



# THE UNIVERSITY OF TENNESSEE BOARD OF TRUSTEES

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SPECIAL MEETING OF THE BOARD OF TRUSTEES	
~11:30 a.m. EDT/~10:30 a.m. CDT	Teleconference Originating from the West Wing
Friday	Haslam College of Business, 1000 Volunteer Blvd
March 15, 2019	Knoxville, Tennessee

## AGENDA

- I. Call to Order
- II. Roll Call
- III. [Appointment, Compensation, and other Terms of Employment of the Chief Audit and Compliance Officer](#)—Action/Roll-Call Vote..... Tab 1
- IV. [Appointment, Compensation, and other Terms of Employment of the Vice President for Development and Alumni Affairs/President and CEO of the UT Foundation, Inc. —](#)  
Action/Roll-Call Vote ..... Tab 2
- V. Adjournment\*  
\*No other business can be considered at this special meeting.



# THE UNIVERSITY OF TENNESSEE BOARD OF TRUSTEES

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## AGENDA ITEM SUMMARY

Meeting Date: March 15, 2019

Item: **Appointment, Compensation, and other Terms of Employment of the Chief Audit and Compliance Officer**

Type: Action

Presenter: Amy Miles, Chair of the Audit and Compliance Committee

In the following memorandum, Committee Chair Amy Miles recommends appointment of Brian J. Daniels as Chief Audit and Compliance Officer for the University. The recommended compensation and other terms of employment are included in the accompanying offer letter, which has been accepted by Mr. Daniels. Mr. Daniels' resume is also included in the meeting materials.

The Audit and Compliance Committee will consider the recommendation at a meeting on March 15, 2019. If the Committee concurs in the recommendation, the Committee Chair will make the following motion in the Board of Trustees meeting to be held later the same day:

**On the recommendation of the Audit and Compliance Committee, I move adoption of the following Resolution by the Board of Trustees:**

**Resolved: The Board of Trustees approves the appointment of Brian J. Daniels as the Chief Audit and Compliance Officer, effective June 1, 2019, or such other date agreed to by the Chair of the Audit and Compliance Committee, with the compensation and other terms of employment presented in the meeting materials.**

**UT** THE UNIVERSITY OF TENNESSEE

March 6, 2019

Dear Trustees,

Following a national search, I recommend the election of Brian J. Daniels as the Chief Audit and Compliance Officer, effective June 1, 2019 with the following compensation:

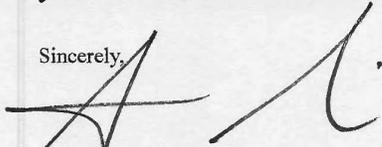
Base Salary: **\$20,833.34** per month (annualized salary of \$250,000.00)

Copies of the offer letter and Mr. Daniels's resume' are attached.

Mr. Daniels is an accomplished professional with substantial senior-level experience. He currently serves as the Director of Internal Audit at Virginia Tech University since 2017. Prior to joining Virginia Tech, Mr. Daniels served at the University of Virginia as Assistant Director of IT Audit. He began his career as the Auditor of Public Accounts conducting external audits of state entities, including colleges and universities for the Commonwealth of Virginia. He received his bachelor's degree from Virginia Tech and an MBA from James Madison University. He is a Certified Internal Auditor (CIA), a Certified Information Systems Auditor (CISA), and a Certified Forensic Analyst (GCFA).

Mr. Daniels is an experienced leader with over 15 years of success as an audit professional and I am enthusiastic about the value he can add to the University of Tennessee. Thank you for your careful consideration of this outstanding candidate.

Sincerely,



Amy Miles

Chair, Audit and Compliance Committee  
University of Tennessee Board of Trustees

cc: Catherine Mizell, Secretary, Chief of Staff, and Special Counsel

800 Andy Holt Tower • Knoxville, TN 37996-0180 • Phone:  
865-[974-2241](tel:865-974-2241) • Fax 865-[974-3753](tel:865-974-3753)

 THE UNIVERSITY OF TENNESSEE

## OFFICE OF THE CHIEF FINANCIAL OFFICER

David L. Miller  
Chief Financial Officer

March 6, 2019

Brian Daniels  
2235 Plank Drive  
Blacksburg, VA 24060

Dear Brian,

It is my pleasure to offer you the position of Chief Audit and Compliance Officer at the University of Tennessee, effective June 1, 2019, subject to the terms and conditions outlined in this letter and subject to approval by the University of Tennessee Board of Trustees upon the recommendation of the Audit and Compliance Committee of the Board of Trustees. This position reports directly to the Audit and Compliance Committee of the Board of Trustees with respect to all audit and compliance activities and findings but reports administratively to the Chief Financial Officer of the University. Your service in this position will be without tenure, without a definite term, and subject to the pleasure of the Board of Trustees.

