Tennessee State University
Board of Trustees

FINANCE AND BUDGET COMMITTEE REPORT

TENNESSEE STATE UNIVERSITY BOARD OF TRUSTEES

FINANCE AND BUDGET COMMITTEE AGENDA

11:00 a.m. CST
Thursday, November 19, 2020

Tennessee State University – Board Committee Meetings: Via Zoom Link:

ORDER OF BUSINESS

I. Call to Order

II. Roll Call/Declaration of a Quorum

III. Approval of the September 24, 2020, Finance and Budget Committee Meeting Minutes

IV. Finance and Budget Report

V. Report on CARES Act Funding Related to COVID-19 Coronavirus Pandemic

VI. Approval of FY 2021 Institutional Revised Budget

VII. Report on Voluntary Employee Separation Program

VIII. Approval of Revised Collection of Accounts Receivable Policy

IX. Report on Enrollment

X. Update on Enrollment, Marketing and Student Recruitment Plan

XI. Report on Rediscover TSU

Tennessee State University
Board of Trustees

Approval of the September 24, 2020, Finance and Budget Committee Meeting Minutes

TENNESSEE STATE UNIVERSITY

BOARD OF TRUSTEES

ACTION ITEM

DATE:	November 19, 2020
ITEM:	Approval of the September 24, Finance and Budget Committee Meeting Minutes
RECOMMENDED ACTION:	Approval
PRESENTED BY:	Chair of Finance and Budget Committee, Trustee Richard Lewis

The document reflecting the minutes from the September 24, 2020 Finance and Budget Committee meeting is included in the November 19, 2020, Board materials.

MOTION: To approve the minutes from the September 24, 2020, Finance and Budget Committee meeting, as contained in the Board materials for the Board's November 19, 2020, meeting.

Tennessee State University Board of Trustees
Finance and Budget Committee Meeting.
September 24, 2020
Tennessee State University. Electronic

MINUTES

Committee Members Present: Trustees Steve Corbeil and Richard Lewis

Other Board Members Present: Joseph W. Walker, III, Dr. Deborah Cole, Pam Martin, Obie McKenzie, Andre Johnson, Dr. Ali Sekmen, and Tiara Thomas.

Board and University Staff Present: President Glenda Glover; Laurence Pendleton, General Counsel and Board Secretary; Dr. Michael Harris, Interim Provost and Vice President for Academic Affairs; Dr. Curtis Johnson, Chief of Staff; Dean Frank Stevenson, Assoc. Vice President of Student Affairs; Horace Chase, Vice President of Business and Finance; Dr. Frances Williams, Assoc. Vice President of Research & Sponsored Programs; Terrence Izzard, Assoc. Vice President of Enrollment Management; and Dr. Charlise Anderson, Director, Accreditation & Assessment.

.

I. CALL TO ORDER

Trustee Lewis called the meeting to order at 12:09 pm. on September 24 2020. Trustee Lewis moved to make certain findings on the record regarding the necessity for conducting the meeting electronically without a physical quorum present due to the coronavirus pandemic. There is important action to be conducted by the Finance and Budget Committee. Participation by electronic means is necessitated by the COVID-19 pandemic and accompanying guidance from the Center for Disease Control ("CDC") and the State of Tennessee to enforce social distancing guidelines, including limiting face-to-face contact, whenever possible. Electronic participation for the Committee meeting is necessary for the safety of Board members, staff, and guests. Trustee Corbeil seconded and the motion carried unanimously by roll call vote – Trustee Corbeil and Lewis.

II. ROLL CALL/DECLARATION OF A QUORUM

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

Trustee Lewis asked the Committee members to state now if any of the committee members cannot hear or speak with each other. No committee members answered in the affirmative. Trustee Lewis also asked the committee members to indicate if someone is present with them from the location in which they are calling. No committee members indicated there was anyone present.

III. APPROVAL OF THE JUNE 18, 2020, FINANCE AND BUDGET COMMITTEE MEETING MINUTES

Trustee Lewis moved to recommend to the full Board the approval of the minutes from the June 18, 2020, Finance and Budget committee meeting, as contained in the September 24, 2020, board materials. Trustee Corbeil seconded the motion, which carried unanimously by roll call vote.

IV. REPORT ON 2021 AND 2022 TSU HOLIDAY SCHEDULES

Trustee Lewis stated that this agenda item was an informational item of the attached holiday schedules proposed for calendar years 2021 and 2022 and no vote was required. Trustee Lewis asked President Glover or her designee to provide pertinent information related to this agenda item as contained in the September 24, 2020, board materials.

President Glover recognized VP Horace Chase. Mr. Chase confirmed that the holiday schedule as contained in the September 24, 2020 board materials, was typical of the schedules in the past with no significant changes. Trustee Lewis thanked VP Chase and President Glover.

V. REPORT ON COVID-19 FINANCIAL ISSUES

Trustee Lewis announced the next item on the agenda is report on COVID-19 financial issues. This is an informational item and no vote is required. Trustee Lewis asked President Glover or her designee to provide pertinent information related to this agenda item. The material is included in the September 24, 2020, Board Meeting packet.

President Glover reached out again to VP Horace Chase. Mr. Chase discussed that though revenue was down, it was 3.3% above the budgeted amount, but did not include the impact of the purge. He stressed that his team took a conservative approach when preparing the budget since it was expected that enrollment would be lower due to COVID-19. He indicated that student food sales projected revenue for fall FY21 was $4.9 million but the actual year-to-date was $4 million, which was 18.4% lower than the fall projection since less students were staying on campus. Student Housing revenue was also lower, again because less students were on campus due to COVID-19.

Mr. Chase added that regarding capital improvements, TSU would be receiving $5 million for the electrical grid, but would not be funded for the other projects presented. He stated that all state appropriations were down.

Trustee Sekmen suggested that there might have been an “unintended flaw” in the attendance reporting, since several students were reported as having “never attended”. He voiced his concern about us being able to actually collect the stated revenue. This led to Mr. Izzard and Dr. Melton adding clarity to the enrollment and reporting process. Provost Harris added that it was the responsibility of the faculty to accurately report attendance. The discussion continued about attendance reporting and concluded with Trustee Thomas thanking President Glover and Provost Harris for providing an open opportunity students to voice their concerns and their fears about virtual learning. She was encouraged by many of the suggestions that were made regarding improving student engagement.

Trustee Lewis thanked President Glover and everyone for the informative discussions.

VI. REVISED OCTOBER BUDGET UPDATE

Trustee Lewis announced the next item on the agenda is the revised October budget update. He stated that this was an informational item and no vote is required. Trustee Lewis then asked

President Glover or her designee to provide pertinent information related to this agenda item. The material is included in the September 24, 2020, Board Meeting packet.

President Glover directed VP Horace Chase to respond. Mr. Chase advised the committee that his team was still working on updating the budget. He promised that a revised budget will be presented at the November Board of Trustee meeting.

Trustee Lewis thanked VP Chase and President Glover.

VII. FINANCE AND BUDGET REPORT

Trustee Lewis introduced the next item on the agenda, the finance and budget report. This was an discussion item and so no vote was required. Trustee Lewis asked President Glover or her designee to provide pertinent information related to this agenda item. The material is included in the September 24, 2020, Board Meeting packet.

