



AUDIT & BUSINESS COMMITTEE

March 7, 2024

Roaden University Center, Room 282

AGENDA

- I. Call to Order
- II. Approval of Minutes
- III. Legislative Update
- IV. Update on Governor's Budget
- V. Compensation Study Results
- VI. Compensation Plan
- VII. Non-Mandatory Fees
- VIII. Tuition & Mandatory Fees
- IX. Disclosed Project Modification
- X. Naming Opportunity
- XI. Report of Audit Activity
- XII. Notice of Responsibilities for Preventing, Detecting, and Reporting Fraud, Waste, and Abuse
- XIII. FY2023 State Audit
- XIV. Adjournment of Open Session and Call to Order of Non-Public Executive Session to Discuss Audits, Investigations, Litigation, and Matters Deemed Not Subject to Public Inspection Pursuant to T.C.A. § 4-35-108(b)(1)-(3)
- XV. Adjournment



AUDIT & BUSINESS COMMITTEE

November 30, 2023

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 November 30, 2023, in Roaden University Center Room 282. Chair Johnny Stites called the meeting to order at 10:34 a.m.

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

- Johnny Stites
- Tom Jones
- Thomas Lynn

Other board members also in attendance were Fred Lowery, Jeannette Luna, Rhedona Rose, Barry Wilmore, Trudy Harper, and Addison Dorris. 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 September 28, 2023, Audit & Business Committee meeting. Chair Stites asked if there were questions or comments regarding the minutes. There being none, Tom Jones moved to recommend approval of the September 28, 2023, Audit & Business Committee minutes. Thomas Lynn seconded the motion. Mr. Wray called a roll call vote. The motion carried unanimously.

AGENDA ITEM 3 – Financial Update & Composite Financial Index

Dr. Stinson presented information for the FY22-23 unaudited statement of revenues, expenses, and changes in net position along with FY22-23 capital asset and debt. Also presented was the major metrics used to measure and monitor financial health: composite financial index, primary reserve ratio, viability ratio, return on net assets ratio and net operating revenue ratio.

This was an informational item therefore no action was required.

AGENDA ITEM 4 – FY2023-24 Revised Budget/Organizational Chart

Dr. Stinson advised the organizational chart changes were in Academic Affairs with the renaming of Cybersecurity Education, Research and Outreach Center to Center for Cybersecurity Education, Research and Outreach, renaming of Energy Systems Research Center to Center for Energy Systems Research, renaming Manufacturing Research Center to Center for Manufacturing Research, renaming of Student Success Center to Hixson Student Success Center and removal of Minority Engineering Programs as a direct report to College of Engineering. Planning and Finance added a Campus Safety and Emergency Management position as a direct report. Student Affairs added student advocacy as a direct report to Strategic Initiatives and Dean of Students, added cross-cultural engagement as direct report to Intercultural affairs, added Intergroup Dialogues as a direct report to Intercultural Affairs and renamed Black Cultural Center to Leona Lusk Officer Black Cultural Center.

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 FY2023-24 Revised Budget and Organizational Chart to the Board for approval and to place on the Board’s regular agenda. Mr. Jones seconded the motion. Mr. Wray called a roll call vote. The motion carried unanimously.

AGENDA ITEM 5 – Tuition Transparency Act Report (T.C.A § 49-7-1604)

By February 1st of each year, the Board is required to provide a report to the General Assembly with information regarding the expenditures of revenues derived from any tuition and fee increase in the previous full academic year. The report must include how revenues were used, the effect on student financial aid, and the effect on the average total cost of attendance per student. This report is for tuition and mandatory fee rates effective Fall 2022. The report stated no increase in tuition or mandatory fees was recommended for FY22-23.

Mr. Jones moved to send the Tuition Transparency Act Report for FY22-23 to the Board for approval and to place it on the Board’s regular agenda. Mr. Lynn seconded the motion. Mr.

Wray took a roll call vote. The motion carried unanimously.

AGENDA ITEM 6 – Classification & Compensation Study Update

President Oldham advised this was an update on the project with the intentions to bring the completed study to come to the March 2024 Board meeting for the Board to take action. Mr. Vedder provided information on Mercer’s background and experience. He advised the project timeline was project planning and strategy development February 2023-June 2023, job architecture and job descriptions for staff April 2023-December 2023, compensation philosophy, benchmarking, and salary structure for staff & faculty September 2023-March 2024 and strategies and implementation planning February 2024-March 2024.

This was an informational item therefore no action was required.

AGENDA ITEM 7 – Approval of 2024 Audit Plan

Deanna Metts advised the plan was provided in Diligent. The plan lists each significant activity to be carried out by Internal Audit, type of activity, the functional area being covered, the time frame, and the last date the activity was completed. This only requires approval by the Audit & Business Committee and does not go to the full Board for approval.

Mr. Lynn moved to approve the 2024 Audit plan as required by Tennessee Tech University Audit Committee Charter as presented. Mr. Jones seconded the motion. Mr. Wray called a roll call vote. The motion carried unanimously.

AGENDA ITEM 8 – Adjournment of Open Session & Call to Order on Non-Public Executive Session

There being no further business, the meeting adjourned at 11:19 a.m. After a short break, the Non-Public Executive Session began at 11:25 a.m. Trustees and Administration were present for the meeting.

AGENDA ITEM 9 – Adjournment

There being no further business, the Non-Public Executive Session adjourned at 11:50 a.m.

Approved,

Lee Wray, Secretary

Attachment A

Reconciliation of Changes in E&G revenues

| | Proposed Budget FY2023-24 | Revised Budget FY2023-24 | Difference |
|-----------------------|------------------------------|-----------------------------|--------------------|
| Tuition and Fees | \$105,062,800 | \$104,803,000 | (\$259,800) |
| State Appropriations | \$82,153,800 | \$85,439,700 | \$3,285,900 |
| Other Activities | \$13,136,800 | \$13,616,500 | \$479,700 |
| Total Revenues | \$200,353,400 | \$203,859,200 | \$3,505,800 |



Attachment B

Proposed vs Revised E&G Reconciliation of Changes in Revenues FY2023-24

- Tuition and Fees (\$259,800)
 - Tuition enrollment based on Fall census (\$1,728,500)
 - Tuition 3% increase \$1,999,800
 - Summer Revenue (\$245,500)
 - Out-of-state tuition decrease (\$66,250) based on actual fall enrollment in International students
 - Fee reduction (\$219,500)

- State Appropriations \$3,285,900
 - Adjustments for OPEB, TCRS, Risk Management, and Health Insurance \$958,400
 - Crossville Wind Tunnel \$2,000,000
 - 401k Enhancement Match one-time funding \$327,500

- Other Revenue \$479,700
 - Federal Indirect Cost Revenue \$400,000
 - Other Misc. \$80,000



Attachment C

Change in Expenses (details on following page)

| | Proposed Budget FY2023-24 | Revised Budget FY2023-24 | Difference |
|----------------------------|------------------------------|-----------------------------|------------------|
| Instruction | \$82,786,000 | \$92,840,800 | \$10,054,800 |
| Research | \$3,162,900 | \$8,286,900 | \$5,124,000 |
| Public Service | \$2,056,400 | \$3,768,800 | \$1,712,400 |
| Academic Support | \$15,728,000 | \$19,422,600 | \$3,694,600 |
| Student Services | \$24,140,900 | \$26,365,400 | \$2,224,500 |
| Institutional Support | \$20,367,400 | \$21,560,300 | \$1,192,900 |
| Oper. & Maint. of Plant | \$19,049,300 | \$22,299,700 | \$3,250,400 |
| Scholarships & Fellowships | <u>\$20,628,000</u> | <u>\$21,393,100</u> | <u>\$765,100</u> |
| Total Expenses | \$187,918,900 | \$215,937,600 | \$28,018,700 |

