

EAST TENNESSEE STATE UNIVERSITY
BOARD OF TRUSTEES
FINANCE AND ADMINISTRATION COMMITTEE
MAY 2026 MEETING

10:20 – 11:00 a.m. EDT
Thursday
May 21, 2026

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.
Melissa Steagall-Jones
Grant Summers
Aashi Vora

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AGENDA

- I. Call to Order
- II. Roll Call
- III. [Approval of the Committee Minutes from February 20, 2026, and March 31, 2026](#)
- IV. [Action Item: Approval of Tuition and Mandatory Fees for FY27 – Graham \(5 minutes\)](#)
- V. [Action Item: Approval of Gatton College of Pharmacy Tuition for FY27 – Byrd \(5 minutes\)](#)
- VI. [Action Item: Approval of Spring Estimated and July Proposed Budgets – Graham \(10 minutes\)](#)
- VII. [Action Item: Approval of FY27 Capital Budget Submittals and Disclosures – Bailey \(10 minutes\)](#)
- VIII. [Action Item: Approval of Financial Exigency Policy – Noland \(5 minutes\)](#)
- IX. [Quarterly Financial Update – Graham \(5 minutes\)](#)
- X. [Presentation of FY25 Composite Financial Index – Graham \(10 minutes\)](#)
- XI. [Quarterly Report of Agreements \\$250,000 or Greater – Graham \(5 minutes\)](#)
- XII. Other Business

XIII. Adjournment

EAST TENNESSEE STATE UNIVERSITY
BOARD OF TRUSTEES

ACTION ITEM

DATE: February 20, 2026

ITEM: Approval of the Minutes from February 20, 2026, and
March 31, 2026

COMMITTEE: Finance and Administration

RECOMMENDED ACTION: Approve

PRESENTED BY: Dr. Adam Green
Board Secretary

The minutes of the February 20, 2026, and March 31, 2026, meetings 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 February 20, 2026, and March 31, 2026, meetings 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

February 20, 2026
Johnson City, Tennessee

The East Tennessee State University Board of Trustees' Finance and Administration Committee met on Friday, February 20, 2026, at 10:15 a.m. in the East Tennessee Room of the D.P. Culp Student Center.

I. Call to Order

Committee Chair Steve DeCarlo called the meeting to order at 10:15 a.m.

II. Roll Call

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

Chair Steve DeCarlo
Trustee Charles Allen
Trustee Melissa Steagall-Jones
Trustee Aashi Vora

Other Trustees present were Janet Ayers, Wade Farmer, Dr. Steph Frye-Clark, Jon Lundberg, Ron Ramsey, and Tony Treadway.

III. Approval of the Committee Minutes from November 14, 2025

The minutes from the November 14, 2025, meeting of the Finance and Administration Committee were approved as submitted. Trustee Charles Allen made the motion to approve, and Trustee Melissa Steagall-Jones seconded the motion. It passed unanimously.

IV. Action Item: Approval of College of Medicine FY27 Tuition

Ms. Christy Graham, Chief Financial Officer, reported that no tuition increase is requested for the College of Medicine for fiscal year 2027. The college will use efficiencies, unused clinical reserves, and other revenue opportunities to cover inflationary cost increases. Annual tuition for College of Medicine students is \$36,480.

Trustee Allen made a motion that College of Medicine tuition remain unchanged for FY27, and Trustee Steagall-Jones seconded the motion. It passed unanimously.

V. Action Item: Approval of Housing and Meal Plans for FY27

Ms. Graham told the committee that the increases in housing rates are conservative and will keep ETSU within the range of other public institutions in the state. She said the additional revenue will support facilities upkeep, inflationary costs, capital needs, and responsible debt service. Ms. Graham indicated that on-campus housing is expected to continue at full capacity for Fall 2026. Under the proposal, double traditional housing would move from \$2,500 per semester to \$2,625. Double hotel-style housing would move from \$3,250 per semester to \$3,415. Double suite-style housing would move from \$2,650 per semester to \$3,150. And the single-student apartment rate would increase from \$4,025 per semester to \$4,145.

Ms. Graham then presented the proposed meal plan rates for FY27. She said the adjustment is based on proposed increases from Sodexo. She added that even with the proposed increase, ETSU continues to offer one of the lowest meal plan rates in the state, with only the University of Tennessee at Martin being lower among public universities. The proposed meal plan rate for the Silver/All Access plan at ETSU would increase from \$2,160 per semester to \$2,270.

Trustee Steagall-Jones made a motion that the housing and meal plan rates be approved as presented, and Trustee Allen seconded the motion. It passed unanimously.

VI. Quarterly Financial Update

Ms. Graham presented figures comparing activity from December 2024 to December 2025. She indicated that unrestricted E&G revenue was up 5.2 percent. The increase on the main campus was 5.3 percent, and Medicine and Family Medicine showed a 4.3 percent increase. The increase for Pharmacy was 7.9 percent. By source, Ms. Graham said, tuition and fees were up 6.7 percent, state appropriations were up 4.1 percent, and other revenue was up eight percent. Unrestricted E&G expenditures increased 5.3 percent. Instruction remains the university's largest functional expense.

In response to questions posed by committee members, a discussion then took place about the status of Voyager/Oracle and the progress and challenges involved.

Returning to the quarterly financial update, Ms. Graham said that when auxiliaries and restricted funds are included, total revenue is essentially flat. She added that auxiliary revenue increased as a result of housing occupancy being at its maximum level. Ms. Graham reported that salary growth across all funds is up by approximately four percent. Auxiliary expenses increased due to growth in housing occupancy as well as custodial and maintenance expenses being charged directly to Housing. Expenses by function across all funds continue to show that instruction is our primary expense.

Ms. Graham then analyzed the university's Statement of Net Position, which shows assets exceeding \$966 million. Ms. Graham said long-term liabilities remain stable. Ms. Graham then shared a table showing E&G reserve balances. As of June 30, 2025, E&G reserves, often referred to as "rainy day funds," stood at \$33.6 million, or 11.94 percent of the July E&G budget. Based on committee members' questions and observations, a discussion then took place about reserves and their purpose.

VII. Discussion of Comparative Tuition and Mandatory Fees for Tennessee Public Universities

Ms. Graham reported that the total cost of attendance at ETSU, which includes tuition and mandatory fees, increased by 4.98 percent in FY26 and that tuition and mandatory fees at ETSU continue to be comparable to other public institutions of higher education in Tennessee. She underscored the fact that the university continues to look for ways to mitigate rising costs for students. Ms. Graham told the committee that the Tennessee Higher Education Commission will likely vote on a binding tuition and mandatory fee limit at its May meeting. Data from THEC show that the core Consumer Price Index increased by 3.1 percent in 2025.

Ms. Graham then presented specific comparisons of tuition and mandatory fees across the state. At ETSU, she said, 2025-26 tuition was \$8,802, which is below the average of \$9,291 among public universities in the state. For that same period, mandatory fees at ETSU totaled \$2,192, which is above the average of \$1,836. Taken together, tuition and mandatory fees at ETSU stood at \$10,994, which is below the average of \$11,126.

Ms. Graham summarized her presentation by reiterating the fact that ETSU's goal is balancing affordability with long-term financial sustainability.

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

Ms. Graham reported the following for the second quarter of the fiscal year:

- A 10-year lease of Freedom Hall through the City of Johnson City for men's basketball, totaling \$792,193
- The purchase of video boards from Daktronics to be used in Freedom Hall, in the amount of \$1,414,942
- The purchase of Laerdal Simulators for the College of Nursing from PocketNurse in the amount of \$814,433
- The purchase of Gaumard Simulators in the amount of \$1,243,640

In process is an RFP for a commencement production company, estimated to run up to \$250,000 over a three-year contract.

IX. Other Business

There was no other business to come before the committee.

X. Adjournment

The meeting was adjourned at 11:08 a.m.