Trustee Lewis then asked President Glover or her designee to provide pertinent information related to this agenda item. VP Chase was asked to respond and he shared the following updates on the facilities assessments, financial statements, and SACSCOC accreditation. He began by stating that the electrical grid assessment was completed in August 2020 and that the total estimated to complete the project will be $19.2 million. The State has allocated $5 million to assist with improvements and these dollars will be available for Fiscal year 2021 beginning July 1, 2020. The project is expected to be completed over a four year period. An additional $14.2 million is still needed to fund the project. A comprehensive facility assessment was being conducted of all buildings on campus. This assessment was for all residence halls, academic and administrative buildings. This will better allow facilities management and the administration to establish strategic priorities related to the needs of facilities. He added that this roadmap will create any opportunity to efficiently use limited resources and make more strategic funding requests. The assessment was to be completed and reviewed within the next 30 days.

Mr. Chase then commented about the financial statements and revealed that the State Auditors were completing the report for audit of the FY2018 Financial Statements and the report was expected to be released in October 2020. Due to the completion of the FY2017 audit around December 2018, management responses to findings in FY2017 audit occurred after FY2018 was complete, thus delaying the corrective action plans for FY2017. The State Auditors were in the process of auditing the FY2019 Financial Statements and were expected to finish their field work within the next 60 days. Preparation for the FY2020 Financial Statements were in process. TBR had extended the due date to all colleges and universities since there was a delay from the State. The auditing of the FY2020 Financial Statements had also begun. The auditors were requesting Information that they can be audited although the statements are not finalized. The targeted audit completion date for FY2020 is late February 2021.

Mr. Chase shared that the SACSCOC standard 13.2 requires that the university provide an institutional audit for the most recent fiscal year FY2020. This audit report would be submitted with other institutional data in the Compliance Certification report in September 2020 to SACSCOC. The Compliance Certification report will be reviewed by the SACSCOC Off-Site Review Committee. The Off-Site Review Committee will then provide a report indicating which of the standards are found to be in compliance or non-compliant. Mr. Chase shared that in an effort for full disclosure, we should expect that TSU will be found to be non-compliant relative to standard 13.2 and possibly some other related financial standards because the FY2020 audit is not complete. He advised that this was typical for a lot of universities whose fiscal year ends on June 30, since the Compliance Certification reports are due in September and that makes it difficult to prepare financial statements and have them audited within that short time frame. The next opportunity for review by SACSCOC is with the On-Site Review Committee in March 2021. The State Auditors are expected to have the FY2020 audit completed in late February in an effort to meet that deadline. At that point, the university will have an opportunity to have demonstrated that it is in compliance with standard 13.2 and any other related financial standards.

Trustee Lewis asked for clarification regarding which reports were already seen by SACSCOC. VP Chase confirmed that the report for FY18 was already completed but SACSCOC had not seen FY18, FY19 nor FY20. Provost Harris added that the Compliance report indicated which years were completed and which is expected to be completed by the time the On-Site Review Committee visits in late February, 2021.

Trustee Lewis thanked everyone for the clarification and updates.

VIII. REPORT ON CARES ACT FUNDING

Trustee Lewis announced the next item on the agenda as the report of CARES Act funding and asked President Glover or her designee to provide pertinent information related to this agenda item. The material is included in the September 24, 2020, Board Meeting packet. This was an informational item and so no vote was required.

President Glover asked Mr. Chase to comment on this item and he proceeded to identify the CARES Act funds received and the amounts which had been disbursed. A breakdown of the funds are included on page #65 of the September 24, 2020 Board Meeting materials. Mr. Chase identified the Student Portion and the Institute Portion totaling $7.2 million; the HBCU funds totaling $16.2 million and the Coronavirus Relief funds totaling $747, 100. Mr. Chase noted that these funds were all used for scholarships, academic technology, institution supplies, instruction and aiding with securing laptops for students so as to facilitate online access to learning. He reminded the committee that all funds were needed to be utilized by November 15, 2020.

Trustee Corbeil asked about which fiscal year would these expenditures be reflected and VP Chase clarified that the expenditures which were all restricted funds, would be reflected on FY20 as well as FY21.

Trustee Lewis then thanked everyone for this important information.

IX. REPORT ON VOLUNTARY EMPLOYEE SEPARATION PROGRAM

Trustee Lewis introduced the next item on the agenda as the report on voluntary employee separation program (VESP) and asked President Glover or her designee to provide pertinent information related to this agenda item. The material is included in the September 24, 2020, Board Meeting packet. This was an informational item and so no vote was required.

President Glover again asked VP Chase to share the information on VESP with the committee. Mr. Chase pointed out that the information in the Board Materials identified only the numbers relating to staff who applied, since faculty had a later withdrawal date and so those numbers had not been finalized by the cut-off date for submitting data for the Board meeting. Mr. Chase stated that 57 staff members had applied and 40 were eligible. This would reflect a One-time Investment of $1.6 million, with a recurring savings of $1.9 million. Though not finalized, Mr. Chase shared that the numbers calculated for faculty amounted to 39. These would reflect a One-time Investment of $3.6 million, with a recurring saving of $4.3 million. The VESP would provide an approximate total One-time Investment of $5.3 million, with an approximate recurring saving of $6.3 million.

President Glover added that finalized numbers would be provided at the next Board Meeting which is scheduled for November 19, 2020.

Trustee Lewis thanked President Glover and VP Chase for this information.

X. REPORT ON ENROLLMENT

Trustee Lewis introduced the next agenda item, the report on enrollment and asked President Glover or her designee to provide pertinent information related to this Finance and Budge Committee agenda item. The material was included in the September 24, 2020, Board Meeting packet and was an informational item and so no vote was required.

President Glover asked Mr. Terrence Izzard to report on this agenda item. Mr. Izzard stated that that he was excited to announce that although the overall enrollment numbers were down from last year, the new student numbers were up. Mr. Izzard directed everyone to page #71 of the September 24, 2020 Board Meeting materials for a breakdown of the enrollment update, comparison and admission analyses. Mr. Izzard also shared with the committee that he was excited about the new Enrollment Services team comprising of a new Director of Admissions, Executive Director of New Student Programs, Admission Team Associates and a team of Enrollment Specialists. This Enrollment Services team had spent countless hours working alongside President Glover, Provost Harris and others on ZOOM meetings, Facetime and MS Teams calls with students. This was all in an effort to engage with the students and their parents, and in particular, the returning students.

Trustee Corbeil congratulated Mr. Izzard on reporting a favorable trend regarding undergraduate enrollment for 2021. He then asked about the enrollment numbers for the Graduate School. Dr. Melton commented with a response highlighting the fact that the APPLE, Inc. funding that was available for Coding classes last year, were not available this year and could have had an impact on the decreased enrollment numbers. Provost Harris mentioned that TSU had removed some enrollment barriers this year, including the GRE requirement, and so this may help in increasing the numbers next year.

Trustee Cole applauded the efforts from the enrollment team, Mr. Izzard, Dr. Melton and their staff. She remarked that in light of the COVID-19 challenges, that the entire team at TSU did a remarkable job with getting the students in. Trustee Lewis concurred and thanked President Glover and Mr. Izzard for the report.

XI. UPDATE ON ENROLLMENT, MARKETING, AND STUDENT RECRUITMENT PLAN

Trustee Lewis announced the next item on the agenda is report enrollment, marketing, and student recruitment and no vote is required. Trustee Lewis asked President Glover or her designee to provide pertinent information related to this agenda item.

President Glover turned it to Mr. Izzard. Mr. Izzard referenced the report in the board materials on page #75 and announced that he, in fact, had combined his report with that of the enrollment update. Mr. Izzard reiterated that he and his team were "laser focused" on increasing enrollment for the upcoming academic year. He even mentioned that they had a theme – The COVID Comeback!

