

THE UNIVERSITY OF TENNESSEE  
BOARD OF TRUSTEES

ACTION ITEM

DATE: June 18, 2014

COMMITTEE: Executive and Compensation

ITEM: **Election and Compensation of University Officers**

RECOMMENDATION: Adoption of Resolution

PRESENTED BY: J. Brian Ferguson, Vice Chair of the Board  
Joseph A. DiPietro, President

Article IV of the Bylaws names the following positions as elected University Officers:

President  
Executive Vice President/Vice President for Research and Economic Development  
Chancellors  
General Counsel and Secretary  
Treasurer and Chief Investment Officer  
Vice President for Development and Alumni Affairs

The Bylaws provide that these officers are elected by the Board initially and are subject to re-election annually. The service of all elected officers of the University is at the will of the Board of Trustees and without a definite term, except for the President, who has an employment agreement for a definite term.

The following Resolution is recommended to elect University Officers with the compensation shown in a spreadsheet marked Exhibit A appearing immediately after the Resolution. No increases in compensation are proposed.

Because the office of Vice President for Development and Alumni Affairs is currently filled on an interim basis by appointment of the President, the Resolution does not include that officer. The Resolution designates the Treasurer as the Chief Financial Officer of the University, thereby satisfying the Bylaw requirement that one of the University Officers be so designated.

**MOTION:**

**That the Resolution on Election and Compensation of University Officers be adopted.**

RESOLUTION  
OF  
THE UNIVERSITY OF TENNESSEE  
BOARD OF TRUSTEES  
June 19, 2014

6.1

**Election and Compensation of University Officers**

WHEREAS, the Bylaws designate officers of the University and provide for their election by the Board upon the recommendation of the President; and

WHEREAS, the Bylaws further provide that these officers serve at the pleasure of the Board and are subject to re-election annually; and

WHEREAS, the Bylaws provide that the Board shall set the compensation of these officers annually;

NOW THEREFORE BE IT RESOLVED that:

1. The following University Officers are elected with the titles designated in the Bylaws as they currently exist or as subsequently amended:

Joseph A. DiPietro, President  
Steve R. Angle, Chancellor, The University of Tennessee at Chattanooga  
Larry R. Arrington, Chancellor, The University of Tennessee Institute of Agriculture  
Jimmy G. Cheek, Chancellor, The University of Tennessee, Knoxville  
Thomas A. Rakes, Chancellor, The University of Tennessee at Martin  
Steven J. Schwab, Chancellor, The University of Tennessee Health Science Center  
David E. Millhorn, Executive Vice President and Vice President for Research and Economic Development  
Catherine S. Mizell, General Counsel and Secretary  
Charles M. Peccolo, Jr., Treasurer and Chief Investment Officer

2. In accordance with Article IV, Section 1, of the Bylaws, which requires the Board of Trustees to designate one of the elected University Officers as Chief Financial Officer, Charles M. Peccolo, Jr., Treasurer and Chief Investment Officer, is hereby designated Chief Financial Officer.
3. The election of the above-named University Officers is with the compensation shown in Exhibit A to this Resolution.
4. The election of the above-named University Officers is subject to the following conditions:

- a. In accordance with the Bylaws, all University Officers serve at the pleasure of the Board, without tenure in their administrative positions, and without a definite term of appointment, unless otherwise provided in a written employment contract approved by the Board.
- b. The approved compensation for University Officers is for service in their administrative positions; if any University Officer also holds a tenured faculty appointment and leaves his/her University Officer position but continues in the faculty appointment, his/her initial compensation as a full-time faculty member shall not exceed the average compensation for full-time professors in the department in which he/she holds a faculty appointment, unless otherwise approved by the Board of Trustees.

Adopted by the Board of Trustees, this 19th day of June, 2014.

## Exhibit A to the Resolution on Election and Compensation of University Officers

## The University of Tennessee

Elected Officers of the University

Compensation - July 1, 2014

		Current June 30, 2014	Across-the- Board	Merit & Market	Adjusted July 1, 2014	Housing Allowance	Expense Allowance
DiPietro, Joseph A.	President	\$ 465,618.12	\$ -	\$ -	\$ 465,618.12	\$ 20,000.04	\$12,000.00
Angle, Steve R.	Chancellor, UTC	291,000.00	-	-	291,000.00	20,000.04	6,999.96
Arrington, Larry R.	Chancellor, UTIA	294,090.96	-	-	294,090.96	-	5,000.04
Cheek, Jimmy G.	Chancellor, UTK	434,451.96	-	-	434,451.96	20,000.04	9,999.96
Rakes, Thomas A.	Chancellor, UTM	247,360.32	-	-	247,360.32	9,999.96	5,000.04
Schwab, Steven J.	Chancellor, UTHSC	562,380.00	-	-	562,380.00	20,000.04	9,999.96
Millhorn, David E. <sup>(1)</sup>	Executive VP/VP Research & Econ Dev	383,069.76	-	-	383,069.76	-	6,999.96
Mizell, Catherine S.	General Counsel and Secretary	219,527.16	-	-	219,527.16	-	5,000.04
Peccolo, Charles M.	Treasurer and Chief Financial Officer	273,362.04	-	-	273,362.04	-	5,000.04

Amounts are presented in dollars and cents to ensure that the annual amounts approved by the Board of Trustees can be paid out in equal monthly amounts over a 12-month period.

<sup>(1)</sup> Includes temporary additional pay of \$50,000.04 for additional assignment as CEO & President of the UT Research Foundation.