

UTC: The Outlook for the Future

A Presentation to the Full Faculty

September 16, 2014

Higher Education Outlook

**“Innovation and/or Economic Pressures
Will Cause the Bottom 25 Percent of
American Colleges to Merge or Disappear
Within 10-15 Years”**

Source: Clayton Christensen, “Innovation Imperative: Change Everything,” New York Times, Nov. 1, 2013; Quoted in DiPietro, Joseph, “Higher Education Funding: Sustainability for Success,” Ellington Agricultural Center, Nashville, Tennessee. 10 September 2014. Opening Remarks.

UTC Outlook for the Future

- This is a time of Change for Higher Education
- Good Things are Happening at UTC
 - 6-Year Graduation Rate 40%
 - Retention 1st to 2nd Year is 70%
- New Facilities Opening and Planned
- UTC is better positioned than any similar institution to meet the challenges facing higher education today.

UTC Budget Issues

- UT System Gap Analysis Predicts \$4.7M Shortfall by 2020; \$11.6M by 2025
- State Budget Remains Challenged
Funding of Formula Remains Questionable
- UTC Fall 2014 Student FTE Decreased 147.1
Revenue Impact: \$1.1M
- Impact of Tennessee Promise on UTC
Enrollment is Unclear

UTC Response

- **Strategic Plan Under Development**
- **Examine How We Do Business**
 - Address Efficiencies and Redundancies
 - Use Technology to Work Smarter
- **Budget Reallocation Process**
 - Address Pending Shortfall
 - Realign Budget with Current Needs

Budget Reallocation

- Focus on Students and Excellence
- Reinvest in Areas of High Impact and Priority
- Inclusive, Open Process
- Amount to be Reallocated: \$5-6M
(4-5% of Base Budget)

Budget Reallocation

- **Phase 1:** Unit/College Level Recommendations
Organizational Assessment Committee
Technology Committee
All Recommendations to UPRAC
- **Phase 2:** UPRAC Review of All Proposals
Recommendations to Chancellor
- **Phase 3:** Chancellor Makes Final Decisions

Phase 1: Committees

- **Organizational Assessment Committee**
Campus-level representation and review
- **Technology Committee**
Campus-level representation and Review of Technology; Draft Sustainable Budget
- **UPRAC**
Existing Committee; Membership to be Updated

Budget Reallocation Process

- Process to be Vetted Through
 - Council of Academic Department Heads
 - Exempt Staff Council
 - Employee Relations Committee
 - Faculty Senate
 - Deans and Executive Team
- Agree to Timeline
- Set Reallocation Goal
- Communicate, Communicate, Communicate

Pitfalls to Avoid

- Unclear Vision for the Future
- Confusion About Who Decides
- Showing Only Some of the Puzzle Pieces
- Applying Short-Term Thinking to Long-Term Problems

Source: DiPietro, Joseph, "Higher Education Funding: Sustainability for Success," Ellington Agricultural Center, Nashville, Tennessee. 10 September 2014. Opening Remarks.