

EAST TENNESSEE STATE UNIVERSITY
BOARD OF TRUSTEES

MINUTES

September 18, 2020
Johnson City, Tennessee

The quarterly meeting of the East Tennessee State University Board of Trustees was held at 10 a.m. on Friday, September 18 via teleconference call due to extraordinary circumstances surrounding the COVID-19 outbreak. The meeting was livestreamed to allow individuals to attend remotely.

I. Call to Order

Chair Scott Niswonger called the meeting to order at 10 a.m.

In his opening remarks, Chair Niswonger spoke about the excitement surrounding the unique fall semester. Many traditional activities such as Preview and Faculty Convocation successfully transitioned to virtual delivery. He congratulated the 2020 Outstanding Faculty Award winners: Dr. Brooks Pond (Gatton College of Pharmacy), Dr. Mohamed Elgazzar (Quillen College of Medicine) and Dr. Donna Cherry (College of Clinical and Rehabilitative Health Sciences).

Chair Niswonger also applauded research grants obtained by ETSU faculty to address the COVID-19 pandemic as well as a \$2.7 million federal grant from HRSA Office of Rural Health Policy to create the Center for Substance Misuse in Rural America.

Even though the fall semester has only been underway for a few weeks, ETSU's mascot, Bucky, is leading a road trip with admissions' officers to meet with prospective students across the region and surrounding states.

Lastly, Chairman Niswonger announced Gov. Lee's appointment of Melissa Steagall-Jones to the ETSU Board of Trustees. Steagall-Jones is a graduate of ETSU and a partner in the accounting firm of Blackburn, Childers & Steagall PLC. She currently serves as the Steering Committee Chair for the ETSU Roan Scholars, is a member of the ETSU Community and Government Relations Advisory Council, a board member for the Northeast State Technical Community College Foundation, Advisory Board member of SunTrust Bank and Ex-Officio member of the Johnson City/Washington County/Jonesborough Chamber of Commerce Foundation.

II. Roll Call

Secretary Green provided special instructions for telephonic meetings. Because Trustees participated via Zoom, votes were taken by roll call. In accordance with Tennessee Code § 8-44-108 section (c) (3), Secretary Green asked Trustees two questions. First, he asked each Trustee if he or she could clearly hear and participate

in the meeting, and second, if any other persons were present in the room. All Trustees answered both questions with yes and no, respectively.

The following Trustees were present:

Janet Ayers
Steve DeCarlo
Virginia Foley
Dorothy Grisham
Linda Latimer
Scott Niswonger
Austin Ramsey
Melissa Steagall-Jones
Kelly Wolfe

Secretary Green said he did not detect a physical quorum present; however, a quorum existed by the inclusion of members participating by electronic means. In accordance with Tennessee Executive Order 51 permitting safe, open and transparent public meetings by electronic means, the meeting was necessary for the following reasons:

- Business critical decisions for the operations of the institution are slated for this meeting;
- Due to the COVID-19 virus outbreak and subsequent recommendations from the Centers for Disease Control and Prevention as well as Governor Bill Lee, social distancing measures and a limit on group gatherings are being observed.

Secretary Green said that for these reasons, he contended that participation by a quorum of the Board members by electronic or other means of communication is necessary. He then asked Chairman Niswonger for a motion and a roll call vote for a determination on the necessity of holding the meeting. Trustee Grisham made a motion, followed by a second from Trustee DeCarlo. All Trustees provided affirmative votes that the meeting had a necessity to proceed.

III. Public Comments

Because the meeting was conducted virtually, Chairman Niswonger said public comments could not be received in the traditional manner. Therefore, those who would like to submit comments for the Board to receive were encouraged to email trustees@etsu.edu.

IV. Consent Agenda

A. Minutes from the July 17, 2020 Board of Trustee Meeting

B. Minutes from the April 24, 2020 Audit Committee Meeting

C. ETSU Mission Profile

Chairman Niswonger made a motion to accept the consent agenda that was seconded by Trustee Foley and unanimously approved by roll call vote.

V. Approval Amendments to Bylaws

In reviewing the Board's Bylaws with the Executive Committee, it came to the attention of the Chairman that the board should consider two amendments.

The first is a direct result of the pandemic and the potential for any future extraordinary circumstances. The proposal is to amend Article II, Section, 1, C so that in the event that circumstances beyond the control of the Board arise during a year that prevent the standing committees from meeting, those meeting requirements of the standing committees are waived.

The second is a result of former Vice Chairman David Golden stepping down from the Board. This is the first executive committee vacancy the board has experienced. In reviewing the bylaws, the executive committee recommended allowing the full board to select a third executive committee member rather than tying that position to a specific committee Chairman. Therefore, the proposal is to amend Article II, Section 3, A so that a third Board member shall be elected by the Board to serve for two years, beginning July 1 of the year elected. In the event of a vacancy before expiration of the term, a successor shall be elected to fill the unexpired term at the next meeting of the Board following creation of the vacancy.