Attachment D

Proposed vs Revised Reconciliation of Change in Expenses FY2023-24

- Instruction
 - Re-budget of Carryforwards:
 - Specialized Academic Fee \$586,525
 - Technology Access Fee \$2,878,038
 - Engr State Appropriation funds \$2,738,142
 - Online & Alternate Delivery Fee \$3,175,758
 - Purchase Orders \$550,077
 - Departmental Requests \$388,962
 - Summer School \$134,768
 - Revenue generating \$795,256
 - Lapse Salary \$1,684,153
 - Adjustments due to fees collected (\$527,250)
 - Rural Reimagined transferred to Public Service (\$1,000,000)
 - CEROC transferred to Research (\$700,000)
 - Online fee 15% transfer to Provost-Academic Support (\$394,058)
 - University Wide Benefit Adjustment (\$250,000)
- Research
 - Re-budget of Carryforwards \$3,755,414
 - FY22 Indirect Cost Distribution Adjustment \$224,779
 - CEROC \$700,000
 - Water Center \$150,000
 - Faculty Start Up \$300,000
- Public Service
 - Re-budget of Carryforwards \$596,338
 - Rural Reimagined \$1,000,000
 - University Wide Benefit Adjustment \$100,000
- Academic Support
 - Re-budget of Carryforwards \$2,586,513
 - Tech Farms budget established \$315,000
 - Online Fee – College Transfer 15% - \$394,058
 - University Wide Benefit Adjustment \$350,000
- Student Services
 - Band uniforms \$190,000
 - Re-budget of Carryforwards \$1,008,408
 - Capture Contract \$240,875
 - Athletics \$90,000
 - University Wide Benefit Adjustment \$650,000
- Institutional Support
 - Increase State funding-TCRS, Risk Mgmt. Health insurance, OPEB \$590,280
 - Marketing Budget Continuation increase \$400,000
 - New Position and Adjustments \$223,518
 - Re-budget of Carryforwards \$610,576
 - University Wide Benefit Adjustment (\$750,000)
- Maint & Operations
 - Crossville TAP Wind tunnel \$2,000,000
 - Crossville TAP budget established \$552,000
 - Re-budget of Purchase Order Carryforwards \$155,537
 - Police CAD software \$22,070
 - University Wide Benefit Adjustment \$208,000
 - Facilities certificate increases \$76,335
- Scholarships
 - Presidential Scholarship \$197,000
 - Community College Transfer \$356,000
 - Athletic Scholarships \$168,498



Attachment E

Change in Natural Classification Expenses (details on following page)

| | Proposed Budget FY2023-24 | Revised Budget FY2023-24 | Difference |
|-------------------------------|------------------------------|-----------------------------|---------------------|
| Salary and Wages | \$91,107,575 | \$93,792,537 | \$2,684,962 |
| Fringe Benefits | \$36,643,521 | \$38,283,477 | \$1,639,956 |
| Travel | \$2,068,849 | \$2,403,354 | \$334,505 |
| Operating & Utilities | \$36,582,106 | \$58,937,069 | \$22,354,963 |
| Scholarships & Fellowships | \$21,185,287 | \$21,949,395 | \$764,108 |
| Capital | <u>\$331,500</u> | <u>\$571,790</u> | <u>\$240,290</u> |
| Total E&G | \$187,918,838 | \$215,937,622 | \$28,018,784 |



Proposed vs Revised Reconciliation of Change in Natural Expenses

- **Salary and Wages**
 - Critical salary adjustments \$281,437
 - Units move operating funds for adjuncts, temporary, and student workers \$2,300,000

- **Fringe Benefits**
 - Increase State funding-TCRS, Risk Mgmt., Health insurance, OPEB \$1,285,200
 - Benefits budgeted for new positions \$40,000
 - Funds transferred by units for GA's \$300,000

- **Travel**
 - Funds transferred to travel by units \$245,000
 - Athletics \$90,000

- **Operating & Utilities**
 - Re-budget of carryforward amounts \$21,929,171
 - Revenue Generating \$975,975
 - Faculty Research & Indirect Cost \$2,724,078
 - CEROC & Rural Reimagined Appropriations \$921,347
 - Specialized Academic Fee \$586,525
 - Technology Access Fee \$2,878,038
 - Engr State Appropriation funds \$2,738,142
 - Online & Alternate Delivery Fee \$4,900,695
 - Student Activity Fee \$619,822
 - Other department requests \$ 1,216,562
 - Purchase Orders \$680,066
 - Summer School \$134,768
 - University Future Commitments \$1,869,000
 - Lapse Pool \$1,684,153
 - State Appropriations Wind tunnel \$2,000,000
 - Marketing Budget increase \$400,000
 - Band Uniforms \$190,000
 - Capture Contract \$240,875
 - Units transfer funds from operating to salary & wages (\$2,300,000)

- **Scholarships**
 - Presidential Scholarship \$197,000
 - Community College Transfer \$356,000
 - Athletic Scholarships \$168,498

- **Capital**
 - Purchase Order Carryforwards \$240,000





Agenda Item Summary

Date: March 7, 2024

Agenda Item: Legislative Update

Review

Action

No action required

PRESENTERS: Phil Oldham, President

PURPOSE & KEY POINTS:

Dr. Oldham will provide a legislative update on bills moving through the process that will or could have a potential impact on the university.



Agenda Item Summary

Date: March 7, 2024

Agenda Item: Update on Governor's Budget

Review

Action

No action required

PRESENTERS: Claire Stinson, Vice President for Planning & Finance

PURPOSE & KEY POINTS:

Governor Lee released his recommended budget for FY 2024-25 on February 5, 2024. The Governor's budget included \$47.2 million for higher education to fund the outcomes budget and a 3% salary pool (state funded at 55%). Tennessee Tech's portion of the recommended new operating funds is approximately \$2.7 million.

THEC's request for capital funding for universities was significantly more than what is included in the Governor's budget. Tennessee Tech's request for a new classroom building is not included in the Governor's budget. However, the Governor's budget does include \$2.57 million for one capital maintenance project for Tennessee Tech (Bryan Fine Arts Auditorium Upgrade). THEC's request for funding for campus safety and ADA projects were not included in the Governor's budget.

Tennessee Tech staff will continue to monitor the budget recommendations as the Governor's budget moves through the legislative process.

