EAST TENNESSEE STATE UNIVERSITY
BOARD OF TRUSTEES
FINANCE AND ADMINISTRATION COMMITTEE
SEPTEMBER 2026 MEETING

11:20 a.m. EDT
Friday
September 11, 2026

East Tennessee Room
D.P. Culp Student Center
412 J.L. Seehorn Road
Johnson City, TN

COMMITTEE MEMBERS

Charles Allen, Jr.
Thomas Bales
Dr. Bert Smith
Melissa Steagall-Jones
Grant Summers

—

AGENDA

I. Call to Order

II. Roll Call

III. Approval of the Committee Minutes from May 21, 2026

IV. Action Item: Approval of Policy on Use of Out-of-State Undergraduate Tuition and Fee Revenues – *Graham* (5 minutes)

V. Action Item: Update on ETSU Foundation and Request for Naming – *Reddy* (15 minutes)

VI. Action Item: Employment Agreement – *Steagall-Jones* (10 minutes)

VII. Presentation of FY25 Composite Financial Index – *Graham* (5 minutes)

VIII. Quarterly Financial Update – *Graham* (5 minutes)

IX. Quarterly Report of Agreements $250,000 or Greater – *Graham* (5 minutes)

X. Other Business

XI. Adjournment

EAST TENNESSEE STATE UNIVERSITY
BOARD OF TRUSTEES

ACTION ITEM

DATE:	September 11, 2026
ITEM:	Approval of the Minutes from May 21, 2026
COMMITTEE:	Finance and Administration
RECOMMENDED ACTION:	Approve
PRESENTED BY:	Dr. Adam Green Board Secretary

The minutes of the May 21, 2026, meeting of the Finance and Administration Committee are included in the meeting materials.

MOTION: I move that the Board of Trustees adopt the resolution, approving the minutes as outlined in the meeting materials.

> **RESOLVED: The reading of the minutes of the May 21, 2026, meeting of the Finance and Administration Committee is omitted, and the minutes are approved as presented in the meeting materials, provided that the Secretary is authorized to make any necessary edits to correct spelling errors, grammatical errors, format errors, or other technical errors subsequently identified.**

EAST TENNESSEE STATE UNIVERSITY
BOARD OF TRUSTEES
FINANCE AND ADMINISTRATION COMMITTEE

MINUTES

May 21, 2026
Johnson City, Tennessee

The East Tennessee State University Board of Trustees' Finance and Administration Committee met on Thursday, May 21, 2026, at 10:14 a.m. in the East Tennessee Room of the D.P. Culp Student Center.

I. Call to Order

Substituting for Committee Chair Steve DeCarlo, Board of Trustees Chair Melissa Steagall-Jones called the meeting to order at 10:14 a.m.

II. Roll Call

Board Secretary Dr. Adam Green conducted the roll call. The following committee members were physically present:

Trustee Charles Allen
Trustee Melissa Steagall-Jones
Trustee Grant Summers
Trustee Aashi Vora

Other Trustees present were Janet Ayers, Wade Farmer, Dr. Steph Frye-Clark, Dorothy Grisham, Jon Lundberg, Ron Ramsey, and Tony Treadway.

III. Approval of the Committee Minutes from February 20, 2026, and March 31, 2026

The minutes from the February 20, 2026, and March 31, 2026, meetings of the Finance and Administration Committee were approved as submitted. Trustee Charles Allen made the motion to approve, and Trustee Grant Summers seconded the motion. It passed unanimously.

IV. Action Item: Approval of Tuition and Mandatory Fees for FY27

Ms. Christy Graham, Chief Financial Officer, provided an overview of the items that factor into the development of the university's budget for FY27, including various cost and inflationary pressures facing higher education in general that continue to exceed the broader economy. She indicated that Governor Bill Lee's budget for FY27 included an increase in state support of $4.4 million. That amount, however, was partially offset by funding reductions via the Tennessee Higher Education Commission (THEC) outcomes formula, resulting in an overall $1.3 million increase in ETSU's state appropriation. Ms. Graham noted that this amount does not keep pace with inflationary and operational pressures facing the university. In summarizing the major cost drivers facing ETSU, she said that, using the Higher Education Price Index, a minimum of $2.6 million in new money would be needed to address inflationary costs, excluding salaries and benefits and utilities. Some $2.7 million would be needed to increase salaries by 1.5 percent, and $2.6 million would be needed to cover additional costs related to health insurance. Utilities are expected to exceed ETSU's FY26 budget by $700,000, and $800,000 will be needed to support the new Academic Building. Additional funding is needed to stay competitive in stipends for graduate teaching and research assistants. Overall, Ms. Graham said, these cost pressures come to $10.1 million, leaving a funding gap of $8.8 million for the upcoming academic year.

Within this financial context, Ms. Graham turned her attention to the first action item on the committee's agenda. She reviewed the various factors that are considered when evaluating tuition and mandatory fees, noting that THEC has approved a 0 percent to 4.5 percent limit on such fees. Staying within that limit, she said, the proposed FY27 tuition for in-state undergraduate students at ETSU is $189 per semester, moving the tuition total from $4,401 to $4,590 for in-state undergraduate students taking 15 credit hours. For out-of-state undergraduate students, the increase would be $264 per semester. For five-state undergraduates, the increase would be $219 per semester. International undergraduate students would see an increase of $489 per semester. The proposed increase for graduate students is $270 per semester for students taking 12 credit hours.

