



Middle Tennessee State University Finance and Personnel Committee

9:00 am CDT
Wednesday
May 30, 2018

MEC Training Room - 2nd Floor
Miller Education Center
503 East Bell Street
Murfreesboro, Tennessee 37132



Middle Tennessee State University Finance and Personnel Committee

Wednesday, May 30, 2018 – 9:00 am

ORDER OF BUSINESS

- I. Call to Order
- II. Roll Call
- III. Remarks by Board Chairperson / President
- IV. Approval of the Minutes
 - February 27, 2018 Committee Meeting (Action)..... Tab 1
- V. Approval of Policies (Action) Tab 2
- VI. Capital Outlay Project Submittal (Action)..... Tab 3
- VII. Capital Maintenance Projects Submittal (Action) Tab 4
- VIII. Tuition, Fees and Housing Rates (Action) Tab 5
- IX. Estimated 2017-18 / Proposed 2018-19 Operating Budgets (Action) Tab 6
- X. Compensation
 - a. Compensation Plan Revisions (Action) Tab 7
 - b. Allocation Methodology for Salary Pool (Action) Tab 8
- XI. Adjourn



**Middle Tennessee State University
Finance and Personnel Committee**

Wednesday, May 30, 2018

Tab 1

Approval of Minutes



**Middle Tennessee State University
Board of Trustees**

MEETING: Finance and Personnel Committee

SUBJECT: [Minutes of February 27 Finance and
Personnel Committee Meeting](#)

DATE: May 30, 2018

PRESENTER: Alan Thomas

ACTION REQUIRED: Voice Vote

STAFF RECOMMENDATION: Approval

BACKGROUND INFORMATION:

The Finance and Personnel Committee met on February 27, 2018. Minutes from this meeting are provided for your review and approval.

**MINUTES OF THE
FINANCE AND PERSONNEL COMMITTEE**

The Finance and Personnel Committee met on Tuesday, February 27, 2018 at Middle Tennessee State University. Chairman Joey Jacobs called the meeting to order at 1:00 p.m. Board Secretary Heidi Zimmerman called the roll. A quorum was present with the following Committee members in attendance: Joey Jacobs, Steve Smith, J.B. Baker, Darrell Freeman, Pete DeLay, Tony Johnston and Lindsey Weaver. Also present were Trustee Pam Wright; Sidney A. McPhee, President; Alan Thomas, Vice President for Business and Finance; Mark Byrnes, University Provost; Bruce Petryshak, Vice President for Information Technology and Chief Information Officer; Joe Bales, Vice President for University Advancement; Debra Sells, Vice President for Student Affairs and Vice Provost for Enrollment and Academic Services; Andrew Oppmann, Vice President for Marketing and Communications; Heidi Zimmerman, University Counsel and Board Secretary; and, Chris Massaro, Director of Athletics.

The first item on the agenda was approval of the minutes from the January 25, 2018 Finance and Personnel Committee meeting. Trustee Freeman moved to approve the minutes and Trustee DeLay seconded the Motion. Chairman Jacobs asked for any discussion. Trustee Weaver made a request for future meeting minutes to reflect the actual votes of individual trustees during a roll call vote. Ms. Zimmerman responded that the Committee could choose to make this a general rule for roll call voting, or they could choose to record individual votes as requested by a Committee member for a particular vote. Chairman Jacobs responded that recording individual votes as requested by a Committee member would be the preferable process. A voice vote was taken and the Motion to approve the minutes from the January 25, 2018 Finance and Personnel Committee meeting carried.

The second item on the agenda was a recommendation for approval of the promulgation of a rule concerning traffic, parking, and safety enforcement. Ms. Zimmerman explained that promulgating a rule specifically for this area is required by statute. Additionally, revisions were made to related Policy 775 Traffic, Parking, and Safety Enforcement to maintain consistency with

the rule and would also require approval by the Board. Chairman Jacobs called for a motion to recommend promulgation of the traffic, parking, and safety enforcement rule and revisions to the related policy. Ms. Zimmerman instructed that a voice vote on the rule by the Committee was needed for this meeting, and a roll call vote by the full Board would be required at the next Board of Trustees meeting in March. The motion was made by Trustee Freeman and seconded by Trustee DeLay. A voice vote was taken and the motion to recommend promulgation of the Traffic, Parking, and Safety Enforcement rule and revisions to the related Policy 775 Traffic, Parking, and Safety Enforcement carried.

The third item on the agenda concerned updates on the Governor's Budget. Mr. Thomas gave the Committee a brief summary of the Governor's FY 2018-19 budget recommendations and presented materials outlining the financial impact to the University. He stated that the only new document provided in the materials was a memorandum from THEC containing an overall summary of the budget proposal's impact on higher education. Discussion of budget highlights relating to the University's needs and priorities followed. Dr. McPhee expressed gratitude to THEC Executive Director, Mike Krause, for the Commission's support and his complimentary remarks made to the House Finance, Ways and Means Committee regarding MTSU's submission of a general academic classroom building. Mr. Thomas informed the Committee that Dr. McPhee would be attending the State Building Commission (SBC) meeting on March 8th to receive approval of the early design proposal for the new classroom building. Plans are for the new building to house several departments of MTSU's College of Behavioral and Health Sciences. On a final note in the budget discussion, Dr. McPhee informed the Committee that Senator Bill Ketron was putting through a bill for a forensic center that would be a partnership between Rutherford County and MTSU. The project could add some additional funds to the budget. Trustee Johnston asked if the University could submit institutional proposals directly to THEC or the state legislature for earmarks to fund projects that create research and income opportunities for the University. Dr. McPhee responded that this type of funding was built into the budget at the discretion of the Governor and his staff. He noted that the University had always received their share of funding for projects outside of formula funding through the efforts of our legislative delegation.

The fourth item on the agenda was discussion of the University Budget. Mr. Thomas explained to the Committee that the Department of Finance and Administration annually requests state agencies to prepare a budget scenario that includes a reduction in state appropriations. For the 2018-19 fiscal year, the department requested a 2.5 percent reduction scenario. This would result in a reduction in state appropriations of \$34.8 million for all of higher education and a reduction of approximately a \$3.5 million for MTSU. Each division, department and college was requested to review their budget and provide information related to the impact of such a reduction on their respective area. Mr. Thomas noted that since personnel costs make up seventy percent of the University's budget, the greatest impact would be to positions, both vacant and filled. Mr. Thomas informed the Committee that the University was not aware of any plans the state had to require these budget reductions; however, the University felt this exercise was a necessary stress test in the event these reductions become part of the final State Budget.

The fifth item on the agenda concerned the Regional Scholars Program. Mr. Thomas presented materials to the Committee containing two scenarios for expansion of the current program and an analysis of the possible effects of each on University revenue:

- Expanding the program to include the entirety of all border states;
- Expanding the program to include students from all 50 states.

Dr. McPhee asked Vice President Sells to discuss how current processes would need to change to accommodate each of the possible expansion scenarios. She also explained to the Committee how the Academic Common Market program would factor in with the proposed expansion. After much discussion on various ways to create affordable enrollment opportunities for out-of-state students, it was agreed by the Committee that the most important concern of any proposal would be to maintain the University's academic integrity.

The final item on the agenda was a capital outlay update presented by Bill Waits, Interim Assistant Vice President for Campus Planning. Mr. Waits presented materials to the Committee explaining how Capital Outlay Project requests are assessed and scored by the THEC staff. He also presented information sheets on the Applied Engineering Building project and new Concrete and Construction Management Building. He noted that both projects allow for the future demolition of

the Voorhies Engineering Building. Trustee DeLay asked if consideration should be given to the renovation and retrofitting of Voorhies rather than construction of a new facility. Mr. Waits explained that renovation of Voorhies had been considered, but construction of a custom tailored building to meet the needs of MTSU's unique Concrete and Construction Management program as part of the current Master Plan was determined to be the more feasible plan. It was also noted that the current Master Plan calls for demolition of Voorhies, and since part of the scoring of capital projects now includes alignment with an institution's Master Plan, a change in plans at this time could affect the points awarded for the project. Dr. McPhee advised the Committee that the University would need to decide which building project should be submitted to THEC in July for consideration of 2019-20 capital project funding if only one project was allowed for each LGI. He informed the Committee that his recommendation would be to resubmit the Applied Engineering Building project as it ranked high on THEC's project list last year. Mr. Thomas indicated the final decision would come back to the Finance and Personnel Committee in May and then be submitted for approval by the full Board of Trustees in June. The meeting ended with a discussion of current plans for acquiring properties under the Campus Master Plan. Trustee Baker encouraged Dr. McPhee and his staff to remain proactive in their efforts to secure ownership of properties surrounding the MTSU campus.

The meeting adjourned at 2:25 p.m.

Respectfully submitted,
Finance and Personnel Committee



**Middle Tennessee State University
Finance and Personnel Committee**

Wednesday, May 30, 2018

Tab 2

Approval of Policies



**Middle Tennessee State University
Board of Trustees**

MEETING: Finance and Personnel Committee

SUBJECT: [Approval of Policies](#)

DATE: May 30, 2018

PRESENTERS: Alan Thomas
Bill Waits

ACTION REQUIRED: Voice Vote

STAFF RECOMMENDATION: Approval

BACKGROUND INFORMATION:

With the forthcoming July 1 severance of MTSU from the Tennessee Board of Regents in the areas of procurement and capital management, the related MTSU policies need to reflect the new processes and procedures required for its new designation as a State Procurement Agency (SPA).

Currently, MTSU Capital Management Policy and Procurement Policy sections directly reference TBR Policy. The newly created MTSU Policies were drafted using corresponding TBR Policies as a template and revised to reflect the new internal procedures and approval processes that will be in place after severance on July 1, 2018.

The meeting materials include copies of the following MTSU Policies recommended for approval by the Board:

- 620 Campus Master Plans
- 622 Acquisition and Disposal of Real Property

The following are other related policies recommended for approval by the President:

- 621 Facilities and Design
- 623 Lease Standards
- 631 Procurement and Contract Standards

Middle Tennessee State University
Finance and Personnel Committee
Policies Recommended for Board of Trustees Approval

Copies of the following policies are included in the attached meeting materials.

Policy No.	Policy Name	Purpose
620	Campus Facility Master Plans	This policy sets forth the responsibilities relative to the Middle Tennessee State University's campus master plan, which provides guidance for future development of the physical campus necessary to provide quality instructional and service facilities.
622	Acquisition and Disposal of Real Property	This policy establishes procedures for the acquisition and disposal of real property at Middle Tennessee State University.

Middle Tennessee State University
Finance and Personnel Committee
Policies Recommended for President Approval

Policy No.	Policy Name	Purpose
621	Facilities and Design	This policy sets forth responsibilities relative to the planning and design of facilities on the Middle Tennessee State University campus property.
623	Lease Standards	This policy sets forth real property leasing procedures for Middle Tennessee State University.
631	Procurement and Contract Standards	This policy establishes the criteria and process for execution of procurements for Middle Tennessee State University and is not intended to cover all State of Tennessee policies and guidelines, or all possible issues that may arise while reviewing purchases or contracts. Rather, it is intended to give a general process for how to address purchasing issues. This policy is subject to regular update, revision, and improvement.



620 Campus Facility Master Plans

Approved by Board of Trustees

Effective Date: July 1, 2018

Responsible Division: Business and Finance

Responsible Office: Campus Planning

Responsible Officer: Assistant Vice President, Campus Planning

I. Purpose

This policy sets forth the responsibilities relative to the Middle Tennessee State University's (MTSU or University) campus facility master plan, which provides guidance for future development of the physical campus necessary to provide quality instructional and service facilities.

II. Campus Facility Master Plans

- A. The campus facility master plan should be internally reviewed by Campus Planning staff at least every two (2) years.

If an update to the existing master plan is deemed necessary and approved by the President and the Board of Trustees (Board), the University should document the need and initiate retainage of a professional consultant according to State Building Commission (SBC) and Tennessee Higher Education Commission (THEC) Policy.

- B. New master plans and updates shall be prepared by professional consultants appointed by the SBC. The new master plan or master plan update shall be approved by the Board, submitted to THEC for review and comment, and approved by the SBC.
- C. A new campus facility master plan or master plan update must be completed by the University at least once every ten (10) years.
- D. The development, execution, timeliness, and scope of campus facility master plans shall be performed in accordance with current THEC Master Plan Guidelines.
- E. New building construction or additions should be addressed in the master plan prior to the submission for funding to THEC.

- F. The costs of obtaining consultant services for campus facility master plans should be funded by the University.

- G. The content of the campus facility master plan includes, but is not limited to, the following items:
 - 1. Academic mission;
 - 2. Enrollment;
 - 3. Student services;
 - 4. Capital projects;
 - 5. Parking;
 - 6. Space need, as defined by THEC's Space Allocation Guidelines and space utilization;
 - 7. Land acquisition and disposal; and
 - 8. Site, environmental, and utility issues.

Forms: none.

Revisions: none.

References: THEC Policy F4.1, THEC Master Plan Guidelines, T.C.A. § 49-7- 202, § 49-7-1002, § 49-8-203.



622 Acquisition and Disposal of Real Property

Approved by Board of Trustees

Effective Date: July 1, 2018

Responsible Division: Business and Finance

Responsible Office: Campus Planning

Responsible Officer: Assistant Vice President, Campus Planning

I. Purpose

This policy establishes procedures for the acquisition and disposal of real property at Middle Tennessee State University (MTSU or University).

II. Introduction

- A. Authorization. Pursuant to T.C.A. § 49-8-203(a)(3), the University has the authority, whether by gift or purchase, to acquire and dispose of real property, condemn land, and to receive donations of property. See [Policy 135 Solicitation and Acceptance of Gifts](#).
- B. Title of Property Acquired. Property that is acquired shall be titled in the name of the MTSU Board of Trustees (Board) for the use and benefit of the University.
- C. All proposed acquisitions or disposals of real property, in any manner, shall be subject to the approval of the President. Any acquisitions or disposals that are outside of the Campus Master Plan acquisition area or require an amendment to the Campus Master Plan shall require Board approval.

III. Procedures

- A. The approval of land acquisition by purchase or condemnation shall be subject to the following procedures:
 - 1. The University shall submit to the Board and the Tennessee Higher Education Commission (THEC), for consideration and approval, a campus master plan or an amended master plan which indicates land acquisition needs.
 - 2. Upon approval of the campus master plan or an amendment to the campus master plan, the University may request a land acquisition by submitting the proper

documentation for each proposed acquisition to State of Tennessee Real Estate Asset Management Division (STREAM). The property acquisition or disposal request will be submitted by STREAM for submission to the State Building Commission (SBC) Executive Sub-Committee (ESC) for approval and shall be done in accordance with procedures established by the State Building Commission (SBC) By-laws, Policy and Procedure Item 8, T.C.A. §§ 4-15-102, 12-2-112 and 49-8-111.

After SBC ESC approval, STREAM staff will obtain a title commitment, an appraisal, option to purchase property, survey, and an Environmental Site Assessment Phase I report.

If an option to purchase property is signed by the seller, it will be submitted to the President for final approval to proceed with transaction through STREAM. If negotiations fail, the University may request that condemnation proceedings commence for acquisition of the property.

