

EAST TENNESSEE STATE UNIVERSITY
BOARD OF TRUSTEES

MINUTES

November 15, 2024
Johnson City, Tennessee

The East Tennessee State University Board of Trustees met on Friday, November 15, 2024, at 1:30 p.m. in the East Tennessee Room of the D.P. Culp Student Center. The meeting was also live-streamed and recorded.

I. Call to Order

Chair Dr. Linda Latimer called the meeting to order at 1:30 p.m. She began by describing the effects of Hurricane Helene on the East Tennessee State University community and the profound resilience of the people of Northeast Tennessee, Southwest Virginia, and Western North Carolina as they rebuild and recover. She highlighted ETSU's central role in the recovery efforts:

- In partnership with Marsh Regional Blood Center, the largest two-day blood drive ever held in the region, with nearly 700 people donating blood, many of whom stood in line for six hours or more
- The donation, by ETSU, of more than 800 hot meals for flood survivors and first responders
- The opening of the ETSU Center for Physical Activity to provide access to hot showers
- The activation of student and employee crisis phones
- The provision of free housing and meal plans for students and employees in need
- Staff members calling and emailing more than 6,000 students from flood-affected areas
- The training and coordination of volunteers by ETSU
- ETSU faculty mapping storm damage and providing water quality testing
- Physicians from ETSU Family Medicine checking on each patient in the system who lives in a flood-affected area
- The provision of 15 hours of leave by ETSU to allow faculty and staff to volunteer in their communities

Chair Latimer then reminded the board about the upcoming appearance by the ETSU Marching Bucs in the Macy's Thanksgiving Day Parade and a send-off party scheduled for November 24.

Chair Latimer offered congratulations to Trustee Trent White, a finalist for a Rhodes Scholarship and the second finalist from ETSU for the second year in a row.

II. Roll Call

Board Secretary Dr. Adam Green led the roll call.

Trustees physically present were:

Chair Dr. Linda Latimer
Trustee Charles Allen
Trustee Janet Ayers
Trustee Steve DeCarlo
Trustee Dr. Steph Frye-Clark
Trustee Dorothy Grisham
Trustee Melissa Steagall-Jones
Trustee Tony Treadway

Dr. Green informed the board chair that a quorum was present.

III. Public Comments

No individuals were signed up to speak to the board during the public comment period.

IV. Approval of Minutes from September 13, 2024

The minutes from the September 13, 2024, meeting of the Board of Trustees were approved as submitted, with Trustee Melissa Steagall-Jones making the motion to approve and Trustee Dr. Steph Frye-Clark seconding the motion. The motion passed unanimously.

V. Report from the Academic, Research, and Student Success Committee

Trustee Janet Ayers reported that the morning's meeting consisted of three action items and three information items. The action items included a request to grant tenure upon appointment for Dr. Dena Evans, incoming Dean of the College of Nursing, approval of a new Bachelor of Science in Digital Development degree program, and approval of the new Institutional Accreditation policy, which allows the university to select any institutional accreditor recognized by the U.S. Department of Education.

The information items presented included the 2023-24 Quality Assurance Funding process, an update of the Roan Scholars Leadership Program and information from the Office of Prestigious Awards, and the annual update of the ETSU Research Corporation.

VI. Report from the Finance and Administration Committee

Trustee Steve DeCarlo reported that his committee reviewed a report prepared in compliance with the Tuition Transparency Act, approved the 2024 October budget revisions (included in the Consent Agenda), reviewed the quarterly report of contracts and agreements of \$250,000 or greater for the first quarter of FY25, and heard a report on revenues and expenditures. In addition, the Finance and Administration Committee received a report on the work of the Strategic Resource Alignment Advisory Committee.

VII. Report from the Audit Committee

Committee Chair Melissa Steagall-Jones reported that the Audit Committee approved one action item, which involved adding two fraud, waste, or abuse concerns to the audit plan. She indicated that the Office of Internal Audit reported on the completion of one audit and one investigation. A report on the status of the audit log indicated six current and prior findings, all progressing in a timely fashion. Trustee Steagall-Jones pointed out that ProCards are still being closely monitored campuswide in an effort to improve processes, and the Audit Committee reviewed its list of responsibilities, making no changes in that list.