Trustee Lewis thanked President Glover and Mr. Izzard again.

XII. REPORT ON REDISCOVER TSU

Trustee Lewis introduced the final agenda item as the report on Rediscover TSU. This was also an informational item so no vote was required. Trustee Lewis asked President Glover or her designee to report on this agenda item. President Glover stated that she was happy to call on Mr. Jamie Isabel to report on this item.

Mr. Isabel introduced himself as a consultant for TSU who was working with the Department of Institutional Advancement and Corporate Strategic Initiatives. Mr. Isabel explained that the Departments of Alumni Engagement and Institutional Advancement were both aligned and working together to achieve the necessary goals for TSU. He announced that the goals for Alumni Giving was $1.2 million and the goal for Corporate Giving was $2.4 million.

Mr. Isabel went on to explain that for the period July 1, 2020 to July 22, 2020, his team had already raised $1.47 million which represented more than 50% of what was raised the entire past year. He named some of the corporate sponsors that had already given ($1.47 million), and then listed some other corporations which had already committed to donate. Mr. Isabel then thanked his team for their hard work, the Board of Trustees and all others who contributed to helping TSU.

Trustee Cole then commented that she was well aware of money raised by the AKA Sorority and that she had personally received several calls to donate. Trustees Freeman and Martin both complemented the efforts of Mr. Jamie Isabel and praised President Glover for bringing him onboard.

Trustee Lewis then moved to adjourn the meeting and Trustee Corbeil seconded which carried by roll call vote. The meeting was adjourned at 1:35 pm.

Tennessee State University

Board of Trustees

Finance and Budget Report

TENNESSEE STATE UNIVERSITY

BOARD OF TRUSTEES

INFORMATION ITEM

DATE:	November 19, 2020
ITEM:	Finance and Budget Report
RECOMMENDED ACTION:	None
PRESENTED BY:	Chair of Finance and Budget Committee, Trustee Richard Lewis

President Glover and/or her designee will present information regarding this report item.

Business & Finance Report

November 19, 2020

Financial Statements:

The State Auditors completed audit of the FY2018 Financial Statements and the report was released September 21, 2020. Management prepared and submitted a Corrective Action Plan relative to the findings to State Audit on October 21, 2020. The corrective actions include reorganization in the Finance and Accounting area along with hiring experienced staff. A Controller has been hired who has several years of TBR experience in preparing financial statements and overseeing various accounting departments. The Controller will begin work with TSU on December 1, 2020. Also, an experienced Director of Grants Accounting has also been hired and will begin work on December 1, 2020.

The State Auditors are in the process of finishing the audit of the FY2019 Financial Statements. We expect they will finish and issue a report by December 31, 2020.

Financial statements have been issued to the State Auditors for the University and the Foundation. However, they were not provided as timely as we would have preferred. We are working with the auditors and providing information as quickly as possible. The auditing of the FY2020 Financial Statements has also begun. The target date for FY2020 audit to be completed is in late February 2021.

SACSCOC Accreditation:

SACSCOC standard 13.2 requires that the university provide an institutional audit for the most recent fiscal year. The most recent fiscal year is FY2020. This audit report would be submitted with other institutional data in Compliance Certification report in September 2020 to SACSCOC. The Compliance Certification report will be reviewed by the SACSCOC Off-Site Review Committee. The Off-Site Review Committee will provide a report indicating which of the standards they find to be in compliance or non-compliant. TSU will be found to be non-compliant relative to standard 13.2 and possibly some other related financial standards because the FY2020 audit is not complete. This is typical for a lot of universities because with year-ends being June 30 and Compliance Certification reports being due in September, it is difficult to prepare financial statements and have them audited within that time frame. The next opportunity for review by SACSCOC is with the On-Site Review Committee. The On-Site Review Committee is coming in March 2021. We are providing as much information as possible to the State Auditors to assist them in being able to complete the FY2020 audit in late February. The auditors cannot guarantee that the audit will be completed by that time. Should the auditors be able to complete the audit at that point, the university will have an opportunity to demonstrate that it is in compliance with standard 13.2 and any other related financial standards.

Financial Planning:

The Voluntary Employee Separation Plan (VESP) is estimated to reduce annual expenditures by $3.6 million. The administration will develop a committee to review the strategic plan to assure recurring expenses are aligned with recurring revenues and improve all financial ratios to be above the watch level. An analysis of Public Private Partnership and State Funding will be performed to determine the most strategic approach to improving student housing. Monetization methods will be reviewed and compared to State funding to determine appropriate funding sources.

Tennessee State University
Board of Trustees

Report on CARES Act Funding Related to COVID-19 Coronavirus Pandemic

TENNESSEE STATE UNIVERSITY

BOARD OF TRUSTEES

IINFORMATION ITEM

DATE:	November 19, 2020
ITEM:	Report on CARES Act Funding Related to COVID-19 Coronavirus Pandemic
RECOMMENDED ACTION:	Information Item
PRESENTED BY:	Chair of Finance and Budget Committee, Trustee Richard Lewis

The President and/or her designee will provide a report on CARES Act Funding Related to COVID-19 Coronavirus Pandemic.

.

CARES Act Funding Report

November 19, 2020

The Coronavirus Aid, Relief, and Economic Security (CARES) Act provided roughly $14 billion in funds to institution of higher education around the country through the Higher Education Emergency Relief (HEER) Funds. Of that amount TSU has been allocated $23,451,094 from the federal government and an additional $747,100 for the state of Tennessee. These funds are required to be used to help offset some of the cost associated with responding to the pandemic and its impact on students and the institution. The CARES Act funds we have been allocated form the federal government are split into two sections; Section 18004(a)(1) and Section 18004(a)(2). The CARES Act funds we are allocated from the state through the Tennessee Higher Education Commission are being referred to as Coronavirus Relief Funds (CRF).

Section 18004(a)(1) is divided into two categories and we have been allocated $7,214,661. Half of these funds ($3,607,331) are required to go directly to students who were enrolled in classes at the time the emergency was declared and met other eligibility requirements. The remainder of the student portion will be distributed to students who are approved for Hardship Funding. These students will have to submit a request for these additional funds. As of October 31, 2020, we have paid $3,102,600 to 4,335 students from these funds. The other half of the funds are to be used to aid the institution. To date we have used $2.4M to recover funds from housing and meal plan revenue from the spring term. The remainder of these funds has not been allocated for a particular purpose.

Section 18004(a)(2) of the CARES Act have been allocated to assist Historically Black Colleges and Universities (HBCUs), Minority Serving Institutions (MSIs) and Low-Income Serving Institutions. We have been allocated $16,236,433 from these funds. We have a budgeted for these funds with $10,000,000 going to fund scholarships for students. The remainder has been allocated to laptops for students and faculty (as needed), technology upgrades and supplies and equipment needed as a result of the pandemic and the need to maintain a safe environment for the entire campus community. Actual expenditures as of October 31, 2020 totaled $4,834,392.91 with another $8,005,690.37 encumbered.

The $747,100 CRF Funds allocation from the state will be used for student laptops and tablets and any remaining funds will be used for classroom upgrades.