Trustee Grisham motioned to approve the amended bylaws as presented and Trustee Latimer seconded the motion. It was approved unanimously by roll call vote.

VI. Audit Committee

A. Approval of Audit Plan for 2020-21

In the absence of the Audit Committee meeting, President Noland asked Ms. Becky Lewis to present the Audit Plan for 2020-21.

Ms. Lewis stated that the annual audit plan is developed through a risk assessment process performed by the Department of Internal Audit for each auditable area. Each area is measured by several risk factors including previous audits performed, internal control systems, policy or personnel changes, size, sensitivity, and external audit coverage. The areas with highest risk value are a priority each year. Required audits are also included in the plan, such as those required by law, policy, financial institutions and the Corporation for Public Broadcasting. The plan also includes special requests from administrators, the Audit Committee and from other members of the Board of Trustees. Additionally, follow up reviews are conducted to assure actions have been taken based on prior recommendations. The audit plan also includes audits or investigations that were in progress from the prior fiscal year. The approved plan is submitted to the State of Tennessee's Comptroller of the Treasury, Division of State Audit. All revisions to the plan must be approved by the Audit Committee throughout the year, Lewis said.

President Noland said the structure of elements in the proposed plan are consistent with operations of the Board in the past. The follow up items, as Ms. Lewis noted,

allow the University and the Audit Committee to ensure outcomes are being actualized from prior audits. He noted that audits of athletic programs upon a coaching departure are standard practice.

Trustee Latimer motioned and Trustee Ayers seconded the audit plan for 2020-21. It was accepted unanimously by roll call vote.

VII. Academic, Research, and Student Success Committee

A. Tenure Appointment with Rank of Professor in the Department of Audiology and Speech Language Pathology for Dr. Bess Sirmon-Taylor

Dr. Bess Sirmon-Taylor was appointed to serve as a faculty member and chair of the Department of Audiology and Speech Language Pathology in the College of Clinical and Rehabilitative Health Sciences. She comes to ETSU from a tenured position at the University of Texas at El Paso Health Sciences. Her CV was provided in the agenda materials.

Dr. Wilsie Bishop recommended Dr. Sirmon-Taylor be granted tenure and the rank of professor upon appointment.

A motion was made by Trustee Ayers and seconded by Trustee Steagall-Jones. The proposed tenure appointment passed unanimously by roll call vote.

B. Academic Action Notifications for the Period of January 1, 2020 through July 31, 2020

Twice each year, the Academic, Research, and Student Success Committee receives notification of academic actions, Dr. Bishop said. This summary is provided in the agenda material. Eighty-four actions were taken to affect the academic structure and units and to function at greater efficiency, she noted. Among the actions are new concentrations, certificate programs, renaming of programs to help with recruitment, new academic units (merging Continuing Studies to create the College of Graduate and Continuing Studies; and creating the Department of Medical Education).

C. Equity and Inclusion Strategic Action Plan

The action plan is a culmination of several years of work from many individuals such as the late Dr. Chris Dula and Dr. Angela Lewis. The ETSU campus has been engaged in conversations to shape and frame an active agenda for equity and inclusion and this plan actualizes the goals of the Board of Trustee's strategic plan.

Dr. Keith Johnson provided presentational materials on the Office of Equity and Inclusion and the Equity and Inclusion Strategic Action Plan starting on pg. 64 of

the agenda materials. He said the Office of Equity and Inclusion has been renamed and restructured so that compliance is housed in University Counsel, which allows the division to focus on how Equity and Inclusion relates to curriculum, programming and development, and how to advance the University's mission, vision, and values. Additionally, this plan aligns with the University's Strategic Plan.

The action plan is based upon six goals:

1. Promote a welcoming, supportive and inclusive living, learning, and working environment for all faculty, staff, students, and visitors.
2. Assess and monitor institutional progress on access, diversity, equity, and inclusion efforts.
3. Provide personal and professional development and public programming related to enhancing understanding of diversity and inclusion.
4. **A:** Recruit, retain, and graduate increasing numbers of students from underrepresented and underserved populations and international students.
B: Recruit and retain a greater number of individuals from underrepresented populations into administrative, faculty, and staff positions, and especially into leadership roles across campus, including chairs, deans, and vice presidents.
5. Promote undergraduate curricular requirements to include significant intercultural perspectives.
6. Develop and strengthen partnerships with diverse communities locally, regionally, nationally, and globally.

The complete plan is available on the Office of Equity and Inclusion website.