VIII. Consent Agenda

Chair Latimer then called the board's attention to the Consent Agenda that included several routine items as well as items acted upon during the morning's committee meetings. Chair Latimer asked if there were any items on the Consent Agenda that need to be pulled for discussion and consideration by the full board. There were none.

Chair Latimer then asked for a motion to approve the full Consent Agenda. Trustee Janet Ayers moved that the Consent Agenda be approved, and Trustee Tony Treadway seconded the motion. It passed unanimously.

IX. ETSU Hurricane Helene Response

Dr. Joe Sherlin, Vice President for Student Life and Enrollment, and three student leaders, Morgan Blazer (Roan Scholar and Student Government Association Chief of Staff), Skylar Brackett (Secretary of State for SGA), and Shaina Thompson (President of Letters of Love), described for the board some of the countless ways in which ETSU stepped up to lead recovery and rebuilding efforts in the aftermath of Hurricane Helene. Among the highlights of their report:

- The hurricane hit as students were in the midst of Homecoming preparations. Students pivoted on a moment's notice to serve the needs of the region.

- The Culp Center was a beehive of activity, accepting donations from all across the region, and hosting the historic blood drive, referenced in Chair Latimer's comments above.
- The level of care was overwhelming as students wrote around 2,000 letters to families and first responders.
- Over 20 student organizations wrote letters as well.
- Around 275 ETSU students were directly affected by the hurricane and its aftermath.
- Ten students lost family members or loved ones.
- Emergency and tuition grants were instituted, housing and food assistance were given, the Center for Physical Activity was opened for hot showers, and counseling support for those experiencing trauma was available.
- Assistance came together within a period of 48 hours.
- Our Civic Engagement Team and Emergency Management Team worked to ensure that our systems were integrated with the systems of the region.
- ETSU became the placement vehicle for connecting volunteers with needs in a five-county region, with more than 4,000 individuals serving that area over a six-week period.
- The weeklong supply drive during Homecoming resulted in Room 366 in the Culp Center being filled with donated items, followed by the SGA office being filled.
- The supply drive on Homecoming game day filled an entire bus.

Board members and President Noland commended these students for their life-changing work. President Noland then congratulated Skylar Brackett for her appointment, by Governor Bill Lee, to serve on the Tennessee Higher Education Commission.

X. Strategic Agenda Update and KPIs

Dr. Michael Hoff, Vice Provost for Decision Support and Chief Planning Officer, centered his presentation around the strategic planning pillars of access, success, and impact. In focusing on access, he gave a brief history of recent enrollment, retention, and graduation rates. He reviewed business decisions and decisions about how the institution is presented that have created a system for students in which they can be more successful. That environment, he said, has resulted in increased retention and graduation rates. Freshman applications for 2024 totaled 10,049, he said, with a goal of 12,000 by 2026. Student enrollment of nearly 14,000 indicates sound progress toward a 2026 goal of 15,500. Since ETSU is a border institution, out-of-state enrollment continues to be a major focus. For 2024, there were 3,057 out-of-state students, and our goal for 2026 is 3,600. The percentage of non-white students at ETSU is currently 29.3, with the 2026 goal being 33 percent. The percentage of male students, 38.5 in 2024, continues to pose a challenge, as it does nationwide. And ETSU has achieved great success in enrolling military-affiliated students. The 2024 number, 1,050, has already surpassed the 2026 goal of 1,000.

Moving to student success, Dr. Hoff noted a steady increase in retention rates, from 72 percent in 2022 to 75.6 percent in 2024, toward a goal of 85 percent by 2026. The 2024 graduation rate was 53.2 percent, and the goal by 2026 is 60 percent. Post-graduation outcomes, the percentage of our graduates either working or continuing their education, is now 82.1 percent. The 2026 goal is 95 percent.