TENNESSEE STATE UNIVERSITY
CARES Act Budget
Funds by Fund Code

	Funds from Section 18004(a)(1) of CARES Act		
	Budget	Expenditures As of 10/31/2020	Available
228074-7016-550 (Student)	3,607,331.00	3,102,600.00	504,731.00
226047-70116-450 (Institution)	3,607,330.00	2,414,259.00	1,193,071.00
Total	7,214,661.00	5,516,859.00	1,697,802.00

	Funds from Section 18004(a)(2) of CARES Act HBCU Funds)		
	Budget	Expenditures As of 10/31/2020	Available
226046-70116-450	2,778,445.00	1,244,081.24	1,534,363.76
221399-70166-200	2,790,757.00	2,262,092.97	528,664.03
228075-12826-550	10,050,583.00	2,383,437.51	7,667,145.49
221397-70116-200	616,648.00	194,908.70	421,739.30
Total	16,236,433.00	6,084,520.42	10,151,912.58
Total Federal Funds	23,451,094.00	11,601,379.42	11,849,714.58

	Funds from THEC CRF		
	Budget	Expenditures As of 10/31/2020	Available
221402-70116-200	747,100.00		747,100.00
Total	747,100.00	488,566.00	258,534.00
Grand Total	24,198,194.00		24,198,194.00

Tennessee State University
Board of Trustees

Approval of FY 2021 Institutional Revised Budget

TENNESSEE STATE UNIVERSITY

BOARD OF TRUSTEES

ACTION ITEM

DATE:	November 19, 2020
ITEM:	Approval of FY 21 Institutional Revised Budget
RECOMMENDED ACTION:	Approval
PRESENTED BY:	Chair of Finance and Budget Committee, Trustee Richard Lewis

Background Information:
Board Policy 4:01:00:00 (*Budget Control*) recognizes budgeting as the process whereby the plans of the University are translated into an itemized, authorized, and systematic plan of operation, expressed in dollars, for a given period. This policy also recognizes that a budget is a plan and that circumstances may necessitate revisions or changes to the original plan from time to time. To that end, the University submits three detailed budgets for approval each fiscal year.

Under Board policy, the original budget for each fiscal year is known as the *Proposed Budget* and is prepared in the spring of each year. This budget is based on the level of state funds recommended in the Governor's proposed budget as well as early estimates of factors such as enrollment growth, research activities, and availability of federal funds. The *Proposed Budget* is normally submitted to the Board for approval at the Summer Board meeting. The *Revised Budget* is prepared in the fall of each year and is normally submitted to the Board for approval at the Winter Board meeting.

The final budget submitted for each fiscal year is the *Estimated Budget.* It includes final adjustments to the current year budget and is the budget against which final year-end actual amounts are compared. It is prepared, submitted, and considered by the Board at the same time as the *Proposed Budget* for the upcoming fiscal year.

The purpose of this agenda item is to consider approval of the *Revised Budget* for Fiscal Year 2020-21. Due to the immediate cuts that were made to departmental operational accounts just prior to the fiscal year beginning July 1, 2020, several accounts needed restoring in the amount of $3.4 million to address immediate and urgent needs. An additional $7.8 million was requested by departments necessary to fund expenditures for the balance of the fiscal year. However, $3 million of the $7.8 million is proposed for funding in the revised budget. The Revised Budget includes an additional $6.4 million ($3.4 million plus $3 million) of expenses to the approved Proposed budget.

The approved Proposed Budget reflected $4.3 million expenses in excess of revenues. The $4.3 million plus the $6.4 million will generate a $10.7 million expenses in excess of revenues.

MOTION: To approve the FY 21 Institutional Revised Budget, as contained in the Board materials for the Board's November 19, 2020, meeting.

Tennessee State University
Board of Trustees

Report on Voluntary Employee Separation Program

TENNESSEE STATE UNIVERSITY

BOARD OF TRUSTEES

IINFORMATION ITEM

DATE:	November 19, 2020
ITEM:	Report on Voluntary Employee Separation Program
RECOMMENDED ACTION:	Information Item
PRESENTED BY:	Chair of Finance and Budget Committee, Trustee Richard Lewis

The President and/or designee will provide a report on the Voluntary Employee Separation Program.

Voluntary Employee Separation Plan
Update Report
November 6, 2020

The Voluntary Employee Separation Plan (VESP) permitted staff to apply by July 31, 2020 with the option to withdraw from a submission on or before August 31. An extension was given to staff to apply through August 17 with no change to the withdrawal date of August 31.
There were 57 staff employees that applied for the VESP. Of which, 17 were removed from the plan for various reasons as indicated below. Of the 40 remaining some positions will be eliminated, filled, repurposed, or filled at a lower paygrade.

STAFF VSP

Total Applied for VSP	57
Withdrew	4
Paid from restricted funds - ineligible	8
Ineligible due to lack of service years	4
Subsequently deceased	1
Net Eligible	40

One-time Investment	$1,665,890.50
Annual Savings	$1,946,342.25

The Voluntary Employee Separation Plan (VESP) permitted faculty to apply by September 15, 2020 with the option to withdraw from a submission on or before September 30. There were 39 faculty that applied for the VESP. Of which, eight were removed from the plan for various reasons as indicated below. Of the 31 remaining some positions will be eliminated, filled, or filled at a lower paygrade.

FACULTY VSP

Total Applied for VSP	39
Withdrew	5
Ineligible due to funding source	1
Ineligible resigned	1
Subsequently deceased	1
Net Eligible	31

One-time Investment	$2,888,595.50
Annual Savings	$1,740,083.18

The total VESP (Faculty and Staff) has 71 eligible employees. The total financial impact is as follows:

One-time Investment	**$4,554,486.00**
Annual Savings	**$3,686,425.43**

TENNESSEE STATE UNIVERSITY

BOARD OF TRUSTEES

ACTION ITEM

DATE:	November 19, 2020
ITEM:	Approval of the Revised Collection of Accounts Receivable Policy
RECOMMENDED ACTION:	Approval
PRESENTED BY:	Chair of Finance and Budget Committee, Trustee Richard Lewis

The document reflecting the revised collection of accounts receivable policy is included in the November 19, 2020, Board materials.

MOTION: To approve the revised collection of accounts receivable policy, as contained in the Board materials for the Board's November 19, 2020, meeting.

The purpose of this policy is to establish the process regarding collection of accounts receivable at Tennessee State University. This policy applies to the collection of all accounts and notes receivable by Tennessee State University. The policy addresses billing, delinquent accounts, employee receivables, recovery of overpayment to employees, collection agencies and write-offs.

The University has previously operated under essentially the same policy under the direction of the Tennessee Board of Regents. However, at TSU Board of Trustees Meeting June 18, 2019, the Board adopted its own collection of accounts receivable policy. Two items are needed to strengthen the policy. First, the policy addressed federally funded loans, but it also needs to address non-federally funded loans. Secondly, the approved policy referenced a collection schedule however it was not included. The modifications presented today includes the two aforementioned items.

The purpose of this agenda item is to consider for approval the modification of the Collection of Accounts Receivables Policy.

Proposed Implementation Date: December 1, 2020

Item Details: See attachment

Collection of Accounts Receivable

Guideline Area

Business and Finance Policy

Purpose

The purpose of this policy is to establish the process regarding collection of accounts receivable at Tennessee State University (TSU or University)

Definitions

- Disposable earnings - means that part of the earnings of an individual remaining after the deduction from those earnings of any amounts required by law to be withheld.

Policy

I. **General**

A. This policy applies to the collection of all accounts and notes receivable by Tennessee State University. The University shall, to the maximum extent practicable, require payment in advance for all services and goods to avoid the creation of receivables.

