AGENDA

I. Call to Order

II. Roll Call

III. Approval of the Finance and Administration Committee Minutes of September 8, 2017

IV. October Budget Revision

V. Finance and Administration Policies
   A. Delegation of Authority/Signature Authorization
   B. Disposal of Surplus Personal Property
   C. Equipment/Movable Property Inventory Control
   D. Memberships and Subscriptions
   E. Alcohol Policy

VI. Medical Student Center Debt Service and Activity Fee

VII. Presentation of FY17 unaudited financial statements

VIII. Presentation of Composite Financial Index

IX. Presentation of new budget model procedures

X. Quarterly Report of Agreements $250,000 or greater

XI. Campus Construction Update

XII. Other Business

XIII. Adjournment
EAST TENNESSEE STATE UNIVERSITY
BOARD OF TRUSTEES

ACTION ITEM

DATE: November 10, 2017

ITEM: Approval of the Minutes of September 8, 2017

COMMITTEE: Finance and Administration Committee

RECOMMENDED ACTION: Approve

PRESENTED BY: B.J. King, Acting Chief Financial Officer

The minutes of the September 8, 2017 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 8, 2017 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.
The East Tennessee State University Board of Trustees Finance and Administration Committee held a meeting at 10:15 a.m. on Friday, September 8, 2017, in Meeting Room 3 of the D.P. Culp University Center on ETSU’s main campus in Johnson City, Tennessee.

I. Call to Order
Mr. Steven DeCarlo, chair of the Finance and Administration Committee, called the meeting to order.

II. Roll Call
Secretary Dr. David Linville called the roll. Committee members in attendance were:

Steven DeCarlo, chair
Dorothy Grisham
Ron Ramsey
Jim Powell

Secretary Linville told Chair DeCarlo he had a quorum.

Others in attendance included: ETSU President Brian Noland, Board of Trustees Chair Scott Niswonger, Acting Chief Operating Officer Jeremy Ross, Acting Chief Financial Officer B.J. King, Joe Smith (University Relations), Dr. Lauren Collier from THEC, Vice President of Advancement Pam Ritter and Kristen Swing (taking minutes).

III. Approval of the Finance and Administration Committee Minutes of June 9, 2017
Trustee Ramsey made a motion to approve the minutes of the June 9, 2017, Finance and Administration Committee minutes. It was seconded by Trustee Grisham and unanimously approved.

IV. Capital Project Approval
Mr. Jeremy Ross presented on ongoing and future capital projects at the university, noting that the master plan incorporates a specific architecture style the university is trying to have on campus. The plan includes a lot of greenery. Mr. Ross discussed how some other universities are using “out-of-the-box” thinking to incorporate risk-reward pieces. For example, bringing in commercial businesses that students want
onto campus property. This would have to be done through the Foundation. He cited examples in which universities run hotels and other residential spaces.

Mr. Ross said one of the significant reasons students choose ETSU is because the campus is beautiful. He touched on the creation of the quad in the middle of campus and said the goal is to build on that even more. He said what happens between the buildings is just as important as what happens in them. Addressing the “spine” between the Culp Center and the football stadium, Mr. Ross said the university is considering a “la rambla”-type layout that includes a tree-lined center with bocce courts, bike paths, artwork, wi-fi access and more that could tremendously change the area. He said the University of Tennessee is doing this and Europe has done it for years.

Touching on completed projects and projects currently underway, Mr. Ross mentioned the Multicultural Center in the Culp (completed), the Johnson City Day Center (underway), the Data Center (completed) and the interprofessional building on the VA campus (underway).

He also discussed, in depth, renovations about to take place at the Culp Center. Mr. Ross said there would be an interior “street” in the building with a glass curtain wall facing the amphitheatre. The multi-story renovation will be considered “modern architecture” but not “brutalism,” he said. The second floor will include the Tennessee Room, the SORC, the SGA and other offices. The interior street will serve as an area for students to move through as they pass from one side of campus to the other, he noted.

Mr. Ross said the football stadium project worked well, being completed within budget and on time. He called it a “nice throwback stadium” and showed a photo from the first game. Chair DeCarlo said the photo should be used as a recruiting photo.

Mr. Ross also mentioned the renovations that were done to Freedom Hall in partnership with the city for men’s basketball to play there. In addition, he brought up the Fine Arts building for which the groundbreaking was to take place later the same day. He said the arts building will be seven feet below State of Franklin Road due to topography, but having a two-level facility will make that less noticeable. Mr. Ross said the capacity of the arts building will be 1,200 and the facility will feature 190,000 square feet of useable space. Chair DeCarlo asked if there had been any dissent locally for the project. ETSU President Brian Noland said the partnership element with the City of Johnson City is complex and included a need to move through a hotel/motel tax bill for the city to meet its requirements. Dr. Noland said the city was interested in the partnership all along but needed to make sure it was handled in a way that benefitted taxpayers. In all, Dr. Noland estimated the city had put in $11 million to ward the project, which includes $8 million in construction costs, the donation of the land and a stop light that will be put up at the nearby intersection. In a five-year timeframe, Dr. Noland estimated the city has put in some $25 million in
joint projects between the city and the university. Mr. Ross said there are approximately 500 donors to the performing arts center, including the Economic Development Council and the Johnson City Power Board. Board of Trustees Chairman Scott Niswonger said that when the referendum was turned down 15 years ago in Johnson City, that was the catalyst to build the Niswonger Performing Arts Center in Greeneville. He estimated that the hotel/motel tax in Greeneville brings in over $400,000 per year.

Next, Mr. Ross briefly discussed the Lamb Hall renovation project that was approved in the state budget. The state will provide $17.3 million of the $25 million needed for the project, which is essentially a new building.

Mr. Ross said the university has an agreement with the city to explore the acquisition of the Millennium Centre. Dr. David Collins is working on a business plan related to this potential acquisition. A study is underway. Board Chair Niswonger encouraged Mr. Ross to reach out to Vicky Hudson. Another possible benefit to acquiring the Millennium Centre is the access to another parking garage. Mr. Ross said the cost to build a parking garage is approximately $30,000 per car.

In all, there are an estimated $275 million in projects between 2014 and 2019.

