

**MIDDLE TENNESSEE STATE UNIVERSITY  
BOARD OF TRUSTEES**

**FINANCE AND PERSONNEL COMMITTEE  
MINUTES**

The Finance and Personnel Committee met on Tuesday, August 16, 2022, in the Miller Education Center Meeting Room at Middle Tennessee State University.

**Call to Order**

Chairman Smith called the meeting to order at 10:44 a.m. and requested Board Secretary James Floyd to call the roll.

**Roll Call**

The following Committee members were in attendance: J.B. Baker, Rick Cottle, Pete DeLay, Steve Smith, Chris Karbowski Vanek, Pam Wright, and Drew Carpenter. A quorum was declared. Also present were President Sidney A. McPhee; Kathy Thurman, Associate Vice President for Business and Finance; Mark Byrnes, Provost; Joe Bales, Vice President for University Advancement; Yvette Clark, Interim Vice President for Information Technology and Chief Information Officer; Deb Sells, Vice President for Student Affairs and Vice Provost for Enrollment and Academic Services; Diane Snodgrass, Interim Chief Audit Executive; James Floyd, University Counsel and Board Secretary; and Kim Edgar, Assistant to the President and Chief of Staff. Committee Chair Joey Jacobs; Trustee Tom Boyd; and Alan Thomas, Vice President for Business and Finance, could not attend.

**Approval of Minutes – Action**

The first agenda item was the approval of the minutes from the May 24, 2022, Finance and Personnel Committee meeting. Trustee Delay moved to approve the minutes from the May 24, 2022, meeting, and Trustee Baker seconded the motion. A voice vote was taken, and the motion to approve the minutes from the May 24, 2022, Finance and Personnel Committee meeting passed unanimously.

### **Revisions to Policies – Action**

Joe Bales, Vice President for University Advancement, presented a recommendation for approval of revisions to University Policy 160 - Naming of Building and Facilities. Mr. Bales reported that most of the revisions to the policy were technical. The most significant changes were to the gifting levels and minimum commitment required for naming existing and new facilities set at no less than 25% of the cost of construction or renovation.

Chairman Smith asked if donor funding for the Chairs of Excellence was still being matched dollar for dollar by the state. Mr. Bales responded that the one-time grant program for the funding match was no longer in existence. Discussion ensued concerning the various endowment funding requirements. Vice-Chair Vanek noted that the word “suggested” in the baseline minimums for endowed faculty support implied that a contribution could be less than the baseline amounts. Mr. Bales responded that the word “suggested” could be deleted from Section V.A.1. of the policy.

Chairman Smith asked for the appointment of a Board member to the Building Naming Advisory Committee in the request for a motion to approve the revised policy. Board Secretary Floyd expressed concern about adjusting the membership of the Committee beyond what we have done for other University committees, as well as Board members being involved in the day-to-day operations of the University. Dr. McPhee stated that he also had a concern from an administrative standpoint since some recommendations made by the Building Naming Advisory Committee to the President require subsequent Board approval. Chairman Smith asked how often the Building Naming Advisory Committee met. Mr. Bales responded that the Committee normally met electronically three to six times during the academic year, dependent on the number of requests received. Chairman Smith withdrew his request.

Trustee DeLay moved to approve revisions to Policy 160 - Naming of Building and Facilities, as amended by the deletion of the word “suggested” in reference to the minimum contributions for endowed faculty support. Trustee Wright seconded the motion. A voice vote was taken, and the

motion to approve the revisions to Policy 160 - Naming of Building and Facilities, as amended by the deletion of the word “suggested” in reference to the minimum contributions for endowed faculty support, passed unanimously.

Ron Malone, Assistant Vice President for Events and Transportation Services, presented a recommendation for approval of revisions to Policy 100 – Use of Campus Property and Facilities Scheduling. He informed the Committee that Policy 100 was extensively reorganized and revised to be more concise and consistent in terminology usage. Other revisions included a link to Policy 103 Free Speech on Campus, and changes in priority scheduling to give returning /recurring student events and University-sponsored events priority over external events.

Vice-Chair Vanek moved to approve revisions to Policy 100 – Use of Campus Property and Facilities Scheduling. Trustee Baker seconded the motion. A voice vote was taken, and the motion to approve the revisions to Policy 100 – Use of Campus Property and Facilities Scheduling passed unanimously.

Next, Mr. Malone presented a recommendation for approval of revisions to Policy 775 Traffic, Parking and Safety Enforcement to update reserved parking area times and locations to correspond with the information contained in the MTSU Parking Handbook. The amendment to the corresponding Middle Tennessee State University Rule Chapter 0240-07-03 Traffic, Parking, and Safety Enforcement Management was also provided to the Committee for a recommendation of approval by the Board.

