



## **Audit & Business Committee Meeting**

### **December 1, 2020**

### **Roaden University Center, Room 282**

**This meeting will be conducted permitting Trustees' participation by electronic or other means of communication. If, due to the COVID-19 pandemic, an in-person meeting is not advisable, the meeting will be conducted via electronic means only and will be streamed live via link found on the Board of Trustees' web page at <https://www.tntech.edu/board/>. Please check <https://www.tntech.edu/board/> for updates.**

### **AGENDA**

- I. Call to Order**
- II. Approval of Minutes**
- III. One-Time Employee Bonus**
- IV. Approval of 2020-21 October Revised Budget/Organizational Chart**
- V. Financial Review**
  - A. Composite Financial Index**
  - B. Tuition Transparency Act Report (T.C.A.§49-7-1604)**
- VI. Revision to TTU Policy 537 (Naming Buildings, Facilities and Organizational Units)**
- VII. Disclosed Capital Projects**
- VIII. Report of Audit Activity**
- IX. Approval of 2021 Audit Plan**
- X. Adjournment of Open Session and Call to Order of Executive Closed 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)**
- XI. Adjournment**



**Board of Trustees Meeting  
Audit & Business Committee  
September 29, 2020  
Roaden University Center Room 282  
MINUTES**

**AGENDA ITEM 1—Call to Order**

The Tennessee Tech Board of Trustees Audit & Business Committee met on September 29, 2020 in Roaden University Center Room 282. Chair Johnny Stites called the meeting to order at 8:49 a.m.

Chair Stites stated due to Mr. Saggurti' s term expiring there was a temporary vacancy on the committee. Chair of the Board, Trudy Harper, can serve as an ex officio voting member on any committee and will be part of the Audit & Business Committee today.

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

- Johnny Stites
- Sally Pardue
- Trudy Harper

Other board members also in attendance were Tom Jones, Rhedona Rose, Teresa Vanhooser, Barry Wilmore, Thomas Lynn and Daniel Hines. Mr. Fred Lowery attended via Zoom. A quorum was physically present.

Tennessee Tech faculty, staff and members of the public were also in attendance. Dr. Lori Bruce attended via zoom.

**AGENDA ITEM 2—Approval of Minutes**

Chair Stites asked for approval of the minutes of the June 23, 2020 Audit & Business Committee meeting. Chair Stites asked if there were questions or comments regarding the minutes. There being none, Dr. Pardue moved to recommend approval of the June 23, 2020 Audit & Business

Committee minutes. Ms. Harper seconded the motion. Mr. Wray called a roll call vote. The motion carried unanimously.

### AGENDA ITEM 3– Financial Update

Dr. Stinson advised the update for FY2019-20 was preliminary due to the financial statements still being prepared and more information could be provided at the December Board meeting. Dr. Stinson provided information on the FY2019-20 EOY status (Attachment A). The fund balance was in addition to the two to five percent reserve the university is required to have.

Dr. Stinson presented Attachment B. She advised first-time, full-time freshman were the students that came in under the new flat-rate tuition model. FTE is calculated by taking student credit hours and dividing those by 15. International student enrollments were up but had not translated into an increase in out-of-state dollars, primarily because the increase was in graduate students and they received graduate assistance for the most part and do not pay out-of-state tuition. Presentation slide (Attachment B) for October 2020 budgeted fall enrollments compared to proposed budget enrollment projections.

Dr. Stinson presented the slide(attached) tuition and fee revenues exceeding budget FY20-21(Attachment C). The revenue projections for proposed budget had a lower number of students than what we actually experienced in the fall. The decline in TN eCampus was due to Tech creating online programs and not participating as much in TN eCampus. Ms. Harper wanted to verify, with the flat rate tuition model, over time we expected the increase to flatten out and see an enrollment decrease around year 5 and were considering the long-term impacts. Dr. Stinson stated from a financial standpoint as we graduate students earlier if we don't backfill with new students then any positive revenue would go away. Dr. Oldham added that the graduation rates have been improving over the past several years, with the baseline being 2012, our four-year graduation rate was about 25% and this past year we had hit 40%. Economists in the College of Business projected about 275 students graduating at least one year earlier saving them approximately \$6,000,000 in total of educational expenses. These students would be entering the workforce a year earlier which is about \$13,000,000 salary earnings. The annual economic impact is about \$20,000,000 annually. Mr. Jones stated he was thankful the student savings perspective was the approach instead of a potential loss of revenues. Dr. Stinson stated that as students continue to take 15 hours each semester there was likely to be a decline in summer school enrollments.

Dr. Stinson provided information on process for cost reductions and results (Attachment D & E). Only \$4.4 million of the \$7.4 million was targeted for permanent reductions. Dr. Stinson stated that even though the reduction was short \$907,838, we were still financially in a good position. While reviewing the vacant positions it was determined some could be permanently eliminated and then we would reevaluate those positions as needed. Over-budgeted positions occur when a position becomes vacant and the incoming person was hired at a lower salary and the excess funds were still in that position budget. Positions moved to other funding sources was mainly comprised of academic areas that moved some positions to other funding sources such as the specialized academic course fees and on-line fees. The freeze of temporary employment included \$280,000 for

adjunct faculty. The review of programs and activities included \$421,000 reduction to the SAF-Villages that included some adjunct faculty pay that were primarily administrators teaching the Univ 1010-1020 courses. The units were able to make decisions on which positions to eliminate and went through the reduction in force process and followed policy. Ms. Vanhooser requested that slide 8 of the presentation be updated to clarify vacant position difference from the actual results and the plan from June. Ms. Harper requested the revised slide be sent to trustees. Dr. Stinson agreed to do so.

Dr. Stinson provided information on how the reductions lined up by functional areas (Attachment F). In the research area the reductions involved the QEP (Quality Enhancement Plan) which is part of SACSCOC and is a five-year plan that was put together and approved by SACSCOC. We are in year five and over all of previous four years the budgeted dollars had not been spent annually. The QEP process should remain a part of our current activities, which involves some undergraduate research. The public service reduction was primarily from the STEM Center. The STEM Center funding comes from University E & G funds and external research or grant dollars. The reduction was taken from the E & G portion. The STEM center does have plans for increasing external funds. The central accounts included the 1.5% salary increase (removed from the governor's budget), fringe benefits such as phone stipends and educational benefits for university employees that are not attending Tech.

Dr. Pardue asked how the eight positions from the reduction-in-force were distributed. Dr. Stinson advised \$126,000 in colleges, \$154,000 in Planning & Finance, \$76,000 International Education, \$35,000 STEM center which broke down to five professional and three clerical & support.

Dr. Stinson gave an update on the status on current active capital projects (Attachment G). Most projects are funded with state appropriations either as capital projects or capital maintenance projects. Some other projects are funded through debt service. The RUC patio was funded through the special facilities development fee that was designated for upgrades and renovations to student areas. The Steam Line replacement on Dixie Avenue has a one year pay back on the energy savings as a result of the project. Ms. Harper wanted to make sure the next informational session was on the Master Plan.

Dr. Stinson provided an update on the status of the Engineering Building (Attachment H). As a result of the funding delay it now falls under THEC's revised guidelines for capital projects.

Dr. Stinson advised there were plans to build a residential hall on the west side of campus. Dr. Oldham added this had been on our radar for a number of years and was approved by TBR through the former process before the Board was created. This was originally being pursued as a P3 (public private partnership) venture. The end result was P3 did not fit for our circumstances and we could bond fund this project ourselves and come out financially far better off. This would be a debt financed project and would serve a vital function not only as a residence hall but also with the innovation theme focusing on the entrepreneurial activities on campus. This would be the only facility like it in the State of TN. Dr. Stinson advised a schedule has been developed for a planned Fall 2023 opening. Dr. Stinson stated residence halls need to be opened in a fall semester otherwise you lose an entire year of revenue. This schedule was very aggressive. The pro forma

financial statements had been completed on the project and anticipated revenues from rentals would be around \$3,800,000. Anticipated additional expenses for Residence Advisor, electrical, utilities and expand housing administrative staff is \$500,000. The net revenue is expected to be \$3.3 million. For a twenty-year bond the debt service would be about \$2.7 million. Mr. Lynn wanted to know if the other residence halls were fully occupied, if there was a demand for this type of facility and if a market survey had been completed. Dr. Stinson advised as an initial start on the master plan a housing and food services survey was included-which included a local market study. The immediate need for on campus housing was around 400 beds and the innovation hall would provide 324 beds. The study included a 12,000 and 15,000 enrollment consideration. The study looked at types of rooms that students wanted. We have plenty of the traditional halls but we don't have suites and pods. This innovation hall would provide those types of rooms. Dr. Oldham added that part of the Master Plan was to take Crawford Hall offline as a residence hall. It is the only current residence hall that hasn't been fully renovated. It had been determined that the cost was not worth renovating it for a residence hall which was a factor in current bed space needs.

