

EAST TENNESSEE STATE UNIVERSITY
BOARD OF TRUSTEES
FINANCE AND ADMINISTRATION COMMITTEE
NOVEMBER 2024 MEETING

10:20 – 11:00 a.m. EST
Friday
November 15, 2024

East Tennessee Room
D.P. Culp Student Center
412 J.L. Seehorn Road
Johnson City, TN

COMMITTEE MEMBERS

Steve DeCarlo, Committee Chair
Charles Allen, Jr.
Dorothy Grisham
Dr. Linda Latimer
Ron Ramsey
Trent White

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AGENDA

- I. Call to Order
- II. Roll Call
- III. [Approval of the Committee Minutes from September 13, 2024](#)
- IV. [Action Item: Approval of FY25 October Revised Budgets – Graham](#) (10 minutes)
- V. [Quarterly Financial Update – Graham](#) (10 minutes)
- VI. [Annual Presentation of Tuition Transparency Report – Graham](#) (5 minutes)
- VII. [Quarterly Report of Agreements \\$250,000 or greater – Graham](#) (5 minutes)
- VIII. [CFO Update – Graham](#) (15 minutes)
- IX. Other Business
- X. Adjournment

EAST TENNESSEE STATE UNIVERSITY
BOARD OF TRUSTEES

ACTION ITEM

DATE: November 15, 2024

ITEM: Approval of the Minutes from September 13, 2024

COMMITTEE: Finance and Administration

RECOMMENDED ACTION: Approve

PRESENTED BY: Dr. Adam Green
Board Secretary

The minutes of the September 13, 2024 meeting of the Finance and Administration Committee are included in the meeting materials.

MOTION: I move that the Board of Trustees adopt the resolution, approving the minutes as outlined in the meeting materials.

RESOLVED: The reading of the minutes of the September 13, 2024 meeting of the Finance and Administration Committee is omitted, and the minutes are approved as presented in the meeting materials, provided that the Secretary is authorized to make any necessary edits to correct spelling errors, grammatical errors, format errors, or other technical errors subsequently identified.

EAST TENNESSEE STATE UNIVERSITY
BOARD OF TRUSTEES
FINANCE AND ADMINISTRATION COMMITTEE

MINUTES

September 13, 2024
Johnson City, Tennessee

The East Tennessee State University Board of Trustees' Finance and Administration Committee met on Friday, September 13, 2024, at 10:21 a.m. in the East Tennessee Room of the D.P. Culp Student Center.

I. Call to Order

Trustee Ron Ramsey, substituting for Chair Steve DeCarlo, called the meeting to order at 10:21 a.m.

II. Roll Call

Board Secretary Dr. Adam Green conducted the roll call. The following committee members were physically present:

Trustee Charles Allen
Trustee Dorothy Grisham
Trustee Dr. Linda Latimer
Trustee Ron Ramsey
Trustee Trent White

Other Trustees in attendance were Janet Ayers, Dr. Steph Frye-Clark, Melissa Steagall-Jones, and Tony Treadway.

III. Approval of the Committee Minutes from May 24, 2024

The minutes from the May 24, 2024, meeting of the Finance and Administration Committee were approved as submitted, with Trustee Charles Allen making the motion and Trustee Dorothy Grisham seconding the motion. The motion passed unanimously.

IV. Action Item: Approval of the Facilities Master Plan

Chief Operating Officer Jeremy Ross told the committee that development of the new master plan has been an 18-month process with thousands of people involved. Some of the major themes that emerged were:

- A sense of belonging and its critical role in the on-campus undergraduate experience
- The shortage of available housing
- The projected increase in the number of graduate students
- Parking and mobility across campus
- The need to reimagine Sherrod Library
- The need to strengthen connections to the community

Mr. Ross then introduced and thanked the members of the master planning team and turned the presentation over to Neal Kessler, a member of the SMITHGROUP. Mr. Kessler first reviewed the master plan principles and how they align with ETSU's strategic plan. Those principles are: reimagine campus space, optimize resources, support student success and belonging, enhance the character of the campus, and strengthen partnerships.

