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### 2023 April 21 -- Board of Trustees Finance and Administration Committee Agenda and Minutes

East Tennessee State University

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EAST TENNESSEE STATE UNIVERSITY  
BOARD OF TRUSTEES  
FINANCE AND ADMINISTRATION COMMITTEE  
APRIL 2023 MEETING

9:45 – 11:15 a.m. EDT  
Friday  
April 21, 2023

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.  
Allen Archer  
Dorothy Grisham  
Dr. Linda Latimer  
Ron Ramsey

—

**AGENDA**

- I. Call to Order
- II. Roll Call
- III. [Approval of the Committee Minutes from February 17, 2023 and March 28, 2023](#)
- IV. [Action Item: Approval of Spring Estimated and July Proposed Budgets – Graham \(20 minutes\)](#)
- V. [Quarterly Financial Report – Graham \(10 minutes\)](#)
- VI. [Quarterly Report of Agreements \\$250,000 or greater – Roberts \(5 minutes\)](#)
- VII. [Action Item: Capital Budget Submittals and Disclosures – Ross \(10 minutes\)](#)
- VIII. Other Business
- IX. Adjournment

EAST TENNESSEE STATE UNIVERSITY  
BOARD OF TRUSTEES

ACTION ITEM

DATE: April 21, 2023

ITEM: Approval of the Minutes from February 17, 2023 and  
March 28, 2023

COMMITTEE: Finance and Administration Committee

RECOMMENDED ACTION: Approve

PRESENTED BY: Dr. Adam Green  
Board Secretary

The minutes of the February 17, 2023 meeting and the March 28, 2023 special called meeting 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 17, 2023 and the March 28, 2023 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 17, 2023  
Johnson City, Tennessee

The East Tennessee State University Board of Trustees' Finance and Administration Committee met on Friday, February 17, 2023, at 9:50 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 9:50 a.m.

**II. Roll Call**

Board Secretary Dr. Adam Green conducted the roll call.

Committee members attending were:

Committee Chair Steve DeCarlo  
Trustee Charles Allen  
Trustee Allen Archer  
Trustee Dorothy Grisham  
Trustee Dr. Linda Latimer  
Trustee Dr. Lisa Piercey  
Trustee Ron Ramsey

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

Other Trustees who attended the committee meeting included: Melissa Steagall-Jones and Dr. Virginia Foley

**III. Approval of the Committee Minutes from November 18, 2022**

The minutes from the November 18, 2022, meeting of the Finance and Administration Committee were approved as submitted with Trustee Dorothy Grisham making the motion and Trustee Dr. Lisa Piercey seconding the motion. The motion passed unanimously.

**IV. Action Item: Approval of College of Medicine and College of Pharmacy FY24 Tuition**

Michel Beaver, Associate Vice President for Tax and Revenue Services, summarized proposed changes in tuition for the Quillen College of Medicine for FY24. She reminded the committee that the M4 tuition rate for fiscal year 2023-24 was approved at the April 2022 Board of Trustees meeting with the restructuring of tuition and curriculum. Beaver indicated that Quillen is implementing an accelerated track program that students can complete in three years. The college is proposing that students in the program pay 1.15 times the traditional student tuition rate in their M2 and M3 years.

Ms. Beaver informed the committee that the Gatton College of Pharmacy is not requesting a change in tuition and will rely on continued savings from retirement incentives and college reserves to balance its budget. Beaver added that the university continues to seek state support for the College of Pharmacy, which operates like a private college and is fully funded through student fees and philanthropic donations.

Trustee Allen made a motion that these tuition proposals be approved. Trustee Grisham seconded the motion. It passed unanimously.

**V. Action Item: Approval of Housing and Meal Plans for FY24**

Ms. Beaver reported that ETSU's Department of Housing and Residence Life is requesting an increase from 5.28 to 5.63 percent for the next year to support inflationary costs of utilities, custodial, and personnel services reminding the committee that there was no increase in housing rates for the current fiscal year. Even with that increase, ETSU's rates will remain far below those of most public universities.

President Noland noted that ETSU may be the only housing entity in Johnson City that did not raise rates during 2022 and that the proposed increases partially cover inflationary costs for the upcoming year.

Trustee DeCarlo asked if ETSU conducts an analysis of off-campus rates. Dr. Joe Sherlin, Vice President for Student Life and Enrollment, responded that the university does review the local market, particularly apartments, and that we are competitive.

Ms. Beaver presented information on proposed rates for university meal plans for the 2023-24 academic year. She reported that the university is requesting a 3.13 percent (or \$55 per term) increase in the Silver meal plan, with similar increases in other plans. ETSU's payments to the food service vendor, Sodexo, are increasing by almost 8.5 percent, through the terms of our contract. President Noland indicated that the university is currently subsidizing the difference in order to avoid passing an 8.5 percent increase on to students.