EAST TENNESSEE STATE UNIVERSITY
BOARD OF TRUSTEES
FINANCE AND ADMINISTRATION COMMITTEE
SPECIAL CALLED MEETING

MINUTES

March 31, 2026
Johnson City, Tennessee

The East Tennessee State University Board of Trustees' Finance and Administration Committee met in a special called session on Tuesday, March 31, 2026, at 11:35 a.m. in the President's Conference Room, located in Burgin E. Dossett Hall at East Tennessee State University. The meeting was live-streamed via YouTube.

I. Call to Order

In the absence of Committee Chair Steve DeCarlo, Board of Trustees Chair Melissa Steagall-Jones called the meeting to order at 11:35 a.m.

II. Roll Call

Since Trustees participated in the meeting remotely, Board Secretary Dr. Adam Green posed two questions to each member, as required by Tennessee law. Those questions were: "Are you able to clearly hear us so that you can participate in this meeting?" and "Can you please identify any persons present with you in the room from which you are participating in this meeting?" Dr. Green added that since Trustees were participating remotely, all votes must be taken by roll call. Finance and Administration Committee members taking part in the meeting by electronic means were:

Board Chair Melissa Steagall-Jones
Trustee Charles Allen
Trustee Grant Summers
Trustee Aashi Vora

All four committee members reported that they could hear and that there were no others in the room. Dr. Green noted that although a physical quorum was not present, a quorum did exist by including members participating by electronic means.

Other Board of Trustees members attending the meeting electronically were Janet Ayers, Dr. Steph Frye-Clark, Dorothy Grisham, Jon Lundberg, and Tony Treadway.

III. FY27 Budget Considerations

Ms. Christy Graham, ETSU's Chief Financial Officer, noted that this meeting was not about approving a specific tuition increase for FY27 but rather, to present a tuition and mandatory fee range for consideration that includes both a minimum and a maximum potential adjustment. She indicated that the state budget has not yet been finalized, and the Tennessee Higher Education Commission's new binding tuition range has not yet been established, two factors that influence fee discussions and analysis.

Ms. Graham reviewed a number of budgetary considerations for 2026-27 as cost pressures specific to higher education continue to exceed those of the broader community. In addition to inflation, she said, there are three factors that are driving budgets higher for the FY27 budget cycle: salaries and benefits, utilities, and graduate stipends. Ms. Graham reported that the Consumer Price Index increased by 3.1 percent over the past year, while the Higher Education Price Index increased 3.4 percent and 3.6 percent over the past two years. She added that the HEPI has exceeded the CPI in nine of the past 11 years.

Ms. Graham told the committee that Tennessee Governor Bill Lee's budget proposal includes an increase for ETSU of approximately \$4.4 million, while the outcomes productivity formula reduces that amount by some \$3.1 million. The net increase in state appropriations for ETSU is, therefore, \$1.3 million. Ms. Graham noted that this increase would offset only a portion of the cost pressures facing ETSU. Further, she said, Governor Lee's budget proposal includes a 1.5 percent salary pool for higher education and other state entities, and that applying this across the university would cost almost \$2.7 million. In addition, ETSU is projecting a \$2.5 million increase in insurance costs, driven by national health care trends.

Based on current forecasts, Ms. Graham told the committee that ETSU is planning for an increase in utility costs ranging from 4 percent to 6 percent, due to market conditions and the scale of the campus infrastructure. Ms. Graham then described the competitive nature of graduate stipends nationally, and she shared a table showing current minimum stipends across the state of Tennessee. ETSU is proposing to raise graduate stipends at all levels, for a total cost of around \$800,000. President Noland noted that ETSU would explore a broad range of efficiency options to ensure that the university budget remains within planning parameters.

Ms. Graham concluded her report by telling the committee that, in total, ETSU would ideally need \$7.8 million in new money to maintain what we have today.

IV. Action Item: Tuition and Mandatory Fees for FY27

Ms. Graham explained the various factors that must be considered by the Board of Trustees as tuition and mandatory fees are evaluated. These include

- the level of state support
- the total cost of attendance
- efforts to mitigate the financial effect on students

- enrollment trends
- competition
- faculty and staff salaries
- facilities and utilities costs
- the Tennessee Higher Education Commission’s binding tuition and mandatory fee range.

Ms. Graham presented peer comparison figures for FY26 showing that ETSU’s total tuition and mandatory fees of \$10,994 was below the university average in the state, which was \$11,126.

Ms. Graham then presented to the committee ETSU’s proposed tuition and mandatory fee ranges for FY27. She said the proposed range for undergraduate tuition and mandatory fees is 2.32 percent at minimum and 4.84 percent at maximum for full-time, in-state students. The current rate per term is \$4,401. The proposed range is from \$4,503 to \$4,614, which would mean an increase of \$102 per semester minimum and \$213 maximum. At the upper end of the range, estimated additional revenue would be approximately \$5.6 million, while at the lower end of the range, additional revenue would come to \$2.7 million. Ms. Graham indicated that mandatory fees would increase modestly to address student support and campus access needs. Mandatory fees currently stand at \$1,048 per semester. Under the proposal being presented to the committee, the range would be \$1,080 to \$1,096 per semester. The total increase in tuition and mandatory fees for academic year 2026-27 would range from \$268 minimum to \$522 maximum. Ms. Graham again noted that the average for tuition and mandatory fees at public universities in Tennessee is currently \$11,126, meaning that the proposed range would still place ETSU below the average for the state.

Board Chair Steagall-Jones then asked for a motion directing staff to produce a final tuition and mandatory fees action item that meets all requirements of the Tennessee Tuition Transparency and Accountability Act, to be presented for consideration by the Finance and Administration Committee and the full Board of Trustees at their quarterly meetings on May 21, 2026.

Trustee Summers made the motion, and it was seconded by Trustee Allen. Through a roll call vote, taken by Dr. Green, the motion passed unanimously.

V. Other Business

There was no other business to come before the committee.

President Noland thanked the committee for their participation in the meeting, and as a point of personal privilege, he reflected on the life and legacy of ETSU’s eighth President, Dr. Paul E. Stanton, Jr., who passed away on March 5, 2026. Dr. Noland noted that the entire health sciences infrastructure the region benefits from today was

shaped by Dr. Stanton's vision and leadership. Dr. Noland expressed sympathy to the Stanton family for the loss that they and the institution have experienced.

VI. Adjournment

The committee meeting was adjourned at 12:03 p.m.

EAST TENNESSEE STATE UNIVERSITY
BOARD OF TRUSTEES

ACTION ITEM

DATE: May 21, 2026

ITEM: Approval of Tuition and Mandatory Fees for FY27

COMMITTEE: Finance and Administration

RECOMMENDED ACTION: Approve

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

The Board of Trustees annually consider specific criteria when considering proposals to increase in tuition and mandatory fees. Those criteria include:

1. Level of state support;
2. Total cost of attendance;
3. Efforts to mitigate the financial effect on students;
4. Tennessee Higher Education Commission (THEC) binding tuition and mandatory fee increase ranges;
5. Other factors affecting the university's financial stability such as projected student enrollment; university enrollment goals; market and cost factors for higher education; new program or new facility cost; and cost related to operations, programs of study, or individual courses.

University staff has outlined the current year assessment as follows:

1. **Level of state support** – THEC based their tuition models on a core Consumer Price Index of 3.1 percent and flat enrollment. THEC did not include the costs associated with a salary allocation in their tuition model. The inflation factor for the state supported units at ETSU equates to an appropriation increase of \$1.3 million.
2. **Total cost of attendance** – Tuition and fees increased by 4.98% in FY26. Tuition and mandatory fees for FY26 at ETSU continue to be comparable to other public institutions of higher education in the state. A comparison of tuition and mandatory fees is listed below and show that ETSU is below the state-wide university average.

