

**Tennessee State University Board of Trustees  
Finance and Budget Committee Meeting  
June 15, 2023  
Tennessee State University – Hankal Hall**

**MINUTES**

**Committee Members Present:** Trustees Richard Lewis and Steve Corbeil

**Other Board Members Present:** Deborah Cole, Pam Martin, Bill Johnson, Obie McKenzie, Van Pinnock, and Shaun Wimberly

**University Staff Present:** President Glenda Glover; Laurence Pendleton, General Counsel and Board Secretary; Assoc. Vice President and Dr. Arlene Nicholas-Phillips, Liaison to the Board of Trustees; Vice President of Finance and Budget; Curtis Johnson, Vice President for Administration; Ginette Garza Brown, Associate General Counsel; Assistant Vice President of Planning, Design and Construction and Business Operations, Will Radford; Associate Vice President of Enrollment Management, Terrence Izzard

**I. CALL TO ORDER**

Trustee Lewis called the meeting to order at 11:04 a.m. on June 15, 2023.

**II. ROLL CALL/DECLARATION OF A QUORUM**

Board Secretary Pendleton called roll at the Committee chair's request. Present: Trustees Richard Lewis and Steve Corbeil. A quorum was established.

**III. APPROVAL OF THE MARCH 16, 2023, FINANCE AND BUDGET COMMITTEE MEETING MINUTES**

Trustee Lewis moved to recommend to the full Board the approval of the minutes from the March 16, 2023, Finance and Budget Committee meeting, as contained in the June 15, 2023, Board materials, as modified to correct the amount of scholarships for academics at p. 83. Trustee Corbeil seconded the motion, as modified, which carried unanimously by roll call vote.

**IV. APPROVAL OF FISCAL YEAR 2023-2024 TUITION AND MANDATORY FEES INCREASE**

Chair Lewis introduced the next agenda item as the approval of a fiscal year 2023-2024 tuition and mandatory fees increase. Chair Lewis reviewed Board Policy 006 and the factors to consider in evaluating a tuition and mandatory fees increase.

Secretary Pendleton reported that notice of the tuition and mandatory fees increase was posted more than 15 days prior to the Board meeting and no public comments were received on the proposed tuition and mandatory fees increase.

Chair Lewis then moved to recommend to the full Board the approval of the Fiscal Year 2023-2023 tuition and mandatory fees increase as contained in the June 15, 2023, Board materials. Trustee Corbeil seconded the motion, which carried unanimously by roll call vote.

## **V. APPROVAL OF FISCAL YEAR 2023 INSTITUTIONAL ESTIMATED BUDGET**

Chair Lewis introduced the next agenda item as the Approval of Fiscal Year 2023 Institutional Estimated Budget. Chair Lewis called upon Dr. Glover to present on this item, who, in turn, called on VP Allen to provide information on this item.

VP Allen presented the budget for 2023-2024 and pointed Committee members to pages 96 of the Board materials. Trustee Corbeil asked about any material changes to the estimated budget that we could have anticipated. VP Allen directed attention to page 113 of the Board materials and spoke to the estimated budget as compared to the current budget numbers. There is a \$14.6 million deficiency noted in the second column on page 113. VP Allen noted that the Board approved \$15.4 million for transfers for hotels for the July 2022 budget. This is still on track; the operating budget has not been exceeded.

Trustee Corbeil inquired as to whether there were any one-time budget issues or expenditures that have been normalized. VP Allen noted a change in the hotels. The revenue from the hotels was not included, per VP Allen's conservative approach to the budget. Additional one-time budget items will be brought up in the future as they arise.

On page 97 of the Board materials, the revenue structure is broken down. Nearly 50% of total revenues comes from tuition and fees and 25% comes from State appropriations. Auxiliary enterprises are down slightly from the 2022-2023 budget.

Trustee Corbeil asked whether the budget draws any money out of reserves and whether the budget calls for any reserve transfers. VP Allen reported that \$7.5 million has been budgeted for hotels, shuttles, and security for 2023-2024. However, this is the gross number. Once tuition revenues and housing revenues that offset this are realized, it's about \$1.7 million that will need to be transferred out of reserves. VP Allen stated there was an increase in auxiliary funds, which meant \$1.9 million of additional funds, including incentives from Aramark. There was some revenue generation that they knew about but that was not presented previously because they were not normal operating activities.

Trustee Corbeil discussed a year-over-year reduction in expenses because of a change in scholarship dollars with the change in enrollment. VP Allen discussed the scholarship budget.

Trustee Bill Johnson highlighted that the proposed expenses for 2024, with instruction, research and academic support, brings the University close to its 50% goal for spending on education. It is currently at 49.5%.

