

**Meeting of the Tennessee State University Board of Trustees
Finance and Budget Committee – November 16, 2017
Tennessee State University – Main Campus – McWherter Administration Building,
President’s Conference Room
3500 John A. Merritt Blvd., Nashville, Tennessee 37209**

MINUTES

Committee Members Present: Stephen Corbeil and William Freeman

Other Board Members Present: Joseph W. Walker, III, Deborah Cole, Edith Peterson Mitchell, Obie McKenzie, and Ali Sekmen.

University Staff Present: President Glenda Glover; Mr. Laurence Pendleton, University Counsel and Board Secretary; Ms. Cynthia Brooks, Vice President for Business and Finance; Dr. Curtis Johnson, Chief of Staff and Associate Vice President of Administration; Mr. Viron Lynch, Assistant Vice President of Facilities Management; and Dr. Lesia Crumpton-Young, Vice President of Research and Sponsored Programs.

I. CALL TO ORDER

Finance and Budget Committee Chair, Trustee Corbeil, called the meeting to order at 9:18 a.m.

II. ROLL CALL/DECLARATION OF A QUORUM

Trustee Corbeil asked Board Secretary Pendleton to call the roll. Secretary Pendleton called the roll, which reflected that Committee members Corbeil and Freeman were present. Secretary Pendleton then announced the presence of a quorum.

III APPROVAL OF AUGUST 17, 2017, COMMITTEE MEETING MINUTES

Trustee Corbeil announced the next item on the agenda, which was the approval of the August 17, 2017, Finance and Budget Committee meeting minutes. Trustee Corbeil stated that the Committee meeting minutes were included in the November 16, 2017, Board materials for review. Trustee Corbeil then opened the floor for a motion for the Committee to recommend to the full Board the approval of the August 17, 2017, Finance and Budget Committee meeting minutes. Trustee Lewis moved for approval. Trustee Freeman seconded the motion. With no further discussion, Trustee Corbeil called for a vote and the motion carried unanimously.

IV. APPROVAL OF INSTITUTIONAL REVISED BUDGET

Trustee Corbeil introduced the next item on the agenda – the approval of the Institutional Revised Budget. Trustee Corbeil stated that the Institutional Revised Budget information was included in the November 16, 2017, Board materials for review. Trustee Corbeil recognized President Glover to provide pertinent information related to the agenda item. President Glover introduced Ms. Cynthia Brooks, Vice President for Business and Finance, to provide information regarding this agenda item.

Vice President Brooks stated that under TSU's Budget and Control Policy, the budget for each fiscal year is known as the proposed budget and is prepared in the spring of each year. She further noted that the budget is based on the level of State funds recommended in the Governor's proposed Budget Control as well as early estimates or factors, such as enrollment growth, research activity and the availability of federal funds.

Trustee Corbeil thanked Ms. Brooks and President Glover for the presentation.

Trustee Corbeil moved to recommend to the full Board the approval of the Institutional Revised Budget, as contained in the Board's November 16, 2017, board meeting materials. Trustee Freeman seconded the motion. Trustee Corbeil called for a vote and the motion carried unanimously.

V. DISCUSSION OF THEC FUNDING FORMULA

Trustee Corbeil moved to the next item on the agenda – discussion of the THEC Funding Formula. He also stated that the information regarding the agenda was included in the November 16, 2017, board materials. Trustee Corbeil recognized President Glover again to provide background information related to the agenda item. President Glover yielded the floor to Vice President Cynthia Brooks.

Vice President Brooks walked the Committee through the Board materials; she noted that the information provided in the board materials are intended to provide insight, answer questions, and obtain the board's feedback on the THEC outcomes-based funding formula. Vice President Brooks also shared information regarding the Complete College Tennessee Act (2010) requirements as it relates to Tennessee public community colleges and universities. She also noted that the funding was based on outcomes such as student progression and completion. The Outcome-based formula model data definitions and the metrics used, which reflect institutional priorities and mission was discussed. Ms. Brooks also advised that that funding is based on a three-year average.

Trustee Corbeil thanked President Glover and Vice President Brooks for the presentation.

VI. AUTHORIZATION TO EXECUTE NOTICE OF INTENT TO SEVER FROM TENNESSEE BOARD OF REGENTS ON PROCUREMENT

Trustee Corbeil moved to the next item on the agenda –the authorization to Execute Notice of Intent to Sever from the Tennessee Board of Regents on Procurement. Trustee Corbeil stated that the information regarding the agenda item were included in the board materials for the November 16, 2017, Board meeting. Trustee Corbeil recognized President Glover to provide pertinent information related to the agenda item. President Glover yielded the floor to Vice President Cynthia Brooks.

Vice President Brooks stated that per the FOCUS Act, Tennessee State University, and the other former TBR universities, may sever from the Tennessee Board of Regents for the purpose of procurement beginning on December 1, 2017, or any time thereafter, pending the approval of the Tennessee Higher Education Commission (THEC).

VP Brooks noted that on September 11, 2017, THEC provided an overview of the general conditions necessary for independence on procurement, including understanding all reporting requirements, mandated interactions with Fiscal Review, and continued participation in current master contracts.

She also informed the committee that TSU would like to sever procurement effective July 1, 2018 and Tennessee State University is required to inform THEC, in writing, six months prior of its intent to sever from TBR. The “Intent to Sever” form must be signed by the Chairman of the Board, or the President, with proper Board authorization.

Trustee Corbeil thanked President Glover, for the presentation. Trustee Corbeil moved to recommend to the full Board the authorization of the President to Execute Notice of Intent to Sever from the Tennessee Board of Regents, effective July 1, 2018, on the procurement function. Trustee Freeman moved for approval. Trustee Freeman seconded the motion. The motion carried unanimously.

VII. REPORT ON EXTERNAL FUNDING

Trustee Corbeil introduced the next item on the agenda – Report on External Funding. Trustee Corbeil then recognized President Glover to discuss this agenda item. President Glover asked Vice President Brooks and Vice President Crumpton-Young to provide background information on the agenda item.

Vice President Brooks review the external funding data with the committee. Trustee Sekmen inquired about the indirect cost section. President Glover and Vice President Crumpton-Young discussed the indirect cost and faculty research. The committee continued the discussion regarding faculty research, incentives and the positive relationships faculty has with the administration.

VIII. ADJOURNMENT

There being no further discussion, Trustee Corbeil moved to adjourn the meeting. Trustee Freeman seconded the motion. Trustee Corbeil called for a vote and the motion carried unanimously.

The Board of Trustees Finance and Budget Committee meeting adjourned at 10:09 a.m.