

**Tennessee State University Board of Trustees
Finance and Budget Committee
March 14, 2024
Tennessee State University – Hankal Hall**

MINUTES

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

Other Board Members Present: Trustees Obie McKenzie, Van Pinnock, Bill Johnson, and Shaun Wimberly

University Staff Present: President Glenda Glover; Laurence Pendleton, General Counsel and Board Secretary; Dr. Robbie Melton, Acting Interim Provost & Vice President for Academic Affairs; Douglas Allen, VP of Finance and Budget; Jason Evans, Chief Operating Officer; Dr. Curtis Johnson, Chief of Staff; Dean Frank Stevenson, Assoc. Vice President of Student Affairs; Dr. Quincy Quick, Assoc. Vice President of Research & Sponsored Programs; Dr. Arlene Nicholas-Phillips, Liaison to the Board; Dr. Renée Forbes-Williams, Director of Internal Audit; Cynthia Howell, Asst. Vice President for Risk and Financial Compliance; Jessica Powell, AVP of Customer Relations

I. CALL TO ORDER

Vice Chair A. Johnson called the meeting to order at 1:48 p.m. on March 14, 2024.

Vice Chair A. Johnson made certain findings on the record regarding the necessity for conducting the meeting by electronic participation without a physical quorum present, including consideration of the FY 2025 Compensation Plan and the receipt of important reports on Construction and Facilities updates, the Master Plan, Finance and Budget, the Customer Relations Strategic Plan, Enrollment, Merit Scholarships, the Personnel Action Plan, and the Information Technology Replacement Plan. Participation by electronic means was necessitated by members' in-person absence due to unavoidable travel issues. Trustee A. Johnson moved that the committee find participation by a quorum of the committee members by electronic means of communication was necessary. Trustee Lewis seconded the motion. Trustee A. Johnson asked Secretary Pendleton to call the roll. Trustees A. Johnson, Stephen Corbeil, and Richard Lewis voted in favor, and the motion carried.

II. ROLL CALL/DECLARATION OF A QUORUM

Trustee A. Johnson asked the Secretary of the Board to call the roll. Secretary Pendleton called the roll. Committee members present were Trustees A. Johnson, Stephen Corbeil, and Richard Lewis. A quorum was established.

Trustee A. Johnson asked any committee members who could not hear or speak to the other committee members or board members, to state so. None responded. He further asked committee

members participating electronically, to identify any individuals who were present in the location from which the members were participating. No individuals were identified.

III. APPROVAL OF THE NOVEMBER 16, 2023, FINANCE AND BUDGET COMMITTEE MEETING MINUTES

Trustee A. Johnson moved to recommend to the full Board the approval of the minutes from the November 16, 2023, Finance and Budget Committee meeting, as contained in the March 14, 2024, Board materials. Trustee Corbeil seconded the motion, which carried by unanimous vote.

IV. REPORT AND UPDATE ON FY 2024 INSTITUTIONAL REVISED BUDGET

Trustee A. Johnson introduced the next item on the agenda, a report and update on the FY 2024 Institutional Revised Budget. Trustee A. Johnson asked President Glover or her designee to provide the report. Dr. Glover asked VP Allen to provide the report.

VP Allen directed the committee to page 64 of the Board materials. He reviewed several items on that page. He noted that TSU is \$10.5 million under budget on Tuition and Fees but still has to book summer revenues. The University will be close in line with what was budgeted. Federal Grants and Contracts (indirect costs) is usually calculated in May or early June, so a significant portion is not recognized on this report. For Education and General Revenues, he expects to collect \$36.2 million between now and August.

The University is a little over what it has budget for Auxiliaries Revenues, which is good, VP Allen reported.

Under Expenditures, TSU budgeted \$209.2 million for Total Expenditures. VP Allen walked the committee through the Scholarships and Fellowships line item. The Board approved \$22.5 million, a portion of that is sitting in student services for housing scholarships. Last year, the University had several issues with students saying they did not get their scholarships. They revamped that process and started awarding scholarships on July 1st of this fiscal year. VP Allen explained some students did not meet requirements and lost their scholarships. There are also outside scholarships that will be received, for example, from the Foundation, so the committee will see these numbers come down as funds are received. VP Allen further discussed the figures on the budget with respect to scholarships.

