

AUDIT & BUSINESS COMMITTEE

June 23, 2022

Roaden University Center, Room 282

MINUTES

Meeting was streamed live via link found on this web page:
<https://www.tntech.edu/board/meetings/>

AGENDA ITEM 1 – Call to Order

The Tennessee Tech Board of Trustees Audit & Business Committee met on June 23, 2022 in Roaden University Center Room 282. Chair Johnny Stites called the meeting to order at 10:24 a.m.

Chair Stites asked Mr. Lee Wray, Secretary, to call the roll. The following members were present:

- Johnny Stites
- Thomas Lynn
- Trudy Harper

Fred Lowery was absent and Trudy Harper participated as a voting member in his absence as designated by policy. Other board members also in attendance were Tom Jones (via zoom), Rhedona Rose, Teresa Vanhooser, Barry Wilmore, and Hannah Willis. A quorum was physically present. Tennessee Tech faculty, staff and members of the public were also in attendance.

AGENDA ITEM 2 – Approval of Minutes

Chair Stites asked for approval of the minutes of the March 10, 2022 Audit & Business Committee meeting. Chair Stites asked if there were questions or comments regarding the minutes. There being none, Mr. Lynn moved to recommend approval of the minutes. Ms. Harper seconded the motion. Mr. Wray called a roll call vote. The motion carried unanimously.

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AGENDA ITEM 3 – Maintenance and Mandatory Fees

Dr. Stinson recommended no increase for maintenance and mandatory fees. This is due to the exceptional level of State funding and THEC Commissioners voted for zero-to-zero binding range.

This was an informational item therefore no action was required.

AGENDA ITEM 4 – FY2021-22 Estimated & FY2022-23 Proposed Budget

Dr. Stinson presented information on the reconciliation of changes in E & G revenues, reconciliation of change in expenses and reconciliation of change in natural expenses (Attachments A-F).

Mr. Lynn moved to send the FY2021-22 Estimated and FY2022-23 Proposed budget to the Board for approval and to place it on the Board's regular agenda. Ms. Harper seconded the motion. Mr. Wray took a roll call vote. The motion carried unanimously.

AGENDA ITEM 5 – FY2022-23 Disclosed Projects

Dr. Stinson presented two campus funded projects. The projects included pavement repairs to selected streets and parking lots campus wide and New Hall North roof replacement.

Mr. Lynn moved to send the FY2022-23 disclosed projects for the pavement repairs and New Hall North roof replacement to the Board for approval and to place it on the Board's regular agenda. Ms. Harper seconded the motion. Mr. Wray took a roll call vote. The motion carried unanimously.

AGENDA ITEM 6 – Capital Budget FY2023-24

Dr. Stinson presented the FY23-24 Capital Budget requests. The capital outlay request is for an academic classroom building which includes demolish of Matthews-Daniel Hall, construct new academic classroom building on same site and to renovate the adjacent Crawford Hall and connect to the new building. The Capital Maintenance projects requests for state funding in order of priority is: Roaden University Center HVAC upgrades, elevator upgrades, intramural field lighting replacement, utility infrastructure upgrades, Bell Hall and Ray Morris Hall roof replacements, Foundation Hall upgrades 1.1, Bryan Fine Arts building exterior repairs, University Services building mechanical upgrades and Foundation Hall upgrades 1.2. Dr. Stinson advised the capital maintenance total request is \$4,000,000 over Tech's allocation due to a large project in the last fiscal year being removed from our list, which resulted in losing \$4,000,000 according to THEC's calculations. The first 3 priorities are to be covered by the \$4,000,000 then the remaining requests fall within our allocation. Dr. Stinson stated the Bryan Fine Arts and Derryberry Auditorium projects have come in 150% over estimated budget. There is a potential for flexibility to collapse the funds from both projects and spend all on one

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project. If that were to be approved by the state it will become priority number four on this list and we would bring this list back to the October committee meeting.

Mr. Lynn moved to send the FY2023-24 Capital Budget requests to the Board for approval and to place it on the Board's regular agenda. Ms. Harper seconded the motion. Mr. Wray took a roll call vote. The motion carried unanimously.

AGENDA ITEM 7 – Land Acquisition

Dr. Stinson presented the proposed land acquisition of the Coomer property as identified in the Master Plan. The university will be purchasing from the TTU Foundation for the lesser of \$425,000 or appraised value at the time of purchase. The TTU Foundation has already purchased this property as identified in the acquisition plan in the 2014 Master Plan. This property would be used for the relocation of Facilities Services Complex.

Mr. Lynn moved to send the proposed land acquisition for 520 E. Eleventh Street and 1108 N. Washington Ave. to the Board for approval and to place it on the Board's regular agenda. Ms. Harper seconded the motion. Mr. Wray took a roll call vote. The motion carried unanimously.