VIII. Finance and Administration Committee

A. Out of State Enrollment Strategy

Dr. Joe Sherlin provided a presentation (pg. 77 of agenda materials) on a proposed out of state enrollment strategy. He prefaced this with an overview of fall 2020 enrollment, which is down about 3.4% (undergraduate). Although the outcome of enrollment was not where he wanted it to be, Dr. Sherlin said he was very proud of the work and support of staff during these difficult circumstances. This work was evident in the record retention rate for the institution. Additionally, the Promise Plus Program launch surpassed the goal of 200 students – there are 213 students taking advantage of the program this fall.

The enrollment team has been working with Maguire Associates to review current tuition strategy and identify strategic opportunities to spur enrollment growth, but also support student access, diversity, and engagement goals. Using historical data, predictive models were developed to determine where the greatest opportunities for out of state undergraduate students are. Surveys revealed that list

price is a key factor in decision-making, and the pandemic has caused families to become more cost-conscious. As such, ETSU must strategize in terms of outcomes by focusing on access and affordability with a straightforward approach, Dr. Sherlin said.

In terms of the scholarship and discount rate, the current in state model and APS Scholarship structure is efficient, however, there are additional need-based approaches that will be developed to build on the work of Promise Plus, he added. Significant opportunities exist to improve the current out of state tuition model. Currently, ETSU's practice mimics a private school with high price and high aid (slide 4). The simplified geographic approach to out of state tuition includes:

- Net cost (\$10,500) for border counties Buncombe and Henderson continue
- Offer discounted rate (\$10,500) for students from 5 states:
 - Kentucky, Virginia, North Carolina, South Carolina and Georgia (current rate \$13,500)
 - Students from remaining states pay discounted rate (\$13,500)

The strategy models (100+ out of state students with net tuition and fee revenue growth) apply to incoming freshmen and transfers. Upon examining admit and enrollment data over the last several years, the out of state admit volume is high, but yield is low as shown in a series of maps (slides 6-7). The tuition strategy is an opportunity for ETSU to be more competitive with in state public institutions in Virginia and South Carolina. It “allows us to get in the door on price,” compete on academic programs and expand into Atlanta and other diverse, metropolitan markets with a more transparent and competitive strategy, Dr. Sherlin said.

The plan comes with some risks and out of state enrollment must increase for the strategy to work. It depends on a more aggressive net pricing per student, therefore, an additional 40 students a year are needed to break even. The strategy actually models the addition of over 100 students and risk is mitigated because the total population is relatively small (10% of overall admit pool). The major focus has to remain in state, but this strategy expands ETSU's out of state footprint, Dr. Sherlin noted.

The new pricing model would be phased in with new and transfer students in fall 2021. Current students would continue with the scholarship model they entered with, he said. However, it does provide the opportunity to be as equitable as possible by holding out of state tuition flat for current students through their graduation.

Marketing is critical for this plan to be received positively. If the tuition strategy is approved, a multi-channel marketing strategy focusing on affordability will launch with print and digital messaging and a road tour. The enrollment team is already working with school administrators and counselors as well as the Alumni Association on ways to network with graduates in the five states included in the

tuition reset. ETSU offers distinctive academic opportunities that are attractive to out of state students, Dr. Sherlin said.

The enrollment team will continue to work with Maguire Associates to analyze geographic and data modeling and to focus on high admit, lower yield counties. Dr. Sherlin explained that out of state students add to the campus experience because many live and eat on campus, stay on the weekends, and possibly relocate to the region after graduation.

Discussion continued on the topics of in-state tuition and housing capacity. Trustee Foley commended the plan and requested a similar review of graduate tuition.

Trustee Ayers made a motion to adopt the resolution approving the proposed out of state tuition strategy. It was seconded by Trustee Wolfe and accepted by roll call vote.

B. Quarterly Reports of Agreements \$250,000 or Greater

Dr. B.J. King provided an overview of agreements totaling \$250,000 or greater for the period of April 2020 – June 2020. She listed several forthcoming expenses including facilities renovation, graduation regalia, and internet service provider. This report does not include agreements approved through state Building Commission, she said.

IX. President's Report

In his report, President Noland provided an overview of the institution's COVID-19 response, fall enrollment, budget update and the launch of a renewed strategic planning initiative – the Committee for 125. 2: One ETSU.

Impact of COVID-19

President Noland provided reflections on the impact of COVID-19 on American higher education, noting national trends such as widespread layoffs, terminations, outbreaks, student dissatisfaction, and enrollment declines. As a contrast, ETSU has not experienced any of these issues, and in fact, student surveys revealed general confidence in ETSU's ability to keep students safe; students felt positive about their decision to return to campus; most students wanted to take courses on ground; and, students had sufficient access to technology to participate online.