Mr. Kessler summarized some of the types of data that form the basis of the plan, including classroom utilization and space needs. The team also looked at facility conditions, the housing shortage on campus, and where parking can be added or moved. Mr. Kessler then presented some of the highlights of the master plan, beginning with projects currently underway such as Brown Hall renovation, the new academic building, renovation of Powell and Yoakley halls, and the second phase of the Campus Commons. Among the short-term projects that the team identified are adding to Wilson-Wallis Hall, renovation of Lucille Clement Hall, and better use of Sherrod Library space. Mr. Kessler then mentioned possible new housing opportunities. Among short-term circulation projects to be considered are changes to Gilbreath Drive to enhance visitors' first view of the campus and create more of a pedestrian core, as well as John Robert Bell Drive enhancements, since it is one of the most heavily-used pedestrian routes.

Mr. Kessler then discussed several possibilities for longer-term projects, including additions to the stadium, additional residence halls if growth continues, parking structures as surface parking is reduced, creation of a health sciences corridor, and further development of West Walnut Street linkages. Mr. Kessler concluded his presentation by sharing cost estimates for various capital improvement projects included in the master plan.

Trustee Allen made a motion that the master plan be approved as presented. Trustee Grisham seconded the motion. It passed unanimously.

V. Quarterly Financial Update

Chief Financial Officer Christy Graham presented an update for the period ending June 30, 2024, beginning with unrestricted E&G revenue. The main campus increased by \$19 million or 7.28 percent. There was also an 8.29 percent increase in Medicine revenue and a reduction in Pharmacy revenue of 3.38 percent. E&G revenue by source shows that tuition and fees are nearly flat while state appropriations increased by almost 11 percent. Expenditures ended the year up 11.57 percent. Expenses by functional classification show a growth in instruction of

almost 6 percent. A 49.29 percent increase in public service includes the Martin Center. Ms. Graham added that personnel is still the university's largest expense category, accounting for 73 percent of E&G expenditures.

Ms. Graham reported that total revenue increased by almost 5 percent and total expenditures are up 7 percent. Auxiliary revenue increased by about 10 percent due to the increased number of students in our residence halls.

Current operating revenue by source reflects a small change in tuition and fees, the 10.76 percent increase in state appropriations, and a 21.19 percent increase in other revenue, reflecting interest earnings.

Current operating expenditures by natural classification show an increase of 6.05 percent in salaries and benefits while operating expenses increased almost 16 percent.

VI. Quarterly Report of Agreements \$250,000 or Greater

Ms. Graham reported five contracts and three RFP's in process.

VII. CFO Update

Ms. Graham focused her update on Oracle, first thanking President Noland and the Board of Trustees for allowing the university to step back and regroup on the project, which she said would make a significant difference in how Oracle is implemented. She summarized changes in data analytics that will make the system far more effective. Ms. Graham reported that the first testing cycle will take place in October, and that it will last into November. There will be four more testing cycles, followed by training of the campus community.

VIII. Other Business

There was no other business to come before the committee.

IX. Adjournment

Trustee Ramsey adjourned the meeting at 11:06 a.m.

EAST TENNESSEE STATE UNIVERSITY
BOARD OF TRUSTEES

ACTION ITEM

DATE: November 15, 2024

ITEM: Approval of FY25 October Revised Budgets

COMMITTEE: Finance and Administration

RECOMMENDED ACTION: Approve

PRESENTED BY: Christy Graham
Chief Financial Officer and
Vice President of Business and Finance

In compliance with Tennessee Code Annotated 49-8-203 (a) (10 (C)), ETSU Budget Control Policy requires three budgets be prepared each year and submitted to the Board of Trustees for approval. The university prepares budgets for the one formula funded unit (Main Campus), three non-formula units (College of Medicine, Family Medicine, and College of Pharmacy). The three budgets prepared each year are:

- 1) The proposed budget to fund the fiscal year beginning July 1;
- 2) The revised fall budget that is prepared after the fall enrollment cycle and financial statement preparation for the prior fiscal year; and
- 3) The estimated spring budget that is submitted at the same time as the proposed budget for the next fiscal year.