Ms. Graham indicated that the proposed mandatory fee increase includes three components: an increase to the Campus Safety and Facility Fee of $41.50 per semester; an increase to the Student Activity Fee for the Center for Physical Activity of $4 per semester; and a new $2.50 per semester fee that would support Bucky's Food Pantry. The mandatory fee increase totals $48 per semester.

Combined, Ms. Graham said, the undergraduate in-state tuition and mandatory fee increase comes to $474 per academic year, moving total undergraduate, in-state tuition and mandatory fees from the current $10,994 to $11,648, for an increase of 4.31 percent. In addition, there would be a reallocation of $27 per semester of the existing mandatory fee from the Culp Center debt service fee to support the Student Life Village project. It was noted that the debt service fee has generated sufficient reserves to support the remaining debt obligations associated with the renovation project, allowing the fee to be repurposed without increasing the overall mandatory fee impact to students. Ms. Graham indicated that the Student Life Village remains a priority for students and that the $27 reallocation would provide the remaining amount necessary to support the anticipated debt service payments for the project.

Ms. Graham told the committee that the proposed tuition and mandatory fee levels for FY27 were posted for public comment from March 31 through April 15 and that no comments were received.

Trustee Melissa Steagall-Jones made a motion to approve the tuition and mandatory fee rates as presented, and Trustee Grant Summers seconded the motion. The motion passed with Trustee Allen voting against.

V. Action Item: Approval of Gatton College of Pharmacy Tuition for FY27

Dr. Debbie Byrd, Dean of the Bill Gatton College of Pharmacy, began by thanking ETSU staff, members of the Tennessee General Assembly, and Board of Trustees members for their advocacy on behalf of the college's successful quest to achieve state funding.

Dr. Byrd presented to the committee a proposal to further lower tuition at the Gatton College of Pharmacy, to $24,785 for in-state students and $30,329 for out-of-state students, representing decreases of 10 percent. Dr. Byrd noted that as a result of funding from the state, in-state tuition has been reduced by almost 36 percent and by over 20 percent for out-of-state students. She said that over the course of the four-year program, this saves in-state students over $55,000.

President Noland expressed his thanks to members of the Board of Trustees, the Tennessee General Assembly, and staff for their support and advocacy on behalf of the college and for their work in easing the financial burden on our College of Pharmacy students.

Trustee Charles Allen made a motion to approve the Gatton College of Pharmacy tuition rate as presented, and Trustee Grant Summers seconded the motion. It passed unanimously.

VI. Action Item: Approval of Spring Estimated and July Proposed Budgets

Ms. Graham presented for the committee's review and approval the university's spring estimated and July proposed budgets. She reported that the budget for the main campus and auxiliaries for FY27 includes total revenue of approximately $344 million, for an increase of $13.5 million. She said the increase is driven by $2.5 million in auxiliary revenue, $5 million from the proposed tuition increase, $1 million from mandatory fees, $1.3 million in additional state appropriations, and $2.5 million from enrollment growth. Total expenditures and transfers are also approximately $344 million, an increase of $13.7 million.

The July proposed budget for the Quillen College of Medicine shows revenue of $86.3 million, with expenditures and transfers the same. The Family Medicine budget includes revenue of just over $23 million, with expenditures and transfers roughly the same. The College of Pharmacy budget shows revenue of $12.7 million, for an increase of $3.1

million, even with the tuition decrease. Total expenditures and transfers are $12.2 million, an increase of $2.6 million.

Trustee Charles Allen made a motion to approve the budgets as presented, and Trustee Melissa Steagall-Jones seconded the motion. It passed unanimously.

VII. Action Item: Approval of FY27 Capital Budget Submittals and Disclosures

Ms. Laura Bailey, Associate Vice President for Capital Planning, reported on a proposed new Engineering Sciences Building with an estimated project cost of $146,850,000 for the Trustees' consideration. She noted that the project was submitted to the state on August 22, 2025. Ms. Bailey also presented renderings of the proposed building.

Ms. Bailey reviewed Capital Maintenance projects submitted to the state on July 18, 2025, and totaling $27,140,000. Two of those projects have been funded, in the amount of $3,500,000 each: phase two of safety steam line repairs and replacement and roof replacements for multiple buildings. Other Capital Maintenance projects for which funding is proposed include: repair and replacement of campus water lines, multiple building elevator upgrades, multiple building HVAC and plumbing repairs, multiple building electrical upgrades, and exterior/structural repairs and replacements.

Ms. Bailey then reviewed ETSU's Capital Disclosure projects, totaling $125,130,000. They include: a new residence hall at $40,000,000; a new parking garage at $55,000,000; and the Student Life Village at $30,130,000. These three projects were submitted to the state on July 18, 2025.

Trustee Grant Summers made a motion that these submittals and disclosures be approved as presented, and Trustee Charles Allen seconded the motion. It passed unanimously.

VIII. Action Item: Approval of Financial Exigency Policy

President Noland presented this item, emphasizing that it aligns with changes in the tenure and promotion policies approved earlier by the Academic, Research, and Student Success Committee. He briefly outlined the steps that would be taken in the unlikely event of extreme financial distress.

Trustee Melissa Steagall-Jones made a motion that the Financial Exigency Policy be approved, and Trustee Charles Allen seconded the motion. It passed unanimously.

IX. Quarterly Financial Update

Ms. Graham presented the update comparing the university's financial condition as of March 31, 2026, with the previous year. Unrestricted education and general revenues increased by $19.8 million or 5.78 percent. Main campus revenue increased by $10.4 million or 4.12 percent. College of Medicine and Family Medicine tuition and fee revenue was relatively flat. Total revenue for those two units increased by $8.7 million or 10.65 percent. Revenue for the College of Pharmacy increased by $652,000 or 8.53 percent.