**Proposed Capital Appropriations
from Bonds, Current Funds, and Other Revenues
Fiscal Year 2024-2025**

| PROJECT | COUNTY | TOTAL | STATE | BONDS | FEDERAL | OTHER |
|---|------------|-----------------------|-----------------------|-------------|---------------------|-----------------------|
| Children's Services | | | | | | |
| Maintenance | Statewide | \$ 7,730,000 | \$ 0 | \$ 0 | \$ 0 | \$ 7,730,000 |
| New Woodland Hills and Wilder Secure Facilities | Statewide | 233,140,000 | 233,140,000 | 0 | 0 | 0 |
| Sub-Total Children's Services | | \$ 240,870,000 | \$ 233,140,000 | \$ 0 | \$ 0 | \$ 7,730,000 |
| Correction | | | | | | |
| Maintenance | Statewide | \$ 11,150,000 | \$ 0 | \$ 0 | \$ 0 | \$ 11,150,000 |
| Education | | | | | | |
| Maintenance | Statewide | \$ 4,500,000 | \$ 0 | \$ 0 | \$ 0 | \$ 4,500,000 |
| Environment and Conservation | | | | | | |
| Maintenance | Statewide | \$ 2,860,000 | \$ 0 | \$ 0 | \$ 0 | \$ 2,860,000 |
| Cardwell Mtn. SAP VC, Maintenance Facility, & Amenities | Warren | 22,000,000 | 22,000,000 | 0 | 0 | 0 |
| Head of the Crow SP | Franklin | 25,000,000 | 25,000,000 | 0 | 0 | 0 |
| Hiwassee Scenic River SP | Polk | 12,000,000 | 12,000,000 | 0 | 0 | 0 |
| Sub-Total Environment and Conservation | | \$ 61,860,000 | \$ 59,000,000 | \$ 0 | \$ 0 | \$ 2,860,000 |
| General Services | | | | | | |
| Maintenance | Statewide | \$ 3,900,000 | \$ 600,000 | \$ 0 | \$ 0 | \$ 3,300,000 |
| Military | | | | | | |
| Maintenance | Statewide | \$ 13,680,000 | \$ 0 | \$ 0 | \$ 5,190,000 | \$ 8,490,000 |
| Tennessee State Veterans' Homes Board | | | | | | |
| Maintenance | Montgomery | \$ 3,110,000 | \$ 0 | \$ 0 | \$ 2,021,500 | \$ 1,088,500 |
| Locally Governed Higher Education Institutions | | | | | | |
| Austin Peay State University | | | | | | |
| Maintenance | Statewide | \$ 2,000,000 | \$ 0 | \$ 0 | \$ 0 | \$ 2,000,000 |
| East Tennessee State University | | | | | | |
| Maintenance | Statewide | \$ 1,600,000 | \$ 0 | \$ 0 | \$ 0 | \$ 1,600,000 |
| Middle Tennessee State University | | | | | | |
| Maintenance | Statewide | \$ 2,500,000 | \$ 0 | \$ 0 | \$ 0 | \$ 2,500,000 |
| Tennessee State University | | | | | | |
| Maintenance | Statewide | \$ 2,000,000 | \$ 0 | \$ 0 | \$ 0 | \$ 2,000,000 |
| Tennessee Technological University | | | | | | |
| Maintenance | Statewide | \$ 2,570,000 | \$ 0 | \$ 0 | \$ 0 | \$ 2,570,000 |
| University of Memphis | | | | | | |
| Maintenance | Statewide | \$ 3,300,000 | \$ 0 | \$ 0 | \$ 0 | \$ 3,300,000 |
| Sub-Total Locally Governed Higher Education Institutions | | \$ 13,970,000 | \$ 0 | \$ 0 | \$ 0 | \$ 13,970,000 |
| Tennessee Board of Regents | | | | | | |
| Maintenance | Statewide | \$ 13,210,000 | \$ 0 | \$ 0 | \$ 0 | \$ 13,210,000 |
| University of Tennessee | | | | | | |
| Maintenance | Statewide | \$ 22,740,000 | \$ 0 | \$ 0 | \$ 0 | \$ 22,740,000 |
| UTC Fletcher Hall Addition and Renovation | Hamilton | 96,420,000 | 66,420,000 | 0 | 0 | 30,000,000 |
| Sub-Total University of Tennessee | | \$ 119,160,000 | \$ 66,420,000 | \$ 0 | \$ 0 | \$ 52,740,000 |
| Grand Total | | | | | | |
| | | \$ 485,410,000 | \$ 359,160,000 | \$ 0 | \$ 7,211,500 | \$ 119,038,500 |
| Sub-Total Capital Maintenance | | 96,850,000 | 600,000 | 0 | 7,211,500 | 89,038,500 |
| Sub-Total Capital Improvements | | 388,560,000 | 358,560,000 | 0 | 0 | 30,000,000 |
| Sub-Total Higher Education | | \$ 146,340,000 | \$ 66,420,000 | \$ 0 | \$ 0 | \$ 79,920,000 |
| Capital Maintenance | | 49,920,000 | 0 | 0 | 0 | 49,920,000 |
| Capital Improvements | | 96,420,000 | 66,420,000 | 0 | 0 | 30,000,000 |
| Sub-Total Other Agencies | | \$ 339,070,000 | \$ 292,740,000 | \$ 0 | \$ 7,211,500 | \$ 39,118,500 |
| Capital Maintenance | | 46,930,000 | 600,000 | 0 | 7,211,500 | 39,118,500 |
| Capital Improvements | | 292,140,000 | 292,140,000 | 0 | 0 | 0 |

**Proposed Capital Maintenance Appropriations
from Bonds, Current Funds, and Other Revenues
Fiscal Year 2024-2025**

| PROJECT | COUNTY | TOTAL | STATE | BONDS | FEDERAL | OTHER |
|---|------------|----------------------|-------------------|-------------|---------------------|----------------------|
| Children's Services | | | | | | |
| Mountain View YDC Lighting Upgrades | Jefferson | \$ 7,730,000 | \$ 0 | \$ 0 | \$ 0 | \$ 7,730,000 |
| Correction | | | | | | |
| MLTC Medical Building Renovations | Shelby | \$ 2,150,000 | \$ 0 | \$ 0 | \$ 0 | \$ 2,150,000 |
| Upgrade Locking Systems Phase 5 | Statewide | 9,000,000 | 0 | 0 | 0 | 9,000,000 |
| Sub-Total Correction | | \$ 11,150,000 | \$ 0 | \$ 0 | \$ 0 | \$ 11,150,000 |
| Education | | | | | | |
| TSB Backup Generator Installation | Davidson | \$ 3,270,000 | \$ 0 | \$ 0 | \$ 0 | \$ 3,270,000 |
| WTSD Fire Alarm Upgrades | Madison | 1,230,000 | 0 | 0 | 0 | 1,230,000 |
| Sub-Total Education | | \$ 4,500,000 | \$ 0 | \$ 0 | \$ 0 | \$ 4,500,000 |
| Environment and Conservation | | | | | | |
| SSSHP Carter Mansion and Visitor Center Renovations | Carter | \$ 2,860,000 | \$ 0 | \$ 0 | \$ 0 | \$ 2,860,000 |
| General Services | | | | | | |
| National Civil Rights Museum Maintenance Grant | Shelby | \$ 300,000 | \$ 300,000 | \$ 0 | \$ 0 | \$ 0 |
| TPAC Annual Maintenance Grant | Davidson | 300,000 | 300,000 | 0 | 0 | 0 |
| National Civil Rights Museum Roof Replacement Grant | Shelby | 3,300,000 | 0 | 0 | 0 | 3,300,000 |
| Sub-Total General Services | | \$ 3,900,000 | \$ 600,000 | \$ 0 | \$ 0 | \$ 3,300,000 |
| Military | | | | | | |
| Ashland City RC Re-Roof and Facility Update | Cheatham | \$ 1,510,000 | \$ 0 | \$ 0 | \$ 755,000 | \$ 755,000 |
| Athens RC Re-Roof and Facility Update | McMinn | 1,340,000 | 0 | 0 | 670,000 | 670,000 |
| Chattanooga RC Drill Hall Facility Update | Hamilton | 1,840,000 | 0 | 0 | 920,000 | 920,000 |
| Chattanooga RC Re-Roof and Facility Update | Hamilton | 480,000 | 0 | 0 | 240,000 | 240,000 |
| Covington RC Re-Roof and Facility Update | Tipton | 2,150,000 | 0 | 0 | 1,075,000 | 1,075,000 |
| Henderson RC Drainage Repairs | Chester | 980,000 | 0 | 0 | 490,000 | 490,000 |
| TEMA East RCC Facility and Energy Update | Knox | 2,050,000 | 0 | 0 | 0 | 2,050,000 |
| TEMA West RCC Facility and Energy Update | Madison | 1,250,000 | 0 | 0 | 0 | 1,250,000 |
| Union City RC HVAC and Energy Update | Obion | 2,080,000 | 0 | 0 | 1,040,000 | 1,040,000 |
| Sub-Total Military | | \$ 13,680,000 | \$ 0 | \$ 0 | \$ 5,190,000 | \$ 8,490,000 |
| Tennessee State Veterans' Homes Board | | | | | | |
| Clarksville Veterans' Home Generator Replacement | Montgomery | \$ 3,110,000 | \$ 0 | \$ 0 | \$ 2,021,500 | \$ 1,088,500 |
| Locally Governed Higher Education Institutions | | | | | | |
| Austin Peay State University | | | | | | |
| Dunn Center HVAC and Electrical Modernization Phase 4 | Montgomery | \$ 2,000,000 | \$ 0 | \$ 0 | \$ 0 | \$ 2,000,000 |
| East Tennessee State University | | | | | | |
| Safety Lighting and Fire Alarm System Phase 2 | Washington | \$ 1,600,000 | \$ 0 | \$ 0 | \$ 0 | \$ 1,600,000 |
| Middle Tennessee State University | | | | | | |
| Campus Life Safety Systems Updates Phase 1 | Rutherford | \$ 2,500,000 | \$ 0 | \$ 0 | \$ 0 | \$ 2,500,000 |
| Tennessee State University | | | | | | |
| Secondary Electrical Upgrades Phase 1 | Davidson | \$ 2,000,000 | \$ 0 | \$ 0 | \$ 0 | \$ 2,000,000 |
| Tennessee Technological University | | | | | | |
| Bryan Fine Arts Auditorium Upgrades | Putnam | \$ 2,570,000 | \$ 0 | \$ 0 | \$ 0 | \$ 2,570,000 |
| University of Memphis | | | | | | |
| Re-Roof Engineering Technology and Life Sciences | Shelby | \$ 3,300,000 | \$ 0 | \$ 0 | \$ 0 | \$ 3,300,000 |
| Sub-Total Locally Governed Higher Education Institutions | | \$ 13,970,000 | \$ 0 | \$ 0 | \$ 0 | \$ 13,970,000 |
| Tennessee Board of Regents | | | | | | |
| ChSCC OmniPlex Building Roof and HVAC Replacement | Hamilton | \$ 4,000,000 | \$ 0 | \$ 0 | \$ 0 | \$ 4,000,000 |
| CISCC Multiple Bldg. Roof Replacements Phase 1 | Bradley | 1,360,000 | 0 | 0 | 0 | 1,360,000 |
| CoSCC Multiple Bldg. Roof Replacements Phase 2 | Mauzy | 1,740,000 | 0 | 0 | 0 | 1,740,000 |
| DSCC Gymnasium Roof Replacement | Dyer | 1,350,000 | 0 | 0 | 0 | 1,350,000 |
| STCC Multiple Bldg. Re-Roof & Envelope Repairs Phase 1 | Shelby | 2,600,000 | 0 | 0 | 0 | 2,600,000 |
| WSCC Infrastructure Repair Phase 2 | Hamblen | 2,160,000 | 0 | 0 | 0 | 2,160,000 |
| Sub-Total Tennessee Board of Regents | | \$ 13,210,000 | \$ 0 | \$ 0 | \$ 0 | \$ 13,210,000 |