3. **Efforts to mitigate the financial effect on students** – The University continues to look for ways to mitigate rising costs to students. Reviews of academic and administrative areas are ongoing and should identify areas to improve services, reduce costs, or allow assets to be used more effectively for students.
4. **THEC binding tuition and mandatory fee increase ranges** – THEC suggested a zero to two and a half percent tuition and mandatory fee range at their November 2025 meeting based on their recommended increase in state appropriations. The Commission should vote on a binding limit at their May meeting. With the release of the Governor’s budget, it is anticipated that THEC will approve a range that reflects the level of state appropriation increase for FY27. THEC staff communicated to Presidents in late April that they anticipate a binding cap of 4.5 percent, which will be placed on the Commission’s agenda for approval on May 15, 2026.
5. **Other factors affecting the university’s financial stability:**
 - a. Projected student enrollment and university enrollment goals – The university’s enrollment continues to align with enrollment projections, and first-time freshmen enrollment increased over the last four years. The university is continuing efforts and activities to grow enrollment as defined in the strategic plan. Tuition and fees must remain competitive in the marketplace and students should be able to identify the value inherent in the education provided by ETSU over other institutions.
 - b. Market and cost factors for higher education – The market for higher education shows a declining number of high school graduates nationally and increased competition from community colleges, other state universities, regional private institutions and border state colleges and universities. Faculty and staff salaries are the primary cost driver for the university.
 - c. New program or new facility cost – Costs related to new programs are largely being absorbed in the colleges per the decentralized budget model. Facility costs have primarily been driven by inflationary costs related to utilities.
 - d. Cost related to operations, programs of study, or individual courses – Data from THEC show the core Consumer Price Index increased by 3.1 percent in 2025.

A five-year history of student maintenance and mandatory fees is presented below in comparison to Tennessee Locally Governed Institutions (LGIs) and the University of Tennessee System:

Tuition (Maintenance Fees)										
	2021-22	% Incr	2022-23	% Incr	2023-24	% Incr	2024-25	% Incr	2025-26	% Incr
APSU	\$7,146	1.5%	\$7,146	0%	\$7,356	2.9%	\$7,717	4.9%	\$8,028	4.0%
ETSU	7,722	2.0%	7,722	0%	7,950	3.0%	8,376	5.4%	8,802	5.1%
MTSU	7,704	2.0%	7,704	0%	7,908	3.2%	8,334	5.4%	8,814	5.8%
TSU	7,128	1.5%	7,128	0%	7,323	2.7%	7,733	5.5%	8,190	5.9%
TN Tech ¹	9,240	2.0%	9,240	0%	9,510	2.9%	9,990	5.0%	10,470	4.8%
Memphis	8,352	1.6%	8,352	0%	8,520	2.0%	8,856	3.9%	9,336	5.4%
UTC	7,992	2.0%	7,992	0%	8,232	3.0%	8,550	3.9%	8,712	1.9%
UTK	11,332	0.0%	11,332	0%	11,332	0.0%	11,660	2.9%	11,560	-9%
UTM	8,378	2.0%	8,378	0%	8,546	2.0%	8,904	4.2%	9,066	1.8%
UTS	9,000		9,000	0%	9,270	3.0%	9,640	4.0%	9,930	3.0%
Univ. Avg	\$8,333	1.6%	8,333	0%	\$8,520	2.4%	\$8,902	4.5%	\$9,291	4.4%

¹TTU implemented 15/4 fee structure in 2020-21

Mandatory Fees										
	2021-22	% Incr	2022-23	% Incr	2023-24	% Incr	2024-25	% Incr	2025-26	% Incr
APSU	\$1,615	2.0%	\$1,615	0%	\$1,667	3.1%	\$1,667	3.1%	\$1,824	9.4%
ETSU	1,952	1.7%	1,952	0%	2,000	2.4%	2,096	4.8%	2,192	4.6%
MTSU	1,888	1.0%	1,888	0%	1,970	4.3%	2,062	4.7%	2,257	9.5%
TSU	1,207	4.3%	1,207	0%	1,248	3.3%	1,248	0.0%	1,248	0.0%
TN Tech	1,282	0.3%	1,282	0%	1,320	2.9%	1,386	5.0%	1,456	5.0%
Memphis	1,704	0.0%	1,704	0%	1,824	6.6%	1,872	2.6%	1,920	2.6%
UTC	1,856	2.0%	1,856	0%	1,912	2.9%	1,912	0.0%	2,050	7.2%
UTK	1,912	-1.0%	1,912	0%	2,152	11.2%	2,152	0.0%	2,316	7.6%
UTM	1,534	0.0%	1,534	0%	1,662	7.7%	1,662	0.0%	1,758	5.8%
UTS	1,200		1,200		1,236	3.0%	1,284	3.9%	1,334	3.9%
University Average	\$1,615		\$1,615		\$1,699		\$1,734		\$1,836	5.9%

Total Tuition and Mandatory Fees

	2021-22	% Incr	2022-23	% Incr	2023-24	% Incr	2024-25	% Incr	2025-26	% ncr
APSU	\$8,761	1.6%	\$8,761	0%	\$9,023	2.9%	\$9,384	4.0%	\$9,852	5.0%
ETSU	9,674	1.9%	9,674	0%	9,950	2.8%	10,472	5.2%	10,994	5.0%
MTSU	9,592	1.8%	9,592	0%	9,878	2.4%	10,396	5.2%	11,071	6.5%
TSU	8,335	1.9%	8,335	0%	8,571	2.9%	8,981	4.8%	9,438	5.1%
TN Tech ¹	10,522	1.8%	10,522	0%	10,830	2.8%	11,376	5.0%	11,926	4.8%
UM	10,056	1.2%	10,056	0%	10,344	2.8%	10,728	3.7%	11,256	4.9%
UTC	9,848	2.0%	9,848	0%	10,144	2.9%	10,462	3.1%	10,762	2.9%
UTK	13,244	-0.2%	13,244	0%	13,484	1.8%	13,812	2.4%	13,876	0.5%
UTM	9,912	1.7%	9,912	0%	10,208	2.9%	10,566	2.9%	10,824	2.4%
UTS	10,200		10,200		10,506	3.0%	10,924	4.0%	11,264	3.1%
University Average	\$10,014		\$10,014		\$10,294		\$10,710		\$11,126	3.9%

Rate per Term	2025-26	2026-27	Change		Additional Revenue	
	Current	Proposed	\$	%		
		4.29%				
<i>Undergraduate In State (15 Credit Hours)</i>						
In State Undergraduate	\$4,401	\$4,590	\$189	4.29%	\$5,013,036	
Total In State Undergraduate	\$4,401	\$4,590	\$189	4.29%		
<i>Undergraduate Out of State (15 Credit Hours)</i>						
In State Undergraduate	\$4,401	\$4,590	\$189	4.29%		
Out of State Tuition	\$2,100	\$2,175	\$75	3.57%		
Total Out of State Undergraduate	\$6,501	\$6,765	\$264	4.06%		
<i>Undergraduate Five State (15 Credit Hours)</i>						
In State Undergraduate	\$4,401	\$4,590	\$189	4.29%		
Five State Tuition	\$450	\$480	\$30	6.67%		
Total Five State Undergraduate	\$4,851	\$5,070	\$219	4.51%		
<i>Undergraduate International (15 Credit Hours)</i>						
In State Undergraduate	\$4,401	\$4,590	\$189	4.29%		
International Tuition	\$9,846	\$10,146	\$300	3.05%		
Total International Undergraduate	\$14,247	\$14,736	\$ 489	3.43%		
<i>Graduate (12 hours)</i>						
In State Graduate	\$5,564	\$5,710	\$270	2.62%		
Total In State Graduate	\$5,564	\$5,710	\$270	2.62%		
<i>Graduate Out of State (12 Hours)</i>						
In State Graduate	\$5,564	\$5,710	\$270	2.62%		
Out of State Tuition	\$7,560	\$7,560	\$0	0.00%		
Total Out of State Graduate	\$13,124	\$13,270	\$270	2.06%		

Mandatory Fee Request – Per Semester (Fee Capped at 8 hours)				
	2025-26	Proposed	2026-27	
	Actual		\$ Increase	+Revenue
Campus Safety/Facilities Fee	\$60/\$7.50 per cr hr	\$101.50/\$12.69 per cr hr	\$41.50	\$910,095
Student Activity Fee - CPA	\$53/\$6.63 per cr hr	\$57/\$7.13 per cr hr	\$4	\$87,720
Student Activity Fee – Bucky’s Food Pantry	\$0/\$0 per cr hr	\$2.50/.31 per cr hr	\$2.50	\$59,662
Total UG Tuition and Mandatory Fees			\$48	\$1,057,477

Undergraduate In-State Tuition and Mandatory Fee Request – Per Academic Year				
	2025-26	Proposed	2026-27	
	Actual		\$ Increase	% Increase
Undergrad Tuition @ 15 cr hr	\$8,802	\$9,180	\$378	4.29%
Mandatory Fees	\$2,192	\$2,288	\$96	4.38%
Total UG Tuition and Mandatory Fees	\$10,994	\$11,468	\$474	4.31%

It should be noted that during its special-called meeting on March 31, 2026, the Finance and Administration Committee directed staff to produce a final tuition and mandatory fees action item that fully complies with the Tennessee Tuition Transparency and Accountability Act, for consideration by the Committee and the full Board of Trustees at the quarterly meetings on May 21, 2026.

