

**MIDDLE TENNESSEE STATE UNIVERSITY**  
**BOARD OF TRUSTEES**  
**MINUTES**

The Middle Tennessee State University Board of Trustees met on December 10, 2019, in the Miller Education Center Meeting Room at Middle Tennessee State University.

**Call to Order and Pledge of Allegiance**

Board Chair Steve Smith called the meeting to order at 1:00 p.m. Lt. Gen. Keith Huber led the Pledge of Allegiance.

**Introduction of Student Veteran**

Gen. Huber introduced Petty Officer 3<sup>rd</sup> class Mercy Kigen who was born and raised in Kenya, Africa. In 2009, she was awarded an academic and athletic scholarship to attend Norfolk State University. In 2013, she enlisted in the United States Navy and served 5 years in Somalia and Afghanistan. During that time, Ms. Kigen became a U.S. citizen. Her skill set was as a hospital trauma corpsman with a specialty in dentistry. Further, due to her language capabilities and her cultural comprehension, she entered a very elite program, the Female Engagement Support Team. As such, she was part of a team that entered homes of the local population and, in the native language, assisted in separating the women and children from the men who were suspected to be the enemy. She is now a senior at MTSU majoring in biology and chemistry, and is completing dentistry studies in Nashville. Ms. Kigen expressed her thanks and gratitude for the opportunity to address the Board, explaining how honored she was to have been able to serve the United States of America.

**Welcome and Opening Remarks**

Chairman Smith welcomed those present to the meeting of the Board of Trustees and thanked those who helped coordinate the meeting.

On behalf of the Board, Chairman Smith congratulated the Blue Raider football team on their academic achievement. MTSU was recently cited by the NCAA as the #1 U.S. public university in the Graduation Success Rate (GSR) for football in the Football Bowl Subdivision (FBS). The football team's GSR this year was an all-time high for MTSU. This marks the seventh straight year being above eighty percent (80%) GSR.

Chris Massaro was invited to give remarks. He gave credit to the entire University with special thanks to Todd Wyant, Director of Academic Enrichment Center, and Coach Brent Brock, Director of Football Operations. Mr. Massaro stated that they always have the student-athletes' best interests in mind and do a great job, ensuring the student athletes attend class and get a degree.

Dr. McPhee commented on the team effort needed to sustain this level of excellence. He indicated that all of the University's sports teams are exceeding in the area of academic success. MTSU has received national recognition from the NCAA president, Mark Emmert, concerning the overall academic performance of its athletes.

### **Roll Call**

The following trustees were in attendance: J.B. Baker, Thomas Boyd, Pete DeLay, Samantha Eisenberg, Darrell Freeman, Sr., Chris Karbowskiak, Mary Martin, Stephen Smith, and Pamela Wright. Trustee Joey Jacobs was absent. A quorum was declared. President Sidney A. McPhee; Alan Thomas, Vice President for Business and Finance; Mark Byrnes, University Provost; Joe Bales, Vice President for University Advancement; Bruce Petryshak, Vice President for Information Technology and Chief Information Officer; Deb Sells, Vice President for Student Affairs and Vice Provost for Enrollment and Academic Success; Brenda Burkhart, Chief Audit Executive; Heidi Zimmerman, University Counsel and Board Secretary; and, Kim Edgar, Assistant to the President and Chief of Staff were also in attendance.

### **Approval of Minutes – Action**

The first agenda item was approval of the minutes from the September 18, 2019 Board meeting. Trustee DeLay made the motion to approve the minutes from the September 18, 2019 meeting, and Trustee Baker seconded the motion. A voice vote was taken and the motion to approve the minutes from the September 18, 2019 meeting of the Board passed.

### **Committee Report: Academic Affairs, Student Life, and Athletics**

Committee Chair Pamela Wright gave the report from the November 12, 2019 meeting of the Academic Affairs, Student Life, and Athletics Committee. The meeting began with approval of the minutes from the September 4, 2019 meeting. The Committee report contained two (2) action items to be considered and voted on by the Board, and two (2) information items. Materials outlining these actions were made available for review prior to the Board meeting and were contained in the Board notebooks.