If acquisition of the property by purchase is approved, STREAM will be responsible for recording the warranty deed and forwarding the deed and title insurance to the University.

- B. Gift Property. Acquisition of any interest in real property by gift or devise that obligates the University, or State of Tennessee to expend State of Tennessee funds for capital improvements or continuing operating expenditures shall be approved by the SBC Executive Sub-committee in accordance with T.C.A. § 4-15- 102(d)(2), prior to acceptance by the University. See [Policy 135 Solicitation and Acceptance of Gifts](#).

IV. Inspection

Facilities evaluations and environmental identification inspections shall be conducted according to STREAM requirements.

V. Relocation Assistance

Persons, businesses, farms, and non-profit organizations relocated by State real property acquisition projects are eligible for relocation assistance in accordance with the provisions of T.C.A. § 13-11-101 et seq., and the Federal Uniform Relocation Assistance and Land Acquisition Policies Act of 1970, as administered by the Department of Finance and Administration.

VI. Proceeds from Sale of Real Property

- A. The receipts from the sale or conveyance of real property shall be deposited in the capital outlay fund of the selling institution in accordance with T.C.A. § 49-8-111.

- B. However, if the receipts are the result of a devise or gift which designated the purpose of the gift for a particular use, any funds from a sale or conveyance of the property may be transferred from the capital outlay fund of the selling institution to the appropriate account in order to effectuate the donor's intent.

Forms: none.

Revisions: none.

References: SBC By-laws, Policy and Procedure Item 8, T.C.A. §§ 4-15-102; 12-2-112; 49-8-111; § 49-8-203(a)(3); Policy 135 Solicitation and Acceptance of Gifts.



**Middle Tennessee State University
Finance and Personnel Committee**

Wednesday, May 30, 2018

Tab 3

Capital Outlay Project Submittal



**Middle Tennessee State University
Board of Trustees**

MEETING: Finance and Personnel Committee

SUBJECT: [Capital Outlay Project Request](#)

DATE: May 30, 2018

PRESENTER: Bill Waits, Campus Planning

ACTION REQUIRED: Voice Vote

STAFF RECOMMENDATION: Approval

BACKGROUND INFORMATION:

The proposed capital outlay project for FY 2019-20 is a new facility to house the School of Concrete and Construction Management (SCCM).

The 2016 Campus Master Plan documents the need for a new SCCM building and lists this a “highest priority” project.

To clear land for this new building, Abernathy and Ezell Halls must be demolished. Chilled water plant upgrades and other utility work are also needed to support the new building and allow for future development to the East Quad.

The following materials provide a brief summary of the work and are submitted for Board review and approval.



Capital Outlay Project Submittal FY 2019-2020

School of Concrete and Construction Management (SCCM) Building

The construction of a 54,000 square foot School of Concrete and Construction Management (SCCM) Building is required to meet current and future educational, research, and service needs for Middle Tennessee State University. The SCCM building is listed as a “Highest Priority” project in the Campus Master Plan.

In order to construct the new SCCM building, an addition will be required to the Satellite Chiller Plant to increase chilled water capacity along with a host of utility lines that will serve not only this facility, but future development of the East Quad. To ready the proposed site for development, Abernathy and Ezell Hall need to be demolished. These three projects are all listed as “highest priority” projects in the Campus Master Plan.

SCCM Programs

SCCM offers the following degrees:

- Concrete Industry Management (Bachelor of Science) with concentrations in Concrete Contracting or Production, Sales, and Service
- Construction Management (Bachelor of Science) with concentrations in Commercial Construction Management, Electrical Construction Management, and Land Development/Residential Building Construction Management
- Concrete Industry Management (M.B.A.) an executive degree program that primarily offers online delivery to draw students from the industry nationally and internationally. This degree is the only of its kind in the nation.

Over the last 20 years, the Concrete Industry Management (CIM) program alone has graduated 835 students with a known 80% retention of alumni in the concrete industry. Of this number, 435 are living and working in the state of Tennessee. MTSU is one of four universities with a CIM degree and seeks to solidify its flagship status with a facility custom-tailored to the needs of the program.

Current Facility

The SCCM programs are currently housed in the Voorhies Engineering Building and the E.W. Midgett Building. Both of these structures are deficient regarding existing program suitability for SCCM and physical building condition. The 2016 Campus Master Plan lists the demolition of both of these buildings as “high priority” projects.

2016 Campus Master Plan Facility Assessment			
Building Name	Year Built	Physical Building Rating	Existing Program Suitability
Voorhies Engineering Building	1942	D	C
E.W. Midgett Building	1959	D	D

Capital Outlay Project Submittal FY 2019-2020 School of Concrete and Construction Management (SCCM) Building

Programmed Spaces

The new SCCM facility will house general classrooms, laboratories, and faculty and staff offices for the School of Concrete and Construction Management. Due to the technical nature involved with SCCM programs, the facility will contain a large area devoted to laboratory spaces. While many of the laboratory spaces are programmed with specific uses in mind, they will be designed with flexibility to accommodate future usage.

Space List:

- **8 Educational and Research Labs** - Building Materials Lab, Undergraduate Wet Lab, Soils Lab, Student Projects Lab, Dedicated and Open Computer Lab, and Batching Simulation Lab
- **4 Master Classrooms** – Seating capacities of (24,36, & 48 Students)
- **Tiered Seminar Room** – Seating capacity of 200 with large theater type seating
- **Student Study / Breakout Space** – informal areas for students to study and to meet with faculty
- **20 SCCM Faculty and Staff Offices**
- **Large Conference Room** – seating for 40
- **3 Program Advisor Rooms**

Support Projects

Satellite Chiller Plant Addition \$5,800,000 estimated construction

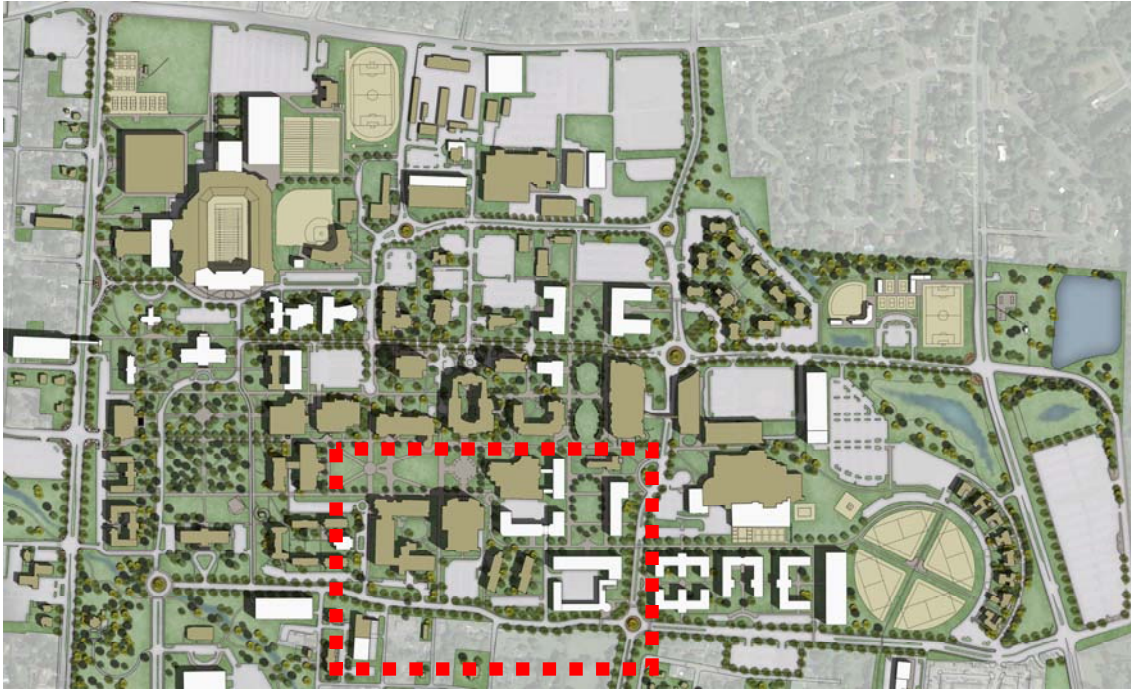
- 3,700 square foot addition to the Satellite Chiller Plant building
- New 1,500 ton chiller, cooling tower, and associated pumps
- New steam and chilled water lines to East Quad to serve SCCM and Applied Engineering Buildings
- New natural gas, domestic water, and sanitary sewer utilities
- Site electrical work to service new buildings including a partial relocation of existing lines and primary and secondary feeds, and two pad mounted transformers
- Telecommunications and Fiber Optic lines

Abernathy & Ezell Demolition and occupant relocation / renovation

- Abatement of asbestos containing materials or other hazardous materials in the existing buildings
- Demolition of Abernathy + Ezell Hall buildings (105,000 GSF) and site utilities
- Relocation of recording studios, lab, office, and storage space currently in use by Department of Recording Industry. Given the nature of HVAC, electrical, and acoustical requirements of recording studio spaces, the renovation of existing spaces to accommodate this use will be extensive.

Capital Outlay Project Submittal FY 2019-2020
School of Concrete and Construction Management (SCCM) Building

PROPOSED SITE



Future Buildings:

1. SCCM Building
2. Chiller Plant Addition
3. Applied Engineering
4. Math & Computer Science

Existing Buildings:

5. Walker Library
6. Bragg Media
7. Deere Hall
8. Nicks Hall
9. Science Building

Site Vicinity Plan - East Quad

The proposed new location of the CCM Building is identified in the Campus Master Plan at the southern end of the East Quad. This location will group the new proposed SCCM, Math and Computer Science, and Applied Engineering buildings along with the existing Science Building together to create an **academic neighborhood focused on STEM and STEM disciplines.**

Capital Outlay Project Submittal FY 2019-2020 School of Concrete and Construction Management (SCCM) Building

<u>SCCM Square Footage</u>	<u>Estimated Cost</u>
28,000 Net Square Feet	\$31,600,000 MACC (max. allowable construction cost)
54,000 Gross Square Feet	\$40,100,000 Total Project

DB70 Form - Project Request

1 Department: Tennessee Higher Education Commission
Institution: Middle Tennessee State University
Project: School of Concrete and Construction Management
City/County: Murfreesboro / Rutherford

2 Fiscal Year: 2019/ 2020

3	<input checked="" type="checkbox"/> Capital Outlay	New	Reno/Maint
	<input type="checkbox"/> Capital Maintenance	54,000 Gross Sq.Ft.	4,400
	<input type="checkbox"/> Disclosure	28,000 Net Sq.Ft.	0
	<input type="checkbox"/> Designer Required	380.00 Cost/Sq.Ft.	250.00

4 Project Description:

Construct a facility to house general classrooms, laboratories, faculty and staff offices for the School of Concrete and Construction Management. In support of this project and future development of the East Quad, an addition and capacity upgrade to Satellite Chiller Plant and utility work including steam, chilled water, sanitary sewer, water, natural gas, and electrical work. To prepare the building site location, demolition of Abernathy and Ezell Halls is included. Relocation of Department of Recording Industry studio, lab, and office space out of Ezell Hall and renovation of spaces to accommodate these uses is included in scope of project.

5	Total Project	Allocation	Estimated Building Construction Cost:	21,620,000
	21,620,000.00	21,620,000.00	Building Construction	
	8,475,000.00	8,475,000.00	Site & Utilities	
	150,000.00	150,000.00	Built-in Equipment	
	30,245,000.00	30,245,000.00	Bid Target	
	1,355,000.00	1,355,000.00	Contingency:	4.48 4.48 percent
	31,600,000.00	31,600,000.00	MACC (Maximum Allowable Construction Cost)	
	1,741,818.00	1,741,818.00	Fee:	35/LogP-1.15 = 5.51208265 New
	4,000,000.00	4,000,000.00	Movable Equipment	
	1,260,000.00	1,260,000.00	Demo/HazMat Abernathy Ezell	
	450,000.00	450,000.00	Pre-Con, Comm	
	1,048,182.00	1,048,182.00	Administration & Miscellaneous	
	40,100,000.00	40,100,000.00	Total Cost	

6 Funding Request:	THIS REQUEST
40,100,000.00	40,100,000.00 STATE funds
0.00	0.00 FEDERAL funds
TBD	TBD Local and Institutional Funds Plant Funds + Gifts



**Middle Tennessee State University
Finance and Personnel Committee**

Wednesday, May 30, 2018

Tab 4

Capital Maintenance Projects Submittal



**Middle Tennessee State University
Board of Trustees**

MEETING: Finance and Personnel Committee

SUBJECT: [Capital Maintenance Request: FY 2019-20](#)

DATE: May 30, 2018

PRESENTER: Joe Whitefield

ACTION REQUIRED: Voice Vote

STAFF RECOMMENDATION: Approval

BACKGROUND INFORMATION:

The Board of Trustees is charged with approving the Capital Maintenance project requests for Middle Tennessee State University for FY 2019-20 in conjunction with instructions received from the Tennessee Higher Education Commission (THEC).

This presentation provides the documentation to be submitted to THEC including:

- Summary of Capital Maintenance potential project requests for five years, FY 2019-20 thru FY 2023-24
- Capital Maintenance requests for five (5) projects for FY 2019-20 totaling \$8,120,000

In addition to the project request documentation, the THEC FY 2019-20 Governing Board Maintenance Pools and Allocation has been provided.

Upon this Committee's recommendation and the Board of Trustee's approval at the June 2018 meeting, this information will be submitted to THEC.

THEC FY2019-20 Governing Board Maintenance Pools and Allocation

(Total Recommendation \$120,000,000)

Governing Board	Maintenance Pool (%)	Maintenance Allocation (\$)
MTSU	6.8%	\$8,120,000
APSU	3.1%	\$3,670,000
ETSU	7.7%	\$9,250,000
TSU	5.2%	\$6,220,000
TTU	5.1%	\$6,170,000
UoM	12.4%	\$14,830,000
LGI's Subtotal	40.2%	\$48,260,000
UT System Subtotal	39.9%	\$47,890,000
TBR System Subtotal	19.9%	\$23,850,000
Grand total	100%	\$120,000,000

Note: Recent MTSU Capital Maintenance Allocation by FY
 FY2018-19; \$8.2million (7 projects)
 FY2017-18; \$8.9million (5 projects)
 FY2016-17; \$6.7million (5 projects)
 FY2015-16; \$2.6million (1 project)
 FY2014-15; \$1.3million (1 project)

Capital Maintenance Request: FY2019-20

Governing Board: Tennessee Higher Education Commission
2019-20 Maintenance Allocation: \$ 8,120,000

Fiscal Year	Priority*	Institution	Project	Project Cost	Project Description
2019-20	1	MTSU	Several Buildings Roof Replacements	\$ 600,000	Replace roofs, for various buildings, that are out of warranty and in need of major repairs. (WP, Cogen, and Chiller Plant)
2019-20	2	MTSU	KOM Mechanical, HVAC, Fire Protection, Lighting & Ceiling Upgrades	\$ 4,705,000	Update HVAC, heating, ventilation, fire protection and exhaust systems. Replace ceilings throughout and lighting where required.
2019-20	3	MTSU	Stark Ag/Police Station Mechanical & HVAC Upgrades	\$ 1,965,000	Mechanical & HVAC upgrades in the Stark Ag Building and Police Station.
2019-20	4	MTSU	Campus Stormwater BMP Phase I	\$ 450,000	Stormwater improvements to meet best management practices.
2019-20	5	MTSU	Miller Education Center Boiler Replacement	\$ 400,000	Replacement of boilers within the building.
Total Project Cost				\$ 8,120,000	

* Requests are not limited to 10. Insert more rows if there are more projects to recommend. Total costs must fall within allocation.