**Capital Outlay Project Descriptions
Fiscal Year 2024-2025**

| | <u>Total Project Cost</u> |
|--|-------------------------------|
| Tennessee State Veterans' Homes Board | |
| Objective: Expand and renovate state veteran long-term care facilities. | |
| Maintenance | \$ 3,110,000 |
| Funds are provided to repair, maintain, and update facilities. See Capital Maintenance Project Descriptions for additional details. | |
| Locally Governed Higher Education Institutions | |
| Objective: Expand and enhance facilities for student and faculty needs. | |
| Austin Peay State University | |
| Maintenance | \$ 2,000,000 |
| Funds are provided to repair, maintain, and update campus facilities. See Capital Maintenance Project Descriptions for additional details. | |
| East Tennessee State University | |
| Maintenance | \$ 1,600,000 |
| Funds are provided to repair, maintain, and update campus facilities. See Capital Maintenance Project Descriptions for additional details. | |
| Middle Tennessee State University | |
| Maintenance | \$ 2,500,000 |
| Funds are provided to repair, maintain, and update campus facilities. See Capital Maintenance Project Descriptions for additional details. | |
| Tennessee State University | |
| Maintenance | \$ 2,000,000 |
| Funds are provided to repair, maintain, and update campus facilities. See Capital Maintenance Project Descriptions for additional details. | |
| Tennessee Technological University | |
| Maintenance | \$ 2,570,000 |
| Funds are provided to repair, maintain, and update campus facilities. See Capital Maintenance Project Descriptions for additional details. | |
| University of Memphis | |
| Maintenance | \$ 3,300,000 |
| Funds are provided to repair, maintain, and update campus facilities. See Capital Maintenance Project Descriptions for additional details. | |
| Sub-Total Locally Governed Higher Education Institutions | <u>\$ 13,970,000</u> |
| Tennessee Board of Regents | |
| Objective: Expand and enhance facilities for student and faculty needs. | |
| Maintenance | \$ 13,210,000 |
| Funds are provided to repair, maintain, and update higher education institution facilities statewide. See Capital Maintenance Project Descriptions for additional details. | |

**Capital Maintenance Project Descriptions
Fiscal Year 2024-2025**

| | Total Project Cost |
|---|-----------------------|
| Covington RC Re-Roof and Facility Update Funds are provided for replacement of roof system, doors and windows, masonry repairs, exterior and interior facility updates, site grading and drainage improvements, and all related work. | 2,150,000 |
| Henderson RC Drainage Repairs Funds are provided to repair site drainage and all related work. | 980,000 |
| TEMA East RCC Facility and Energy Update Funds are provided for replacement of emergency generators, fencing, MEP systems, exterior and interior facility updates, repair storage building, and all related work. | 2,050,000 |
| TEMA West RCC Facility and Energy Update Funds are provided for replacement of emergency generators, fencing, MEP systems, exterior and interior facility updates, and all related work. | 1,250,000 |
| Union City RC HVAC and Energy Update Funds are provided for replacement of MEP systems, doors, door hardware, and all related work. | 2,080,000 |
| Sub-Total Military | \$ 13,680,000 |
| Tennessee State Veterans' Home Board | |
| Clarksville Veterans' Home Generator Replacement Funds are provided for replacement of the existing generator system and all related work. | \$ 3,110,000 |
| Locally Governed Higher Education Institutions | |
| Austin Peay State University | |
| Dunn Center HVAC and Electrical Modernization Phase Four Funds are provided for replacement of HVAC system and modernization controls, electrical distribution, and all related work. | \$ 2,000,000 |
| East Tennessee State University | |
| Safety Lighting and Fire Alarm System Phase Two Funds are provided for replacement of exit and emergency safety lights, fire alarm systems, equipment needed to meet current life safety codes, and all related work. | \$ 1,600,000 |
| Middle Tennessee State University | |
| Campus Life Safety Systems Updates Phase One Funds are provided for campus wide upgrades to fire alarm systems, fire sprinkler systems, life safety systems, and all related work. | \$ 2,500,000 |
| Tennessee State University | |
| Secondary Electrical Upgrades Phase One Funds are provided for upgrades to the campus electrical infrastructure on the secondary side of the electrical loop, and all related work. | \$ 2,000,000 |
| Tennessee Technological University | |
| Bryan Fine Arts Auditorium Upgrades Funds are provided for upgrades to MEP systems, stage lighting and sound systems, seating for ADA and code compliance, and all related work. | \$ 2,570,000 |
| University of Memphis | |
| Re-Roof Engineering Technology and Life Sciences Funds are provided for new roofs on the Engineering Technology and the Life Sciences buildings. Project includes all related work. | \$ 3,300,000 |
| Sub-Total Locally Governed Higher Education Institutions | \$ 13,970,000 |

State of Tennessee

Education

Recommended Budget, Fiscal Year 2024 – 2025

This functional area is responsible for the educational efforts of the state, from pre-school and K-12 through all levels of higher education.

The Department of Education coordinates the educational programs of the local public school systems that operate Tennessee's kindergarten, elementary, secondary, and vocational schools. The department also operates the four special schools: Tennessee School for the Blind, Tennessee School for the Deaf, West Tennessee School for the Deaf, and Alvin C. York Agricultural Institute.

With assistance from the Department of Education, the State Board of Education formulates the policies, standards, and guidelines governing K-12 public education. The department is responsible for implementing these policies, standards, and guidelines.

The Sports Wagering Council is responsible for licensing and regulating online sports wagering in Tennessee. Certain taxes and fees collected by the council are distributed to the Lottery for Education Account and the Tennessee Promise Endowment Scholarship program.

Higher Education is comprised of eight governing boards in two independent systems: the University of Tennessee System and the State University and Community College System. The State University and Community College System includes the Tennessee Board of Regents (TBR), which governs the community colleges and colleges of applied technology, and six distinct local governing boards for Austin Peay University, East Tennessee State University, Middle Tennessee State University, Tennessee State University, Tennessee Technological University, and the University of Memphis. The Tennessee Higher Education Commission is responsible for coordinating academic, fiscal, and policy issues among these entities.