Mr. Ross also discussed adjacent properties. He said that while a lot of students come to ETSU because of the beautiful campus, there is a segment of students not coming here – those who want an urban setting. The revamping of the stretch of West Walnut street from ETSU to downtown, however, is changing that, he said. The renovation of the mill in that area will be transforming for both downtown Johnson City and ETSU. Mr. Ross shared two schemes of potential ways that stretch could look, with mixed-use development that includes parks, a hotel, shops and pubs. He said that bluegrass could be our niche. Multiple people currently own the properties along the half-mile West Walnut Street stretch and ETSU has taken an active role in determining what it will look like in the future, even serving on the city task force. Dr. Noland noted that the university put an offer on the Neebo facility and the adjacent property (former club) but the owner wanted $500,000 more than the appraised value for the property. In response to a question from Chair DeCarlo, Dr. Noland said that once the first domino falls in terms of properties selling, it is likely market value will go up on the other properties in that stretch.

Next, Mr. Ross addressed the possibility of a new humanities building. With the performing arts center and Lamb Hall both now off of the state list, ETSU has to decide what should be put on the list in terms of capital projects. Mr. Ross asked that the committee approve the submission to THEC of a new humanities building for the state list. He said he has made a case for the project during a “first look” meeting with THEC. He noted that the humanities are currently spread throughout three buildings on campus – the Campus Center Building, Burleson Hall and Rogers Stout Hall. There is a deficiency of about 85,000 square feet. Arts and Sciences equals about 20 percent of all degree production on campus. Mr. Ross said students coming from
places like Science Hill High School and Northeast State Community College are going backwards as far as quality and condition of the learning environment for the humanities. He said the university’s mission, the Drive to 55 initiative and the blighted building status are good reasons for it to be considered. The new humanities building would be a $76 million building. It would be five stories and 100,000 square feet. The current Campus Center Building would come down and the new humanities building would be built in its place. Trustee Ramsey asked about the timeline. Mr. Ross said that, once approved by the Board of Trustees, the next step is to take the project to THEC. Dr. Noland pointed out that this is the first year in which THEC is working through its new process in terms of a needs list. The new process calls for a new list every year. The goal is to make the humanities building ETSU’s new project on the list as the capital project priority for our campus.

In terms of capital maintenance, Mr. Ross said there is also a new approach from THEC whereby a certain amount of funding is allocated to a university and the institution is then charged with deciding how to use it. Currently, THEC is estimating that amount for ETSU to be $9.54 in allocations, however what will actually be funded is determined by the governor in his budget and will likely be less than that. Some of the ways in which the allocation may be used at ETSU include improvements to the Mini-Dome in order to increase capacity from 9,600 closer to 14,200. Board Chair Niswonger said his company uses a formula in which 1 percent of cost for a project goes to future maintenance. On mature buildings, it is a pretty big number the university needs to be thinking about, he noted.

Mr. Ross provided a capital severance update, noting that THEC has asked the university to do five things to sever, one of which is an organizational structure chart that shows who at ETSU is now doing the work that had been being done by TBR. Mr. Ross said his folks have been making six trips a month to Nashville for job shadowing with the TBR. Among the other four things asked of the university are a single source of information; items to be on the website; access to architects, engineers and specialty consultants; and data management software. Chair DeCarlo asked if there was an addition of any staff since the work is being moved from TBR to ETSU. Mr. Ross said not yet, but that is needed. He credited the staff with being well trained and capable. Chair DeCarlo asked if the state had contemplated staffing issues and Mr. Ross said that the issue is ETSU’s to address.

Mr. Ross also provided a list of disclosed projects, explaining that if there is any possibility of the project, then it is disclosed to THEC. One example is an outdoor track that alumni have been discussing coming together to fund. Mr. Ross explained that it has been disclosed because of the possibility of the project, but that the project has not moved any further at this point.

Following the conversation, Trustee Jim Powell made a motion to recommend to the full Board of Trustees the approval of the submission of the capital outlay, capital maintenance and disclosed projects to the Tennessee Higher Education Commission. It was seconded by Trustee Grisham and unanimously passed.
V. **Advancement Policies**  
Ms. Pam Ritter gave a brief overview of the Advancement policies being addressed.  
A. **Responsibility and Ethics Policy** – This is a new policy that has been reviewed at several levels already.  
B. **Confidentiality and Data Control** – Ms. Ritter said her group tries very hard to make sure donors wishes are confidential.  
C. **Naming** – There is a committee for naming and final approval always goes to the president of the university. Typically, a gift must be completed within five years for naming rights but the president is allowed to make an exception. Mr. DeCarlo asked if there is a policy for removing a name, to which Ms. Ritter affirmed there is such a policy. Ms. Ritter also noted that a will commitment or other revocable gift does not allow for the naming of a facility. She provided standard donation amounts for naming, including $10 million to name a college and $5-10 million to name a department or school. She said these are national standards. Trustee Powell emphasized the need to be very careful in how namings are discussed and who is involved because it can be very sensitive if there is more than one entity wanting naming rights to something.  
D. **Planned Giving Policy** – This is a revised policy. It serves as a guideline to assist with information regarding solicitation and acceptance of planned gifts. In the past, charitable remainder trusts were not able to be done due to infrastructure, but they can be done now.  
E. **Endowment Amounts Policy** – This is now $25,000.  
F. **Gift In Kind Policy** – This is a revised policy.  
G. **Gift Receipts and Acknowledgment Policy**  
H. **Soft Credit Policy**  
I. **Pledges Policy**  
J. **Acceptance of Gifts of Real Estate Policy**  
K. **Distinguished President’s Trust – Cumulative Giving Recognition Societies**  

Trustee Ramsey made a motion to approve the Advancement policies as presented in the meeting materials. It was seconded by Trustee Powell and unanimously approved.

VI. **Naming of the Arts Center**  
Mr. Joe Smith presented a proposal recommending the new fine arts building be named the James C. and Mary B. Martin Center for the Arts. He noted Mr. Martin’s contribution of $1 million in 2008 (in memory of his late wife) for the creation of the Mary B. Martin School of the Arts at ETSU. He also noted Mr. Martin’s lead gift of $3 million in 2013 for the creation of the performing arts center. The Martins’ daughter, Sonia King, also contributed $1.2 million and additional money has come in from the family since Mr. Martin’s death. In total, Mr. Martin’s giving to ETSU is $7 million. Dr. Noland added that this proposed name was brought to the TBR three years ago, however the TBR did not want to name the facility before construction began on it. While the official name would be the James C. and Mary B. Martin Center for the Arts, Dr. Noland said it will be referred to as the Martin Center.
Trustee Grisham made a motion to approve the naming and recommend the name to the full Board of Trustees. It was seconded by Trustee Ramsey and unanimously passed.

