

**Budget, Finance and Facilities Committee Meeting**

Trustee Kimberly Moore, Committee Chair  
Wednesday, September 15, 2021  
Location: Grand Ballroom

**MINUTES**

**Committee Members Present:** Kimberly Moore, Otis Cliatt, Thomas Dortch, Kelvin Lawson, Belvin Perry, Craig Reid, and Kenny Stone

**Call to Order/Roll Call**

Chair Moore called the meeting to order. Dr. Turner called the roll. A quorum was present.

**ACTION ITEMS**

**Approval of Minutes – June 2, 2021.**

There were no revisions to the minutes.

*The motion to approve this action item was carried.*

**Approval of Minutes – August 4, 2021.**

There were no revisions to the minutes.

*The motion to approve this action item was carried.*

**Amendment to BOT Policy # 2005-23, Benefits and Leaves**

Interim VP Brown introduced the topic by stating that this amendment would provide university employees with an additional fall break day on the Wednesday before Thanksgiving and add the new federal holiday, Juneteenth, as a university holiday.

*The motion to approve this action item was carried.*

**University-Wide Service Agreements**

Interim VP Brown provided an overview of the university-wide service agreements for purchase of informational technology services and equipment that are crucial to overall university operations. Based on current encumbered amounts, the threshold amount for which the President is delegated to approve will likely be exceeded this fiscal year. Since the named suppliers are currently contracted with the Department of Management Services (DMS), approval to piggyback on DMS' agreement is requested of the board to capitalize on additional discounts and savings; to eliminate the need for processing multiple contracts for the same vendor in the future; and to grant the President signature authority to enter into contracts for these service agreements with purchases not to exceed \$3 million. If the contracts approach the \$3 million threshold before the end of this fiscal year, the contracts will come to the board for approval.

Questions/Comments re: University-Wide Service Agreements

- Trustee Moore stated that the action item is presented at this time as a proactive measure to avoid exceeding the threshold and to experience cost savings.
- Trustee Washington requested, going forward, supporting materials with the suppliers in the future to have an understanding of past encumbrances and to have an assurance that the dollar amounts being approved are not a work around.

Response: Trustee Moore confirmed that this information was provided in the materials.

*The motion to approve this action item was carried.*

**2021-2022 University Carryforward Spending Plan and Fixed Capital Outlay Budget**

Interim VP Brown presented the FY 2021-22 Carryforward Spending Plan and the Fixed Capital Outlay (FCO) Budget for all FCO Projects for approval by the board prior to submission to the Board of Governors.

*The motion to approve this action item was carried.*

**INFORMATION ITEMS**

**Vice President for Finance and Administration's Report**

**a. Financial Status Report / Quarterly Budget Review**

Interim VP Brown presented a comparison of FY 2019-20 and FY 2020-21 fourth quarter report. Overall, 87% of the budget was expended in 2019-20 versus 85% expenditures in 2020-21. The slight decrease is contributed to the negative balance in financial aid, which will be addressed as financial statements are finalized.

**b. Report on MWBE**

Interim VP Brown reported on dollars spent for Minority and Women-owned Business Enterprises for FY 2019-20 versus 2020-21. The report showed a slight decrease in dollars spent in FY 2020-21 with African American vendors. However, a significant increase in dollars spent was reported for American, Women-owned businesses. In 2020-21, minority vendors accounted for 18% of the facilities, planning and construction projects. For Phase I of the Bragg Stadium Project, 2% of the work was allocated to minority vendors. While there is no specific goal or threshold regarding the percentage of work for minority businesses in place at this time, the university is exerting every effort to increase opportunities.

Questions/Comments re: MWBE

- Trustee Dubose asked what is a good percentage for minority-owned businesses and how is the university partnering with the BOG and the minority-owned vendors to address the challenges?

- Response: Interim VP Brown responded that she has been informed that 10% is a good standard. Director Hood discussed challenges such as the lack of ability for minority vendors to provide certain materials and the lack of state-certified minority vendors. She added that the university is partnering with SBDC to develop a plan to work with the suppliers with state certifications and assist them in becoming active participants in our programs. The Office of Procurement has also scheduled Supplier Expos to assist in the certification process. Interim VP Brown informed of the community outreach programs that are offered to assist the university community and expose them to opportunities available with the minority-owned vendors. AVP Hessel also stated that general contractors are encouraged to engage in business with minority-owned businesses through the competitive bidding process.*
- Trustees expressed concern for a standard of only 10% and encouraged a higher goal for recruitment of minority-owned businesses including recruitment outside the local market.
  - *Response: Trustee Moore reminded the board that law prohibits the use of the mandate.*
  - Trustee Cliatt requested General Counsel to review the verbiage to require and not encourages contractors to seek out minority businesses.  
*Response: Atty. Wallace informed that her office would look into the verbiage and report back to the board.*
  - Trustee Lawson asked if there were ways to assist the minority-owned businesses meet the criteria and asked whether the listing was shared with SUS Peer groups.  
*Response: Director Hood informed that the university is working with other SUS universities and will research the funding possibilities.*

**c. Project Updates – University Construction / Operations**

**i. Bragg Memorial Stadium**

With Phase I construction 100% complete, Interim VP Brown explained that Bragg Memorial Stadium Phase II is the only major project in progress at this time. Phase II design status is 12% complete and two pricing models, which are tentative and based on conceptual drawings, were provided. The first model, which includes ADA, handicap accessibility, etc. is estimated at over \$7.3 million and the second model which includes restrooms, fire sprinklers, plumbing, etc. is estimated at approximately \$3.3 million. The current remaining budget of \$5 million is insufficient to complete Phase II. The university is strategizing to secure additional funding and to reduce the cost.