The Board will consider the October 2024 revisions to the 2024-25 budgets for the one formula funded unit and three specialized units. During the May 24, 2024 meeting, the Board of Trustees adopted the proposed 2024-25 budgets for the university. The proposed budgets for the fiscal year are based on the estimates for revenue and expenditures as of the time the budget is prepared. The fall enrollment and adjusted appropriation figures for revenue budgets have been received, along with adjustments from fiscal year-end closing that provides for the carryforward of budgets for operational expenses. Contained within the October 2024 revised budgets is a 3% salary enhancement for ETSU regular employees, with an increase of a minimum wage to \$15.00 per hour and a ceiling of \$7,000. Also embedded within the revised budget is an additional 2% salary pool to be focused on FLSA requirements, as well as targeted market-based salary enhancements for faculty and staff. The Quillen College of Medicine and the Gatton College of Pharmacy revised budget contains a 3% salary enhancement with a raise of the minimum to \$15.00 per hour. The details of the original and revised budgets are outlined in the following materials.

MOTION: I move that the Board of Trustees adopt the October revisions to the 2024-25 university budget.

RESOLVED: Upon the recommendation of the Finance and Administration Committee, the Board of Trustees approves the university's October revisions to the 2024-25 university budget.

	Actual 23-24	Original 24-25	October Revised	Increase (Decrease)	Addition of Carryforward	Total October Revised Budget
Revenue	\$319,197,301	\$318,102,000	\$319,894,200	\$1,792,200	\$0	\$319,894,200
<u>Expenditures and Transfers</u>						
Instruction	\$115,368,571	\$124,486,500	\$125,276,230	\$789,730	\$15,000,070	\$140,276,300
Research	5,642,020	6,365,300	6,250,530	(114,770)	7,221,770	13,472,300
Public Service	5,476,717	5,196,100	5,091,530	(104,570)	1,671,670	6,763,200
Academic Support	24,327,016	27,581,000	27,583,430	2,430	5,666,270	33,249,700
Student Services	30,378,216	33,000,100	33,465,160	465,060	2,217,040	35,682,200
Institutional Support	30,115,124	23,514,300	23,376,820	(137,480)	14,469,380	37,846,200
Facilities	23,169,590	22,419,900	25,785,310	3,365,410	1,516,690	27,302,000
Scholarships	25,743,476	29,933,300	27,936,860	(1,996,440)	48,740	27,985,600
Total before transfers	260,220,730	272,496,500	274,765,870	2,269,370	47,811,630	322,577,500
Debt Service	6,162,041	6,166,900	6,089,600	(77,300)	0	6,089,600
Non-Mandatory Transfers	18,697,810	2,885,800	6,573,800	3,688,000	4,750,000	11,323,800
Total	\$285,080,581	\$281,549,200	\$287,429,270	\$5,880,070	\$52,561,630	\$339,990,900
Auxiliaries Exp & Tnfrs	31,306,068	36,224,200	36,806,300	582,100	0	36,806,300
Total	\$316,386,649	\$317,773,400	\$324,235,570	\$6,462,170	\$52,561,630	\$376,797,200

FT Unrestricted and Auxiliary Positions	Original 24-25	October Revised	Increase (Decrease)
Faculty	732	731	-1
Administration	40	39	-1
Maint/Tech/Support	435	427	-8
Professional Support	587	598	11
Sub Total	1,794	1,795	1
Auxiliaries	47	47	0
Total	1,841	1,842	1

Quillen College of Medicine October Revised Budget

	Actual 23-24	Original 24-25	October Revised	Increase (Decrease)
Revenue	78,245,308	79,329,500	90,594,000	11,264,500
<u>Expenditures and Transfers</u>				
Instruction	45,855,172	59,290,900	60,921,700	1,630,800
Research	3,394,488	3,925,100	7,157,100	3,232,000
Academic Support	7,489,658	8,803,900	8,355,900	(448,000)
Student Services	3,048,980	4,771,600	4,915,100	143,500
Institutional Support	4,216,552	4,036,400	4,112,900	76,500
Facilities	5,443,784	7,419,800	7,675,100	255,300
Scholarships	255,000	260,000	260,000	-
Total before transfers	69,703,634	88,507,700	93,397,800	4,890,100
Debt Service	116,225	106,400	106,400	-
Non-Mandatory Transfers	13,844,825	(9,284,400)	(7,739,600)	1,544,800
Total	83,664,684	79,329,700	85,764,600	6,434,900