Ms. Harper wanted to take the opportunity to introduce Mr. Thomas Lynn as she failed to do so earlier in the morning. Governor Lee had just appointed Mr. Thomas Lynn as the newest Trustee. He will be replacing Purna Saggurti as Mr. Saggurti's term has been completed. Mr. Lynn is a lifelong Cookeville resident, Tech alum, and Chairman of the Board for First National Bank of TN. Mr. Lynn has a B.S. in Business Management and MBA. Ms. Harper added that Fred Lowery and Barry Wilmore have recently been reappointed to this Board for another term.

This was an informational item therefore no action was required.

## AGENDA ITEM 4—Engineering Building Design Presentation

Chair Stites introduced Garry Askew with Bauer Askew and Kim Chamberlin with Upland Design Group. Garry Askew stated that a typical project has four to six goals, with the Engineering building they had five categories and over two dozen goals. Some goals were very achievable and some were aspirational. Most goals revolved around serving current students. The next series of goals responded to how to recruit the next student. Other goals focused on promoting the university, seeking to engage donors, alumni, faculty and visitors. The scope of the project is over 100,000 square feet, to serve Engineering students from freshman to senior year and lab spaces for each discipline. The design was divided into two pieces: the main building with primary functions and the second building attached is a student project lab building. Other spaces in the building are adaptive learning labs. There will be student success areas, numerous collaboration spaces, CEROC space and atrium. The building will be located across the street from Prescott Hall and will enter through a crosswalk area and entry plaza. As you enter the building you enter the atrium space and can look through to the terrace, innovation park and lake feature towards the future innovative housing. The lake can also be utilized as an outdoor classroom. Some aspects of what civil engineering students will be designing regarding stormwater treatment were encapsulated on site with bioswale, rain gardens, flowing creek to collect samples and body of water. Mr. Askew provided a layout of the site plan in his presentation. The design included the Georgian qualities that other buildings on campus have. Conceptually the design idea of the building was responding

to the historic vernacular of the campus and infusing technology innovation. Mr. Askew provided images of the exterior plaza area from Stadium Drive, exterior perspective from innovation park, sculptural eagle that would be near the lake, interior perspective from atrium entry and interior perspective from college office suite overlooking the atrium. The first floor will be adaptive learning space. The atrium can also function as banquet hall, reception hall, convention center, common space, lounge space and study hall interchangeably. Mr. Askew played a video of the aspects of the building that included exterior views from each side and interior overhead view of each level. Mr. Chamberlin added that the State Building Commission this summer selected the Denark Construction from Knoxville as the construction manager and general contractor, which was the same company that constructed the new student rec center. The schematic design phase was being wrapped up and the next milestone will be presenting to the State Building Commission in November for the early design phase approval, which was a requirement to be able to move to construction documents. The plan after that is to wrap up the bid documents in late spring or early summer with the target being when funding is ready to go July 1, ground breaking can begin.

Dr. Oldham asked Dean Slater to elaborate on the role the faculty and college have played in helping with the design process. Dean Slater stated he formed a team of three faculty from across the college. They met with other faculty and chairs across the colleges to make sure the labs were going to be multi-disciplinary. After the lab needs were determined there were about 18 different committees formed. Approximately 40 faculty members served on one or more of those committees and each committee crossed departments. Dr. Pardue asked Dean Slater to elaborate on the smart building concept. Dean Slater added smart buildings had clear glass to see plumbing and electrical and can collect data on what is going on in the building. For example, with HVAC system data could be collected. Dean Slater would like to take it to the next level where students, under supervision, can provide some level of control in the building. If there was an earthquake, the building will actually be a seismograph for the earthquake. There would be temperature gradient sensors where thermal gradience can be seen through the walls. Solar panels could be controlled to show how they impact the grid by segmenting off a portion for students to have some degree of control. Much of this is still in process, working with facilities as they have to maintain the building.

Chair Stites thanked Mr. Askew and Mr. Chamberlin for their attendance and presentation.

This was an informational item therefore no action was required.

## AGENDA ITEM 5—Employee Performance Evaluation Analysis

Dr. Hardin stated the evaluation process was in year five of the new system. The staff evaluations focused on individual employee performance, ensure employees have a voice in their evaluation, allow for specific goals and achievements to be recognized, stress job specific performance and include a self-evaluation component. The core competencies were aligned with the strategic plan and include academic excellence, student success, community engagement, meaningful innovation, supportive environment and value creation. All staff were evaluated on the core competencies in addition to job specific responsibilities and achievements. The evaluation scores tie directly back to actual job responsibilities. Employees and supervisors review job duties

annually prior to the evaluation to ensure an accurate reflection of duties. The employees' goals are set for high performance and departmental growth. For 2019-20 the high performers were higher and believed to be a result of the one-time performance bonus given, which you had to be a high performer in order to receive. Also, while evaluations were being conducted it was apparent that the state was not going to be funding salary increases, which possibly caused supervisors to rate higher this year because there were no raises associated with the score.

Dr. Hardin stated the faculty performance, both tenured and non-tenured, are evaluated annually by the department chair and college dean on teaching, advisement, research, scholarship, creative activity, service, outreach, administration and other duties as assigned and detailed. Over the past five years there was consistency that faculty continue to be high performers.

This was an informational item therefore no action was required.

### AGENDA ITEM 6—TTU Policy 511.1(Fees, Charges, Refunds and Adjustments)

Dr. Stinson advised the changes were to the existing policy which brings it in alignment with actions taken by the Board at the December 2019 and March 2020 meetings related to maintenance fees, out-of-state tuition and mandatory fees. Other changes included to clarify the President of Tennessee Tech University has the authority to approve charges for commercial type services, other non-student activities and to add the Vice President for Planning and Finance as second approver for those types of items. Some minor changes were made for clarification including adding some definitions.

Ms. Harper moved to send TTU Policy 511.1 (Fees, Charges, Refunds and Adjustments) as presented effective July 1, 2020 to the Board for approval and to place on the Board's consent agenda. Dr. Pardue seconded the motion. Mr. Wray called a roll call vote. The motion carried unanimously.

### AGENDA ITEM 7—TTU Policy 511.2 (Student Fee Adjustments, Refunds and Appeals)

Dr. Stinson advised the changes were updated to reflect the fee assessments from the December 2019 and March 2020 Board meetings approval of the fees.

Ms. Harper moved to send TTU Policy 511.2(Student Fee Adjustments, Refunds and Appeals) as presented effective July 1, 2020 to the Board for approval and to place on the Board's consent agenda. Dr. Pardue seconded the motion. Mr. Wray called a roll call vote. The motion carried unanimously.

### AGENDA ITEM 8—TTU Policy 144 (Title IX Policy and Grievance Procedures)

Dr. Stinson advised the policy was substantially the same as what was approved by the Board at the June 23, 2020 meeting. The only changes were to the definitions of certain crimes which had been updated to reflect the current statutory language. Some definitions were removed from the

policy and will be provided on the Title IX webpage and a reference to the federal regulation had been provided in the policy.

Ms. Harper moved to send TTU Policy 144(Title IX Policy and Grievance Procedures) as presented effective September 29, 2020 to the Board for approval and to place on the Board's consent agenda. Dr. Pardue seconded the motion. Mr. Wray called a roll call vote. The motion carried unanimously.

## AGENDA ITEM 9—Tenure Recommendation

Dr. Bruce presented via Zoom. Dr. Bruce stated she was pleased to present on behalf of the President a recommendation and supporting documentation provided in Diligent to eligible faculty member Dr. John Tester. This tenure recommendation was being presented in September due to Dr. Tester being hired after the June Board meeting, when tenure is typically presented. Dr. Tester was hired as Associate Professor in the Department of General and Basic Engineering. The filling of this position was critical because of its role in the new Master of Science in Engineering Management program.

Dr. Pardue moved to recommend to send the tenure recommendation to the Board for approval and to place it on the Board's consent agenda. Ms. Harper seconded the motion. Mr. Wray called a roll call vote. The motion carried unanimously.

## AGENDA ITEM 10 –Adjournment of Open Session & Call to Order of Executive Closed Session

There being no further business, the meeting adjourned at 10:49 a.m. After a short break, the Executive Closed Session began at 10:51 a.m. Trustees, Administration and staff from the Attorney General Office were present for the meeting.

The following were present for the meeting:

## AGENDA ITEM 11—Adjournment

There being no further business, the Executive Closed Session adjourned at 12:12 p.m.

