

Dr. Daniel Murphy, Chair
Accounting and Information Management
629 Stokely Management Center
Knoxville, TN 37996-0570

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APR 13 2009

OFFICE OF THE CHANCELLOR

Dear Dr. Murphy:

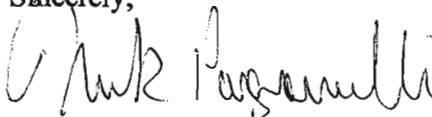
It is with great excitement that I am submitting my application for the position of Vice Chancellor for Finance and Administration. I think that you will see from attached resume that I meet the minimum qualifications. I have worked in higher education for the last seventeen years; I am a CPA; and also have a MBA from the University of Tennessee at Chattanooga. I feel that my role as an internal auditor has uniquely prepared me for this position by reviewing many different operations within the University of Tennessee System and assisting management and the Board of Trustees with the challenges and problems they face. The internal audit office is currently reviewing construction contracts, concessions payments in athletics, faculty issues at the Space Institute, clinical trials at the Health Science Center, misuse of student club revenue, and the police department at Chattanooga just to name a few. There are very few areas within the University System that I have not personally been involved with over the last seventeen years. I feel that this breadth of experience and understanding of higher education issues has assisted in preparing me for the challenges that I will face in this new role.

As a result of these reviews, I have established many important relationships, which will benefit the Knoxville campus. I previously worked for the State Comptroller's office and have established professional working relationships with the State Auditor, the deputy Governor, and officials at the Tennessee Higher Education Commission and other State agencies. As the primary staff person for the University's Audit Committee of the Board of Trustees, I am familiar with the current and past Board members. I also have very good working relationships with University officials throughout the University of Tennessee System. I feel that I have creditability with all of these individuals, which will be vital as the Knoxville campus attempts to further the agenda of a new Chancellor and deal with the funding, enrollment and other issues, which will face the campus in the coming years.

My main reason for applying for this position is to make a difference in higher education and to make a difference in the operations at the Knoxville campus. A lot of change will take place in higher education in Tennessee in the next two years and whoever is in this position will have the opportunity to make an impact. The Knoxville campus has been effectively managed under Dr. Crabtree and Ms. Barlow. It will, however, be vital for the campus to continue to improve efficiencies and implement solutions to further optimize the return on our biggest asset, which is the faculty.

I appreciate the opportunity to apply for this position and hope to have the opportunity to discuss my qualifications and ideas with you further. I can be reached at 974-4437, if you wish to schedule an interview.

Sincerely,



Mark Paganelli, CPA, CIA

Mark Paganelli, CPA, CIA, MBA

2212 Monticello Drive, Maryville, TN 37803\ (865) 974-4437

mpaganel@utk.edu

EXPERIENCE:
6/99 –
present

University of Tennessee – System Administration

Audit and Consulting Services – Executive Director

Responsible for the internal audit function for the entire University of Tennessee System. The University of Tennessee System is comprised of five campuses including a health science center in Memphis, the flagship campus in Knoxville and campuses in Chattanooga, Martin and Tullahoma. The University also has statewide Institutes of Agriculture and Public Service. The University has an operating budget of \$1.6 billion, over \$1 billion in assets, 45,000 students and over 15,000 employees. The internal audit department is comprised of 17 auditors located on three campuses, two support personnel, an editor and student workers. The internal audit office performs numerous reviews each year including operational, compliance, investigative, financial, procurement cards, and technology audits. The office also assists management with special requests and provides training related to internal controls and other relevant topics. The office has also recently initiated efforts to establish an Institutional Compliance Office. This is currently a one-person office, responsible for coordinating and monitoring all levels of compliance throughout the University of Tennessee System. The Director of this office also reports to me.

Significant achievements by the office under my supervision include:

- Assisted in establishing an Audit Committee of the Board of Trustees in 2003. Assisted committee with the creation of its charter and meeting format. Currently, provide monthly reports, create meeting agendas and inform committee of audit and strategic issues facing the Board.
- Facilitated a risk assessment of the business, information technology and treasury risks with key business and technology officials at all campuses. Also, use a self-assessment tool to test key controls identified through this process as means for assessing the internal control environment at the University.
- Prepare and distribute training materials throughout the University, including a business management guide, a fraud-reporting brochure, and best practices guide for the accounting system.
- Eliminated the audit office at the Martin campus to better align resources with risks.
- Converted the office from a paper workpaper process and time keeping system to a commercial package to improve productivity and accountability.
- Established a procurement card monitoring system using auditing software to provide timely review of data for policy violations and indicators of possible abuse.
- Assisted the University with its implementation of SAP financial and human resources software including rewriting fiscal policy to address the new environment.

- 5/92 – 6/99 Audit and Consulting Services – Auditor, Senior Auditor, Manager
Conducted all types of audits with increasing levels of complexity.
- 9/97 – 12/98 **Pellissippi State Community College**
Adjunct Accounting Professor
Taught an accounting class in the evening for three semesters.
- 4/86 – 5/92 **Comptroller of the Treasury, Division of State Audit**
Auditor, Senior Auditor, Supervisor, Special Investigations
Reviewed allegations of fraud within state agencies, including higher education institutions and later supervised activities of other investigators.
- 5/82 – 5/86 **United States Marine Corps Reserve**
Sergeant
Supervised a fire team in infantry unit. Honorably discharged.

- EDUCATION: **University of North Alabama, School of Business**
Bachelor of Science – Accounting 1985
- University of Tennessee at Chattanooga, School of Business**
Master of Business Administration – Finance, 1997
- Certified Public Accountant** – State of Tennessee 1991
- Certified Internal Auditor** - Institute of Internal Auditors 1995

- ASSOCIATIONS: Past president – East Tennessee Association of Internal Auditors
 Vice President – Association of College and University Auditors
 Made numerous presentations to these and other associations on fraud, internal controls and risk assessments.

- REFERENCES: Mr. Jim Vaden, Associate Executive Director for Fiscal Affairs, Tennessee Higher Education Commission. (615) – 741-7575.
- Dr. Richard Brown, Vice Chancellor for Finance and Operations, University of Tennessee at Chattanooga. (423)- 425-4393.
- Ms. Linda Davidson, Vice Chancellor for Development, University of Tennessee at Knoxville, (865) – 974-2115.
- Mr. Waymon Hickman, former Board of Trustees Member and founding Chair of the Audit Committee. Also, retired Chairman and Chief Executive Officer of First Farmers Merchants Bank. (931) – 388-3145.
- Mr. Charles Peccolo, Treasurer, University of Tennessee System, (865) – 974- 2302