FT Unrestricted Positions	Original 24-25	October Revised	Increase (Decrease)
Faculty	165	165	0
Administration	5	5	0
Maint/Tech/Support	105	101	-4
Professional Support	109	112	3
Total	384	383	-1

Family Medicine October Revised Budget

	Actual 23-24	Original 24-25	October Revised	Increase (Decrease)
Revenue	21,755,616	21,774,200	22,224,200	450,000
<u>Expenditures and Transfers</u>				
Instruction	14,409,337	15,464,100	17,457,300	1,993,200
Research	123,238	399,100	309,000	(90,100)
Academic Support	3,860,845	4,295,500	4,746,500	451,000
Institutional Support	1,445,106	1,939,700	1,814,300	(125,400)
Facilities	422,672	412,500	636,100	223,600
Total before transfers	20,261,198	22,510,900	24,963,200	2,452,300
Non-Mandatory Transfers	3,691,703	(719,210)	(4,173,590)	(3,454,380)
Total	23,952,901	21,791,690	20,789,610	(1,002,080)

FT Unrestricted Positions	Original 24-25	October Revised	Increase (Decrease)
Faculty	33	33	0
Administration	-	-	0
Maint/Tech/Support	50	52	2
Professional Support	32	30	-2
Total	115	115	0

Gatton College of Pharmacy October Revised Budget

	Actual 23-24	Original 24-25	October Revised	Increase (Decrease)
Revenue	\$ 8,523,080	\$ 8,408,2000	\$ 8,778,600	\$ 370,400
Expenditures and Transfers				
Instruction	\$ 3,662,485	\$ 3,665,900	\$ 3,944,400	\$ 278,500
Research	224,835	325,900	690,400	364,500
Public Service	448,174	470,000	710,100	240,100
Academic Support	1,716,542	2,274,500	2,429,200	154,700
Student Services	827,113	897,900	950,000	52,100
Institutional Support	545,181	569,000	715,800	146,800
Facilities	393,119	439,600	533,700	94,100
Scholarships	221,465	375,000	464,700	89,700
Total before transfers	8,038,914	9,017,800	10,438,300	1,420,500
Debt Service	670,976	671,000	671,600	600
Non-Mandatory Transfers	(395,648)	(1,280,600)	(386,600)	894,000
Total	\$ 8,314,242	\$ 8,408,200	\$ 10,723,300	\$ 2,315,100

FT Unrestricted Positions	Original 24-25	October Revised	Increase (Decrease)
Faculty	30	30	-
Administration	1	1	-
Maint/Tech/Support	12	12	-
Professional Support	11	11	-
Total	54	54	-

EAST TENNESSEE STATE UNIVERSITY
BOARD OF TRUSTEES

INFORMATION ITEM

DATE: November 15, 2024

ITEM: Quarterly Financial Update

COMMITTEE: Finance and Administration

PRESENTED BY: Christy Graham
Chief Financial Officer and
Vice President of Business and Finance

The tables below summarize financial activities for the university through September of fiscal year 2024-25. The comparison is current year to prior year for the same three-month period.

Table 1 – Unrestricted E&G Revenues by Unit and Revenue Source

Unrestricted E&G Year-to-Year Comparisons Year-to-Date 9-30-2023 & 9-30-2024				
	FY2023-24	FY2024-25	Change	
			\$	%
REVENUES				
By Appropriation Unit				
Main Campus	\$110,054,462	\$112,731,649	\$2,677,187	2.4%
Medicine/Family Med	23,941,948	24,827,657	885,709	3.7%
Pharmacy	2,759,857	3,491,884	732,027	26.5%
TOTAL REVENUE	\$136,756,267	\$141,051,191	\$4,294,923	3.1%
By Revenue Source				
Tuition and Fees	\$83,189,174	\$86,339,986	3,150,812	3.8%
State Appropriations	39,089,000	42,115,300	3,026,300	7.7%
Grants, Contracts, Gifts	2,283,293	1,757,194	(526,099)	(23.0%)
Other	12,194,800	10,838,711	(1,356,089)	(11.1%)
TOTAL REVENUE	\$136,756,267	\$141,051,191	\$4,294,923	3.1%