Approved,

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Lee Wray, Secretary



## Update FY2019-20 EOY Status

- **Operating Budget**

– Fund balance	\$2,137,420
– Special fees carryforward	
• Specialized Academic Course Fees	\$1,900,619
• On-line course fees	\$1,020,664
• Student Activity fees	\$1,322,338
• Technology Access fees	\$ 604,148
• Research Indirect Cost	\$ 991,500
• Engineering special allocation	\$2,909,816



# Attachment B

## October 2020 budgeted fall enrollments compared to Proposed Budget enrollment projections

	Actual Fall 2020 Enrollments						Proposed Budget Projections						Difference	
	Undergraduate		Graduate		Total		Undergraduate		Graduate		Total			
	HC	FTE	HC	FTE	HC	FTE	HC	FTE	HC	FTE	HC	FTE	HC	FTE
First-Time, Full-Time Freshman	1698	1694.74			1698	1694.74	1583	1440.53			1583	1440.53	115	254.21
Transfers	685	638.84			685	638.84	755	687.05			755	687.05	(70)	(48.21)
Dual Enrollment	159	186.67			159	186.67	150	196.5			150	196.5	9	(9.83)
New Graduate Students			456	252.72	456	252.72			360	183.65	360	183.65	96	69.07
Returning Students	6095	5527.75	867	431.06	6962	5958.81	6341	5632.41	797	407.17	7138	6039.58	(176)	(80.77)
International Students	149	140.93	98	57.7	247	198.63	68	63.24	9	4.23	77	67.47	170	131.16
<b>Total</b>	<b>8786</b>	<b>8188.93</b>	<b>1421</b>	<b>741.48</b>	<b>10207</b>	<b>8930.41</b>	<b>8897</b>	<b>8019.73</b>	<b>1166</b>	<b>595.05</b>	<b>10063</b>	<b>8614.78</b>	<b>144</b>	<b>315.63</b>



# Attachment C

## Tuition and fee revenues exceeding budget FY20-21

– Fall 2020 revised revenue estimates (compared to July Proposed Budget)

- Summer school \$ 885,983
- Regular academic year \$ 1,352,141
- Out-of-state summer school \$ (144,810)
- Out-of-state regular academic year \$ 538,712
- Out-of-state TNeCampus \$ (125,793)
- Out-of-state Craft Ctr, DMBA, MSN \$ (77,704)

– Impact of flat-rate tuition model +\$1,284,976

– Impact of reduced out-of-state tuition (headcount)

- UG non-athlete +43 UG athlete +29
- GR non-athlete + 4 GR athlete - 4



## Attachment D

### Process for Cost Reductions to July Proposed Budget

- 5-year Budget Strategic Planning Committee
  - Identified broad categories and potential vacant positions for reductions
  - Avoided impacting current permanent employees to the extent possible
- Budget Office prepared sheets for potential reductions for each area based on work of the 5-year committee
- President and Vice President for Planning & Finance met with executives for each area
  - Provided dollar amounts for reductions and vacant position(s) identified that could be frozen or eliminated
  - Each executive was given latitude to make cuts as they felt best for their areas



## Attachment E

**Budget Update– Aligning Resources and Expenditures**

	Plan from June	Actual Results	Difference
Budgeted salary increases eliminated	\$1,396,903	\$1,396,903	\$0
Freeze of vacant positions (9 positions)	\$1,975,373	\$679,819*	\$(1,295,554)
Vacant positions eliminated (21 positions)		\$1,018,799*	\$1,018,799
Reduction over-budgeted positions		\$264,003*	\$264,003
Positions moved to other funding sources		\$489,538*	\$489,538
Freeze of temporary employment	\$1,500,000	\$376,078	\$(1,123,922)
Reduction in force (8 positions)	\$198,737	\$392,821	\$194,084
Reduction in fringe benefits	\$568,762	\$406,921	\$(161,841)
Reduction in travel and operating budgets	\$921,763	\$784,176	\$(137,587)
Review of programs and activities (Center Stage, STEM, and SAF-Villages/Univ1010-1020)	\$845,423	\$690,095	\$(155,328)
* considered as part of the initial plan for freezing vacant positions			
<b>Total</b>	<b>\$7,406,961</b>	<b>\$6,499,153</b>	<b>\$(907,838)</b>



## Attachment F

## Reductions by Functional Areas

Functional Area	Proposed Budget	Budget Reduction	% of Budget
Instruction	\$77,708,800	\$2,521,127	3.24%
Research	\$2,652,400	\$186,004	7.01%
Public Service	\$2,117,600	\$143,612	6.78%
Academic Support	\$13,172,400	\$754,186	5.73%
Student Services	\$20,230,200	\$384,857	1.90%
Institutional Support	\$16,440,100	\$619,125	3.77%
O&M of Plant	\$14,612,900	\$86,418	.59%
Central Accounts		\$1,803,824	
Total	\$146,934,400	\$6,499,153	



## Attachment G

## Update on Currently Active Capital Projects

Capital Project	Anticipated Completion Date
Science Building	10/30/2020
RUC patio	10/25/2020
Peachtree Avenue upgrades	TBD – bids scheduled 2/19/2021
Bruner Hall renovation	05/25/2021
Roofing projects – TJ Farr, Pennebaker, Derryberry	10/30/2020
Derryberry Hall cupola	Installation planned for Christmas break
Student Success Center	10/05/2020
Steam Line replacement – Dixie Avenue	12/20/2020
Master Plan update	Active



# Attachment H

## Update on Status of Engineering Building

- Funding delayed one year – THEC 1<sup>st</sup> priority for FY2021-22

THEC Recommendation 2021-22	Revised	Original
Project cost inflated by 3.6%	\$56,980,000	\$55,000,000
Revised match to 8% (original 16%)	\$4,558,400	\$8,250,000
Early design funds already received	\$3,250,000	\$3,250,000
State funding request FY2021-22	\$49,171,600	\$43,500,000

- Match funds raised
  - Cash or cash equivalent \$2,560,940
  - Signed pledges \$1,624,427 (\$1,221,083 pledges to be received FY20-21)
  - Verbal pledges but no signed agreement \$965,000
  - Still have goal to raise \$8.25 million







## Agenda Item Summary

**Date:** December 1, 2020

**Division:** Planning & Finance

**Agenda Item:** One-Time Employee Bonus

Review

Action

No action required

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

**PURPOSE & KEY POINTS:** Proposal for one-time employee bonus for FY2021. Management is proposing a one-time bonus of \$500 for all permanent employees with a satisfactory performance evaluation. The \$500 will be pro-rated for permanent employees working less than full-time. The total cost of the bonus is \$625,000 including educational & general employees, auxiliary enterprise employees and employees paid from restricted resources. Bonuses are proposed to be paid to employees in their December 2020 paycheck.



# Agenda Item Summary

**Date:** December 1, 2020

**Division:** Planning and Finance

**Agenda Item:** Approval of 2020-21 October Revised Budget/Organizational Chart

- Review
  Action
  No action required

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

**PURPOSE & KEY POINTS:**

Review recommendation and approval of Tennessee Tech’s 2020-21 Revised Budget and Organizational Chart.

Revised Budget reflects revenue based on fall semester actual enrollments. Special fees unspent from fiscal year 2020-21 and other encumbrances from FY20-21 are included in the revised budget as one-time expense budget increase.

The revised budget includes budget line items for Educational & General (E & G) revenues and expenses for the University’s major operations and Auxiliary Enterprise revenues and expenses. This budget also includes mandatory transfers which are resources set aside to service debt for the fiscal year. Non-mandatory transfers included in the budget are resources transferred to reserves and plant funds at the University’s discretion.

## Definitions for Budget Cycles, Revenue Categories, Expense Categories

**Actuals FY2019-20:** This data reflects how the FY2019-20 ended. This data is used for preparation of the University's financial statements. Unspent resources at end-of-year are either included in the beginning fund balance of the Revised Budget or, in the case of special fees and research related obligations, re-budgeted into the departments.

**Proposed Budget FY2020-21:** The Proposed Budget is our original budget (operating plan) to begin the new fiscal year. This budget includes only recurring revenue and expense items. The Proposed Budget revenues are based on estimated fall semester enrollments and generally includes any new State appropriations the University expects to receive. New cost increases that create ongoing obligations are included in the Proposed Budget. This budget is due to the state in May of each year and is presented at the June Board meeting.

**Revised Budget FY2020-21:** This budget is the first revision to our Proposed Budget. The Revised Budget reflects revenue estimates based on actual fall enrollments. Expense budgets are increased for any unspent resources (carryforwards) from the prior fiscal year, FY2019-20. This budget is due to the state in October of each year and presented at the December Board meeting.

**Educational & General (E&G) Revenues:** These are unrestricted resources that can be used for anything within the mission of the University.

**E&G Expenses by Budget Category:** Expenses are shown by functional classification. These categories show how expenses are budgeted for the different functions of the University.

**E&G Expenses by Natural Classification:** Expenses are shown by type of expenses, e.g., salaries and wages, fringe benefits, travel, etc.

**Auxiliary Budget Summary:** Budgets for activities such as housing, foodservices, recreation center, that must operate at a profit or at least breakeven point.

**Mandatory Transfers:** Transfers for annual debt service obligations.

**Non-Mandatory Transfers:** Transfers for University funded capital projects (Unexpended Plant) and renewal and replacement funds for major maintenance and equipment replacement including technology hardware and software.

