

**MIDDLE TENNESSEE STATE UNIVERSITY
BOARD OF TRUSTEES**

**FINANCE AND PERSONNEL COMMITTEE
MINUTES**

The Finance and Personnel Committee met on Tuesday, February 27, 2024, in the Miller Education Center Meeting Room at Middle Tennessee State University.

Call to Order

Committee Chair Pete Delay called the meeting to order at 10:16 a.m. and welcomed everyone in attendance, both in person and virtually.

Roll Call

Board Secretary James Floyd called the roll. The following Committee members were in attendance: J.B. Baker, Tom Boyd, Bill Jones, Mary Martin, Steve Smith, Chris Karbowski Vanek, Michael Wade, Pam Wright, and Molly Mihm. Committee Chair Pete DeLay participated electronically and, in accordance with T.C.A. 8-44-108(c)(3), confirmed he could hear those present in the meeting, and no one else was present in the room with him. A quorum was declared.

Also present were Sidney A. McPhee, President; Alan Thomas, Vice President for Business and Finance; Joe Bales, Vice President for University Advancement; Mark Byrnes, Provost; Andrew Oppmann, Vice President for Marketing and Communications; Yvette Clark, Vice President for Information Technology and Chief Information Officer; Sarah Sudak, Interim Vice President for Student Affairs and Dean of Students; Leah Ladley, Chief Audit Executive; James Floyd, University Counsel and Board Secretary; and Kim Edgar, Assistant to the President and Chief of Staff.

Approval of Minutes – Action

The first agenda item was the approval of the minutes from the November 14, 2023, Finance and Personnel Committee meeting. Trustee Jones moved to approve the November 14, 2023 meeting minutes, and Vice-Chair Vanek seconded the motion. A roll call vote was taken, and the motion to approve the minutes from the November 14, 2023, Finance and Personnel Committee meeting passed unanimously.

Governor's Budget and Legislative Budget Hearings Update – Information

The next agenda item was an update on the 2024-25 Governor's Budget. Mr. Thomas directed the Committee to the meeting materials containing an email to the campus and Board members summarizing the impact of the Governor's Budget on the University and an analysis from THEC detailing the impact on higher education as a whole.

He reported the following highlights of the proposed budget as related to MTSU:

- A net increase in operating appropriations, which includes adjustments made through the funding formula, of \$2.4 million;
- Partial funding for a 3.0 percent salary pool of \$3.8 million; and
- Funding for a capital maintenance project totaling \$2.5 million to upgrade fire alarm systems, fire sprinkler systems, life safety systems, and all related work across the campus.

The Governor's Budget did not include the University's capital project for the Liberal Arts, Archives, and Museum Building. Mr. Thomas informed the Committee that this project ranked number two (2) on the list of twelve (12) capital projects submitted by THEC for capital improvement funding. The proposed budget included funding for only one of THEC's recommended projects.

Trustee Boyd asked if there was funding in the budget for higher education security needs. Mr. Thomas responded that part of THEC's capital maintenance request for other one-time funding included safety, security, and ADA; however, neither of those items was included in the budget.

He went on to inform the Committee that the University had applied for and received funding through a grant provided by the legislature for education during their fall special session. The grant amount is approximately \$1.9 million, and the University is currently exploring how those funds may be used to meet campus needs.

Next, Dr. McPhee shared information with the Committee regarding the budget hearing with the House Finance, Ways and Means Committee on February 14 and the concerns the LGIs have with the proposed higher education budget. He noted that several representatives at the hearing shared their concern that the Governor's Budget does not fully represent the needs of higher education, especially in the areas of capital funding.

Dr. McPhee also informed the Committee that he had the opportunity to speak with several key legislators during the 2024 Day on the Hill event. The consensus among them was that MTSU is one of the well-managed institutions. He noted that they have a positive perception of the University and the quality of the programs we produce, which is an accomplishment to be proud of.

Chairman Smith commended Dr. McPhee and his staff for being one of the only institutions in the state with no audit findings.

Next, government relations specialist Bill Ketrone discussed various pieces of legislation currently being discussed by the General Assembly.

Capital Projects Update – Information

The final agenda item was a brief update from Mr. Thomas regarding the status of the major capital projects. The meeting materials included information concerning the project costs and milestone dates.

Closing Remarks and Adjournment

Committee Chair DeLay adjourned the meeting at 10:48 a.m.

Respectfully submitted,

Finance and Personnel Committee