Table 2 – Unrestricted E&G Expenditures by Appropriation Unit and Classification

Unrestricted E&G				
Year-to-Year Comparisons				
Year-to-Date 9-30-2023 & 9-30-2024				
	FY2023-24	FY2024-25	Change	
			\$	%
EXPENDITURES				
By Appropriation Unit				
Main Campus	\$69,277,239	\$74,079,898	\$4,802,659	6.9%
Medicine/Family Med	28,308,541	22,118,769	(6,189,772)	(21.9%)
Pharmacy	2,182,107	2,319,729	137,622	6.3%
TOTAL EXPENSE	\$99,767,887	\$98,518,396	(\$1,249,491)	(1.3%)
By Natural Classification				
Salaries & Benefits	\$63,851,927	\$67,037,140	\$3,185,213	5.0%
Operating	15,453,365	15,235,930	(217,435)	(1.4%)
Capital/Equipment	91,551	151,889	60,338	65.9%
Scholarships/Fellowships	13,643,204	13,591,599	(51,605)	(0.4%)
Transfers to Other Funds	6,727,839	2,501,838	(4,226,002)	(62.8%)
TOTAL EXPENSE	\$99,767,887	\$98,518,396	(\$1,249,491)	(1.3%)
By Functional Classification				
Instruction	\$43,224,551	\$44,573,723	\$1,349,171	4.7%
Research	2,426,340	1,866,509	(559,831)	(23.1%)
Public Services	895,157	1,224,984	329,826	36.8%
Academic Support	9,420,167	10,107,826	687,660	7.3%
Student Services	8,208,293	9,193,994	985,701	12.0%
Institutional Support	8,527,622	8,791,100	263,477	3.1%
Physical Plant	6,705,662	6,670,543	(35,119)	(0.5%)
Scholarships/Fellowships	13,643,204	13,591,599	(51,605)	(0.4%)
Transfers to Other Funds	6,716,891	2,498,118	(4,218,773)	57.5%
TOTAL EXPENSE	\$99,767,887	\$98,518,396	(\$1,249,491)	(1.3%)

Table 3 – Current Operating Funds Revenues by Fund Type and Revenue Source

**Current Operating Funds (Unrestricted/Auxiliaries/Restricted)
Year-to-Year Comparisons
Year-to-Date 9-30-2023 & 9-30-2024**

	FY2023-24	FY2024-25	Change	
			\$	%
REVENUES				
By Current Fund Type				
Unrestricted E&G	\$136,756,267	\$141,051,191	\$4,294,923	3.1%
Auxiliaries	15,816,085	18,084,700	2,268,616	14.3%
Restricted Funds	49,028,615	48,676,133	(352,482)	(0.7%)
TOTAL REVENUE	\$201,600,967	\$207,812,024	6,211,058	3.1%
REVENUES				
By Revenue Sources				
Tuition and Fees	\$83,672,236	\$86,836,557	3,164,321	3.8%
State Appropriations	39,089,000	42,115,300	3,026,300	7.7%
Grants, Contracts, Gifts	50,648,897	50,256,438	(392,459)	(0.8%)
Other	12,379,305	10,827,149	(1,552,156)	(12.5%)
Auxiliaries	15,811,529	17,776,580	1,965,052	12.4%
TOTAL REVENUE	\$201,600,967	\$207,812,024	6,211,058	3.1%

Table 4 – Current Operating Funds Expenditures by Fund Type and Classification

Current Operating Funds (Unrestricted/Auxiliaries/Restricted)

Year-to-Year Comparisons

Year-to-Date 9-30-2023 & 9-30-2024

	FY2023-24	FY2024-25	Change	
			\$	%
EXPENDITURES				
By Current Fund Type				
Unrestricted E&G	\$99,767,887	\$98,518,396	(\$1,249,491)	(1.3%)
Auxiliaries	2,347,032	2,767,568	420,536	17.9%
Restricted Funds	43,455,784	48,524,234	5,068,540	11.7%
TOTAL EXPENSE	\$145,570,703	\$149,810,288	4,239,585	2.9%

EXPENDITURES

By Natural Classification

Salaries & Benefits	\$75,379,211	\$79,199,747	\$3,820,536	5.1%
Operating	23,324,663	24,406,919	1,082,256	4.6%
Capital/Equipment	156,064	269,507	113,444	72.7%
Scholarships/Fellowships	39,957,939	43,316,149	3,358,210	8.4%
Transfers to Other Funds	6,752,826	2,617,966	(4,134,859)	(61.2%)
TOTAL EXPENSE	\$145,570,703	\$149,810,288	4,239,585	2.9%