The Tennessee Student Assistance Corporation (TSAC) is the state's designated agency to administer financial aid programs designed to help students obtain a post-secondary education at colleges, universities, and technical and career schools. Among the programs TSAC administers are the Education Lottery-funded scholarships, implemented in the fall of 2004, and the Tennessee Student Assistance Awards (TSAA), the latter funded from general tax revenues. TSAA grants provide non-repayable financial assistance to financially needy undergraduate students who are residents of Tennessee and are enrolled at a public or an eligible non-public post-secondary educational institution in Tennessee. TSAC also administers the Tennessee Promise Endowment Scholarship program.

The lottery scholarships are funded through the Lottery for Education Account. The majority of these funds are made available for scholarships at post-secondary institutions. Scholarships include the Tennessee HOPE Scholarship, Needs-Base Supplemental Award, Dual Enrollment, Wilder-Naifeh Technical Skills Grant, Tennessee Reconnect, and the GIVE scholarship.

Cost Increases and Program Statements

The following section includes: (1) a table on personnel and funding for all agencies in this functional area of state government; (2) a table on the recommended budget for each agency by funding source; (3) a statement of recommended cost increases for the ensuing fiscal year; (4) departmental program statements, indicating the recommended funding and staffing for the ensuing year, compared with actual amounts for the last year and the amounts budgeted for the current year.

Education Cost Increases for Fiscal Year 2024-2025

| | State | Federal | Other | Total | Positions |
|--|-------------|---------|-------|-------------|-----------|
| State University and Community College System | | | | | |
| <ul style="list-style-type: none"> Blue Oval Tennessee College of Applied Technology (TCAT) Operations and Staffing To provide recurring funding for training and operations costs at Blue Oval TCAT. | | | | | |
| 332.98 Tennessee Colleges of Applied Technology | \$3,242,100 | \$0 | \$0 | \$3,242,100 | 0 |
| Sub-total | \$3,242,100 | \$0 | \$0 | \$3,242,100 | 0 |
| <ul style="list-style-type: none"> Locally Governed Institutions (LGI) Outcomes Growth Funding To provide recurring funding associated with greater institutional productivity, such as increases in student progression, degree production, and other outcome measures related to the institutional mission for formula units. This appropriation fully funds the outcome-based funding formula. | | | | | |
| 332.70 Austin Peay State University | \$823,800 | \$0 | \$0 | \$823,800 | 0 |
| 332.72 East Tennessee State University | \$1,086,300 | \$0 | \$0 | \$1,086,300 | 0 |
| 332.74 University of Memphis | \$1,892,000 | \$0 | \$0 | \$1,892,000 | 0 |
| 332.75 Middle Tennessee State University | \$1,551,400 | \$0 | \$0 | \$1,551,400 | 0 |
| 332.77 Tennessee State University | \$568,900 | \$0 | \$0 | \$568,900 | 0 |
| 332.78 Tennessee Technological University | \$853,000 | \$0 | \$0 | \$853,000 | 0 |
| Sub-total | \$6,775,400 | \$0 | \$0 | \$6,775,400 | 0 |
| <ul style="list-style-type: none"> Tennessee Board of Regents (TBR) Outcomes Growth Funding To provide recurring funding associated with greater institutional productivity, such as increases in student progression, degree production, and other outcome measures related to the institutional mission for formula units. This appropriation fully funds the outcome-based funding formula. | | | | | |
| 332.89 Tennessee Community Colleges | \$4,195,300 | \$0 | \$0 | \$4,195,300 | 0 |
| 332.98 Tennessee Colleges of Applied Technology | \$1,067,300 | \$0 | \$0 | \$1,067,300 | 0 |
| Sub-total | \$5,262,600 | \$0 | \$0 | \$5,262,600 | 0 |

Education

Cost Increases for Fiscal Year 2024-2025

| | State | Federal | Other | Total | Positions | |
|---|--|--------------|-------|-------|--------------|---|
| • LGI Formula Unit - Salary Pool To provide recurring funding for a 3.0 percent salary pool for higher education employees, effective July 1, 2024. | | | | | | |
| 332.70 | Austin Peay State University | \$1,682,400 | \$0 | \$0 | \$1,682,400 | 0 |
| 332.72 | East Tennessee State University | \$2,751,300 | \$0 | \$0 | \$2,751,300 | 0 |
| 332.74 | University of Memphis | \$4,525,500 | \$0 | \$0 | \$4,525,500 | 0 |
| 332.75 | Middle Tennessee State University | \$3,795,600 | \$0 | \$0 | \$3,795,600 | 0 |
| 332.77 | Tennessee State University | \$1,751,100 | \$0 | \$0 | \$1,751,100 | 0 |
| 332.78 | Tennessee Technological University | \$1,839,600 | \$0 | \$0 | \$1,839,600 | 0 |
| Sub-total | | \$16,345,500 | \$0 | \$0 | \$16,345,500 | 0 |
| • LGI Non-Formula Unit - Salary Pool To provide recurring funding for a 3.0 percent salary pool for higher education employees, effective July 1, 2024. | | | | | | |
| 332.62 | TSU McMinnville Center | \$25,500 | \$0 | \$0 | \$25,500 | 0 |
| 332.63 | TSU Institute of Agricultural and Environmental Research | \$11,700 | \$0 | \$0 | \$11,700 | 0 |
| 332.64 | TSU Cooperative Education | \$51,000 | \$0 | \$0 | \$51,000 | 0 |
| 332.65 | ETSU College of Medicine | \$1,894,200 | \$0 | \$0 | \$1,894,200 | 0 |
| 332.67 | ETSU Family Practice | \$503,700 | \$0 | \$0 | \$503,700 | 0 |
| 332.68 | TSU McIntire-Stennis Forestry Research | \$5,000 | \$0 | \$0 | \$5,000 | 0 |
| Sub-total | | \$2,491,100 | \$0 | \$0 | \$2,491,100 | 0 |

Education

Cost Increases for Fiscal Year 2024-2025

| | State | Federal | Other | Total | Positions | |
|---|------------------------------------|-------------|-------|-------|-------------|---|
| • LGI Group Health Insurance - Annualize January 1, 2024 Rate Increase To provide recurring funding to annualize the state share of a 5.0 percent group health insurance increase premium on January 1, 2024. | | | | | | |
| 332.65 | ETSU College of Medicine | \$93,300 | \$0 | \$0 | \$93,300 | 0 |
| 332.67 | ETSU Family Practice | \$33,800 | \$0 | \$0 | \$33,800 | 0 |
| 332.70 | Austin Peay State University | \$252,900 | \$0 | \$0 | \$252,900 | 0 |
| 332.72 | East Tennessee State University | \$479,300 | \$0 | \$0 | \$479,300 | 0 |
| 332.74 | University of Memphis | \$590,300 | \$0 | \$0 | \$590,300 | 0 |
| 332.75 | Middle Tennessee State University | \$578,300 | \$0 | \$0 | \$578,300 | 0 |
| 332.77 | Tennessee State University | \$253,100 | \$0 | \$0 | \$253,100 | 0 |
| 332.78 | Tennessee Technological University | \$298,400 | \$0 | \$0 | \$298,400 | 0 |
| Sub-total | | \$2,579,400 | \$0 | \$0 | \$2,579,400 | 0 |
| • LGI Group Health Insurance - January 1, 2025 Rate Increase To provide recurring funding for the state share of a 8.2 percent group health insurance premium increase on January 1, 2025. This is funded for six months in the Recommended Budget. | | | | | | |
| 332.65 | ETSU College of Medicine | \$160,800 | \$0 | \$0 | \$160,800 | 0 |
| 332.67 | ETSU Family Practice | \$54,500 | \$0 | \$0 | \$54,500 | 0 |
| 332.70 | Austin Peay State University | \$448,800 | \$0 | \$0 | \$448,800 | 0 |
| 332.72 | East Tennessee State University | \$811,400 | \$0 | \$0 | \$811,400 | 0 |
| 332.74 | University of Memphis | \$1,046,300 | \$0 | \$0 | \$1,046,300 | 0 |
| 332.75 | Middle Tennessee State University | \$974,300 | \$0 | \$0 | \$974,300 | 0 |
| 332.77 | Tennessee State University | \$439,300 | \$0 | \$0 | \$439,300 | 0 |
| 332.78 | Tennessee Technological University | \$522,700 | \$0 | \$0 | \$522,700 | 0 |
| Sub-total | | \$4,458,100 | \$0 | \$0 | \$4,458,100 | 0 |

| | <u>Actual 2022-2023</u> | <u>Estimated 2023-2024</u> | <u>Base 2024-2025</u> | <u>Cost Increase 2024-2025</u> | <u>Recommended 2024-2025</u> |
|--------------------------|-----------------------------|--------------------------------|---------------------------|------------------------------------|----------------------------------|
| Full-Time Administrative | 0 | 0 | 0 | 0 | 0 |
| Professional | 0 | 0 | 0 | 0 | 0 |
| Faculty | 0 | 0 | 0 | 0 | 0 |
| Clerical/Support | 0 | 0 | 0 | 0 | 0 |
| Total | 0 | 0 | 0 | 0 | 0 |
| Headcount | 0 | 0 | 0 | 0 | 0 |
| State | 215,400 | 224,600 | 223,400 | 5,000 | 228,400 |
| Federal | 0 | 0 | 0 | 0 | 0 |
| Other | 0 | 0 | 0 | 0 | 0 |
| Tuition/Fees | 0 | 0 | 0 | 0 | 0 |
| Total | \$215,400 | \$224,600 | \$223,400 | \$5,000 | \$228,400 |