In accordance with the Act, staff provided public notice on March 31, 2026, of the proposed tuition and mandatory fee ranges under consideration for the 2026–27 academic year. The notice period closed on April 15, 2026. No public comments or feedback were received.

MOTION: I move that the Finance and Administration Committee recommend adoption of the following resolution by the Board of Trustees:

RESOLVED: The proposed tuition and mandatory fees for 2026-2027 are approved as presented in the meeting materials in accordance with the Governor’s budget and THEC binding tuition limit.

EAST TENNESSEE STATE UNIVERSITY
 BOARD OF TRUSTEES
ACTION ITEM

DATE: May 21, 2026

ITEM: Action Item: Approval of Gatton College of Pharmacy Tuition for FY27

COMMITTEE: Finance and Administration

RECOMMENDED ACTION: Approve

PRESENTED BY: Dr. Debbie Byrd
 Dean, Gatton College of Pharmacy

In light of an additional \$3.2 million in recurring state appropriations, combined with the prior \$2.5 million investment received during the 2023 legislative session, the Gatton College of Pharmacy proposes a further reduction in tuition rates. These combined investments, totaling \$5.7 million, allow the Gatton College of Pharmacy to align tuition with the University of Tennessee Health Science Center’s pharmacy program.

The proposed tuition rates are \$24,785 for in-state students and \$30,329 for out-of-state students. These rates reflect a total reduction of 35.9% for in-state students and 21.6% for out-of-state students. This adjustment results in total savings of approximately \$55,556 per in-state student and \$33,380 per out-of-state student over the course of the four-year PharmD program.

Gatton College of Pharmacy				
In-State/Out-of-State Tuition Proposal – Per Academic Year				
	2025-26	2026-27		
	Actual	Proposed	\$ Decrease	% Decrease
In-State Tuition	\$27,540	\$24,785	(\$2,755)	(10%)
Out-of-State Tuition	\$33,660	\$30,329	(\$3,331)	(9.9%)

**Gatton College of Pharmacy
In-State/Out-of-State Tuition Proposal – Per Academic Year
Total Savings per student/per program**

	2022-2023 Actual	2026-2027 Proposed	\$ Decrease	% Decrease	Total Program Decrease
In-State Tuition	\$38,674	\$24,785	(\$13,889)	(35.9%)	(\$55,556)
Out-of-State Tuition	\$38,674	\$30,329	(\$8,345)	(21.6%)	(\$33,380)

The following chart provides a comparison of tuition rates for the approved the Gatton College of Pharmacy peer set:

Comparative Pharmacy Tuition Rates

	Proposed 2026-27
<i>ETSU – In-State</i>	\$24,785
UTHSC – In-State	24,785
UNC – In-State	25,286*
UK – In-State	30,083*
VCU – In-State	34,664*
<i>ETSU – Out-of-State</i>	30,329
UTHSC – Out-of-State	30,329
Wingate	39,660*
Union	41,170
Mercer	41,290
Presbyterian	43,000*
Samford	43,571*
Lipscomb	44,486
Belmont	44,600
Campbell	46,990*
UNC Out-of-State	48,778*
VCU Out-of-State	48,897*

UK Out-of-State	56,427*
University Average	\$43,041

**2025-26 rate – 2026-27 not yet published*

MOTION: I move that the Finance and Administration Committee recommend adoption of the following resolution by the Board of Trustees:

RESOLVED: The proposed tuition for the Gatton College of Pharmacy for 2026-2027 is approved as presented in the meeting materials in accordance with the Governor’s budget.

EAST TENNESSEE STATE UNIVERSITY
BOARD OF TRUSTEES

ACTION ITEM

DATE: May 21, 2026

ITEM: Approval of Spring Estimated and July Proposed 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) (1) (C), ETSU's *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), and one specialized unit (ETSU Health that comprises the 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 2025-26 spring estimated budgets and the July 2026-27 proposed budgets for the one formula-funded unit and the one specialized unit (ETSU Health - including College of Medicine, Family Medicine, and College of Pharmacy). In meetings held during the last year, the Board approved the 2025-26 July proposed and October revised budgets. The proposed budgets for the new fiscal year are based on the estimates for revenue and expenditures known at the time the budget is prepared. Details of these budgets are outlined below.

MOTION: I move that the Finance and Administration Committee recommend that the Board of Trustees adopt the following resolution:

RESOLVED: The estimated Spring 2025-26 and proposed July 2026-27 budgets are approved as presented in the meeting materials in accordance with the Governor's budget and THEC binding limit.

Main Campus Budget

	<u>Actual 24-25</u>	<u>Orig. 25-26</u>	<u>Oct. 25-26</u>	<u>Spring 25-26</u>	<u>July 26-27</u>	<u>Jul-26 to Jul-27</u>
Revenue	334,420,158	330,461,610	338,649,360	340,432,830	344,032,340	13,570,730
<u>Expenditures and Transfers</u>						
Instruction	121,745,641	124,970,500	133,125,510	133,488,200	127,772,020	2,801,520
Research	7,023,039	7,979,000	16,751,300	19,007,470	7,888,510	(90,490)
Public Service	4,792,936	5,337,400	6,801,590	6,518,410	5,534,200	196,800
Academic Support	26,849,800	29,420,900	38,273,770	37,655,930	30,326,650	905,750
Student Services	34,375,444	33,545,700	35,480,820	35,838,740	33,756,270	210,570
Institutional Support	22,017,116	25,702,800	33,293,380	34,326,610	28,598,900	2,896,100
Facilities	21,717,014	25,873,000	26,210,840	25,728,050	28,380,370	2,507,370
Scholarships	26,342,901	28,754,800	28,870,420	29,241,330	30,140,280	1,385,480
Total before transfers	264,863,895	281,584,100	318,807,630	321,804,740	292,397,200	10,813,100
Debt Service	5,733,754.	5,309,100	5,309,100	5,309,100	5,698,930	389,830
Non-Mandatory Transfers	11,376,646	4,915,700	10,201,530	8,877,350	4,915,700	-
Auxiliaries Exp & Tsfrs.	36,541,318	38,416,300	39,411,400	39,416,900	40,938,590	2,522,290
Total	318,515,614	330,225,200	373,729,660	375,408,090	343,950,420	13,725,220

<u>FT Unrestricted and Auxiliary Positions</u>	<u>Orgin. 2025-26</u>	<u>Oct 2025-26</u>	<u>July Proposed</u>	<u>FY26 to FY27</u>
Faculty	716	715	720	4
Administration	41	40	41	-
Maint/Tech/Support	400	395	400	-
Professional Support	601	600	607	6
Sub Total	1758	1750	1768	10
Auxiliaries	68	69	69	1
Total	1826	1819	1837	11