Education and General expenditures are close to what was spent in the prior year. Auxiliaries (bookstore, housing, dining, etc.) are on-point. These are directly related to student enrollment numbers.

Trustee B. Johnson thanked VP Allen for the explanation. Trustee A. Johnson asked whether there is anything from budget to actual that the committee needs to know about. VP Allen stated that the University must control its spending. VP Allen said that he would notify the committee if there was anything else they needed to know.

Further discussion took place regarding the budget.

V. FACILITIES AND MASTER PLAN UPDATE

Trustee A. Johnson introduced the next item on the agenda, an update on construction and facilities and a Master Plan update. He asked Dr. Glover to provide information on this agenda item. Dr. Glover asked Dr. Allen and Will Radford to present information on these items.

Will Radford gave an overview of active projects. He discussed the Gateway Arch project. This requires Nashville Department of Transit approval. An agreement is under review by TSU's legal department.

An Ed Temple track resurfacing project is in the finishing steps. Mr. Radford reviewed several other projects, including building (Engineering) updates, lab updates, a courtyard update, the creation of a STEM quadrant, and an electrical improvement project. There are two agriculture projects that will require more funding. They are re-keying facilities across the campus. There is not an active student housing project right now. They are looking at P3 partnerships. Some tornado recovery claims have been closed out and brought funds into the University.

The Master Plan has been received. There are some issues with the master planner, which are being resolved with TBR. The pricing that came with the Master Plan was not informed by local Nashville pricing, so TSU had to go back and re-price items within the Master Plan. He will provide an update on this at the next Board meeting.

A discussion took place regarding the Engineering phasing time frames, Davis Humanities building time frame, and student housing. There are concerns regarding the current interest rates and how that will affect affordability of student housing. He stated that the University is in 3-5% of where it would like to be in terms of housing. The 1,000-bed project will be moved back to the top of their list when the interest rates become more affordable, and they continue to look at 3P partnerships. Trustee B. Johnson stated his desire for more beds, which he thinks will increase the student body numbers.

Trustee Pinnock asked about clean rooms and secure facilities plans, and a discussion took place regarding that topic.

Trustee Wimberly asked what else Mr. Radford's team needs. Mr. Radford noted a need for professional development funds.

Trustee McKenzie asked about Mr. Radford's familiarity with the development on the House of God property. A discussion took place regarding this topic. Trustee McKenzie would like Mr. Radford and the developer to have a conversation. Mr. Radford said that he is aware of the project, had a meeting with the developer and shared information with the developer. He looks forward to working with them. He said that he is not aware of any signed lease agreement. He has briefed the State Architect on this project and has been told that they are in support of TSU taking advantage of all housing solutions in the immediate area, Mr. Radford said.

VI. FINANCE AND BUDGET REPORT

Trustee A. Johnson introduced the next item on the agenda, a Finance and Budget report. Dr. Glover asked VP Allen to provide information on this item. VP Allen did not have additional information to provide.

VII. APPROVAL OF FY 2025 COMPENSATION PLAN

The next item on the agenda was the approval of the FY 2025 Compensation Plan. VP Allen provided information on this item. He directed the committee to page 73 of the Board materials. He recommended a 3% salary adjustment for FY 24-25.

The net effect to the University would be about \$800,000. VP Allen stated that the cost of living in Nashville is high. Trustee A. Johnson asked how TSU ranks in comparison to other institutions. Dr. Glover said that we are paying full-time faculty less than other institutions. She said we are not quite equal to other institutions, but we are making strides. Trustee A. Johnson said that we need to be in-keeping with other schools and attract the best people. Dr. Melton added that she has a salary study going on and will have more information to present to the Board in the coming weeks.

