

UPRAC
Minutes
November 14, 2022

Attended: Steve Angle, Vicki Farnsworth, Jerold Hale, Kim White, Theresa Liedtka, Vanasia Parks, Chris Sherbesman, Allison Evans, Beth Luehrs, Mark Wharton, Valerie Rutledge, Andrew McCarthy, Melita Rector, Stacy Lightfoot, Joanne Romagni, Pamela Riggs-Gelasco, Abeer Mustafa, Daniel Pack, Laure Pou, David Steele, Joshua Tyler, Tony Parsley, Joshua Ozymy, Kathi Wheatley

Absent: Cassie Mathes, Laura Perryman, Delali Gadeqkpo, Linda Frost, Robert Dooley, Yancy Freeman

Vice Chancellor Ms. Vicki Farnsworth and Provost Jerold Hale, UPRAC Co-Chairs, welcomed everyone to the University Planning and Resources Allocations Committee (UPRAC) financial report meeting.

Ms. Farnsworth recognized the Chancellor and asked him to please start the meeting with a welcome and opening remarks. Chancellor Angle thanked everyone for attending today's meeting. Chancellor Angle stated that enrollment is the absolute driver with getting where we are with the budget. Chancellor Angle stated that currently there are two different estimated scenarios: one is with no tuition increase and the other is a 2% increase. THEC recently issued their tuition and fee increase binding range of 0% to 3%. UTC is the lowest priced university in the UT System. To align with minimizing financial burden on our students and families, the general tuition environment remains as flat as possible. At the most recent THEC meeting, there was much discussion revolving around inflation costs and higher education growth. Along with the high inflation environment it is also important for us to invest appropriately in employee compensation, which includes minimum wages, compression and market rate adjustments. Given the current discussion, we wanted to be prepared for a couple possible scenarios. Chancellor Angle said that people are spending more time to recruit students and we are all engaged. Chancellor Angle stated that he and the provost have attended all our Power C Bus Tours and would love to have everyone come out to see the interaction and to see what your staff is doing. Chancellor Angle mentioned that it is so refreshing to see the young students so excited, and it pays off with all of the work that everyone is doing. Chancellor Angle mentioned that the budget is dependent on admissions, and he knows everyone is working very hard. Chancellor Angle said that he was so appreciative to have the deans, staff and department heads attend the Blue and Gold Preview Day and it was refreshing to see all the student engagement. Chancellor Angle stated that we are in a reasonably good shape, but we need to pick up on enrollment as inflation is increasing and there are more things we must do as cost is increasing. Chancellor Angle said that we also have building issues and renovations that must be addressed. Chancellor Angle mentioned that we have a lot of things in play, everyone is working hard, we have a solid budget, and we are very affordable, and we need to take care of our students as this is what we are all about.

Chancellor Angle stated that we have made some great advances with our student life with our academic programs. Chancellor Angle said that we are taking a different approach in our admissions strategies, in hopes that the students come out and get engaged. Chancellor Angle stated the campus looks beautiful, the parents and students are in awe and the Chancellor thanked the committee for all their help with the budget process. Chancellor Angle also thanked Vice Chancellor Farnsworth as interim for Finance and Administration for all of her help while working with this process and working closely with the provost.

Chancellor Angle turned the meeting over to Provost Hale.

Provost Hale stated that some of the academic affair's priorities that you see at the bottom of the budget sheet remains ongoing obligations that are being completed and beginning for this year. Provost Hale mentioned that there are four topics that he wanted to go over that will be taking a lot of resources: 1) Quality Enhancement Plan – this will be part of our SACSCOC Re-affirmation. This will center around cohort experiences for undergraduate students, primarily for first year students, but this will come with some budgetary necessities for funding. Provost Hale mentioned that the funding will be short term expenditures and expenditures for the QEP that will last for the life of this re-affirmation ten-year cycle. Provost Hale said that the funding is a joint funding for academic affairs and enrollment, management, and student affairs. 2) Approval for the Launch of the Bachelor of Applied Science Program and Information Technology and Cyber Security – Provost Hale thanked Dean Pack and his faculty for their hard work on getting this approved. Provost Hale mentioned that as the enrollment grows so does the revenues associated with it which then will be turned back to programs and resources. Provost Hale said that they are hoping it will have great traction as the Mechatronics Program. THEC approved the first launch that will begin in January 2023 which will give us a short window to recruit the first cohort of students. Provost Hale stated that we are confident that as with the Mechatronics Program, we may miss the initial enrollment target, but we will make them up with the subsequent cohorts that will come in. 3) Budget Hold Back – Provost Hale has approved recruitments with a few exceptions as he is working with the Budget and Finance Department to approve these recruitments. 4) University High School Initiative – Provost Hale mentioned we are launching an initiative in conjunction with Hamilton County Schools. Provost Hale stated that the MOU will be ready to sign soon as the details are worked out. Provost Hale said that the State of Tennessee has capped what we can charge dual enrollment students by the grant that the student will receive so we will not be getting the full cost of tuition. Provost Hale stated that the extra income coming into the University will be from the two cohorts of 50 students. Provost Hale said that the students will be taking their high school curriculum here on campus taught by Hamilton County faculty members. These students will be dual enrollment students and they will be taking one gen ed course per semester here at UTC and when they graduate from high school, they will graduate with 12-18 gen ed completed hours. We are encouraged that the students will love this option and decide to attend UTC and these credit hours will transfer to UTC as well. This will hopefully help with UTC enrollment management and student recruiting.