Quillen College of Medicine Budget

	<u>Actual 24-25</u>	<u>July 25-26</u>	<u>Oct Revised</u>	<u>Est Spring</u>	<u>July Proposed</u>	<u>FY26 to FY27</u>
Revenue	80,658,794	86,671,370	89,438,450	89,438,450	86,289,810	(381,560)
<u>Expenditures and Transfers</u>						
Instruction	64,485,306	61,250,680	61,322,860	61,322,860	60,072,950	(1,177,730)
Research	4,402,524	5,031,020	5,063,330	5,063,330	6,950,000	1,918,980
Public Service	-	-	-	-	-	-
Academic Support	8,797,171	9,092,100	9,201,150	9,201,150	9,586,760	494,660
Student Services	3,550,821	4,080,590	4,082,540	4,082,540	4,794,170	713,580
Institutional Support	4,116,516	3,968,540	3,968,920	3,968,920	2,409,610	(1,558,930)
Facilities	5,376,723	7,537,310	7,648,320	7,648,320	7,915,440	378,130
Scholarships	260,000	260,000	260,000	260,000	624,800	364,800
Total before transfers	90,989,061	91,220,240	91,547,120	91,547,120	92,353,730	1,133,490
Debt Service	98,664	106,900	106,900	106,900	106,900	-
Non-Mandatory Transfers	(847,582)	(4,525,770)	(4,525,770)	(2,283,830)	(6,170,820)	(1,645,050)
Total	90,240,143	86,801,370	87,128,250	89,370,190	86,289,810	(511,560)

<u>FT Unrestricted and Auxiliary Positions</u>	<u>Orig 25-26</u>	<u>Oct Revised</u>	<u>Est Spring</u>	<u>July Proposed</u>	<u>FY26 to FY27</u>
Faculty	167	167	168	168	1
Administration	5	5	5	5	0
Maint/Tech/Support	102	102	102	102	0
Professional Support	112	112	112	112	0
Total	386	386	387	387	1

Family Medicine Budget

	<u>Actual 24-25</u>	<u>July 25-26</u>	<u>Oct Revised</u>	<u>Est Spring</u>	<u>July Proposed</u>	<u>FY26 to FY27</u>
Revenue	22,640,102	22,366,000	22,632,000	23,722,000	23,042,300	676,300
<u>Expenditures and Transfers</u>						
Instruction	16,817,241	15,464,100	17,457,300	17,612,290	17,703,460	2,239,360
Research	63,379	399,100	309,000	170,070	287,970	(111,130)
Public Service	50					
Academic Support	6,226,643	4,295,500	4,746,500	4,479,220	4,573,250	277,750
Institutional Support	1,371,055	1,939,700	1,814,300	1,990,010	2,166,580	226,880
Facilities	433,542	412,500	636,100	954,570	718,500	306,000
Total before transfers	24,911,910	22,510,900	24,963,200	25,206,160	25,449,760	2,938,860
Non-Mandatory transfers	-	(719,210)	(4,173,590)	(2,636,760)	(2,385,860)	(1,666,650)
Total	24,911,910	21,791,690	20,789,610	22,569,400	23,063,900	1,272,210

<u>FT Unrestricted and Auxiliary Positions</u>	<u>Orig 25-26</u>	<u>Oct Revised</u>	<u>July Proposed</u>	<u>FY26 to FY27</u>
Faculty	34	34	34	-
Administration	-	-		-
Maint/Tech/Support	52	52	54	2
Professional Support	30	30	28	(2)
Total	116	116		-

Gatton College of Pharmacy Budget

	Actual 24-25	Orig. 25-26	Oct. Revised	Est. Spring	July Proposed	F26 to F27
Revenue	\$ 8,749,129	\$ 9,613,000	\$ 9,316,300	\$ 9,402,700	\$ 12,717,800	\$ 3,104,800
<u>Expenditures and Transfers</u>						
Instruction	\$4,051,367	\$ 3,977,000	\$ 4,000,200	\$ 3,569,500	\$ 5,120,700	\$1,143,700
Research	249,128	500,100	570,900	900,700	530,200	30,100
Public Service	536,149	507,500	685,900	684,400	37,100	(470,400)
Academic Support	1,995,324	2,276,100	2,282,900	2,220,500	2,627,800	351,700
Student Services	1,022,867	804,700	832,700	789,400	1,026,200	221,500
Institutional Support	565,982	556,900	563,200	578,500	645,000	88,100
Facilities	455,164	415,400	415,400	364,100	478,900	63,500
Scholarships	367,568	569,100	569,100	529,600	742,000	172,900
Total before transfers	9,243,549	9,606,800	9,920,300	9,636,700	11,207,900	1,601,100
Debt Service	675,352	672,400	661,000	672,400	674,700	2,300
Non-Mandatory Transfers	(155,536)	(666,400)	(1,588,700)	(1,270,200)	282,100	948,400
Total	\$ 9,763,365	\$ 9,612,800	\$ 8,992,600	\$ 9,038,900	\$ 12,164,700	\$2,551,900

FT Unrestricted and Auxiliary Positions	Orig. 25-26	Oct. Revised	July Proposed	F26 to F27
Faculty	30	30	30	-
Administration	1	1	1	-
Maint/Tech/Support	12	12	12	-
Professional Support	11	11	11	-
Total	54	54	54	-

EAST TENNESSEE STATE UNIVERSITY
BOARD OF TRUSTEES

ACTION ITEM

DATE: May 21, 2026

ITEM: Approval of FY27 Capital Budget Submittals and Disclosures

COMMITTEE: Finance and Administration

RECOMMENDED ACTION: Approve

PRESENTED BY: Laura Bailey
Associate Vice President of Capital Planning
and Facilities Services

The overall goal of facilities planning for the Tennessee Higher Education Commission (THEC) is to provide physical facilities that enable institutions to provide a quality educational atmosphere that fulfills their mission. This goal is accomplished through annual recommendations for the funding of projects in capital outlay and capital maintenance, as follows:

Capital outlay projects utilize state funding in whole or in part. They include new facilities or additions required by enrollments or significant changes in programmatic requirements; major renovation which change the function, use, or capacity of existing space; major expansions or conversion of central energy plants; and major renovation projects which upgrade or appreciably extend the life of an existing facility. Capital maintenance projects recommended annually provide a multi-year commitment to protect the integrity of the building structures or bring the equipment or systems in the buildings into compliance with current federal, state, and local standards.

Below is a list of ETSU's proposed capital projects and priorities for fiscal year 2026-2027:

Capital Outlay - \$166,070,00 – Submitted 08/22/2025

1. Main Campus Utility Infrastructure – \$19,220,000 (*funded*)
2. ETSU Engineering Sciences Building - \$146,850,000 (*scored and will resubmit*)

Capital Maintenance - \$27,140,00 – Submitted 07/18/2025

1. Safety Steam Line Repairs & Replacement Phase II – \$3,500,000 (*funded*)
2. Multiple Buildings Roof Replacements – \$3,500,000 (*funded*)
3. Repair and Replace Campus Water Lines – \$3,500,000 (*not funded, will resubmit*)

4. Multiple Buildings Elevator Upgrades – \$2,500,000 (*not funded, will resubmit*)
5. Multiple Buildings HVAC & Plumbing Repairs – \$4,500,000 (*not funded, will resubmit*)
6. Multiple Buildings Electrical Upgrades – \$4,550,000 (*not funded, will resubmit*)
7. Exterior & Structural Repairs and Replacement – \$5,090,000 (*not funded, will resubmit*)

Capital Disclosures - \$125,130.00 – Submitted 07/18/2025

1. Residence Hall – \$40,000,000
2. Parking Garage – \$55,000,000
3. Student Life Village – \$30,130,000

MOTION: I move that the Finance and Administration Committee recommend that the Board of Trustees adopt the following resolution:

RESOLVED: The Board of Trustees reaffirms and directs university staff to submit the capital outlay, capital maintenance, and disclosed projects to the Tennessee Higher Education Commission as outlined in the meeting materials.

BOARD OF TRUSTEES

FY 26/27 CAPITAL BUDGET REQUEST

Laura Bailey, AVP of Capital Planning

May 21, 2026



EAST TENNESSEE STATE
UNIVERSITY

OFFICE OF
Administration

AGENDA

- Overall Goals
- Capital Outlay
- Capital Maintenance
- Capital Disclosures



OVERALL GOALS

Capital outlay projects utilize state funding in whole or in part.