1. TSU Policy on the Payment of Fees. Requires (with limited exceptions) that all assessed fees be paid in advance by a student before he or she is considered enrolled for any academic term.

2. Types of Receivables. Accounts and notes receivable may be generated from programs and activities including but not limited to:

    a. Student loan programs;

    b. Balances arising from non-payment of student fees;

    c. Traffic and parking fines;

    d. Library fines;

    e. Bad checks;

    f. Contracts;

    g. Property rental;

    h. Damage, loss, or liability to the institution by others; and

    i. Financial aid adjustments.

3. Security Deposits. The University is authorized to require any person to post a deposit or security bond, or provide appropriate insurance to offset potential obligations to the institution arising from programs or activities.

4. Statute of Limitations. Pursuant to T.C.A. § 28-1-113, there is no time limit on the University's authority to collect receivables unless otherwise expressly provided by statute.

II. General Collection Procedures

A. Billing. Collection efforts should begin no later than thirty days after the obligation has been incurred or other fixed due date.

1. The University may negotiate alternative payment arrangements with debtors when such arrangements offer the best prospect of collecting the debt.
2. An account becomes delinquent based on payment criteria established by the University for the types of debt involved. The University's collection schedule is included below as Attachment 1.
3. Debts from students are classified as delinquent once a student fails to enroll in a subsequent fall or spring semester where the provisions of the "Record Holds" in II.D below would apply. Other types of debt become delinquent based on the contract or other terms of agreement.

B. Delinquent Accounts. A minimum of three billings or letters of contact shall be sent by the University at thirty-day intervals once an account becomes delinquent.

1. For debts greater than $100, the third letter should indicate that the account will be referred to a collection agency if payment is not made within a specified date.
2. Sending letters by certified mail is optional.

C. Defaulted Accounts. Accounts are classified as defaulted when the University's established collection efforts for the type of debt have failed to produce payment.

1. Receivables of $100 or more shall be referred to a collection agency if the University's collection efforts are unsuccessful.
2. The accounts should be submitted to the agency within a reasonable time after the final collection letter is sent if the debtor has not responded.
3. Referral of accounts under $100 to a collection agency is not required.
   a. No additional collection efforts are required for receivables under $100 except as provided for under the Record Holds (Section II.D) and Employee Receivables (Section III.).
   b. See Section IX. for write/off procedures.

D. Record Holds. Pursuant to T.C.A. § 49-9-108, diplomas, transcripts, certificates of credit or grade reports will not be issued until the student involved has satisfied all debts or obligations owed to the university.

1. This statutory limitation shall not apply to debts or obligations:

   a. Of less than twenty-five dollars ($25.00) that are more than ten (10) years old.

   b. Evidenced by notes or other written contracts providing for future payment, such as, but not limited to, loans authorized under federal or state education or student assistance acts.

2. An amount owed under the University's installment payment plan for enrollment fees which is not yet due shall not cause a hold to be applied. A notice stating specific amount due should be sent to each student prior to completion of registration.

E. Enrollment and Outstanding Debts or Obligations. A student must pay any past due debts and obligations incurred in prior academic terms before being permitted to register at the University unless the debt is less than $100 or an acknowledgement of debt/promise to pay agreement for the prior debt or obligation has been executed

1. Additionally, all known debts and obligations incurred during the current term must be paid prior to a student being allowed to pre-register for any future terms. The University will continue to withhold diplomas, transcripts, certificates of credit or grade reports until the student involved has satisfied all debts or obligations or meet the criteria established in T.C.A. § 49-9-108, as stated in D.1 and D.2, above.

2. An amount owed under the University's deferred payment plan for enrollment fees which is not yet due shall not cause an enrollment hold to be applied.

F. Aging. All receivables should be aged at least annually.

G. Documentation. Accurate records of correspondence, telephone calls, and personal contacts with borrowers shall be maintained. The university shall comply with record maintenance, safekeeping, and retention regulations for federally funded loans. These record maintenance, safekeeping, and retention regulations shall apply to all non-federally funded loans and receivables as well.

III. Employee Receivables

A. Procedure for Withholding. Employee receivables (including student employees) may result from, among other things, traffic and parking fines, library fines, institution services or bad checks.

1. In order to recoup the amount owed from the employee's paycheck, notice of intent to withhold must be sent to the employee by registered or certified mail, email, or personally delivered.

   a. The notice should inform the employee of the amount alleged to be owed and should specify that he may elect to pay the debt in full, authorize deductions from his paycheck or, if the employee is terminating, the check for accrued but unused annual leave, or contest the intent to withhold through an institutional or UAPA hearing.

   b. Subsequent to receiving a pre-deprivation notice of the debt owing, the employee, within 15 calendar days of receipt of such notice, must:

      1. Pay the debt in full;
      2. Authorize the University to withhold a designated amount from each subsequent paycheck or, if the employee is terminating, from the accrued but unused annual leave until the debt is paid in full;
      3. Elect to contest the intent to withhold through an institutional hearing; or,
      4. Elect to contest the intent to withhold through a contested case hearing held pursuant to T.C.A. § 4-5-301, et seq.

2. If the employee elects an institutional hearing, the employee shall appear on behalf of himself but is entitled to be advised by counsel.

   a. The Chief Business Officer or his/her representative, or a representative of the department involved in the debt, shall be present to represent the university.

   b. The case will be heard before one hearing officer designated to hear all cases on that date.

   c. The hearing officer must be an individual who is not so closely connected with the collection of the debt that he/she cannot render an unbiased and objective decision on the validity of the debt.

   d. Such hearing should be held within one week of the decision to elect the hearing.

e. The hearing officer shall render his/her decision on the validity of the debt. If the debt is ruled valid, the debt shall be deducted from the employee's payroll check beginning at the end of the next appropriate pay period in accordance with deduction schedules.

f. If the employee elects a UAPA hearing, the Office of General Counsel should be notified immediately.

g. If the employee refuses to pay, authorize deduction, or specify or waive a hearing process, a UAPA hearing must be initiated.

h. The employee's failure to appear at either an institutional or UAPA hearing will constitute default, or, if a prima facie case is presented that the debt is owed, it will be deemed valid; the appropriate deductions may then be made.

i. Additionally, if a UAPA hearing, a Default Order must be issued.

j. If the employee does not appeal the Default Order, funds may be deducted as specified.

B. Limitations on Amounts to be Withheld. The deduction from any check shall not exceed the maximum deductible under state garnishment laws.

1. The maximum amount of disposable earnings of an individual for any work week which is subjected to garnishment may not exceed:

   a. Twenty-five percent (25%) of his disposable earnings for that week; or

   b. Thirty (30) times the federal minimum hourly wage at the time the earnings for any pay period become due and payable, whichever is less.

2. In the case of earnings from any pay period other than a week, an equivalent amount shall be in effect.

3. These limits are applicable to retirement funds, but are not applicable to checks for accumulated annual leave.

4. Additionally, the above limits do not apply to employee overpayments.

C. Retirement Funds. If a former employee is found to owe a debt to the state, retirement funds may be utilized to pay off the amount owing to the extent permitted by Tennessee law.

1. The same procedural steps outlined in III.A. for notice and the opportunity for a hearing must be followed.

2. Accumulated retirement contributions of a former employee terminated for any reason and for which he has made application, or monthly benefits of a retired employee are subject to withholding to the extent permitted by Tennessee law.
3. A copy of the final order resulting from an institutional or UAPA hearing, or a signed waiver of hearing and written agreement of the former employee authorizing deductions should be sent to the director of the retirement system along with a written request to withhold, specifying the reason for the claim and the total amount involved.

