

EAST TENNESSEE STATE UNIVERSITY
BOARD OF TRUSTEES
FINANCE AND ADMINISTRATION COMMITTEE

MINUTES

March 30, 2022
Johnson City, Tennessee

The East Tennessee State University Board of Trustees' Finance and Administration Committee held a special called meeting on Wednesday, March 30, 2022, at 11:00 a.m. The meeting was conducted via teleconference, and public attendance to the meeting was available via livestream.

XIV. Call to Order

Committee Chair Steven DeCarlo called the meeting to order at 11:02 a.m.

XV. Roll Call

Due to the fact that Trustees participated remotely by electronic means, Board Secretary Dr. Adam Green asked a series of questions before calling the roll. Additionally, because the Trustees were participating remotely, Dr. Green informed Trustees that any votes taken must be taken by roll call.

In accordance with Tennessee Code 8-44-108 section (c) (3), Dr. Green asked the following questions to those who participated remotely:

- Are you able to clearly hear us so that you can participate in this meeting?
- Can you please identify any persons present in the room with you from which you are participating in this meeting?

Dr. Green proceeded with the roll call, and each Committee Member present responded that they could hear clearly and that they were alone in the room from which they were participating in the meeting.

Committee members present were:

Trustee Charles Allen
Student Kara Gilliam
Trustee Dorothy Grisham
Trustee Kelly Wolfe

Committee Chair Steve DeCarlo
Board Chair, Dr. Linda Latimer, joined after roll call
Absent: Trustee Ron Ramsey

Dr. Green informed Chairman DeCarlo that although a physical quorum was not present, a quorum did indeed exist by the inclusion of those members participating by electronic means.

In accordance with Tennessee Code 8-44-108 section (b) (2), Dr. Green offered the following circumstances which necessitated the reason for holding the meeting:

- It is necessary for the Finance and Administration Committee of the Board to review and approve undergraduate tuition and fees, the proposed salary pool for Fiscal Year 2023, and to review the budget proposal for 2022-2023 prior to the full Board of Trustees meeting on April 22.
- The prompt necessity of this Committee's meeting did not provide adequate time for this Committee's membership to make necessary arrangements to be physically present for a quorum.
- Dr. Green noted that participation by a quorum of the committee members by electronic or other means of communication was necessary.

A roll call vote was proposed to determine the necessity of holding the special meeting. Trustee Charles Allen made a motion to proceed with the vote, and Trustee Dorothy Grisham seconded the motion. A unanimous affirmative vote signified that a necessity did exist for the meeting to continue.

In addition to the Finance and Administration Committee Members, Trustees Janet Ayers, Virginia Foley, and Melissa Steagall-Jones participated in the meeting.

XVI. Approval of Proposed Salary Pool for FY23 for Budget Development

The proposed salary pool for FY23 was presented to the Finance and Administration Committee by Dr. B.J. King, Chief Financial Officer. Dr. King reminded the Committee that a four percent salary pool for higher education was recommended in the Governor's budget for the State of Tennessee in his annual State of the State address.

Staff proposed budgeting for the salary pool but deferring implementation until November when fall enrollment is certain. This approach is consistent with the approach that was utilized for the current fiscal year.

The Proposed Salary Pool for FY23 was approved as submitted, with Trustee Dorothy Grisham making the motion and Board Chair Dr. Linda Latimer seconding the motion. A roll call vote was taken, and the motion passed unanimously.

XVII. Approval of Proposed Tuition and Mandatory Fees for Budget Development

Dr. King presented the proposed tuition and mandatory fees for undergraduate students for the upcoming academic year. Detailed information was included in the agenda materials. Trustees were reminded that Tennessee Tuition Transparency and Accountability Act compels the Board to evaluate many factors when considering tuition and fee rates:

- Level of state support.
- Total cost of attendance.
- Efforts to mitigate the economic effect on students.
- THEC binding tuition and mandatory fee increase ranges.
- Other factors affecting the university's financial stability include projected student enrollment and university enrollment goals; market and cost factors for higher education; new program or new facility costs; and costs related to operations, programs of study, or individual courses.

Based upon Governor Lee's proposed budget and the anticipated decision by the Tennessee Higher Education Commission (THEC) to approve a zero percent tuition/mandatory fee increase for undergraduate, staff proposed a zero percent tuition increase for in-state undergraduate students.

Dr. King requested the Committee's approval of a zero percent tuition and mandatory fee increase, as shown on page eight of the meeting agenda, applicable to the undergraduate and graduate students. Trustee Kelly Wolfe made a motion to approve Dr. King's proposal, followed by a second from Trustee Charles Allen. A vote by roll call was taken, and the motion passed unanimously.

The Full Board will take formal action regarding tuition and mandatory fees during their April quarterly meeting.

XVIII. Presentation of Spring Estimated and July Proposed Budgets

Dr. King stated that numerous aspects were considered when preparing the spring estimated and July proposed budgets which include:

- All university divisions participated in annual budget hearings.

- Salary pools were provided in the Governor's budget for the Main Campus, the College of Medicine, and Family Medicine.
- The state appropriation for the Main Campus salary funds approximately fifty-five percent of what is needed for the pool.
- New revenues or efficiencies within ETSU's budget will be required to fully fund the Main Campus salary pool match, faculty promotions, inflationary costs for employee benefits not paid by the state, inflationary costs for operations and increased campus footprint, and for an SGA wellness initiative which will impact Counseling, the University Health Center, and the Center for Physical Activity in FY23.

Dr. King presented the proposed budgets for the Main Campus, Quillen College of Medicine (COM), Family Medicine, and the non-state funded Gatton College of Pharmacy (GCOP). Detailed proposed budgets were included in the agenda materials.

The Committee and the Full Board will take formal action regarding FY23 budgets during their April quarterly meeting

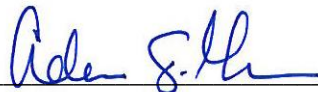
XIX. Other Business

There were no other business items to discuss.

XX. Adjournment

A motion to adjourn was made by Trustee Kelly Wolfe and seconded by Trustee Charles Allen. The motion passed unanimously, and Committee Chair DeCarlo closed the meeting.

Respectfully submitted,



Adam Green
Secretary of the Board of Trustees

Approved by the Board of Trustees at its April 22, 2022 meeting.