**E&G Revenues - Actuals FY2019-20, Proposed Budget FY2020-21, & Revised Budget FY2020-21**

	Actuals FY2019-20	Proposed Budget FY2020-21	Revised Budget FY2020-21
Tuition and Fees	\$ 99,719,243	\$ 94,314,200	\$ 97,464,900
State Appropriations	\$ 59,784,763	\$ 62,703,900	\$ 60,227,700
Contracts and IDC	\$ 1,706,392	\$ 971,400	\$ 971,400
Sales and Services Educational	\$ 743,258	\$ 855,500	\$ 741,200
Other Activities (incl Athletic Student Fee)	\$ 10,903,161	\$ 9,666,000	\$ 9,030,800
<b>Total Revenues</b>	<b>\$ 172,856,817</b>	<b>\$ 168,511,000</b>	<b>\$ 168,436,000</b>

**E&G Expenses by Budget Category - Actuals FY2019-20, Proposed Budget FY2020-21, & Revised Budget FY2020-21**

	Actuals FY2019-20	Proposed Budget FY2020-21	Revised Budget FY2020-21
Instruction	\$ 70,928,419	\$ 77,708,800	\$ 85,825,800
Research	\$ 2,061,670	\$ 2,652,400	\$ 4,354,200
Public Service	\$ 2,036,262	\$ 2,117,600	\$ 2,285,600
Academic Service	\$ 12,563,977	\$ 13,172,400	\$ 14,093,200
Student Services	\$ 19,966,883	\$ 20,230,200	\$ 21,884,500
Institutional Support	\$ 14,285,375	\$ 16,440,100	\$ 17,974,000
Oper. & Maint. of Plant	\$ 11,729,317	\$ 14,612,900	\$ 16,154,100
Scholarships & Fellowships	\$ 14,721,264	\$ 16,172,600	\$ 15,698,400
<b>Total Expenses</b>	<b>\$ 148,293,167</b>	<b>\$ 163,107,000</b>	<b>\$ 178,269,800</b>

**E&G Expenses by Natural Classification - Actuals FY2019-20, Proposed Budget FY2020-21, & Revised Budget FY2020-21**

	Actuals FY2019-20	Proposed Budget FY2020-21	Revised Budget FY2020-21
Salaries and Wages	\$ 77,269,333	\$ 81,707,900	\$ 78,360,800
Fringe Benefits	\$ 31,481,245	\$ 34,527,700	\$ 35,520,300
Travel	\$ 1,751,953	\$ 2,009,800	\$ 1,652,400
Operating & Utilities	\$ 21,842,102	\$ 28,357,500	\$ 45,806,800
Scholarships & Fellowships	\$ 14,721,264	\$ 16,172,600	\$ 15,698,400
Capital	\$ 1,227,270	\$ 331,500	\$ 1,231,100
<b>Total Expenses</b>	<b>\$ 148,293,167</b>	<b>\$ 163,107,000</b>	<b>\$ 178,269,800</b>

**E&G Unrestricted Budget Summary - Actuals FY2019-20, Proposed Budget FY2020-21, & Revised Budget FY2020-21**

	Actuals FY2019-20	Proposed Budget FY2020-21	Revised Budget FY2020-21
Beginning Fund Balance	\$ 17,111,250	\$ 5,801,427	\$ 31,094,182
E&G Revenues	\$ 172,856,817	\$ 168,511,000	\$ 168,436,000
E&G Expenses	\$ (148,293,167)	\$ (163,107,000)	\$ (178,269,800)
Mandatory Transfers	\$ (1,698,836)	\$ (1,988,700)	\$ (3,618,700)
Non-mandatory Transfers	\$ (8,881,882)	\$ (3,383,600)	\$ (6,156,900)
<b>Ending Fund Balance</b>	<b>\$ 31,094,182</b>	<b>\$ 5,833,127</b>	<b>\$ 11,484,782</b>

**Auxiliary Budget Summary - Actuals FY2019-19, Proposed Budget FY2020-21, & Revised Budget FY2020-21**

	Actuals FY2019-20	Proposed Budget FY2020-21	Revised Budget FY2020-21
Beginning Fund Balance	\$ 1,601,486	\$ 1,441,607	\$ 1,579,006
Aux Revenues	\$ 18,557,121	\$ 18,330,800	\$ 18,384,200
Aux Expenses	\$ (6,780,063)	\$ (7,531,800)	\$ (7,366,500)
Mandatory Transfers	\$ (4,379,672)	\$ (6,118,000)	\$ (6,719,300)
Non-mandatory Transfers	\$ (7,419,866)	\$ (4,681,000)	\$ (4,621,600)
<b>Ending Fund Balance</b>	<b>\$ 1,579,006</b>	<b>\$ 1,441,607</b>	<b>\$ 1,255,806</b>

**TOTAL Budget Summary - Actuals FY2019-20, Proposed Budget FY2020-21, & Revised Budget FY2020-21**

	Actuals FY2019-20	Proposed Budget FY2020-21	Revised Budget FY2020-21
Beginning Fund Balance	\$ 18,712,737	\$ 7,243,034	\$ 32,673,189
Total Revenues	\$ 191,413,938	\$ 186,841,800	\$ 186,820,200
Total Expenses	\$ (155,073,230)	\$ (170,638,800)	\$ (185,636,300)
Mandatory Transfers	\$ (6,078,508)	\$ (8,106,700)	\$ (10,338,000)
Non-mandatory Transfers	\$ (16,301,748)	\$ (8,064,600)	\$ (10,778,500)
<b>Ending Fund Balance</b>	<b>\$ 32,673,189</b>	<b>\$ 7,274,734</b>	<b>\$ 12,740,589</b>

**Breakdown of E&G Fund Balance - Actuals FY2019-20, Proposed Budget FY2020-21, & Revised Budget FY2020-21**

	Actuals FY2019-20	
	Beginning Fund Balance	Ending Fund Balance
Allocation for Encumbrances	\$ 2,337,913	\$ 1,620,451
Allocation for Working Capital	\$ 2,390,786	\$ 4,196,189
Special Allocations*	\$ 12,382,551	\$ 25,277,482
Unallocated Balance	\$ -	\$ -
<b>Total E&amp;G Fund Balance</b>	<b>\$ 17,111,250</b>	<b>\$ 31,094,122</b>
*2% to 5% Reserve of E&G Revenues	\$ 9,644,676	\$ 21,450,377
*Student Activity Fee	\$ 658,709	\$ 1,322,338
*Technology Access Fee	\$ 753,334	\$ 604,148
*Specialized Academic Course Fee	\$ 1,325,833	\$ 1,900,619
Total Special Allocations	\$ 12,382,551	\$ 25,277,482

	Proposed Budget FY2020-21	
	Beginning Fund Balance	Ending Fund Balance
Allocation for Encumbrances	\$ -	\$ -
Allocation for Working Capital	\$ 2,390,786	\$ 2,390,786
Special Allocations*	\$ 3,410,641	\$ 3,441,446
Unallocated Balance (due to rounding)	\$ -	\$ -
<b>Total E&amp;G Fund Balance</b>	<b>\$ 5,801,427</b>	<b>\$ 5,832,232</b>
*2% to 5% Reserve of E&G Revenues	\$ 3,410,641	\$ 3,441,446
*Student Activity Fee	\$ -	\$ -
*Technology Access Fee	\$ -	\$ -
*Specialized Academic Course Fee	\$ -	\$ -
Total Special Allocations	\$ 3,410,641	\$ 3,441,446

	Revised Budget FY2020-21	
	Beginning Fund Balance	Ending Fund Balance
Allocation for Encumbrances	\$ 1,620,451	\$ -
Allocation for Working Capital	\$ 4,196,189	\$ 4,196,189
Special Allocations*	\$ 25,277,482	\$ 7,288,699
Unallocated Balance (due to rounding)	\$ -	\$ -
<b>Total E&amp;G Fund Balance</b>	<b>\$ 31,094,122</b>	<b>\$ 11,484,888</b>
*2% to 5% Reserve of E&G Revenues	\$ 21,450,377	\$ 7,288,699
*Student Activity Fee	\$ 1,322,338	\$ -
*Technology Access Fee	\$ 604,148	\$ -
*Specialized Academic Course Fee	\$ 1,900,619	\$ -
Total Special Allocations	\$ 25,277,482	\$ 7,288,699

E&G Transfers - Actuals FY2019-20, Proposed Budget FY2020-21, & Revised Budget FY2020-21