They include:

- new facilities
- additions required by enrollments
- significant changes in programmatic requirements
- major renovation which change the function, use, or capacity of existing space
- major expansions or conversion of central energy plants and significant infrastructure repairs
- major renovation projects which upgrade or appreciably extend the life of an existing facility.

Capital maintenance projects recommended annually, provide a multi-year commitment to protect the integrity of the building structures, or bring the equipment or systems in the buildings into compliance with current federal, state, and local standards.



CAPITAL OUTLAY

ETSU Engineering Sciences Building

\$146,850,000

Submitted 08/22/2025



CAPITAL OUTLAY PT 2

Main Campus Utility Infrastructure

\$19,220,000 (Funded)

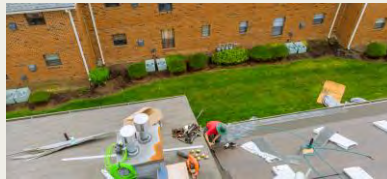
Submitted 08/22/2025



CAPITAL MAINTENANCE - \$27,140,000



Safety Steam Line Repairs & Replacement Phase II
\$3,500,000 (FUNDED)



Multiple Buildings Roof Replacements
\$3,500,000 (FUNDED)



Repair and Replace Campus Water Lines
\$3,500,000



Multiple Building Elevator Upgrades
\$2,500,000



Multiple Building HVAC & Plumbing Repairs
\$4,500,000



Multiple Buildings Electrical Upgrades
\$4,550,000



Exterior/ Structural Repairs & Replacement
\$5,090,000

Submitted 07/18/2025



CAPITAL DISCLOSURES - \$125,130,000



Residence Hall **\$40,000,000**

This project will provide additional capacity to support both the current and projected needs for on campus housing. ETSU's housing facilities are tracking to be booked at full capacity.



Parking Garage **\$55,000,000**

The proposed parking garage will provide convenient on campus parking for students. The new garage will address growing student concerns about safe and convenient parking which is in close proximity to the academic core.



Student Life Village **\$30,130,000**

This project will construct a new 11,000 GSF multi-use building with an additional 35,200 GSF distributed across four additional new buildings to provide multiple large meeting spaces for student organizations.

Submitted 07/18/2025



THANK YOU!

FINANCE AND ADMINISTRATION COMMITTEE

May 21, 2026



EAST TENNESSEE STATE
UNIVERSITY

OFFICE OF
Administration

EAST TENNESSEE STATE UNIVERSITY
BOARD OF TRUSTEES

ACTION ITEM

DATE: May 21, 2026

ITEM: Approval of Financial Exigency Policy

COMMITTEE: Finance and Administration

RECOMMENDED ACTION: Approve

PRESENTED BY: Brian Noland
President

Christy Graham
Chief Financial Officer and
Vice President of Business and Finance

Staff will present a proposed Financial Exigency Policy to the Finance and Administration Committee for consideration. This policy is intended to replace the existing Tennessee Board of Regents policy and will establish the criteria the ETSU Board of Trustees will follow should the University ever face an imminent financial crisis.

Under this policy, a formal declaration of financial exigency would occur only when ETSU's budget cannot be balanced through normal means and requires extraordinary measures, which may include the termination of existing and continuing academic and non-academic appointments.

MOTION: I move that the Finance and Administration Committee recommend that the Board of Trustees adopt the following resolution:

RESOLVED: The Board of Trustees approves the Financial Exigency Policy as presented in the meeting materials.



EAST TENNESSEE STATE
UNIVERSITY

Financial Exigency

Policy Name: Financial Exigency

Policy Purpose

This policy specifies the criteria and process for a Declaration of Financial Exigency.

Responsible Official, Office, and Interpretation

The Board of Trustees is responsible for the review and revision of this policy. For questions about this policy, please contact the Secretary of the Board of Trustees. The Board of Trustees, in consultation with the Office of University Counsel, has the final authority to interpret this policy.

Defined Terms

A defined term has a specific meaning within the context of this policy.

Academic Personnel

Members of the personnel of each Academic Unit who carry out one or more of the following primary functions of the university: academic instruction/librarianship; research, scholarly, and/or creative activities; clinical or professional practice; and service to the Academic Unit, college, university, profession and/or community; clinical or professional practice. Faculty members commit to continue their professional development and active involvement in the primary function(s) of their Appointment.

Declaration of Financial Exigency

The formal declaration by the Board of Trustees that East Tennessee State University faces a financial crisis, that there is a current or projected absence of sufficient funds for the campus as a whole to maintain its current programs and activities at a level sufficient to fulfill its educational goals and priorities, and that the budget can only be balanced by extraordinary means, which include, but are not limited to the termination of academic units as well as academic and non-academic appointments across academic and administrative units.

Policy Effective Date: INSERT
Procedure Effective Date: N/A

Financial Exigency Plan

The plan to implement a reduction in faculty and or academic units developed by the President, in consultation with the Financial Exigency Committee, and approved by the Board of Trustees.

Policy Name: Financial Exigency

Policy

This policy pertains to the elimination of faculty positions and/or academic units and programs as a result of a financial crisis. Financial exigency is a state of financial crisis which affects the University as a whole, to the extent that it may become necessary to terminate tenured appointments or other appointments prior to their normal expiration, and a state in which the survival of programs deemed essential to the mission of the University is in doubt. In the event of financial exigency, it will be necessary for the University to examine its mission closely in order to determine those programs which are considered essential for maintaining a viable University. Considerations for retaining programs shall include compliance with statutory requirements, maintenance of academic excellence, and adherence to related employment policies such as the Reduction in Force policy for impacted staff positions.

In the state of financial exigency, programs may be discontinued or allocated reduced resources. Comprehensive study will be used to determine how required reductions are to be accomplished, including termination of appointments of faculty members, administrative and professional personnel, staff, and others as well as maintenance and operations funding.

1. Imminent Financial Crisis.

In the event financial projections for the University are so adverse that the University cannot remain viable, the President will assess all available information related to the imminent financial crisis and take immediate steps to reduce expenditure levels prior to requesting a Declaration of a Financial Exigency from the Board of Trustees. After notifying the Board of Trustees of the imminent financial crisis, the President shall release a formal written statement to the campus advising that there is an imminent financial crisis and that steps will be taken to reduce expenditures.

If such action to reduce expenditures does not result in an appropriate resolution, the University President will present a request for Declaration of Financial Exigency to the Board of Trustees.

2. Declaration of Financial Exigency.

The Board of Trustees holds the sole authority to issue a Declaration of Financial Exigency. Prior to a wholesale reduction-in-force or academic program elimination due to financial exigency, the Board of Trustees must vote to approve a Declaration of Financial Exigency. If the Board of Trustees votes to approve a Declaration of Financial Exigency, the Board of Trustees will direct the President to prepare a Financial Exigency

Policy Effective Date: INSERT
Procedure Effective Date: N/A

Plan. The University President, in consultation with the Financial Exigency Advisory Committee shall propose a plan to allocate necessary funding reductions among the academic departments, to reduce Academic Personnel, and/or to eliminate academic programs.

3. Financial Exigency Plan.

If the Board of Trustees approves a Declaration of Financial Exigency, the President shall: (1) form the Financial Exigency Advisory Committee; (2) communicate to University the nature of the financial exigency; and (3) prepare a Financial Exigency Plan.

3.1. Formation of the Financial Exigency Financial Exigency Advisory Committee.

The Financial Exigency Advisory Committee shall consist of the following members:

- 3.1.1. Provost, Chief Academic Officer
- 3.1.2. Chief Financial Officer
- 3.1.3. Chief Operating Officer
- 3.1.4. Two Deans selected by the Deans' Council
- 3.1.5. Departmental Chair as selected by the Council of Chairs
- 3.1.6. Two members of the Faculty Senate Executive Committee selected by the Faculty Senate
- 3.1.7. President of the Staff Senate
- 3.1.8. President of the Student Body

The President shall designate the chair of the Committee.

