

**MIDDLE TENNESSEE STATE UNIVERSITY  
BOARD OF TRUSTEES**

**FINANCE AND PERSONNEL COMMITTEE  
MINUTES**

The Finance and Personnel Committee met on Tuesday, November 12, 2019, in the Miller Education Center Meeting Room at Middle Tennessee State University.

**Call to Order and Opening Remarks**

Board Chair Smith called the meeting to order at 11:46 a.m. He informed the Committee that Committee Chair Jacobs was unable to attend the meeting. Board Secretary Heidi Zimmerman requested permission to call roll to establish a quorum.

**Roll Call**

The following Committee members were in attendance: J.B. Baker, Pete DeLay, Mary Martin, Steve Smith, and Samantha Eisenberg. A quorum was declared. Also present were Trustee Tom Boyd, Mark Byrnes, Provost; Alan Thomas, Vice President for Business and Finance; and Heidi Zimmerman, University Counsel and Board Secretary.

**Compensation Plan Allocations – Action**

The first agenda item was a recommendation for approval of the Compensation Plan Allocations. Kathy Musselman, Assistant Vice President for Human Resources, informed the Committee that 1% of the 2% salary pool, as approved by the Board of Trustees on June 29, 2019, was used to implement a Cost of Living Adjustment (COLA) for administrative/classified staff on July 1, 2019, and August 1, 2019 for faculty. Approval was needed to use the remaining 1% of the salary pool, plus an additional \$1 million from operating funds, to implement additional market adjustments per the University's approved compensation plan. She noted that this funding would only cover 43% of the amount needed for full implementation of predicted salaries based on 2014-15 CUPA

data. The adjustments will be effective January 1, 2020, for employees on the payroll as of December 31, 2019. Ms. Musselman directed the Committee to a summary of the recommended allocations contained in the meeting materials. Trustee Martin moved to approve the recommendation for approval of the compensation plan allocations. Trustee DeLay seconded the motion. A voice vote was taken, and the motion to approve the recommendation for approval of the compensation plan allocations carried.

### **2019-20 October Revised Budget – Action**

The next agenda item was a recommendation for approval of the 2019-20 October Revised Operating Budget. Mr. Thomas presented information to the Committee concerning the following changes made since the July (Original) Budget:

- Adjusted revenue to include the (1) remainder of the 2.37% tuition and mandatory fee increase, (2) increase in fall enrollment, and (3) increase in graduate tuition;
- Adjusted expenditure budgets for (1) re-budgeting of various designated student fee balances from the prior year, (2) purchases in process at year-end but not be completed until the current fiscal year, (3) additional safety and security initiatives, (4) salary increases for the 1.0% COLA and market adjustments, (5) increases in adjunct pay, (6) increases in funding for graduate assistants and marketing for graduate courses, (7) additional scholarships, and (8) limited funding for new academic programs approved by THEC for FY 2019-20;
- Adjustments to auxiliary and restricted budgets based on information obtained since the July Budget submission.

The total University budget, including the unrestricted education and general funds and auxiliary and restricted funds, is approximately \$450 million. Mr. Thomas concluded the presentation by directing the Committee to the summary of disclosed Bond Finance projects included in the meeting materials. He noted that there had been no change in this schedule since the July Budget.

Ms. Zimmerman informed Board Chair Smith that, with the departure of one of the Committee members, the quorum was lost. Board Chair Smith asked how many members were required to constitute a quorum. Ms. Zimmerman replied that four (4) are needed, and they must be members of the Committee. After a discussion concerning membership of the Committee, the quorum was reestablished with the return to the meeting of Trustee DeLay. Trustee Baker moved to approve the 2019-20 October Revised Budget. Trustee Martin seconded the motion. Board Chair Smith requested a roll call vote, along with the addition of Trustee Boyd to the Committee. A roll call vote was taken, and the motion to approve the 2019-20 October Revised Budget passed unanimously.

### **Adjournment**

The meeting adjourned at 12:15 p.m.

Respectfully submitted,

Finance and Personnel Committee