The rate of pay for this position is \$20,833.34 per month (\$250,000 annualized.) As a full-time employee, you are also eligible for various benefits. For benefits information, please visit <https://hr.tennessee.edu/benefits>. Additional information will be provided during your orientation session scheduled for Monday, June 3, 2019 from 8:00 AM to 11:30 AM at the UT Visitors Center, 2712 Neyland Drive, Knoxville, TN 37996.

To assist you with relocation, the University will provide a one-time moving allowance of \$15,000 consistent with Fiscal Policy FI0450. This allowance will be reported as taxable income and included on your W-2 statement. The IRS requires that applicable taxes be withheld and reported.

The University conducts a criminal background check on all new employees and reserves the right to terminate any employee whose background check includes criminal history that the University deems to be disqualifying. This offer is also contingent upon documentation of citizenship and/ or work authorization as required by the immigration Reform and Control Act of 1986. You will receive the required *Employment Eligibility Verification* form (I-9) and a list of acceptable documents. You *must* complete the I-9 form and provide the necessary documentation to the Human Resources Office on or before your first day of work.

When you arrive, to comply with the University of Tennessee's Conflict of Interest Policy, you will be asked to complete an Outside Interest Disclosure form. The policy and form will be provided to you for completion during orientation, but if you wish to review them in advance, you may find them at <https://budget.utk.edu/fiscal-policy/conflict-interest/>.

All regular staff employees serve a six-month probationary period. At the end of the probationary period, this office will complete an initial evaluation, which will be discussed with you and will become a part of your personnel file.

We are excited to welcome you to the University of Tennessee and look forward to working with you. To indicate that you agree to these terms and will accept this appointment upon approval by the Board of Trustees, please sign below and returned the signed letter to me.

Sincerely,



David Miller  
Chief Financial Officer

cc: Amy Miles, Chair of Audit Committee, UT Board of Trustees  
cc: Matthew Scoggins, General Counsel, University of Tennessee  
cc: Human Resources

ACCEPTANCE: I accept the appointment to serve as Chief Audit and Compliance Officer under the terms and conditions outlined above and with the understanding that the offer is not binding until and unless the appointment and compensation is approved by the University of Tennessee Board of Trustees upon the recommendation of the Audit and Compliance Committee of the Board of Trustees.

  
Name

3/7/2019  
Date

# Brian J. Daniels, CIA, CISA, GCFA

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## Snapshot

- 15 years of extensive audit, risk, and control experience in higher education at Land-Grant and comprehensive Flagship universities.
- Communicated and implemented a clear vision and model for the development of an IT audit function at the university, creating the team from scratch and developing a robust and comprehensive IT audit program.
- Experience working directly with university leadership, including the university President, legal counsel, university police, and vice presidents and deans as a first point of contact to ensure provision of appropriate and timely assistance.
- Conducted annual university-wide risk assessments and developed audit plans aligned with strategic direction of the university in consultation with senior leadership.
- Collaborated significantly to establish initial ERM and Compliance program.
- Invested significant resources into fostering a collaborative environment where Internal Audit is thought of as a value-added function supporting university initiatives.
- Developed and delivered training regarding best practices for the university community in the areas of fraud prevention, financial and administrative controls, and IT security.
- Developed a fully operational data analysis team that contributes to all audit engagements and a variety of special projects on behalf of the university.
- Significant experience in developing and mentoring internal audit staff.

## Work Experience    2011 – Present    *Virginia Tech*    **Blacksburg, VA**

### **Director of Internal Audit** (Associate Director June 2011- November 2017)

- Audit planning process includes strategic focus given to ensure broad coverage in key risk areas that include research, administrative and academic topics, and geographically disparate functions.
- Implementation of IT audit function also entailed the establishment of an IT risk assessment model and implemented a structured long-range IT audit plan mapped to international standards.
- Provide updates of audit results and recommendations as a component of departmental reporting directly to the Compliance, Audit, and Risk Committee of the Virginia Tech Board of Visitors and the university President.
- Provide leadership and direction to university divisions regarding internal accounting controls, legal liabilities, risk exposures, fraud prevention and detection, best practices, and development of policies and procedures.