332.78 Tennessee Technological University

Tennessee Technological University is a comprehensive university located in Cookeville. While the university's strength is in technology and engineering, other academic divisions include agriculture and human sciences, arts and sciences, business, education, interdisciplinary studies, and graduate studies. The university's three centers of excellence are energy systems research, manufacturing, and water resources.

| | | | | | |
|--------------------------|----------------------|----------------------|----------------------|--------------------|----------------------|
| Full-Time Administrative | 36 | 36 | 36 | 0 | 36 |
| Professional | 411 | 445 | 445 | 0 | 445 |
| Faculty | 459 | 484 | 484 | 0 | 484 |
| Clerical/Support | 290 | 275 | 275 | 0 | 275 |
| Total | 1,196 | 1,240 | 1,240 | 0 | 1,240 |
| Headcount | 9,902 | 10,117 | 10,117 | 0 | 10,117 |
| State | 80,621,500 | 86,140,600 | 84,021,300 | 3,513,700 | 87,535,000 |
| Federal | 2,504,900 | 1,769,700 | 1,769,700 | 0 | 1,769,700 |
| Other | 42,809,400 | 32,411,100 | 32,411,100 | 0 | 32,411,100 |
| Tuition/Fees | 102,712,800 | 104,803,000 | 104,803,000 | 0 | 104,803,000 |
| Total | \$228,648,600 | \$225,124,400 | \$223,005,100 | \$3,513,700 | \$226,518,800 |

Analysis of 2024-2025 State Appropriations - Governor's Budget

Reconciliation of Governor's Higher Education Budget for All Institutions Operating Costs Increase (Funding Formula):

| | | | |
|--|-----------|-------------------|------------------|
| Governor's Budget - Outcomes & Salary Pool Combi | \$ | 57,200,000 | |
| Governor's Budget - Outcomes | \$ | 17,200,000 | |
| Distribution: | | | Percent of Total |
| TBR | \$ | 5,262,600 | 30.61% |
| APSU | \$ | 823,800 | 4.79% |
| ETSU | \$ | 1,086,300 | 6.32% |
| MTSU | \$ | 1,551,400 | 9.02% |
| TSU | \$ | 568,900 | 3.31% |
| TTU | \$ | 853,000 | 4.96% |
| UM | \$ | 1,892,000 | 11.00% |
| UT | \$ | 5,156,800 | 29.99% |
| | \$ | 17,194,800 | 100.00% |
| Governor's Budget - Salary Pool | \$ | 40,000,000 | |
| Distribution: | | | Percent of Total |
| TBR | \$ | 10,996,900 | 27.47% |
| APSU | \$ | 1,682,400 | 4.20% |
| ETSU | \$ | 2,751,300 | 6.87% |
| MTSU | \$ | 3,795,600 | 9.48% |
| TSU | \$ | 1,751,100 | 4.37% |
| TTU | \$ | 1,839,600 | 4.59% |
| UM | \$ | 4,525,500 | 11.30% |
| UT | \$ | 12,694,900 | 31.71% |
| | \$ | 40,037,300 | 100.00% |

Reconciliation of Governor's Budget to THEC Recommendation on Outcomes Formula:

| | THEC Recommend New Funding | Governor's Budget Recommendation | Percentage Funded |
|------|-------------------------------|-------------------------------------|----------------------|
| APSU | \$ 910,300 | \$ 823,800 | 90.50% |
| ETSU | \$ 1,200,300 | \$ 1,086,300 | 90.50% |
| MTSU | \$ 1,714,300 | \$ 1,551,400 | 90.50% |
| TSU | \$ 628,600 | \$ 568,900 | 90.50% |
| TTU | \$ 942,600 | \$ 853,000 | 90.49% |
| UM | \$ 2,090,600 | \$ 1,892,000 | 90.50% |
| CC | \$ 4,635,900 | \$ 4,195,300 | 90.50% |
| TCAT | \$ 1,179,200 | \$ 1,067,300 | 90.51% |
| UTK | \$ 4,155,400 | \$ 3,760,600 | 90.50% |
| UTC | \$ 978,300 | \$ 885,300 | 90.49% |
| UTM | \$ 564,500 | \$ 510,900 | 90.50% |
| | \$ 19,000,000 | \$ 17,194,800 | 90.50% |



Agenda Item Summary

Date: March 7, 2024

Agenda Item: Compensation Study Results

Review

Action

No action required

PRESENTERS: LaCinda Glover & Matthew Mullen, Mercer

PURPOSE & KEY POINTS: Recommend Approval

Ms. Glover and Mr. Mullen will present the results of the market salary study conducted by Mercer over the past year. This study was undertaken by the University in partnership with Mercer with the objective of developing a contemporary classification and compensation program that will allow Tennessee Tech to attract, recruit, develop, and retain the best talent to support the institution's growth and success.



Agenda Item Summary

Date: March 7, 2024

Agenda Item: Compensation Plan

Review

Action

No action required

PRESENTERS: Claire Stinson, Vice President for Planning & Finance

PURPOSE & KEY POINTS: Recommend Approval

President Oldham is recommending a multiple step approach to address salary adjustments based on the recent market salary study performed by Mercer. The first step will be funded from monies retained at the beginning of this fiscal year to address the results of the study. This adjustment to salaries is proposed to be retroactive to January 2024.

As a second step, President Oldham is recommending a 3% salary pool for FY2024-25. This recommendation is subject to approval of the Governor's budget which includes funding for 55% of the cost of the recommended 3% increase. The university would provide the additional 45% of cost. The adjustment to salaries would be effective July 1, 2024 for staff and August 2024 for faculty (beginning of their new academic year contract).

One or more future year adjustments will be necessary to move salaries to the median goal for overall University salaries.



Agenda Item Summary

Date: March 7, 2024

Agenda Item: Non-Mandatory Fees

Review

Action

No action required

PRESENTERS: Dr. Claire Stinson, Vice President for Planning & Finance

PURPOSE & KEY POINTS:

Ready-to-Teach: College of Education proposes a fee restructure. As a part of the University's annual review of fees it was recommended the Ready-to-Teach SAF be increased. Currently the fee is \$165 per semester. The new fee, if approved, would be \$250 per semester. This fee impacts students in the College of Education's teacher preparation program.

Housing: In order to keep pace with increasing personnel, maintenance and facilities costs, the University proposes to increase housing fees beginning fall 2024. The proposed 3% increase across the board for all residential units will provide funds necessary to offset rising operating costs.