Ms. Beaver added that ETSU is currently second lowest in per meal cost among the state's public universities.

Trustee Ramsey made a motion to approve the housing and meal plan increases as presented. Trustee Piercey seconded the motion. It passed unanimously.

## **VI. Discussion of Comparative Tuition and Mandatory Fees for Tennessee Public Universities**

Ms. Beaver reminded the committee that there were no tuition and mandatory fee increases for the current year per the policy guidance provided by THEC. She reviewed tuition and fee totals from all the state's public universities, and this data shows that ETSU continues to be an affordable option in the state, with ETSU fees remaining below the state average.

Trustee DeCarlo asked about the amount of surveying ETSU conducts among incoming students on price and location. Dr. Sherlin answered that students are surveyed regularly, and that cost of attendance is the lead indicator. He reiterated that affordability is especially important for ETSU students.

## **VII. Discussion of Preliminary Tuition and Mandatory Fees for FY24 Budget Development**

Ms. Beaver reported that the Tennessee Higher Education Commission has proposed a zero to three percent increase in tuition and mandatory fees for in-state undergraduate students. For budget development purposes, ETSU is proposing a 2.95 percent (or \$114 per term) increase in tuition to help fund the salary pool and the Student Government Association's wellness initiative. Staff is also proposing a 2.45 percent increase in mandatory fees for budget development purposes. These funds would be directed toward student-focused activities.

Discussion ensued about the problems created by the THEC cap on fee increases, particularly as it relates to ETSU's ability to fund the university's portion of faculty and staff salary improvements. President Noland pointed out that ETSU's fee increases come in below the THEC cap, but that the cap does not allow the university to fully cover the costs of the prescribed salary increase match.

## **VIII. Discussion of Proposed Salary Pool for FY24 Budget Development**

Margaret Pate, Senior Associate Vice President for Budget and Financial Planning, reported that ETSU could receive \$4.4 million in salary improvement money from the state if the governor's proposed budget is approved. The governor's budget proposes an increase in the salary pool of five percent. Pools are funded at the level of 55 percent by the state and 45 percent by the institution. The cost to the main campus for fully funding

the pool would be \$3.6 million. That money would have to come through tuition increases, enrollment growth, or reallocation of other expenditures or appropriation dollars. She said that since funding for the salary pool is dependent on student enrollment, any salary adjustments approved by the Board of Trustees would be implemented in November 2023. Ms. Pate added that the College of Medicine and Family Medicine have \$4 million in salary improvement funding earmarked in the governor's budget.

## **IX. Quarterly Financial Update**

As part of the quarterly financial update, Ms. Pate presented a series of tables found in the meeting materials and indicated that changes in revenues reflect increased state appropriations for the year, a special \$19 million appropriation for the new Oracle Enterprise Resource Planning system, and income from the Higher Education Emergency Relief Act. Changes in expenditures reflect salary increases implemented in November, inflationary factors affecting operations, and campus activities returning to normal after the pandemic.

Discussion centered around the Oracle Enterprise Resource Planning system. President Noland pointed out that all public universities in Tennessee will be transitioning to the new system and that ETSU is the first to undergo that transition. The Oracle system will replace Banner, which, President Noland said, is technology the university has employed for almost 20 years.

## **X. Other Business**

There was no other business to come before the committee.

## **XI. Adjournment**

The meeting was adjourned by Trustee DeCarlo.

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

MINUTES

March 28, 2023  
Johnson City, Tennessee

The East Tennessee State University Board of Trustees' Finance and Administration Committee conducted a called meeting on Tuesday, March 28, 2023, in the President's Conference Room in Burgin E. Dossett Hall on the ETSU campus.

**I. Call to Order**

Committee Chair Steve DeCarlo called the meeting to order at 11:06 a.m.

**II. Roll Call**

Given that Trustees participated remotely by electronic means, Board Secretary Dr. Adam Green began the meeting in accordance with Tennessee Code 8-44-108, section (c) (3). Dr. Green asked each committee member if they could clearly hear the proceedings and if anyone else was present in the room. Chair DeCarlo and Trustees Charles Allen, Allen Archer, Dr. Linda Latimer, and Ron Ramsey all indicated that they were able to hear the proceedings and that no other persons were in the room with them.

Dr. Green then reported to Chair DeCarlo that he did not detect a physical quorum present but that a quorum did exist by the inclusion of those members participating by electronic means. In accordance with Tennessee Code 8-44-108, section (b) (2), Dr. Green offered up to the committee the following circumstances which would necessitate the holding of such a meeting:

- It is necessary for the Finance and Administration Committee of the Board to review and approve tuition and fees, the proposed salary pool for Fiscal Year 2024, and to review the budget proposal for 2023-24 prior to the full Board of Trustees meeting on April 21.
- The prompt necessity of this committee's meeting did not provide adequate time for this committee's membership to make necessary arrangements to be physically present for a quorum.