AGENDA ITEM 8 – Craft Center Lease

Dr. Stinson presented the renewal of the lease with the U.S. Army Corps of Engineers. The initial lease was for twenty-five years. The lease ended in November 2020 and TN Tech staff have been working with the Army on renewal terms since then. The renewal is same as the current lease for the facilities and 451 acres, 25-year lease ending November 2045. The consideration for this lease is operations and maintenance of the premises with an annual use and development plan files with Army Corps of Engineers. One-time state appropriations covers the initial 5-year development plan.

Mr. Lynn moved to send the proposed lease for the Craft Center with the Department of the Army to the Board for approval and to place it on the Board's regular agenda. Ms. Harper seconded the motion. Mr. Wray took a roll call vote. The motion carried unanimously.

AGENDA ITEM 9 – Dual Enrollment Tuition Rate

Dr. Stinson presented the change of dual enrollment tuition rate due to changes in the Student Assistance Corporation Dual Enrollment Grant. This discounted rate applies to high school students taking courses for both high school and college credit. TN Student Assistance Corporation provides Dual Enrollment grants to cover costs for up to 5 courses for dual enrolled students. The university accepts the Dual Enrollment Grant with no additional charge to dual enrolled students. TSAC increased grants from \$400 per 3-hour course to \$538.65 per credit hour course. The recommendation is to increase from \$166 per credit hour to \$179.55 per credit hour effective Fall semester 2022.

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Mr. Lynn moved to send the Dual Enrollment tuition rate of \$179.55 per credit hour to the Board for approval and to place it on the Board's regular agenda. Ms. Harper seconded the motion. Mr. Wray took a roll call vote. The motion carried unanimously.

AGENDA ITEM 10 – Emeritus President Contract

Dr. Stinson stated that Dr. Robert Bell had a President Emeritus Contract with the university and TN law required the contract to be reviewed annually. A report for Dr. Bell and what he accomplished the past year along with a copy of his agreement was provided in Diligent.

Mr. Lynn moved to send the 2022-23 emeritus contract for Dr. Bell to the Board for approval and to place it on the Board's consent agenda. Ms. Harper seconded the motion. Mr. Wray took a roll call vote. The motion carried unanimously.

AGENDA ITEM 11 – TTU Policy 506 (General and Group Travel Policies)

Dr. Stinson advised the revisions resulted from the biennial review to update the policy that incorporates the travel expense management system, clarification on allowable expenses, adds State's automobile accident reporting requirement, clarification on when employees may request travel advances and updated CONUS rates (federal rates for continental U.S. travel).

Mr. Lynn moved to send TTU Policy 506(General and Group Travel Policies) as presented effective July 1, 2022 to the Board for approval and to place it on the Board's consent agenda. Ms. Harper seconded the motion. Mr. Wray took a roll call vote. The motion carried unanimously.

AGENDA ITEM 12 – TTU Policy 600 (Code of Conduct)

Dr. Stinson presented changes made to provide improved clarity of TTU employees subject to policy, clarification on due process application in cases of appearance of unethical or irresponsible conduct and clarification that employee failure to follow lawful directives constitutes insubordination. Substantial changes only require Audit & Business Committee approval.

Mr. Lynn moved to approve TTU Policy 600(Code of Conduct) as presented effective July 1, 2022. Ms. Harper seconded the motion. Mr. Wray took a roll call vote. The motion carried unanimously.

AGENDA ITEM 13 – Faculty Promotions

Dr. Bruce advised that twenty-nine faculty members were awarded promotion by the President beginning August 2022. This accounts for about six percent of faculty. The promotion includes six from Lecturer to Senior Lecturer, 9 from Assistant to Associate Professor and 14 from Associate Professor to full Professor. Details of the promotions were provided in Diligent.

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This was an informational item therefore no action was required.

AGENDA ITEM 14 – Tenure Recommendations

Dr. Bruce advised the President’s recommendations for tenure beginning August 2022 include 10 faculty members. If the recommendations are approved by the Board the percentage of tenured faculty will be 54%. Details of the candidates were provided in Diligent.

Mr. Lynn moved to send the tenure recommendations to the Board for approval and to place it on the Board’s consent agenda. Ms. Harper seconded the motion. Mr. Wray took a roll call vote. The motion carried unanimously.

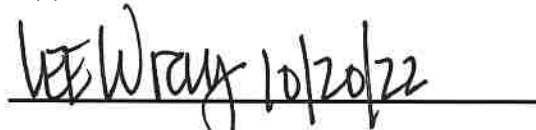
AGENDA ITEM 15 – Adjournment of Open Session & Call to Order on the Non-Public Executive Session

There being no further business, the meeting adjourned at 11:41 a.m. After a short break, the Non-Public Executive Session began at 11:48 a.m. Trustees and Administration were present for the meeting.

AGENDA ITEM 16 – Adjournment

There being no further business, the Non-Public Executive Session adjourned at 12:19 p.m.

Approved,

A handwritten signature in black ink that reads "Lee Wray" followed by the date "10/20/22". The signature is written over a solid horizontal line.

Lee Wray, Secretary