VII. Quarterly Report of Agreements $250,000 or greater
Prior to a report by Ms. King, Dr. Noland spoke about the budget approved by the Board of Trustees in the spring based on a decline of 250 students. He said enrollment would be above those projections (at least flat from last year) and, at the next meeting, a revised budget would be presented based on an additional 300 students. He said Ms. King tightened a lot of things up to serve the students better. Ms. King said that better installment plans were offered this year and fewer paid with credit card due to the 2.75 percent convenience fee. The first priority with the additional funds will be building the university’s reserves, with a goal of $2 million in reserves. Chair DeCarlo emphasized the need to build metrics this year, since things are new, to compare with how things go next year.

Regarding agreements over $250,000, Ms. King said she is required to go over such contracts with this committee. They are:
- Education Advisory Board – Ms. King explained that we are one university in Tennessee that is in a larger EAB contract with several universities. She said the contract, which is a multimillion-dollar contract statewide, has been scrutinized at the state level.
- Adobe Systems Incorporated – A digital marketing cloud partnership
- EMD Millipore Corporation – This is for a flow cytometer in Internal Medicine.
- McKesson Drug Co. – We buy pharmaceuticals product from them that we then get reimbursed for on a grant.

Ms. King noted that all of these contracts have been vetted at the state level as well. Chair DeCarlo asked about process when it comes to non-budgeted, non-state reviewed contracts over a certain amount of money. He wondered if those items come to this committee or the full Board. Ms. King said that money is set back in plant funds for “what if” something goes wrong. Renewal and replacement funds exist for the university itself as well as for each auxiliary unit. The R&R fund is built on available cash. Auxiliary units are required to put at least 5 percent of revenue into their R&R funds. There is a five-year maintenance plan for auxiliary units. There is a plan to spend $700,000 in R&R funds in housing units this year.

VIII. Other Business
None.

IX. Adjournment
Trustee Ramsey made a motion to adjourn. It was seconded by Trustee Grisham and unanimously approved.
EAST TENNESSEE STATE UNIVERSITY
BOARD OF TRUSTEES

ACTION ITEM

DATE: November 10, 2017

ITEM: October Budget Revision

COMMITTEE: Finance and Administration Committee

RECOMMENDED ACTION: Approve

PRESENTED BY: B.J. King, Acting Chief Financial Officer

At its June 6, 2017 meeting, the Board of Trustees adopted the 2017-18 budget for the university. Part of the standard budgeting procedure is to revise the university budget in October which includes figures from the actual enrollment for the fall semester.

The October revision is a continuation of the university’s new budgeting process for 2017-18 with the implementation of a new strategic plan for the institution. The purpose of the budget process is to:

- Align budget and resources with the University’s strategic plan, mission, vision, and goals
- Provide a multi-year plan that is reviewed and updated regularly
- Reflect differences and varying needs across diverse units
- Promote fiscal responsibility
- Engage and involve the entire ETSU community, thereby enhancing communication
- Promote collaboration among academic and administrative units
- Allow for the public presentation of budget priorities
- Assure transparency in decision making
- Follow an annual calendar and timeline
- Provide a venue to evaluate and prioritize budget proposals from across the University for which there are limited resources
### Main Campus October Revised Budget

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<thead>
<tr>
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<th>Original 2017-18</th>
<th>October Revised</th>
<th>Increase (Decrease)</th>
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#### Expenditures and Transfers

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**Total before transfers**: $213,287,500 $228,805,200 $15,517,700

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<td>Auxiliaries Exp &amp; Tnfrs</td>
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**Total**: $245,630,700 $264,026,800 $18,396,100
## College of Medicine October Revised Budget

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<th>October Revised</th>
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### Family Medicine October Revised Budget

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College of Pharmacy October Revised Budget

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<td>Nonmandatory Trfs</td>
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**MOTION:** I move that the Board of Trustees adopt the October revisions to the 2017-18 university budget.

**RESOLVED:** Upon the recommendation of the Finance and Administration Committee, the Board of Trustees approves the university’s October revisions to the 2017-18 university budget.
The following administrative policies for Finance and Administration have been revised to reflect current operations of the university and foundation with the establishment of an institutional board of trustees.

- Delegation of Authority/Signature Authorization
- Disposal of Surplus Personal Property
- Equipment/Movable Property Inventory Control
- Memberships and Subscriptions
- Alcohol Policy

MOTION: I move that the Board of Trustees adopt the Finance and Administration Policies as outlined in the meeting materials

RESOLVED: Upon the recommendation of the Finance and Administration Committee, the Board of Trustees adopts the Finance and Administration Policies as outlined in the meeting materials.
Policy Title: Delegation of Authority/Signature Authorization

Policy Type: Finance/Administration

New/revised: Revised

Old Policy #: 1:03:02:20, FP-37

Approval level: ☒ Board of Trustees
☐ President
☐ Vice President
☐ Other (specify here)

Purpose: The purpose of this policy is the establishment of procedures for delegation of authority/signature authorization.

Policy:

I. Scope

A. This policy applies whenever a signature (including an electronic signature) is made on behalf of the University through a delegation of authority for any transaction with an external party that could create a financial liability or financial obligation; or obligate the University to provide resources, services, or goods; or for use of University properties.

B. Examples include, but are not limited to, contracts, grants, purchase orders, and memorandums of understanding/agreement. No signature which is covered by this policy may be made without written delegation of authority as provided in Section I below. Any individual who signs in violation of this policy, without a written delegation, is subject to discipline and may be personally liable for the obligation created by his/her signature.

C. Signatures required for internal University operations are not subject to this policy and are governed by other University policies/procedures. Examples of the exercise of authority outside the scope of this policy, which are subject to other University policies/procedures, include, but are not limited to, travel authorizations, grant applications, employment contracts, course overloads, student advising, and reductions in student course loads. For those internal operations that require a delegation of signature, the Request for Authorization of Signature should be used. This form can be found under Miscellaneous Forms on the Business and Finance Forms page.

II. General Provisions

A. Delegations/authorizations must be in writing, with the level of authority, any restrictions on authority and the period of authority, if any, clearly noted.

