

MIDDLE TENNESSEE STATE UNIVERSITY

BOARD OF TRUSTEES

MINUTES

December 5, 2017

Call to Order and Pledge of Allegiance

The Middle Tennessee State University Board of Trustees met in regular session on Tuesday, December 5, 2017, on the Middle Tennessee State University campus. Chairman Steve Smith called the meeting to order at 1:00 p.m. and requested retired Lt. Gen. Keith Huber to lead the Pledge of Allegiance.

Introduction of Student Veteran

Gen. Huber introduced student veteran, Jackie Evans, who enrolled in the United States Marine Corps and worked in Marine Aviation Maintenance. Ms. Evans was promoted to the rank of Lance Corporal and was deployed to the war in Afghanistan. While there, she was again promoted, this time to the rank of Corporal. After returning to the United States, she became a non-commissioned officer in charge of the scheduling and maintenance of the Joint Strike Fighter. She was then promoted to the rank of Sergeant. After four (4) years of active duty, Ms. Evans is now pursuing her bachelor of science degree and is a veteran student worker in the Charlie and Hazel Daniels Veterans and Military Family Center. Chairman Smith expressed to her his appreciation for her service.

Roll Call

Board Secretary Heidi Zimmerman called the roll. Trustees: Andy Adams, J.B. Baker, Pete DeLay, Darrell Freeman, Sr., Joey Jacobs, Tony Johnston, Stephen Smith, Lindsey Weaver and Pamela Wright. Trustee Christine Karbowiak was unable to attend. A quorum was declared.

Welcome and Opening Remarks

Chairman Smith welcomed those present to the fourth meeting of the Board of Trustees. Dr. Sidney A. McPhee, President, also welcomed those attending and specifically acknowledged the presence of elected officials and special guests in the audience, particularly recognizing the Tennessee Higher Education Commission liaison to the Board, Dr. Lauren Collier, Director of Institution and Board Affairs.

Approval of the Minutes

Chairman Smith asked whether everyone had had the chance to review the minutes of the September 12, 2017 Board of Trustees meeting. There being no objection to their accuracy, Chairman Smith requested a motion to approve the minutes. Trustee Johnston moved to approve the minutes; Trustee DeLay seconded the motion. A voice vote on the motion to approve the minutes of the September 12, 2017 Board meeting was taken and carried unanimously.

Committee Report: Academic Affairs, Student Life and Athletics Committee

Chairwoman Pamela Wright gave the report from the December 5, 2017 meeting of the Academic Affairs, Student Life and Athletics Committee. Materials from the committee meeting were provided to the Board in its meeting materials. The committee report contained information items and five (5) recommendations to be considered and voted on by the Board.

Department Name Changes - Information

Provost Byrnes updated the committee on department name changes effective July 1, 2018 and changes in academic programs including name changes, program terminations, new concentrations, and new minors. He also provided information on new academic programs under consideration.

Criminal Background Checks and Fall 2017 Census Data - Information

Vice President Deb Sells presented information on criminal background checks in the admissions process and provided the committee with the Fall 2017 census data.

Faculty Senate Activities - Information

Dr. Joey Gray, 2017-18 Faculty Senate President, presented an overview of the Senate's most recent activities, the unique role of the faculty and two resolutions from the Senate.

Master Plan for Athletics Facilities - Information

Athletic Director Chris Massaro shared architects Heery and Associates' findings and recommendations to the master plan for athletics facilities.

Promulgation of the Rule Classification of Students and Revisions to Related Policies – Recommendation

The committee approved the promulgation of the rule, Classification of Students, which defines residency of students to be used in determining whether or not out-of-state tuition shall be charged to a student enrolling at MTSU. It also approved revisions to Policy 501 - Classifying Students In-State or Out-of-State for Paying University Fees and Tuition and for Admission Purposes to be consistent with the proposed rule.

Policy 205 Promotion of Tenured and Tenurable Faculty - Recommendation

Revisions to Policy 205 - Promotion of Tenured and Tenurable Faculty pertain to inconsistencies in Policy 205 when read in conjunction with Policies 204 - Tenure and 202 - Faculty Definition, Roles, Responsibilities, and Appointment Types. The committee approved the proposed revisions.