3.2. Creation of Financial Exigency Plan.

The President will work with the Financial Exigency Advisory Committee to address the deficiency in resources for the current fiscal year and the next fiscal year or a longer period as required by the Board of Trustees. The President will submit the Financial Exigency Plan to the Board of Trustees for review.

3.3. Board of Trustees Review of Financial Exigency Plan.

Based upon the Financial Exigency Plan submitted by the President and review of available information, the Trustees shall vote on the Financial Exigency Plan. The vote is limited to: (1) approve; or (2) reject with feedback to the President on the Financial Exigency Plan. If the Financial Exigency Plan is rejected, the President shall submit a

new plan to the Board of Trustees at the next regularly scheduled full Board of Trustees meeting or earlier at the discretion of the Board of Trustees.

4. Academic Personnel.

4.1. Reductions due to Declaration of Financial Exigency.

Recommendations to eliminate positions or programs, or to curtail programs and services, shall not include termination of the appointment of a tenured faculty member in favor of retaining one without tenure in the same department, except in extraordinary circumstances. In some cases, an arrangement for early retirement of a tenured faculty may be worked out with the consent of the faculty member. In other cases, a change from full-time to part-time service may be a feature, though not a complete solution, of an acceptable settlement.

In those cases where there is no reasonable choice other than terminating the services of a tenured faculty member, appropriate notice must be given. In all cases of termination of appointment because of financial exigency, the position of the faculty member concerned shall not be filled by a permanent replacement within a period of three years, unless the released faculty member has been offered reinstatement and a reasonable time in which to accept or decline it. If a tenured faculty member's position is eliminated due to Financial Exigency, the University may transfer the tenured faculty member to another open and funded position for which the tenured faculty member is qualified.

4.2. Notice and Opportunity to be Heard.

In the event that it is determined that the employment must be terminated due to Financial Exigency written notice of termination will be provided as soon as practicable.

When notice of termination of employment is received, a faculty member may appeal their specific termination; however, the faculty member has no appeal right related to the Declaration of Financial Exigency or to the decision to terminate an academic program due to financial exigency. The faculty member must submit a written statement of appeal within ten (10) business days of the notice of termination to the Provost. The President shall review and determine whether to uphold the termination or overturn the termination within ten (10) business days. The decision of the President is final and cannot be appealed to the Board of Trustees.

Policy Name: Financial Exigency

Procedure

N/A

Authority and Revisions

Authority: T.C.A. §§ 49-8-203; 49-7-187

Previous Policy: N/A

The ETSU Board of Trustees is charged with policy-making pursuant to TCA § 49-8-203, et seq. This policy may only be revised by the Board of Trustees. Before a substantive change to the policy section may take effect, the requested changes must be: (1) presented to the Business and Finance Committee of the Board of Trustees for review and approval; and (2) if approved by the Business and Finance Committee, presented for a vote of the Board of Trustees and approved by a majority of the Board of Trustees. The Secretary of the Board will provide a notification to the Board of Trustees if a technical revision to this policy is implemented or a revision to the procedure section is implemented.

Policy Effective Date: INSERT
Procedure Effective Date: N/A

EAST TENNESSEE STATE UNIVERSITY
BOARD OF TRUSTEES

INFORMATION ITEM

DATE: May 21, 2026

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 March of fiscal year 2025-26. 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 3-31-2025 & 3-31-2026				
	FY2024-25	FY2025-26	Change	
			\$	%
REVENUES				
By Appropriation Unit				
Main Campus	\$253,303,163	\$263,751,313	\$10,448,150	4.12%
Medicine/Family Med	81,492,888	90,170,121	8,677,233	10.65%
Pharmacy	7,625,675	8,275,822	650,147	8.53%
TOTAL REVENUE	\$342,421,726	\$362,197,257	\$19,775,530	5.78%
By Revenue Source				
Tuition and Fees	\$162,605,170	\$173,282,316	\$10,677,146	6.57%
State Appropriations	126,359,900	131,920,500	5,560,600	4.40%
Grants, Contracts, Gifts	18,610,040	19,898,294	1,288,254	6.92%
Other	34,846,617	37,096,147	2,249,530	6.46%
TOTAL REVENUE	\$342,421,726	\$362,197,257	\$19,775,530	5.78%

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

Unrestricted E&G				
Year-to-Year Comparisons				
Year-to-Date 3-31-2025 & 3-31-2026				
	FY2024-25	FY2025-26	Change	
			\$	%
EXPENDITURES				
By Appropriation Unit				
Main Campus	\$230,763,560	\$243,896,550	\$13,132,990	5.69%
Medicine/Family Med	76,727,940	86,522,769	9,794,829	12.77%
Pharmacy	6,938,160	6,632,548	(305,612)	-4.40%
TOTAL EXPENSE	\$314,429,660	\$337,051,866	\$22,622,207	7.19%
By Natural Classification				
Salaries & Benefits	\$222,023,500	\$230,785,370	\$8,761,871	3.95%
Operating	52,566,222	57,156,689	4,590,467	8.73%
Capital/Equipment	988,336	817,351	(170,985)	-17.30%
Scholarships/Fellowships	12,816,961	19,687,129	6,870,168	53.60%
Transfers to Other Funds	26,034,641	28,605,327	2,570,686	9.87%
TOTAL EXPENSE	\$314,429,660	\$337,051,866	\$22,622,207	7.19%
By Functional Classification				
Instruction	\$142,787,997	\$147,664,705	4,876,708	3.42%
Research	7,018,722	7,098,034	79,312	1.13%
Public Services	13,326,589	14,991,324	1,664,735	12.49%
Academic Support	30,169,937	29,992,544	(177,394)	-0.59%
Student Services	28,330,380	26,965,788	(1,364,592)	-4.82%
Institutional Support	31,506,612	37,518,605	6,011,993	19.08%
Physical Plant	22,535,513	24,514,690	1,979,177	8.78%
Scholarships/Fellowships	12,703,957	19,687,129	6,983,173	54.97%
Transfers to Other Funds	26,049,953	28,619,049	2,569,096	9.86%
TOTAL EXPENSE	\$314,429,660	\$337,051,866	\$22,622,207	7.19%

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 3-31-2025 & 3-31-2026**

	FY2024-25	FY2025-26	Change	
			\$	%
REVENUES				
By Current Fund Type				
Unrestricted E&G	\$342,421,726	\$362,197,257	\$19,775,530	5.78%
Auxiliaries	35,611,822	37,853,375	2,241,553	6.29%
Restricted Funds	118,429,578	98,219,517	(20,210,061)	-17.07%
TOTAL REVENUE	\$496,463,126	\$498,270,149	\$1,807,023	0.36%
REVENUES				
By Revenue Sources				
Tuition and Fees	\$162,605,170	\$173,333,486	\$10,728,316	6.60%
State Appropriations	126,777,200	132,344,400	5,567,200	4.39%
Grants, Contracts, Gifts	136,565,168	116,928,405	(19,636,763)	-14.38%
Other	35,309,477	37,895,826	2,586,349	7.32%
Auxiliaries	35,206,111	37,768,032	2,561,921	7.28%
TOTAL REVENUE	\$496,463,126	\$498,270,149	\$1,807,023	0.36%

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

Current Operating Funds (Unrestricted/Auxiliaries/Restricted)