**Work Experience  
(continued)**

- Developed the IT forensics program that is vital in support of reviews into allegations of fraud, waste, and abuse in consultation with law enforcement.
- Developed a fully operational data analysis team that contributes to all audit engagements and a variety of special projects on behalf of the department and the university through advisory service engagements. This function has revolutionized the means by which audits are conducted to expand analysis beyond traditional sampling methods to help ensure complete and current data to assist university senior management in decision making.
- Direct a team of 12 auditors, including audit managers, IT and traditional auditors, investigations team, and graduate assistants in the coordination and execution of audits.
- Assist in management of administrative activities and budget for the Office of Audit, Risk, and Compliance in an efficient manner.

**Acting Chief Audit Executive** (January – April 2017)

- Served in the full capacity of the Chief Audit Executive in early 2017 due to extended but temporary leave for the Chief Audit Executive.
- Reported directly to the university President and the Board of Visitors.
- Prepared and presented all materials for the quarterly board meeting during this timeframe.
- Led the day-to-day operations of the office, including report issuance and financial administration.
- Conducted the annual risk assessment and audit plan development.

**2005 – 2011*****The University of Virginia*****Charlottesville, VA****Assistant Director of IT Audits** (Senior IT Auditor 2005, IT Audit Manager 2008)

- Responsible for developing and coordinating activities related to assessing risk and performing audit engagement in the arena of information technology security and operations audits at the university and academic medical center.
- Established an IT forensic audit function to support investigative reviews, particularly in the arena of fraud, waste, and abuse.
- Conducted ongoing review and analysis of existing controls systems and processes in order to uncover and correct potential weaknesses in the campus controls environment. Identified opportunities to mitigate significant risks.
- Responsible for planning and conducting information security and IT operations audits of topical areas and campus departments within budgeted hours and timeframe.
- Determined the scope of the audit effort based on a review of internal controls and assessment of control risks to determine areas of more focused detailed test work.

**Work Experience  
(continued)**

- Researched and analyzed university policy and procedures, and evaluate audit documentation as a basis for objective opinions on the effectiveness and efficiency of operations and adequacy of internal controls.
- Participated in the investigation of fraud cases and whistleblower allegations maintaining strict confidentiality in sensitive situations.
- Supervised staff auditors on selected projects and investigations including reviewing their work and preparing performance evaluations.
- Presented findings to management at the beginning, during and conclusion of the audit assignment, including discussing deficiencies and recommendations for corrective action to improve operations and strengthen controls.
- Prepared formal written report covering the results of the engagement, presented results to management and followed up on recommendations.
- Provided consultative services to campus administrators and management involving a wide range of procedural and control issues.

**2003 – 2005*****Auditor of Public Accounts*****Richmond, VA****Information Systems Auditor (2003-2005)**

Responsible for planning, managing, organizing and completing external audits of assigned State Agencies and higher education institutions, while following Federal and State laws, policies, rules and regulations, generally accepted accounting principles and generally accepted auditing standards. Increasing responsibility and audit complexity in external audit at State Auditor's Office.

- Performed penetration testing in the arena of consulting services for a state agency.
- Promoted auditee's compliance with laws and regulations.

**Certifications**

Certified Internal Auditor (CIA)

Certified Internal Systems Auditor (CISA)

GIAC Certified Forensic Analyst (GCFA)

**Education****Virginia Tech** – B.S. Business Information Technology, 2003

Concentration in Decision Support Systems

**James Madison University** – MBA, 2008

Concentration in Information Security

**Professional Memberships and Affiliations**

The Institute of Internal Auditors (IIA)  
 Information Systems Audit and Control Association (ISACA)  
 Association of College and University Auditors (ACUA)  
 College and University Auditors of Virginia (CUAV)  
 Virginia Alliance for Secure Computing and Networking (VASCAN)  
 Southern Association of College and University Business Officers (SACUBO)