Unrestricted education and general expenditures through March 2026 increased by $22.6 million or 7.19 percent. Main campus expenditures increased by $13.1 million or 5.69 percent. College of Medicine and Family Medicine expenditures increased by $9.8 million or 12.77 percent. College of Pharmacy expenditures decreased by 4.4 percent.

Ms. Graham then reviewed ETSU's Statement of Net Position, which shows that as of March 31, 2026, total assets and deferred outflows were approximately $949 million compared to $873 million the prior year.

X. Presentation of FY25 Composite Financial Index

This information item was deferred until the next meeting of the committee.

XI. Quarterly Report of Agreements $250,000 or Greater

Ms. Graham reported on four agreements from the period January through March 2026:

- Pisgah Audio Video Lighting for ETSU commencement ceremonies—a possible five-year contract totaling $285,506
- Exemplifi for university website redesign and hosting—a five-year contract totaling $765,000
- Preston Construction for CPA courtyard pickleball courts, in the amount of $299,849
- Workspace Interiors for Sherrod Library furniture, in the amount of $396,481, piggybacking off a University of Tennessee contract

Ms. Graham indicated that there are three RFPs in process:

- A cap and gown RFP (Jostens is the incumbent)
- A banking RFP (First Horizon and Bank of Tennessee are the incumbents)
- An RFP for janitorial services for ETSU Family Medicine clinics (SSC is the incumbent)

XII. Other Business

There was no other business to come before the committee.

XIII. Adjournment

The committee adjourned at 11:16 a.m.

EAST TENNESSEE STATE UNIVERSITY
BOARD OF TRUSTEES

ACTION ITEM

DATE:	September 11, 2026
ITEM:	Approval of Policy on Use of Out-of-State Undergraduate Tuition and Fee Revenues
COMMITTEE:	Finance and Administration
RECOMMENDED ACTION:	Approve
PRESENTED BY:	Christy Graham Chief Financial Officer and Vice President of Business and Finance

Staff will present a proposed "Use of Out-of-State Undergraduate Tuition and Fee Revenues Policy" for consideration. The policy was established in accordance with Tennessee Code Annotated § 49-7-196 et seq., which requires the University to establish a utilization plan for revenues derived from out-of-state undergraduate tuition and fees. The statute also requires institutions to address how those revenues may be used to mitigate tuition and fee costs for in-state undergraduate students.

Under the proposed policy, revenues generated from out-of-state undergraduate tuition and fees may be used for general institutional purposes, including academic instruction and support, student services and student success initiatives, faculty and staff compensation and benefits, financial aid and scholarships, and facilities, infrastructure, and technology.

The policy also provides that, as part of the University's annual budget and financial planning processes, ETSU may consider the use of these revenues to enhance affordability for in-state undergraduate students. Such uses may include supporting financial aid or scholarships; reducing the need for tuition or fee increases; offsetting instructional or operational costs that would otherwise be borne by in-state tuition and fees; and investing in efficiencies or cost-saving measures that contribute to long-term affordability.

MOTION: I move that the Finance and Administration Committee recommend adoption of the following resolution by the Board of Trustees:

RESOLVED: The proposed Use of Out-of-State Undergraduate Tuition and Fee Revenues Policy is approved as presented in the meeting materials.

Use of Out-of-State Undergraduate Tuition and Fees Policy

Policy Purpose

The purpose of this policy is to comply with T.C.A. § 49-7-196 by describing the University's utilization plan for revenues derived from out-of-state undergraduate tuition and fees and how those revenues may be used to mitigate tuition and fee costs for in-state undergraduate students.

Applicability

This policy applies to University units responsible for tuition and fee administration, budgeting, financial planning, financial aid, and the expenditure or allocation of revenues derived from out-of-state undergraduate tuition and fees.

Responsible Official, Office, and Interpretation

The Finance and Administration Committee of the Board of Trustees is responsible for the review and revision of this policy. For questions about this policy, please contact the Secretary of the Board of Trustees. The Board of Trustees, in consultation with the Office of University Counsel, has the final authority to interpret this policy.

Defined Terms

A defined term has a specific meaning within the context of this policy.

Out-of-State Undergraduate Tuition and Fees

Revenues generated from tuition and fees assessed to undergraduate students classified as out-of-state for tuition purposes.

Policy

1. General Use
    1.1. Revenues generated from out-of-state undergraduate tuition and fees may be used for general institutional purposes, including but not limited to:
        1.1.1. Academic instruction;
        1.1.2. Student services and student success initiatives;
        1.1.3. Faculty and staff compensation and benefits;
        1.1.4. Financial aid and scholarships; and
        1.1.5. Facilities, infrastructure, and technology.

2. Mitigation of Costs for In-State Undergraduate Students
    2.1. As part of its annual budget and financial planning processes, the University shall consider how revenues derived from out-of-state undergraduate tuition and fees may be utilized to help mitigate tuition and fee costs for in-state undergraduate students, which may include, but are not limited to:
        2.1.1. Supporting institutional financial aid or scholarship programs benefiting in-state undergraduate students;
        2.1.2. Reducing the need for tuition or fee increases for in-state undergraduate students;
        2.1.3. Offsetting instructional or operational costs that would otherwise be borne by in-state tuition and fees; and
        2.1.4. Investing in efficiencies or cost-saving measures that contribute to long-term affordability for in-state students.

Procedures

N/A

Authority and Revisions

Authority: T.C.A. § 49-8-203, et seq.