D. Recovery of Overpayments to Employees. Unlike cases in which the employee owes the University money, in instances of overpayments to employees there is no obligation to provide a hearing.

1. The University is obligated, however, to attempt to recoup the funds. The University should advise the employee in writing of the overpayment and the institution's proposed actions to correct the overpayment.
2. The method of repayment will depend upon the amount of the overpayment, the time which has elapsed between the overpayment and its discovery, the hardship which immediate repayment might cause the employee because of amount of current salary and personal expenses, the culpability of the employees in not reporting the overpayment, and the longevity as well as the expectation that the employee will remain in state government until the repayment is completed.
3. If a current employee receives overpayment, the refund may be made in one of the following ways:
    a. Repayment by the employee by cash or check; or,
    b. Adjustment of deductions to be made automatically from the employee's paycheck, either with a single deduction or a series of deductions made from each paycheck until the full amount is recovered.
    c. The amount of partial payments recovered by the latter method should be reasonable and systematic so that full recovery will be completed within the shortest period possible.
4. If overpayment is discovered after the employee terminates employment with the state, an account receivable should be established.

a. The former employee should be notified of the overpayment, the circumstances of the overpayment and a request that the employee contact the appropriate campus official.

b. If the employee has not received his final paycheck, the appropriate deduction from that check can be made.

c. If the final paycheck has been received, negotiations for reimbursement should be initiated.

d. If repayment cannot be negotiated or collected, the account should be turned over to the collection agency.

e. In the event collection is not possible, proper write/off procedures should be followed.

5. In instances in which the employee has agreed to systematic deduction(s) from his paycheck(s), written authorization from the employee is encouraged.

6. The University shall draft forms to document overpayments, the steps taken to recoup same, any negotiated repayment plan, the amounts received, and any write/off of the overpayment.

IV. Dishonored Payments

A. Enrollment Fees. Pursuant to the University Policy on the Payment of Fees and Enrollment of Students if any student tenders payment of fees by a check or credit card that is subsequently dishonored by the financial institution, and the payment is not redeemed in cash within the time period specified below, the University has the option to not consider that student enrolled at the institution.

1. At the discretion of the University, the student may be considered enrolled and will be assessed the applicable returned check fee, the late registration fee, and will be denied grade reports, transcripts and future registration privileges until such dishonored check is redeemed.

2. The University has the discretion to allow enrollment when the outstanding obligation is $200 or less.

3. The University may deny future check writing privileges to students that have paid registration fees with checks that are subsequently dishonored.

4. A student paying enrollment fees with a check that is dishonored must redeem the check within five (5) calendar days from receipt of the notice.
   a. Notice should be sent by the University to the student no more than three (3) working days from receipt of notice of a bad check from the bank.
   b. Notice by certified mail is optional.
   c. The University will have five (5) working days after the expiration of the five (5) calendar days to pursue any additional collection efforts deemed necessary.
   d. Immediately after the five (5) working days, the student will be deleted if the check has not been redeemed in full if that option is selected by the University.
   e. Enrollment fees including returned check fees for students de-enrolled for bad checks should be reversed.

B. Non-Student or Non-Employee. Any person other than a student or employee who tenders a check for payment for goods or services which is subsequently dishonored shall be given the opportunity to redeem the check and pay the amount due in cash. The person shall be given notice of the dishonored check, sent certified mail, demanding payment within five (5) days.

C. Collection of Dishonored Checks. A check presented for payment of any goods or service which is subsequently dishonored shall be treated as an account receivable under Section II. Any transactions that have been processed should be reversed when possible and appropriate.

D. Future Check-Writing. Receipt of one or more bad checks from any person may result in that person becoming ineligible to make payments by check thereafter, or to have any check cashed by the University. A record of individuals who have written bad checks should be maintained.

V. Federal Loans

A. Federal Regulations. Collection officers should be certain that they are consulting the most recent legal authorities concerning Federal loans. These authorities include interpretative materials, issues letters, manuals, Congressional Enactments and Federal Department of Education Regulations.

B. Pre-Loan Counseling. Federal regulations require the University to conduct entrance counseling to stress the importance of repayment, describe the consequences of default and emphasize the terms of repayment. An individual with Federal Regulations expertise should be available during and after the session to answer questions.

C. Exit Interview. An individual or group exit interview must be conducted to discuss the borrower's financial responsibilities and to obtain updated information. Exit interview materials may be sent by certified mail to borrowers who do not attend the exit interview.

   1. The borrower should be provided with a copy of the note and two copies of the repayment schedule.

      a. These schedules can be provided either in person or by certified mail.

      b. The borrower should promptly sign and return one of the schedules to the University.

      c. A minimum payment of $30 per month should be required for Perkins Loans made prior to October 1, 1992, $40 per month for Perkins Loans made after October 1, 1992, and $15 per month for Health Professions Student Loan (HPSL) and Nursing Student Loan (NSL) programs.

D. Grace Period Notices. Contact with the borrower should be made during the initial and post-deferment grace periods.

   1. For a nine-month grace period, notices are required 90 days, 180 days and 240 days after the grace period begins.

   2. For a six-month grace period, notices are required at 90 days and 150 days.

   3. The last contact should coincide with the first billing notice.

E. Billings. A written notice and statement of account should be sent at least 30 days before the first payment is due. If a coupon system is used, coupons should be sent instead of statements. Future statements should be sent at least 15 days before each payment is due.

F. Late Payments or Delinquent. Three past due notices should be sent beginning when the debt is fifteen days past due. The second notice is sent 30 days from the first notice. A final demand letter should be sent within 15 days of the second past due notice. If all past-due follow-up procedures have failed to elicit a response, a telephone call is required within 30 days of the final demand letter.

G. Cancellation or Deferments. The University may postpone loan repayments for a 12-month period if the borrower will be providing services eligible for loan cancellation or deferment.

1. Interest does not accrue and the loan is not considered delinquent when in a deferred status.
2. The borrower must request deferment and cancellation status on an annual basis.
3. If, at the end of the postponement period, the borrower does not qualify for cancellation or deferment, the postponed payments are due.

H. Acceleration. The borrower must be given written notice of intent to accelerate at least 30 days in advance. This can be included in the final demand letter.

I. Federal Loans Not Written Off. Annual collection efforts should be pursued for Federal loans that are not able to be written off or turned over to the U.S. Department of Education.

J. Perkins Loans. The IRS/ED skip-tracing service should be used for Perkins Loans.

VI. Collection Agencies

A. General. The University shall procure collection services through one or more companies.

1. The service should provide for the referral of all types of delinquent accounts and notes from the University to the designated company only after campus collection efforts have been exhausted.
2. The terms of the contract and RFP govern all collection actions.
3. Unless otherwise prohibited by law or regulation, any note, contract or lease which may result in accounts receivable to the University should contain a provision pursuant to which the person will be responsible for the costs of collection and reasonable attorneys' fees in the event of default, and should further provide for the assignment of the account or note to the proper agency.

B. Billing Services. The University may use an outside billing service to collect payments on accounts receivable. The service should be familiar with all provisions of loan programs and provide prompt, clear and accurate bills.

C. Credit Bureaus. The University may report all loans when made to a credit bureau. The University must obtain the borrower's consent to report loans not in default by including a statement in the promissory note or some other document that is signed by the borrower at the time the loan is made.