Chairman Smith asked if attendees could utilize the gated Nursing lot across from the baseball stadium during baseball games. Mr. Malone responded that an option was given to the Athletic Department last year to open the Nursing lot gates earlier on Friday afternoons to accommodate baseball fans. He further noted that the gates are open on weekends. Dr. McPhee stated that an assessment of lot capacity could be needed in the areas around the athletic fields; however,

students and faculty will always have priority access to parking near academic buildings in order to attend their classes.

Chairman Smith requested that Mr. Malone continue to work with athletics and academic departments to coordinate the use of lots around athletic fields for parking during athletic events.

Vice-Chair Vanek moved to approve revisions to Policy 775 – Traffic, Parking and Safety Enforcement as presented by Mr. Malone. Chairman Smith seconded the motion. A voice vote was taken, and the motion to approve the revisions to Policy 775 – Traffic, Parking and Safety Enforcement as presented by Mr. Malone passed unanimously.

#### **Classified Employee Grievance Annual Report – Information**

Kathy Musselman, Assistant Vice President for Human Resources, presented the Classified Employee Grievance Annual Report as the next agenda item. She informed the Committee that TCA §49-8-117 requires each State University Board to provide an annual report to the education committees of the Senate and the House of Representatives summarizing the number of grievances filed by classified individuals who have been demoted, suspended, or terminated. There were no grievances to report for the fiscal year July 1, 2021 - June 30, 2022.

#### **Philanthropy Update – Information**

Mr. Bales reported on the Middle Tennessee State University Foundation's philanthropic activity. He informed the Committee that the Foundation set an institutional record for fund-raising last year. The previous record was exceeded by a little over \$3 million, and there was a 13.5% increase in donors.

Mr. Bales introduced Mr. Mark Clark as the new Executive Director of Development. Mr. Clark's previous employers included UT, Tennessee Tech, and the University of Illinois. He will be responsible for the day-to-day operations of the college-based fundraisers.

Mr. Bales directed the Committee to the activity summary sheets in the meeting materials. He noted that the top 10% of gifts received last year represented over 90% of the dollars raised, and ten gifts alone accounted for approximately half of the total amount. The athletic and planned gifts have the most impact and provide a significant base for funding over the next 15-20 years. Next, he briefly discussed where the MTSU Foundation ranks relative to its in-state peers and the various factors that affect those rankings. He concluded the presentation with an overview of the current challenges to philanthropy, including the competitive job market and the continuing downward trend in alumni giving.

Before proceeding to the next agenda item, Mr. Floyd informed the Committee that the corresponding rule revision for Policy 775 – Traffic, Parking and Safety Enforcement also needed a motion for Board approval.

Trustee DeLay moved to approve the amended Middle Tennessee State University Rule Chapter 0240-07-03 Traffic, Parking, and Safety Enforcement Management. Trustee Wright seconded the motion. A voice vote was taken, and the motion to approve the amended Middle Tennessee State University Rule Chapter 0240-07-03 Traffic, Parking, and Safety Enforcement Management passed unanimously.

### **Capital Outlay Project Request – Action**

Bill Waits, Assistant Vice President for Campus Planning, presented a request for approval of a revision to the FY23-24 Capital Outlay submission. Mr. Waits informed the Committee that abnormally inflated construction costs were severely impacting many capital outlay projects for higher education institutions. He stated that preliminary contractor pricing for MTSU's Applied Engineering Building project indicated an estimated construction cost of \$13 million over the bid target amount of \$44.7 million. He noted that bringing the project back within budget would necessitate detrimental cuts to the scope of work.

Mr. Waits further informed the Committee that, given the current inflationary construction market, the Tennessee Higher Education Commission (THEC) was allowing institutions the option to request additional funding for a previously approved project instead of submitting a new project request this year.

Mr. Waits stated that MTSU recommended revising the FY 23-24 Capital Outlay submission to request an additional \$20 million for the Applied Engineering project.

Dr. McPhee noted that requesting additional funding to complete the Applied Engineering Building would most likely receive funding in FY23-24, as it would allow the University to enhance its preparation of students for jobs in high demand.

Chairman Smith asked if the FY 23-24 Capital Outlay submission could include funding for the architectural and engineering costs for the New Academic Building. Mr. Waits responded that State Building Commission (SBC) policy prohibits extensive planning with architectural engineering firms before a project is approved or funded. For this project to be included in the submittal, THEC would need to authorize institutions to submit a second capital project. Mr. Waits, however, assured the Committee that work would continue to be done internally on the project.

Trustee Baker moved to approve the revision of the FY 23-24 Capital Outlay submission to request an additional \$20 million for the Applied Engineering project, and Vice-Chair Vanek seconded the motion. A voice vote was taken, and the motion to approve the revision of the FY 23-24 Capital Outlay submission to request an additional \$20 million for the Applied Engineering project passed unanimously.

### **Adjournment**

Chairman Smith adjourned the meeting at 11:46 a.m.

Respectfully submitted,  
Finance and Personnel Committee