EXPENDITURES

By Functional Classification

Instruction	\$44,843,962	\$45,989,417	\$1,145,455	2.6%
Research	6,280,466	5,352,685	(927,781)	(14.8%)
Public Services	13,862,770	16,285,452	2,422,683	17.5%
Academic Support	9,441,767	10,205,649	763,882	8.1%
Student Services	8,276,744	9,281,753	1,005,008	12.1%
Institutional Support	8,984,560	9,162,081	177,520	2.0%
Physical Plant	6,758,402	6,689,615	(68,786)	(1.0%)
Scholarships/Fellowships	38,058,109	41,577,950	3,519,841	9.2%
Transfers to Other Funds	6,716,890	2,498,118	(4,218,773)	(62.8%)
Auxiliaries	2,347,032	2,767,568	420,536	17.9%
Aux Trsfers to Other Funds	-	-	-	-
TOTAL EXPENSE	\$145,570,703	\$149,810,288	4,239,585	2.9%

Table 5 – Statement of Net Position - All Funds

STATEMENT OF NET POSITION
Year-to-Date 09-30-2024 & 09-30-2023

	Education and General Funds	Agency, Loan & Endow. Funds	Plant Funds	Total YTD FY25	Total FY24
ASSETS					
Cash	\$113,979,770.87	\$19,163,225.03	\$152,690,857.96	\$285,833,853.86	\$262,589,767.45
Investments	48,381,212.16	-	13,600,000.00	61,981,212.16	63,197,649.87
Accounts Receivable	28,769,581.89	1,107,521.42	-	29,877,103.31	30,693,960.16
Inventories & Prepaid Exp	1,334,623.78	-	10,717.57	1,345,341.35	(810,265.51)
Net Pension Asset	178,980.72	-	-	178,980.72	640,008.72
Capital Assets	-	-	454,576,126.73	454,576,126.73	422,616,590.49
Other Assets	17,561.70	17,408.51	-	35,233.37	34,103.40
Total Assets	192,661,994.28	20,288,154.96	620,877,702.26	833,827,851.50	778,961,814.58
DEFERRED OUTFLOW					
Bond Refunding	-	-	3,623,109.94	3,623,109.94	4,775,393.67
Pensions	26,295,363.93	-	-	26,295,363.93	29,060,419.96
OPEB	7,266,176.93	-	-	7,266,176.93	7,143,674.18
Total Def Outflows	33,561,540.86	-	3,623,109.94	37,184,650.80	40,979,487.81
Total Assets & Deferred Outflows	226,223,535.14	20,288,154.96	624,500,812.20	871,012,502.30	819,941,302.39

	Education and General Funds	Agency, Loan & Endow. Funds	Plant Funds	Total YTD FY25	Total FY24
LIABILITIES					
Accounts Payable	5,765,083.84		-	5,765,083.84	4,722,567.66
Accrued Liabilities	18,186,337.66		179,565.71	18,365,903.37	24,268,787.79
Student Deposits	973,338.03			973,338.03	864,363.66
Unearned Revenue	7,811.25			7,811.25	11,281.25
Compensated Absences	20,340,276.83			20,340,276.83	18,687,148.79
Long-term Liabilities			153,519,128.33	153,519,128.33	159,531,355.64
Deposits Held for Others		1,590,945.61		1,590,945.61	1,401,012.75
Net Pension Liability	21,277,555.00			21,277,555.00	23,470,097.00
Due to Grantors		3,237,194.13		3,237,194.13	3,297,212.13
Total Liabilities	66,550,402.61	4,828,139.74	153,698,694.04	225,077,236.39	236,253,826.67
DEFERRED INFLOWS					
Bond Refunding		-	48,716.65	48,716.65	55,212.21
Other	203,747.41			203,747.41	249,025.32
Pensions	691,759.00	-	-	691,759.00	2,761,456.00
OPEB	11,152,566.42	-	-	11,152,566.42	7,181,942.00
Total Def Inflows	12,048,072.83	-	48,716.65	12,096,789.48	10,247,635.53
NET POSITION					
Net Investment in Capital	-	-	304,653,117.65	304,653,117.65	267,772,827.76
Restricted Net Position	29,537,748.05	-	14,222,331.95	43,760,080.00	39,240,406.58
Unrestricted Net Position	118,087,311.65	15,460,015.22	151,877,951.91	285,425,278.78	266,426,605.85
Total Net Position	147,625,059.70	15,460,015.22	470,753,401.51	633,838,476.43	573,439,840.19
Total Liabilities, Deferred Inflows, & Net Position	226,223,535.14	20,288,154.96	624,500,812.20	871,012,502.30	819,941,302.39

