

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.

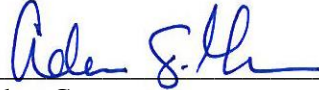
President Noland thanked the committee for their participation in the meeting, and as a point of personal privilege, he reflected on the life and legacy of ETSU’s eighth President, Dr. Paul E. Stanton, Jr., who passed away on March 5, 2026. Dr. Noland noted that the entire health sciences infrastructure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

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Adam Green", is 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.