Expedited Tenure – Recommendation

The need to award expedited tenure in order to recruit exceptionally high-quality faculty and administrators for senior positions was discussed. After proper review pursuant to Policy 204 - Tenure by their respective college and department policies, the President and University Provost recommended to the committee that tenure be granted to three individuals and the committee approved this action.

Elevation of the Existing Concentration in Insurance – Recommendation

The committee approved the elevation of the existing concentration in Insurance within the B.B.A. in Finance to a freestanding B.B.A. degree in Risk Management and Insurance, to be effective Fall 2018.

Board Policy - Board of Trustees Travel – Recommendation

Consideration of a new Board of Trustees policy that applies to travel by the Board of Trustees in the performance of their official duties was discussed and approved, with revisions, by the committee.

Motion to Approve Committee Recommendations

Trustee Freeman moved to approve the action items taken by the Academic Affairs, Student Life, and Athletics Committee other than the rule promulgation. Trustee DeLay seconded the motion. The motion to approve the action items of the Academic Affairs, Student Life, and Athletics Committee, other than the rule promulgation, carried by unanimous voice vote.

Motion and Roll Call Vote for Promulgation of the Classification of Students Rule

Trustee DeLay moved to approve the promulgation of the Classification of Students Rule. Trustee Jacobs seconded the motion. A roll call vote was taken and the motion to approve promulgation of the Classification of Students rule passed unanimously.

Committee Report: Finance and Personnel Committee

Chairman Joey Jacobs provided the report for the Finance and Personnel Committee and stated that this committee met on November 29, 2017. Materials from the meeting were provided to the Board in its meeting materials. The committee report contained information items and three (3) recommendations to be considered and voted on by the Board.

Capital Outlay and Capital Disclosures – Information

MTSU's Academic Classroom Building is the No. 1 ranked project on THEC's list and the Applied Engineering Building is ranked as No. 7. These projects will be recommended for funding in FY 2018-19. Two other projects listed as "outyear" projects in the FY 2018 – 19 capital budget are the Concrete and Construction Management Building and the Math and Computer Science Building. These projects are being considered for submission as the University's FY 2019-20 capital project request. In accordance with THEC Policy 4.0.6C for disclosure of projects funded through bonds, gifts, grants or local funds, MTSU submitted a disclosure project on September 29, 2017 to make improvements to Peck Hall.

Compensation Strategy - Information

Assistant Vice President Kathy Musselman presented a recommendation concerning compensation strategy. With this compensation strategy, the University requested approval to develop a plan to increase salary ranges and partially implement the current compensation plan prior to implementation of a merit based compensation plan. This plan would be presented to the committee once the Governor's recommended amount of state funding for higher education salaries is known in January/February of 2018. An increase in salary ranges, based on current market data, would allow the University to be more competitive and attractive in its starting salaries. In addition, partially implementing the current compensation plan would help to retain employees in positions with high turnover rates. This would be similar to an allocation made in the 2017-18 Governor's Budget for positions in state government experiencing high turnover. The Finance and Personnel Committee agreed to meet again in January to review additional information requested.

Promulgation of the Installment Payment Plan Rule - Recommendation

The committee approved promulgation of the rule, Installment Payment Plan, which concerns the payment of tuition and student fees, as well as, consequences for failure to make payments. MTSU has related Policies 644 - Installment Payment Plan and 641 - Student Fees – Incidental Charges and Refunds, where minor changes were made for consistency with the rule.

Additionally, Policy 644 will now be approved by the Board.

Severance of Procurement Services – Recommendation

Vice President Alan Thomas reminded the committee that the FOCUS Act allowed for a transition period beginning July 1, 2016 and ending November 30, 2017, where TBR would continue to perform certain functions, including procurement, for the Locally Governed Institutions. Subsequent to November 30, 2017, LGIs may submit their proposals to sever these functions with TBR. MTSU is ready to submit its proposal for severance to THEC before the end of December 2017, intending for severance of Procurement Services from TBR to be effective July 1, 2018. The committee approved this action.