### **Approval of Tenure and Promotion of Faculty Member, Dr. Kelly Kolar – Action**

Dr. Kelly Kolar applied for tenure and promotion to associate professor and was reviewed by her department chair, department committee, college committee, and college dean according to MTSU Policies 204 and 205, and the respective college and department policies. The President recommended tenure and promotion to associate professor be granted, retroactive to August 1, 2019.

### **New Policy 90 Athletics Integrity and Conduct of Athletics Staff – Action**

The new policy applies to all Athletics staff, including coaches and administrators, and sets out expectations for their conduct regarding student athletes. The policy also provides an additional, independent, objective process of reviewing student-athlete complaints and grievances through which student-athletes may report behavior inconsistent with the expectations set forth in Policy 90. Athletics staff found to have violated this policy will be subject to disciplinary proceedings as outlined in the policy.

These two (2) action items were approved by the Committee.

### **Revisions to Rule 0240-07-05 Student Conduct and Policy 540 Student Conduct – Information**

Proposed revisions to Rule 0240-07-05 Student Conduct and Policy 540 Student Conduct were not approved. The policy and rule will be revisited at a later date.

### **Open Educational Resources (OER) - Information**

The Committee heard a presentation concerning Open Educational Resources (OER), a new movement to save students money and improve retention by providing free educational materials. The presentation highlighted the effort to bring OER to MTSU.

Committee Chair Wright thanked Trustee DeLay for chairing the meeting on November 12 in her absence.

### **Motion**

Trustee Freeman made the motion to approve the action items recommended by the Committee and Trustee Karbowski seconded the motion. A voice vote was taken and the motion to approve the action items passed.

### **Committee Report: Audit and Compliance Committee**

Committee Chair Karbowski provided the report for the Audit and Compliance. The Committee met on November 12, 2019 with the first item on the agenda being approval of the minutes from the August 20, 2019 meeting. The Committee report contained one (1) action item to be considered and voted on by the Board, and two (2) information items. Materials outlining these actions were made available for review prior to the Board meeting and were contained in the Board notebooks.

### **Policy 10 Ethics and Code of Conduct - Action**

Assistant Vice President Gené Stephens presented proposed revisions to Policy 10 Ethics and

Code of Conduct to add investigatory procedures and an appeal process for all ethics investigations.

### **Results of External Reviews - Information**

Brenda Burkhart, Chief Audit Executive, presented results of external reviews. First, the Office of the Comptroller of the Treasury released a report concerning an investigation of selected records of the Athletics Department on August 29, 2019. The results of the investigation concluded an associate athletic director used his university purchasing card to make a questionable purchase, and department staff used university purchase credit from a sports fitness company to provide shoes and sports apparel to family and friends. The report also included an internal control deficiency of inadequate oversight of use of sponsorship trade. The report concluded that management of the Athletics Department indicated they were establishing new practices and procedures to correct the findings and the internal control deficiency disclosed in the report.

Second, the Tennessee Department of Finance and Administration, Office of Criminal Justice Programs Fiscal Unit, conducted a financial desk review on October 17, 2019 of the STOP (Services, Training, Officers, Prosecutions) funding for the fiscal year ending June 30, 2020. The current year maximum funding is \$60,000. The financial monitoring review objectives were: 1) to assess the reliability of internal controls, 2) to test the reliability of the financial reporting, 3) to test if costs and services are allowable and eligible, and 4) to verify contractual compliance. There were no findings of noncompliance.

### **Internal Audit – Information**

MTSU Policy 70 Internal Audit, Section IX.F. requires significant results of internal audit reports be presented to the Audit and Compliance Committee quarterly. Ms. Burkhart reported that since the last meeting of the Audit and Compliance Committee, the following two audit projects have been completed:

1. Cash Counts at June 30, 2019 with no reportable issues.

2. Audit of inventories for fiscal year ended June 30, 2019 concluded the year-end inventory counts were accurate and in compliance with the inventory procedures.