**Professional Service and Development**Professional Service

ACUA Board of Directors (elected by peers to term of 2018-21)  
 ACUA Membership Committee (2014 – Present, Chair 2018-19)  
 ACUA Audit Committee (2016 - Present)  
 VASCAN Executive Committee (2010 – Present)  
 VASCAN Awards Committee Chair (2016 – Present)  
 Performed external Quality Assessment Reviews of peer audit shops (GA, OR, SC, TX, VA)

Professional Development

Adjunct Faculty at Virginia Tech (2015, 2016, 2018) Senior-level course in Acct.  
 ACUA Annual Conferences (2011-2018) Regular national speaker on various topics  
 CUAV Annual Conferences (2005-2017) Occasional statewide speaker  
 VASCAN Annual Conference (2005-2018) Occasional statewide speaker  
 CACUBO Annual Conference Invited Speaker – San Francisco, CA  
 EDUCAUSE National Conference & SANS Training  
 Reid Technique of Interviewing and Interrogation  
 Various Other Conferences and Courses



# THE UNIVERSITY OF TENNESSEE BOARD OF TRUSTEES

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## AGENDA ITEM SUMMARY

Meeting Date: March 15, 2019

Item: **Appointment, Compensation, and other Terms of Employment of the Vice President for Development and Alumni Affairs/President and CEO of the UT Foundation, Inc.**

Type: Action

Presenter: Randy Boyd, Interim President

In the following memorandum, Interim President Boyd recommends appointment of Kerry W. Witcher as the Vice President for Development and Alumni Affairs/President and CEO of the UT Foundation, Inc. The recommended compensation and other terms of employment are included in the accompanying offer letter, which has been accepted by Mr. Witcher. Mr. Witcher's resume is also included in the meeting materials.

As authorized by the Bylaws of the Board, the Chair has designated this item for action by the Board without prior review and recommendation by the Executive Committee.

The Chair will call for the following motion:

**I move adoption of the following Resolution:**

**Resolved: The Board of Trustees approves the appointment of Kerry W. Witcher as the Vice President for Development and Alumni Affairs/President and CEO of the UT Foundation, Inc., effective March 18, 2019, with the compensation and other terms of employment presented in the meeting materials.**



OFFICE OF THE PRESIDENT

March 6, 2019

Dear Trustees,

Following an internal search, I recommend the election of Kerry W. Witcher as the Vice President for Development and Alumni Affairs, effective March 18, 2019 with the following compensation:

Base Salary: **\$18,750.00** per month (annualized salary of \$225,000.00)

Non-accountable Expense Allowance: **\$416.67** (annualized allowance of \$5,000.00)

Copies of the offer letter and Mr. Witcher's resume' are attached. Mr. Witcher is an accomplished advancement professional with substantial senior-level experience in both development and alumni relations at the University of Tennessee. He also brings to the position leadership experience within the UT System, having served as the interim Vice President since February 2018. Prior to his current interim role, Witcher was a member of the executive team and chief operations officer for the UT Alumni Association. With over 30 years of service to the University of Tennessee, Kerry's continued leadership in building relationships with donors and alumni is critical to our long-term success and sustained financial well-being.

As Vice President for Development and Alumni Affairs, Mr. Witcher will also serve as President of the UT Foundation, Inc.

Sincerely,

Randy Boyd  
President

**UT** THE UNIVERSITY OF TENNESSEE

OFFICE OF THE PRESIDENT

March 4, 2019

Kerry W. Witcher  
11920 W. Fox Chase Circle  
Knoxville, TN 37934

Dear Kerry,

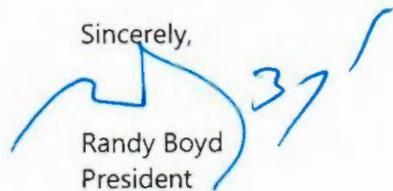
It is my pleasure to offer you the position of Vice President for Development and Alumni Affairs of The University of Tennessee, effective March 18, 2019, subject to the terms and conditions outlined in this letter and subject to approval by the University of Tennessee Board of Trustees. Your service in this position will be without tenure, without a definite term, and subject to the pleasure of the President.

The position of Vice President for Development and Alumni Affairs also services as President and Chief Executive Officer of the University of Tennessee Foundation, Inc. (UTFI) and reports jointly to the President of the University and the UTFI Board of Directors. Simultaneously with your hiring by the University, you are leased to UTFI under the terms and conditions of the Affiliation and Services Agreement and the Employee Services Agreement between the University and UTFI. However, your direct reporting relationship to the President of the University continues, and your service continues to be at the pleasure of the President, who has ultimate authority to set your compensation and to terminate your employment.