In the category of impact, research and sponsored program activity has now reached \$70,200,000, with a 2026 goal of \$75,000,000. Research expenditures have increased from \$18,500,000 in 2022 to \$42,300,000 in 2024, already exceeding the 2026 goal. In philanthropic giving, we achieved a total of \$40,744,125 in 2024. Dr. Hoff then pointed to attendance at athletic events and attendance at the Martin Center as evidence that ETSU is taking its expertise outward and inviting people in.

In discussing our operational environment, Dr. Hoff highlighted the achievement of Great Colleges to Work For status. He commented that the 10.6 percent rate in voluntary staff turnover is not unusual for the marketplace. He added that the strong financial position of the university is reflected in the 2024 Composite Financial Index of 6.12, far ahead of the 2026 goal.

Dr. Hoff then briefly reviewed lists indicating progress toward strategic initiatives. One list indicates progress achieved and anticipated within one to five years and the other within five to ten years. He told the board that even more check marks will be added to those lists by the end of the year.

XI. President's Report

President Noland began by thanking and commending the campus community for the overwhelming response to the disasters and hardships created by Hurricane Helene. He said our response embodied the university's mission more strongly than anything he has ever seen during his tenure as president.

Dr. Noland began his comments about access and success by speaking of the enrollment challenges at institutions across the country. Some of those challenges included the demographic cliff, the FAFSA debacle, declining college-going rates, and stories in the media questioning the return on investment for college degrees. He said that nationally, freshman enrollment declined by 5 percent this fall and that the largest decreases were at public universities, at 8.5 percent. In many rural areas, he said, college-going rates have fallen below 40 percent and for males, below 35 percent.

Dr. Noland shared the results of a recent EAB survey of more than 10,000 students nationwide. The survey indicated that location is still a top factor when students and parents make decisions about college attendance and that elements around price are also determining factors. Another factor is the campus itself. Dr. Noland acknowledged the Board of Trustees' commitment to

investing in the physical infrastructure of ETSU, as well as changes to financial aid and changes to the out-of-state fee structure, all of which are linked together and all of which make us more competitive in the higher education marketplace.

President Noland reviewed data on college-going rates in Tennessee. For 2023, the rate was 56.7 percent. He pointed out that the highest college-going rate in our region was in Unicoi County, at 63.7 percent. In analyzing enrollment from an historical perspective, Dr. Noland shared information from the year 1984, when ETSU enrolled around 10,000 students, compared to 2023, when 13,685 were enrolled. This fall, ETSU's enrollment increased to 13,979. For the fall of 2024, Dr. Noland reported, the top five undergraduate majors at ETSU were Nursing, Psychology, Computer Science, Management, and Biology. The top five graduate majors were Public Health, Educational Leadership, Nursing, Business Administration (online), and Social Work.

Dr. Noland told the board that for the first time in its history, ETSU has enrolled back-to-back freshman classes with more than 2,100 students and that the academic profile of the freshman class is stronger. He noted the growth in out-of-state students that has occurred as a result of our tuition reset.

Looking to the fall of 2025, Dr. Noland expressed optimism about continued progress in enrollment. Freshman application data indicate an 11.73 percent increase in applications received and a 13.45 percent increase (850) in applications accepted.

Dr. Noland underscored the fact that retention rates are rising again post-COVID—to 76.3 percent in 2023, showing substantial progress toward the board's goal of 85 percent. The graduation rate for the class of 2018 was 53 percent, with a goal of 60 percent.

Looking at institutional health and strategic initiatives, Dr. Noland reported that, with all revenues in, minus auxiliaries, the 2024-25 operating budget stands at \$400 million—with 42 percent coming from tuition and fees and 41 percent from the state. Salaries and benefits make up 76 percent of expenditures. Dr. Noland added that we continue to make investments in reserves and in fallout, with \$3.4 million in new investments added to E&G university reserves.

Referencing the Finance and Administration Committee's morning action to approve salary recommendations, Dr. Noland emphasized the 3 percent across-the-board salary increase with a \$7,000 ceiling and a floor of \$15 per hour, effective November 1. He described the second phase of adjusted enhancements to align with market needs, in the amount of 3 percent in targeted increases, as well as the establishment of a 2 percent supplemental salary pool to be directed to Fair Labor Standards Act requirements, implementation of the classification and compensation system, and faculty market adjustments. He further announced that he hopes to target another one percent supplemental salary pool to support university priorities. Combined, these actions will result in the largest investment in salaries in the modern history of ETSU, at over 6 percent.