D. Collection Agency. Accounts that are still delinquent 30 days after the final collection letter should be turned over to a collection agency. Receivables less than $100 are not required to be turned over to a collection agency.

E. Reporting Requirements. The collection agency should be required to report the status of delinquent loans periodically to the University.

F. Revised Repayment Plan. A revised repayment plan agreement should be signed by the borrower if the borrower returns to repayment status.

G. Recalling Accounts from Collection Agency. No account should be recalled from a collection agency other than debts eligible for deferment, postponement, cancellation, bankruptcy, death, disability or some other mitigating circumstance (University error, etc.).

1. No account should be recalled in order for a borrower to re-enroll or obtain a transcript.
2. The borrower should pay the accelerated amount plus collection costs to the collection agency.

VII. Litigation

A. General. After all other attempts at collection have failed, the University must authorize litigation of accounts of $2,000 or more providing litigation costs do not exceed the amount which can be recovered. Generally, the collection services contract will provide for litigation when appropriate.

B. Federal Loans. If a Federal loan cannot be litigated for any of the following reasons, it should be assigned to the U.S. Department of Education:

1. Borrower has no assets;
2. Address unknown;
3. Debtor is incarcerated;
4. Debtor is on Public Assistance;
5. Unable to serve borrower with court papers;
6. Litigation is in process and debtor skips;
7. Expected cost of litigation exceeds amount to be recovered from borrower.

VIII. Bankruptcy

A. General Information - The University shall designate a bankruptcy contact person to serve as a liaison between the University and the Attorney General's office.

1. Once notice of, or a petition for, bankruptcy is received, all collection efforts against the debtor must cease immediately.
2. If the account is at a collection agency, the file must be returned to the University immediately.
3. The University should immediately forward the file to the Attorney General's office with a Referral Form and the documentation specified on the Referral Form.
4. The Attorney General's office will advise the University when and if collection efforts may resume, depending on the debt's dischargeability.
    a. NOTE: Effective for actions filed on or after 5/28/91, the period during which an educational loan may not generally be discharged will increase from five (5) years to seven (7) years.
    b. This period is calculated from the date the loan first came due to the date the bankruptcy action was filed, exclusive of periods during which repayment obligations are suspended.
    c. Additionally, obligations to repay an "overpayment" of, or any other obligation to repay an "educational benefit" provided by a governmental unit or under a program funded by a government unit or non-profit institution will be excepted from discharge during the same seven-year period under either Chapter 7 or 13 unless the borrower establishes that repayment constitutes undue hardship.

B. Chapter 7 (Liquidation) Upon receiving any notice of the filing of a petition, all collection efforts against the debtor must be suspended immediately until the bankruptcy has been discharged.

1. Collection efforts may continue against an endorser.
2. The University shall immediately forward the file to the Attorney General's office with a Referral Form and the documentation specified on the Referral Form.
3. Educational loans: If the date of bankruptcy filing is after the expiration of the exception period, the loan should be written off once the notice of discharge is received unless there is some other basis upon which to challenge dischargeability.

a. The Attorney General's office will contact the University to advise whether the debt is dischargeable.

b. However, if there is an endorser, collection efforts may proceed against him.

c. If the date of bankruptcy filing is before the expiration of the exception period, collection activity may be reinstated once the notice of discharge is received due to the self/executing nature of the exception unless the debtor has been able to establish dischargeability of the debt through an adversary proceeding.

d. If the University is served with a summons and complaint, the University shall immediately fax to the Attorney General's bankruptcy unit a copy of the Summons and Complaint, the debt payoff amount, the date the note went into repayment, and any deferment and/or forbearance history.

e. Other debts: The University shall immediately forward the file to the Attorney General's office with a Referral Form and the documentation specified on the Referral Form. When the notice states "No assets," unless the institution is a secured creditor (in which case a proof of claim would have been filed), the debt must be written off once the Attorney General's office provides the institution with notice of discharge.

C. Chapter 13 (Reorganization)

1. NOTE: For petitions filed on or after 11/5/90, an educational loan is non-dischargeable if the loan first became due within five years calculated from the date the loan first came due to the date the bankruptcy action was filed, exclusive of periods during which repayment obligations are suspended.

2. Effective for bankruptcies filed on or after 5/28/91, that same five (5) year period was increased to seven (7) years. See NOTE above for further details.

3. Regardless of the date of filing or the nature of the debt owing, upon receiving any notice of the filing of a petition, all collection efforts against the debtor and endorser must cease immediately.

a. The University shall immediately forward the file to the Attorney General's office with a Referral Form and the documentation specified on the Referral Form.

b. The Attorney General's office will advise the University whether the debt is dischargeable and the extent to which collection activities may be reinstated.

4. If the seven (7) year exception period applies and the debtor serves the University with a summons and complaint the University shall immediately fax to the Attorney General's bankruptcy unit a copy of the Summons and Complaint, the debt payoff amount, the date the note went into repayment, and any deferment and/or forbearance history.

    a. Other debts: The University shall immediately forward the file to the Attorney General's office with a Referral Form and the documentation specified on the Referral Form. The Attorney General's office will advise the University as to the dischargeability of the debt.

IX. Write Offs

A. Authority. The University is authorized to write off uncollectible receivables pursuant to policies outlined in Chapter 0620-1-9 of the rules of the Department of Finance and Administration.

1. This includes the write off of any account of five thousand dollars ($5,000) or greater and/or accounts aggregating twenty-five thousand dollars ($25,000) or more.
2. Receivables submitted for write off must have been subjected to appropriate collection efforts in accordance with this guideline and University procedures.

B. Reserve. A reserve for doubtful accounts should be established for activities for which accounts receivable represent a material amount to the activity income.

1. The reserve should be reported in the financial records of the University.
2. Receivables which prove to be uncollectible after prescribed collection efforts have been exhausted should be written off by a charge to the reserve for doubtful accounts after appropriate approvals are obtained.

C. Approval. The proposed write offs must be approved by University officials not directly involved in recording and collection of accounts receivable.

1. The University president and chief business officer should certify compliance with the prescribed statute and collection guidelines.
2. The accounts submitted for write off should be single accounts of $5,000 or more and/or accounts aggregating $25,000 or more. The write off request summary and certification, along with a detailed list of the accounts, should be submitted to the Vice President for Business and Finance for approval.

3. The write off request must be approved by the President and forwarded to the Commissioner of Finance and Administration and the Comptroller of the Treasury for approval

4. Requests for the write off of single accounts of less than $5,000 and/or accounts aggregating less than $25,000 shall be approved at the University level by the appropriate officials.

   a. These requests do not require additional approval by the Tennessee Board of Regents office or State Departments.

D. State/TBR Employees. Any debtors identified by the TBR or State as employees with debts $50 and above will not be approved for write off.

1. Information on the employing institution or agency will be returned to the institution for additional collection efforts.

2. If the debtor is a state employee, the Chief Business Officer of the department employing the debtor should be notified.

3. The department employing the individual will be responsible for taking the appropriate action to collect the debt.

4. If the department is unsuccessful in collecting the debt, written notification will be sent to the institution. The written notification shall be submitted with the next write off request for approval.

E. Holds on Written Off Receivables. A hold on transcripts and future registration will continue until the debt is cleared for former students whose receivables were written off if the debt was twenty-five (25) dollars or more.

1. The University has the discretion to allow enrollment when the outstanding obligation is $200 or less.

2. The University will continue to withhold certificates of credit, diplomas, grade reports, and transcripts for these accounts until they are paid in full or meet the criteria established in T.C.A. § 49-9-108.