For these reasons, Dr. Green contended that participation by a quorum of the committee members by electronic or other means of communication is necessary. Consequently, Dr. Green asked that a motion be made and a roll call vote be taken for a determination on the necessity of holding the meeting. He indicated that an affirmative vote would signify that a necessity does exist for the meeting to proceed, adding that a dissenting vote would signify that a necessity does not exist for the meeting to continue.

Trustee Ramsey made a motion that the necessity does exist to have the meeting. Trustee Allen seconded the motion. The motion passed unanimously.

Dr. Green then informed Chair DeCarlo that in addition to the committee members present, Trustees Janet Ayers, Dr. Virginia Foley, and Melissa Steagall-Jones were participating in the meeting.

### **III. Action Item: Approval of Proposed Salary Pool for FY24 for Budget Development**

Christy Graham, ETSU's Chief Financial Officer and Vice President for Business and Finance, began by thanking the board and staff for the opportunity to serve ETSU, as this was her first presentation before the Board in her role as CFO. Vice President Graham provided an overview of the proposals within the state budget, noting that Tennessee Governor Bill Lee's budget proposal includes an appropriation for a 5 percent salary pool for higher education and other state entities for fiscal year 2024. She added that the state historically funds 55 percent of the main campus salary pool, and that the institution must come up with the remaining 45 percent. The amount of money needed to fully fund the pool would be approximately \$8 million, meaning that the state portion would come to \$4.4 million and ETSU's portion would equate to \$3.6 million. With the uncertainty of fall enrollment, management is recommending that the salary pool be included in the budget but that implementation be delayed until November, as was the case in the current fiscal year. Staff will also be looking at how the salary increases will be distributed. In response to a question, Ms. Graham indicated that enrollment for the fall is projected to be flat.

Trustee Ramsey moved that the proposed salary pool be approved as presented. Trustee Latimer seconded the motion. The motion passed unanimously.

### **IV. Action Item: Approval of Proposed Tuition/Mandatory Fees for FY24 for Budget Development**

Vice President Graham reported to the committee that the university is proposing a 2.85% increase in total tuition and mandatory fees for all classes of undergraduate and graduate students on the main ETSU campus. That total includes a 2.95 percent increase in tuition and a 2.45% increase in mandatory fees. For full-time undergraduate students, the total increase would be \$276 for the year. Ms. Graham reviewed tuition and fee increases for the past five years, pointing out that in two of those years, ETSU instituted

no increases at all. She said that an increase of undergraduate tuition and fees to \$9,950 still shows that we are under last year's average of state universities. In summary, she said that ETSU remains an affordable option for public education in the state of Tennessee.

Trustee Ramsey moved that the proposed fee increases be approved as presented. Trustee Allen seconded the motion. It passed unanimously.

## **V. Discussion of Spring Estimated and July Proposed Budgets**

Ms. Graham presented a broad overview of ETSU's various budget components: the main campus, the College of Medicine, Family Medicine, and the College of Pharmacy. The budgets presented to the committee were preliminary in nature and will be discussed in greater detail during the April meeting of the Board of Trustees. Ms. Graham told the committee that the largest considerations in the July budget are salaries and tuition, as well as state appropriations. These are also the items that will not be officially set until the governor's budget is approved and the Tennessee Higher Education Commission sets the binding tuition rates in late spring. Ms. Graham again referenced the fact that, for the main campus, state appropriations fund approximately 55 percent of the salary pool. Included in the proposed budget is the 5 percent salary increase and related increases in benefits and the proposed tuition and fee increases approved by the committee.

Ms. Graham highlighted a \$22.4 million increase in main campus revenue from last July to this July, which includes increases in tuition and state appropriations, as well as interest earnings. Increases in expenses include salary increases and benefits as well as increased costs of utilities and the final year of the Student Government Association wellness initiative. Ms. Graham reported that the budget is balanced and within available resources. A pie chart categorizing main campus expenditures for FY23-24 shows that 40 percent of the \$299 million budget is devoted to instruction.

Within the College of Medicine budget, Ms. Graham noted that revenue has increased based on the fee increase approved in February and on increased state appropriations. Here as well, the primary expense is instruction.

Ms. Graham noted a slight increase in revenue in the Family Medicine budget. The increase in expenses is due primarily to salaries, but there has been a reduction in the position count. The primary expense in this budget is also instruction.

The College of Pharmacy budget shows a decrease in revenue due to enrollment, and a corresponding decrease in expenses. The number of positions has been reduced by two. Ms. Graham noted that President Noland continues to work diligently to obtain state appropriations for the College of Pharmacy.

## **VI. Other Business**

President Noland stressed that the budgets just described and presented are preliminary. Presenting them to the committee in the spring semester is aligned with the Board's goal to communicate information to students and parents about costs for the upcoming fall semester before students go home for the summer.