Capital Maintenance Out-Year: FY 2020-2024

Fiscal Year	Priority	Institution	Project	Project Cost	Project Description
2020-21	1	MTSU	Life Safety Fire Alarm System Upgrades Phase II	\$ 800,000	Fire alarm system upgrades and testing.
2020-21	2	MTSU	Elevator Modernization Phase III	\$ 1,000,000	Modernization of elevators in several buildings to improve reliability and address current codes.
2020-21	3	MTSU	Several Buildings Window Replacement	\$ 2,700,000	Replace aging windows due to age and inefficiencies. (complete prior to HVAC projects)
2020-21	4	MTSU	Several Buildings Roof Replacements	\$ 1,400,000	Replace roofs, for various buildings, that are out of warranty and in need of major repairs.
2020-21	5	MTSU	Sidewalk Repair/Replacement Phase I	\$ 650,000	Repairs & replacement of sidewalks to improve safety and address codes.
2020-21	6	MTSU	Domestic Water & Sewer System's Updates Phase II	\$ 1,500,000	Repairs/replacement of existing sewer and domestic water system sections across campus.
2021-22	1	MTSU	KUC Mechanical and HVAC Upgrades Phase II	\$ 1,500,000	Upgrade distributed Mechanical and HVAC systems including piping systems and control devices
2021-22	2	MTSU	Steam/Condensate & Manhole Repair/Replacement Phase III	\$ 1,500,000	Replacement of aged steam/condensate lines and rebuild manholes.
2021-22	3	MTSU	Several Buildings Plumbing & Restroom Upgrades	\$ 2,950,000	Plumbing & restroom upgrades, in several buildings, to improve functionality and meet current codes.
2021-22	4	MTSU	Several Buildings Roof Replacements	\$ 750,000	Replace roofs, for various buildings, that are out of warranty and in need of major repairs.
2021-22	5	MTSU	Several Building Pnuematic Controls Replacements	\$ 650,000	Replacement of aged pneumatic control systems and devices with electronic ddc devices in several buildings .
2021-22	6	MTSU	Elevator Modernization Phase IV	\$ 750,000	Modernization of elevators in several buildings to improve reliability and address current codes.

2022-23	1	MTSU	JUB Building Mechanical, HVAC, Windows, Ceiling Upgrades	\$ 2,550,000	Mechanical and HVAC upgrades and ceiling replacements in building to improve reliability and meet codes. (coordinate with window project)
2022-23	2	MTSU	Life Safety Fire Alarm System Upgrades Phase III	\$ 650,000	Fire alarm system upgrades and testing.
2022-23	3	MTSU	Pump and VFD Replacement	\$ 1,200,000	Replacement of pump & VFD systems for utility systems.
2022-23	4	MTSU	Chilled Water Valve Replacements	\$ 650,000	Replacement of chilled water valves in major chilled water lines .
2022-23	5	MTSU	Campus Stormwater BMP Phase II	\$ 650,000	Stormwater improvements to meet best management practices.
2022-23	6	MTSU	Womack Lane Switchgear Replacement	\$ 815,000	Replace primary electrical switchgear.
2022-23	7	MTSU	Sidewalk Repair/Replacement Phase II	\$ 650,000	Repairs & replacement of sidewalks to improve safety and address codes.
2022-23	8	MTSU	Several Buildings Roof Replacements	\$ 950,000	Replace roofs, for various buildings, that are out of warranty and in need of major repairs.
2023-24	1	MTSU	Steam/Condensate & Manhole Repair/Replacement Phase IV	\$ 1,500,000	Replacement of aged steam/condensate lines and rebuild manholes.
2023-24	2	MTSU	Jones Hall Mechanical, HVAC, Lighting, Ceiling Upgrades	\$ 2,500,000	Mechanical and HVAC upgrades and ceiling replacements in building to improve reliability and meet codes. (coordinate with window project)
2023-24	3	MTSU	Several Buildings Plumbing Upgrades	\$ 1,250,000	Plumbing upgrades, in several buildings, to improve functionality and meet current codes.
2023-24	4	MTSU	PMH Gear Replacement	\$ 938,000	Replace pad mounted electrical switchgear.
2023-24	5	MTSU	Several Building Mechanical, HVAC, Lighting, Ceiling Upgrades	\$ 2,500,000	Mechanical and HVAC upgrades and ceiling replacements in buildings to improve reliability and meet codes. (coordinate with window project)

DB70 Form - Project Request

1 Department: Tennessee Higher Education Commission
Institution: Middle Tennessee State University
Project: Several Buildings Roof Replacement
City/County: Murfreesboro/Rutherford

2 Fiscal Year: 2019/ 2020

		New	Reno/Maint
<input type="checkbox"/>	Capital Outlay		
<input checked="" type="checkbox"/>	Capital Maintenance	0	33,994
<input type="checkbox"/>	Disclosure	0	0
<input checked="" type="checkbox"/>	Designer Required	0.00	15.59

4 Project Description:

Roof replacement for several buildings that are out of warranty and in need of major repairs. These buildings are the Central Plant (CoGen), Chilling Plant and Wisner Patten Science.

	Total Project	Allocation	Estimated Building Construction Cost:	
	481,500.00	481,500.00	Building Construction	529,966
	0.00	0.00	Site & Utilities	
	0.00	0.00	Built-in Equipment	
	481,500.00	481,500.00	Bid Target	
	48,500.00	48,500.00	Contingency: 10.07 percent	10.07
	530,000.00	530,000.00	MACC (Maximum Allowable Construction Cost)	
	50,691.00	50,691.00	Fee: 35/LogP-1.15 = 7.65148430	Renovation
	0.00	0.00	Movable Equipment	
	0.00	0.00	first other	
	0.00	0.00	second other	
	19,309.00	19,309.00	Administration & Miscellaneous	
	600,000.00	600,000.00	Total Cost	

6 Funding Request:	THIS REQUEST	
600,000.00	600,000.00	STATE funds
0.00	0.00	FEDERAL funds
0.00	0.00	Local and Institutional Funds

7 Sources of Available Funding:	fund year	description
already approved for existing SBC project	0.00	
0.00	0.00	
plus This Request	0.00	
600,000.00	0.00	

8 SBC Action: If an existing project, SBC Project No.: n/a

9 Designer: tba

Project Support Documentation - 1

Department: Tennessee Higher Education Commission

Institution: Middle Tennessee State University

Project: Several Buildings Roof Replacement

A. Program Scope:

Roof replacement for several buildings that are out of warranty and in need of major repairs. These buildings are the Central Plant (CoGen), Chilling Plant and Wiser Patten Science.

B. Evidence of Physical Facility Need:

Due to age and numerous reoccurring leaks, these roofs need to be replaced. Roof ages ranged from 1993-1998.

C. Historical Profile:

Central Plant (Co-Gen) - last replaced 1998

Chiller Plant - last replaced 1993

Wiser Patten Science - last replaced 1997

D. Related Requirements:

Roofing Value Campus Rating Campus Score Review Rating Review Score
 B30 7 60 4.2 100 7.0
 Items

Roofing	3	***
Parapets	NA	
Flashing	2	****
Drainage	3	***

Description

EPDM... ballasted
 Surface 11130 GSF; Gen Flex; EPDM ballasted system

Condition / Recommendation

N/A
 2014 Review – No recommendations
 2018 review- ballasted. Multiple leaks reported. Ballast has gotten into drains preventing drainage. North end showing signs of deterioration. Recommend replacement of roof. (See picture)

Roof Information

Type	Manufacturer	Location	Area	Year New	Warranty End
EPDM ballasted	GenFlex		11,130	1998	
(unknown)			0		Y
(unknown)			0		Y

Roofing Value Campus Rating Campus Score Review Rating Review Score
 B30 7 70 4.9 100 7.0
 Items

Roofing	3	***
Parapets	NA	
Flashing	2	****
Drainage	2	****

Description

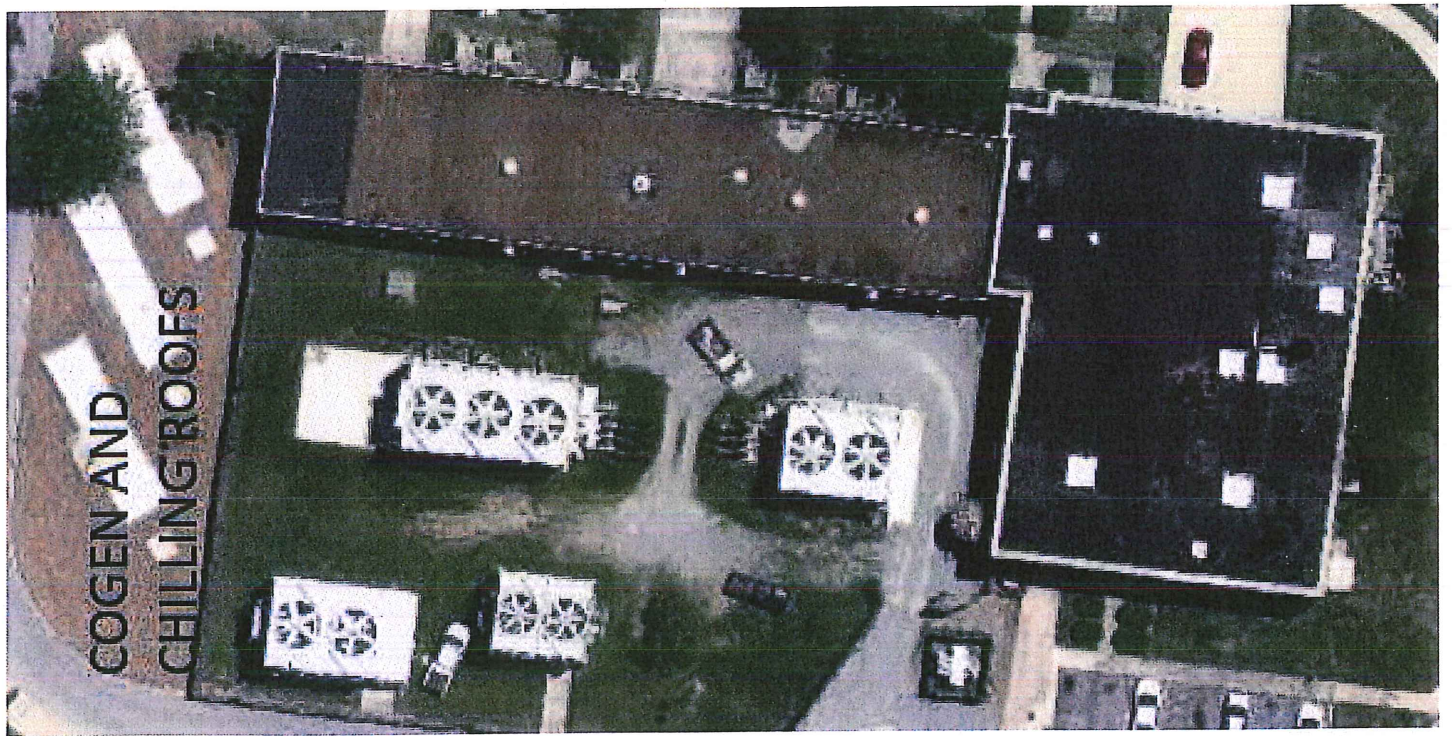
2014 Review- EPDM Firestone

Condition / Recommendation

2014 Review – No recommendations
 2018 review- Multiple reports of leaks. EPDM deteriorating. Water is ponding in areas. Recommend replacement. (See picture)

Roof Information

Type	Manufacturer	Location	Area	Year New	Warranty End
------	--------------	----------	------	----------	--------------



Roofing	Value	Campus Rating	Campus Score	Review Rating	Review Score
B30	7	80	5.6	100	7.0

Items

Roofing	2	****
Parapets	2	****
Flashing	5	*****
Drainage	2	****

Description

Relatively new EPDM non-ballasted roof with penetrations from vents, drains, electrical penthouse skylight, and several exhaust fans. Fully adhered, mechanically fastened. Management reports the roof has a 10 year warranty. Skylight located at the South East corner.

FEA- Concur.

Condition / Recommendation

No recommendations.

FEA- The skylight is in poor condition and reportedly leaks periodically. See photos.

2014 Review - No new recommendations.

2018 review- EPDM not fully adhered. Periodic leaks reported. Areas of roof ponding after rain. Roof drains not draining as designed. Recommend replacing. (See picture)

Roof Information

Type	Manufacturer	Location	Area	Year New	Warranty End	
EPDM 060 Mechanically Fastened	Firestone	total area	15,950	2000	2010-05-23	Y

WPS ROOF



DB70 Form - Project Request

1 Department: Tennessee Higher Education Commission
Institution: Middle Tennessee State University
Project: KOM Mechanical, HVAC, Fire Protection, Lighting & Ceiling Upgrades
City/County: Murfreesboro/Rutherford

2 Fiscal Year: 2019/ 2020

3	<input type="checkbox"/> Capital Outlay	New	Reno/Maint
	<input checked="" type="checkbox"/> Capital Maintenance	0	83,750
	<input type="checkbox"/> Disclosure	0	0
	<input checked="" type="checkbox"/> Designer Required	0.00	50.74

4 Project Description:

Replacement of the building's HVAC system including the associated electrical infrastructure, controls and installation of a new fire sprinkler system to improve the conditions in the building and improve life safety. Replace ceilings and affected lighting.

5	Total Project	Allocation	Estimated Building Construction Cost: 4,249,475
	3,840,000.00	3,840,000.00	Building Construction
	0.00	0.00	Site & Utilities
	0.00	0.00	Built-in Equipment
	3,840,000.00	3,840,000.00	Bid Target
	387,000.00	387,000.00	Contingency: 10.08 10.08 percent
	4,227,000.00	4,227,000.00	MACC (Maximum Allowable Construction Cost)
	337,710.00	337,710.00	Fee: 35/LogP-1.15 = 6.39148902 Renovation
	0.00	0.00	Movable Equipment
	10,000.00	10,000.00	first other Moving costs
	4,000.00	4,000.00	second other Rework Cable
	126,290.00	126,290.00	Administration & Miscellaneous
	4,705,000.00	4,705,000.00	Total Cost

6 Funding Request:	THIS REQUEST	
4,705,000.00	4,705,000.00	STATE funds
0.00	0.00	FEDERAL funds
0.00	0.00	Local and Institutional Funds

7 Sources of Available Funding:	fund year	description
already approved for existing SBC project	0.00	
0.00	0.00	
plus This Request	0.00	
4,705,000.00	0.00	

8 SBC Action: If an existing project, SBC Project No.: n/a

9 Designer: tba

Project Support Documentation - 1

Department: Tennessee Higher Education Commission

Institution: Middle Tennessee State University

Project: KOM Mechanical, HVAC, Fire Protection, Lighting & Ceiling Upgrades

A. Program Scope:

To provide needed and substantial repair and replacement of the building's HVAC systems and associated electrical infrastructure to address capital maintenance needs within the facility. Existing air handling systems, ductwork, piping, controls, terminal boxes, and ceilings will be replaced. A new fire sprinkler system will be installed to improve occupant safety. Replace hard ceilings and affected lighting.