Due to errors in the valuation of the Printing Services inventory, the report included a recommendation for Printing Services to include valuation instructions in the inventory procedures.

The current status of the Internal Audit Plan for Fiscal Year 2020 was included in the materials for the Committee's review. The public meeting of the Committee adjourned and the Committee went into executive session to discuss audits and investigations.

The action item before the Committee was approved unanimously.

### **Motion**

Trustee Freeman made the motion to approve the action item from the Audit and Compliance Committee and Trustee DeLay seconded the motion. A voice vote was taken and the motion to approve the action item of the Audit and Compliance Committee passed.

### **Committee Report: Finance and Personnel Committee**

Dr. Mary Martin provided the Finance and Personnel Committee report on behalf of Committee Chair Joey Jacobs. The Finance and Personnel Committee met on November 12, 2019. The first item on the agenda was approval of the minutes from the September 4, 2019 meeting. The Committee report contained two (2) action items to be considered and voted on by the Board. Materials outlining these actions were made available for review prior to the Board meeting and were contained in the Board notebooks.

### **Policy 808 Compensation Reporting and Approvals – Action**

Policy 808 Compensation Reporting and Approvals requires the Board of Trustees to approve salary increases of MTSU employees. Kathy Musselman, Assistant Vice President for Human Resources, presented the request for approval to implement market adjustments using the remainder of the 2% salary pool and an additional allocation of one million dollars from operating

funds. The market adjustments will be based on 2014-15 CUPA data and will be effective January 1, 2020 for employees on payroll as of December 31, 2019. With the allocated resources, employees whose current salary is below the market predicted salary will receive 43% of the recommended adjustment.

### **Approval of the 2019-2020 October Revised Budget – Action**

Changes to the original July budget were outlined by Mr. Thomas:

- Adjustments to Tuition and Fee Revenue for inclusion of the remaining tuition and mandatory fee increase and reflecting the increase for fall enrollment.
- Adjustments to expenditure budgets for: (1) re-budgeting of various 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 a 1.0% cost-of-living adjustment, (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.

The Committee approved both the proposal to implement market adjustments and the October Revised budget. There were informational items on the Committee agenda that will be presented at a later date.

Both action items before the Committee were approved unanimously.

**Motion**

Trustee Freeman made a motion, seconded by Trustee Wright, to approve the action items recommended by the Finance and Personnel Committee. A voice vote was taken and the motion to approve the action items passed.

**Approval of Audit and Compliance Committee Chair and Members – Action**

The Audit and Compliance Committee Charter requires that the Committee Chair and members be approved by the Board. The following names were submitted for consideration: Pete DeLay (Chair), Tom Boyd, Christine Karbowiak, Mary Martin, Steve Smith, and Pam Wright.

**Motion**

Trustee Freeman made a motion, seconded by Trustee Martin, to approve the Audit and Compliance Committee Chair and members. A voice vote was taken and the motion to approve the Audit and Compliance Committee Chair and members passed.

**Report of the Board Secretary**

Ms. Zimmerman reported that Policy 100 Use of Campus Property and Facilities Scheduling had minor revisions, updating references to another institutional policy.

**Report of the President**

Dr. McPhee provided the following information to the trustees.

**Bachelor of Science Degree with a Major in Data Sciences**

At its meeting on September 18, 2019, the Board approved a new academic program proposal to establish a Bachelor of Science degree with a major in Data Sciences. Following that meeting, in accordance with section 1.0.11A of THEC Policy A1.0, a request to the Tennessee Higher Education Commission was made to consider the proposed academic program be placed on the Commission agenda at the earliest possible scheduled meeting. THEC approved the Bachelor of



Science Degree with a Major in Data Sciences and this degree be offered in Fall 2020. Dr. McPhee expressed his thanks to the Board for approving it and noted that the program is one that is in great need and demand by businesses located in Tennessee. The program will meet a major economic development and workforce need.