Year-to-Year Comparisons

Year-to-Date 3-31-2025 & 3-31-2026

	FY2024-25	FY2025-26	Change	
			\$	%
EXPENDITURES				
By Current Fund Type				
Unrestricted E&G	\$314,429,660	\$337,051,866	\$22,622,207	7.19%
Auxiliaries	10,528,697	13,782,260	3,253,563	30.90%
Restricted Funds	113,073,814	97,399,161	(15,674,653)	-13.86%
TOTAL EXPENSE	\$438,032,170	\$448,233,287	\$10,201,117	2.33%
EXPENDITURES				
By Natural Classification				
Salaries & Benefits	\$251,096,961	\$261,220,116	\$10,123,156	4.03%
Operating	84,615,306	77,714,139	(6,901,166)	-8.16%
Capital/Equipment	1,246,094	1,453,660	207,566	16.66%
Scholarships/Fellowships	19,225,275	20,438,373	1,213,098	6.31%
Transfers to Other Funds	81,848,535	87,406,998	5,558,464	6.79%
TOTAL EXPENSE	\$438,032,170	\$448,233,287	\$10,201,117	2.33%
EXPENDITURES				
By Functional Classification				
Instruction	\$147,354,177	\$150,628,020	\$3,273,843	2.22%
Research	17,178,105	14,670,831	(2,507,274)	-14.60%
Public Services	56,088,184	42,557,823	(13,530,361)	-24.12%
Academic Support	30,455,053	30,329,444	(125,609)	-0.41%
Student Services	28,639,191	27,333,140	(1,306,051)	-4.56%
Institutional Support	31,573,760	37,788,763	6,215,003	19.68%
Physical Plant	22,537,659	24,526,050	1,988,391	8.82%
Scholarships/Fellowships	12,703,957	20,344,208	7,640,251	60.14%
Transfers to Other Funds	81,961,638	87,548,388	5,586,750	6.82%
Auxiliaries	9,540,447	12,506,620	2,966,173	31.09%
TOTAL EXPENSE	\$438,032,170	\$448,233,287	\$10,201,117	2.33%

Table 5 – Statement of Net Position - All Funds

STATEMENT OF NET POSITION
Year-to-Date 03-31-2025 & 03-31-2026

	Education and General Funds	Agency, Loan & Endow. Funds	Plant Funds	Total YTD FY26	Total FY25
ASSETS					
Cash	\$138,151,141	\$18,857,486	\$161,031,939	\$318,040,566	\$294,092,190
Investments	46,432,057	-	13,600,000	60,032,057	62,038,202
Accounts Receivable	29,264,371	896,983	59,989	30,221,343	20,023,572
Inventories & Prepaid Exp	515,036	-	-	515,036	2,004,251
Net Pension Asset	-	-	-	-	178,981
Net OPEB Asset	1,871,750	-	-	1,871,750	457,213,985
Capital Assets	-	-	514,289,490	514,289,490	457,213,985
Other Assets	17,562	-	-	17,562	17,562
Total Assets	\$216,251,916	\$19,754,469	\$688,981,418	\$924,987,803	\$835,568,743
DEFERRED OUTFLOW					
Bond Refunding	-	-	2,542,984	2,542,984	3,623,110
Pensions	17,084,894	-	-	17,084,894	26,295,364
OPEB	4,570,284	-	-	4,570,284	7,266,177
Total Def Outflows	\$21,655,177	-	\$2,542,984	\$24,198,162	\$37,184,651
Total Assets & Deferred Outflows	\$237,907,093	\$19,754,469	\$691,524,402	\$949,185,965	\$872,753,394

	Education and General Funds	Agency, Loan & Endow. Funds	Plant Funds	Total YTD FY26	Total FY25
LIABILITIES					
Accounts Payable	3,771,055	440	135,759	3,907,254	2,957,684
Accrued Liabilities	27,608,205	-	192,292	27,800,497	22,017,969
Student Deposits	893,796	(233,988)	-	659,808	972,369
Unearned Revenue	12,313,009	-	-	12,313,009	9,391
Compensated Absences	85,509,868	-	-	85,509,868	20,340,277
Long-term Liabilities	-	-	144,904,742	144,904,742	144,383,232
Deposits Held for Others	-	676,418	-	676,418	674,153
Net Pension Liability	9,345,400	-	-	9,345,400	21,277,555
Due to Grantors	-	2,974,688	-	2,974,688	3,070,140
Total Liabilities	139,441,333	3,417,559	145,232,793	288,091,685	\$215,702,770
DEFERRED INFLOWS					
Bond Refunding	-	-	42,221	42,221	48,717
Other	158,470	-	-	158,470	203,747
Pensions	4,767,116	-	-	4,767,116	691,759
OPEB	14,986,325	-	-	14,986,325	11,152,566
Total Def Inflows	19,911,912	-	42,221	19,954,133	\$12,096,789
NET POSITION					
Net Investment in Capital	-	-	374,817,093	374,817,093	304,295,990
Restricted Net Position	20,407,399	(1,187,873)	4,070,702	23,290,228	42,623,489
Unrestricted Net Position	58,146,449	17,524,784	167,361,592.92	243,032,826	298,034,355
Total Net Position	78,553,848	16,336,910	546,249,388	641,140,147	\$644,953,834
Total Liabilities, Deferred Inflows, & Net Position	\$237,907,093	\$19,754,469	\$691,524,402	\$949,185,965	\$872,753,394

EAST TENNESSEE STATE UNIVERSITY
BOARD OF TRUSTEES

INFORMATION ITEM

DATE: May 21, 2026

ITEM: Presentation of FY25 Composite Financial Index

COMMITTEE: Finance and Administration

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

The university prepares the Composite Financial Index (CFI) for review by the Board each year. CFI The ratios were published in *Ratio Analysis in Higher Education* by KPMG and Prager, McCarthy & Sealy, LLC. The ratios were 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.

The CFI consists of four individual ratios outlined below which are calculated and then weighted to produce the single CFI measure. The presentation of the CFI includes the financial resources of the ETSU Foundation as they provide support to the university.

Primary Reserve - 35%

- Measure of financial strength and flexibility. Comparison of expendable net assets to total expenses.
- Calculation - Expendable Net Assets / Total Expenses
- Standard Performance – 0.40

Viability – 35%

- Measure of financial health. Compares total expendable net assets to total current and noncurrent liabilities. Similar to coverage ratio.
- Calculation - Expendable Net Assets / Plant Related Debt
- Standard Performance – 1.25

Return on Net Assets – 20%

- Measure of total economic return for fiscal year. Similar to return on equity.
- Calculation - Δ in Net Assets / Beginning Total Net Assets

Net Operating Revenues – 10%

- Indicates an operating surplus or deficit for the year. Similar to profit margin.
- Calculation – Operating Income + Nonoperating Revenues + Foundation Δ in Unrest NA / Operating and

- Standard Performance - Inflation rate plus 3%

Nonoperating Revenues + Foundation Unrestricted Revenue

- Standard Performance – 4%

Composite Financial Index

ETSU	FY22	FY23	FY24	FY25	Standard	Watch
Total CFI	4.56	6.12	5.88	4.58	3.0	1.0
Primary Reserve	.56	.68	.75	.63	.4	.13
Viability	1.43	1.95	2.45	2.28	1.25	.41
Return on Net Assets	10.39	16.82	10.72	7.75		
Net Operating Revenues	10.93	13.74	10.13	3.02		

EAST TENNESSEE STATE UNIVERSITY
BOARD OF TRUSTEES

INFORMATION ITEM

DATE: May 21, 2026

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 with amounts totaling \$250,000 or greater processed during the period of January 2026 – March 2026, as well as RFQs that are upcoming or in progress.

Contract/PO Date**January - March 2026: Contracts/Purchase Orders*****Fiscal Review**

Start	End	Contractor	Description of Services/ Products	Contract/PO Amount	\$ Annual Contract	Competitive	Approval
3/15/2026	3/14/2031	Pisgah Audio Video Lighting, LLC	ETSU Commencement Ceremonies (RFP 26004) possible 5yr contract	\$285,506	\$57,101	Yes	N/A
4/1/2026	3/31/2031	Exemplifi, LLC	University website redesign and hosting (RFP 26003)	\$765,000	\$153,000	Yes	N/A
3/30/2026	3/30/2026	Preston Construction, Inc.	CPA Courtyard Pickleball Courts (RFQ 26006)	\$299,849	\$0	Yes	N/A
2/12/2026	2/12/2026	Workspace Interiors, Inc.	Sherrod Library Furniture UT Contract 5500007704, piggyback	\$396,481	\$0	Yes	N/A

**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.*

RFQ/RFPs –In-Process and Upcoming

- Cap and Gown RFP – May 2026, incumbent Jostens
- Banking RFP – Spring 2026, incumbent First Horizon and Bank of Tennessee
- ETSU Family Medicine Clinics Janitorial RFP – Spring 2026, incumbent SSC