Previous Policy: N/A

The ETSU Board of Trustees is charged with policy-making pursuant to TCA § 49-8-203, et seq. This policy may only be revised by the Board of Trustees. Before a substantive change to the policy section may take effect, the requested changes must be: (1) presented to the Finance and Administration Committee of the Board of Trustees for review and approval; and (2) if approved by the Finance and Administration Committee, presented for a vote of the Board of Trustees and approved by a majority of the Board of Trustees. The Secretary of the Board will provide a notification to the Board of Trustees if a technical revision to this policy is implemented or a revision to the procedure section is implemented.

EAST TENNESSEE STATE UNIVERSITY
BOARD OF TRUSTEES

ACTION ITEM

DATE:	September 11, 2026
ITEM:	Foundation Update and Request for Naming
COMMITTEE:	Finance and Administration
RECOMMENDED ACTION:	Approve
PRESENTED BY:	Howard Reddy Vice President for University Advancement

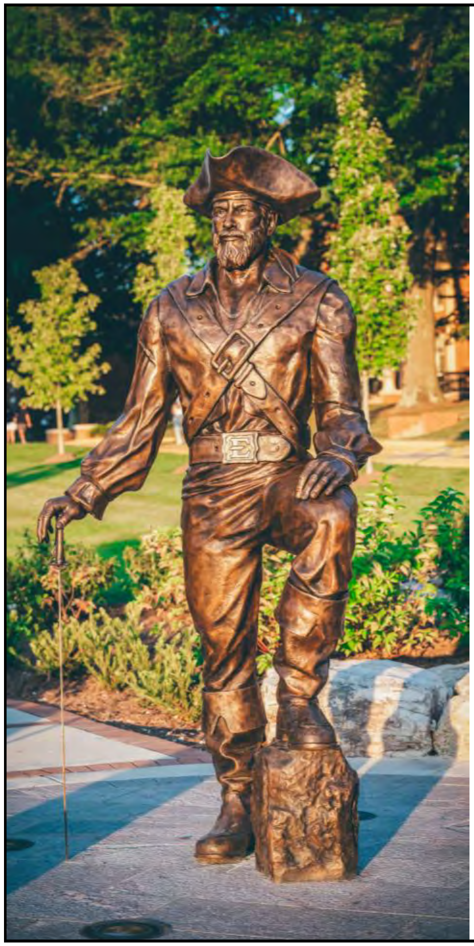
The Division of University Advancement supports East Tennessee State University through strategic engagement, with a focused commitment to results that strengthen philanthropic support, foster partnerships, and promote a culture of growth and excellence.
University Advancement staff will provide an update on the following:

- Optimization of processes across the Division of University Advancement to enhance efficiency and effectiveness;
- Implementation of strategic communication initiatives to strengthen constituent engagement and support institutional priorities;
- Current fundraising performance and philanthropic outcomes; and
- ETSU Foundation investment performance and portfolio overview.

Additionally, a recent transformational eight-figure gift to the ETSU Foundation will establish four endowed funds and support two significant capital projects. In recognition of this extraordinary commitment, the Board of Trustees will be asked to consider and approve a naming opportunity associated with the gift.

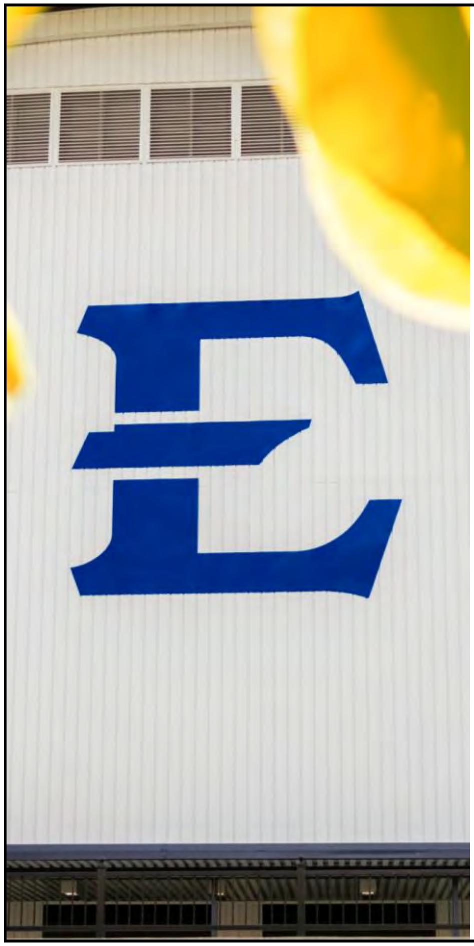
University Advancement and ETSU Foundation

Fall 2026 Update
Friday, September 11, 2026



Foundation Updates

- Process optimization (online giving, gift agreements, fund management)
- Invested strategically in Donor Relations, Annual Giving, and Alumni Engagement
- Implemented a Moves Management process for Major Gifts
- Raised **$1.3 million** during Forever ETSU Week 2026
- Foundation received an unmodified, clean audit



Foundation Updates

- Established a Real-Property Committee
- Implemented more strategic donor communications, including scholarship reports, multimedia impact reports, and personalized gift acknowledgments
- Hosted Distinguished President's Trust dinner with record attendance

Our North Star

To advance East Tennessee State University through strategic engagement, with a laser focus on results that drive philanthropic support and partnership within a culture of growth and excellence.