B. Forms for delegation/authorization shall be in the format shown in Attachment 1 and must be signed by the president of the University in order to be in compliance with this policy.

C. Delegations shall run from the official holding authority to act, directly to the person exercising that authority. The principle is that the person holding authority should have direct knowledge of who within the University is exercising that authority on his/her behalf.
D. Personnel with delegated authority should be qualified to do so by training and experience. The person making delegation is responsible for ensuring that the person to whom authority is delegated is qualified and understands the application of the authority delegated.

E. The ramifications of exceeding or misapplying one’s delegated authority, as stated in the first paragraph of Scope section above, should be clearly understood and uniformly enforced.

F. Periodic training should be provided to ensure persons with delegated authority have a clear, current understanding of their authority and its limitations.

ATTACHMENT I – Delegation of Authority/Signature Authorization
Policy Title: Disposal of Surplus Personal Property

Policy Type: Finance/Administration  
New/revised: Revised

Old Policy #: 4:02:20:00, FP-11

Approval level: ☒ Board of Trustees  
☐ President  
☐ Vice President  
☐ Other (specify here)

Purpose: This policy is intended to describe the general rules, general disposal procedures, trade-in on replacement, transfer to State higher education institutions, transfer to other State agencies, and sale of surplus property to governmental entities, at public auctions and under sealed bids. This policy also addresses the disposal of waste products. Disposal of such property must be in accordance with this policy.

Definitions:

- **Surplus property:** personal property owned by the University that has been determined obsolete, outmoded, unusable or no longer usable by the University or for which future needs do not justify the cost of maintenance and/or storage.
- **Cannibalization:** University property in which serviceable parts are removed for use in the repair of other equipment.
- **Hazardous Materials:** A substance or material, which has been determined by the Secretary of Transportation to be capable of posing an unreasonable risk to health, safety, and property when transported in commerce, and which has been so designated.
- **Salvage:** University property that is no longer useful as a unit in its present condition but may have some value as scrap, usually because parts from it may be recovered and reused.
- **Surplus Personal Property:** Personal property which has been determined to be obsolete, outmoded, unusable or no longer usable by the University, or property for which future needs do not justify the cost of maintenance and/or storage. Such property must be declared "surplus personal property" by the President or designee of the University; provided however, property need not be declared surplus when disposition is through the trade-in method.
- **Zero Value:** University property that has reached its useful life and frequently has limited value.
- **Central Receiving Supervisor:** The designated administrator for disposal of University surplus property. The Central Receiving Supervisor is responsible for the storage of surplus personal property. The Facilities Management Department is responsible for the pick-up and delivery of surplus personal property to the designated surplus personal property storage area.

Policy:

I. General Rules

A. Surplus personal property is either usable property, which shall be transferred or sold, or unusable property, which may be destroyed, as hereinafter provided:

   1. Surplus personal property which is perishable food may be destroyed without delay or notification.
   2. Surplus mattresses may be destroyed.
3. Surplus personal property which is determined to be not usable by the University and of little or no salvage or other economic value may be destroyed by an appropriate method.

4. The University shall follow the procedures described in Section II.C of this policy, prior to disposal of all other surplus personal property.

B. Surplus personal property in which the Federal Government or other entity has a legal interest should be transferred to such entity when no longer needed.

C. It is unlawful for any state official or employee, including University employees, to purchase from the state except by bid at public auction any surplus property during the tenure of his office or employment, or for six (6) months thereafter. A purchaser who violates this provision is guilty of a misdemeanor under T.C.A. § 12-2-412.

D. For all sales to individuals except at public auctions including internet auction, the University shall obtain from the purchaser a signed disclaimer certifying the purchaser is not a state employee and that the purchaser is not buying the property for or on behalf of any state employee.

E. All employees of the University and their immediate families shall be ineligible to bid for or purchase surplus personal property except by bid at public auction.

F. Possession of surplus personal property sold to the general public under any method prescribed under Section II.C of this policy shall not pass until payment is made by cash, credit card, or if payment is made by cashier’s check or certified check, possession shall not pass until the check is honored by the drawee bank.

G. Possession shall pass to state higher education institutions, political subdivisions of the state, and other governmental entities upon receipt, by the University, of purchase vouchers of such institutions, political subdivisions, or other governmental entities. Title to motor vehicles sold as surplus property to political subdivisions and other governmental entities shall be closed as to transferee when title is passed.

II. General Disposal Procedures

A. The President or designee shall declare personal property to be surplus personal property prior to disposition as such; provided however, property need not be declared surplus when disposition is through use of the trade-in method.

B. The President delegates the Central Receiving Supervisor as the designated administrator (hereinafter referred to as “responsible authority”) for disposal of University surplus personal property. The Facilities Management Department is responsible for the pick-up and delivery of surplus personal property to the designated surplus personal property storage area. The department chair shall declare usable University personal property surplus to their needs by utilizing the trade-in method or the Equipment Inventory Change/Deletion Request. Both methods shall be consistent with this guideline and University policy “Equipment Inventory”.

C. The Central Receiving Supervisor is responsible for the disposal of surplus personal property utilizing one of the following methods in accordance with this policy:

1. Trade-in, when such is permitted due to the nature of the property or equipment and subject to the provisions of T.C.A. § 12-2-403 and the rules of this policy;

2. Transfer to other state higher education institutions

3. Transfer to other state agencies;

4. Sale to eligible political subdivisions of the state and other governmental entities;

5. Public auction, publicly advertised and held;
6. Sale under sealed bids, publicly advertised, opened and recorded;
7. Negotiated contract for sale, at arm’s length; but only in those instances in which the availability of the property is recurring or repetitive in character, such as marketable waste products;
8. Disposition through the Department of General Services as provided in the Department Rules and Regulations;
9. Donations to a State of Tennessee public school or public school system;
10. Sale by Internet auction.

D. If the President, responsible authority or designee declares the property to be surplus personal property, the method of disposal shall be determined by the responsible authority from the alternatives set forth in Section II.C of this policy. Written documentation for the selection of method of disposal shall be maintained by the responsible authority.

E. The trade-in method, when property is of the nature appropriate for trade-in, and transfer to other state higher education institutions shall be the first and second priority methods, respectively, for disposal of surplus personal property, except for waste products which shall be disposed of as further provided in this policy.