Dr. Noland then reviewed the Tennessee Higher Education Commission's Outcomes Formula Recommendations for 2025-26, which would result in an additional \$1 million for ETSU and approximately \$1.6 million for our medical units. In addition, in the THEC Strategic Initiatives Request for 2025, \$2.5 million is earmarked to increase the appropriation to the base budget for the Gatton College of Pharmacy. This would provide for equalization of tuition and fees at the college compared to the University of Tennessee. Another \$7 million is identified by THEC to provide equipment modernization for the Quillen College of Medicine. In capital projects, the second phase of Brown Hall renovation is third on THEC's list, which will go to Governor Bill Lee for his consideration. For ETSU, in deferred maintenance, the commission is requesting \$23,490,000, for such projects as steam line repairs and replacements, HVAC and plumbing repairs, roof replacements, and others. Returning to the capital projects requests, Dr. Noland highlighted the sixth item, which is a utility infrastructure project for ETSU, in the proposed amount of \$15,936,000.

Dr. Noland then outlined for the board the university's agenda for the upcoming session of the Tennessee General Assembly:

- Support full funding of the THEC appropriations recommendation for both the Outcomes Formula and salary enhancements
- Support the THEC recommendation for the Gatton College of Pharmacy and the Quillen College of Medicine, including the new medical funding formula for ETSU Health
- Funding for Brown Hall Phase II and deferred maintenance projects
- Support updates and enhancements to state-supported scholarships

Dr. Noland then provided to the board further information about the impact of Hurricane Helene on the ETSU community:

- Ten ETSU students lost family members or loved ones
- Two students lost parents
- Thirty-seven students were displaced by the flood
- Forty-one students lost their jobs
- Fifty-six students were supported through the Student Crisis Fund
- Eighteen students were supported through the Tuition Assistance Fund

Dr. Noland said that more than \$100,000 in university resources were devoted to the assistance of flood victims. He encouraged the board to consider the Employee Assistance Fund and the Student Crisis Fund as ways to help the ongoing recovery effort. He reiterated his praise for the ETSU community for fulfilling our mission by going above and beyond in caring for our citizens.

Dr. Noland highlighted Veterans Week, pointing out that more than 1,000 ETSU students are military-affiliated. He said that ETSU has the top ROTC program east of the Mississippi River

and that we have been recognized nationally for our commitment to veterans. He added that ETSU has just received a \$75,000 grant from AmeriCorps to help with outreach across a seven-county area. Furthermore, Dr Noland expressed his pride in the staff and faculty who work with our veteran population.

Dr. Noland invited board members to attend several end-of-semester events, including the alumni awards banquet, the campus lighting ceremony, the Marching Bucs sendoff, the Holiday Concert, the pancake breakfast for students, and the December 14 commencement exercises. He shared highlights of the recent employee recognition ceremony, noting that Doug Taylor marked 50 years on staff at ETSU and that he has welcomed every class of the Quillen College of Medicine in his role as Admissions Director.

XII. Action Item: Resolution of Appreciation for Ms. Pamela Ritter

Dr. Noland introduced a resolution of appreciation for Ms. Pamela Ritter, upon her forthcoming retirement as Vice President for University Advancement. He told the board that Ms. Ritter helped change the face of the university, modernized its fundraising efforts, and oversaw record fund-raising years and a record capital campaign.

Trustee Steagall-Jones made a motion that the resolution be adopted, and Trustee Treadway seconded the motion. It passed unanimously.

XIII. Other Business

There was no other business to come before the board.

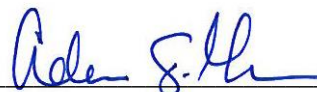
XIV. Executive Session

There was no need for an executive session.

XV. Adjournment

The meeting was adjourned at 2:51 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 February 21, 2025 meeting.