Questions/Comments re: University Construction / Operations

- Trustee Cliatt expressed his concern of having a mid-October design completion date and a start date for Phase II to be November 1, within weeks.  
*Response: Director Talton informed that the conceptual design of the grand stand and press box is complete and that steel package is currently in progress to purchase the required material prior to the price increase on steel/aluminum. The design is on*

*schedule for completion by mid-October. Director Talton also explained that the project is phased, beginning with demolition on November 1 and moving into building the grand stands and press box after the design is completed and permitted.*

- Trustee Lawson asked, outside of revisiting Blue Print, what other options are available to fill the funding gap.

*Response: Dr. Robinson stated that a return to Blue Print has not been ruled out, however the most likely approach is to raise the funds.*

- Trustee Dubose stated that, due to the lack of materials and drivers in the supply chain, he is concerned that there isn't enough in the \$3 million contingency.

*Response: AVP Hessel restated that the university will move forward with the purchase of the aluminum package for the seating and press box, which contributes to the majority of the material. The university is looking at tax savings through direct purchases and recycling of the old aluminum.*

**d. Master Plan Timeline**

Interim VP Brown recapped the master plan concerns and informed that a comprehensive housing study would be conducted by Student Affairs as part of the master plan. The master plan process will consist of seven phases and the anticipated completion date of the master plan is October 2022.

Questions/Comments re: Master Plan Timeline

- Trustee Lawson asked about the alignment of the comprehensive housing study and Gibbs Hall project.

*Response: Trustee Moore indicated that the Strategic Plan is aligned with the Comprehensive Housing Study by looking at a six-month window for the study.*

**Compensation Study (Scope and Objectives)**

Interim VP Brown explained that a working group has been established to review the current classification and compensation structure for faculty, staff and administrators. The purpose is to determine if the compensation structures are equitable and competitive and to develop a framework for ensuring consistent, fair and equitable salary administration.

Questions/Comments re: Compensation Study

- Trustee Dubose asked is a consultant group engaged in the unbiased study and, if so, who are they.

*Response: Interim VP Brown indicated that HelioCampus has been contracted to engage in the study and that a number of stakeholder meetings have occurred.*

- Trustee Washington asked for the expected completion date of the study and how does the study align with strategic planning study also conducted by HelioCampus?

*Response: Interim AVP Smith-Anderson stated that the HelioCampus project is two-folded, academics-personnel management and administrative staff benchmarking. The academics-personnel management study's scheduled*

*completion is at calendar year-end while the benchmarking study is scheduled for completion at the end of November. Afterwards, the university's leadership will conduct a discovery review followed by action plans.*

- Trustees Cavazos and Harper asked if the scope of the study had been expanded to include a focus on faculty?

*Response: Interim VP Brown stated that Provost Edington, his team and HelioCampus are working diligently in conducting the benchmarking study that focuses on faculty, staff and administrators salaries.*

- Trustee Cliatt requested the university provide clear directions to the consulting firm's study regarding salary benchmarking for all university employees.

### **COVID 19 Expenditure Report to Date**

Dr. Erick Akins presented an update of expenditures for CARES and CRRSAA funding to the university. As of April 2021, CARES Act funds are 100% expended. CRRSAA funds are 59.15% expended. The university anticipates 100% expenditure of the CRRSAA funds by the May 2022 deadline.

#### Questions/Comments re: COVID 19 Expenditure Report to Date

- Trustee Moore requested Director Akins to share acceptable uses of the CRRSAA funds and to share previous audit findings.

*Response: Director Akins indicated that the funds are used for anything related to COVID-19 in the areas of academic success, student services, facilities and IT. He also shared that the University received a clean audit on the CARES funds and an audit is currently underway for the CRRSAA funds.*

- Trustee Washington asked if the quarterly expenditure reports are being used to recruit students to the university.

*Response: Director Akins re-emphasized that the CARES funds cannot be used for recruitment, however the university is promoting what is being done with the funds, i.e. vaccine promotions. The university is also providing the additional student services to assist in their educational success and safety. President Robinson also announced that \$41 million have been allocated to relieve student debt since the beginning of fall semester 2021 and will continue.*

### **Budget, Finance and Facilities Committee Action Plan**

Trustee Moore presented the Budget, Finance and Facilities Committee action plan for FY 2021-22. She noted that this is a working document and that submission dates are aligned with external parties.

**The meeting adjourned.**