F. In the selection of other methods of disposal, the following criteria shall be considered:
   1. The character, utility and functionality of the property;
   2. The economics of disposal in light of all relevant circumstances attendant the proposed disposal, including the condition and climate of the potential market and present estimated market value of the property, transportation costs, and other cost factors associated with disposal; and
   3. Sound fiscal and budgetary policy and practices.

G. The method of disposal selected in the preceding section shall be implemented pursuant to the specific procedures set forth in this policy for such disposition.

H. The responsible authority at the University shall be responsible for the maintenance of accountability documentation on all items of surplus personal property, and shall ensure that adequate audit and inventory trails on all items of surplus personal property are maintained.

I. Such authority shall make the final determination of the fair market value of surplus personal property for purposes of calculating reimbursements to the transferring institution and to determine whether property may be destroyed pursuant to Section I.A.3.

J. Nothing shall prohibit University from simultaneously providing notice of an intended disposition of surplus personal property to all state higher education institutions and all state agencies as specified in Section IV.A and V.A below.

K. In such event, if no state institution has requested the property within seven (7) days of the initial notice, the first state agency which had requested the property within such time shall be entitled to receive the property upon reimbursement as provided in Section V. below.

III. Trade-In on Replacement

A. Items that must be replaced may, subject to the requirements of this section, be traded in on replacement property.

B. The responsible authority of the University shall perform the following functions in connection with the trade-in method of disposal:
1. Issue invitations to bid asking for bids with trade-in and without trade-in and receive and review bids;
2. An evaluation of the condition and fair market value of the property to be disposed of; through comparisons of bids and the evaluation prepared, make a determination whether it is in the best interests of the University to dispose of the property by trade-in or by one of the other methods of disposal.

IV. Transfer to State Higher Education Institutions
   A. Except when the trade-in method is utilized or when the property is to be disposed of as a waste product, the responsible authority at the University shall provide to the President, or his/her designee, or appropriate departments and/or individuals at all other state higher education institutions, a notice of intended disposition which shall include;
      1. The name of the individual to contact for additional information;
      2. The location of the property for inspection;
      3. A description of the property;
      4. The condition of the property; and
      5. The original cost and fair market value of the property as determined by the responsible authority.
   B. The initial notice of available surplus personal property may be made at periodic intervals for the purpose of consolidating notices on numerous items of such property for convenience.
   C. The first institution which makes a written request for the available surplus personal property shall be entitled to receive such property.
   D. In the event that no institution requests transfer of available surplus personal property within seven (7) days of the date of the initial notice, the property may be disposed by means of another appropriate method of disposal.

V. Transfer to Other State Agencies
   A. When transfer to other state agencies is the method of disposal selected; the responsible authority of the University shall provide notice of the intended disposition to the commissioner or chief executive officer of all state agencies which shall include all information specified in the notice required by Section IV.A.
   B. The first state agency which makes a written request for the available surplus personal property shall be entitled to receive such property.
   C. In the event that no state agency requests transfer of available surplus personal property within seven (7) days of the date of the initial notice, the property may be disposed by means of another appropriate method of disposal.

VI. Sale of Surplus Property to Governmental Entities
   A. Political subdivisions of the state and other eligible governmental entities may purchase surplus personal property by submission of sealed bids for such property to the responsible authority of the University no later than two (2) days prior to a public auction held for disposal of such property.
      1. Such bids shall be opened two (2) days prior to such public auction and the highest bid shall be selected unless the responsible authority decides that the highest bid does not represent the fair market value.
      2. The responsible authority may reject such bids and may negotiate with the political subdivisions of the state and other entities which have submitted bids
in order to obtain a fair market value. In the event negotiation does not result in a fair market value, such property shall be disposed of by public auction.

B. Political subdivisions of the state and other governmental entities shall retain possession of surplus property purchased from the University for at least one (1) year unless disposal is approved by the Board of Standards. Any profit realized from the resale of such property shall revert to the state or the University as their interests may appear.

C. Any sale of automobiles by the University to a county, municipality or other political subdivision or governmental entity shall become null and void and such property shall revert to the state, or the University as their interests may appear, in the event that such political subdivision or governmental entity does not transfer the registration of title to such automobile to its name within seven (7) days after the sale.

VII. Public Auctions and Sales Under Sealed Bids

A. Public auctions and sales under sealed bids, as provided in this policy, shall be publicly advertised and publicly held.

1. Notice of intended disposal by public auction or sale under sealed bid shall be entered by the responsible authority of the University in at least one (1) newspaper of general circulation in the county or counties in which the disposal is to be made reasonably describing the property and specifying the date, time, place, manner, and conditions of the disposal.

2. The advertisement shall be entered in the public notice or equivalent section of the newspaper and shall run not less than one (1) day.

3. The disposal shall not be held sooner than seven (7) days after the last day of publication nor later than fifteen (15) days after the last day of publication of the required notice, excluding Saturdays, Sundays and holidays.

4. Prominent notice shall also be conspicuously posted for ten (10) days prior to the date of disposal, excluding Saturdays, Sundays and holidays.

5. Furthermore, notice shall be sent to the county court clerks of the county in which the sale is to be made, and all contiguous counties in Tennessee, except when the fair market value of all the property to be sold is determined in writing by the President or his or her designee to be less than $500.00.

B. A mailing list shall be developed for mailing to eligible governmental entities and potential buyers of surplus items.

C. No person, firm or corporation shall be notified of any public auction or sale except as provided by this policy.

D. University should attempt to include as many items in each sale as is practical and feasible.

E. All notices of sales of such property shall provide that the property is to be sold "as is" with transportation costs assumed by the purchaser. The notice shall state that the only warranty provided, expressed or implied, is the seller's right, title and interest in the property sold.

F. All sales by bid or auction shall be with reserve, and when bids received are unreasonably below the fair market value as determined by the responsible authority of the University, all bids shall be rejected and the property shall be thereafter disposed of pursuant to other acceptable methods of disposal.

VIII. Disposal of Waste Products
A. Marketable waste products such as paper and paper products, used lumber, bottles and glass, rags, and similar materials of nominal value classified as scrap may be sold directly to dealers at the going market rate without soliciting bids. University shall keep a record of the volume and unit price of such materials sold on the scrap market.