B. Evidence of Physical Facility Need:

A need for repair/replacement is evident by the maintenance repair history, the age of the building, visual inspections, and the frequent occurrences of repairs and corrective maintenance.

C. Historical Profile:

KOM was constructed in 1910. The building consists of a 38 year old HVAC system that is 8-10 years past its anticipated life cycle. It is functional and in use but has an extensive list of capital maintenance needs.

D. Related Requirements:

Fire Protection	Value	Campus Rating	Campus Score	Review Rating	Review Score
D40	6	70	4.2	100	6.0
Items					

Sprinkler Systems	NA	
Standpipes	NA	
Fire Pump	NA	
Fire Extinguishers	S	*****
Fire Alarm System	3	***
Other Fire Protection Systems	NA	

Description

Capital project Oct 03 fire alarm system

Simplex alarm system.
 heat and smoke detectors.
 fire extinguishers.
 No sprinklers; no standpipes.
 FEA- Simplex 4020 system installed 2003. Heat and smoke detectors with horns and strobes including restrooms.

2014 review- Fire protection equipment is a Simplex 4020 Fire Detection and Alarm System without voice capability. This system has 67 smoke detectors, 0 heat detectors, 6 duct detectors, 85 signal devices, 1 annunciator, and 27 manual pull stations. It is on the Life Safety Network. 20 4A-80B-C portable fire extinguishers are installed IAW International Fire Code.

2016- 4020 panel, no heat detectors, 67 smoke and 6 duct detectors, 27 pull stations.

Condition / Recommendation

FEA- No recommendations.

2014 review- no recommendations
 2015 review- no recommendations
 2016 review-4020 panel is obsolete. Recommend replacement of 4020 panel due to no replacement parts available.
 2017 review- no additional recommendations
 2018 review- add sprinklers and stand pipes

Electrical	Value	Campus Rating	Campus Score	Review Rating	Review Score
D50	8	70	5.6	80	6.4

Items

System Capacity	U	*
Electrical Service and Distribution	3	***
Branch Wiring	2	****
Lighting	3	***
Special Electrical Systems	NA	
EMS / Controls	5	*****
Exit / Emergency Lights	2	****
Other Electrical Systems	NA	
Code Compliance	2	****

Description

General Electric service 3000amp 120/208v.

FEA- Concur.

2014 review- installed new breaker panel 2013
 2015- 2nd and 3rd floor hallway lights replaced.
 2016- emergency lighting replaced throughout with LED.
 2018 review - lighting for corridors is 1'X4' two lamp surface mounted fixtures. Various classrooms have surface mounted fixtures with others being 2'X4' parabolic and 2'X4' lenses.

Condition / Recommendation

Lighting is aged and can be reached without ladder, should be replaced with more secure type of lighting.
 Old wall mount battery pack emergency lights are aged, should be replaced/updated.
 Old service distribution system, needs updating.

FEA- The local distribution panels lack spare capacity. Provide additional distribution.

2014 review- no additional recommendations

2015 review- no additional recommendations

2016 review- system is at capacity and needs to be addressed. Main electrical systems are fused. Recommend updating to new switch-gear.

2018 review- Future projects of hard ceilings will require lighting fixtures to be replaced.

Interior Finishes

Value

Campus Rating

Campus Score

Review Rating

Review Score

C30

4

70

2.8

70

2.8

Items

Ceiling Finishes	2	****
Wall Finishes	2	****
Floor Finishes	2	****
Special Areas (Toilets)	4	**

Description

The interior finishes are painted.
 The floor finishes are VAT, concrete and ceramic tile.
 The ceiling finishes are painted.

FEA- Concur.

Condition / Recommendation

The toilets may not meet current ADA standards.
 Replace VAT.
 Repair cracks in ceilings and walls

FEA- Concur.

FEA- Wall paint deteriorated.

2011-Painted, replace tiles, improve lighting in 3rd floor main hall

2014 review- no changes

2015 review - issues still remain

2016 review - upgrade maybe required further investigations maybe needed.

2018 review - ceiling upgrade maybe needed as part of future project

HVAC	Value	Campus Rating	Campus Score	Review Rating	Review Score
D30	14	70	9.8	70	9.8

Items

Fuel Energy Supply Systems	S	*****
Heat Generation Systems	3	***
Heat Rejection Systems Refrigeration	3	***
Heat HVAC Distribution Systems	4	**
Heat Transfer Terminal & Package Units	4	**
HVAC Instrumentation and Controls	S	*****
HVAC Systems T A B	4	**
Other Special HVAC Systems & Equip	NA	

Description

Steam and chilled water is supplied by the campus central plant.
 AHUs: located on first floor.
 AHUs with CW and hot water reheats.
 Direct expansion (4 Trane units - 3 ton).

FEA- Concur.

2014 review- one AHU on first floor, one on roof
 DDC controls on AHUs, Freq drives added to AHUs
 three- 5 ton split A/C
 two- 3 ton split A/C
 two 4 ton split A/C
 two Carrier mini-split

2016- AHU2 replaced on roof

Condition / Recommendation

The heat and HVAC distribution system has rusty ducts.

Ductwork needs cleaning.

Controls need upgrading due to age; some controls do not work.

There are areas with significant air flow problems.

This is one of the oldest buildings (and HVAC systems) on campus.

FEA- Concur. See photos.

FEA- AHU duct insulation has deteriorated. The rooftop AHU bottoms are beginning to rust. The AHU have reached the end of their useful lives and should be replaced.

KOM two air handler's, one relief fan, heat exchanger, and pumps are controlled through the EMS. No rooms are controlled through the EMS

Provide DDC control fans temperature sensors humidity sensors fan inlet airflow measuring station removed duct mounted fan evaluators, static pressure sensors, VFD for supply sensor documentation

Replaced freeze stats return air relief pressure sensor downstream water valve and motor

See attachment for more details

2014 review- no additional recommendations

2015 review- no additional recommendations

2016 review- recommend mechanical upgrade- pneumatic VAV's at past life; controls in rooms concerning VAV's and reheats need upgrading; mix match of DX units and building comfort system need redesigning not to conflict.

2018 review- concur with 2016 review and recommendation. Ventilation also needs to be addressed and corrected with new HVAC system.

DB70 Form - Project Request

1 Department: Tennessee Higher Education Commission
Institution: Middle Tennessee State University
Project: Stark Ag/Police Station Mechanical & HVAC Upgrades
City/County: Murfreesboro/Rutherford

2 Fiscal Year: 2019/ 2020

		New	Reno/Maint
<input type="checkbox"/>	Capital Outlay		
<input checked="" type="checkbox"/>	Capital Maintenance	0	31,144
<input type="checkbox"/>	Disclosure	0	0
<input checked="" type="checkbox"/>	Designer Required	0.00	56.18

4 Project Description:

Removal and replacement of the existing mechanical, HVAC & controls equipment including any associated electrical systems to accommodate these upgrades in the buildings. Install a new fire sprinkler system in the Police Station and Stark Ag.

	Total Project	Allocation	Estimated Building Construction Cost:	
	1,590,000.00	1,590,000.00	Building Construction	1,749,670
	0.00	0.00	Site & Utilities	
	0.00	0.00	Built-in Equipment	
	1,590,000.00	1,590,000.00	Bid Target	
	160,000.00	160,000.00	Contingency: 10.06 percent	10.06
	1,750,000.00	1,750,000.00	MACC (Maximum Allowable Construction Cost)	
	150,327.00	150,327.00	Fee: 35/LogP-1.15 = 6.87212616	Renovation
	0.00	0.00	Movable Equipment	
	7,000.00	7,000.00	first other Moving	
	4,000.00	4,000.00	second other Rework Cable	
	53,673.00	53,673.00	Administration & Miscellaneous	
	1,965,000.00	1,965,000.00	Total Cost	

6 Funding Request:	THIS REQUEST	
1,965,000.00	1,965,000.00	STATE funds
0.00	0.00	FEDERAL funds
0.00	0.00	Local and Institutional Funds

7 Sources of Available Funding:	fund year	description
already approved for existing SBC project	0.00	
0.00	0.00	
plus This Request	0.00	
1,965,000.00	0.00	

8 SBC Action: If an existing project, SBC Project No.: n/a

9 Designer: tba

Project Support Documentation - 1

Department: Tennessee Higher Education Commission

Institution: Middle Tennessee State University

Project: Stark Ag/Police Station Mechanical & HVAC Upgrades

A. Program Scope:

Removal and replacement of the existing mechanical, HVAC & controls equipment including any associated electrical systems to accommodate these upgrades in the buildings. Installation of a new fire sprinkler system in the Police Station and Stark Ag. to improve the conditions in the buildings and improve life safety.

B. Evidence of Physical Facility Need:

The major HVAC systems in the building are original to the facility and are nearly 50 years old. These systems are well beyond their anticipated life expectancy and are in need of replacement to facilitate the changing needs of this facility.

C. Historical Profile:

The Stark Ag Building was constructed in 1967 and has not had a substantial HVAC replacement or upgrade since that time.

D. Related Requirements:

HVAC	Value	Campus Rating	Campus Score	Review Rating	Review Score
D30	14	60	8.4	100	14.0
Items					

Fuel Energy Supply Systems	S	*****
Heat Generation Systems	S	*****
Heat Rejection Systems Refrigeration	S	*****
Heat HVAC Distribution Systems	U	*
Heat Transfer Terminal & Package Units	U	*
HVAC Instrumentation and Controls	S	*****
HVAC Systems T A B	S	*****
Other Special HVAC Systems & Equip	NA	

Description

Direct expansion units for cooling (Freon) and heating (natural gas).
3 units - (2) 5 tons, (1) 7.5 ton

Condition / Recommendation

no recommendations
2014 review- no recommendations
2018 review- Units have reached the end of their useful life requiring constant repair. Replace all direct expansion units and redcut to account for recent remodeling.

Fire Protection	Value	Campus Rating	Campus Score	Review Rating	Review Score
D40	6	60	3.6	100	6.0

Items

Sprinkler Systems	NA	
Standpipes	NA	
Fire Pump	NA	
Fire Extinguishers	S	*****
Fire Alarm System	U	*
Other Fire Protection Systems	NA	

Description

Fire protection equipment is a Simplex 4190/TSW Fire Detection and Alarm System without voice capability. This system has 0 smoke detectors, 0 heat detectors, 0 duct detectors, 6 signal devices, 0 door holders, 0 annunciator, and 4 manual pull stations. it is on the Life Safety Network. 13 4A-80B-C portable fire extinguishers are installed IAW International Fire Code.

Condition / Recommendation

no recommendations
 2014 review- no changes
 2016 review- Building does not have fire detection system. Simplex 4100 is part of the network communication. The building is not on the Life Safety network to report fire or alarms. Fire protection is portable extinguishers.
 -Install fire protection equipment and connect to network.

HVAC	Value	Campus Rating	Campus Score	Review Rating	Review Score
D30	14	50	7.0	70	9.8
Items					

Fuel Energy Supply Systems	S	*****
Heat Generation Systems	NA	
Heat Rejection Systems Refrigeration	3	***
Heat HVAC Distribution Systems	4	**
Heat Transfer Terminal & Package Units	4	**
HVAC Instrumentation and Controls	4	**
HVAC Systems T A B	4	**
Other Special HVAC Systems & Equip	S	*****

Description

Steam and chilled water is supplied by the campus central plant. 4 pipe system, 2 AHUs, DDC controls AHUs (cold/hot deck boxes), converter, and trim valves AHU are original.

Condition / Recommendation

Replace unit coils.
 Preheat coils are in need of replacement due to holes.
 Dampers for mix and outside air need to be added.
 Unit shell needs re-insulating.
 Hot/Cold dect boxes should be checked for correct operations and replace where needed.
 System needs to be rebalanced.
 insulation duct is fair to poor, needs repair.
 OA coil is busted-louver is blocked off.
 chilled water coil is in poor condition.
 corridor return is a part of original design.
 DDC system does not function.

FEA - The HVAC system is aged, failing and is at the end of its useful life. The AHU shells have rusted, coils are leaking and duct insulation has deteriorated. Replace AHU system.
 FEA - The corridor is being used for return air. Reduct system with return air and fire dampers. Confirm that HVAC system is interlocked with Fire alarm to minimize corridor smoke. See photos.
 FEA - Fume hoods are constant volume and use room air for make-up. Install VAV fume hoods with outside make-up air.
 FEA - Hot water pumps/converter are original and at the end of useful life and should be replaced.

2014 review- see previous recommendations
 2016 review- air handling systems and the associated hydronic systems are well beyond their anticipated service life. Replacement of these systems is recommended.
 2017 review- same recommendations as 2016 review
 2018 review- same recommendations

Fire Protection	Value	Campus Rating	Campus Score	Review Rating	Review Score
D40	6	80	4.8	90	5.4

Items

Sprinkler Systems	NA	
Standpipes	NA	
Fire Pump	NA	
Fire Extinguishers	S	*****
Fire Alarm System	S	*****
Other Fire Protection Systems	NA	

Description

Building unsprinkled.
 The building does have portable extinguishers as well as manual alarms, smoke detectors, and audible alarms.
 The building does have exit signs, exit lighting and emergency power batteries.
 Simplex 4246-2.

FEA- Concur

New fire alarm system installed 1/21/07
 Includes new control panel, devices, elevator recall

2014 review- Fire protection equipment is a Simplex 4100U Fire Detection System with voice capability. This system has 95 smoke detectors, 2 heat detectors, 4 duct detectors, 40 signal devices, and 12 manual pull stations. It is on the Life Safety Network. 14 4A-80B-c portable fire extinguishers are installed IAW International Fire Code.

Condition / Recommendation

FEA- Install visual and audible fire alarm in restrooms.
 FEA- Dairy area lacks exit signage.

2014 review- no recommendations
 2017 review- fire system is obsolete, recommend upgrade

DB70 Form - Project Request

1 Department: Tennessee Higher Education Commission
Institution: Middle Tennessee State University
Project: Campus Stormwater BMP Phase I
City/County: Murfreesboro/Rutherford

2 Fiscal Year: 2019/ 2020

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

4 Project Description:

MTSU is now under EPA and TDEC's stormwater permit program and as a requirement of this permit must implement campus projects. This project will survey the campus stormwater conveyance systems identified, plan & construct new infrastructure for stormwater quantity improvements.

