

## **EMPLOYEE RELATIONS COMMITTEE MEETING**

The University of Tennessee at Chattanooga

May 15, 2008

Southern Writer's Room, Lupton Library

**Representatives and Alternates present:** Joyce Blevins, Pat Boyer, Angela Bradshaw, Sue Carroll, Julia Cronin, Cheryl Faulkner, Valerah Hodges, Anne Jay, Sandra Jones, Anna Lane, Jack Pitkin, Joyce Powell, Jean Rice, Frankie Roeser, Sue Stephens, Nancy Tolar, Liz Walker, Jean Walston.

**Others in attendance:** Terry Denniston, Assistant to the Chancellor; Dan Webb, Director, Office of Human Resources; Nancy Owens, Associate Director, Office of Human Resources; Melanie Sadler, Administrative Specialist, Office of Human Resources.

**Call to Order:** Ms Hodges called the meeting to order.

**Guest: Richard Brown, Vice Chancellor for Finance & Operations**

### ▪ **Salvation Army**

The Salvation Army has planned a \$5 million expansion to increase the number of beds for offenders. They currently house 20 offenders who are monitored by the Federal Board of Paroles.

Vice Chancellor Brown and Dr. Roger Thompson, Political Science, attended a City Council meeting, where a decision to approve the expansion was tabled after much discussion. Dr. Brown said while zoning is in place for expansion, the university would like to know who will receive services from the Salvation Army and the monitoring that will take place. He and Chief Ratchford will meet today with Salvation Army officials. Dr. Brown said the Salvation Army, at its present location for 25 years, does not need approval from the university but wants to be good neighbors in discussing the proposed expansion. He added that the property looks much better since resale operations were moved to another location.

Future plans for the university include approximately \$30 million in residence halls that would be built across the street from the Salvation Army. A member said they thought a methadone clinic was on the property; Ms Denniston and Dr. Brown said they did not believe this information is correct and would check to confirm that there is no methadone clinic on this site.

### ▪ **Budget**

The state will cut \$55.8 million from higher education; of the \$21.7 million to be cut from UT's budget, UTC will lose \$2.7 million. Dr. Brown said the philosophy of the Executive Team is to do all they can to ensure people working here retain their jobs. The university will freeze some vacant positions but some positions must be filled by qualified faculty to teach and maintain the university's accreditation. There will be no across-the-board cuts but strategic cuts as the university focuses on its core business of educating students.

If programs were cut, it would take approximately 2 years to realize any savings. Eliminating vacant positions has already cut \$4.3 million from the budget. When questioned if a plumber would be hired to replace the retiring one, Dr. Brown said the position has been frozen.

A freeze has been placed on large purchases over \$100,000 and travel will be restricted, in particular out-of-state and international. Dr. Brown responded to a question from a member about travel from restricted accounts, by saying there would probably be some flexibility.

Building renovations and \$6.4 million in new projects continues. Dr. Brown said only one boiler had been operational all winter and appropriations will provide funds to purchase another one.

Tuition is expected to increase 4-6% and the legislature has stated it does not want double digit increases. An increase in students will generate more revenue and it is hoped it will provide enough to cover insurance increases. He relayed a story that an Honors student had received offers from many prestigious institutions to attend, but decided upon UTC, saying that the staff had impressed her.

When asked if faculty would be required to teach additional classes, Dr. Brown said the Provost is reviewing classes and considering various options to insure classes are covered appropriately. Instructors on annual appointments generally cost the University much less than regular tenure-track faculty appointments. There are various non-financial issues associated with the use of adjunct instructors and one-year faculty appointments, particularly the impact on SACS accreditation. A SACS self-study will aid in determining if using a large number of instructors would affect accreditation. Dr. Brown added that the university is challenged physically for classroom space.

Dr. Brown said monies are needed for a new student information system. Rising utility costs will add \$200,000 to the base budget; roll-overs from UC Foundation to institutional funding and promotions must also be covered to insure that the Universities book for this fiscal year can close in the black.