2025-26 At-a-Glance

$13.3 million
Raised in 2025-26

5,630
Total Donors

1,943
First-time Donors

15,072
Gifts

2025-26 ETSU Foundation Investment Performance

- Market Value: **$202.3 million**
- Fiscal Year-to-Date: **15.9%**
- 3-Year (Annualized): **14.5%**
- Inception-to-Date: **8.74%**

The **ETSU Foundation** is guided by a Board of Directors

ETSU Foundation Board of Directors 2026-2027 Membership

Andy Hall – *Chair '95*

Matt Wilhjelm – *Vice-Chair '01, '04*

Kim Hall – *Secretary '91*

Mitch Tuell – *Treasurer/Chair, Audit Committee '94, '03*

Renee Lockhart – *Immediate Past-Chair '87, '89*

Tommy Greer – *Chair, Investment Committee '86*

Dr. Brian Noland

Howard Reddy

Dr. Steve Barnett *'92, '13*

Will Barrett

Jeff Bedard

Dr. Virginia Bieber *'90, '93, '03*

Andy Dietrich

Stephen Dixon *'95*

Tracy Fleenor *'07*

Josh Gibbons

Christina Graham

Bryan Hawk *'98*

Casey Hammontree *'98*

State Rep. Gary Hicks '*01*

Steven Kilgore

Cheryl Lang *'86*

Barb Street

Sandy Thomas

PEOPLE

More than $4.4 million in FY26 awarded in Foundation-funded scholarships:

- Need-based
- Merit-based
- Athletic scholarships

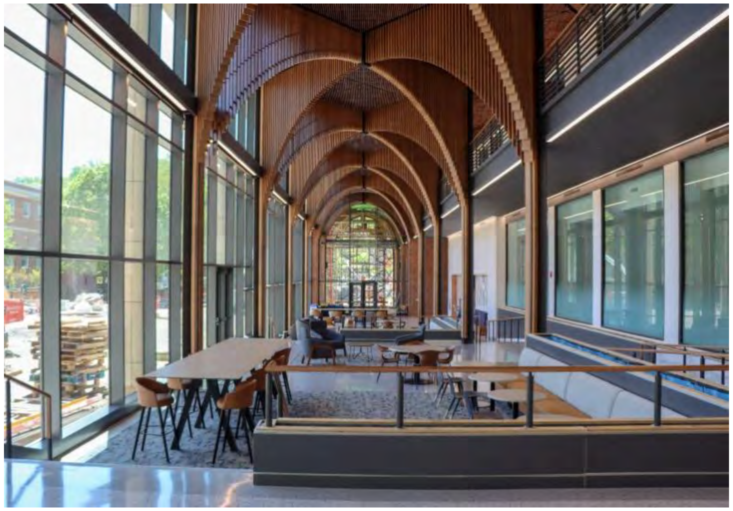
Support new opportunities for faculty:

- Faculty fellowships like the Blackburn, Childers, and Steagall Faculty Fellowship in Accounting

PROGRAMS (Academic & Athletic)

- Historical example: Gatton College of Pharmacy
- Donor support sustains **Academic programs**
    - Surveying and Mapping
    - Orthotics and Prosthetics
    - Audiology and Speech-Language Pathology
    - Brewing and Distillation Studies
    - Mary B. Martin School of the Arts
    - Roan Scholars and many others
- Significant support for our **Athletic programs**

PLACE (Facilities & Equipment)



Private dollars have supported:

- Academic Building
- Brown Hall
- Lamb Hall
- William B. Greene Jr. Stadium

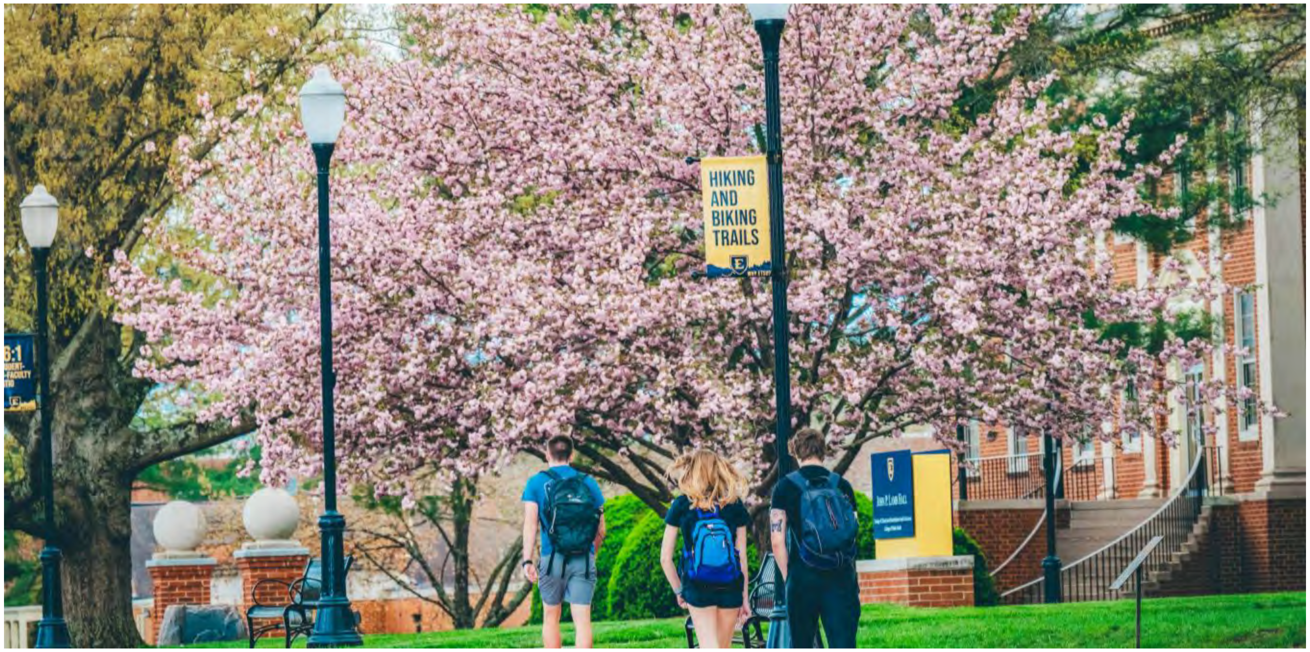
PLACE

New projects on the horizon include:

- **Memorial Hall** – new veterans center in Brooks gym
- **Yoakley Hall** renovation – new home for Roan Scholars
- **University School**

COMMUNITY

- Martin Center for the Arts
- Bluegrass, Old-Time, and Roots Music
- WETS-FM
- Marching Bucs



Naming Opportunity

EAST TENNESSEE STATE UNIVERSITY
BOARD OF TRUSTEES

ACTION ITEM

DATE:	September 11, 2026
ITEM:	Employment Agreement
COMMITTEE:	Finance and Administration
RECOMMENDED ACTION:	Approve
PRESENTED BY:	Melissa Steagall-Jones Chair, ETSU Board of Trustees

As authorized by the Bylaws of the East Tennessee Board of Trustees (Article 1, Section 2, Sub-section E), the Board is responsible for "…the election and removal of the chief executive officer ("President") of the University and the fixing of their compensation."

The Chair of the Board recommends the execution of an employment agreement for Dr. Brian Noland.

MOTION: I move that the Finance and Administration Committee recommend adoption of the following resolution by the Board of Trustees, approving the term sheet previously provided to the Trustees outlining a new employment agreement for Dr. Brian Noland.

> **RESOLVED, that the East Tennessee State University Board of Trustees approves a new employment agreement for Dr. Brian Noland, effective January 1, 2027, with compensation and other terms of employment as set forth in the term sheet previously provided to the Trustees; and**
>
> **FURTHER RESOLVED, that the Board of Trustees authorizes and directs the Chair of the Board to work with ETSU's University Counsel to negotiate, finalize, and execute a definitive employment agreement consistent with the approved term sheet.**

EAST TENNESSEE STATE UNIVERSITY
BOARD OF TRUSTEES

INFORMATION ITEM

DATE:	September 11, 2026
ITEM:	Presentation of FY25 Composite Financial Index
COMMITTEE:	Finance and Administration
PRESENTED BY:	Christy Graham Chief Financial Officer and Vice President of Business and Finance

The university prepares the Composite Financial Index (CFI) for review by the Board each year. CFI The ratios were published in *Ratio Analysis in Higher Education* by KPMG and Prager, McCarthy & Sealy, LLC. The ratios were originally designed for private institutions and modified for public institutions in 2002. These ratios are intended to provide a measure of financial health of the institution.

The CFI consists of four individual ratios outlined below, which are calculated and then weighted to produce the single CFI measure. The presentation of the CFI includes the financial resources of the ETSU Foundation as they provide support to the university.

Primary Reserve - 35%
- Measure of financial strength and flexibility. Comparison of expendable net assets to total expenses.
- Calculation - Expendable Net Assets / Total Expenses
- Standard Performance – 0.40

Viability – 35%
- Measure of financial health. Compares total expendable net assets to total current and noncurrent liabilities. Similar to coverage ratio.
- Calculation - Expendable Net Assets / Plant Related Debt
- Standard Performance – 1.25

Return on Net Assets – 20%
- Measure of total economic return for fiscal year. Similar to return on equity.

Net Operating Revenues – 10%
- Indicates an operating surplus or deficit for the year. Similar to profit margin.
- Calculation – Operating Income + Nonoperating Revenues + Foundation

- Calculation - Δ in Net Assets / Beginning Total Net Assets
- Standard Performance - Inflation rate plus 3%

Δ in Unrest NA /Operating and Nonoperating Revenues + Foundation Unrestricted Revenue

- Standard Performance – 4%

Composite Financial Index

ETSU	FY22	FY23	FY24	FY25	Standard	Watch
Total CFI	4.56	6.12	5.88	4.58	3.0	1.0
Primary Reserve	.56	.68	.75	.63	.4	.13
Viability	1.43	1.95	2.45	2.28	1.25	.41
Return on Net Assets	10.39	16.82	10.72	7.75		
Net Operating Revenues	10.93	13.74	10.13	3.02		

EAST TENNESSEE STATE UNIVERSITY
BOARD OF TRUSTEES

INFORMATION ITEM

DATE:	September 11, 2026
ITEM:	Quarterly Financial Update
COMMITTEE:	Finance and Administration
PRESENTED BY:	Christy Graham Chief Financial Officer and Vice President of Business and Finance

The tables below summarize financial activities for the university through June of fiscal year 2025-26. The comparison is current year to prior year for the same twelve-month period.

The financial information presented in this report is preliminary and unaudited. The University is continuing the fiscal year-end closing process and preparation of its fiscal year 2025-26 financial statements, including the completion of year-end adjustments and other required accounting entries. As a result, amounts presented in this report are subject to change. Updated financial information reflecting the most current results available will be presented to the Finance and Administration Committee at the September 11 meeting.