5	Total Project	Allocation	Estimated Building Construction Cost:	0
	890,000.00	359,000.00	Building Construction	
	0.00	0.00	Site & Utilities	
	0.00	0.00	Built-in Equipment	
	890,000.00	359,000.00	Bid Target	
	90,000.00	36,000.00	Contingency: 10.11 10.03 percent	
	980,000.00	395,000.00	MACC (Maximum Allowable Construction Cost)	
	88,562.00	38,863.00	Fee: 35/LogP-1.15 = 7.22957355	Renovation
	0.00	0.00	Movable Equipment	
	0.00	0.00	first other	
	0.00	0.00	second other	
	31,438.00	16,137.00	Administration & Miscellaneous	
	1,100,000.00	450,000.00	Total Cost	

6 Funding Request:	THIS REQUEST	
1,100,000.00	450,000.00	STATE funds
0.00	0.00	FEDERAL funds
0.00	0.00	Local and Institutional Funds

7 Sources of Available Funding:	fund year	description
already approved for existing SBC project	0.00	
0.00	0.00	
plus This Request	0.00	
450,000.00	0.00	

8 SBC Action: If an existing project, SBC Project No.: n/a

9 Designer: tba

Project Support Documentation - 1

Department: Tennessee Higher Education Commission

Institution: Middle Tennessee State University

Project: Campus Stormwater BMP Phase I

A. Program Scope:

Survey campus and map stormwater infalls, outfalls, and conveyances. Design water quality improvement BMP's per EPA and TDEC requirements. Build/implement BMP's as designed.

B. Evidence of Physical Facility Need:

In 2011, MTSU was required by EPA and TDEC to be covered under the state's stormwater permit. A requirement of the permit is to implement BMP's for stormwater quantity improvements. The State of Tennessee stormwater permit, describing general BMP requirements, is available upon request.

C. Historical Profile:

The MTSU campus consists of 133 permanent buildings with over 5.8 million sq. feet on 524 acres.

D. Related Requirements:

DB70 Form - Project Request

1 Department: Tennessee Higher Education Commission
Institution: Middle Tennessee State University
Project: Miller Education Center Boiler Replacement
City/County: Murfreesboro/Rutherford

2 Fiscal Year: 2019/ 2020

		New	Reno/Maint
<input type="checkbox"/>	Capital Outlay		
<input checked="" type="checkbox"/>	Capital Maintenance	0	129,466
<input type="checkbox"/>	Disclosure	0	0
<input checked="" type="checkbox"/>	Designer Required	0.00	2.68

4 Project Description:

Removal and replacement of two Cleaver-Brooks hot water boilers at the Miller Education Center.

5	Total Project	Allocation	Estimated Building Construction Cost:
	316,000.00	316,000.00	346,969
	0.00	0.00	Building Construction
	0.00	0.00	Site & Utilities
	0.00	0.00	Built-in Equipment
	316,000.00	316,000.00	Bid Target
	32,000.00	32,000.00	Contingency: 10.13 10.13 percent
	348,000.00	348,000.00	MACC (Maximum Allowable Construction Cost)
	34,668.00	34,668.00	Fee: 35/LogP-1.15 = 7.96979812 Renovation
	0.00	0.00	Movable Equipment
	0.00	0.00	first other
	0.00	0.00	second other
	17,332.00	17,332.00	Administration & Miscellaneous
	400,000.00	400,000.00	Total Cost

6 Funding Request:	THIS REQUEST	
400,000.00	400,000.00	STATE funds
0.00	0.00	FEDERAL funds
0.00	0.00	Local and Institutional Funds

7 Sources of Available Funding:	fund year	description
already approved for existing SBC project	0.00	
0.00	0.00	
plus This Request	0.00	
400,000.00	0.00	

8 SBC Action: If an existing project, SBC Project No.: n/a

9 Designer: tba

Project Support Documentation - 1

Department: Tennessee Higher Education Commission

Institution: Middle Tennessee State University

Project: Miller Education Center Boiler Replacement

A. Program Scope:

The existing boilers have required constant repair since purchase of the property. There have been numerous leaks and burner control problems. This project will correct issues with the constant need of repairs and attention required to maintain these boilers to facilitate the heating requirements of this facility.

B. Evidence of Physical Facility Need:

The facility was built in 1999 and the boilers were original to the building.

C. Historical Profile:

Facility built in 1999.

D. Related Requirements:

HVAC	Value	Campus Rating	Campus Score	Review Rating	Review Score
D30	14	60	8.4	100	14.0

Items

Fuel Energy Supply Systems	NA	
Heat Generation Systems	4	**
Heat Rejection Systems Refrigeration	NA	
Heat HVAC Distribution Systems	2	*****
Heat Transfer Terminal & Package Units	3	***
HVAC Instrumentation and Controls	3	***
HVAC Systems T A B	4	**
Other Special HVAC Systems & Equip	NA	

Description

2014 Review - Pneumatic controls for HVAC System; 8 AHU with chill water; hot water reheat to control space temp; 2 Chiller with new cooling tower (5/2014); 2 hot water boilers for domestic hot water and reheat; Boiler - Cleaver Brooks M/N CBE700-100, S/L L-97431 & S/L L-97432; Chillers - York MN - 2 @ YTG3A2C1-CJH, SN 1 @ GFCM 076318 & 1 @ GFCM 076319.

2017- 8 AHUs with chilled water; hot water reheats. 2 chillers with cooling tower (York). 2 hot water boilers (Cleaver Brooks).

Condition / Recommendation

2014 Review - Replace controls system with Siemens DDC controls and Frequent drivers need replacing on AHU units; AHU are in fair condition.

2017 recommendations- complete 1st and 2nd Siemens DDC controls (2017 in progress); 3rd floor Johnson Controls; 2017 investigative boiler repair ongoing.

2017- review- a functional test was performed in 2016 per the IBC code requirement that revealed a number of deficiencies in the smoke evacuation system. A project addressing operational issues, failed equipment, BAS panels updates, and the associated retro-commissioning effort is recommended.

2018 review- the two Cleaver Brooks hot-water boilers have reached the end of their useful life and are requiring constant attention and repair. They need to be replaced with new and more efficient boilers.



**Middle Tennessee State University
Finance and Personnel Committee**

Wednesday, May 30, 2018

Tab 5

Tuition, Fees and Housing Rates



**Middle Tennessee State University
Board of Trustees**

MEETING: Finance and Personnel Committee

SUBJECT: [Tuition, Fees and Housing Rates](#)

DATE: May 30, 2018

PRESENTER: Alan Thomas

ACTION REQUIRED: Voice Vote

STAFF RECOMMENDATION: Approval

BACKGROUND INFORMATION:

Under the FOCUS Act, the Tennessee Higher Education Commission's (THEC) approval now sets a binding range in which institutions can increase in-state maintenance fees, as well as a binding range for the combined in-state maintenance fees plus mandatory fees. For 2018-19, THEC guidance for both of these ranges has been set at 0 – 3%. The official binding ranges will be approved by THEC at the May 17, 2018 Commission meeting. The Finance and Personnel Committee will be updated if there are any changes in the ranges.

Attached you will find a calculation of the University's unmet financial needs for 2018-19. This amount is net of funds provided through new state appropriations. This additional financial need is comprised of funding for (1) the 2.5% State mandated salary increase for all employees, which is only partially funded by the State, (2) an additional salary pool to address market adjustments for employees, (3) faculty promotions, (4) new academic programs and student success initiatives, and (5) fixed cost increases for software maintenance agreements, scholarships and tuition discounts.

The materials in this section provide you with several comparisons of MTSU's historical fee rates to other public institutions in Tennessee, as well as comparisons to our THEC peers. The University is proposing a 2.84% increase in the in-state maintenance fee and out-of-state tuition for both undergraduate and graduate students. As you will notice, the proposed increase complies with THEC's guidance of 0 – 3%.

Schedules are provided showing the effect on current rates for students taking 15 credit hours. The new rates for 2018-19 are being provided for your approval.

In addition to tuition, materials are provided for both mandatory and non-mandatory fee requests, as well as housing rates. Only mandatory fees are subject to THEC's binding range. Non-mandatory fees and housing rates are only subject to approval by the MTSU Board of Trustees.

A summary of fees is provided at the end of this section for your approval. The total impact of the combined increase in maintenance / tuition and mandatory fees is a 2.88% increase on students taking 15 hours, which complies with THEC's total guidance of 0 – 3%.

In-State Maintenance Fees and Out-of-State Tuition

Suggested Student Revenue Increase

	<u>Amount</u>
2.5% Salary Pool, including benefits	\$ 4,103,030
Salary Market Adjustments, including benefits	2,000,000
Faculty Promotions	260,000
Scholarships & Discounts	743,200
Health Insurance	509,200
Other Fixed Costs and Student Success Initiatives	2,350,470
	<u>\$ 9,965,900</u>
Outcomes Funding	2,002,400
Funding for 2.5% Salary Pool	2,638,800
Reallocation of Existing Funds	413,500
Health Insurance Funding from the State	509,200
	<u>\$ 5,563,900</u>
Unmet Need	\$ 4,402,000
Maintenance Fee Increase Needed	2.84%

Tuition and Fees Comparison

Summary of Tuition and Mandatory Fees Compared to Peers, AY 2017-18						
<i>In-State/Resident, Undergraduate</i>						
	Tuition & Fees 17-18	Peer Tuition & Fees 17-18	+/- %	TN Rank ¹	Peer Max	Peer Min
APSU	\$8,225	\$8,290	-0.8%	7	\$10,100	\$5,775
ETSU	\$9,015	\$7,940	13.5%	5	\$10,182	\$5,775
MTSU	\$8,948	\$8,512	5.1%	5	\$11,864	\$6,193
TSU	\$7,776	\$8,382	-7.2%	8	\$10,740	\$5,775
TTU	\$8,873	\$7,685	15.5%	4	\$10,280	\$5,775
UM	\$9,701	\$10,208	-5.0%	7	\$13,624	\$6,410
UTC	\$8,664	\$7,402	17.0%	3	\$9,891	\$5,775
UTK	\$12,970	\$10,895	19.1%	3	\$16,076	\$6,380
UTM	\$8,927	\$9,442	-5.5%	7	\$15,400	\$7,091

Source: THEC

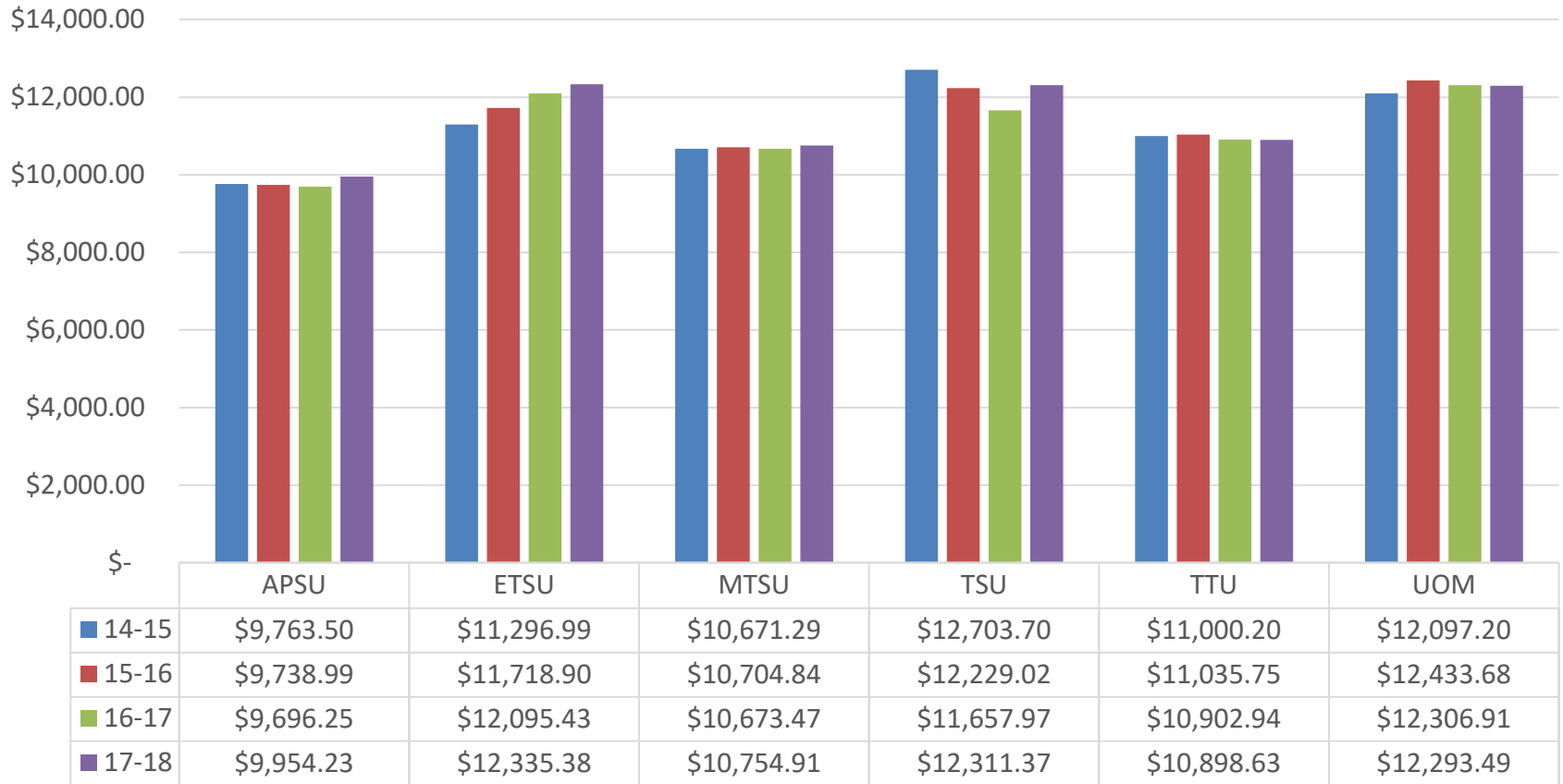
MTSU Peers

University	Tuition & Fees
George Mason University (VA)	11,924
University of North Texas	10,905
Georgia State University	10,858
Old Dominion University (VA)	10,350
The University of Texas at Arlington	9,952
Middle Tennessee State University	8,948
University of New Orleans	8,694
University of Southern Mississippi	7,964
Georgia Southern University	7,422
University of North Carolina-Greensboro	7,137
Florida International University	6,558
University of Central Florida	6,368
Florida Atlantic University	6,039

Source: The Chronicle of Higher Education
<https://www.chronicle.com/interactives/tuition-and-fees>

Total Maintenance and Mandatory Fees per FTE

(Inflation adjusted)



Source: THEC

Tuition and Maintenance Fees (per credit hour)

Fee	Current	New	Increase
Undergraduate In-State Maintenance Fee	\$285	\$293	\$8
Over 12 hours	\$56	\$58	\$2
Undergraduate Out-of-State Tuition	\$1,024	\$1,053	\$29
Over 12 hours	\$205	\$211	\$6
Graduate In-State Maintenance fee	\$459	\$472	\$13
Over 10 hours	\$91	\$94	\$3
Graduate Out-of-State Tuition	\$1,270	\$1,306	\$36
Over 10 hours	\$253	\$260	\$7

TN E-Campus (per credit hour)

Fee	Current	New	Increase
TN eCampus Undergraduate In-State	\$399	\$410	\$11
TN eCampus Undergraduate Out-of-State	\$1,138	\$1,170	\$32
TN eCampus Graduate In-State	\$573	\$589	\$16
TN eCampus Graduate Out-of-State	\$1,384	\$1,423	\$39

-includes \$117 online course fee per credit hour

TN eCampus are online courses provided through the Tennessee Board of Regents. All courses are charged per hour and viewed separately from MTSU courses. TN eCampus courses do not apply to the full-time maximum for MTSU registration fees.