	Actuals FY2019-20	Proposed Budget FY2020-21	Revised Budget FY2020-21
<b><u>Debt Service-Mandatory</u></b>			
Debt Service Perf Contract	\$ 481,073	\$ 481,074	\$ 481,074
Debt Service Fitness Center	\$ 771,447	\$ -	\$ 1,630,000
Debt Service Parking	\$ 233,764	\$ 860,935	\$ 860,935
Debt Service Lab Science Bldg	\$ 212,552	\$ 646,673	\$ 646,673
Debt Service Univ Center	\$ -	\$ -	\$ -
Debt Service Eblen Center	\$ -	\$ -	\$ -
<b>Total Debt Service Transfers</b>	<b>\$ 1,698,836</b>	<b>\$ 1,988,682</b>	<b>\$ 3,618,682</b>
<b><u>Unexpended Plant</u></b>			
Debt Service Fitness Center	\$ 1,268,639	\$ 1,824,920	\$ 150,916
Debt Service Univ Center	\$ 90,269	\$ 89,460	\$ 133,774
Debt Service Eblen Center	\$ 198,592	\$ 196,810	\$ 196,810
Facilities Development (fee)	\$ 720,639	\$ 252,827	\$ 468,589
Parking and Transportation	\$ 696,992	\$ 200,805	\$ 200,805
Various Academic Buildings	\$ -	\$ 800,000	\$ 800,000
Extraordinary Maintenance	\$ 560,000	\$ 560,000	\$ 560,000
Small Projects	\$ 1,479,225	\$ 210,300	\$ 828,973
<b>Total Unexp Plant Transfers</b>	<b>\$ 5,014,356</b>	<b>\$ 4,135,122</b>	<b>\$ 3,339,867</b>
<b><u>Renewal and Replacement</u></b>			
IT Computer Equipment	\$ 377,110	\$ 377,110	\$ 377,110
Electronic Upgrades	\$ 350,000	\$ 350,000	\$ 350,000
Equipment - Departments	\$ 2,721,073	\$ 1,383,792	\$ 1,150,470
Reserves	\$ 419,343	\$ (2,502,430)	\$ 939,376
<b>Total R&amp;R Transfers</b>	<b>\$ 3,867,526</b>	<b>\$ (391,528)</b>	<b>\$ 2,816,956</b>
<b>GRAND TOTAL All Transfers</b>	<b>\$ 10,580,718</b>	<b>\$ 5,732,276</b>	<b>\$ 9,775,505</b>

4.2

<b>Reserves - Revised Budget FY2020-21 (bal. at 6-30-20)</b>	
	<u><b>Unexpended Plant</b></u>
Land Purchases	\$ 2,800,171
New Construction:	
Science Building	\$ 8,933,646
Fitness & Rec Center	\$ 2,807,459
Agriculture Facility	\$ 218,770
Shipleigh Farm Hay Barns	\$ 8,235
Parking & Transportation	\$ 5,051,080
Residence Hall Renovations & Roof	\$ 752,208
Roaden Center Renovation	\$ 1,266,341
Infrastructure & HVAC	\$ 2,609,703
Roof Replacement	\$ 488,278
Building Upgrades	\$ 138,018
Engineering Master Plan	\$ 500,000
Extraordinary Maint.	\$ 2,080,615
Hoop Roof Replacement	\$ 1,653,403
Lab Science AV Equipment	\$ 1,358,385
Library Advising Center	\$ 586,424
Cooper Dunn Furnishings	\$ 473,848
Engineering Vehicle - Lewis Hall	\$ 490,000
Depts. Small Projects	\$ 895,993
Other Small Projects	\$ 17,945
Data Center Fire Protection	\$ 312,000
Facilities Development Fund	\$ 1,579,805
Regional Consultants	\$ 262,493
Master Plan	\$ 307,874
Upgrade Bruner Hall (local)	\$ 541,555
<b>Total Unexpended Plant</b>	<b>\$ 36,134,250</b>
	<u><b>Renewal and Replacement</b></u>
Auxiliary - Housing	\$ 19,322,023
Auxiliary - Other	\$ 12,839,170
Computer Center	\$ 3,584,303
Technology Update	\$ 1,412,746
Telecommunication	\$ 594,519
Printing & Photo Services	\$ 229,318
Motor Pool	\$ 584,276
Craft Center R&R	\$ 383,667
Departmental R&R	\$ 1,441,676
University Reserve	\$ 6,071,912
<b>Total R&amp;R</b>	<b>\$ 46,463,613</b>
<b>GRAND TOTAL All Reserves</b>	<b>\$ 82,597,862</b>

## Budget Summary and Budget Analysis

The complete Budget Summary and Budget Analysis documents can be viewed on the Budget, Planning, Reporting and Analysis website:

Direct Link to document – **Summary**:

[https://www.tntech.edu/businessoffice/pdf/budget/Final-October-Summary-Book\\_FY2020-2021.pdf](https://www.tntech.edu/businessoffice/pdf/budget/Final-October-Summary-Book_FY2020-2021.pdf)

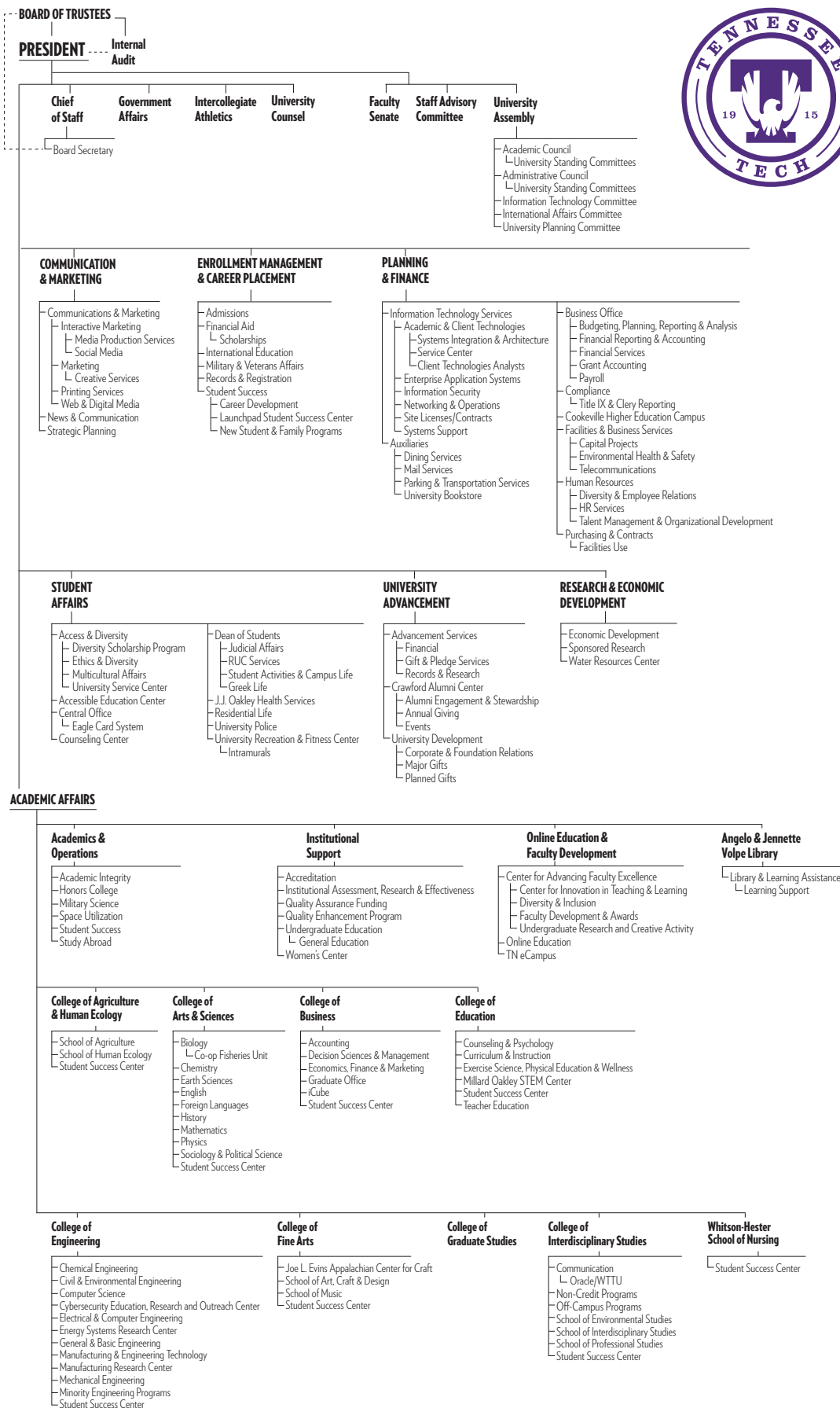
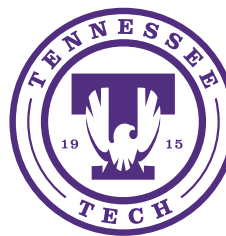
Direct Link to document – **Analysis**:

[https://www.tntech.edu/businessoffice/pdf/budget/Final-October-Analysis-Book\\_FY2020-2021.pdf](https://www.tntech.edu/businessoffice/pdf/budget/Final-October-Analysis-Book_FY2020-2021.pdf)

**Historical Budget documents (FY2011 through FY2020):**

Budget **Summary** and **Analysis**: <https://www.tntech.edu/businessoffice/bpra/budgetary-info.php>







## Office of the President

TENNESSEE TECH

October 16, 2020

Submitting on behalf of Tennessee Tech University (TTU) a crosswalk of organizational changes/updates with a proposed implementation date of January 1, 2021, as follows:

### Academic Affairs

- Add Student Success Center as a direct report to Whitson-Hester School of Nursing
- Remove Learning Villages as a direct report to College of Interdisciplinary Studies

### Chief of Staff

- Realign Board Secretary to Chief of Staff

### Communications & Marketing

- Add Interactive Marketing as a direct report to Communications & Marketing
- Realign Media Production Services as a direct report to Interactive Marketing
- Realign Social Media as a direct report to Interactive Marketing
- Realign Creative Services as a direct report to Marketing

### Enrollment Management & Career Placement

- Rename Advisement Services to Launchpad Student Success Center

### Planning and Finance

- Realign Payroll as a direct report to Business Office
- Rename Training and Development to Talent Management and Organizational Development
- Remove Funds Management as a direct report to Business Office
- Add Financial Services as a direct report to Business Office
- Add Grant Accounting as a direct report to Business Office

Dr. Philip B. Oldham, President



## Agenda Item Summary

**Date:** December 1, 2020

**Division:** Planning & Finance

**Agenda Item:** Composite Financial Index

Review

Action

No action required

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**PRESENTERS:** Claire Stinson, Vice President for Planning & Finance

**PURPOSE & KEY POINTS:**

Update on financial outcome for Fiscal Year 2019-20.