Trustee moved for the committee to recommend to the full Board the approval of the FY 2025 Compensation Plan, as contained in the Board materials for the March 14, 2024, Board meeting. Trustee Lewis seconded the motion. The meeting passed unanimously by roll call vote.

VIII. CUSTOMER RELATIONS STRATEGIC PLAN

The next agenda item was a report on the Customer Relations Strategic Plan. General Jason Evans provided information on this item, at Dr. Glover's request.

General Evans directed the committee to page. 77 of the Board materials. He reported that there have been just over 600 inquiries and reviewed data showing the nature of the individual inquiries. General Evans said that the long-term plan, as seen on page 81 of the report, is to move toward a "One Stop Shop" like other peer institutions.

Trustee B. Johnson asked whether Retention falls under General Evans' purview. He said that this falls under Dr. Melton and Academic Affairs. Dr. Melton said that Retention was transferred to Academic Affairs.

A discussion took place regarding Customer Service. General Evans described Customer Service efforts, including the tracking of data within a database for customer inquiries. Trustee B. Johnson asked if there has been a reduction in calls to HERO as a result of these efforts. General Evans said "yes." There were 18 HERO calls last year and less than 10 this academic year. Ms. Jessica Powell provided additional information. The goal is to respond within 48 hours. Trustee

Wimberly said that he would like to share information with the community regarding the success of this program.

IX. ENROLLMENT UPDATE

The next agenda item was an Enrollment update. General Evans provided the update. He directed the Board to page 88 of the Board materials and reviewed the information presented. He reviewed first-time freshmen and transfer student numbers for Fall 2024. He said that we are close to our goal on first-time freshman numbers, as of February 20, 2024, which is good news. He discussed efforts to reach out to students with incomplete applications.

Trustee B. Johnson asked whether TSU requires ACTs. General Evans replied that we do require ACT/SAT tests.

General Evans explained the difference between admitted applicants and those who express an intent to enroll.

General Evans reviewed a chart comparing enrollment data from Fall 2023 and Fall 2024. The average GPA has gone up, ACT scores have remained flat, and SAT scores have gone down slightly.

X. MERIT SCHOLARSHIP UPDATE

Trustee A. Johnson introduced the next item on the agenda, a Merit Scholarship update. General Evans provided the update.

General Evans directed the committee to page 93 of the Board materials, which lays out the Scholarship Plan for the 2024-2025 academic year. General Evans discussed correspondence sent out to students.

Dr. Glover discussed efforts to go through the student purge list, and a review that was conducted of every student's account who had a scholarship to make sure that all scholarships were posted. The plan is to come back to the Board once they get to the \$5 million threshold with a list of students that they would like to offer more scholarship money to, if possible.

XI. PERSONNEL ACTION PLAN UPDATE

Trustee A. Johnson introduced the next item on the agenda, the Personnel Action Plan update. General Evans continued on page 98 of the Board materials. He reviewed a list of filled and in-progress staff openings. Next steps of the plan are set forth on page 101 of the Board materials.

XII. REPORT ON INFORMATION TECHNOLOGY REPLACEMENT PLAN

Trustee A. Johnson introduced the next item on the agenda, the Information Technology Replacement Plan update. Dr. Glover asked Chief Information Officer Tim Warren to report on this item. Mr. Warren reviewed the IT Infrastructure Replacement Plan found on page 104 of the

Board materials. He reviewed equipment, along with purchase dates and replacement dates for the equipment. He discussed new Cisco equipment that has been ordered to make scheduled replacements. He reviewed Wireless Access Points (WAPs) that need to be replaced. Mr. Warren also reviewed anticipated costs to replace equipment.

Dr. Melton thanked Mr. Warren and his team for building out the infrastructure for the Smart Center.

Trustee A. Johnson thanked Mr. Warren for this report. He noted that there may be some questions regarding the plan in the future.

XIII. ADJOURNMENT

There was no further discussion. Trustee Corbeil moved to adjourn the meeting, and Trustee A. Johnson seconded the motion. The motion was unanimously approved. The meeting adjourned at 3:20 p.m.