The rate of pay for this position is \$18,750.00 per month (\$225,000.00 annualized.) To assist you in meeting expenses incurred in fulfilling your official responsibilities, you will receive a monthly non-accountable expense allowance of \$416.67 (\$5,000 annualized), which will be reported as taxable income and included on your W-2 statement, and FICA and Medicare taxes will be withheld.

To indicate that you agree to these terms and will accept this appointment upon approval by the Board of Trustees, please sign the following page and returned the signed letter to me.

Sincerely,



Randy Boyd  
President

cc: General Counsel Matthew Scoggins  
cc: Human Resources

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ACCEPTANCE: I accept the appointment to serve as Vice President of Development and Alumni Affairs and President and Chief Executive Officer of the University of Tennessee Foundation under the terms and conditions outlined above and with the understanding that the offer is not binding until the appointment and compensation is approved by the University of Tennessee Board of Trustees.

  
Name

  
Date

# Kerry W. Witcher

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## Summary of Qualifications

- An effective leader in institutional advancement with over 31 years of experience in the areas of alumni relations, annual giving, fundraising and marketing
- Results-oriented senior executive with experience leading diverse teams of professionals
- Ability to make strategic decisions in order to maximize resources and accomplish key priorities
- Adept at recruiting and directing a diverse and effective volunteer constituency
- Strong organizational and interpersonal skills

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## Education

### The University of Tennessee, Knoxville

B.S. Business Administration

Major: Marketing (graduated with honors)

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## Experience

### Interim Foundation President and Vice President for Development and Alumni Affairs

February 2018 to present

The University of Tennessee Foundation  
Knoxville, Tennessee

Serve as the chief advancement officer for the UT system and the chief executive officer for the UT Foundation to achieve the following goals:

- Enhance to alumni, friends, corporations, foundations and other contributors the need, propriety and benefit of private giving to institutions of public higher education.
  - Increased total support for the University to \$397 million in gifts/pledges, an increase of 79% over previous fiscal year.
  - Increased annual giving to \$10.6 million, an increase of 14% over the previous fiscal year.
- Broaden and deepen constituent engagement with the University to increase an appreciation of the value of active and informed alumni and their roles in the enhancement of a state university system.
  - Increased total number of donors to 64,039 in 2018, an increase of 4.6% over the previous fiscal year.
  - Currently have 199,673 alumni coded with an active engagement score, with goal to increase to 209,781 in next two years.

- Increase understanding of the role of state universities and land-grant colleges and an appreciation of the value of active and informed alumni and their roles in the enhancement of a state university system.
  - Presently have 5,700 members in the UT Advocacy Network, with a goal of increasing to 6,200 over the next two years.
  - Collaborated with UT System Government Relations team to develop an advocacy survey outlining alumni connections and relationships; currently completed by 147 alumni leaders with goal to expand to 300 in two years.
- Supervising the current matrix-reporting system to build higher education's top performing Advancement organization, with first-rate talent, integrated infrastructure, and a highly collaborative culture.
  - Provide leadership and oversight for staff of 205 employees and \$28 million budget and lead a foundation board of 24 volunteers and staff
  - Developed a unifying vision for advancement with updated actionable strategic plan based upon input from staff and other key stakeholders.
    - Established through collaborative with UTFI leaders and the Vice Chancellors clarified system-wide goals and metrics in coordination with strategic plan.
    - Established through an appointed task force a data-driven decision-making model for areas of advancement that increases accountability and performance recognition for staff members.
  - Restructured through the collaborative input from the UTFI Board and the System Chancellors:
    - Board approval to include chancellors as voting members in order to improve communication and representation of stakeholders.
    - Board revision of role and job description for UTFI Board of Directors.
  - Providing communication both within UTFI and the System to achieve and develop goals of the university.
    - Monthly meetings with vice chancellors and central leadership team as a group and individually to discuss issues and exchange ideas.
    - Visits with each campus to share information about the foundation and to gather feedback on questions and issues.
    - Meetings with chancellors to share information and updates on UTFI and to receive their guidance on campus issues/opportunities.

