

**Tennessee State University Board of Trustees
Finance and Budget Committee Meeting
March 17, 2022
Tennessee State University, Electronic**

MINUTES

Committee Members Present: Trustees Richard Lewis, Steve Corbeil, and Andre Johnson.

Other Board Members Present: Trustees Deborah Cole, Pam Martin, Van Pinnock, Obie McKenzie, Bill Johnson, and Tiara Thomas.

University Staff Present: President Glenda Glover; Laurence Pendleton, General Counsel and Board Secretary; Dr. Michael Harris, Interim Provost and Vice President for Academic Affairs; Douglas Allen, Vice President of Finance and Budget; Dr. Curtis Johnson, Chief of Staff; Dean Frank Stevenson, Associate Vice President of Student Affairs; Dr. Quincy Quick, Associate Vice President of Research and Sponsored Programs; Terrence Izzard, Associate Vice President of Enrollment Management; Dr. Robbie Melton, Dean of Graduate School; Dr. Mikki Allen, Athletics Director; Kelli Sharpe, Assistant Vice President of Public Relations and Communications; Adrian Davis, Director of Internal Audit; and Dr. Arlene Nicholas-Phillips, Liaison to the Board.

I. CALL TO ORDER

Chair Lewis called the meeting to order at 11:26 a.m. CDT on March 17, 2022. 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 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 Corbiel seconded and the motion carried unanimously by roll call vote.

II. ROLL CALL/DECLARATION OF A QUORUM

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

III. APPROVAL OF THE NOVEMBER 18, 2021, FINANCE AND BUDGET COMMITTEE MEETING MINUTES

Trustee Lewis moved to recommend to the full Board the approval of the minutes from the November 18, 2021, Finance and Budget Committee meeting, as contained in the March 17, 2022, Board materials. Trustee Andre Johnson seconded the motion, which carried unanimously by roll call vote.

IV. REPORT ON FISCAL YEAR 2022 INSTITUTIONAL BUDGET

Chair Lewis presented the Report on Fiscal Year 2022 Institutional Budget as the next item on the agenda. President Glover asked VP Allen to provide this update.

VP Allen directed the Committee to operating budget information on pages 75-76 of the Board materials and discussed the University's healthy financial situation for fiscal year 2022, year to date. Trustee Bill Johnson asked why our State appropriation amount was \$20 million less than what was expected. VP Allen explained that the State funds are provided quarterly so the university has not yet received its full allotment.

V. REPORT ON GOVERNOR'S FY 23 PROPOSED BUDGET ALLOCATION FOR TENNESSEE STATE UNIVERSITY

Chair Lewis then presented the Report on Governor's FY 23 Proposed Budget Allocation for Tennessee State University as the next item on the agenda. This is an informational item and no vote is required. President Glover asked VP Allen to provide this update.

VP Allen described the items in the Governor's \$250,000,000 budget for University deferred maintenance and buildings. Dr. Glover added that the State toured the campus and appreciated the University's needs. VP Allen went on to say that TSU will receive another \$60,000,000 for an engineering classroom building and \$8,000,000 for ongoing maintenance needs.

Chair Lewis asked how realistic this contribution is. President Glover stated that it's very realistic and that the University will be able to draw down this money for the specified projects. Chair Lewis then stated that the University should focus on adding student residential dormitory halls as we communicate with the Governor and legislators about the additional money owed to TSU. Dean Stevenson added that we need to replace some of the existing residence halls. President Glover expressed her appreciation for the comments and believes we are on the right track for being heard at the capitol, with the help of Leah Love and Representative Harold Love. Secretary Pendleton added that President Glover has testified in public hearings as to the expensive nature of housing in Nashville and the impact on the students. Chair Lewis encouraged the University to make PR efforts to let the public know about TSU's housing needs. Trustee Bill Johnson congratulated President Glover and her team on their work with the State legislature and added that the Governor's budget is requesting that we not raise tuition with the promise that the lost increase in tuition will be covered in the next state budget.

VI. APPROVAL OF TRAVEL CARD POLICY

Chair Lewis introduced the next agenda item as the Approval of a Travel Card Policy. Chair Lewis called upon Dr. Glover who called on VP Allen to provide information on this item. VP Allen directed the Committee to pages 80 to 103 of the Board materials for the travel card narrative and policy and explained how the travel card will allow the university to be more efficient and will provide for employees who do not have the funds to pay for travel costs and be reimbursed later.

The University will also receive rebate dollars through the travel card. VP Allen addressed the University's controls over cards and training that will prevent abuse of the travel cards.

Trustee Cole agreed that the travel card program will be much more efficient and asked for the reason why personal expenses were not completely banned. VP Allen confirmed that the University's policies and procedures would manage any risk related to travel card use. Trustee Corbiel asked how it would be determined who will receive travel cards. VP Allen replied that there is a tier approach based on expected travel, and that cards can be deactivated when they will not be in use.

Chair Lewis then moved to recommend to the full Board the approval of the Travel Card Policy. Trustee Corbiel seconded the motion, which carried unanimously by roll call vote.

VII. UPDATE ON CARES ACT FUNDING

Chair Lewis introduced the CARES Act Funding agenda item and asked President Glover or her designee to provide pertinent information related to this agenda item. This is an informational item and so no vote is required.

President Glover asked VP Allen to report on this item. VP Allen directed the committee to pages 108 and 109 of the Board materials and provided an update on CARES Act fund disbursements including laptops and other equipment and supplies, and student debt relief. The federal government has extended the term in which can spend the University's remaining funds and will provide detail on future expenditures at the next Committee meeting.