## Agenda Item Summary

**Date:** December 1, 2020

**Division:** Planning and Finance

**Agenda Item:** Tuition Transparency Act Report

Review

Action

No action required

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

**PURPOSE & KEY POINTS:**

By February 1 of each year, the Board is required to provide a report to the General Assembly with information regarding expenditures of revenues derived from any tuition and fees 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.



# State of Tennessee

## PUBLIC CHAPTER NO. 614

### SENATE BILL NO. 1665

By Dickerson, Gresham, Yarbrow

Substituted for: House Bill No. 1684

By Smith, Ragan, Daniel, Moody, Hardaway, Terry, Towns

AN ACT to amend Tennessee Code Annotated, Title 49, Chapter 11; Title 49, Chapter 7; Title 49, Chapter 8 and Title 49, Chapter 9, relative to higher education.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 49, Chapter 7, is amended by adding the following language as a new part:

#### 49-7-1601.

This part shall be known and may be cited as the "Tuition Transparency and Accountability Act."

#### 49-7-1602.

As used in this part:

(1) "Board" means the trustees of the University of Tennessee or a state university board, as applicable;

(2) "Cost of attendance" means the combined cost of tuition, mandatory fees, room and board, books, and other educational expenses as determined by the financial aid office of the postsecondary institution;

(3) "Predictive cost estimate" means a non-binding estimated cost of attending an undergraduate program at the postsecondary institution based on a student's chosen field of study over a four-year period. A predictive cost estimate may include, but is not limited to, potential tuition and mandatory fee increases, projected increases in tuition based on a student's chosen field of study, and historical trend data; and

(4) "Tuition and mandatory fees" means the charges imposed to attend the relevant institution of higher education as an in-state undergraduate student and all fees required as a condition of enrollment as determined by the board. "Tuition and mandatory fees" does not include fees charged to out-of-state students by institutions of higher education, room and board, or other non-mandatory fees and charges.

#### 49-7-1603.

(a) At least fifteen (15) days prior to holding a meeting to adopt an increase in tuition and mandatory fees, a board shall give public notice of the proposed tuition and mandatory fee increase as an action item on the board's meeting agenda. Individuals shall be permitted to provide comments during the fifteen-day period. The public notice of the proposed tuition and mandatory fee increase shall, at a minimum, include:

(1) An explanation for the proposed tuition and mandatory fee increase;

(2) A statement specifying the purposes for which revenue derived from the tuition and mandatory fee increase will be used; and

5.2

SB 1665

(3) A description of the efforts to mitigate the effect of the tuition and mandatory fee increase on students.

(b)(1) By January 1, 2019, each board shall develop a list of factors that shall be considered when developing recommendations to increase tuition and mandatory fees. The factors shall include, at a minimum, the level of state support; total cost of attendance; and efforts to mitigate the financial effect on students.

(2) Each state university and each campus in the University of Tennessee system shall post on its website a summary of the recommendations pursuant to subdivision (b)(1).

**49-7-1604.**

By February 1 of each year, each governing board shall provide a report to the office of legislative budget analysis, for distribution to the general assembly, with information regarding expenditures of revenues derived from any tuition and fees increase in the previous full academic year. The report shall include how revenues were used, the effect on student financial aid, and the effect on the average total cost of attendance per student.

**49-7-1605.**

Beginning August 1, 2019, each state university and each campus in the University of Tennessee system shall provide, with a student's letter of acceptance, a predictive cost estimate for students applying for undergraduate degree programs for the 2020-2021 academic year and for academic years thereafter.

SECTION 2. This act shall take effect July 1, 2018, the public welfare requiring it.

5.2

SENATE BILL NO. 1665

PASSED: March 19, 2018

  
RANDY McNALLY  
SPEAKER OF THE SENATE

  
BETH HARWELL, SPEAKER  
HOUSE OF REPRESENTATIVES

APPROVED this 2<sup>nd</sup> day of April 2018

  
BILL HASLAM, GOVERNOR

**State of Tennessee**  
**2018 Public Acts, Chapter 614**  
**T.C.A § 49-7-1604**

**5.2**

By February 1 of each year, each governing board shall provide a report to the office of legislative budget analysis, for distribution to the general assembly, with information regarding expenditures of revenues derived from any tuition and fees increase in the previous full academic year. The report shall include how revenues were used, the effect on student financial aid, and the effect on the average total cost of attendance per student.

**Report Based on FY 2019-20 Financial Data**

<b>Tuition increase of 2.3% = \$1,641,300</b>	
<b>Effect on Average Cost of Attendance per student = \$90 per semester</b>	
<b>Effect on Student Financial Aid = None</b>	
<b>Use of Revenues</b>	<b>Dollars</b>
Matching required for 2 % salary improvement plus variable fringe benefits	\$787,688
Hiring of new faculty to support technology-infused programs in support of State needs and market growth areas.	\$295,000
Faculty positions for new PhD in Counseling & Supervision	\$120,000
Establish advising center to support students	\$112,000
Software licenses	\$226,612
Scholarships	\$100,000

<b>Mandatory Fees increase of 2.8% = \$266,000</b>	
<b>Effect on Average Cost of Attendance per student = \$17.50 per semester</b>	
<b>Effect on Student Financial Aid = None</b>	
The Technology Access Fee increase of \$17.50 per semester was used to:	
<ul style="list-style-type: none"> <li>• Create a sustainable instructional technology refresh plan</li> <li>• Provide new instructional technology for new science building</li> <li>• Provide supplies and support for technology within classrooms</li> </ul>	\$266,000





## Agenda Item Summary

**Date:** December 1, 2020

**Agenda Item:** Revision to TTU Policy 537 (Naming Buildings, Facilities and Organizational Units)

Review

Action

No action required

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

**PURPOSE & KEY POINTS:**

Revision to the policy to reflect Board of Trustees request from the June 23, 2020 meeting to remove the previous year employment stipulation for a naming opportunity.

**Tennessee Tech University**  
**Policy No. 537**

6.2



Effective Date: January 1, 2020

**Policy No:** 537

**Policy Name:** Naming Buildings, Facilities and Organizational Units

**Revised Date:** January 1, 2021

**I. Purpose**

The purpose of this policy is to establish the criteria and process for naming of Tennessee Tech Buildings, Facilities, and Organizational Units.

**II. Review**

This policy will be reviewed every two (2) years or whenever circumstances require review, whichever is earlier, by the Associate Vice President for Business and Fiscal Affairs in consultation with the Vice President for Planning and Finance, with recommendations for revision presented to the Administrative Council, University Assembly and Board of Trustees.

**III. Scope**

The scope of this policy is limited to Tennessee Tech Facilities that are owned by the State of Tennessee and Organizational Units controlled by Tennessee Tech. The policy does not extend to facilities leased by Tennessee Tech or owned by the TTU Foundation.

**IV. Definitions**

- A. Buildings: complete building structures residing on or contained within Tennessee Tech’s campus
- B. Building Components: lab, classroom, conference room, office space, etc. contained within a building.
- C. Facilities: all physical areas not contained within the Buildings definition including, but not limited to, parking lots, streets, grassy areas, water features, athletic fields, etc.
- D. Organizational Units: units on campus with a defined mission including Colleges, Schools, Departments, Centers, etc.

**V. Policy**

- A. The naming of Buildings, Facilities, and Organizational Units of Tennessee Tech for individuals or groups who have made significant contributions to society or to Tennessee Tech is an honored tradition of higher education.
- B. The prerogative and privilege of the naming of Buildings, Facilities, and Organizational Units of Tennessee Tech is vested in the Board of Trustees.

6.2

- C. The Board of Trustees delegates the authority to name identifiable building components of Buildings and Facilities to the President, subject to the criteria and process set forth below.
  