The president observed that while COVID-19 had changed aspects of campus operations, it did not diminish the institution's commitment to health and safety as evidenced by the decisions to transition all residence halls to single occupancy, move the majority of classes to remote learning, and allowing staff to rotate schedules. A regularly updated website provides the latest information about the university's

COVID-19 response, including a COVID-19 dashboard, contact tracing information, and quarantine protocols.

When asked about ETSU's interaction with government entities and the local health care community, President Noland reflected upon the rich relationship with outside entities, working with the Health Department to conduct contact tracing. Furthermore, ETSU Health had the first COVID-19 testing site, and the State has provided test kits that will be used for the institution's random testing program. Furthermore, an opt-in program for randomly administered COVID-19 testing has been launched for students, faculty, and staff.

Trustees applauded the university on its implementation of safety measures.

Fall Enrollment and Budget Update

President Noland presented an overview of fall enrollment, providing information along a variety of demographic categories. He stated that enrollment levels for the fall were within budget confidence levels, thereby hopefully negating the need for further budget adjustments during the academic year. The president also provided an overview of student success metrics, reporting that ETSU experienced its highest retention rate in history at 78 percent. For the second consecutive year, ETSU also has a record graduation rate at 50 percent.

ETSU was the top performing university along the THEC outcomes formula, which buffered ETSU against funding reductions. However, as a result of the decline in enrollment, ETSU faced an \$8.2 million shortfall, and base reductions were enacted during the summer.

Strategic Vision

The President reflected on the outcomes of the work of the Committee for 125, noting examples of strategic themes, opportunities, and action oriented outcomes that emerged from their 2013 report:

- Economic Development
- New Budget Model
- University branding
- Enhanced facilities concurrent with the facilities master plan
- The completion of the Martin Center
- Restructure of Institutional Advancement (fundraising campaign underway)
- Top performer in THEC outcomes formula

The higher education landscape has changed dramatically since the launch of the Committee for 125, and the president envisions updating this process during the fall semester (One ETSU).

X. Selection of Audit Committee Chair

Chairman Niswonger said the Bylaws for the Board of Trustees provide that the chair of each standing committee be designated by the Board for a two-year term upon the recommendation of the Chair. Competencies and professional or business expertise of members and previous board and committee experience of Trustees, together with any special qualifications required by these bylaws for certain committees, will be considered in committee and chair appointments. If a vacancy occurs in a committee or chair position prior to expiration of the two-year term, the Board shall appoint a Trustee to fill the remainder of the term, upon the recommendation of the Chair. Chairman Niswonger asked for a motion and a second for the appointment of Trustee Melissa Steagall-Jones as chair of the Audit Committee for the remainder of the unexpired term previously held by Mr. David Golden.

A motion to appoint Trustee Melissa Steagall-Jones as chair of the Audit Committee for the remainder of the unexpired term was made by Trustee Wolfe and seconded by Trustee Ayers. A roll call vote affirmed the appointment.

XI. Selection of Board Vice Chair

Chairman Niswonger stated that the bylaws for the Board of Trustees provide for the election of Chair and Vice Chair every two years.

Chairman Niswonger motioned for the appointment of Trustee Linda Latimer as Vice Chair of the Board of Trustees for the remainder of the unexpired term previously held by Mr. David Golden. Trustee Foley seconded the motion and the appointment was unanimously approved by roll call vote.

XII. Selection of Executive Committee Member

With the approval of the amendments to the bylaws for the Board of Trustees earlier in the meeting, the amended bylaws now provide for a third Board member that shall be elected by the Board to serve for two years, beginning July 1 of the year elected, Chair Niswonger stated. In the event of a vacancy before expiration of the term, a successor shall be elected to fill the unexpired term at the next meeting of the Board following creation of the vacancy.

Chairman Niswonger motioned for the appointment of Trustee Steve DeCarlo as a member of the Executive Committee that was seconded by Trustee Wolfe. The appointment was unanimously approved by roll call vote.

XIII. Resolution of Appreciations for Mr. David Golden

President Noland read a resolution for Mr. David Golden, who previously served as Vice Chair of the Board of Trustees.

Trustee Ayers motioned to approve the resolution for Mr. Golden. It was seconded by Trustee Latimer and approved by all Trustees through a roll call vote.

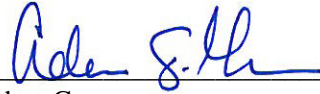
XIV. Other Business

No other business was brought before the ETSU Board of Trustees.

XV. Adjournment

The meeting adjourned at 12:35 p.m.

Respectfully submitted,



Adam Green
Secretary of the Board of Trustees

Approved by the Board of Trustees at its November 13, 2020 meeting.