Tennessee Tech University



Non-Mandatory Fee Proposal 2024-2025

TENNESSEE TECH UNIVERSITY
PROPOSED FEE CHANGES
2024-25

| Description | Rates | | | | Annual Revenue Impact of Fee Change | Prior Fee Increase | Objectives and Considerations |
|---|--|--|----------------------|------------|---|-----------------------|---|
| | Current 2023-24 | Proposed 2024-25 | Increase \$/sem | % | | | |
| Special Academic Fee (SAF) | | | | | | | |
| Education R2T SAF <i>(Licensure Majors)</i> | UG - \$14/hour, \$165/max GR - \$17/hour, \$165/max | UG - \$21/hour, \$250/max GR - \$25/hour, \$250/max | \$85/sem \$85/sem | 52% 52% | \$ 126,553 | 2021-2022 Initial | *Offset rising operating costs without creating significant financial burden for students. |
| HOUSING: | | | | | | | |
| Residence Halls: | | | | | | | |
| Traditional Double/Triple | \$3,084/sem | \$3,177/sem | \$93/sem | 3% | \$ 388,774 | 2023-24 \$60/2% | *Offset rising operating costs without creating significant financial burden for residents. |
| Traditional Double/Triple - Summer Session* <i>(Browning/Evins, Cooper/Dunn, Ellington/Warf, Ms Cooper/Pinkerton, Jobe/Murphy)</i> | \$883/sem | \$909/sem | \$26/sem | 3% | | 2023-24 \$17/2% | |
| Traditional Single | \$3,280/sem | \$3,378/sem | \$98/sem | 3% | 2023-24 \$156/5% | | |
| Traditional Single - Summer Session* <i>(Browning/Evins, Cooper/Dunn, Ellington/Warf, Ms Cooper/Pinkerton, Jobe/Murphy)</i> | \$953/sem | \$982/sem | \$29/sem | 3% | 2023-24 \$45/5% | | |
| Traditional Double as Single - Summer Session* <i>(Browning/Evins, Cooper/Dunn, Ellington/Warf, Ms Cooper/Pinkerton, Jobe/Murphy)</i> | \$1,076/sem | \$1,108/sem | \$32/sem | 3% | 2023-24 \$21/2% | | |
| Murphy Super Single <i>(Murphy Super Single Rooms Only)</i> | \$3,667/sem | \$3,777/sem | \$110/sem | 3% | 2023-24 \$175/5% | | |
| Crawford Double/Triple <i>(Crawford)</i> | \$2,632/sem | \$2,711/sem | \$79/sem | 3% | 2023-24 \$52/2% | | |
| Crawford Single <i>(Crawford)</i> | \$2,788/sem | \$2,872/sem | \$84/sem | 3% | 2023-24 \$133/5% | | |
| Engineering Village Double/Triple <i>(Maddux/McCord)</i> | \$3,184/sem | \$3,277/sem | \$93/sem | 3% | 2023-24 \$60/2% | | |
| Engineering Village Single <i>(Maddux/McCord)</i> | \$3,380/sem | \$3,478/sem | \$98/sem | 3% | 2023-24 \$156/5% | | |
| New Halls Double <i>(New Hall North/New Hall South)</i> | \$4,070/sem | \$4,192/sem | \$122/sem | 3% | 2019-2020 \$80/2% | | |
| New Halls Single <i>(New Hall North/New Hall South)</i> | \$4,520/sem | \$4,656/sem | \$136/sem | 3% | 2019-2020 \$90/2% | | |

TENNESSEE TECH UNIVERSITY
PROPOSED FEE CHANGES
2024-25

| Description | Rates | | | | Annual Revenue Impact of Fee Change | Prior Fee Increase | Objectives and Considerations |
|---|--------------------|---------------------|--------------------|----|---|-----------------------|---|
| | Current 2023-24 | Proposed 2024-25 | Increase \$/sem | % | | | |
| Tech Village Apartments: | | | | | | | |
| One Bedroom (Small 528 sq ft) Single** | \$4,550/sem | \$4,687/sem | \$137/sem | 3% | \$ 64,371 | 2023-24 \$500/12% | *Offset rising operating costs without creating significant financial burden for residents. |
| Summer Semester** | \$1,820/sem | \$1,875/sem | \$55/sem | 3% | | 2023-24 \$200/12% | |
| One Bedroom (Large 543 sq ft) Single ** | \$4,700/sem | \$4,841/sem | \$141/sem | 3% | 2023-24 \$500/12% | | |
| Summer Semester** | \$1,880/sem | \$1,936/sem | \$56/sem | 3% | 2023-24 \$200/12% | | |
| Two Bedroom (Small 572 sq ft) Single** | \$5,070/sem | \$5,222/sem | \$152/sem | 3% | 2023-24 \$500/11% | | |
| Summer Semester** | \$2,028/sem | \$2,089/sem | \$61/sem | 3% | 2023-24 \$200/11% | | |
| Two Bedroom (Large 660 sq ft) Single** | \$5,365/sem | \$5,526/sem | \$161/sem | 3% | 2023-24 \$500/10% | | |
| Summer Semester** | \$2,146/sem | \$2,210/sem | \$64/sem | 3% | 2023-24 \$200/10% | | |
| Two Bedroom (4 Person Suite 1100 sq ft) Single*** | \$6,260/sem | \$6,448/sem | \$188/sem | 3% | 2023-24 \$500/9% | | |
| Summer Semester*** | \$2,504/sem | \$2,579/sem | \$75/sem | 3% | 2023-24 \$200/9% | | |

Notes:

* Resident hall full summer rates are equal to summer semester rates x 2.

** Tech Village Apartments single rate:
divided by 2 gives the double rate.

*** Tech Village Apartments single rate:
divided by 2 gives the double rate.
divided by 3 gives the triple rate.
divided by 4 gives the quad rate.



Agenda Item Summary

Date: March 7, 2024

Agenda Item: Tuition & Mandatory Fees

Review

Action

No action required

PRESENTERS: Dr. Claire Stinson, Vice President for Planning & Finance

PURPOSE & KEY POINTS:

At its November 2023 meeting, the THEC Commission recommended a preliminary tuition and mandatory fee range of 0-4% for academic year 2024-25. Data showing the impact of tuition and mandatory fees increases over a range of 1-4% is being provided as an information item. The potential impact is presented both in terms of revenues generated and cost to students for each percentage increase.

THEC Commission will set a tuition and mandatory fees binding range at their May 2024 meeting. Requests to increase tuition and mandatory fees within this binding range will be presented for Board of Trustees approval at the June board meeting to be effective fall 2024 semester.



Agenda Item Summary

Date: March 7, 2024

Agenda Item: Disclosed Project Modification

Review

Action

No action required

PRESENTERS: Claire Stinson, Vice President for Planning & Finance

PURPOSE & KEY POINTS:

This project (Agricultural Technology Innovation Center) was approved at the March 10, 2022, Board of Trustees meeting. It was approved with a project cost of \$1,000,000 (gifts and plant funds) to renovate the existing loafing barn at Shipley Farm to enhance agriculture engineering & technology academic program.

The designer determined the renovation cost would be significantly more than the budget and it would be more economical to build a new building. The revised project cost is \$1,195,000 (gift and plant funds). The original project and the revision have been approved by the State Building Commission.



Agenda Item Summary

Date: March 7, 2024

Agenda Item: Naming Opportunity

Review

Action

No action required

PRESENTER(S): Phil Oldham, President

PURPOSE & KEY POINTS: Naming of the Randall and Marjorie Warden Agriculture Engineering Technology Laboratory.

The Wardens have donated funds to support the construction of the Agriculture Engineering Technology Laboratory. The President established a university committee to review and recommend naming of this facility in accordance with TTU Policy 537 (Naming Buildings, Facilities and Organizational Units). The committee recommended naming the facility the Randall and Marjorie Warden Agriculture Engineering Technology Laboratory.




Office of the President

TENNESSEE TECH

MEMORANDUM

To: Board of Trustees

From: Dr. Philip Oldham, President 

Date: January 11, 2024

Subject: Request Approval to Name Agriculture Engineering Technology Laboratory


Upon receiving a request to consider naming the new agriculture engineering laboratory at Shipley Farm the “Randall and Marjorie Warden Agriculture Engineering Technology Laboratory,” a committee was selected to consider and make a recommendation.


I am in support of the attached committee recommendation to name the new agriculture engineering technology laboratory the “Randall and Marjorie Warden Agriculture Engineering Technology Laboratory” at Tennessee Tech University. I respectfully request the Board of Trustees’ consideration and approval.