2017-18 October Revised Operating Budget – Recommendation

The 2017-18 October Revised Operating Budget was approved by the committee. Changes were made:

- to reflect tuition and fee revenue,
- to show increased appropriations for state funded employee benefits,
- to adjust expenditure budgets, and
- to adjust auxiliary and restricted budgets based on information obtained since the July budget submission.

Outside Legal Counsel – Recommendation

The committee considered exploring the option for acquiring outside legal counsel for the trustees. A majority of committee members voted in favor of this. A report of the findings will be brought before the committee in the near future.

Motion and Roll Call Vote for Promulgation of Installment Payment Plan Rule

Trustee DeLay moved to approve the promulgation of the Installment Payment Plan rule. Trustee Johnston seconded the motion. A roll call vote was taken and the motion to promulgate the Installment Payment Plan rule passed unanimously.

Motion to Approve Committee Recommendations

Trustee DeLay moved to approve the remaining action items taken by the Finance and Personnel Committee as reported by Trustee Jacobs. Trustee Baker seconded the motion. The motion to approve the Finance and Personnel Committee remaining action items was approved by unanimous voice vote.

Committee Report: Audit and Compliance Committee

Trustee Adams gave the report of the Audit and Compliance Committee in Chairwoman Karbowski's absence. The committee met on November 29, 2017. Materials from the meeting were provided to the Board in its meeting materials. The report included information items only with no recommendations to be voted on by the Board.

Office of Compliance and Enterprise Risk Management Report - Information

Assistant Vice President Gené Stephens presented information including:

- comprehensive report on the Office of Compliance and Enterprise Risk Management's activities,
- examples of how the University addresses each of the seven elements of an effective corporate compliance program as described in the United States Sentencing Guidelines, and
- examples of how the University addresses the "Filip Factors" used by the Department of Justice.

Non-public Executive Session - Information

The public meeting of the committee adjourned and the committee went into executive session. During the non-public executive session of the Audit and Compliance Committee, members discussed current audits and investigations.

Committee Report: Executive and Governance Committee

Board Vice Chairman Darrell Freeman gave the report of the Executive and Governance Committee that met on November 29, 2017. Materials from the meeting were provided to the Board in its meeting materials. The report included one (1) recommendation to be considered and voted on by the Board, and one information item.

President's Compensation Package – Recommendation

The committee discussed the development of a compensation package for the President. In order to make the best-informed and most appropriate recommendation, it was suggested and approved by the committee that through AGB Search, Dr. Joseph Johnston be retained as a consultant to provide compensation evaluation services in this regard.

Board of Trustees Policy – Selection, Evaluation and Retention of the President - Information

In its prior meeting of September 17, 2017, the Executive and Governance Committee approved Board of Trustees Policy – Selection, Evaluation and Retention of the President with the understanding that it would be revisited at the subsequent meeting for a discussion of potential revisions. Recommendations for revision were made and a new version of the policy will be presented at the next meeting of the Executive and Governance Committee meeting.

Motion to Approve Committee Recommendation

Trustee Baker moved to approve the recommendation of the Executive and Governance Committee as reported by Trustee Freeman. Trustee DeLay seconded the motion. A voice vote was taken and the motion to approve the recommendation of the Executive and Governance Committee carried.

Trustee Wright wanted it noted for the record that she feels the Board needs to be conservative with consultants and outside counsel because there is already a lot of expertise on the campus.

She stated that she would rather the Board not set a precedent for future boards of going to consultants for numerous issues.

Policy on Free Speech on Campus - Recommendation

Secretary Zimmerman stated that recently passed legislation, 2017 Public Chapter 336, established the Free Speech Protection Act. The statute requires that institutions of higher education have a policy in place to comply with the Act. Proposed Policy 103 - Free Speech on Campus, drafted almost verbatim from the statute, will comply with that requirement. The policy is to become effective January 1, 2018. Trustee DeLay moved to approve this new University policy. Trustee Wright seconded the motion. A voice vote was taken and the motion to approve Policy 103 – Free Speech on Campus carried.

