandy Jansen, CIA, CCSA, as the next Executive Director of Audit and Consulting Services, with an annual compensation of \$150,000, and a moving allowance of \$10,000. Trustee Gallimore seconded the motion. Trustee Wharton asked whether a recruiter was hired for the search. Chairman Hall stated Butch Peccolo lead the search in house and Mark Paganelli and others assisted. He pointed out the outstanding candidates which the Committee interviewed, and Mr. Peccolo remarked on the broad range of applicants.

The motion carried and the recommendation will be taken to the Executive and Compensation Committee. Hearing no further business, Chairman Hall moved to adjourn the meeting, Trustee Gallimore seconded and the meeting was adjourned.

Respectfully submitted,



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Charles M. Peccolo  
Treasurer, CIO, and Interim CFO