Trustee Thomas asked if the remaining funds for students will be applied to student accounts this semester. President Glover replied that the funds will be applied in the Fall, but that it is not yet determined how that will be dispersed.

VIII. FINANCE AND BUDGET/FACILITIES REPORT

Chair Lewis introduced the Finance and Budget/Facilities Report agenda item. Chair Lewis asked President Glover or her designee to provide pertinent information related to this agenda item.

Dr. Glover asked VP Allen to report on this agenda item. VP Allen has closed out all FY 19 and FY 2020 audits and is currently making progress on the FY21 audit. Finance and Budget staff are currently being trained on the Banner system by a consultant as previously requested by the Committee. The University is currently in the process of drafting the FY 23 budget to bring to Dr. Glover and then to the Board in June.

The University is still working on tornado recovery and making progress. Trustee Andre Johnson asked if we have been able to lock down insurance proceeds for the costs of the damaged buildings. Dr. Johnson added that a preliminary analysis of the property has resulted in a disagreement but we have funds that we can draw down while we work out the details. Trustee Andre Johnson cautioned that replacement costs are based on the date of the loss, but costs continue to skyrocket

while we settle on the amount. Dr. Johnson stated that we do not allow an adjustment to the costs after we have locked in a bid.

Trustee Lewis asked if there is possibility that we will need Banner consultants longer than scheduled and Provost Harris replied that we have the option to extend the term as needed. Trustee Cole asked whether there are any remaining IT issues with Banner and Provost Harris stated that issues have been resolved and we are committed to receive a full return on our investment. Trustee Cole asked for a detailed report to be provided at the next Committee meeting on the elements we had problems with and if and how they were cleared. President Glover added that the University is aware that there are aspects of Banner that we are not using and are looking into those things. Provost Harris added that his office has been pushing to maximize and utilize our agreement with Ellucian. VP Allen reported that his department meets with the Banner consultant several times a week and frequently brings other areas to the table to better manage its time with the consultant while he is here.

Chair Lewis thanked Dr. Glover for her team's presentation.

IX. UPDATE ON ENROLLMENT

Chair Lewis moved on to the Update on Enrollment agenda item and asked Dr. Glover to provide pertinent information related to this agenda item.

Dr. Glover called upon Terrence Izzard to provide the update. Mr. Izzard acknowledged the leadership of Dr. Glover's and her support in the University's initiatives to grow TSU's enrollment and noted that all departments at the University are involved in supporting enrollment. Mr. Izzard directed the Committee to page 113 of the Board materials for a review of current enrollment numbers. Mr. Izzard then directed the Committee to a list of high-yielding recruitment and retention efforts on page 116 of the Board materials.

Provost Harris noted that we were able to register students earlier this year. Trustee Pinnock asked about the difference between in-state and out-of-state applications and enrollment and President Glover provided the requested information.

Trustee Cole noted that the Dr. Levi Watkins program received significant attention at Meharry.

X. REPORT ON INSTITUTIONAL DEVELOPMENT

Trustee Lewis introduced the Report on Institutional Development agenda item and asked President Glover or her designee to provide pertinent information related to the agenda item. Dr. Glover called on Jamie Isabel to make this report. This is an informational item and no vote is required.

Mr. Isabel directed the Committee to page 120 of the Board materials for information on funds raised in this fiscal year and their impressive increases over former fiscal years, as well as our increase in funds held in the bank. Mr. Isabel thanked Dr. Glover for her successes in fundraising and her relationships that have increased TSU's opportunities.

Trustee Pinnock thanked Mr. Isabel for the information and asked about how the University is doing in the area of student internships. President Glover offered to create a report on student internships and which companies we partner with in that area.

XI. REPORT ON ATHLETICS

Trustee Lewis introduced the Report on Athletics agenda item and asked President Glover or her designee to provide pertinent information related to the agenda item. Dr. Glover called on Dr. Mikki Allen to make this report. This was an informational item and no vote is required.

Dr. Allen thanked the trustees for their services to TSU and TSU Athletics and addressed the rumors regarding TSU possibly changing conferences. Dr. Allen gave an update on the upcoming alliance between the OVC and the Big South conferences which will combine the football membership of both conferences to ensure FCA playoff access. Travel costs will be increased as a result of the alliance. Dr. Allen has formed a committee to evaluate our membership in the OVC conference.

Dr. Allen noted the Southern Heritage Classic has also been in the press as a result of Jackson State terminating their future participation in the contest and that Dr. Glover publicly expressed her disappointment. There are ongoing discussions about the future of the Southern Heritage Classic and the possible options for other institutions to play TSU.

Dr. Allen recognizes how important Athletic facility enhancements are and announced that the Gentry Center has been renovated with new paint and technology and the indoor complex will soon feature a state-of-the-art training facility. He then highlighted some of the University's Fall sports successes and announced that our Spring Game will be held April 9th.

Chair Lewis thanked Dr. Glover for her team's presentation. Trustee Martin thanked Dr. Glover for reaching out and expressing her disappointment regarding the Southern Heritage Classic and credited her for saving the game.

XII. ADJOURNMENT

Trustee Lewis asked if there was any additional business. Seeing none, he asked for a motion to adjourn. Trustee Corbiel made a motion to adjourn and Chair Lewis seconded the motion. The meeting was adjourned at 1:01 p.m. CDT.