



THE UNIVERSITY OF TENNESSEE
BOARD OF TRUSTEES

MINUTES OF THE AUDIT AND COMPLIANCE COMMITTEE
SPECIAL MEETING

March 15, 2019
Knoxville, Tennessee

The Audit and Compliance Committee of The University of Tennessee Board of Trustees met by teleconference, originating from the West Wing of the Haslam College of Business in Knoxville, Tennessee, at 11:00 a.m. EDT on March 15, 2019.

I. CALL TO ORDER

Ms. Amy Miles, Chair, called the meeting to order.

II. ROLL CALL

Ms. Judith A. Burns, Interim Chief Audit and Compliance Officer, called the roll, and the following Audit and Compliance Committee members were present:

Ms. Amy Miles (by telephone)
Mr. D. Crawford Gallimore (by telephone)
Mr. Decosta Jenkins (by telephone)
Mr. John Compton

Ms. Burns announced the presence of a quorum. In compliance with the Open Meetings Act, Ms. Miles, Mr. Gallimore, and Mr. Jenkins indicated no others were present at their locations. The Secretary announced that in addition to Mr. Compton, those present in Knoxville were: Mr. David L. Miller, UT chief financial officer; members of the UT administrative staff; and a member of the local media.

III. APPROVAL OF MINUTES FROM LAST MEETING

Chair Miles asked for any corrections to the January 10, 2019, minutes. Hearing none, Mr. Jenkins moved approval of the minutes as presented, and Mr. Gallimore seconded. A roll call vote was taken, and the motion carried unanimously.



IV. RECOMMENDATION FOR APPOINTMENT OF THE CHIEF AUDIT AND COMPLIANCE OFFICER

Chair Miles presented the committee with a recommendation for the appointment of Mr. Brian J. Daniels as the University's Chief Audit and Compliance Officer (CACO). She described the search process, noting characteristics of the applicant pool, the selection of eight candidates for screening interviews, followed by the selection of the top two candidates for on-campus interviews with various stakeholder groups. Mr. Compton commented on the thoroughness of the search process.

Chair Miles then provided a brief overview of Mr. Daniels' qualifications. She highlighted his career in higher education, which included time at a land-grant institution; mentioned he was active in his professional association; and emphasized the benefit of his background in information technology, as cybersecurity is a significant risk for all organizations. She then outlined the compensation and other terms of employment presented in the meeting materials.

Mr. Jenkins asked whether the proposed salary was in the 75th percentile. Mr. Miller said yes, commenting that the search committee hoped to offer compensation more toward the median salary, but current market conditions prevented that. Mr. Compton asked whether there was a contract for this position, and Mr. Miller stated there was not, that the CACO works "at will" for the audit and compliance committee. Mr. Jenkins then asked for clarification on the reporting structure for the CACO. Mr. Miller explained the position reports to the chief financial officer administratively, but to the committee functionally.

Chair Miles asked Mr. Gallimore to provide any comments resulting from his discussions with the two finalists, and he highlighted Mr. Daniels' experience in IT security. Ms. Miles then called for a motion that the Audit and Compliance Committee recommend that the Board of Trustees adopt the following resolution:

Resolved: The Board of Trustees approve 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.

Mr. Gallimore so moved; Mr. Compton seconded the motion. Ms. Burns called the roll, and the motion carried with all members approving.

Chair Miles then thanked members of the search committee and others who assisted with the search.

V. MEETING DATES IN 2019 AND 2020

Chair Miles then recommended dates for regular meetings of the Audit and Compliance Committee through 2020 as listed in the meeting materials. She moved approval of the dates; Mr. Gallimore seconded the motion. A roll call vote was taken, and the motion carried unanimously.

VI. ADJOURNMENT

The committee could consider no other business at this special meeting; therefore, the meeting was adjourned.

Respectfully Submitted,

A handwritten signature in cursive script, reading "Judith A. Burns", is written over a horizontal line.

Judith A. Burns
Interim Chief Audit and Compliance Officer