**Assistant Vice President for Alumni Affairs**

August 2005 to present

The University of Tennessee Alumni Association (UTAA)  
Knoxville, Tennessee

Serve as the chief operations officer for the system-wide alumni organization to continually increase the appreciation of the heritage and traditions of the UT Alumni Association in advancing the university and strongly support its role and mission:

- Provide quality programs and services designed to engage graduates of all UT campuses.
  - Successfully manage a staff responsible for communications, marketing, alumni benefits, alumni career services, tours and travel, and other central programs.
  - Directed the first strategic plan for the alumni association, resulting in restructuring of priorities in outreach, communication and advocacy.
  - Restructured the alumni travel program, generating a 62% increase in the number of annual travelers between 2014 and 2018.
  - Oversaw the establishment of the alumni career services program, which now connects with 10,000+ graduates per year.
- Engage alumni from across the system in meaningful leadership roles.
  - Revamped the role and size of the Board of Governors from 78 to 32 members to increase level of responsibility and engagement.
  - Partnered with Government Relations staff to launch the Advocacy Network, which has grown to 5,700+ members.
  - Restructured the former Public Affairs Committee to the current Alumni Legislative Council, increasing alumni engagement as well as enhancing connections with area legislators.
- Expand support for the university through private gifts, partnerships and sponsorships.
  - Worked with Board of Governors to increase donor participation and achieved 100% participation in FY18.
  - Generated more than \$13 million in contracts and sponsorships during this period.
- Served as co-chair of the UT Foundation Strategic Plan that was approved by the board in November 2017.

**Executive Director (Interim)**

August 2006 to May 2007

The University of Tennessee Alumni Association  
Knoxville, Tennessee

- Served as the chief alumni officer for the University of Tennessee System, providing direction and oversight for engagement and outreach targeting more than 300,000 alumni.
- Provided oversight and strategic direction for system-wide alumni outreach that included programming, chapters, marketing, legislative relations, annual giving, communications, and alumni tours and travel.
- Provided management and direction for the Association's governing body, the Board of Governors; established working committees for the board.
- Engaged more than 90,000 alumni and friends via events and programs across the system during FY07.

**Assistant Vice President for Annual Giving**

March 1992 to July 2005

The University of Tennessee

Knoxville, Tennessee

- Responsible for the annual solicitation of 270,000 alumni from all UT campuses.
- Worked with all four UT campuses to set solicitation strategies and schedules for each unit.
- Prepared solicitation schedule, marketing strategies and segmentation strategies for annual campaigns.
- Actively involved in utilizing direct mail, phone and personal solicitation.
- Managed a staff of four full-time employees, 60 student employees, and a budget of \$251,000.
- Oversaw a 21% growth in the overall donor base and a 155% increase in dollars generated by the central annual giving staff during this period.
- Implemented the automation of the Telefund Program, increasing dollars generated from this program from \$125,000 to over \$1 million.

**Director of Development**

July 1991 to March 1992

The University of Tennessee Medical Center

Knoxville, Tennessee

- Responsible for the identification, cultivation and solicitation of major gifts/prospects. Team acquired a record \$1.4 million in private gifts during FY 1992.

**Director of Alumni Programs**

July 1987 to July 1991

The University of Tennessee Alumni Association

Knoxville, Tennessee

- Responsible for engaging alumni by marketing the university through a network of 103 volunteer-driven alumni chapters.
- Doubled the number of chapter events being offered and increased overall attendance by 20%.

**Territory Representative**

June 1985 to July 1987

Ciba-Geigy Pharmaceuticals

Bowling Green, Kentucky

- Responsible for the sales and promotion of prescription medicines to doctors and hospitals in central Kentucky.
- Top sales performer in district during 1986 and year-to-date in 1987.

**Sales Representative**

June 1981 to June 1985

Patterson Dental Company

San Antonio, Texas and Nashville, Tennessee

- Responsible for the sales and marketing of dental products and equipment to over 200 accounts.
- Increased merchandise sales by an average of 18% per year.

### **Memberships and Activities**

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Member: Council for Advancement and Support (CASE)

Member: Cedar Springs Presbyterian Church

Basketball and Softball Coach, CSPC Youth Sports Program (2005-2012)

Board of Directors, Knox County Imagination Library (2008-2011)

Frequent Presenter at CASE Conferences and as a member of CASE Faculty on topics related to alumni affairs, volunteer management, and annual giving