

EAST TENNESSEE STATE UNIVERSITY
BOARD OF TRUSTEES
FINANCE AND ADMINISTRATION COMMITTEE

MINUTES

April 26, 2019
Johnson City, Tennessee

The East Tennessee State University Board of Trustees' Finance and Administration Committee met on Friday, April 26, 2019, at the Millennium Center on State of Franklin Road in Johnson City, Tennessee.

I. Call to Order

Finance and Administration Committee Chairman Steve DeCarlo called the meeting to order at 10:15 a.m.

II. Roll call

Board secretary Dr. David Linville called the roll and informed Chairman DeCarlo that a quorum was present. Trustees in attendance were:

Steve DeCarlo
Dorothy Grisham
Jim Powell
Ron Ramsey
Keyana Miller (non-voting student member).

III. Approval of the Finance and Administration Committee Minutes of February 22, 2019

The Finance and Administration Committee Minutes of February 22, 2019, were approved as submitted, with Trustee Powell making the motion to approve and Trustee Grisham seconding. The motion passed unanimously.

IV. Tuition for the Colleges of Medicine and Pharmacy FY20

Dr. King presented a recommendation to approve a proposed 2% tuition increase for the College of Medicine and College of Pharmacy for 2019-2020, contingent on the

approval of the Governor's budget. Trustee Ramsey made a motion to approve, with Trustee Powell seconding the motion. The motion passed unanimously.

V. Salary Increase for FY20

Dr. King presented a request for an across-the-board 2% salary increase with a \$500 minimum for all campus units for fiscal year 2019-2020. She explained that no specific recommendation was made for salary for the formula units in higher education, while a 2% salary pool was included in appropriations for all higher education non-formula units including the College of Medicine and Family Medicine. The Governor's budget stated appropriation increases for formula units could be used for salaries and/or operational expenditures. Based on the salary increase for Medicine and Family Medicine and in order to be equitable across the campus, management recommended the across-the-board 2% increase.

Trustee Ramsey made a motion to approve the proposed salary increase as presented contingent on approval of the Governor's budget and the approval of the THEC binding fee limit in May. Trustee Grisham seconded the motion. It passed unanimously.

VI. Discussion of Proposed Non-Mandatory Fees

Dr. King presented recommendations for Non-Mandatory Fees for courses, rental of student housing, and food service meal plans.

Three colleges proposed fee increases for FY20: the **College of Arts and Sciences**, **College of Business and Technology**, and **Clemmer College**. These proposals are part of a fee simplification process that will make it easier for students to understand the fee structure and easier for the university to assess the fees.

- **The College of Arts and Sciences** is moving from a fee presentation of 26 fees to a three-tier assessment – Arts, Humanities and Social Sciences Course Fee; Science, Lab, Clinical and Art Studio Course Fee; and BLUE and MUSC Lessons Course Fee.
- **The College of Business and Technology** proposed combining 13 fees into a three-tier structure – Business Course Fee; Computer/Engineering/Technology Course Fee; and Digital Media Specialized Academic Course Fee.
- **Clemmer College** proposed combining 16 fees into one comprehensive fee applicable to the entire college curriculum, applying to all subjects of the college.

In addition, Dr. King's report included a Graduate Nursing Course Fee that was approved by the board on April 27, 2018.

Dr. King also included recommendations for fee increases for auxiliaries, which included a slight increase.

Trustee Grisham made a motion to approve the Proposed Non-Mandatory Fees/Fee Simplification for College Course Fees for FY20 as presented by Dr. King. Trustee Powell seconded the motion, and it was approved unanimously by the Committee.

VII. Discussion of Comparative Mandatory Fees

Dr. King thanked the Committee for the discussion about Mandatory Tuition and Fees at the February 22, 2019 Committee meeting, where the ideas of possible “15 in 4” and block plans were explored. She told the committee that after discussions with the SGA, they have opted not to move forward with either plan at this time.

While the Tennessee Higher Education Committee (THEC) will not vote on the topic of Mandatory Fees until its May 17 meeting, when Dr. King spoke with THEC, they indicated that they were likely going to recommend a 0-2.5% tuition and mandatory fee increase.

Therefore, Dr. King presented the Committee with an information item: a comparative table of estimated Tuition and Mandatory Fees using a 2.5% increase to show the Committee where ETSU might fare in comparison with other schools. She emphasized that the other colleges had not yet released their increases, so she said this was an estimate using the 2.5%. Using this amount, ETSU was very competitive in pricing.

Dr. King indicated that Mandatory Tuition & Fees item would come before the Committee at special meeting in May for a vote.

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

As an information item, Dr. King provided the committee with a list of contracts and purchase orders that exceed \$250,000, covering the time period of January-March 2019.

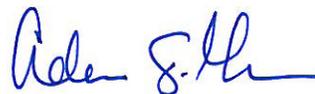
IX. Other Business

Dr. King noted to the Committee that she wanted to thank the ETSU personnel who were in the room and contributed to ETSU’s clean audit report that was discussed in an earlier Audit Committee meeting. Dr. Noland echoed his congratulations and lauded this achievement, as well.

X. Adjournment

Chairman DeCarlo adjourned the meeting at 11:04 a.m.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Adam Green", written in a cursive style.

Adam Green
Secretary of the Board of Trustees

Approved by the Board of Trustees at its September 20, 2019 meeting.