X. Gramm-Leach-Bliley Act Contract Clause

A. Include the standard language printed below in all future contracts with third party service providers that have access to the University's customers' non-public financial information.

1. “Throughout the term of this Agreement, Service Provider shall implement and maintain ‘appropriate safeguards,’ as that term is used in § 314.4(d) of the FTC Safeguard Rule, 16 C.F.R. § 314, for all ‘customer information,’ as that term is defined in § 314.2(b) of the FTC Safeguard Rule, delivered to Service Provider by the University pursuant to this Agreement.
2. The Service Provider shall implement an Information Security Program (‘the Program’) as required by the FTC Safeguard Rule.
3. Service Provider shall promptly notify the University, in writing, of each instance of;
   a. Unauthorized access to or use of that nonpublic financial customer information that could result in substantial harm or inconvenience to a customer of the University; or
   b. Unauthorized disclosure, misuse, alteration, destruction or other compromise of that nonpublic financial customer information.
4. Service Provider shall forever defend and hold the University harmless from all claims, liabilities, damages, or judgments involving a third party, including University’s costs and attorney fees, which arise as a result of Service Provider’s failure to meet any of its obligations under this provision.
5. Service Provider shall further agree to reimburse the University for its direct damages (e.g., costs to reconstruct lost or altered information) resulting from any security breach, loss, or alteration of nonpublic financial customer information caused by the Service Provider or its subcontractors or agents.
6. Service Provider grants University the right to conduct on-site audits, as deemed necessary by the Institution, of the Service Provider’s Program to ensure the integrity of the Service Provider’s safeguarding of the University’s customers’ nonpublic financial information.
7. The University retains the right to unilaterally terminate the Agreement, without prior notice, if Service Provider has allowed a material breach of its Program in violation of its obligations under the GLBA, if Service Provider has lost or materially altered nonpublic financial customer information, or if the University reasonably determines that Service Provider’s Program is inadequate.

8. Within thirty (30) days of the termination or expiration of this Agreement, Service Provider shall, at the election of University, either:

   a. Return to the University; or

   b. Destroy (and shall cause each of its agents to destroy) all records, electronic or otherwise, in its or its agent's possession that contain such nonpublic financial customer information and shall deliver to the University a written certification of the destruction."

Tennessee State University
Receivables Schedule Template

Type	Due	Delinquent Notice 1	Delinquent Notice 2	Delinquent Notice 3	Default Date	Placement 1	Placement 2	Write-Off
Student Accounts Receivable: Non-Title IV	Day Before 1st Day of Term	Purge Date of subsequent Fall or Spring Term	30 Days from Delinquent Notice 1	30 Days from Delinquent Notice 3	30 Days from Delinquent Notice 3	30 Days from Delinquent Notice 3*	9mo after unsuccessful Placement 1*	9mo after unsuccessful Placement 2**
Student Accounts Receivable: Title IV Returns	Reversal Date	Purge Date of subsequent Fall or Spring Term	30 Days from Delinquent Notice 1	30 Days from Delinquent Notice 3	Purge Date of subsequent Fall or Spring Term	30 days after 1st payment due*	9mo after unsuccessful Placement 1*	Not Applicable
Student Federal Loans	Per Prom Note	Per Prom Note	Per Prom Note	Per Prom Note	30 days after 1st payment due	30 days after 1st payment due	9mo after unsuccessful Placement 1	Not Applicable
Student Institutional Loans	Per Prom Note	Per Prom Note	Per Prom Note	Per Prom Note	Per Prom Note	Per Prom Note	Per Prom Note	2 Collection Attempts Exhausted
NSF Transactions - Non-Student	10 days after bank notice	End of Month - 30 days after bank notice	End of Month - 30 days after Delinquent	End of Month - 30 days after Delinquent	End of Month - 30 days after Delinquent	End of Month - 30 days after Delinquent	End of Month - 9 months after unsuccessful	End of Month - 9 months after unsuccessful
Other:	When Incurred							

* Third-party collection of TSU and other State employee student account balances is not used. Collection is processed through the employing Unit during periods of employment.

* Write-off of TSU and other State employee student account balances does not occur during periods of employment. Collection efforts through the employing Unit continues.

Related Policies

- Payment of Student Fees & Enrollment

Tennessee State University
Board of Trustees

Report on Enrollment

TENNESSEE STATE UNIVERSITY

BOARD OF TRUSTEES

INFORMATION ITEM

DATE:	November 19, 2020
ITEM:	Report on Enrollment
RECOMMENDED ACTION:	None
PRESENTED BY:	President Glover

President Glover and/or her designee will present a report on enrollment.

TENNESSEE STATE UNIVERSITY

Enrollment Report Update
November 19, 2020

Fall 2021 Undergraduate Applicant Pool Comparison

Semester	As of Date	Admitted	Denied	Incomplete	Grand Total
Fall Term 2020	27-Oct-19	407	25	996	1428
Fall Term 2021	27-Oct-20	729	43	1902	2674

- The total number of students who have applied to Tennessee State University has increased by **87**% for Fall 2021. We have received 2674 applications YTD, an increase of 1246 students. At this time last year, 1428 students applied.
- The total number of students admitted to Tennessee State University has increased by **79**% for Fall 2021. We have admitted 729 students YTD, an increase of 322 students. At this time last year, 407 students were admitted.

Remove chart

Recruiting efforts by the Office of Admissions and Recruitment

- Attended (60) recruitment events from September 15, 2020 – current.
- Scheduled (45) additional recruitment events through February 2021.
- Hosted over 200 students for Weekly Admissions Q&A Sessions.
- Provided live virtual office hours for students and parents via Zoom.
- Conducted outreach campaigns to high school guidance counselors.
- Realigned Community College Initiative with Office of Admissions.
- Hiring two additional Community College recruiters.
- Hiring a Graduate School recruiter.
- Updated recruitment web pages with recruitment team personal profiles.
- Hosted one-on-one student recruitment sessions with prospective students.
- Continued social media campaigns to attract high school students.
- Maintained ongoing digital communications with prospective students.
- Completed outreach calls to prospective students.
- Provided a report of students that have confirmed their intent to enroll, weekly, to deans and designated campus partners, i.e., financial aid, academic advising, housing, etc. so these students can receive additional communications from TSU.

Targeted Enrollment Populations for Fall 2021

- Community College students
- Dual Enrollment students
- Graduate students
- Adult learners and non-traditional students.

Tennessee State University
Board of Trustees

Update on Enrollment, Marketing and Student Recruitment Plan

TENNESSEE STATE UNIVERSITY

BOARD OF TRUSTEES

INFORMATION ITEM

DATE:	November 19, 2020
ITEM:	Update on Enrollment, Marketing and Student Recruitment Plan
RECOMMENDED ACTION:	None
PRESENTED BY:	President Glover

President Glover and/or her designee will provide an update on this information item.

See Enrollment materials for pertinent information.

Tennessee State University
Board of Trustees

Report on Rediscover TSU

TENNESSEE STATE UNIVERSITY

BOARD OF TRUSTEES

IINFORMATION ITEM

DATE:	November 19, 2020
ITEM:	Report on Rediscover TSU
RECOMMENDED ACTION:	Information Item
PRESENTED BY:	Chair of Finance and Budget Committee, Trustee Richard Lewis

The President and/or designee will provide a report on the Rediscover TSU initiatives.