B. Waste products which are subject to storage and are normally accumulated until such quantities are available to make a sale economically feasible shall be sold under sealed bids as follows:
   1. Invitations to bid shall be mailed to known buyers of the particular item;
   2. Three firm bids shall be secured when possible;
   3. Sealed bids shall be publicly opened and recorded ten (10) days, excluding Saturdays, Sundays, and holidays, after the invitations to bid are mailed;
   4. The highest bidder shall be awarded the contract and shall be notified of the date for removal of the property and the method of payment which will be acceptable;
   5. A file shall be maintained for each disposal for the purpose documenting the sale and should include all documents and information pertinent to the disposal.

C. Anything to the contrary notwithstanding, surplus personal property which is determined to be unusable and of little or no salvage or other economic value may be destroyed by the University as provided in Section I.A.3.

IX. Sale by Internet
   A. Notice of intended disposal by Internet auction shall be posted on the Internet. Such notice shall specify and reasonably describe the property to be disposed of, the date, time, manner and conditions of disposal, all as previously determined by the responsible authority.

X. Exceptions
   A. Exceptions to this policy which are consistent with state law may be granted by the President and Chair of Board of Trustees or his or her designees upon request by the president or director of the transferring institution, or their designees.
   B. The President or his or her designee may not approve a method of disposal which is not specified in Sections I.A. or II.C. of this policy.

Forms: Equipment Inventory Change/Deletion Request
Policy Title: Equipment/Movable Property Inventory Control

Policy Type: Finance/Administration  New/revised: Revised

Old Policy #: 4:02:20:00, B-110, FP-11

Approval level: ☒ Board of Trustees
☐ President
☐ Vice President
☐ Other (specify)

Purpose: The University will maintain an accurate record of all University equipment to ensure proper accountability. This policy outlines consistent controls and procedures for equipment and movable property inventory acquired by East Tennessee State University (“ETSU” or “University”). This policy applies to movable equipment and not to supplies, fixed equipment, or library books, nor does it apply to items such as built-in furniture, lights, and plumbing fixtures, which are considered fixtures as a part of the building.

Definitions:
• Equipment – Items of a movable nature, having a minimum unit cost of five thousand dollars ($5,000.00) and having an estimated life expectancy of at least one (1) year.
• Movable Property – Follows the definition of equipment, with no minimum cost figure associated.
• Sensitive Minor Equipment – Items of a movable nature, which are particularly vulnerable to theft, and have a cost or fair value (for donated items only) between one thousand five hundred dollars ($1,500.00) and four thousand nine hundred ninety-nine dollars and ninety-nine cents ($4,999.99), regardless of the funding source.
• Surplus Property – Equipment no longer usable/useful to the department that has possession.

Policy:
I. Responsibilities:
   A. Ownership of property acquired by the University rests with the State of Tennessee, whether acquired by departmental funds, grants, or by gifts. The Central Receiving Supervisor will maintain inventory records and administer additions, permanent interdepartmental transfers of equipment, and deletions to equipment inventory records.
   B. Inventory Process: The Central Receiving Supervisor will maintain an inventory of all equipment and sensitive items purchased by or donated to the University, regardless of the source of funds; received via gift; and on loan to the University. The equipment inventory items will be inventoried annually. Sensitive minor equipment will be verified using a random sampling method. Each department will locate each item in their inventory and assure that all ETSU property is accounted for and in the identified location. Any item not in the identified location will be located by the responsible party and the correct location is to be communicated to the Central Receiving Supervisor.
Items not located during the inventory process will be reported as unaccounted for to internal audit, and public safety. If the item cannot be located the responsible party is to report it as missing using the Missing Equipment form.

C. Department Heads: Department heads have custodial responsibility for the equipment assigned to their department and are to exercise due care and diligence in safeguarding the items. Department heads are to notify the Central Receiving Supervisor in writing, using the Equipment Inventory Change/Deletion Request form any time equipment is moved from one room to another within the department. Equipment that is taken off campus is the responsibility of the department. Each department is to maintain written records, according to their own internal processes, for University property taken off campus.

II. Procedure:

A. Equipment purchased will be added to inventory. A fixed asset tag will be placed on equipment when it is added to inventory. The fixed asset capitalization report is generated through Banner.

B. Items owned by the federal government and other contracting agencies will be inventoried and identified in the inventory system. This method of accounting will also be followed for all other equipment in possession of, but not owned by, the University. Items on loan to the University should be reported to the Central Receiving Supervisor, in writing, when entering or leaving the campus of the University. The University will not be responsible in any way for the personal property of others used or kept on University property.

C. Recordkeeping and Inventorying of Capitalized Assets – Procedures should ensure proper recording, movement, eventual disposal of assets, and the periodic inventory of these assets. The Central Receiving Supervisor is responsible for insuring all equipment is inventoried annually.

D. Inventory Deletions – Deletions to the equipment inventory records are necessary when items are traded, sold, lost, stolen, destroyed, permanently transferred, or become surplus to the needs of the University. Deletion requests are submitted via the Equipment Inventory Change/Deletion Request form.

E. Transfers: Equipment may be transferred between departments by completing the Equipment Inventory Change/Deletion Request form with the Central Receiving Supervisor. Transfer of equipment requires only the approval of the two department heads and does not involve a transfer of funds. Upon receipt of the approved Equipment Inventory Change/Deletion Request the Central Receiving Supervisor will delete the equipment from the inventory of the transferring department and add it to the inventory of the receiving department.

F. Lost, Stolen, or Missing Equipment: Lost, stolen or missing equipment is to be reported immediately upon discovery to the Central Receiving Supervisor by completing a Missing Equipment form. The Central Receiving Supervisor will distribute copies of the form to Public Safety and Internal Audit.

G. Random Check of Inventory: Unannounced random checks of departmental inventories may be performed at any time.
H. Repairs to Equipment: All requests for repairs to University equipment are to be submitted to the Purchasing Department on a departmental requisition. The requisition is to include: 1) the make, model, ETSU property control number, and if applicable, the serial number; 2) Symptoms and/or apparent problem, and 3) estimated repair cost. Unless the requesting department has already obtained a firm repair price from a reliable source, a purchase order will be issued to a vendor for estimate of repair. If the estimate is reasonable the purchase order will be amended authorizing the vendor to proceed with necessary repairs. If the repair expense is not justified the purchase order will be cancelled. Equipment which requires repairs be made off campus must be processed through Central Receiving where complete records of all outgoing and return shipments are to be maintained. The Central Receiving Supervisor should be notified in advance, if the nature of the property requires special crating or shipping precautions. All shipping costs are normally the responsibility of the requesting department.