A 2% raise for state employees, previously included in the governor's budget, has been eliminated. There are some talks in the legislature of providing a bonus but the governor predicts an even worse 2009/10 budget, making any bonus or pay increase unlikely this year or next. Approximately 2,000 state jobs will be eliminated and retirement incentives for state workers are being discussed. Tennessee is not alone: Kentucky is facing an 11% cut and Alabama and North Carolina are in the same situation. The budget situation is being affected by increasing in oil prices, the housing crisis, and Tennessee's tax structure.

In responding to a question, Dr. Brown said non-recurring funds could not be used to fund salaries. He praised Bob Lyon's (Vice Chancellor, University Advancement) efforts in fundraising.

A member asked Dr. Brown for a commitment that information would be shared concerning the budget. He replied that as soon as decisions are made, information would be released. Ms Denniston added the Executive Team has encouraged information sharing. Dr. Brown said it would be a tough year financially. He said local legislators are supportive of the university and understand the value of education.

**Guest: Terry Denniston, Assistant to the Chancellor**

▪ **Normal Park School**

Principal Jill Levine has asked for community support as Normal Park Elementary School holds work days on June 6 and 7. Ms Denniston said Chancellor Brown is supportive of the idea and added that the school works frequently with Dr. Tanner and Dr. Valerie Rutledge, College of Education. She will email a flyer with times that staff may volunteer. Furniture will be moved out of the middle school on June 6 and a small amount of furniture moved in on June 7. Volunteers are also needed for painting and yard work.

▪ **Strategic Plan**

Twenty-eight working committees are in place and will view existing programs, needs, and vacancies remembering that the university's mission is to teach students. Ms Denniston said several committees do not have much monies attached to them.

▪ **University Budget**

The university should know soon the amount to be cut from the university's budget. Mr. Webb said layoffs are unlikely. There has been no word if retirement incentives will be offered to higher education. Butch Peccolo, UT Treasurer, met with members of the senior administration Wednesday at UTC. State budget cuts should not affect the lottery; Ms Cronin said the state cannot divert lottery monies to ease the budget but might divert to K-12 programs.

The university has not received notice of insurance increases for 2009, but Mr. Webb and Ms Denniston said increases are to be expected.

Funds for a new library are not in jeopardy. Construction of the Wellness Center is paid by student fees and private funds are being used to build the Strength & Conditioning Center.

Ms Boyer asked if there was discussion of the university going to a 4-day work week. She said this is done in her office several times a year although for some departments it would not be an option. Ms Denniston said there has not been much discussion of a 4-day work week. It is not known if the CARTA shuttle will continue this fall.

**Issues/Concerns**

▪ **Blue Ribbon Award**

May 2008 - Chris Tanis, UTC Webmaster, University Relations

▪ **Picnic**

Ms Hodges said the summer picnic is scheduled August 8 from 11:30 - 1:30 in Maclellan Gym. The Chancellor's staff will serve for one hour and the ERC and ESC will serve for one hour. Ms Hodges is soliciting donations for door prizes. Booker Scruggs' band will provide live music and Cajun food will be served. Ms Hodges said the Chancellor's office is providing Mardi Gras beads.

Donations were collected at last year's picnic for the Chattanooga Food Bank and Ms Hodges said she would like to do the same this year. She will find out what items are needed most at the Food Bank.

▪ **Budget Committee**

Ms Cronin, Chair, said that due to the university's budget situation, a letter to the Chancellor regarding compression/equity would not be drafted.

▪ **E-Recruiting**

Mr. Webb said Human Resource officers met in Nashville and recommended discontinuing E-recruiting. A decision should be made when Linda Hendricks assumes the role of Chief Human Resources Officer on June 1. If E-recruiting is discontinued, it would take approximately two years before a new program is fully implemented.

▪ **Swearing-In Ceremony**

Dr. Brown invited staff to attend the swearing-in ceremony for Chief Ratchford at 2:00 today.

▪ **401k and 457 Plans**

Mr. Webb said new options will be added to the 401k and 457 plans soon. Information will be posted on the Human Resources website.

**Adjournment**

Motion was made and seconded to adjourn.

**Next Meeting**

The ERC will meet June 19 at 2:00 in the Southern Writer's Room, Lupton Library.

Respectfully submitted,

Melanie Sadler  
Administrative Specialist  
Office of Human Resources