### **Budget Hearings 2020-2021**

The Governor's annual budget hearing was held on November 5, 2019 at the State Capitol where the 2020-2021 budget proposal was presented to Governor Lee. On November 18, 2019, a similar presentation was made to the House Finance, Ways and Means Committee. In both presentations and hearings, there were no issues concerning the University or the proposal. A number of observations were made regarding the University as it relates to addressing the state's needs with the University's program; in particular, veterans' programs were highlighted.

### **Presentation by Joe Bales and Paula Leslie Concerning Relationships with Corporations**

At the request of several trustees, a presentation was made regarding interactions with the region's business community. With Nashville's emergence as a national destination for corporate America and the tremendous growth that the middle Tennessee area is experiencing, MTSU has an incredible opportunity to position itself as the "go to" source for a wide range of higher education resources. Joe Bales, Vice President for University Advancement, and Paula Leslie, Director of Corporate Engagement and Strategic Partnership, provided an update on progress made in improving corporate engagement.

Mr. Bales provided a brief history on the development nationally of "Corporate Relations" as a formal institutional activity, with early origins at major national research universities. Like many of its peers, MTSU's efforts began much later. At MTSU, the 2010 "Positioning the University for the Future" initiative identified the need for increased corporate interaction with private sector partners to better meet the needs of the University. However, it wasn't until FY 2016, that funding became available and the Director of Strategic Partnerships position was created.

Efforts were initiated and a university plan was developed to identify private entities that offered the greatest potential for broad, complimentary, synergistic relationships, with initial focus on employment opportunities for graduates. Mr. Bales explained a four-step plan to identify and evaluate potential “best fit” relationships, with the opportunity for clearly defined benefits for both parties.

Mr. Bales emphasized that this is not a fundraising initiative. Instead, it is considered a mutually beneficial resource exchange. However, it is a goal that support from these companies will lead to financial support of the University. In the last three (3) years, relationships have been developed with over seventy (70) companies.

Ms. Leslie presented information on Asurion as a good example of the process used to form a synergistic relationship between the University and business. The company has a national and global presence with a strong local workforce and a dedicated university relationship manager. Asurion also has over 370 MTSU alumni across the company with 80 in leadership positions. Since 2016, the number of MTSU alumni employees at Asurion have grown from 307 to 373. Internships and experiential learning have grown and Asurion is engaged in research activities that support company needs. Sponsorship and private support have grown to \$25,000 in 2019-2020.

Ms. Leslie explained that she meets with key employers twice a year to do a planning session with them based on what their strategic goals are and the engagement strategies are developed. She explained that they are constantly reviewing information to learn which companies are growing in terms of opportunities. They also look for strategies in forming relationships that mutually benefit the institution and its corporate partners in order to achieve a best-fit relationship.

Dr. McPhee added that there are three companies the University is working with currently that will soon bring results. The partnership with T-Mobile has resulted in providing 1,100 hot spots, free of charge, for veterans. They have also expressed interest in forming an exclusive relationship with MTSU for the education of 3000 of their employees. MTSU has developed a program with Delta Airlines through the Delta Propel aviation program, and several MTSU

administrators recently visited corporate offices. Finally, MTSU is working very closely with Amazon concerning educational programs and employment opportunities associated with their new Nashville offices.

Dr. McPhee reminded the Board that commencement would be held on Saturday, December 14. There will be 1,700 students graduating. The morning speaker is RCA Records Nashville entertainer and MTSU Alumnus Chris Young and the afternoon speaker is Dr. Belle Wheelan, President of the Southern Association of Colleges and Schools Commission on Colleges.

Dr. McPhee invited the trustees to the Holiday Open House he and Ms. McPhee hold each year, noting that the event is open to the community.

Lastly, Dr. McPhee thanked everyone for the prayers, thoughts, and cards after the loss of his mother.

### **Concluding Remarks**

Chairman Smith stated his agreement with Dr. McPhee concerning the importance of reaching out to local, state and federal officials to keep them apprised of the great work being done at MTSU. He then expressed his thanks to everyone who attended the meeting.

### **Adjournment**

Chairman Smith adjourned the meeting at 1:54 p.m.

Respectfully Submitted,



Heidi Zimmerman

Board Secretary