

**Tennessee State University Board of Trustees  
Finance and Budget Committee Meeting.  
June 13, 2019  
Tennessee State University. 3500 John A. Merritt Blvd. Nashville, Tennessee 37209  
McWherter Administration Building  
President's Conference Room**

**MINUTES**

**Committee Members Present:** Stephen Corbeil, Richard Lewis, and Bill Freeman.

**Other Board Members Present:** Joseph W. Walker, III, Dr. Deborah Cole, Pam Martin, Obie McKenzie, Dr. Edith Peterson Mitchell, Dr. Ali Sekmen, and Braxton Simpson.

**University Staff Present:** President Glenda Glover; Mr. Laurence Pendleton, General Counsel and Board Secretary; Dr. Curtis Johnson, Chief of Staff; Dr. John Cade, Vice President for Enrollment; Terrence Izzard, Assistant Vice President of Recruitment; Horace Chase, Vice President for Business and Finance; Bradley White, Assistant Vice President for Business and Finance; Dr. Alisa Mosley, Interim Vice President for Academic Affairs.

**Guests Present:** Lauren Collier, the Tennessee Higher Education Commission.

**I. CALL TO ORDER**

Trustee Corbeil called the meeting to order at 11:39 a.m. on June 13, 2019.

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

Board Secretary Pendleton called the roll at the committee chair's request. Trustee Corbeil and Trustee Freeman were present. Secretary Pendleton announced the presence of a quorum.

**III. APPROVAL OF FEBRUARY 21, 2019, FINANCE AND BUDGET COMMITTEE MEETING MINUTES**

Trustee Corbeil proceeded to the approval of the February 21, 2019, Finance and Budget Committee meeting minutes, as included in the June 13, 2019, board materials. Trustee Corbeil moved to approve the minutes. Trustee Freeman seconded the motion, which carried unanimously.

**IV. APPROVAL OF FISCAL YEAR 2019-20 TUITION AND MANDATORY FEE INCREASE OF 2.19 PERCENT**

Chair Corbeil announced the next item on the agenda as the approval of the Fiscal Year 2019-20 tuition and mandatory fee increase of 2.19 percent. The materials for this agenda item were included in the June 13, 2019, Board meeting materials.

Chair Corbeil asked President Glover or her designee to provide pertinent information related to this agenda item. President Glover designated VP Chase and AVP Bradley White to present information related to this item.

Mr. White reminded the Committee that pursuant to the FOCUS Act, the Tennessee Higher Education Commission establishes fee increase ranges. For FY 2019-20, THEC set the range for

maintenance plus other mandatory fees, excluding out-of-state tuition, at 0% to 2.5%. TSU is proposing an increase of 2.19% for its tuition and mandatory fee increase.

Trustee Mitchell asked for related information about other Tennessee institutions, especially about their fees and tuition costs, to assist with gauging a projection for TSU. Mr. White stated that their information is not available before July. Mr. Chase promised to make that information available.

Trustee Sekmen questioned the online fee being charged to students as compared to other Universities. Mr. White announced that all other schools had such a fee with the exception of TSU.

Mr. Pendleton added that pursuant to the Tuition Transparency and Accountability Act (Tuition Act), and Board Policy 006 (Board Consideration of Increases in Tuition and Mandatory Fees), TSU is required to post the proposed tuition and mandatory fee increase to the Board website at least fifteen days prior to the Board meeting to allow for comment. One comment was received.

Mr. Chase addressed the comment which was regarding 'Team travel' and whether fees were used to offset the cost.

Mr. Pendleton stated that the items for consideration regarding the fee increase proposal were reflected on pages 71 and 72 of the Board materials dated June 13, 2019.

Trustee Corbeil moved to recommend to the full Board the approval of the Fiscal Year 2019-20 Tuition and Mandatory Fees, as presented in the Board materials dated June 13, 2019. Trustee Lewis seconded the motion and it carried.

## **V. APPROVAL OF INSTITUTIONAL BUDGETS**

Chair Corbeil introduced the next item on the agenda as the approval of institutional budgets, which reflect the estimated budget for fiscal year 2018-19 and the proposed budget for fiscal year 2019-20. 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. The final budget submitted for each fiscal year is the *Estimated Budget*.

Chair Corbeil asked President Glover or her designee to provide pertinent information related to this agenda item. VP Chase presented the information related to this item.

The *Estimated Budget* for Fiscal Year 2018-19 and the *Proposed Budget* for Fiscal Year 2019-20 can be found in the Board materials dated June 13, 2019 from pages 76 through 89.

Chair Corbeil complimented Mr. Chase for doing an amazing job. Mr. Chase expressed that we had \$900K from tuition increase. Also, we were carrying a deficit of \$15.6 million and after implementing some changes, the new amount will be reduced to a deficit of \$4.9 million. This included a 5% increase in the planning and the 2.19% fee increase.

Mr. Chase added that the University was working with Gibson Consulting and the recommendation report will be shared with the Board and will be posted on the website.

Trustee Lewis stated that the Board, the building commission and THEC must approve anything before any action is taken regarding these pending projects.

Mr. Chase advised that a conservative approach should be taken with regards to spending in order to avoid a freeze or cuts. President Glover stated that we are not cutting faculty, we are realigning dollars.

Chair Corbeil moved to recommend to the full Board the approval of Institutional Budgets, as presented in the Board materials dated June 13, 2019. Trustee Lewis seconded the motion, which carried unanimously.

