

BUSINESS AFFAIRS SUB-COUNCIL

July 20, 2005

MINUTES

The meeting began at 9:00 a.m. in the TBR conference room. Present were Dr. Claire Stinson (Chair, NSTCC); Ms. Debra Bauer (NSCC); Ms. Cynthia Brooks (TSU); Mr. Horace Chase (JSCC); Dr. David Collins (ETSU); Ms. Beth Cooksey (VSCC); Mr. John Cothorn (MTSU); Mr. Bill Fuqua (RSCC); Mr. Mike Gower (MTSU); Mr. Ken Horner (COSCC); Dr. Charles Hurley (CLSCC); Mr. Al Irby (APSU); Dr. Rosemary Jackson (WSCC); Mr. Ron Kesterson (PSTCC); Mr. Charles Lee (UOM); Ms. Linda Maxwell (TTU); Mr. Mike Posey (MSCC); Ms. Susan Rains (STCC); Mr. Mitch Robinson (APSU); Ms. Tammy Swenson (CSTCC); Ms. Velma Travis (DSCC); Mr. Greg Wilgocki (ECOM); Mr. David Zettergren (UOM); Dr. Bob Adams, Ms. Kathy Crisp, Mr. Tom Danford, Ms. Alicia Ector, Ms. Tammy Gourley, Ms. Angela Gregory, Ms. Deanna Hall, Ms. Lisa Hall, Ms. Debbie Johnson, Mr. Ron Simmons, and Ms. Renee Stewart (TBR).

Dr. Adams introduced Ms. Linda Maxwell as the interim Vice President of Business and Finance for TTU.

Ms. Stewart introduced Ms. Alicia Ector as a new Assistant Director of Financial Accounting.

BUSINESS

1. Robert Half Presentation

Ms. Gregory introduced Greg Lurie, consultant, Kris Thurman, division director, and Mark Dillard, account executive, from Robert Half.

Mr. Lurie discussed some of the services that Robert Half offers for Sungard SCT Banner support and training. Robert Half has been consulting with MTSU since March on the Banner implementation project.

Mr. Lurie noted several services that were available for the Banner implementation, such as:

- A. Coordinating end-user training
- B. Process analysis
- C. Troubleshooting
- D. Providing accounting services while the institution's staff is in Banner training

Mr. Lurie stated that there would be a minimum six month commitment between the institutions and Robert Half. However, an institution is not required to contract with Robert Half for the entire six month period. Institutions may coordinate and divide the six months among themselves.

Although the consultants with Banner expertise are predominately located in the Nashville office, there are also Robert Half offices in Chattanooga, Knoxville, and Memphis. Robert Half will bill the institution for travel over 100 miles from their office.

2. Report of the Committees

A. Finance Committee

Dr. Collins highlighted the following issues from the July 6, 2005, Finance Committee meeting.

- Hope Scholarships

The committee was reminded that the Hope scholarship should be reported in the restricted fund as state grants and contracts. It was also determined that the \$300 in financial assistance for dual enrollment students should also be recorded in the restricted fund as state grants and contracts.

- Payment of Invoices

The Finance Committee discussed the payment of invoices submitted electronically or by fax. The TBR Director of Internal Audit recommended the following controls:

- A. Certification that the invoice serves as the original invoice
- B. Documentation that the product/service was actually received by the person/department requesting it
- C. Documentation of approval of the invoice for payment by the department head

- Financial Statement Items

The Finance Committee discussed the commitment/contingencies note concerning the SCT commitment. Ms. Stewart sent the language regarding this commitment to the institutions to be included in their notes.

- Banking Agreements

It was noted that banking agreements need to be started early enough for both the school and TBR to have adequate time to review the agreement before the contract begins. The committee was reminded that the RFP should cover all services so that only one agreement will need signatures. The committee also discussed the possibility of setting up “sister agreements” with banks in cities for the TTC’s, due to the fact that the lead institution’s bank may not have a branch near the TTC.

Ms. Crisp expressed concern that banks may no longer be able to include both treasury services and merchant services in the same agreement. She suggested that the Finance Committee research this issue. Additionally, she suggested the

system consider using a master bid with several banks, outlining in the agreement which banks would serve each institution.

It was suggested that banking RFPs and contracts needed to be reviewed more closely. The Finance Committee has been charged with appointing a joint Finance Committee/Council of Buyers subcommittee to research these issues.

The Finance Committee minutes were approved.

B. Council of Buyers

Ms. Gregory highlighted the following issues from the July 12, 2005, Council of Buyers meeting.

- **Staples-Office Supplies**

The committee is investigating the possibility of implementing a system-wide contract for office supplies. It appears from the information collected that UOM has the longest contract term remaining, with possible extensions until January 2007.

UT is currently under contract with Staples to provide their office supplies. In addition to ordering supplies online, the contract also allows for purchases from retail stores. All goods ordered online are shipped from a warehouse with next-day delivery. Ms. Gregory is investigating the possibility of negotiating deeper discounts based on the anticipated volume that would be created by collaboration between the TBR system and UT.

- **Purchasing Policy Revisions Update**

A subcommittee is working to revise the purchasing policy to reflect legislative requirements, F&A/General Services rules, and recent audits. Ms. Gregory deferred in-depth conversation regarding this topic to later in the meeting.