Board Secretary's Report

At its prior Board meeting, the Board approved the delegation of limited authority to the Board Secretary to make minor revisions to policies or rules with the condition that these revisions be reported to the Board. Accordingly, Ms. Zimmerman provided a list of the minor revisions made to policies since the last Board meeting.

President's Report

Dr. McPhee reported on the white supremacist rally that was scheduled to be held on the Murfreesboro Square on October 28, 2017, along with the possibility that protests could occur on the MTSU campus the evening of October 27. He noted that the rally was cancelled and that no protests took place on the campus. He acknowledged the work of many individuals and agencies in anticipation of these events and thanked Rutherford County Mayor Ernest Burgess, City of Murfreesboro Mayor Shane McFarland, Rutherford County Sheriff Mike Fitzhugh, and Murfreesboro Police Chief Michael Bowen for their leadership, stating that they made the safety of the community and the campus a top priority. He also commended first responders including MTSU Chief of Police Buddy Peaster and the officers of the MTSU Police Department. Also assisting in the effort were the police departments from the cities of LaVergne and Cookeville,

and the police departments from Austin Peay State University, Tennessee State University and Tennessee Tech. Dr. McPhee expressed his gratitude for the work of MTSU's administrators, executives and staff members who supported and maintained watch over academic and student life activities.

Dr. McPhee stated that on November 6, Chairman Smith joined students, faculty, staff and alumni in "Hands Across MTSU," an event in which these individuals joined hands across the campus to demonstrate the unity and the solidarity across our very diverse campus.

Raymond Cintron, former Blue Raider basketball player, and his family suffered significant losses due to Hurricane Maria when it struck Puerto Rico in September. As part of an MTSU Raider Relief effort, Board Vice Chairman Freeman flew his private plane at his expense with MTSU Chief Pilot, Terry Dorris, and passengers Dr. McPhee, Mr. Citron and Vice President Andrew Oppmann, to Puerto Rico to provide relief. Generators, medication, batteries, nonperishable food, water and assistance were delivered to Mr. Citron's family in the San Juan area with the assistance of the Puerto Rico wing of the Civil Air Patrol. These supplies were paid for through funding provided by university vice presidents, members of the President's Cabinet, and head basketball coach Kermit Davis and his colleagues.

Dr. McPhee pointed out the new MTSU True Blue branding on the city's newest water tower. Dr. McPhee expressed his appreciation for the city mayor and city council, and City Manager, Rob Lyons, for the approval of this project.

Finally, Dr. McPhee reported that at their annual December meeting, the Southern Association of Colleges and Schools, Commission on Colleges, the board of trustees accepted the recommendation of compliance with a note of concern as outlined in the recommendation as concerns the change of governance to the MTSU Board of Trustees. Dr. McPhee thanked all those who participated in the SACSCOC team's visit in September.

Special Recognition of Ms. Patti Miller

Chairman Smith recognized Ms. Patti Miller for her service to the University. Ms. Miller was employed at MTSU for 25 years, most recently as the Director of Campus Planning and Assistant Vice President. Chairman Smith read a Resolution expressing the University's gratitude for her service.

Closing Remarks

Dr. McPhee thanked the Board members for the tremendous amount of work they have done on behalf of the University in only nine months. He also thanked all those at MTSU who have worked tirelessly to make the meeting run so smoothly. In particular, he recognized Kim Edgar, his chief of staff, the University legal counsel, the Division of Information Technology, the Division of Marketing and Communications, Facilities Services, Production Services, Events Coordination, Aramark Dining Services, and the Student Union. Dr. McPhee remarked that the video streaming production was led by Professor Bob Gordon and the students of the world renowned College of Media and Entertainment.

Lastly, Dr. McPhee wished everyone happy holidays, and stated that he looked forward to working with the Board in 2018.

Chairman Smith thanked everyone who helped with the meeting and the Board members for their dedication.

The meeting adjourned at 1:45 p.m.

Respectfully submitted,

A handwritten signature in cursive script that reads "Heidi Zimmerman".

Heidi Zimmerman, Board Secretary