MTSU E-Rate (per credit hour)

Fee	Current	New	Increase
Undergraduate eRate	\$428	\$440	\$12
Undergraduate Online Course Fee	\$30	\$30	\$0
Graduate eRate	\$689	\$708	\$19
Graduate Online Course Fee	\$30	\$30	\$0

eRate is available to students who are classified as non-residents of Tennessee and who are enrolled exclusively in online courses

Corporate Partnership Rate

Fee	Current	New	Increase
Undergraduate eRate	\$428	\$440	\$12
Undergraduate Online Course Fee	\$30	\$30	\$0

The Corporate Partnership rate is available to out of state students who are employed by companies with a formal partnership with MTSU to develop and deliver a degree completion program. In-state students pay the undergraduate in-state maintenance fee.

Regional Scholars

Fee	Current	New	Increase
Undergraduate Rate	\$494	\$517	\$23
Graduate Rate	\$709	\$741	\$32

- Regional Scholars are non-residents of Tennessee who live within approximately 250 miles of MTSU and meet specific academic requirements.
 - Graduated from a high school located in a county within 250 mile radius of MTSU (undergrad) or have a permanent address within a 250 mile radius (graduate)
 - Have an ACT composite of 25 (SAT 1130) or above (undergrad)
 - Maintain full time enrollment (12 hours undergrad / 10 graduate)
 - Remain in good academic standing
- Rate is the in-state rate plus the state subsidy

Mandatory Fee Requests FY 2018-19

FY 2018-19 Mandatory Fee Requests

Fee	Current	Proposed	Increase	Student Exposure	Prior Increase	Revenue Generated
Athletics					FY17-18 \$35	
FY 2018-19	\$ 210	\$ 225	\$ 15	Approved by SGA Executive Committee 4/27/18		\$ 510,000
FY 2019-20	\$ 210	\$ 225	\$ 15			\$ 510,000

The SGA Executive Committee approved a 2 year phase-in of \$30 per semester to support future capital projects in athletics. FY 2018-19 and FY 2019-20 will each show a \$15 increase.

FY 2018-19 Mandatory Fee Requests

Fee	Current	Proposed	Increase	Student Exposure	Prior Increase	Revenue Generated
Parking	\$ 111	\$ 113	\$ 2	Fee increase approved by SGA Executive Committee 11/29/2017	FY17-18 \$2	\$70,000

Parking Services is a 100% auxiliary enterprise operation and is totally dependent on the Parking fee for its shuttle services for students, utilities and maintenance cost of the Parking office and shuttle buses, and various parking lots, campus lighting, and sidewalk maintenance projects. The \$2 increase is also needed for mandatory salary and benefit increases.

FY 2018-19 Mandatory Fee Requests

Fee	Current	Proposed	Increase	Student Exposure	Prior Increase	Revenue Generated
Health Services	\$ 85.50	\$ 87.50	\$ 2	Fee increase approved by SGA Executive Committee 11/29/2017	FY17-18 \$2	\$ 70,000

Student Health Services is a 100% auxiliary enterprise operation and is totally dependent on the Student Health Services fee for its services to students and operations and its portion of the shared capital cost (with Campus Recreation) for the 202,000 square foot building. The \$2 increase is needed for: required salary and benefit increases, inflationary cost of software support and medical supplies, and overhead costs.

FY 2018-19 Mandatory Fee Requests

Fee	Current	Proposed	Increase	Student Exposure	Prior Increase	Revenue Generated
Recreation Center	\$ 57	\$ 59	\$ 2	Fee increase approved by SGA Executive Committee 11/29/2017	FY17-18 \$2	\$ 70,000

Campus Recreation is a 100% auxiliary enterprise operation and is totally dependent on the Recreation Center fee for its services to students and operations and its portion of the shared capital cost (with Student Health) for the 202,000 square foot building. The \$2 increase is needed for salary increases, benefit increases, and to cover inflationary costs of recreational programs and services provided to the student body.

FY 2018-19 Mandatory Fee Requests

Fee	Current	Proposed	Increase	Student Exposure	Prior Increase	Revenue Generated
International Fee	\$ 10	\$ 16	\$ 6	Fee increase approved by SGA Executive Committee 2/24/2017	FY07-08 \$10	\$ 204,000

Participation in MTSU's education abroad programs has increased from 120 students in 2011 to 895 students in 2016. This immense growth necessitates an increase in this fee to support scholarship availability. MTSU Signature programs are short-term courses led by MTSU Faculty and specifically designed to be taught overseas. Each course provides students with an academically enriching experience in the host country, while also providing culturally relevant excursions. Programs are typically during the summer term, last 3-4 weeks, and students receive 3-6 credit hours. Almost 70% of the students who study abroad do so for credit and need financial assistance.

Non-Mandatory Fee Requests FY 2018-19

FY 2018-19 Non-Mandatory Fees

Fee	Current	Proposed	Increase	Prior Increase	Revenue Generated
Use of Aircraft	\$115-\$235/ flight hour	\$115-\$265/ flight hour	\$0-\$30/ flight hour	FY08-09 \$10-\$50/ flight hour	For all flight training fees combined, this would generate between \$150,000 and \$300,000
Instruction	\$17-\$50/ flight hour	\$17-\$70/ flight hour	\$0-\$20/ flight hour	FY15-16 \$0-\$15/ flight hour	
Use of Simulators	\$50-\$100/ flight hour	\$50-\$120/ flight hour	\$0-\$20/ flight hour	FY15-16 \$35-25/ flight hour	

The cost of aircraft operation continues to increase each year. This increase in use of aircraft and simulators is to keep up with inflation. Flight instructors are part time employees, either students or former students, and local competition is paying twice our current rate. In order to attract enough instructors to teach our flight students, instructor pay must also be increased. In addition, the current fleet is aging, and will need to be refurbished and/or replaced in future years.

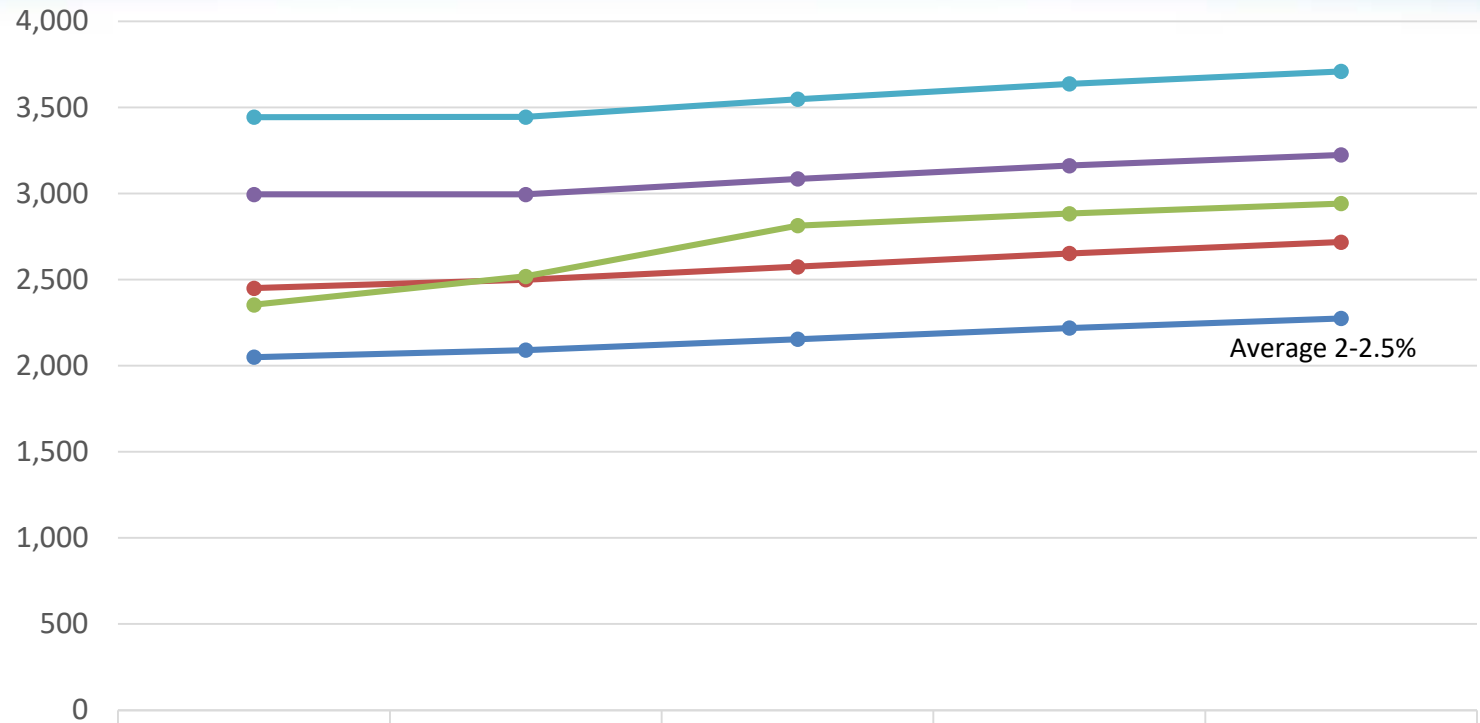
FY 2018-19 Non-Mandatory Fees

Fee	Current	Proposed	Increase	Prior Increase	Revenue Generated
Nursing Course Fee	\$55 / Credit Hour	\$100 / Credit Hour	\$45 / Credit Hour	FY17-18 \$20	\$ 418,910

The Nursing program is in high demand and the current fee is not sufficient to cover the high cost of updating/ maintaining equipment and software used in the eight campus labs, providing sufficient faculty, supporting Student Advisory Board functions, clinical partnership activities, a student clinical documents management system, clinical placement system fees, and pinning ceremonies. As more of the MSN program is moving toward online courses, additional faculty are needed to support the effort. Currently, with 28 faculty in the department, only 4 Clinical Track faculty and the Health Systems Manager are funded from this fee.

Housing Fee Requests FY 2018-19

Housing History Rates Per Semester



	2014-15	2015-16	2016-17	2017-18	2018-19
Dorm	2,050	2,091	2,154	2,219	2,275
Renovated Dorm	2,451	2,500	2,575	2,652	2,718
Single Apt	2,354	2,519	2,814	2,884	2,942
Scarlett Commons	2,995	2,995	3,085	3,162	3,225
Family	3,444	3,445	3,548	3,637	3,710

FY 2018-19 Housing

Fee	Current	Proposed	Increase	Prior Increase	Revenue Generated
Residence Halls	\$377 - \$3,065	\$388 - \$3,162	\$10 - \$63	FY17-18 \$11 - \$97	\$ 347,351
Apartments	\$759 - \$3,637	\$774 - \$3,710	\$15 - \$73	FY17-18 \$18 - \$89	\$ 52,397

A 2% increase is proposed for apartments and a 2.5% increase for residence halls to cover the increasing cost of salaries, benefits, utilities, plant, and maintenance costs.

Summary of Fees

Mandatory Fee Recommendations

Mandatory Fee	Increase Per Semester
Athletics	\$ 15
Parking	\$ 2
Health Services	\$ 2
Recreation Center	\$ 2
International Fee	\$ 6
Total Program Services Fee Increase	\$ 27
* additional athletics increase of \$15 for FY 19-20	

Non-Mandatory Fee Recommendations

Non-Mandatory Fee	Increase (Decrease)
Flight Training	
Use of aircraft	\$0-\$30 / flight hour
Instruction	\$0-\$20 / flight hour
Use of simulators	\$0-\$20 / flight hour
Nursing Course Fee	\$45 / credit hour

Housing Recommendations

Housing	Increase Per Semester
Dormitories	\$10 - \$63
Apartments	\$15- \$73

Summary of Fee Requests and the Revenue Generated

	# of Requests	Revenue
Mandatory Fees	5	\$ 954,000
Non-Mandatory Fees	2	\$ 718,910
Total Requests	7	\$ 1,672,910

Projected Annual Impact of Requested Fee Increases Based on 15 hour Enrollment Fall and Spring

		% Increase
Current Maintenance Fee	\$ 7,176	
Current Mandatory Fees	\$ 1,772	
Total Maintenance & Mandatory Fees	\$ 8,948	
2.84% Maintenance Fee Increase **	\$ 204	
Requested Mandatory Fees	\$ 54	
Total Fee Increase	\$ 258	
New Maintenance Fee	\$ 7,380	
New Mandatory Fees	\$ 1,826	
New Maintenance & Mandatory Fees	\$ 9,206	2.88%

**THEC's recommendation for the combined maintenance fee and mandatory fee increase is 0-3%.



**Middle Tennessee State University
Finance and Personnel Committee**

Wednesday, May 30, 2018

Tab 6

**Estimated 2017-18 and Proposed 2018-19
Operating Budgets**



**Middle Tennessee State University
Board of Trustees**

MEETING: Finance and Personnel Committee

SUBJECT: **Estimated 2017-18 and July 2018-19
Operating Budget**

DATE: May 30, 2018

PRESENTER: Alan Thomas

ACTION REQUIRED: Voice vote

STAFF RECOMMENDATION: Approval

BACKGROUND INFORMATION:

Under the FOCUS Act, the Board of Trustees is charged with approving the operating budgets and setting the fiscal policies for Middle Tennessee State University.

The attached budget reflects changes in tuition and fees for the current year (Estimated Budget) due to a .83% FTE decline in spring enrollment. The July Budget is based on a 1.5% tuition increase and includes mandatory fee increases, appropriation increases approved by the General Assembly, and no change in enrollment. As required by the State, a 2.5% salary pool is included. In addition, a salary pool has been included to support partial market adjustment for employees.

The materials that follow represent the 2017-18 Estimated Budget and the 2018-19 Proposed Budget and are being presented for your approval.