Dr. Noland underscored the fact that budgets are balanced. He said that the bulk of new revenue is going toward salaries. He pointed out that the salary increases under consideration would constitute the largest salary enhancement provided to the campus in decades. Since the proposed salary increases would not be fully funded by state appropriations and the proposed tuition increase, the university will have to look to efficiencies to cover a difference of some \$2 million. He said that ETSU will continue to be a wise steward of resources.

## **VII. Adjournment**

There being no other business to come before the committee, Trustee Ramsey motioned for adjournment, and Trustee Latimer seconded the motion. The meeting adjourned at 11:25 a.m.

EAST TENNESSEE STATE UNIVERSITY  
BOARD OF TRUSTEES

ACTION ITEM

DATE: April 21, 2023

ITEM: Approval of Spring Estimated and July Proposed Budgets

COMMITTEE: Finance and Administration Committee

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), two specialized units (College of Medicine and Family Medicine) and one self-funded unit (College of Pharmacy). The three components for each budget are as follows:

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 2022-23 spring estimated budgets and the July 2023-24 proposed budgets for the one formula funded unit, two specialized units and one self-funded unit. In meetings held during the last year, the Board approved the 2022-23 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 adoption of the following resolution by the Board of Trustees:**

**RESOLVED: The estimated Spring 2022-23 and proposed July 2023-24 budgets that incorporate the previously approved salary pool by the committee are approved as presented in the meeting materials contingent on the approval of the Governor's budget and THEC binding tuition limit.**

### Main Campus Budget

	Actual 21-22	Orig. 2022-23	Oct. Revised	Est. Spring	July Proposed	F23 to F24
<b>Revenue</b>	\$267,701,640	<b>\$276,650,300</b>	\$283,651,600	\$309,870,900	<b>\$299,092,200</b>	<b>\$22,441,900</b>
<b>Expenditures and Transfers</b>						
Instruction	\$102,953,064	<b>\$113,653,400</b>	\$131,197,100	\$132,534,100	<b>\$120,293,000</b>	<b>\$6,639,600</b>
Research	3,329,497	<b>5,290,900</b>	9,953,600	10,284,100	<b>6,154,900</b>	<b>864,000</b>
Public Service	2,790,112	<b>3,190,600</b>	4,482,200	5,103,300	<b>3,969,300</b>	<b>778,700</b>
Academic Support	22,137,645	<b>24,881,500</b>	30,636,900	30,960,600	<b>26,561,000</b>	<b>1,679,500</b>
Student Services	25,423,013	<b>26,210,900</b>	29,561,300	30,426,200	<b>30,407,900</b>	<b>4,197,000</b>
Institutional Support	22,586,451	<b>19,267,000</b>	29,273,200	53,942,400	<b>20,815,400</b>	<b>1,548,400</b>
Facilities	19,671,648	<b>19,354,000</b>	20,373,800	21,638,000	<b>21,335,300</b>	<b>1,981,300</b>
Scholarships	30,457,781	<b>29,994,400</b>	29,811,900	29,453,300	<b>30,221,800</b>	<b>227,400</b>
Total before transfers	\$229,349,211	<b>\$241,842,700</b>	\$285,290,000	\$314,342,000	<b>\$259,758,600</b>	<b>\$17,915,900</b>
Debt Service	5,844,368	<b>5,658,600</b>	6,193,900	6,193,900	<b>6,101,600</b>	<b>443,000</b>
Non-Mandatory Transfers	(4,636,517)	<b>2,972,500</b>	3,160,500	(453,600)	<b>3,017,500</b>	<b>45,000</b>
Auxiliaries Exp & Tnfrs	25,572,161	<b>25,926,000</b>	28,631,700	28,731,600	<b>30,034,800</b>	<b>4,108,800</b>
<b>Total</b>	<b>\$256,129,223</b>	<b>\$276,399,800</b>	<b>\$323,276,100</b>	<b>\$348,813,900</b>	<b>\$298,912,500</b>	<b>\$22,512,700</b>

FT Unrestricted and Auxiliary Positions	Orig. 22-23	Oct. Revised	July Proposed	F23 to F24
Faculty	<b>730</b>	726	<b>727</b>	<b>(3)</b>
Administration	<b>38</b>	37	<b>37</b>	<b>(1)</b>
Maint/Tech/Support	<b>467</b>	460	<b>460</b>	<b>(7)</b>
Professional Support	<b>551</b>	561	<b>570</b>	<b>19</b>
Sub Total	<b>1,786</b>	1,784	<b>1,794</b>	<b>8</b>
Auxiliaries	<b>45</b>	44	<b>45</b>	<b>-</b>
<b>Total</b>	<b>1,831</b>	1,828	<b>1,839</b>	<b>8</b>