UNIVERSITY ADVANCEMENT

MEMORANDUM

January 2, 2024

To: Dr. Kevin Braswell – Vice President, University Advancement 

Dr. Philip Oldham – President 

From: Elizabeth Williams – Executive Director, University Advancement 

Subject: Naming of the Agriculture Engineering Technology Laboratory

This memo is to respectfully request approval of naming of the new Agriculture Engineering Technology Laboratory at Shipley Farm as the “Randall and Marjorie Warden Agriculture Engineering Technology Laboratory” in recognition of the Warden’s significant gift in February 2022.

A committee consisting of Dr. Kevin Braswell, VP of University Advancement, John Smith, AVP for University Development, and Dr. Darron Smith, Dean of the College of Agriculture and Human Ecology, met and determined the Warden’s gift was sufficient to name the building.

Randall Warden is a 1976 graduate of the University. Randall chose the Agricultural Science major because it allowed him to explore multiple disciplines in agriculture (crops and soil, ag engineering technology, animal science, economics) as well as genetics and computer programming classes. He was a work-study student for over two years for the former ag engineering technology laboratory, and helped prepare for classes and activities. This experience was an important aspect of his time at the University.

Randall continued his education at Virginia Tech, earning a Master’s degree in Soil Chemistry. Most of his professional career has been in the agricultural soil testing industry. He owned A&L Great Lakes Laboratories for 20 years. It was one of the largest soil testing companies in the United States.

The Warden’s commitment to support the construction and/or maintenance of the new Agriculture Engineering Technology Lab is outlined in a Foundation gift agreement dated December 13, 2021.

This request is being submitted in accordance with University Policy No. 537, necessitating approval from the President and Board of Trustees, as per the established guidelines for University naming opportunities.



Agenda Item Summary

Date: March 7, 2024

Agenda Item: Report of Audit Activity

Review

Action

No action required

PRESENTERS: Deanna Metts, Internal Audit Director

PURPOSE & KEY POINTS: As required in Tennessee Code Annotated § 49-14-103, a report on Internal Audit's activities for January 2023 through December 2023 is being provided to the Audit Committee members for review.

Reports on audits, investigations, and selected reviews are provided to the Audit Committee as they are completed throughout the year.

**Tennessee Tech Internal Audit
Report of Internal Audit Activities
January 2023 – December 2023**

For the period January 1, 2023, through December 31, 2023, Internal Audit has completed the following audits, reviews, investigations, and other activities outlined below.

Audits

- Graduation Requirements 2022
- Inventory Observations 6-30-23
- Expenses Related to the Functions of the Office of the President for FY 2022-23
- NCAA Student Assistance and Academic Enhancement Funds 2022-23
- Procard Expenses for Transactions Dated 1/21/22 to 4/16/22
- Accuracy of Payroll Transactions 7-1-21 to 9-30-21
- Center for Assessment and Improvement of Learning FY 2011 to FY 2022
- Water Center FY 2021-22
- Backdoor Playhouse Audit

Reviews

- Amazon Purchases – Transactions for Oct-Dec 2022 and Jan-Sept 2023
- Risk Assessment Process 2023 – Research and Economic Development, Athletics, and Academic Affairs
- Evidence of Risk Assessment Controls – Research and Economic Development, Athletics, and Academic Affairs
- All terminating employees' Procard charges
- Employee/Vendor Addresses
- Conflict of Interest – completed quarterly
- Students Paying Sales Tax

Investigations

- (6) Investigations by Internal Audit; no report issued; informal results sent to State Audit
- (16) Complaints or concerns that did not constitute fraud, waste, or abuse; these were reviewed briefly and referred to whatever member of management considered most appropriate to look into the matter

Other

- Preparation of Documentation for Internal Audit's 5-year External Quality Assurance Review
- Preparation of Summary of Cardholder Spending Patterns for Purchasing
- Preparation of Employee Leave Balances for Human Resources & Payroll
- Preparation of semi-annual Vendor Payment Totals for Purchasing

Comparison of Actual Activities to Approved Audit Plan for 2023

Except as noted below, Internal Audit completed the activities on the 2023 Internal Audit Plan approved by the Audit and Business Committee on December 1, 2022.

- Three audits that were scheduled on the 2023 Plan were not started. Because each year's audit plan is developed based on current risk considerations, these audits were not necessarily included on the 2024 Audit Plan. These audits and their status on the 2024 Audit Plan are:
 - Emergency Systems & Procedures – included on the 2024 Audit Plan
 - Parking – not included on the 2024 Audit Plan
 - Lab Safety/Hazardous Materials Inventory – Lab Safety is included on the 2024 Audit Plan. Hazardous Materials is not on the 2024 Audit Plan because it was replaced by a campus-wide Chemical Inventory Audit that was started in late 2023 and is scheduled for completion in 2024.
- One audit that was scheduled for completion was started but was only 75% completed in 2023; it is scheduled for completion in 2024:
 - Technology Access Fee
- The Follow-up to the 21-22 State Audit was not necessary because there were no findings included in the 2021-22 State Audit.

The audits were not completed because the Internal Auditor position was vacant for 6 months, and Internal Audit completed 3 additional, time-sensitive audits requested by management. They were:

- Graduation Requirements – The Graduation Office began reporting to a new unit.
- Back Door Playhouse – The Back Door Playhouse began reporting to a new unit.
- Center for Assessment and Improvement of Learning – This information was important for a time-sensitive contract under consideration.



Agenda Item Summary

Date: March 7, 2024

Agenda Item: Notice of Responsibilities for Preventing, Detecting, and Reporting Fraud, Waste, and Abuse

Review

Action

No action required

PRESENTERS: Johnny Stites, Chair of Audit & Business Committee

PURPOSE & KEY POINTS:

One of the duties of the Audit Committee is to regularly, formally reiterate to the Board, Management and Staff their responsibilities for preventing, detecting, and reporting fraud, waste, and abuse.

Notice of Responsibilities

Per TCA 4-35-105, one of the duties of the Audit Committee is to regularly, formally reiterate to the Board, Management, and Staff their responsibilities for preventing, detecting, and reporting fraud, waste, and abuse.

Detailed definitions and examples of fraud, waste, and abuse, various individual's responsibility for preventing and detecting fraud, waste, and abuse, and methods for reporting fraud, waste, and abuse can be found in Tennessee Tech Policy 131—Preventing and Reporting Fraud, Waste, or Abuse.

Individuals have varying responsibilities for preventing and reporting fraud, waste, or abuse.

Board Members - All

Generally, the Board and Audit Committee should consider the risk of fraudulent financial reporting and fraud due to misappropriation and abuse of university assets as they govern and guide the University.

Individually, board members should abide by Tennessee Tech Policy 001—Board Code of Ethics and Conduct and Conflict of Interest.

Audit Committee

The Audit Committee shall establish a process by which employees, taxpayers, or others may confidentially report illegal, improper, wasteful, or fraudulent activity.

The Audit Committee chair must inform the Comptroller of the Treasury of any illegal, improper, wasteful, or fraudulent activity that he/she believes has occurred.

Management

Management shall not engage in fraud, waste, or abuse and is responsible for developing and implementing internal controls to help prevent and detect fraud, waste, and abuse.

Executives and administrators with reasonable basis for believing fraud, waste, or abuse has occurred are required to report those incidents.

Employees

Employees shall not engage in fraud, waste, or abuse.

Employees with reasonable basis for believing fraud, waste, or abuse has occurred are strongly encouraged to report those incidents.

Students and Citizens

All students and citizens of the state of Tennessee are encouraged to report known or suspected acts of fraud, waste, or abuse.

Fraud, waste, or abuse can be reported confidentially and should be reported to a supervisor, institutional executive, Tennessee Tech Internal Audit, or the Tennessee Comptroller of the Treasury.

Specific methods for reporting fraud, waste, or abuse can be found on Tennessee Tech Internal Audit's website and in Tennessee Tech Policy 131—Preventing and Reporting Fraud, Waste, or Abuse.



Agenda Item Summary

Date: March 7, 2024

Agenda Item: FY2023 State Audit

Review

Action

No action required

PRESENTERS: Claire Stinson, Vice President for Planning & Finance

PURPOSE & KEY POINTS:

Results of FY2023 State Audit. The audit report can be found [here](#).