## **VI. APPROVAL OF INSTITUTIONAL FISCAL YEAR 2019-20 COMPENSATION PLAN**

Chair Corbeil introduced the next item on the agenda as the approval of the Institution's Fiscal Year 2019-20 Compensation Plan.

Chair Corbeil asked President Glover or her designee Mr. Horace Chase, to provide the report for this item as it pertains to the agenda item.

Mr. Chase advised that it is the legislative intent to provide a pool of funds equivalent to a 2% across the board salary increase for higher education employee salary increases effective July 1, 2019, at a level determined by each governing board. For Tennessee State University, this equates to approximately \$1,300,000.

He indicated that these funds are proposed to be distributed as follows:

### **FACULTY**

Faculty will receive a 2% across-the-board increase.

### **STAFF**

Staff will receive a 2% across-the board increase.

Salary increases will be effective July 1, 2019, for fiscal-year employees; August 1, 2019, for modified-year employees; and September 1, 2019 (the beginning pay cycle), for nine-month faculty.

Excluded from salary increases are graduate assistants, adjunct employees, temporary workers, and student workers.

Trustee Corbeil moved to recommend to the full board the approval of the Institution's Fiscal Year 2019-20 Compensation Plan, which provides a 2% across the board increase for faculty and staff, as contained in the Board materials for the Board's June 13, 2019. Trustee Freeman seconded the motion, which carried unanimously.

## **VII. REPORT ON COMPOSITE FINANCIAL INDEX**

Chair Corbeil announced the next item on the agenda as the Finance and Budget Committee Report on Composite Financial Index. The information for this item was included in the Board meeting materials dated June 13, 2019.

Mr. Chase instructed that the information could be located at pages 95 through 97 in the Board materials.

Trustee McKenzie inquired why was the information combined instead of presented separately.

Since there were no other questions relative to this item, Chair Corbeil thanked Mr. Chase and President Glover for the report.

## **VIII. PRESIDENT'S FINANCIAL REPORT**

Chair Corbeil stated the next item on the agenda is the President's Financial Report. The materials for this agenda item are included in your June 13, 2019, Board meeting materials.

Chair Corbeil asked President Glover to provide pertinent information related to this agenda item. The details of her report can be located on pages 99 and 100 of the Board materials dated June 13, 2019.

Chair Corbeil thanked President Glover for her report.

## **IX. APPROVAL OF REVISED ACCOUNTS RECEIVABLE POLICY**

Chair Corbeil stated the next item on the agenda is the approval of the revised accounts receivable policy.

Chair Corbeil asked President Glover or her designee to provide pertinent information related to this agenda item. Mr. Chase presented this report as her designee. He stated that the university had previously operated under essentially the same policy, under the direction of the Tennessee Board of Regents. However, the TBR policy states that each institution should have its own policy. Tennessee State University is seeking approval to adopt a revised collection of accounts receivable policy and adhere to it.

Mr. Chase pointed out that information on the said policy could be found in the Board materials dated June 13, 2019, on pages 101 through 119.

Chair Corbeil moved to recommend to the full Board the approval of the revised accounts receivable policy as contained in the materials dated June 13, 2019. Trustee Freeman seconded the motion, which carried unanimously.

## **X. APPROVAL OF CAPITAL CONSTRUCTION PLAN**

Chair Corbeil stated the next item on the agenda is the approval of the Institution's Capital Construction Plan (Capital Outlay, Maintenance, and Disclosure Funding Requests).

Chair Corbeil asked President Glover or her designee, AVP Curtis Johnson, to provide information to the Board relevant to this agenda item.

Dr. Johnson stated that the purpose of this agenda item is to consider for approval the Capital Outlay, Maintenance, and Disclosed funding requests (Capital Construction Plan), which, if approved by the Board, will be submitted to THEC staff by July 1, 2019, for their presentation to the THEC at its November 7, 2019, meeting. He pointed out that all of the information relevant to this agenda item could be found in the Board materials dated June 13, 2019 on pages 121 through 124.

Dr. Johnson added that the new student resident halls will be constructed and clearing will start this Fall. This was proposed to be a two year project.

Chair Corbeil moved to recommend to the full Board the approval of the Institution's Capital Construction Plan (Capital Outlay, Maintenance, and Disclosure funding requests), as contained in the Board materials for the June 13, 2019, Board meeting. The motion was seconded by Trustee Lewis and carried unanimously.

## **XI. UPDATE ON ENROLLMENT, MARKETING AND STUDENT RETENTION PLAN**

Trustee Corbeil invited President Glover and her designee to present a report on enrollment, marketing and student recruitment. President Glover asked Mr. Izzard to provide this report.

Mr. Izzard's report is reflected in the Board materials dated June 13, 2019 ,starting on page 127 through page 128. He added that several new campaigns were implemented and a new CRN system. These and other factors played a role in the increased number of applicants.

Trustee Mitchell was excited by this report and asked if the information could be put into a newsletter or sent via Instagram or other electronic media.

Trustee Braxton added that regarding marketing and outreach, the University might consider having one social media account for the entire campus body. She stated that student were confused by having so many different social media outlets.

Trustee Sekmen stated that the Graduate School was doing better with enrollment which is contributing to the increased numbers. He also stated that the English Center has become a feeder for TSU.

Trustee Corbeil thanked Mr. Izzard and President Glover for the update.

## **XII. ADJOURNMENT**

Chair Corbeil moved to adjourn the meeting. Trustee Lewis seconded and the motion carried.