

**Tennessee State University Board of Trustees
Finance and Budget Committee Meeting
November 18, 2021
Tennessee State University, Electronic**

MINUTES

Committee Members Present: Trustees Richard Lewis and Andre Johnson.

Other Board Members Present: Deborah Cole, Andre Johnson, Bill Johnson, Joseph Walker, III, Tiara Thomas, Van Pinnock, Obie McKenzie.

University Staff Present: President Glenda Glover; Laurence Pendleton, General Counsel and Board Secretary; Dr. Michael Harris, Interim Provost and Vice President for Academic Affairs; Doug Allen, Vice President for Finance and Budget; Jamie Isabel, Vice President of Institutional Advancement; Dr. Curtis Johnson, Chief of Staff; Dean Frank Stevenson, Associate Vice President of Student Affairs; Dr. Frances Williams, Associate Vice President of Research & Sponsored Programs; Terrence Izzard, Associate Vice President of Enrollment Management; Kelli Sharpe, Assistant Vice President of Public Relations & Communications; and Adrian Davis, Director of Internal Audit.

I. CALL TO ORDER

Trustee Lewis called the meeting to order at 11:07 a.m. CDT on November 18, 2021. 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 A. Johnson 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 and Andre Johnson. A quorum was established.

III. APPROVAL OF THE SEPTEMBER 16, 2021, FINANCE AND BUDGET COMMITTEE MEETING MINUTES

Trustee Lewis moved to recommend to the full Board the approval of the minutes from the September 16, 2021, Finance and Budget Committee meeting, as contained in the November 18, 2021, Board materials. Trustee A. Johnson seconded the motion, which carried unanimously by roll call vote.

IV. APPROVAL OF FISCAL YEAR 2022 INSTITUTIONAL REVISED BUDGET

Chair Lewis introduced the next agenda item as the Approval of Fiscal Year 2022 Institutional Revised Budget and directed the Committee to the materials in the Board materials. Chair Lewis

called upon Dr. Glover who called on VP Allen to provide information on this item. VP Allen presented the revised October budget for 2021 to 2022. VP Allen directed the Committee to refer to the Board materials starting on page # 70 for information on the revised budget and proceeded to review the adjustments to the budget from the initial 2021-2022 budget. Chair Lewis asked for questions or discussions regarding the report. Trustee Pinnock asked VP Allen how TSU develops the budget and VP Allen stated that the budget is built on projected revenues. Dr. Glover added that the various departments present their needs for consideration in the budget development process. Trustee Pinnock then asked about the decrease in the budget for plant operations and VP Allen responded that this budget year requires less one-time large expenditures.

Trustee A. Johnson then asked if the end of CARES Act funding will affect future enrollment. VP Allen stated that the university will do what it can to provide assistance for students and also educate students on the financial commitments required to continue their education. Dr. Glover added that we are currently working on a cash flow analysis to assist students in fall 2023. Chair Lewis then asked about the fall of 2022 and Dr. Glover stated that there are funds set aside from CARES Act funding to assist students in the fall of 2022. Chair Lewis then moved to recommend to the full Board the approval of the Fiscal Year 2022 Institutional Revised Budget. Trustee A. Johnson seconded the motion, which carried unanimously by roll call vote.

V. CAPITAL PLANNING AND FACILITIES UPDATE

Chair Lewis then presented the Capital Planning and Facilities Update 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 referred the committee to page 79 of the Board materials and reported on tornado recovery expenditures, the new residence hall, and the Food Science building. Trustee A. Johnson asked about the insurance proceeds used for tornado recovery and whether there are additional insurance funds coming in. VP Allen reported that we are still in negotiations with the insurance companies. Dr. C. Johnson stated that we also anticipate receiving over \$600,000 from FEMA. Chair Lewis asked who is representing TSU in the negotiations with the insurance companies and Dr. Glover asked Secretary Pendleton to respond. Pendleton stated that VP Allen and his staff, the State insurance department, and Dr. Johnson are working with the insurance companies. If funds are being denied or there is a dispute then Secretary Pendleton will be involved. Chair Lewis thanked Dr. Glover and VP Allen.

VI. REPORT 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 referred the Committee to the summary of CARES Act Funding provided to the Committee members in the Board materials and summarized and clarified the information. Trustee A. Johnson asked how we determine what the funds are used for and the long term intent for the funds we have. VP Allen stated that the funds will only be used for student needs, as well as some student-driven COVID-related operational needs which resulted from the pandemic, and that the CARES Act funds are not used to plug holes in the regular operational budget. Trustee Thomas then asked about the priorities for student concerns. VP Allen stated that the priority is students meeting their financial obligations followed by student

mental health and student experience. VP Allen then reviewed the current expenditures of the CARES Act funds and pointed out that the majority of the expenditures were student-focused. Chair Lewis asked that the quarterly aging reports be presented to the Board. VP Allen informed Chair Lewis that an aging report will be provided annually.