Forms: Equipment Inventory Change / Deletion Request Form
Missing Equipment Form
Policy Title: Memberships and Subscriptions

Policy Type: Finance/Administration

Old Policy #: G-080

Approval level: ☒ Board of Trustees  [Select box for appropriate level of anticipated final approval]
☐ President
☐ Vice President
☐ Other (specify here)

Purpose: The purpose of this policy is to establish a process for approval of memberships and subscriptions.

Definitions:

• Membership Dues or Subscriptions: Any expenditure made by the university which entitle subscription of material or membership, associate membership, or participation in activities of an organization.
• Organization: A group (public or private), association, or society whose purpose is to promote common interests and share information.
• Publication Directly Related to the Mission: A publication without which the mission of the institution would be impossible or difficult to perform.

Policy:

I. The University may be a member of an organization or maintain subscriptions if the membership or subscription is directly related to the goals and mission of the university.

II. The University may not pay the membership dues or subscription of an individual. An exception may be granted in instances where an organization does not permit institutional membership or where an individual membership (in the name of institutional representative) is less expensive than an institutional membership. However, memberships necessary to maintain or enhance an employee's professional status (e.g. American Institute of Certified Public Accountants or Bar membership dues) should be considered the responsibility of the employee and the association dues considered a personal expense.

III. Where membership dues are included as a part or all of the expense of an organization meeting for which the institution pays the expense of an employee to attend, the appropriate expense shall be considered membership dues under these guidelines and should be subject to the established membership approval process.

IV. University funds may not be used to pay for memberships in civic organizations or social clubs.

V. The University may not subscribe to political publications for other than instructional purposes.

VI. The University may subscribe to newspapers within its service area for public information and instructional-related purposes only. The only exceptions to the above are that the athletic department may subscribe to newspapers outside the institution’s service area, and that subscriptions to newspapers with national distribution may be held for instructional purposes. Newspaper clipping services may be used, but require approval of the President or the President's designee.
VII. This policy covers all membership dues and subscriptions paid for from State Funds. Memberships and subscriptions purchased with restricted gift or grant funds are not subject to these guidelines. They are covered within the terms of the gift or grant. Campus libraries are exempt from this policy in their entirety.

VIII. Exceptions may be approved by the President.
Policy Title: Alcohol Policy

Policy Type: Finance/Administration

New/revised: Revised

Approval level: ☒ Board of Trustees

[Select box for appropriate level of anticipated final approval]

☐ President
☐ Vice President
☐ Other (specify here)

Purpose: To provide guidance to the ETSU campus on the possession, use, and purchase of alcohol on campus and the purchase of alcohol off campus.

General Policy
East Tennessee State University, in compliance with federal, state and local law, allows lawful, responsible alcohol consumption at University functions, as long as the use occurs at a University activity and at a campus location where alcohol is allowed.

Students
The University’s policy on student possession and consumption of alcohol is contained in the University Catalog. The current edition affirms that the use and/or possession of alcoholic beverages is prohibited “on institution owned or controlled property. This offense includes the violation of any local ordinance, state, or federal law concerning alcoholic beverages, on or off institution owned or controlled property, including but not limited to where an affiliated group or organization has alcoholic beverages present and available for consumption.”

Student organizations hosting off-campus events must comply with ETSU student organization policies and procedures for registering events with alcohol and all risk management assurance guidelines. ETSU student organizations associated with a local, state, regional or inter/national organization will be held responsible for compliance with risk management policies and procedures required for that affiliation. The policy and procedures are administered by the Student Organization Resource Center (SORC).

Approved Campus Locations
The serving or consumption of alcoholic beverages is prohibited in all academic buildings and student facilities.

The University also recognizes at select university functions the serving of alcohol is appropriate as alumni, donors, and other special guests are entertained. However, these functions are to be held in only approved locations and are subject to the following restrictions.

The approved locations are:

- Skyboxes at the football stadium
- The Alumni House (908 W. Maple St.)
- The CPA enclosed courtyard
- The Performing Arts Center Lobby
- The Reece Museum
- Shelbridge, ETSU’s Presidential Residence
- Select areas of Thomas Stadium
• The Outdoor lobby of Brown Hall
• Select areas of the Mountain States Health Alliance Athletics Center (Mini-Dome):
  o Gordon Ball Practice Court
  o Lobby

Procedures
Alcoholic beverages may only be served by vendors who are properly licensed and possess all the appropriate state and local permits. Any individual serving alcoholic beverages must possess the appropriate license and credentials.

Underage persons may not be served or be in possession of alcoholic beverages at any University controlled event on or off campus.

The serving or consumption of alcoholic beverages is prohibited in all academic buildings (unless the building is noted above as an approved location).

Due to the number of approved locations, only under extenuating circumstances shall exceptions be granted. The President or his designee has the authority to grant these exceptions, which will be in writing.

Stadium and Arena Suites
Alcohol may be stored and served inside the suites stadiums. Alcohol must be stored and consumed within the defined suite area. The delivery of alcohol to the individual suites must conform to the stipulations issued by the Department of Athletics. Furthermore, University employees may not transport or store the alcohol products, and all movement of such products must be initiated by the suite-holders or their designee.

Approved Purchasing Processes
The University does not have a license to sell alcohol.

The University has an obligation to manage its funds in a manner consistent with the best interests of the citizens of Tennessee. Purchasing certain items may cause the public to believe the institution is not exercising its responsibility in an appropriate manner. Alcohol is one such item that comes under great scrutiny.

State funds may not be used for the purchase of alcohol. Some ETSU Foundation funds may allow for the purchase of alcohol. University funds may be used to pay for the services of the licensed server.

Purchasing and entertainment policies must be followed.
DATE: November 10, 2017

ITEM: Medical Student Center Debt Service and Activity Fee

COMMITTEE: Finance and Administration Committee

RECOMMENDED ACTION: Approve

PRESENTED BY: Greg Wilgocki
Executive Associate Vice President for Health Affairs
Associate Dean for Finance and Administration, College of Medicine

The College of Medicine Student Center Fee was approved by the Tennessee Board of Regents (TBR) to provide funding for a building constructed behind the main College of Medicine Building, Stanton-Gerber Hall on the VA campus. The purpose of this building has been to provide medical students with dedicated study space and lounge space, meeting the needs of our students and satisfying requirements set forth by the accrediting body.

