

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.

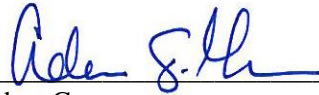
IX. Other Business

There was no other business to come before the committee.

X. Adjournment

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

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Adam Green", written over a horizontal line.

Adam Green
Secretary of the Board of Trustees

Approved by the Board of Trustees at its May 21, 2026 meeting.