### Quillen College of Medicine Budget

	Actual 21-22	Orig. 22-23	Oct. Revised	Est. Spring	July Proposed	F23 to F24
<b>Revenue</b>	\$67,535,014	<b>\$73,117,500</b>	\$73,737,200	\$76,105,100	<b>\$80,579,500</b>	<b>\$7,462,000</b>
<b>Expenditures and Transfers</b>						
Instruction	\$36,901,487	<b>\$47,647,400</b>	\$57,168,800	\$59,838,200	<b>\$64,668,000</b>	<b>\$17,020,600</b>
Research	3,151,176	<b>7,350,900</b>	4,185,700	3,592,900	<b>4,908,300</b>	<b>(2,442,600)</b>
Academic Support	6,949,023	<b>9,277,700</b>	9,759,800	9,894,000	<b>9,867,200</b>	<b>589,500</b>
Student Services	1,809,899	<b>2,488,700</b>	3,306,500	3,302,700	<b>3,618,600</b>	<b>1,129,900</b>
Institutional Support	3,452,723	<b>3,935,700</b>	4,368,500	4,339,200	<b>3,962,800</b>	<b>27,100</b>
Facilities	5,215,527	<b>7,164,600</b>	7,582,200	7,606,400	<b>7,400,300</b>	<b>235,700</b>
Scholarships	260,000	<b>260,000</b>	260,000	260,000	<b>260,000</b>	<b>-</b>
Total before transfers	57,739,835	<b>78,125,000</b>	86,631,500	88,833,400	<b>94,685,200</b>	<b>16,560,200</b>
Debt Service	95,407	<b>105,900</b>	105,900	105,900	<b>106,000</b>	<b>100</b>
Non-Mandatory Transfers	6,265,115	<b>(5,213,200)</b>	(11,340,400)	(11,174,700)	<b>(14,311,400)</b>	<b>(9,098,200)</b>
<b>Total</b>	<b>\$64,100,357</b>	<b>\$73,017,700</b>	<b>\$75,397,000</b>	<b>\$77,764,600</b>	<b>\$80,479,800</b>	<b>\$7,462,100</b>
<b>FT Unrestricted and Auxiliary Positions</b>						
		<b>Orig. 22-23</b>	<b>Oct. Revised</b>		<b>July Proposed</b>	<b>F23 to F24</b>
Faculty		<b>161</b>	163		<b>169</b>	<b>8</b>
Administration		<b>6</b>	5		<b>5</b>	<b>(1)</b>
Maint/Tech/Support		<b>108</b>	108		<b>110</b>	<b>2</b>
Professional Support		<b>96</b>	95		<b>98</b>	<b>2</b>
<b>Total</b>		<b>371</b>	371		<b>382</b>	<b>11</b>

**Family Medicine Budget**

	Actual 21-22	Orig. 22-23	Oct. Revised	Est. Spring	July Proposed	F23 to F24
Revenue	19,596,819	<b>18,526,700</b>	19,368,500	19,613,500	<b>19,802,700</b>	<b>1,276,000</b>
<b>Expenditures and Transfers</b>						
Instruction	\$12,856,016	<b>\$12,651,200</b>	\$13,790,400	\$14,143,900	<b>\$14,187,400</b>	<b>\$1,536,200</b>
Research	134,414	<b>287,500</b>	263,700	158,700	<b>312,100</b>	<b>24,600</b>
Academic Support	3,476,060	<b>3,902,400</b>	3,989,800	3,820,500	<b>3,914,100</b>	<b>11,700</b>
Institutional Support	1,476,966	<b>1,663,400</b>	1,648,600	1,469,100	<b>1,691,200</b>	<b>27,800</b>
Facilities	387,633	<b>405,000</b>	657,900	697,900	<b>487,500</b>	<b>82,500</b>
Total before transfers	\$18,331,089	<b>\$18,909,500</b>	\$20,350,400	\$20,290,100	<b>\$20,592,300</b>	<b>\$1,682,800</b>
Non-Mandatory transfers	1,183,000	<b>(372,700)</b>	(856,100)	(443,100)	<b>(793,200)</b>	<b>420,500</b>
Total	\$19,514,089	<b>\$18,536,800</b>	\$19,494,300	\$19,847,000	<b>\$19,799,100</b>	<b>\$2,103,300</b>

FT Unrestricted and Auxiliary Positions	Orig. 22-23	Oct. Revised	July Proposed	F23 to F24
Faculty	<b>32</b>	30	<b>31</b>	<b>(1)</b>
Administration	-	-	-	-
Maint/Tech/Support	<b>52</b>	51	<b>51</b>	<b>(1)</b>
Professional Support	<b>30</b>	31	<b>31</b>	<b>1</b>
Total	<b>114</b>	112	<b>113</b>	<b>(1)</b>