Table 1 – Unrestricted E&G Revenues by Unit and Revenue Source

Unrestricted E&G
Year-to-Year Comparisons
Year-to-Date 6-30-2025 & 6-30-2026

			Change	
	FY2024-25	**FY2025-26**	**$**	**%**
REVENUES				
By Appropriation Unit				
Main Campus	$301,737,009	$313,858,251	$12,121,242	4.02%
Medicine/Family Med	117,979,092	128,691,154	10,712,063	9.08%
Pharmacy	6,784,047	9,538,299	2,754,252	40.60%
TOTAL REVENUE	$426,500,148	$452,087,704	$25,587,556	6.00%
By Revenue Source				
Tuition and Fees	$168,746,894	$179,968,899	$11,222,005	6.65%
State Appropriations	168,851,575	176,502,275	7,650,700	4.53%
Grants, Contracts, Gifts	30,123,410	34,174,317	4,050,907	13.45%
Transfers	3,242,554	8,565,193	5,322,639	164.15%
Other	55,535,716	52,877,021	(2,658,695)	-4.79%
TOTAL REVENUE	$426,500,148	$452,087,704	$25,587,556	6.00%

Table 2 – Unrestricted E&G Expenditures by Appropriation Unit and Classification

Unrestricted E&G
Year-to-Year Comparisons
Year-to-Date 6-30-2025 & 6-30-2026

			Change	
	FY2024-25	**FY2025-26**	**$**	**%**
EXPENDITURES				
By Appropriation Unit				
Main Campus	$303,262,864	$326,463,518	$23,200,654	7.65%
Medicine/Family Med	128,224,571	120,480,315	(7,744,256)	-6.04%
Pharmacy	7,878,887	8,066,760	187,874	2.38%
TOTAL EXPENSE	$439,366,321	$455,010,593	$15,644,272	3.56%
By Natural Classification				
Salaries & Benefits	$293,298,456	$298,085,063	$4,786,607	1.63%
Compensated Absences	24,183,006	(5,544,324)	(29,727,331)	122.93%
Operating	57,435,832	66,391,576	8,955,744	15.59%
Capital/Equipment	3,604,185	4,606,629	1,002,444	27.81%
Transfers	33,874,374	62,363,433	28,489,059	84.10%
Scholarships/Fellowships	26,970,468	29,108,217	2,137,749	7.93%
TOTAL EXPENSE	$439,366,321	$455,010,593	$ 15,644,272	3.56%
By Functional Classification				
Instruction	$206,154,989	$190,354,405	(15,800,584)	-7.66%
Research	10,501,248	9,523,989	(977,258)	-9.31%
Public Service	19,872,461	21,847,341	1,974,880	9.94%
Academic Support	42,805,297	40,094,093	(2,711,204)	-6.33%
Student Services	40,588,358	36,916,729	(3,671,629)	-9.05%
Institutional Support	30,159,276	35,326,061	5,166,785	17.13%
Physical Plant	28,535,135	30,329,978	1,794,844	6.29%
Transfers	33,757,650	61,485,816	27,728,166	82.14%
Scholarships and Fellowships	26,991,907	29,132,180	2,140,273	7.93%
TOTAL EXPENSE	$439,366,321	$455,010,593	$15,644,272	3.56%

Table 3 – Current Operating Funds Revenues by Fund Type and Revenue Source

Current Operating Funds (Unrestricted/Auxiliaries/Restricted)
Year-to-Year Comparisons
Year-to-Date 6-30-2025 & 6-30-2026

			Change	
	FY2024-25	**FY2025-26**	**$**	**%**
REVENUES				
By Current Fund Type				
Unrestricted E&G	426,500,148	452,087,704	25,587,556	6.00%
Auxiliaries	29,897,533	39,715,770	9,818,236	32.84%
Restricted Funds	134,129,423	124,423,594	(9,705,830)	-7.24%
TOTAL REVENUE	590,527,105	616,227,068	25,699,963	4.35%
REVENUES				
By Revenue Sources				
Tuition and Fees	168,746,894	180,042,014	11,295,120	6.69%
State Appropriations	169,407,975	177,067,375	7,659,400	4.52%
Grants, Contracts, Gifts	163,755,975	157,374,988	(6,380,986)	-3.90%
Transfers	(3,441,123)	8,765,193	12,206,316	-354.72%
Other	56,265,208	54,103,841	(2,161,367)	-3.84%
Auxiliaries	35,792,177	38,873,656	3,081,480	8.61%
TOTAL REVENUE	590,527,105	616,227,068	25,699,963	4.35%

Table 4 – Current Operating Funds Expenditures by Fund Type and Classification

Current Operating Funds (Unrestricted/Auxiliaries/Restricted)
Year-to-Year Comparisons
Year-to-Date 6-30-2025 & 6-30-2026

	FY2024-25	FY2025-26	Change $	Change %
EXPENDITURES				
By Current Fund Type				
Unrestricted E&G	$439,366,321	$455,010,593	$15,644,272	3.56%
Auxiliaries	30,452,112	30,627,553	175,441	0.58%
Restricted Funds	137,837,608	123,244,490	(14,593,118)	-10.59%
TOTAL EXPENSE	$607,656,041	$608,882,636	$1,226,595	0.20%
EXPENDITURES				
By Natural Classification				
Salaries & Benefits	$332,028,250	$339,693,815	$7,665,564	2.31%
Compensated Absences	24,815,371	(5,600,840)	(30,416,211)	-122.57%
Operating	104,923,765	101,331,301	(3,592,464)	-3.42%
Capital/Equipment	5,169,664	5,299,365	129,700	2.51%
Transfers	50,571,974	77,120,307	26,548,334	52.50%
Scholarships/Fellowships	90,147,015	91,038,688	891,673	0.99%
TOTAL EXPENSE	$607,656,041	$608,882,636	$1,226,595	0.20%
EXPENDITURES				
By Functional Classification				
Instruction	$212,080,516	$195,127,136	$(16,953,380)	-7.99%
Research	25,151,047	20,280,280	(4,870,767)	-19.37%
Public Service	73,933,300	60,153,333	(13,779,967)	-18.64%
Academic Support	43,262,231	40,571,612	(2,690,619)	-6.22%
Student Services	41,033,173	37,390,771	(3,642,402)	-8.88%
Institutional Support	30,241,741	35,395,680	5,153,939	17.04%
Physical Plant	28,539,038	30,348,969	1,809,930	6.34%
Transfers	33,757,650	69,071,514	35,313,864	104.61%
Scholarships/Fellowships	90,296,774	91,267,933	971,160	1.08%
Auxiliary Enterprises	29,360,570	29,275,408	(85,162)	-0.29%
TOTAL EXPENSE	$607,656,041	$608,882,636	$1,226,595	0.20%