- D. In general, a naming opportunity is reserved for individuals and groups who must have made a significant contribution to the field of education, government, science, or human betterment.
  - 1. To preserve the integrity of the naming process at Tennessee Tech, this honor must be reserved for individuals of recognized accomplishment and character; no Building, Facility, or Organizational Unit may bear the name of an individual convicted of a felony.
  - 2. No current employee of Tennessee Tech, ~~and no individual who has been an employee of Tennessee Tech within the previous year,~~ shall be eligible for consideration.
  - 3. With respect to naming opportunities on Tennessee Tech’s campus, special consideration shall be given to:
    - a. The historical significance of the contribution of the individual or group to Tennessee Tech;
    - b. Individuals that signify an association with either the history of the university or the nation or with the advancement of knowledge and learning that will remain memorable long beyond the lifetime of those who propose the name; and
    - c. Any financial contribution of the individual or group to the institution as outlined in the TTU Foundation’s Naming Guidelines document.
  - 4. In all cases, naming rights are considered to be in effect for the duration of the effective and typical useful life of the physical building, space, or unit, and not in perpetuity. For named Organizational Units, the naming will remain until such time that the Organizational Unit is dissolved.
  - 5. The Board of Trustees may remove a name associated with any physical building, space or unit at any time if the naming financial commitment remains unfulfilled or it is in the best interests of Tennessee Tech or of the donor to do so.
  - 6. At the request of a namesake, the President has authority to remove an individual’s name from a facility after providing notice to the Board of Trustees.

E. Process

1. Tennessee Tech’s President shall charge a committee to consider and make recommendations for the naming.
2. The committee may be comprised of students, faculty, staff, and administrative representatives. Other representatives of the campus community may serve on the committee, as deemed appropriate by the President.
3. The committee shall consider all suggested naming opportunities that satisfy the criteria cited in this policy. Any individual or group associated with Tennessee Tech may suggest a name for consideration by the committee.
4. The committee shall submit a report to the President, which shall include a recommendation for the naming, documentation of all suggestions considered, and justification of its recommendation.
5. The President shall submit his/her recommendation, the committee's report, and any additional supporting information to the Board of Trustees for appropriate action, if any.
6. Tennessee Tech will not publicize the recommendation for naming until the Board of Trustees has acted on the recommendation.

**F. Building Plaques**

1. Tennessee Tech may affix a building plaque to a new or newly renovated building or facility.
2. All building plaques must comply with Board of Trustee guidelines adopted pursuant to this policy and State Building Commission policy on building plaques.

**G. Dedication Ceremony and Plaque**

1. Upon approval of the naming by the Board of Trustees, Tennessee Tech may plan and conduct an appropriate dedication ceremony and/or erect a dedication plaque or comparable marking.
2. Tennessee Tech may use a dedication plaque that is separate from the building plaque required by state laws and regulations.
3. In addition to the individual or group for whom the Building, Component, Facility, or Organizational Unit is named, the dedication plaque should

identify Tennessee Tech’s President and the Chair of the Board of Trustees at the time the naming was approved.

**VI. Approval of exceptions**

1. The Chair of the Board of Trustees or his/her designee has the authority to approve exceptions in instances of unusual circumstances.
2. All such actions should be properly documented and shared with all Trustees at the next Board meeting.

**6.2**

**VII. Interpretation**

The Chair of the Board of Trustees or his/her designee in consultation with the President has the final authority to interpret the terms of this policy.

**VIII. Citation of Authority for Policy**

T.C.A. § 49-8-203(a) (4)

**Approved by:**

Administrative Council: November 6, 2019; November 4, 2020

University Assembly: November 20, 2019; November 18, 2020

Board of Trustees: December 5, 2019



## Agenda Item Summary

**Date:** December 1, 2020

**Division:** Planning and Finance

**Agenda Item:** Disclosed Capital Projects

Review       Action       No action required

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

**PURPOSE & KEY POINTS:**

Review and approval of amendment to the FY 2020-2021 Capital Disclosure List for the following two projects:

1. Crawford Hall Roof Replacement
2. Craft Center Housing Roof Replacement

Review and approval of amendment to the FY 2021-2022 Capital Disclosure List for the following project:

1. Chiller Addition

7.1

### 3.1 DB70

**1 Department:** Tennessee Higher Education Commission  
**Institution:** Tennessee Tech University  
**Project:** Crawford Hall Roof Replacement  
**City/County:** Cookeville/Putnam

**2 Fiscal Year:**  **Priority**

<input type="checkbox"/>	Capital Outlay	<b>New</b>		<b>Reno/Maint</b>
<input type="checkbox"/>	Capital Maintenance		<input type="text" value="0"/>	<input type="text" value="0"/>
<input checked="" type="checkbox"/>	Disclosure		<input type="text" value="0"/>	<input type="text" value="0"/>
<input checked="" type="checkbox"/>	Designer Required		<input type="text" value="0.00"/>	<input type="text" value="0.00"/>

**4 Project Description:**  
 Replace the roof. Install new wood deck over existing tectum deck. Repair/replace flashing, decking, coping and other roof components as needed. Repair masonry above the roof and dormers as required.

Project Type:  If new const., is it in the Master Plan:  Will the project add to E&G area?:

<b>5</b>	<b>Total Project</b>	<b>This Request</b>	Estimated Building Construction Cost:	<input type="text" value="0"/>
	350,000	350,000	Building Construction	
	0	0	Site & Utilities	
	0	0	Built-in Equipment	
	350,000	350,000	<b>Bid Target</b>	
	35,000	35,000	Contingency:	10.00 percent
	385,000	385,000	<b>MACC</b> (Maximum Allowable Construction Cost)	
	37,975	37,975	Fee:	35/LogP-1.15= 9.86368783
	0	0	Movable Equipment	<input type="text" value="Renovation"/>
	0	0	first other	
	0	0	second other	
	27,025	27,025	Administration & Miscellaneous	
	450,000	450,000	<b>Total Cost</b>	

**6 Funding Request:** THIS REQUEST

0	0	STATE funds	
0	0	FEDERAL funds	
450,000	450,000	Local and Institutional Funds	Housing - Auxiliary

**7 Previous SBC Approved Funding:**

	fund year	description
already approved for existing SBC project	450,000	Housing - Auxiliary
450,000	0	
plus This Request	0	
450,000	0	

**8 SBC Action:** If an existing project, SBC Project No.:   
 Action Date:  SBC Action:

**9 Designer:**

7.2



## 3.2 Project Support Documentation sheet 1

Institution: [Tennessee Tech University](#)  
Project: [Crawford Hall Roof Replacement](#)

### A. Architectural Program Scope (Program Objectives)

Replace the roof. Install new wood deck over existing tectum deck. Repair/replace flashing, decking, coping and other roof components as needed. Repair masonry above the roof and dormers as required.

7.2

### B. Evidence of Physical Facility Need

The building has a wood fiber deck that is not an ideal roofing substrate, especially to receive shingles. The tube-lok nails used on wood fiber decks are backing out. The deck has deflected in some locations.

### C. Historical Profile

The roof shingles were replaced in 2011. Failing deck is the reason for this roof replacmeent.

### D. Related Requirements

### E. Summary Results and Date of Physical Facilities Survey

### 3.3 Project Support Documentation sheet-2

Institution: [Tennessee Tech University](#)  
Project: [Crawford Hall Roof Replacement](#)

#### E. Cost Basis for Construction Estimate and Other Costs

[Cost estimate obtained from our building envelope consultant.](#)

7.2

#### F. Project Schedule

[12 months](#)

#### G Campus or Architectural Program Impact

## External Funding

**Department:** Tennessee Higher Education Commission

**Institution:** Tennessee Tech University

**Project:** Crawford Hall Roof Replacement

450,000 Total External Funding			
	Amount	Non-Appropriated Category	Specifics of Source
100%	450,000	Plant Funds (Auxiliary)	Housing Rental Income
0%	0	Plant Funds (Non-auxiliary)	
0%	0	Land Sale Proceeds	
0%	0	Access Fees	
0%	0	Student Fees	
0%	0	Gifts	
0%	0	Local Government	
0%	0	Federal Funds	
0%		TSSBA Revolving Credit Facility	Specify Term of Loan - 5 yr., 10 yr., etc.
0%	0	TSSBA (Long Term)	
0%	0	Other (Specify)	

7.2

Provide additional support information about the funding source(s) as needed:

### 3.1 DB70

**1 Department:** Tennessee Higher Education Commission  
**Institution:** Tennessee Tech University  
**Project:** Craft Center Housing Roof Replacements  
**City/County:** Smithville/Dekalb

**2 Fiscal Year:** 2020-2021 **Priority:** 999

<input type="checkbox"/>	Capital Outlay	<b>New</b>		<b>Reno/Maint</b>
<input type="checkbox"/>	Capital Maintenance		0	0
<input checked="" type="checkbox"/>	Disclosure		0	0
<input checked="" type="checkbox"/>	Designer Required		0.00	0.00
		Gross Sq.Ft.		
		Net Sq.Ft.		
		Cost/Sq.Ft.		