### Gatton College of Pharmacy Budget

	Actual 21-22	Orig. 22-23	Oct. Revised	Est. Spring	July Proposed	F23 to F24
Revenue	\$10,624,894	<b>\$8,286,500</b>	\$8,447,100	\$8,215,400	<b>\$7,909,100</b>	<b>(377,400)</b>
<u>Expenditures and Transfers</u>						
Instruction	\$5,575,416	<b>\$5,782,400</b>	\$6,421,800	\$6,107,600	<b>\$4,316,500</b>	<b>(1,465,900)</b>
Research	123,827	<b>99,800</b>	461,500	470,400	<b>57,000</b>	<b>(42,800)</b>
Public Service	-	-	470,000	470,100	<b>470,000</b>	<b>470,000</b>
Academic Support	1,361,854	<b>1,466,100</b>	1,567,500	1,603,900	<b>1,579,700</b>	<b>113,600</b>
Student Services	559,468	<b>663,300</b>	841,000	819,600	<b>887,400</b>	<b>224,100</b>
Institutional Support	509,084	<b>515,400</b>	548,600	594,800	<b>537,800</b>	<b>22,400</b>
Facilities	396,872	<b>343,400</b>	446,700	458,800	<b>403,600</b>	<b>60,200</b>
Scholarships	185,372	<b>13,000</b>	-	500	<b>13,000</b>	-
Total before transfers	\$8,711,893	<b>\$8,883,400</b>	\$10,757,100	\$10,525,700	<b>\$8,265,000</b>	<b>(\$618,400)</b>
Debt Service	675,123	<b>672,900</b>	673,100	673,100	<b>671,400</b>	<b>(1,500)</b>
Non-Mandatory Transfers	849,956	<b>(1,269,800)</b>	(498,800)	(498,800)	<b>(1,027,300)</b>	<b>242,500</b>
Total	\$10,236,972	<b>\$8,286,500</b>	\$10,931,400	\$10,700,000	<b>\$7,909,100</b>	<b>(377,400)</b>
FT Unrestricted and Auxiliary Positions		<b>Orig. 20-21</b>	Oct. Revised		<b>July Proposed</b>	<b>F21 to F22</b>
Faculty		<b>30</b>	29		<b>29</b>	<b>(1)</b>
Administration		<b>2</b>	1		<b>1</b>	<b>(1)</b>
Maint/Tech/Support		<b>12</b>	12		<b>12</b>	-
Professional Support		<b>12</b>	12		<b>12</b>	-
Total		<b>56</b>	54		<b>54</b>	<b>(2)</b>



EAST TENNESSEE STATE UNIVERSITY  
BOARD OF TRUSTEES

INFORMATION ITEM

DATE: April 21, 2023

ITEM: Quarterly Financial Update

COMMITTEE: Finance and Administration Committee

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

The tables below summarize financial activities for the university through February of fiscal year 2022-23. The comparison is current year to prior year for the same six-month period.

**Table 1 – Unrestricted E&G Revenues by Unit and Revenue Source**

<b>Unrestricted E&amp;G Year-to-Year Comparisons Year-to-Date 2-28-2022 &amp; 2-28-2023</b>				
	<b>FY2021-22</b>	<b>FY2022-23</b>	<b>Change</b>	
			<b>\$</b>	<b>%</b>
<b>REVENUES</b>				
<b>By Appropriation Unit</b>				
Main Campus	\$203,779,293	\$234,105,956	\$30,326,663	14.88%
Medicine/Family Med	59,524,466	60,064,386	539,920	0.91%
Pharmacy	9,614,359	8,155,283	(1,459,076)	(15.18%)
<b>TOTAL REVENUE</b>	<b>\$272,918,117</b>	<b>\$302,325,625</b>	<b>\$29,407,507</b>	<b>10.78%</b>
<b>By Revenue Source</b>				
Tuition and Fees	\$158,059,364	\$154,568,941	(\$3,490,423)	(2.21%)
State Appropriations	84,929,900	116,690,380	31,760,480	37.40%
Grants, Contracts, Gifts	6,616,308	6,366,276	(250,032)	(3.78%)
Other	23,312,545	24,700,027	1,387,483	5.95%
<b>TOTAL REVENUE</b>	<b>\$272,918,117</b>	<b>\$302,325,625</b>	<b>\$29,407,507</b>	<b>10.78%</b>