Estimated 2017-18 Operating Budgets

**MIDDLE TENNESSEE STATE UNIVERSITY
ANALYSIS OF BUDGET CHANGES FOR REVENUE CATEGORIES
ESTIMATED BUDGET 2017-18**

<u>Revenue</u>	<u>2017-18 October Budget</u>	<u>2017-18 Estimated Budget</u>	<u>Difference</u>
Tuition and Fees	\$ 193,126,100	\$ 192,789,900	\$ (336,200)
State Appropriations	96,514,200	96,514,200	-
Federal Grants and Contracts	950,000	950,000	-
Local Grants and Contracts	60,000	60,000	-
State Grants & Contracts	55,000	55,000	-
Private Grants & Contracts	467,000	245,000	(222,000)
Private Gifts	-	6,900	6,900
Sales & Services of Educ Activities	633,100	701,800	68,700
Sales & Services of Other Activities	16,483,600	16,869,000	385,400
Other Sources	<u>272,700</u>	<u>283,900</u>	<u>11,200</u>
Total Revenue	<u>\$ 308,561,700</u>	<u>\$ 308,475,700</u>	<u>\$ (86,000)</u>

Reflects change in accounting for bad debts as a contra revenue account

MIDDLE TENNESSEE STATE UNIVERSITY
UNRESTRICTED EDUCATION AND GENERAL EXPENDITURES BY FUNCTIONAL CATEGORY
ESTIMATED BUDGET 2017-18

	October Budget 2017-18	Estimated Budget 2017-18	Difference
Instruction	\$ 153,960,400	\$ 153,337,300	\$ (623,100)
Research	8,419,200	8,423,200	4,000
Public Service	4,734,200	5,137,200	403,000
Academic Support	32,517,500	32,676,300	158,800
Student Services	38,224,200	37,998,100	(226,100)
Institutional Support	25,755,600	25,443,500	(312,100)
Operation and Maintenance	28,752,900	28,795,100	42,200
Scholarships and Fellowships	23,887,400	24,641,800	754,400
Transfers	11,738,000	11,450,900	(287,100)
Total	<u>\$ 327,989,400</u>	<u>\$ 327,903,400</u>	<u>\$ (86,000)</u>

**MIDDLE TENNESSEE STATE UNIVERSITY
UNRESTRICTED EDUCATION AND GENERAL EXPENDITURES BY NATURAL CATEGORY
ESTIMATED BUDGET 2017-18**

	October Budget 2017-18	Estimated Budget 2017-18	Difference
Professional Salaries	\$ 137,824,200	\$ 137,191,500	\$ (632,700)
Other Salaries	20,753,700	21,018,300	264,600
Employee Benefits	57,589,700	57,652,800	63,100
Travel	4,870,600	4,841,100	(29,500)
Operating Expense	92,214,900	92,721,000	506,100
Capital Outlay	2,998,300	3,027,800	29,500
Transfers	11,738,000	11,450,900	(287,100)
Total	<u>\$ 327,989,400</u>	<u>\$ 327,903,400</u>	<u>\$ (86,000)</u>

Reflects 2.6% reduction in enrollment

**MIDDLE TENNESSEE STATE UNIVERSITY
ANALYSIS OF BUDGET CHANGES FOR AUXILIARIES
ESTIMATED BUDGET 2017-18**

<u>Auxiliary</u>	<u>2017-18 October Budget</u>	<u>2017-18 Estimated Budget</u>	<u>Difference</u>
Bookstore	\$ 500,000	\$ 500,000	\$ -
Food Service	2,367,000	2,367,000	-
Housing	16,733,902	16,693,900	(40,002)
Vending	130,000	130,000	-
Recreational Center	3,028,500	3,028,500	-
Post Office	397,600	397,600	-
Parking Services	5,091,200	5,066,200	(25,000)
Residential & Commercial Rentals	280,000	280,000	-
Greek Row	119,000	149,000	30,000
Health Services	4,078,373	4,076,900	(1,473)
TN Miller Coliseum	660,614	652,600	(8,014)
Student LD Service	10,000	10,000	-
TOTAL	<u>\$ 33,396,189</u>	<u>\$ 33,351,700</u>	<u>\$ (44,489)</u>

Reflects change in accounting for bad debts as a contra revenue account

**MIDDLE TENNESSEE STATE UNIVERSITY
SUMMARY OF RESTRICTED CURRENT FUNDS AVAILABLE AND APPLIED
ESTIMATED BUDGET 2017-18**

Revenues	2017-18 October Budget	2017-18 Estimated Budget	Difference
Tuition and Fees	\$ 1,318,400	\$ 1,500,000	\$ 181,600
Federal Grants and Contracts	42,500,000	42,750,000	250,000
State Appropriations: Centers of Excellence	374,500	374,500	-
State Appropriations: Special Allocations	489,500	489,500	-
State Grants & Contracts	37,700,000	38,000,000	300,000
Local Grants & Contracts	90,200	55,000	(35,200)
Private Grants & Contracts	800,000	800,000	-
Private Gifts	2,175,000	2,300,000	125,000
Endowment Income	900,000	600,000	(300,000)
Other Income	580,000	1,400,000	820,000
Total Revenues	<u>\$ 86,927,600</u>	<u>\$ 88,269,000</u>	<u>\$ 1,341,400</u>
Expenses			
Instruction	\$ 2,824,300	\$ 3,100,000	\$ 275,700
Research	4,000,000	4,000,000	-
Public Service	4,800,000	5,000,000	200,000
Academic Support	500,000	600,000	100,000
Student Services	3,300,000	3,600,000	300,000
Institutional Support	90,000	55,000	(35,000)
Operation and Maintenance	2,000	2,000	-
Scholarships and Fellowships	71,200,000	71,900,000	700,000
Total Expenses	<u>\$ 86,716,300</u>	<u>\$ 88,257,000</u>	<u>\$ 1,540,700</u>

**MIDDLE TENNESSEE STATE UNIVERSITY
TOTAL REVENUE BUDGET
ESTIMATED BUDGET 2017-18**

<u>Fund Group</u>	<u>2017-18 October Budget</u>	<u>2017-18 Estimated Budget</u>	<u>Difference</u>
Unrestricted Education & General	\$ 308,561,700	\$ 308,475,700	\$ (86,000)
Auxiliary	33,396,189	33,351,700	(44,489)
Restricted	86,927,600	88,269,000	1,341,400
TOTAL	<u>\$ 428,885,489</u>	<u>\$ 430,096,400</u>	<u>\$ 1,210,911</u>

Proposed 2018-19 Operating Budgets

**MIDDLE TENNESSEE STATE UNIVERSITY
ANALYSIS OF BUDGET CHANGES FOR REVENUE CATEGORIES
JULY BUDGET 2018-19**

	<u>2017-18</u> <u>Estimated Budget</u>	<u>2018-19</u> <u>July Budget</u>	<u>Difference</u>
Tuition and Fees	\$ 192,789,600	\$ 194,948,700	\$ 2,159,100
State Appropriations	96,514,200	102,414,600	5,900,400
Federal Grants and Contracts	950,000	750,000	(200,000)
Local Grants and Contracts	60,000	60,000	-
State Grants & Contracts	55,000	45,000	(10,000)
Private Grants & Contracts	245,000	281,300	36,300
Private Gifts	6,900	-	(6,900)
Sales & Services of Educ Activities	701,800	686,200	(15,600)
Sales & Services of Other Activities	16,869,000	18,780,700	1,911,700
Other Sources	<u>283,900</u>	<u>833,000</u>	<u>549,100</u>
	<u>\$ 308,475,400</u>	<u>\$ 318,799,500</u>	<u>\$ 10,324,100</u>

The following items are reflected above:

1.5% Tuition Increase

Appropriation Increases for 2.5% Salary Pool, Health Insurance, and Formula Funding

Mandatory Fee Increases

**MIDDLE TENNESSEE STATE UNIVERSITY
UNRESTRICTED EDUCATION AND GENERAL EXPENDITURES BY FUNCTIONAL CATEGORY
JULY BUDGET 2018-19**

<u>Function</u>	<u>Estimated Budget 2017-18</u>	<u>July Budget 2018-19</u>	<u>Difference</u>
Instruction	\$ 153,337,300	\$ 151,821,400	\$ (1,515,900)
Research	8,423,200	4,843,100	(3,580,100)
Public Service	5,137,200	3,852,000	(1,285,200)
Academic Support	32,676,300	32,602,500	(73,800)
Student Services	37,998,100	37,461,300	(536,800)
Institutional Support	25,443,500	24,063,200	(1,380,300)
Operation and Maintenance	28,795,100	27,972,400	(822,700)
Scholarships and Fellowships	24,641,800	24,600,600	(41,200)
Transfers	<u>11,450,900</u>	<u>11,583,000</u>	<u>132,100</u>
Total	<u>\$ 327,903,400</u>	<u>\$ 318,799,500</u>	<u>\$ (9,103,900)</u>

The following items are reflected above:

2.5% Mandated Salary Pool plus 1.2% Additional Market Adjustment Funding

Health Insurance Funding

Mandatory Fee Increases

July Budget Figures are Base Budget

**MIDDLE TENNESSEE STATE UNIVERSITY
UNRESTRICTED EDUCATION AND GENERAL EXPENDITURES BY NATURAL CATEGORY
JULY BUDGET 2018-19**

	Estimated Budget 2017-18	July Budget 2018-19	Difference
Professional Salaries	\$ 137,191,500	\$ 141,554,500	\$ 4,363,000
Other Salaries	21,018,300	21,273,300	255,000
Employee Benefits	57,652,800	59,252,500	1,599,700
Travel	4,841,100	4,273,200	(567,900)
Operating Expense	92,721,000	78,372,200	(14,348,800)
Capital Outlay	3,027,800	2,490,800	(537,000)
Transfers	11,450,900	11,583,000	132,100
Total	\$ 327,903,400	\$ 318,799,500	\$ (9,103,900)

The following items are reflected above:

- 2.5% Mandated Salary Pool plus 1.2% Additional Market Adjustment Funding
- Health Insurance Funding
- Mandatory Fee Increases
- July Budget Figures are Base Budget

**MIDDLE TENNESSEE STATE UNIVERSITY
ANALYSIS OF BUDGET CHANGES FOR AUXILIARIES
JULY BUDGET 2018-19**

<u>Auxiliary</u>	<u>2017-18 Estimated Budget</u>	<u>2018-19 July Budget</u>	<u>Difference</u>
Bookstore	\$ 500,000	\$ 450,000	\$ (50,000)
Food Service	2,367,000	2,509,000	142,000
Housing	16,693,900	16,968,500	274,600
Vending	130,000	130,000	-
Recreational Center	3,028,500	3,116,000	87,500
Post Office	397,600	397,600	-
Parking Services	5,066,200	5,044,200	(22,000)
Residential & Commercial Rentals	280,000	280,000	-
Greek Row	149,000	149,000	-
Health Services	4,076,900	4,146,900	70,000
TN Miller Coliseum	652,600	614,600	(38,000)
Student LD Service	10,000	10,000	-
TOTAL	<u>\$ 33,351,700</u>	<u>\$ 33,815,800</u>	<u>\$ 464,100</u>

**MIDDLE TENNESSEE STATE UNIVERSITY
SUMMARY OF RESTRICTED CURRENT FUNDS AVAILABLE AND APPLIED
JULY BUDGET 2018-19**

Revenues	2017-18 Estimated Budget	2018-19 July Budget	Difference
Tuition and Fees	\$ 1,500,000	\$ 1,500,000	\$ -
Federal Grants and Contracts	42,750,000	42,750,000	-
State Appropriations: Centers of Excellence	374,500	382,600	8,100
State Appropriations: Special Allocations	489,500	489,500	-
State Grants & Contracts	38,000,000	38,000,000	-
Local Grants & Contracts	55,000	60,000	5,000
Private Grants & Contracts	800,000	850,000	50,000
Private Gifts	2,300,000	2,400,000	100,000
Endowment Income	600,000	750,000	150,000
Other Income	1,400,000	1,500,000	100,000
Total Revenues	<u>\$ 88,269,000</u>	<u>\$ 88,682,100</u>	<u>\$ 413,100</u>
Expenses			
Instruction	\$ 3,100,000	\$ 3,100,000	\$ -
Research	4,000,000	4,000,000	-
Public Service	5,000,000	5,200,000	200,000
Academic Support	600,000	600,000	-
Student Services	3,600,000	3,600,000	-
Institutional Support	55,000	60,000	5,000
Operation and Maintenance	2,000	2,000	-
Scholarships and Fellowships	71,900,000	71,900,000	-
Total Expenses	<u>\$ 88,257,000</u>	<u>\$ 88,462,000</u>	<u>\$ 205,000</u>

**MIDDLE TENNESSEE STATE UNIVERSITY
TOTAL REVENUE BUDGET
JULY BUDGET 2017-18**

<u>Fund Group</u>	2017-18 Estimated Budget	2018-19 July Budget	Difference
Unrestricted Education & General	\$ 308,475,700	\$ 318,799,500	\$ 10,323,800
Auxiliary	33,351,700	33,815,800	464,100
Restricted	88,269,000	88,682,100	413,100
TOTAL	\$ 430,096,400	\$ 441,297,400	\$ 11,201,000

MIDDLE TENNESSEE STATE UNIVERSITY
TSSBA DEBT SERVICE COVERAGE - DISCLOSED PROJECTS ADJUSTMENT
July Budget 2018-19

<u>Project Name</u>	<u>Total Project Budget</u>	<u>Amt. Financed by TSSBA</u>	<u>Est. Annual Debt Service</u>	<u>Est. Annual Related Fee Rev</u>
Estimated Budget: None				
July Budget:				
Parking Services Facility	3,400,000	2,000,000	248,340	-
Academic Classroom Building	39,600,000	1,520,000	315,500	-



**Middle Tennessee State University
Finance and Personnel Committee**

Wednesday, May 30, 2018

Tab 7

Compensation Plan Revisions



**Middle Tennessee State University
Board of Trustees**

MEETING: Finance and Personnel Committee

SUBJECT: [Compensation Plan Revisions](#)

DATE: May 30, 2018

PRESENTER: Kathy Musselman

ACTION REQUIRED: Voice Vote

STAFF RECOMMENDATION: Approval

BACKGROUND INFORMATION:

Policy 808 – Compensation Reporting and Approvals – requires the Board of Trustees to approve any changes to Middle Tennessee State University’s Compensation Plan. Attached is the current compensation plan with proposed changes.

Under the current compensation plan, Human Resources has the authority to recommend a 3% salary increase or the minimum of the new pay range for an employee whose position has been reclassified to a higher pay grade. Exceptions can be approved by the Provost/Vice President up to the midpoint of the salary range, with exceptions over the midpoint requiring approval by the President.

Also under our current plan, Human Resources is authorized to recommend a salary based on relevant experience, up to the midpoint, for a current employee who is selected for another position on campus. In some cases, employees are moving to a higher level position with no increase in compensation due to their longevity with the University, salary increases they have previously received, and our salary ranges being based on 2011-12 CUPA data.

The following revisions to the University's compensation plan are being recommended for your approval with an effective date of July 1, 2018:

- Approval for Human Resources to recommend a 6% salary increase or the minimum of the new pay range for an employee whose position has been reclassified to a higher pay grade. For employees whose positions are reclassified more than one pay range, the recommended increase in their salary would be 9%. Exceptions outside these guidelines will still require approval of the Provost/Vice President or President.
- Approval for Human Resources to award the greater of 6% of the current salary or a salary based on relevant experience, up to the midpoint, for current employees who are selected for another position on campus.
- Approval to add a faculty salary adjustment for individuals that receive an Actuarial Science Certification.

Compensation Pay Plan Middle Tennessee State University

Faculty Market Study

In 2016, MTSU has established a new list of 50-fifty (50) peer institutions for market salary purposes (See Appendix I). The original market study collected market data by discipline and rank from CUPA-HR using a peer grouping of approximately 37 institutions that are similar in scope and mission to MTSU. 22 of the original 37 peers are still included in the new peer list. The 28 additional peer institutions were chosen-selected based on Carnegie Classification of Doctoral/Research Universities or Research Universities and Public Doctoral Granting Institutions, participation in the 2014-15 College and University Personnel Association (CUPA-HR) salary study, Carnegie classification, enrollment, and program mix. enrollment data and program mix were also used to select the new peers. Additionally, six Master's Large Institutions were added for representation of Agribusiness/Agriscience and Aerospace Programs. Salary data are purchased annually from CUPA-HR and the Association to Advance Collegiate Schools of Business (AACSB) for the peer group for salary review purposes. Data from the AACSB is used to AACSB supplement CUPA-HR data for business disciplines not represented by CUPA-HR. data will be used for business disciplines not represented by CUPA data. The Ddata is purchased from CUPA-HR and AACSB every three years and the data currently utilized is FY 14-15 data. The data currently utilized is FY 14-15 data. TThe total number of peer institutions may fluctuate duringwith any update period due to the voluntary nature of the data collection process.