Chair Lewis then moved to recommend to the full Board the approval of the Institutional Estimated Budget for fiscal year 2023. Trustee Corbiel seconded the motion, and the motion carried unanimously by roll call vote.

## **VI. APPROVAL OF FISCAL YEAR 2024 INSTITUTIONAL PROPOSED BUDGET**

Chair Lewis introduced the next agenda item as the Approval of the Fiscal Year 2024 Institutional proposed budget. VP Allen provided information on this item along with the prior item.

Chair Lewis then moved to recommend to the full Board the approval of Institutional Proposed Budget. Trustee Corbeil seconded the motion, which carried unanimously by roll call vote.

## **VII. UNIVERSITY BUDGET UPDATE**

Chair Lewis introduced this agenda item, which was an information item. No action was required on this item.

## **VIII. CAPITAL PLAN AND DEVELOPMENT UPDATE**

Chair Lewis introduced the next agenda item as the Capital Plan and Development Update, which was an information item only.

## **IX. APPROVAL OF THE INSTITUTION'S FISCAL YEAR 2023-2024 CAPITAL CONSTRUCTION PLAN ADDENDUM**

Chair Lewis introduced the next agenda item as the approval of the Institution's Fiscal Year 2023-2024 Capital Construction Plan Addendum. Chair Lewis called upon Dr. Glover to present on this item, who, in turn, called on VP Allen to provide information on this item.

VP Allen reported on a request to amendment to the 2023-2024 Capital Construction Plan to include a main campus gateway entrance at the intersection of John A. Merritt Boulevard and 31<sup>st</sup> Avenue, as reflected in the Board materials. The estimated project completion is September.

Chair Lewis then moved to recommend to the full Board the approval of the Institution's Fiscal Year 2023-2024 Capital Construction Plan Addendum. Trustee Corbeil seconded the motion, which carried unanimously by roll call vote.

## **X. FINANCE AND BUDGET REPORT**

Chair Lewis introduced the Finance and Budget Report agenda item. This is a discussion item, so no vote was required.

## **XI. REPORT ON STUDENT SCHOLARSHIPS AND ENROLLMENT**

Chair Lewis introduced the next agenda item, a report on student scholarships and enrollment. Mr. Terrence Izzard provided a report. Mr. Izzard is no longer with the University, having been offered a new career opportunity. The new COO will review the structure of Enrollment Management, and Dr. Deams will fill-in during the meantime.

Mr. Izzard reported on 5-year application trend data, enrollment/intent to enroll data, fall projections, and a review of the scholarship policy and gave a funds disbursements update.

Scholarship data as it related to application data for the Fall 2023 term shows better alignment with fall capacity. A new CRM system has led to improved admissions tracking. A new Director of Admissions, Lamar Scott, has joined the University. Dr. Deams and his team has been monitoring admissions numbers and providing daily updates to the President and weekly updates to the Cabinet.

Generally, about 73-74% of students who submit an Intent to Enroll form convert to enrollees, based on 5-year trend data. In looking at the Enrollment Report, 2,535 people have completed an Intent to Enroll. A discussion took place about enrollment data, trends, and planning.

Mr. Izzard reported on the scholarship committee's efforts. On page 148 of the Board materials is the University Academic Merit Award 2023-2024 Academic Year Scholarship Budget. He noted the damage done to the University from bad press and the need to get earlier approval so as to offer scholarships earlier. President Glover stated that the scholarship budget will be submitted for approval for the September 2023 Board meeting for earlier approval. Trustee B. Johnson requested a breakdown of scholarship information based on class level, band, athletics and other broad categories.

Trustee Corbeil stated that he would like to discuss at the next Board meeting efforts to retain the large class of freshmen. Dr. Glover stated that the large freshmen class is returning, as evidenced by their housing requests. Trustee Corbeil would like to see this information collected and communicated. Dr. Melton added that we are tracking and monitoring this group of students, making sure that there are academic and student affairs services for this group, and they are watching their progress toward graduation.

Mr. Izzard was thanked by the Board for his leadership.

## **XII. BOARD HOUSING COMMITTEE REPORT**

Chair Lewis introduced this agenda item, which was an information item. Dr. Glover commended Trustee McKenzie for his efforts with respect to housing. Trustee McKenzie touched upon upcoming efforts for a public-private partnership, the Tennessee Board of Regents process and the need to conduct an RFP for housing projects. Trustee McKenzie discussed the possibility of using solar energy in housing projects and the ability to pursue revenue generation through carbon credits.

## **XIII. ADJOURNMENT**

Trustee Lewis asked if there was any additional business. Seeing none, he asked for a motion to adjourn, and Trustee Corbeil moved to adjourn. The motion carried unanimously by roll call vote. The meeting was adjourned at 12:19 p.m.

# **Tennessee State University**