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

<b>Unrestricted E&amp;G</b>				
<b>Year-to-Year Comparisons</b>				
<b>Year-to-Date 2-28-2022 &amp; 2-28-2023</b>				
	<b>FY2021-22</b>	<b>FY2022-23</b>	<b>Change</b>	
			<b>\$</b>	<b>%</b>
<b>EXPENDITURES</b>				
<b>By Appropriation Unit</b>				
Main Campus	\$156,524,776	\$171,438,946	\$14,914,170	9.53%
Medicine/Family Med	50,902,213	57,563,934	6,661,721	13.09%
Pharmacy	5,908,442	6,614,973	706,531	11.96%
<b>TOTAL EXPENSE</b>	<b>\$213,335,430</b>	<b>235,617,853</b>	<b>22,282,423</b>	<b>10.44%</b>
<b>By Natural Classification</b>				
Salaries & Benefits	\$157,407,980	\$170,097,168	12,689,188	8.06%
Operating	33,588,478	40,821,767	7,233,289	21.54%
Capital/Equipment	645,687	288,099	(357,588)	(55.38%)
Scholarships/Fellowships	29,344,838	25,546,865	(3,797,973)	(12.94%)
Transfers to Other Funds	(7,651,553)	(1,136,046)	6,515,507	(85.15%)
<b>TOTAL EXPENSE</b>	<b>\$213,335,430</b>	<b>\$235,617,853</b>	<b>22,282,423</b>	<b>10.44%</b>
<b>By Functional Classification</b>				
Instruction	\$106,723,939	\$113,872,464	\$7,148,525	6.70%
Research	3,965,111	6,282,766	2,317,655	58.45%
Public Services	1,710,425	2,198,584	488,159	28.54%
Academic Support	21,819,597	23,826,233	2,006,636	9.20%
Student Services	19,557,276	22,433,777	2,876,501	14.71%
Institutional Support	18,948,598	24,101,924	5,153,326	27.20%
Physical Plant	18,925,954	18,491,285	(434,668)	(2.30%)
Scholarships/Fellowships	29,336,083	25,546,865	(3,789,219)	(12.92%)
Transfers to Other Funds	(7,651,553)	(1,136,046)	6,515,507	(85.15%)
<b>TOTAL EXPENSE</b>	<b>\$213,335,430</b>	<b>\$235,617,853</b>	<b>\$22,282,423</b>	<b>10.44%</b>

**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 2-28-2022 & 2-28-2023**

	FY2021-22	FY2022-23	Change	
			\$	%
<b>REVENUES</b>				
<b>By Current Fund Type</b>				
Unrestricted E&G	\$272,918,117	\$302,325,625	\$29,407,507	10.78%
Auxiliaries	24,338,774	28,123,047	3,784,273	15.55%
Restricted Funds	116,089,360	114,278,421	(1,810,940)	(1.56%)
<b>TOTAL REVENUE</b>	<b>\$413,346,251</b>	<b>\$444,727,093</b>	<b>\$31,380,841</b>	<b>7.59%</b>
<b>REVENUES</b>				
<b>By Revenue Sources</b>				
Tuition and Fees	\$158,953,180	\$155,467,690	(\$3,485,490)	(2.19%)
State Appropriations	85,338,915	117,084,755	31,745,840	37.20%
Grants, Contracts, Gifts	121,028,028	118,756,646	(2,271,382)	(1.88%)
Other	23,686,839	25,294,954	1,608,115	6.79%
Auxiliaries	24,339,289	28,123,047	3,783,758	15.55%
<b>TOTAL REVENUE</b>	<b>\$413,346,251</b>	<b>\$444,727,093</b>	<b>\$31,380,841</b>	<b>7.59%</b>

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

**Current Operating Funds (Unrestricted/Auxiliaries/Restricted)**

**Year-to-Year Comparisons**

**Year-to-Date 2-28-2022 & 2-28-2023**

	<b>FY2021-22</b>	<b>FY2022-23</b>	<b>Change</b>	
			<b>\$</b>	<b>%</b>
<b>EXPENDITURES</b>				
<b>By Current Fund Type</b>				
Unrestricted E&G	\$213,341,291	\$235,617,853	\$22,282,423	10.44%
Auxiliaries	6,220,716	7,744,071	1,523,355	24.49%
Restricted Funds	119,602,499	100,118,929	(19,483,570)	(16.29%)
<b>TOTAL EXPENSE</b>	<b>\$339,158,646</b>	<b>\$343,480,854</b>	<b>\$4,322,208</b>	<b>1.27%</b>
<b>EXPENDITURES</b>				
<b>By Natural Classification</b>				
Salaries & Benefits	\$186,726,332	\$200,586,833	13,860,501	7.42%
Operating	56,557,934	65,096,523	8,538,589	15.10%
Capital/Equipment	767,820	707,934	(59,885)	(7.80%)
Scholarships/Fellowships	86,837,050	71,653,231	(15,183,819)	(17.49%)
Transfers to Other Funds	8,269,511	5,436,333	(2,833,178)	(34.26%)
<b>TOTAL EXPENSE</b>	<b>\$339,158,646</b>	<b>\$343,480,854</b>	<b>\$4,322,208</b>	<b>1.27%</b>
<b>EXPENDITURES</b>				
<b>By Functional Classification</b>				
Instruction	\$113,493,587	\$117,414,105	\$3,920,518	3.45%
Research	12,500,930	17,127,023	4,626,093	37.01%
Public Services	27,622,230	33,654,165	6,031,935	21.84%
Academic Support	21,957,035	24,113,162	2,156,127	9.82%
Student Services	20,276,430	23,032,118	2,755,688	13.59%
Institutional Support	23,636,412	25,267,249	1,630,837	6.90%
Physical Plant	19,126,315	18,570,037	(556,278)	(2.91%)
Scholarships/Fellowships	86,055,481	71,122,591	(14,932,890)	(17.35%)
Transfers to Other Funds	8,269,511	5,436,333	(2,833,178)	(37.03%)
Auxiliaries	6,220,716	7,744,071	1,523,355	24.49%
Aux Trsfrs to Other Funds				0.0%
<b>TOTAL EXPENSE</b>	<b>\$339,158,646</b>	<b>\$343,480,854</b>	<b>\$4,322,208</b>	<b>1.27%</b>