**4 Project Description:**  
 Replace roofs on five housing units (A,B,C,D, Mgrs. Residence). The scope of work will include roof replacement, repair or replace flashing, decking, coping, guttering, soffitt, siding and other roof components as needed.

Project Type:  If new const., is it in the Master Plan:  Will the project add to E&G area?:

<b>5</b>	<b>Total Project</b>	<b>This Request</b>	Estimated Building Construction Cost:	<input type="text" value="0"/>
	270,000	270,000	Building Construction	
	0	0	Site & Utilities	
	0	0	Built-in Equipment	
	270,000	270,000	<b>Bid Target</b>	
	27,000	27,000	Contingency:	10.00 10.00 percent
	297,000	297,000	<b>MACC</b> (Maximum Allowable Construction Cost)	
	30,058	30,058	Fee:	10.12085703 <input type="text" value="Renovation"/>
	0	0	Movable Equipment	
	0	0	first other	
	0	0	second other	
	22,942	22,942	Administration & Miscellaneous	
	350,000	350,000	<b>Total Cost</b>	

**6 Funding Request:** THIS REQUEST

0	0	STATE funds	
0	0	FEDERAL funds	
350,000	350,000	Local and Institutional Funds	Plant Funds - Auxiliary

**7 Previous SBC Approved Funding:**

	fund year	description
already approved for existing SBC project	0	
0	0	
0	0	
plus This Request	0	
350,000	0	

**8 SBC Action:** If an existing project, SBC Project No.:   
 Action Date:  SBC Action:

**9 Designer:** Unassigned

7.2

## 3.2 Project Support Documentation sheet 1

Institution: [Tennessee Tech University](#)

Project: [Craft Center Housing Roof Replacements](#)

### A. Architectural Program Scope (Program Objectives)

Replace roofs on five housing units (A,B,C,D, Mgrs. Residence). The scope of work will include roof replacement, repair or replace flashing, decking, coping, guttering, soffitt, siding and other roof components as needed.

7.2

### B. Evidence of Physical Facility Need

Some roof decking has deteriorated and needs to be replaced. The housing units are located in a wooded area. Gutter helmet or similar product needs to be installed on the gutters to keep leaves and tree debris out of the gutters.

### C. Historical Profile

The existing shingles were installed in 1999 on all five buildings.

### D. Related Requirements

### E. Summary Results and Date of Physical Facilities Survey

### 3.3 Project Support Documentation sheet-2

Institution: Tennessee Tech University  
Project: Craft Center Housing Roof Replacements

#### E. Cost Basis for Construction Estimate and Other Costs

Cost estimate obtained from our building envelope consultant.

7.2

#### F. Project Schedule

12 months

#### G Campus or Architectural Program Impact

## External Funding

**Department:** Tennessee Higher Education Commission

**Institution:** Tennessee Tech University

**Project:** Craft Center Housing Roof Replacements

<b>350,000 Total External Funding</b>			
	Amount	Non-Appropriated Category	Specifics of Source
100%	350,000	Plant Funds (Auxiliary)	Housing Rental Income
0%	0	Plant Funds (Non-auxiliary)	
0%	0	Land Sale Proceeds	
0%	0	Access Fees	
0%	0	Student Fees	
0%	0	Gifts	
0%	0	Local Government	
0%	0	Federal Funds	
0%	0	TSSBA Revolving Credit Facility	Specify Term of Loan - 5 yr., 10 yr., etc.
0%	0	TSSBA (Long Term)	
0%	0	Other (Specify)	

7.2

Provide additional support information about the funding source(s) as needed:

### 3.1 DB70

**1 Department:** Tennessee Higher Education Commission  
**Institution:** Tennessee Tech University  
**Project:** Chiller Addition  
**City/County:** Cookeville/Putnam

**2 Fiscal Year:** 2021-22 **Priority:** 999

<input type="checkbox"/>	Capital Outlay	<b>New</b>		<b>Reno/Maint</b>
<input type="checkbox"/>	Capital Maintenance		0	0
<input checked="" type="checkbox"/>	Disclosure		0	0
<input checked="" type="checkbox"/>	Designer Required		0.00	0.00
		Gross Sq.Ft.		
		Net Sq.Ft.		
		Cost/Sq.Ft.		

**4 Project Description:**  
 Install one 1500 Ton centrifugal chiller and a 1500 Ton cooling tower to expand the capacity of the existing chilled water system.

Project Type:  If new const., is it in the Master Plan:  Will the project add to E&G area?:

<b>5</b>	<b>Total Project</b>	<b>This Request</b>	Estimated Building Construction Cost:	<input type="text" value="0"/>
	0	0	Building Construction	
	300,000	300,000	Site & Utilities	
	1,650,000	1,650,000	Built-in Equipment	
	1,950,000	1,950,000	<b>Bid Target</b>	
	97,500	97,500	Contingency:	5.00 5.00 percent
	2,047,500	2,047,500	<b>MACC</b> (Maximum Allowable Construction Cost)	
	138,847	138,847	Fee:	6.78133726 <input type="text" value="New"/>
	0	0	Movable Equipment	
	0	0	first other	
	0	0	second other	
	113,653	113,653	Administration & Miscellaneous	
	2,300,000	2,300,000	<b>Total Cost</b>	

**6 Funding Request:** THIS REQUEST

0	0	STATE funds	
0	0	FEDERAL funds	
2,300,000	2,300,000	Local and Institutional Funds	Plant Funds - Auxiliary

**7 Previous SBC Approved Funding:**

	fund year	description
already approved for existing SBC project	0	
0	0	
0	0	
plus This Request	0	
2,300,000	0	

**8 SBC Action:** If an existing project, SBC Project No.: NA  
 Action Date: SBC Action:

**9 Designer:** Unassigned

7.2



## 3.2 Project Support Documentation sheet 1

Institution: [TTU](#)  
Project: [Chiller Addition](#)

### A. Architectural Program Scope (Program Objectives)

Install one 1500 Ton centrifugal chiller and a 1500 Ton cooling tower to expand the capacity of the existing chilled water system.

7.2

### B. Evidence of Physical Facility Need

The chiller plant capacity must be increased to support the additional load when the Innovation Center Residence Hall comes online in 2023.

### C. Historical Profile

The chiller plant was expanded and capacity was increased in 2017 to accommodate the additional load required by the Lab Sciences Building (2020), the Student Recreation & Fitness Center (2020), and the Engineering Building (2023). Space for this additional chiller was included in the 2017 building expansion.

### D. Related Requirements

### E. Summary Results and Date of Physical Facilities Survey

### 3.3 Project Support Documentation sheet-2

Institution: Tennessee Tech University

Project: Chiller Addition

#### E. Cost Basis for Construction Estimate and Other Costs

Cost estimate obtained from the Master Plan MEP consultant.

7.2

#### F. Project Schedule

18 months

#### G Campus or Architectural Program Impact

## External Funding

**Department:** Tennessee Higher Education Commission

**Institution:** Tennessee Tech University

**Project:** Chiller Addition

<b>2,300,000 Total External Funding</b>			
	Amount	Non-Appropriated Category	Specifics of Source
100%	2,300,000	Plant Funds (Auxiliary)	Housing Rental Income
0%	0	Plant Funds (Non-auxiliary)	
0%	0	Land Sale Proceeds	
0%	0	Access Fees	
0%	0	Student Fees	
0%	0	Gifts	
0%	0	Local Government	
0%	0	Federal Funds	
0%	0	TSSBA Revolving Credit Facility	Specify Term of Loan - 5 yr., 10 yr., etc.
0%	0	TSSBA (Long Term)	
0%	0	Other (Specify)	

7.2

Provide additional support information about the funding source(s) as needed:



# Agenda Item Summary

**Date:** December 1, 2020

**Division:** Internal Audit

**Agenda Item:** Report of Audit Activity

**Review**

**Action**

**No action required**

8.1

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**PRESENTERS:** Deanna Metts, Internal Audit Director

**PURPOSE & KEY POINTS:**

As required in Tennessee Code Annotated § 49-14-103, a report of Internal Audit's activities for December 2019 through November 2020 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.



## Agenda Item Summary

**Date:** December 1, 2020

**Division:** Internal Audit

**Agenda Item:** Approval of 2021 Audit Plan

Review

Action

No action required

9.1

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**PRESENTERS:** Deanna Metts, Internal Audit Director

**PURPOSE & KEY POINTS:**

An audit plan for calendar year 2021 is being provided to the Audit Committee for review and approval as required by the Tennessee Tech University Audit Committee Charter.

The plan lists each significant activity to be carried out in the Internal Audit department and tells the type of activity and functional area involved.

Each departmentally chosen audit on the schedule was selected using a model that considered six points:

1. Prior audit results (time since last internal audit, prior findings, state audit)
2. Internal controls in the area
3. Changes in the unit (key personnel, program, controls, volume, accounting system)
4. Size of the unit with regard to revenue collected, expenses, or number of transactions processed
5. Sensitivity of the unit (government regulation, political/legal climate, inherent, campus)
6. Management's concerns