

EXEMPT STAFF COUNCIL MEETING

The University of Tennessee at Chattanooga

June 20, 2011

Foundation Room, University Center

Members attending: Tonya Botts, Jean Dake, Amy Davis, Ryan Hall (representing Mary Jean Broyles), Laura Herron, Bruce Hilbert, Susan Lazenby, Tonia Martin.

Others in attendance: Dan Webb, Director, Office of Human Resources; Melanie Sadler, Administrative Specialist, Office of Human Resources.

Call to Order: Ms. Dake called the meeting to order.

Minutes: Motion was made and seconded to approve minutes of the May 15th meeting.

Guest: Dr. Richard Brown, Vice Chancellor for Finance & Operations

UTC's budget will be presented to the UT Board of Trustees this week and when approved will be posted on the website. The budget brings about challenges and changes but every dollar invested brings a good return. Dr. Brown said \$14 million has been cut from \$100 million in state appropriations and predicts it will not be returned to the budget.

Among the challenges in the budget are the Master Plan; IT Strategic Plan; increasing tuition and fees; opportunity for UTC to increase enrollment to 14-15,000 students.

Changes this year include the QEP (Quality Enhancement Plan) and academic quality; accountability and transparency; new funding for Athletics from a student athletic fee.

The IT Master Plan has recommended new leadership by establishing the position of Chief Information Officer that would work to bring academic and administrative functions together; established IT governance model; creating a service catalog; promoting customer service improvements; developing a five-year planning strategy that would include financial (technology refreshing), governance, customer service (University-Wide Help Desk).

Budget issues for 2011-12 year going forward include support for instruction and academic quality by increasing the number of qualified faculty; SACS reaffirmation for the next 10 years and continuous program review; QEP critical thinking that will be infused into the curriculum and funded for the next 5 years at a cost of \$1.5 million; compensation for faculty and staff; operating budget; maintenance and operations; control of (UT)System costs; Complete College Act; new funding formula that is based upon the number of students that graduate.

Effective July 1, Development will become affiliated with the UT Foundation. UTC has provided \$1.2 million in seed-money and fundraising for UTC will be done through the Foundation. Pay increases for Development will be performance-based.

Dr. Brown said there is ongoing review of positions that do not produce FTEs such as the Arena, Children's Center, Challenger Center, and Cadek.

Requests for new allocations totaled \$11.5 million but only \$7.3 million was funded. These include \$9,000 for Chancellor's office; \$2.8 million for Academic Affairs that includes 2 QEP positions, a Doctorate in Nursing, new faculty hires, Institutional Research Compliance Officer, and \$30,000 for Faculty Senate; \$1.1 million for Athletics; \$477,800 for Finance and Operations that includes 1 Safety Officer, mandated safety compliance (sprinklers and fire alarms); Office of Equity and Diversity administrative support position, rollover Banner position; \$585,000 for Student Development that includes moving the Judicial Officer from soft money; \$100,000 for a position and operations at Maclellan Gym; \$80,000 for University Advancement that includes 2 positions in University Relations; \$1.3 million to Institution for a Sustainability officer, technology upgrades, utility costs, and \$775,000 for Scholarships.

Fixed costs include \$1.1 million for faculty positions, SACS, QEP; \$1.5 million for 3% across-the-board increases; \$500,000 for energy operations and increased utility costs; \$500,000 for Student Development, Safety, University Relations; \$577,000 to recalibrate state appropriations.

Proposed Revenues include a 9.9% tuition increases that will yield \$4.2 million; \$60/semester Athletic fee yielding \$1.2 million for grants and financial aid, and a richer student experience; \$25/semester Library fee that will net \$1.5 million when the library opens. Dr. Brown said that the proposed fees received unanimous support from the Executive Team and President.

Tuition for undergraduates will increase \$656/year from \$6,062 to \$6,718; graduates will increase \$753/year from \$7,040 to \$7,793; out-of-state students increasing \$1,875/year. Dr. Brown said approximately 7-8% of UTC's students are out-of-state and the number has held steady for several years.

The state will fund 60% of 1.6% across-the-board increase and the university will provide an aggregation compensation pool of 4%. This includes a 3% or \$1,000, whichever is greater, across-the-board for eligible faculty and staff that are employed on June 30th and receive a satisfactory SPDR (for staff) or EDE (for faculty); 1% non-recurring bonus pool, which will be merit-based.

Each Vice Chancellor will have process for nominating faculty/staff for a bonus and would be pro-rated based on the number of employees

per division. Dr. Brown said the ERC and ESC were instrumental in offering guidelines in the past. Guidelines for the current Merit Bonus Program are being developed and will be reviewed by ERC and ESC prior to implementation.

An equity adjustment pool of \$150,000 will be disbursed and Dr. Brown is hopeful that another \$150,000 will be available at mid-year. While the university's benefit package is excellent, UTC must have competitive wages. The new minimum salary for employees will be raised to \$8.50/hour on July 1. In addition, they will receive a \$1,000 raise as part of the across-the-board increases.

Capital projects total \$200 million. Dr. Brown invited staff to be involved in planning charettes this fall to plan green spaces, housing, future of the Arena, etc.

Approximately 150 students will be housed in hotels this fall and 450 students have been turned away due to lack of housing. UTC has evolved into a residential campus as many local students have chosen to live on campus.

Campus expansion adds to parking problems that will take time to address. Plans call for parking decks which are expensive and costs will be gradually added to parking fees. The university has purchased 801 Oak Street that will be occupied by the Provost office. Cooperative Education & International Programs will relocate to the building next door.

Dr. Brown expects construction on the library to resume in 10 days. Parking for contractors will be restricted to the job site. The back wall of the gym, where the Math Mall is located, will be enhanced. The agreement for Engel Stadium should be final in 90 days and a donor will provide funds for a track. The Engel Foundation has two years to raise funds to renovate the stadium. The South Stadium will be dismantled by the fall.

Issues/Concerns

Ms Dake will attend the Employee Relations Advisory Board meeting via videoconference on June 28. At a previous meeting, she presented a concern from an employee about the amount of time to receive a flexible benefits claim reimbursement. She has learned that TN Board of Regents and TVA issue a debit card for flexible benefit expenses. Ms Dake will not present this issue at this time.

APS Healthcare was on campus last week and will return next week. Deadline for completing the health questionnaire and screening is June 30th. Mr. Webb asked staff to email specific issues to him or Kathy Taylor.

Picnic will be August 12 in the Tennessee Room, University Center. The theme will be the University's 125th Celebration. Staff willing to help

with planning are asked to meet with the committee next Wednesday at 2:00.

The Employee Relations Committee has re-published the cookbook and is for sale in the bookstore. While the recipes are the same the cover feature the 125th Anniversary Banner and letter from the Chancellor has been updated.

The ESC will not meet in August.

Next Meeting

The ESC will meet July 18 @ 10:00, Fortwood Room, University Center.

Adjournment

A motion was made and seconded to adjourn.

Respectfully submitted,

Melanie Sadler
Administrative Specialist, Human Resources