The TBR approved a fee initially for $650 to cover the debt service on the building. Subsequently, the TBR allowed modification of that fee to include operational expenses for the building where currently, $480 is allocated to debt service and $170 is allocated to operations.

The operating expenses are now exceeding the revenue generated by the operations portion of the fee. The proposal is to first reduce the overall fee from $650 to $550 and change the allocation between operations and debt service to $210 and $340 respectively. The current debt service charges amount to approximately $300 per student. The debt service portion of the fee would allow some of the fees to be retained in a reserve account to cover unexpected maintenance expenses. The $100.00 reduction in fee for the students would be effective July 1, 2018 which is the next registration.
The accounting records for the university are closed and fiscal year financial statements have been forwarded to State Audit for review. Dr. King will present a comparison of major items within the statements. A finalized audit report should be available for the April Board of Trustees meeting.
Composite Financial Index

Based on *Ratio Analysis in Higher Education* by KPMG and Prager, McCarthy & Sealy, LLC. This was originally designed for private institutions and modified for public institutions in 2002. These ratios are intended to provide a measure of financial health of the institution.

**Return on Net Assets**
Measure of total economic return for fiscal year. Similar to return on equity.

**Net Operating Revenues**
Indicates an operating surplus or deficit for the year. Similar to profit margin.

**Primary Reserve**
Measure of financial strength and flexibility. Comparison of expendable net assets to total expenses.

**Viability**
Measure of financial health. Compares total expendable net assets to total current and noncurrent liabilities. Similar to coverage ratio.

**CFI**
Single measure of financial health.
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<td>4.00%</td>
</tr>
<tr>
<td><strong>Primary Reserve</strong></td>
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</tr>
<tr>
<td>Industry Standard</td>
<td>.40</td>
<td>.40</td>
<td>.40</td>
<td>.40</td>
<td>.40</td>
</tr>
<tr>
<td>ETSU Total</td>
<td>.32</td>
<td>.36</td>
<td>.30</td>
<td>.32</td>
<td>.33</td>
</tr>
<tr>
<td><strong>Viability</strong></td>
<td></td>
<td></td>
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<tr>
<td>Industry Standard</td>
<td>1.25</td>
<td>1.25</td>
<td>1.25</td>
<td>1.25</td>
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</tr>
<tr>
<td>ETSU Total</td>
<td>.73</td>
<td>.82</td>
<td>.65</td>
<td>.74</td>
<td>.78</td>
</tr>
<tr>
<td><strong>CFI</strong></td>
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</tr>
<tr>
<td>Industry Standard</td>
<td>3.00</td>
<td>3.00</td>
<td>3.00</td>
<td>3.00</td>
<td>3.00</td>
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<tr>
<td>ETSU Total</td>
<td>1.79</td>
<td>2.33</td>
<td>2.07</td>
<td>2.05</td>
<td>2.57</td>
</tr>
</tbody>
</table>
Dr. King provides a review of the new budget model process that provides the university increased flexibility, transparency, and accountability. The university developed a procedure that outlines the calendar and process for budget development, tied to the university’s strategic plan.
Included in the meeting materials are a list of agreements, both expense and revenue, with amounts totaling $250,000 or greater for the period of July 2017 – September 2017.
<table>
<thead>
<tr>
<th>Contract/PO Date</th>
<th>Start</th>
<th>End</th>
<th>Contractor</th>
<th>Description of Services/Products</th>
<th>Contract / PO Amount</th>
<th>Competitive</th>
<th>Fiscal Review approval obtained or pending?</th>
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<tr>
<td>09/22/17</td>
<td>09/12/17</td>
<td>09/11/18</td>
<td>Virtual OfficeWare</td>
<td>Electronic health record. Nursing. Year 2 of possible 5. Student marketing program. Admissions. Year 2 of possible 5.</td>
<td>$535,634</td>
<td>yes</td>
<td>n/a</td>
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<tr>
<td>10/02/17</td>
<td>09/01/17</td>
<td>08/31/18</td>
<td>Royall &amp; Company</td>
<td>Online access to collections/subscriptions. Medical Library. TBR contract 103744.</td>
<td>$355,411</td>
<td>yes</td>
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<tr>
<td>08/29/17</td>
<td>07/01/17</td>
<td>12/31/17</td>
<td>Elsevier</td>
<td>Computers (376) for labs. Information Technology. UOM contract.</td>
<td>$521,402</td>
<td>no</td>
<td>n/a</td>
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<tr>
<td>07/18/17</td>
<td>---</td>
<td>--</td>
<td>Dell</td>
<td>Natural gas. Facilities Management. TSU contract.</td>
<td>$317,129</td>
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<tr>
<td>07/18/17</td>
<td>07/01/17</td>
<td>12/31/17</td>
<td>CenterPoint Energy</td>
<td></td>
<td>$328,658</td>
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<tr>
<td>10/06/17</td>
<td>09/28/17</td>
<td>09/27/18</td>
<td>The Advisory Board Company</td>
<td>Academic Performance Solutions. Institutional Research. Year 1 of 5. This piece of EAB services over 5 years is $440,000. TBR master contract 105629.</td>
<td>$104,000</td>
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<tr>
<td>07/21/17</td>
<td>06/01/17</td>
<td>05/31/18</td>
<td>The Advisory Board Company</td>
<td>Student Success Collaborative. Academic Affairs. Year 2 of 5. This piece of EAB services over 5 years is $758,940. TBR master contract 105629.</td>
<td>$101,192</td>
<td>no</td>
<td>yes</td>
</tr>
</tbody>
</table>

**Upcoming RFPs**

- Constituent Relationship Management. Information Technology. RFP opened 10/17/18. Est. $712,000 over 5 years.
- Custodial supplies. Facilities Management. RFP early 2018. Est. $1,150,000 over 5 years.
- Security for campus events. Various departments. RFP early 2018. Est. $952,000 over 5 years.
EAST TENNESSEE STATE UNIVERSITY
BOARD OF TRUSTEES

INFORMATION ITEM

DATE: November 10, 2017

ITEM: Update on Current Construction Projects

COMMITTEE: Finance and Administration Committee

PRESENTED BY: Jeremy Ross
Acting Chief Operating Officer

The presentation provides an update to some aspects of the physical plant operations of the university including specific information related to the university’s current capital projects and the management of space during these projects.