EAST TENNESSEE STATE UNIVERSITY

BOARD OF TRUSTEES

INFORMATION ITEM

DATE: November 15, 2024

ITEM: Annual Presentation of Tuition Transparency Report

COMMITTEE: Finance and Administration

PRESENTED BY: Christy Graham
Chief Financial Officer and
Vice President of Business and Finance

As outlined in Tennessee Code Annotated §49-7-1604, institutions are required to annually submit information to the General Assembly related to the utilization of tuition and fee revenue to support the mission of the campus. Specifically, Tennessee Code reads as follows:

§49-7-1604

“By February 1 of each year, each governing board shall provide a report to the office of legislative budget analysis, for distribution to the general assembly, with information regarding expenditures of revenue derived from any tuition and fees increase in the previous full academic year. The report shall include how revenues were used, the effect on student financial aid, and the effect on the average total cost of attendance per student.”

The following report will be delivered to the Office of Legislative Budget Analysis on behalf of the ETSU Board of Trustees.



Compliance with 2018 Public Acts, Chapter 614
 Tuition Transparency and Accountability Act
 T.C.A. §49-7-1604

By February 1 of each year, each governing board shall provide a report to the office of legislative budget analysis, for distribution to the general assembly, with information regarding expenditures of revenues derived from any tuition and fees increase in the previous full academic year. The report shall include how revenues were used, the effect on student financial aid, and the effect on the average total cost of attendance per student.

For Fiscal Year 2023-24	
Total Tuition and Mandatory Fee increase @ 15 credit hours	2.85%
Tuition Sources and Uses	
Tuition increase of 2.95% = \$1,292,138	
Effect of Average Cost of Attendance per student = \$114 per semester @ 15 credit hours	
Effect on Student Financial Aid = None	
Uses of Revenues	Dollars
Match requirement for salary improvement	\$1,292,138

Other Mandatory Fees Sources and Uses	
Other Mandatory Fees increase of 2.45% = \$226,000; fee caps at 8 credit hours	
Effect of Average Cost of Attendance per student = \$24 per semester @ 8 credit hours	
Effect on Student Financial Aid = None	
Uses of Revenues	Dollars
Student Activities	\$226,000

EAST TENNESSEE STATE UNIVERSITY
BOARD OF TRUSTEES

INFORMATION ITEM

DATE: November 15, 2024

ITEM: Quarterly Report of Agreements \$250,000 or greater

COMMITTEE: Finance and Administration

PRESENTED BY: Christy Graham
Chief Financial Officer and
Vice President of Business and Finance

Included below is a list of agreements, both expense and revenue, with amounts totaling \$250,000 or greater for the period of July 2024 – September 2024.