EAST TENNESSEE STATE UNIVERSITY  
BOARD OF TRUSTEES

INFORMATION ITEM

DATE: April 21, 2023

ITEM: Quarterly Reports of Agreements \$250,000 or Greater

COMMITTEE: Finance and Administration Committee

PRESENTED BY: Ryan Roberts  
Procurement and Contract Services

Included below is a list of agreements, both expense and revenue, with amounts totaling \$250,000 or greater for the period of January 2023 – March 2023.

**January - March 2023**

**Contracts / Purchase Orders over \$250,000**

<b>Contract/ PO Date</b>		<b>Contractor</b>	<b>Description of Services/Products</b>	<b>Contract / PO Amount</b>	<b>\$ Annual Contract</b>	<b>Competitive</b>	<b>Fiscal Review Approval</b>
<b>Start</b>	<b>End</b>						
02/01/23	06/30/27	Ellucian Company L.P.	Advancement Administrative Cloud Hosted Database	\$761,953/ 4 years	\$253,984	Yes	N/A
01/01/22	12/31/24	Elsevier	Online Access to Collections/Subscriptions	\$1,733,734/ 3 years	\$574,068	No	N/A
01/30/23	01/29/24	M3 Technology Group	Gilbreath Hall Audio/Video Upgrade	\$347,445	\$347,445	Yes	N/A

**RFI/RFPs –In-Process and Upcoming**

Awarded – Booking Agency – LiveNation, LLC

Awarded – Security Services – Axis Security

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.

EAST TENNESSEE STATE UNIVERSITY  
BOARD OF TRUSTEES

ACTION ITEM

DATE: April 21, 2023

ITEM: Capital Budget Submittals and Disclosures

COMMITTEE: Finance and Administration Committee

RECOMMENDED ACTION: Approve

PRESENTED BY: Jeremy Ross  
Chief Operating Officer

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 role and 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 enrollment or significant changes in programmatic requirements; major renovations that change the function, use, or capacity of existing space; major expansions or conversion of central energy plants; and major renovation projects that 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 capital projects and priorities for fiscal year 2023-2024:

**Capital Outlay - \$45,900,000 – Submitted 08/24/2022**

1. Brown Hall Renovation Phase II – \$45,900,000

**Capital Demolition - \$225,000 – Submitted 07/28/2022**

1. Demolition of Powerhouse Chimney and Support Structure – \$225,000

**\*Capital Maintenance - \$16,070,000 – Submitted 07/28/2022**

1. Multiple Buildings Roof Replacements Phase I – \$650,000
2. Multiple Buildings Roof Replacements Phase II – \$3,150,000
3. Safety Lighting and Fire Alarm System Replacements Phase I – \$1,600,000
4. Multiple Buildings HVAC Repairs Phase I – \$3,090,000

5. Valleybrook Sewer – \$1,000,000
6. Multiple Buildings Electrical Repair and Replacement Phase I – \$3,080,000
7. Multiple Buildings Elevator Repair and Upgrades Phase I – \$2,500,000
8. Code and Accessibility Upgrades – \$1,000,000

*\*NOTE: Due to emerging and immediate HVAC needs, ETSU has requested that Priority #4 replace Priorities #1 and #2.*

**Capital Disclosures - \$95,650,000 – Submitted 07/28/2022**

1. Residence Hall – \$40,000,000
2. Parking Garage – \$55,000,000
3. Campus Wide Paving and Repair – \$300,000
4. Millennium Center Parking Garage Elevator Upgrades – \$350,000

**MOTION: I move that the Board of Trustees adopt the following resolution, approving the submission of the capital outlay, capital maintenance, and disclosed projects, as presented in committee to the Tennessee Higher Education Commission.**

**RESOLVED: Upon the recommendation of the Finance and Administration Committee, the Board of Trustees approves the university’s submission of the capital outlay, capital maintenance, and disclosed projects to the Tennessee Higher Education Commission.**