

**REPORT ON THE
COMMITTEE ON FINANCE AND BUSINESS OPERATIONS
JUNE 10, 2004**

The Committee on Finance and Business Operations met in regular session on June 10, 2004, on the campus of Tennessee Tech University.

The first item of business was a review of the proposed student fees for in-state and out-of-state tuition and other mandatory and non-mandatory incidental fees. After discussion, the Committee approved the proposed increases in in-state and out-of-state tuition. Also approved were other mandatory and non-mandatory incidental fees. A copy of the proposed fees is attached to the official Board minutes as Attachment A.

The next item on the agenda was review of the proposed 2004-2005 operating budget for the System. The Committee approved the budget which totals \$1,668,298,600. A copy of the system budget for 2004-2005 is attached to the official Board minutes as Attachment B.

The third item on the agenda was review of proposed revisions to Policy 1:02:03:10 – Conflict of Interest. The revisions incorporated

provisions of the Governor's Executive Order #3 into Section 7.1.d - Acceptance of Gifts, Gratuities, or Favors. After discussion, the revisions were approved by voice vote.

The next agenda item was a review of audit reports issued by the State Comptroller's office for Middle Tennessee State University, Tennessee State University, Tennessee Technological University, and the University of Memphis. A special report regarding a Review of Issues Related to Dr. James Smith's Tenure as Athletics Director at Tennessee State University was deferred until the September 2004 meeting.

The next agenda item was a status report on the Tennessee State University Audit Follow-Up Taskforce. The taskforce has identified 19 items requiring resolution. A report of actions taken toward resolving these 19 issues was presented.

The final agenda item was a resolution to adopt a methodology for establishing priority and justification for the purchase and replacement of properties that are currently leased. The resolution was adopted by voice vote.

There being no further business to come before the Committee, the meeting was adjourned.

Respectfully submitted,

COMMITTEE ON FINANCE
AND BUSINESS OPERATIONS

William H. Watkins, Jr.
Chair