July – September 2024

Contracts / Purchase Orders over \$250,000

Contract/ PO Date		Contractor	Description of Services/Products	Contract /	\$ Annual	Competitive	Fiscal Review
Start	End			PO Amount	Contract		Approval
7/15/24	8/15/25	Huron Consulting Services LLC	Implementation services to complete rollout of Oracle Cloud ERP, HCM and EPM per SOW	\$6,456,122	\$6,456,122	Yes	N/A
11/1/24	10/31/29	Bristol Gynecology & Obstetrics	To provide consulting services for ETSU Healthy Family Medicine OB/GYN patients – reduces cost to FM	\$500,040	\$100,008	No	N/A
8/1/24	8/31/25	Assessment Technologies Institute	Contract amendment – Nursing transition to move majority of students from one plan to another plan. ATI provides a review program to prepare students for licensure exam.	\$317,452	\$317,452	No	N/A
8/1/24	7/31/26	SSC/Southeast Service Corporation	To provide janitorial services to Family Medicine Clinics	\$347,808	\$173,904	Yes	N/A
1/1/24	12/31/24	Elsevier BV	Access to online ScienceDirect collection – Payment 2 of 2	\$290,874	\$290,874	No	N/A
7/9/24	9/24/24	Smith Drug Company	Medications purchased for the HIV Center of Excellence	\$1,500,000	\$1,500,000	No	N/A
8/15/24	6/30/25	Smith Drug Company	Medications purchased for the HIV Center of Excellence – Necessary for New Clinic/Pharmacy located in Kingsport	\$1,500,000	\$1,500,000	No	N/A
3/11/24	3/10/25	Carnegie Dartlet LLC	Enrollment Consulting Services – RFP 6867, year 5 of 5 Undergraduate Admissions	\$364,100	\$364,100	Yes	N/A

8/30/24	8/29/25	CDW Government Inc	Microsoft 365 Subscription Service for campus	\$566,403	\$566,403	Yes	N/A
9/26/24	9/26/24	Reletech	Equipment to support Mechatronics Labs. This equipment will support 6 different classes. Reletech is the sole provider of Festo industrial grade equipment in the State of TN	\$1,051,607	\$1,051,607	No	N/A

RFI/RFPs –In-Process and Upcoming

Enrollment Consulting RFP – Upcoming this January – Previously, RFP 6867 Carnegie Dartlet (Fire Engine Red) – estimated \$2,207,675 for 5 years

Athletic Apparel and Gear RFP – Upcoming this January – Previously, RFP 6852 BSN Sports – estimated \$2 Million, plus \$1 Million financial incentives for 5 years

Air Filters RFQ – Upcoming this Fall – No prior agreement for this

Biomedical Waste Disposal Services RFQ – Upcoming this Fall – Previously, RFQ 6860 Waste Medic – estimated \$300,000 for 5 years

Custodial Staffing Assistance RFQ – Upcoming this Fall – Previously, RFQ 6884 M.D. Environmental Services LLC – estimated amount contingent upon need

This report does not include contracts or agreements associated with revenue, software/systems maintenance agreements, contracts with the federal government, and construction projects which are approved through the State Building Commission.

INFORMATION ITEM

DATE: November 15, 2024

ITEM: CFO Update

COMMITTEE: Finance and Administration

PRESENTED BY: Christy Graham
Chief Financial Officer and
Vice President of Business and Finance

Strategic Resource Allocation Advisory Committee

Committee Details

In the fall of 2023, ETSU began a year-long process to evaluate the institution's budget model and make critical updates that, when implemented, will allow for the strategic realignment of resources to support growth and innovation across the campus.

The Committee was guided by the following **priorities**:

- Create a budget model that is fair, transparent and predictable.
- Ensure that no one unit (college or administrative function) experiences an overly significant or disruptive loss or gain from one year to the next.
- Identify funds to support an annual strategic initiative fund for the institution (for FY26, the initiative is market-based salary increases).
- Account for how the model will function in terms of fluctuations in enrollment.
- Set base budget amounts that appropriately fund colleges and administrative units to accomplish their key priorities.

Milestones Achieved

- Recommended revised base budgets and reallocated resources in support of those base resets
- Established a data-informed, but less disruptive mechanism, for annual resource allocation decisions
- Updated important processes and procedures that impact all units, such as vacancy management and carryforward
- Aligned resource allocation more closely to university priorities and overall enrollment and financial trends

- Identified significant resources to support salary enhancements as well as establish resource pools to support capital improvements and new program development
- Committed to the ongoing review and refinement of key aspects of the model

Community Engagement

- Regular meetings with ETSU Leadership Team
- Met with each Vice President and Dean and their teams at least three times over the course of the year, as well as several times with the Deans' Council
- University Council presentations
- Website created and updated

Next Steps and Timeline

- Some base adjustments go into effect this year, while others will be fully implemented in FY26
- The model will 'run' for FY26, meaning FY25 will focus on gathering the appropriate data and metrics to inform the model
- Key initiatives for FY25 will include establishing the processes through which strategic initiatives and capital projects will be vetted and resourced