Table 5 – Statement of Net Position - All Funds

STATEMENT OF NET POSITION
Year-to-Date 06-30-2025 & 06-30-2026

	Education and General Funds	Agency, Loan & Endow. Funds	Plant Funds	Total YTD FY26	Total FY25
ASSETS					
Cash	68,781,567	19,649,375	197,131,474	285,562,416	269,574,675
Investments	50,273,285	-	13,600,000	63,873,285	63,641,564
Accounts Receivable	35,807,655	818,435	312,281	36,938,371	38,151,967
Inventories & Prepaid Exp	741,230	-	-	741,230	760,141
Net Pension Asset	998,677	-	-	998,677	-
Net OPEB Asset	5,550,907	-	-	5,550,907	1,871,750
Capital Assets	-	-	550,895,785	550,895,785	493,642,272
Other Assets	17,562	-	-	17,562	17,562
Total Assets	162,170,883	20,467,811	761,939,539	944,578,233	867,659,931
DEFERRED OUTFLOW					
Bond Refunding	-	-	2,542,984	2,542,984	2,542,984
Pensions	9,356,562	-	-	9,356,562	17,084,894
OPEB	2,664,629	-	-	2,664,629	4,570,284
Total Def Outflows	12,021,190	-	2,542,984	14,564,175	24,198,162
Total Assets & Deferred Outflows	174,192,074	20,467,811	764,482,523	959,142,408	891,858,093

	Education and General Funds	Agency, Loan & Endow. Funds	Plant Funds	Total YTD FY26	Total FY25
LIABILITIES					
Accounts Payable	7,945,013	38,339	5,220,271	13,203,623	10,085,900
Accrued Liabilities	13,241,125	-	202,490	13,443,615	12,609,291
Student Deposits	824,411	(142,875)	-	681,536	999,261
Unearned Revenue	19,584,091	-	-	19,584,091	27,936,441
Compensated Absences	79,232,513	-	-	79,232,513	85,509,868
Long-term Liabilities	-	-	155,809,957	155,809,957	148,054,545
Deposits Held for Others	-	1,128,093	-	1,128,093	970,982
Net Pension Liability	-	-	-	-	9,345,400
Due to Grantors	-	2,974,688	-	2,974,688	3,070,140
Total Liabilities	120,827,153	3,998,245	161,232,718	286,058,116	298,581,827
DEFERRED INFLOWS					
Bond Refunding	-	-	42,221	42,221	42,221
Other	113,193	-	-	113,193	158,470
Pensions	2,583,948	-	-	2,583,948	4,767,116
OPEB	11,594,822	-	-	11,594,822	14,986,325
Total Def Inflows	14,291,963	-	42,221	14,334,184	19,954,133
NET POSITION					
Net Investment in Capital	-	-	417,514,941	417,514,941	348,088,491
Restricted Net Position	37,690,789	(1,226,982)	18,494,389	54,958,196	47,169,667
Unrestricted Net Position	1,382,169	17,696,547	167,198,254	186,276,971	178,063,975
Total Net Position	39,072,958	16,469,565	603,207,585	658,750,108	573,322,133
Total Liabilities, Deferred Inflows, & Net Position	174,192,074	20,467,811	764,482,523	959,142,408	891,858,093

EAST TENNESSEE STATE UNIVERSITY
BOARD OF TRUSTEES

INFORMATION ITEM

DATE:	September 11, 2026
ITEM:	Quarterly Report of Agreements $250,000 or greater
COMMITTEE:	Finance and Administration
PRESENTED BY:	Christy Graham Chief Financial Officer and Vice President of Business and Finance

Included below is a list of agreements with amounts totaling $250,000 or greater processed during the period of April 2026 – June 2026, as well as RFQs that are upcoming or in progress.

Contract/PO Date **April - June 2026: Contracts/Purchase Orders*** **Fiscal Review**

Start	End	Contractor	Description of Services/ Products	Contract/PO Amount	$ Annual Contract	Competitive	Approval
4/30/2026	5/31/2026	Dell Computer Corp.**	Annual Computer Lab Upgrade EPO-0020994	$389,988	$0	Yes	N/A
6/1/2026	5/31/2031	Knox-Blount Maintenance, Inc.	Janitorial services for ETSU Family Medicine Clinics RFP26005	$564,000	$128,000	Yes	

**This report does not include contracts or agreements associated with revenue, software/systems maintenance agreements, contracts with the federal government, and construction projects which are approved through the State Building Commission.*

***Dell using University of Memphis Contract*

<u>RFQ/RFPs –In-Process and Upcoming</u>

Contract Lifecycle Management RFP – Fall 2026
RFP 26007 – State Funds Banking – active review/ evaluation of proposals
RFP 26008 – Foundation Banking – active review/ evaluation of proposals
Cap and Gown RFP – Awarded to Jostens – contract being finalized