VII. FINANCE AND BUDGET REPORT

Chair Lewis introduced the Finance and Budget Report Agenda Item. This is a discussion item so no vote is required. 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 referred the Committee to page #87 of the Board materials and highlighted the information related to the NCAA Agreed Upon Procedures review, the upcoming audit, the Title VI and Title IX training that will be offered to the entire campus by the Office of Equity and Inclusion, the upcoming IRS forms due, and revenues and expenditures fiscal year to date. Chair Lewis asked for an update on Banner training and VP Allen reported that training will begin in February. Trustee Pinnock asked if TSU has a resident Banner expert and VP Allen replied that we have two resident experts in Business and Finance. Trustee Cole suggested written training materials be provided along with the Banner training.

VIII. REPORT ON LAND GRANT AND FEDERAL HBCU FUNDING

Chair Lewis introduced the Report on Federal HBCU 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.

Dr. Glover reported on the current Land Grant funding situation and referred to a report in the Board materials which addresses financial needs for the university including a significant amount required for deferred maintenance. Dr. Glover will be meeting with campus leaders and trustees to develop a list of needs for Representative Love to take to the legislature and is optimistic about receiving additional funds. Chair Lewis reminded the committee that the leadership for TSU's budget is the Governor of the State of Tennessee, the university needs more than one legislator to speak on its behalf, and called upon those with a relationship to the Governor to make a case for TSU's state funding. Trustee McKenzie asked whether we have prep meetings as to how to deal with how our message is communicated and noted that this is a time to be aggressive.

Chair Lewis then asked Dr. Glover to provide a report on HBCU Funding. Dr. Glover referred the committee to the report in the Board materials and discussed her involvement in the process for HBCU funding including Dr. Glover's multiple discussions with Vice President Kamala Harris and other national leaders and her appointment by President Biden as Vice President of the HBCU Advisory Board. Trustee McKenzie congratulated Dr. Glover on her inclusion and impact. Trustee Walker stated that Dr. Glover's dual role as TSU President and AKA President gives benefits to TSU that no other college has. Trustee Thomas thanked Dr. Glover for her diligence on behalf of the students to prove their relevance to the world. Chair Lewis thanked Dr. Glover.

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. This is an information item so no vote is required.

Dr. Glover called upon Terrence Izzard to provide the update. Mr. Izzard reported on enrollment and application numbers, recruitment efforts, retention efforts, and conversion rates. Chair Lewis thanked President Glover and her team for their report. Chair Cole thanked Mr. Izzard for the great job he's doing generating interest in TSU and suggested that the back-end process of processing information and making contact with students is just as strong. Trustee McKenzie stated that there are some unsung heroes for conversion, such as Arlene Nicholas-Phillips, in arranging campus visits for students. Trustee A. Johnson thanked Mr. Izzard and commented that the numbers are higher than he anticipated and appreciates having the metrics and using them as benchmarks. Trustee Thomas raised a concern that the sophomore class is not receiving the same attention as the freshmen even though they are new on campus as well, due to COVID. Mr. Izzard stated that the sophomore class has a designated success coaching unit and advisement unit as well as programs for sophomores within both Academic Affairs and Student Affairs, but will look at the numbers for those programs and reassess. Trustee Cole asked Mr. Izzard whether he needs additional staff for these increased enrollment and application numbers. Mr. Izzard stated that he has already been provided additional staffing for this purpose. Trustee Cole then asked for information about the Success Centers and Mr. Izzard summarized the services. Trustee Lewis thank Dr. Glover and her team's responses.

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 gave a summary on current gifts as compared to this time in 2020. Mr. Isabel also spoke of potential future corporate gifts. Trustee Lewis asked for the current amount collected for this year and Mr. Isabel reported the number. Trustee Lewis then gave recognition to Mount Zion Baptist church for its scholarship donation. Dr. Glover also gave her appreciation for the gift. Trustee Walker stating it was a blessing to benefit TSU students with scholarships. Trustee Pinnock asked for supplemental information that shows a road map for what divisions and departments are going to do so that the Board can have a narrative behind the numbers.

XI. ADJOURNMENT

Trustee Lewis asked if there was any additional business. Seeing none, he made a motion to adjourn. Trustee A. Johnson seconded the motion. The meeting was adjourned at 1:16 p.m. CST.