Mr. Sherbesman and Ms. Farnsworth reported on the FY 2022 Highlights, FY 2023 Financial Status & FY 2024 Outlook. Mr. Sherbesman stated that FY 2022 that we ended up with a positive financial health and that THEC mandates that the University keep a percentage range for a safeguard. **(Please review the FY 2022 Highlights, FY 2023 Financial Status & FY 2024 Outlook report that is on the Budget and Finance website).**

Mr. Chris Sherbesman discussed and reviewed the FY 2024 Preliminary Cost Going Forward. Mr. Sherbesman stated that the document is preliminary, and it will change. Mr. Sherbesman stated that it is very important that you attend the February 27, 2023, UPRAC meeting. Chancellor Angle stated that the Cost Going Forward is very preliminary and to please not publicized any of this information that we have discussed. **(Please review the FY 2024 Preliminary Cost Going Forward on the Budget and Finance website).**

Ms. Farnsworth mentioned that one of the investments we are working on is safety. Ms. Farnsworth stated that President Boyd has done a great job at convincing the State that safety, accessibility, and mental health is very important. Ms. Farnsworth said that a safety project is getting ready to start that will add a million and half dollars with door access and cameras to get additional coverage on campus to protect students, faculty, and staff. Chancellor Angle stated that we are down a few officers on campus so we are paying the city of Chattanooga to patrol around campus so our UTC officers can be on campus to protect us.

Mr. Sherbesman went over and discussed in some detail The University of Tennessee at Chattanooga Budget Planning Timeline FY 2023-24. **(Please review The University of Tennessee at Chattanooga Budget Planning Timeline FY 2023-24 on the Budget and Finance website).**

Chancellor Angle mentioned that there are new programs – Mechatronics, Cybersecurity and Learning and Leadership – these programs have the possibility to produce new revenue. Chancellor Angle asked that if faculty have any ideas to generate new revenue, please let's discuss these ideas as it helps the community to be more competitive and helps students that are planning to attend UTC. Chancellor Angle stated that Mr. John Freeze is doing logistics, cyber security, certificate classes and for all of the tuition, we get full costs back. Chancellor Angle is asking that if anyone has any ideas, even training within the community, we have an entity and the ability for marketing and space to help out. Chancellor Angle said that University High helps the students from schools who do not have an opportunity for advance placement classes, they will be able to come to UTC and get further ahead and give them the opportunity to open the doors for these students. Hamilton County Schools are a huge part of this and very much a dual organization driven program to keep this as a priority.

Ms. Kim White stated that Advancement Services would like to be part of this program. Even though philanthropy is not part of the Advancement Services budget, they would like to pull together and bring some community resources to help with the new and upcoming ideas. Ms. White mentioned that Advancement Services would love to be part of this, and they can reach out to the community to help with the funding.

Mr. David Steele requested adding a line to April/May timeline to include the legislature approval of state appropriations.

Mr. Sherbesman thanked the committee for their hard work and collaboration and thanked the budget team, Allison Evans, Melita Rector, Beth Luehrs, Cindy Zeng and Sedrick Snowden. Mr. Sherbesman asked the committee if they had any other questions or concerns regarding all the information they have received today. Mr. Sherbesman stated that after reviewing the document, please let us hear back from each of you by either calling the Budget and Finance Office or via the "Budget Chatt" inquiry/dialogue - located on the Budget and Finance website, as it is anonymous, to give feedback, comments or to ask any questions regarding any aspect of the budget process.