The market salary study includes tenure-track and tenured faculty only. Faculty on temporary contracts are excluded.

Market data is updated every three years. Midpoint of the range represents the average (mean) salary provided by the CUPA-HR/AACSB salary study. A salary range (minimum to maximum) is established around the average salary by discipline and by rank. The salary mean for each discipline and rank is established as midpoint of a salary range configured as follows:

Professor	65%
Associate	60%
Assistant	55%
Instructor	50%

Within the pay range for the rank for each discipline, equal weights are assigned to three variables important to salary differentiation (total years experience, total years in rank and highest degree). Application of the three factors multiplied by the weight factors developed by William M. Mercer, Inc. in 1993 calculates a range penetration factor. Each faculty member's equitable projected range penetration is calculated as the weighted average of relative standing on each variable, i.e., the range penetration factor is multiplied by the salary range to determine a predicted market salary for each faculty member. Predicted salary is capped at the midpoint of the range. Full professors with greater than 10 years at the full professor rank may progress beyond the midpoint.

Salary adjustments are calculated as the positive difference, if any, between current salary and projected market value. Implementation is typically planned incrementally over a three-year period to adjust the

faculty member's current salary by one-third of the gap between predicted market salary and current year salary. Thus, the employee's salary would reach the CUPA-HR/AACSB average salary for a specific rank and discipline at the third year of implementation of market adjustments.

Faculty Promotion Awards

The award for promotion in rank is as follows:

Professor - \$7,500
Associate Professor - \$6,000
Assistant Professor - \$4,500

These increases are subject to the availability of funding in each fiscal year.

Faculty Salary Adjustments for Terminal Degree Completion

A \$2,000 base salary adjustment is provided to tenure and tenure-track faculty upon the completion of a terminal degree.

Faculty Salary Adjustments for Actual Science Certifications

[Attainment of the Associate of the Society of Actuaries \(ASA\), the Fellow of the Society of Actuaries \(FSA\) and Chartered Enterprise Risk Analyst \(CERA\) designations/credentials will each result in a base salary increase of \\$5,000.](#)

Executive Market Study

MTSU uses the same ~~fifty~~ peer institutions as noted above for all benchmarked executive positions from CUPA-HR. Market data is updated every three years. Midpoint of the range represents the average (mean) salary provided by the CUPA-HR salary study. A salary range (minimum to maximum) is established by using a formula established in the 1993 Mercer Study. The minimum is calculated by dividing the midpoint by 1.30. The maximum of the range is determined by multiplying the new minimum by 1.60. Subtracting the minimum from the maximum of the pay grade and dividing by 30 determines the range penetration factor. The formula assumes it takes an individual 30 years to reach the maximum of the range.

Each executive is given credit for total years of experience at MTSU and previous Administrative/Professional Experience. Taking the minimum of the salary pay grade and adding the range penetration factor for each year of experience calculates the predicted salary. Predicted salary is capped at midpoint of salary pay grade.

Salary adjustments are calculated as the positive difference, if any, between current salary and predicted salary. Implementation is **typically** planned incrementally over a three-year period to adjust the executive's current salary by one-third of the gap between predicted salary and current year salary. Thus, the employee's salary would reach the CUPA-HR average salary at the third year of implementation of market adjustments.

Administrative Market Study

In 2012, MTSU implemented the administrative pay plan developed by Mercer, Inc. which collected market data on ~~one hundred twenty~~ ~~120~~ administrative positions. These positions were priced locally at the lower levels, locally and regionally at the professional levels and from a more broad regional area at management levels. Director levels and above are priced exclusively with higher education data targeted to MTSU's size (based on operating budget) as well as using a cut of a selected peer group of organizations similar in size and scope to MTSU. This cut included the ~~37~~ ~~thirty-seven~~ institutions initially used by the Faculty/Executive group and an additional ~~27~~ ~~twenty-seven~~ institutions which were chosen based on Carnegie classification and budget size. In 2016, MTSU changed the administrative pay plan to use the 50 peer institutions selected for faculty as noted above instead of the 64 institutions previously used by Mercer Inc. Data below the director level is obtained from higher education (CUPA) for jobs specific to higher education and from a combination of higher education and general industry for those jobs recruited from other industries (finance, IT, human resources, etc.)

The formula assumes it takes an individual 30 years to reach the maximum of the range. As funding permits, the university will propose increases to employees based on years at MTSU up to the midpoint of the salary range.

Salary recommendations for new hires will be based on relevant experience for the position vacancy and applied up to the midpoint. Exceptions can be approved by the Vice President up to the midpoint of the salary range. Exceptions over the midpoint of the salary range require the approval of the President.

Administrative/Executive Promotions, Demotions and Reclassifications

Salary recommendations for internal promotions will be the greater of 6% of the current salary or based on the number of relevant years of experience for the position and the individual will be placed in the new range up to the midpoint. Exceptions can be approved by the Vice President up to the midpoint of the salary range. Exceptions over the midpoint of the salary range require the approval of the President.

Reclassifications for positions to a higher pay grade will receive the greater of the minimum of the new pay range or ~~36~~ % of their current salary. If the position is reclassified more than one pay grade the incumbent will receive the greater of the minimum of the new pay range or 9% of their current salary. If the employee's current salary is past the maximum of the new pay grade no increase in pay will be given. Exceptions can be approved by the Vice President up to the midpoint of the salary range. Exceptions over the midpoint of the salary range require the approval of the President.

Demotions may occur when an employee moves from a job at a higher pay grade to a job with a lower pay grade. In the case of a demotion, the manager, along with Human Resources, should consider whether or not a salary reduction is appropriate. The Vice President of the area will review and approve the recommendation.

Administrative Salary Adjustments for Terminal Degree Completion

No salary adjustments are provided to administrative employees for the completion of college degrees.

Classified Study

In January 2012 MTSU implemented the new salary ranges and structure for the Classified Staff based on data provided by Mercer.

Mercer collected market data on ~~forty-three~~ ~~43~~ classified positions, of those positions only ~~14~~ ~~fourteen~~ of them are core titles used in TBR's classified structure. The salary data for these ~~14~~ ~~fourteen~~ positions was

used to calculate the salary ranges. The market data is reflective of Nashville/Tennessee data for the classified jobs since they are recruited from the local area. The plan targets 100% of the current market. The formula assumes it takes an individual ~~30~~thirty years to reach the maximum of the range.

As funding permits, employees will be placed in the range based on the total years at MTSU as the experience factor. Individuals that receive their CAP Certification after coming to MTSU will receive the 9% increase in pay. This 9% increase in pay will be considered a part of the employee's base pay when salary calculations are made regarding future market adjustments.

Salary recommendations for new hires will be based on relevant experience for the position vacancy and applied up to the midpoint. Exceptions can be approved by the Vice President up to the midpoint of the salary range. Exceptions over the midpoint of the salary range require the approval of the President.

Classified Promotions, Demotions and Reclassifications

Salary recommendations for internal promotions will be the greater of 6% of the current salary or based on the number of relevant years of experience for the position and the individual will be placed in the new range up to the midpoint. Exceptions can be approved by the Vice President up to the midpoint of the salary range. Exceptions over the midpoint of the salary range require the approval of the President.

Reclassifications for positions to a higher pay grade will receive the greater of the minimum of the new pay range or 63% of their current salary. If the position is reclassified more than one pay grade the incumbent will receive the greater of the minimum of the new pay range or 9% of their current salary. If the employee's current salary is past the maximum of the new pay grade no increase in pay will be given.

Demotions may occur when an employee moves from a job at a higher pay grade to a job with a lower pay grade. In the case of a demotion, the manager, along with Human Resources, should consider whether or not a salary reduction is appropriate. The Vice President of the area will review and approve the recommendation.

Classified Salary Adjustments for Terminal Degree Completion

No salary adjustments are provided to classified employees for the completion of college degrees.

Equity Adjustments – All Employee Groups

The Mercer study also included a statement that “the University might elect to address a limited number of special cases where identifiable, documentable and pronounced inequities continue to exist, including, but not limited to, those inequities produced by compressed or even inverted pricing in markets or submarkets. Such adjustments might also be appropriate where faculty salary concerns have been specifically indicated by accrediting agencies in the particular disciplines.”

This category is included to provide a mechanism for redress in the rare instance that an employee believes s/he is paid unfairly when compared with MTSU employees in similar positions with similar responsibilities, assuming comparable qualifications and satisfactory performance.

Requests for equity adjustments may be made at any time during the year. However, these requests, both amount and implementation date, are subject to President approval unless the employee reports directly to the President. If the employee reports directly to the President, the Board of Trustees' approval is required. Implementation of salary adjustments will be handled consistently throughout the University.

Other Adjustments – All Employee Groups

Based on the special cases language in the Mercer study as noted in quotations in the equity adjustments section, this category is included to provide a mechanism for a salary increase when an MTSU employee's job responsibilities have increased but the pay plan does not allow movement to a higher level position. Requests for other adjustments may be made at any time during the year but are subject to the approval of the President approval unless the employee reports directly to the President. If the employee reports directly to the President, the Board of Trustees' approval is required. Implementation of salary adjustments will be handled consistently throughout the University.

Recommended Peer Institutions for 2015-16 Faculty Salary Study

Count	Institution	State	Carnegie	Fall 2014 Enroll
	Middle Tennessee State University	TN	DRU	23,881
1	Auburn University	AL	RU/H	24,864
2	University of South Alabama	AL	RU/H	15,065
3	Arkansas State University	AR	Master's L	13,144
4	Northern Arizona University	AZ	RU/H	26,606
5	University of Colorado Denver	CO	RU/H	17,815
6	Florida Atlantic University	FL	RU/H	30,759
7	Georgia Southern University	GA	DRU	20,517
8	Illinois State University	IL	DRU	20,272
9	Northern Illinois University	IL	RU/H	21,138
10	Southern Illinois University-Edwardsville	IL	Master's L	13,850
11	Western Illinois University	IL	Master's L	11,707
12	Ball State University	IN	RU/H	20,503
13	Indiana State University	IN	DRU	12,448
14	Western Kentucky University	KY	Master's L	20,448
15	Louisiana Tech University	LA	RU/H	11,014
16	University of Louisiana at Lafayette	LA	RU/H	16,646
17	University of Massachusetts Boston	MA	RU/H	16,277
18	University of Massachusetts Lowell	MA	RU/H	16,932

19	Central Michigan University	MI	DRU	26,841
20	Oakland University	MI	DRU	20,169
21	Western Michigan University	MI	RU/H	24,294
22	Missouri State University	MO	L Master's	23,092
23	University of Central Missouri	MO	L Master's	12,513
24	University of Missouri - Kansas City	MO	RU/H	15,746
25	University of Southern Mississippi	MS	RU/H	15,249
26	East Carolina University	NC	DRU	26,887
27	University of Northern Carolina at Charlotte	NC	DRU	26,571
28	University of North Carolina at Greensboro	NC	RU/H	18,074
29	University of North Dakota Main Campus	ND	RU/H	15,143
30	University of Nebraska at Omaha	NE	DRU	15,227
31	University of Nevada - Las Vegas	NV	RU/H	27,848
32	University of Nevada, Reno	NV	RU/H	18,776
33	Bowling Green State University	OH	RU/H	19,408
34	Cleveland State University	OH	RU/H	17,730
35	Kent State University Main Campus	OH	RU/H	28,968
36	Miami University	OH	RU/H	23,743
37	University of Akron, Main Campus	OH	RU/H	26,000
38	University of Toledo	OH	RU/H	20,782
39	Wright State University Main Campus	OH	RU/H	17,595
40	Portland State University	OR	RU/H	29,452
41	Indiana University of Pennsylvania	PA	DRU	14,369
42	Clemson University	SC	RU/H	21,303
43	Lamar University	TX	DRU	14,452

44	Sam Houston State University	TX	DRU	19,210
45	Texas Woman's University	TX	DRU	15,058
46	University of North Texas	TX	RU/H	33,168
47	University of Texas at Dallas	TX	RU/H	21,193
48	University of Texas at San Antonio	TX	RU/H	28,623
49	George Mason University	VA	RU/H	33,917
50	Old Dominion University	VA	RU/H	24,828



**Middle Tennessee State University
Finance and Personnel Committee**

Wednesday, May 30, 2018

Tab 8

**Allocation Methodology
for Salary Pool**



**Middle Tennessee State University
Board of Trustees**

MEETING: Finance and Personnel Committee

SUBJECT: [Salary Pool Allocation](#)

DATE: May 30, 2018

PRESENTER: Kathy Musselman

ACTION REQUIRED: Voice vote

STAFF RECOMMENDATION: Approval

BACKGROUND INFORMATION:

Policy 808 – Compensation Reporting and Approvals requires the Board of Trustees to approve salary increases of MTSU employees, inclusive of increases based on the approved compensation plan, across-the-board increases, equity adjustments, bonuses, etc.

As previously reported, the budget approved by the General Assembly provides \$2.6 million for the creation of a 2.5% salary pool. A 2.5% salary pool for the University will cost approximately \$4.1 million, including benefits. Therefore, the University will be funding \$1.5 million of the salary pool with other University resources. The University is also proposing to allocate an additional \$2.0 million to partially address the gap between actual employee salaries and 2014-15 CUPA salaries.

Attached for your consideration and approval is a recommendation for allocating the \$6.1 million salary pool across campus.

Salary Pool Allocation Recommendation

Recommendation:

- Provide a Cost of Living Allowance (COLA) of 1.5% or \$500, whichever is greater, for regular employees, both full and part-time, on the payroll as of June 30, 2018, effective July 1, 2018. The estimated cost of this salary increase is \$2.4 million, including benefits.
- Allocate the remaining \$1.7 million from the salary pool, along with the additional \$2.0 million, for market adjustments and related benefits based on the University's compensation plan for employees on the payroll as of June 30, 2018, effective October 1, 2018.

Guidelines for Implementation of the COLA Increase:

- The COLA will be distributed to all unrestricted and restricted regular full-time and part-time employees and participants in the post-retirement service program.
- Increases will not apply to adjunct faculty, temporary employees, graduate assistants, or student workers.
- 1.5% COLA or \$500 minimum payment is pro-rated for part-time employees.
- Reclassifications, degree changes, etc. previously approved to be effective prior to or on July 1, 2018, are to be applied before the 1.5% COLA.
- Faculty promotions are to be applied before the 1.5% COLA.
- Unless specifically excluded by statute or on terminal leave status, all eligible persons employed as of June 30, 2018, shall receive the increase, with the exception of employees with unsatisfactory work performance. An employee appeal process will be available for those who don't receive the COLA increase due to an unsatisfactory evaluation. This is to allow the employee an opportunity to provide supporting evidence that an administrative error was made in the implementation process.