- **SciQuest/eprocurement**

The SciQuest acquisition will no longer be taking place through our Sungard SCT contract because it is cost prohibitive. Currently the only institutions that are still expressing interest in the SciQuest acquisition are ETSU, MTSU, and UOM. The interested universities may proceed with an RFP of their own; however, they should include the option for other institutions to utilize the agreement should they choose to use an eprocurement solution.

- **New Diversity Report Due 8/1/05**

The Governor's Office of Diversity Business Enterprise is requesting a more detailed report of the numbers that are submitted by the institutions for the Small/Minority/Women-Owned Business Report. After the first report, the

GODBE had requested that the reports be submitted on a monthly basis. However, upon the request of the committee, GODBE will allow quarterly submissions instead of monthly submissions.

- Address Verification Software

A committee comprised of IT, foundation, admissions, and other applicable system staff has been formed to collaborate on the bid writing and bid review for the address verification software. There will be a committee meeting on 7/21 to write the bid specifications.

- Microsoft

The current agreement with Microsoft expires 8/31/05. TBR will be partnering with UT on the bid for the reseller of the Microsoft products.

- Sound Equipment/Operation for TBR Quarterly Meetings

The sound equipment/operation for the TBR quarterly meetings has been re-bid, and Brantley Sound was the successful vendor again.

The Council of Buyers minutes were approved.

C. Human Resources

Ms. Debbie Johnson highlighted the following from the minutes of the Human Resource Officers Committee meeting held on July 8, 2005.

- P-130 Educational Assistance Program

The P-130 guideline has been divided into four separate guidelines for ease of reference.

There was discussion regarding some institutions not allowing students to turn in their discount forms before a certain date. Some institutions require that the forms are signed after July in order to verify employment for the upcoming academic year. The feasibility of setting a standard date for all institutions will be investigated.

- Payment for Unpaid Leave

Campuses are not consistent in the way that they calculate payment for unpaid leave. A committee has been formed to discuss the best way to calculate payments so that all campuses will be consistent in their approach.

- Background Checks – Kroll Contract & Affiliation Agreement

The current pricing packages do not include a federal background check. However, there are different packages that include the additional checks at reduced costs. Ms. Johnson and Ms. Gregory will meet to discuss the next steps regarding obtaining the new packages.

- Sick Leave Bank

The committee is reviewing the manner in which sick leave banks are administered among the different institutions. A sample review showed inconsistencies between TBR guidelines, state policy, and institutional practice. The committee will work on developing a more common format for all institutions to follow.

- Long-Term Disability

The long-term disability contract was awarded to Hartford. All employees will receive a discounted premium under the new contract. Subsequent to the meeting, Ms. Johnson verified that there will be no open enrollment period for this coverage.

- Temporary vs. Part-Time Employees

The committee has received the requested information from the schools regarding their employees who are classified as temporary. The committee will review this information to develop a more consistent approach to the use of temporary employees. Among the areas to be reviewed are the length of time temporary employees are working for an institution, as well as developing a standard break in service for all institutions. The committee will also look into the possibility of using a system-wide approved temporary service to fill these positions.

A question was raised regarding whether it was mandatory to advertise a position when it is converted from a temporary to a permanent position. After checking with General Counsel Modisher, Ms. Johnson reported that advertisement must occur for all temporary positions that are proposed as regular positions.

The HR Officers minutes were approved.

3. Purchasing Policy Revisions

Ms. Gregory discussed the revisions to the purchasing policy. (see Attachment A) There was discussion regarding raising the no-bid limit from \$2,000 to \$5,000, and raising the informal bid limit from \$10,000 to \$25,000. The committee agreed that they would like to see these limits raised. It was pointed out that these limits would be the maximum, and that individual institutions could set their limits at a lesser amount if they wished.

It was noted that the purchasing reporting requirements have not been revised. Until revised by the Fiscal Review Committee, all purchases exceeding \$2,000 will continue to be reported on the Quarterly Purchasing Report.

Ms. Gregory also discussed raising the limit requiring TBR approval from \$100,000 to \$249,999. Ms. Gregory also reiterated that any bid requests exceeding \$100,000 should be sent via certified mail.

The subcommittee's revisions will be sent out for approval by the beginning of August in order to have them finalized before the Presidents Council meeting on 8/16. Revisions to Guideline G-030 Contracts may be available for the Presidents Council also.

4. Other

Mr. Danford gave an update on the progress of getting the TTC's access to the Banner student system. It has been determined that buying hardware for the TTC's would be cost prohibitive. The possibility of using excess capacity on the lead institution's hardware is being investigated. It was also pointed out that the additional resources and support for maintaining the student system at the TTC's would need to be considered.

Mr. Danford also informed the committee that the board had approved an IT Subcouncil, made up of a lead IT person from each school as well as a representative from each area served by IT. The committee has been charged with studying the benefits of having a regional versus a central approach to IT services. The IT Subcouncil will use campus resources to gather the information, and then an external consultant may be used to develop recommendations.

Ms. Deanna Hall clarified the SCT accrual amounts for the May and June billing. She also reminded the committee members that if their schools financed the hardware through TSSBA, the invoices should not be paid by the schools, but forwarded to TBR and paid by TSSBA.

There being no further business, the meeting was adjourned at 11:20 a.m.