

**THE UNIVERSITY OF TENNESSEE AT CHATTANOOGA
ADVISORY BOARD MEETING**

3:00 PM EST
Monday
October 4, 2021

Zoom Meeting
<https://tennessee.zoom.us/j/96851790214>

ORDER OF BUSINESS

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I. CALL TO ORDER AND ROLL CALL

Chair Scott LeRoy called the meeting to order at 3:02 p.m. Secretary David Steele, UTC Chief of Staff, called roll. The following Board members were present:

Muecke Barker
Omar Dedovic
Serina Desai
Carole Hoffman
Scott LeRoy (Chair)

A quorum was present.

Others in attendance included: Dr. Steven Angle, UTC Chancellor; Ms. Vicki Farnsworth, Vice Chancellor for Information Technology and CIO; Dr. Tyler Forrest, Vice Chancellor for Administration and Finance; Dr. Yancy Freeman, UTC Vice Chancellor of Enrollment Management, Student Success and Student Affairs; Dr. Jerold Hale, Provost and Senior Vice Chancellor for Academic Affairs; Mr. Yousef Hamadeh, University Associate General Counsel; Ms. Stacy Lightfoot, Vice Chancellor for Diversity and Community Engagement; Dr. Joanne Romagni, Vice Chancellor for Research and Dean of the Graduate School; Ms. Gina Stafford, Interim Vice Chancellor for Communications and Marketing; Mr. David Steele, Chief of Staff; Mr. Lofton Stuart, Interim Vice Chancellor for Development and Alumni Affairs and Executive Director of the UC Foundation, Inc.; Mr. Mark Wharton, Vice Chancellor and Director of Athletics.

II. OPENING REMARKS

Chair LeRoy thanked the Board members and attendees for taking the time to participate in the meeting. He welcomed Omar Dedovic to the group as the student representative, asking him to take a moment to introduce himself. Mr. Dedovic shared he is originally from Memphis, Tennessee. Both his parents were born and raised in Bosnia and immigrated here in the 1990's. Mr. Dedovic is currently a senior majoring in Biology with a minor in Marketing. He is currently interning for a digital marketing firm and hopes to continue his career in that area after graduation.

III. APPROVAL OF THE MINUTES OF MAY 6, 2021

The first item for action was the approval of the minutes of the May 6, 2021 meeting, which were distributed with the meeting packet. Chair LeRoy asked if there any revisions to the minutes. Judge Barker noted that when the May 6 meeting started, he was not present; he did come in a few minutes later and would like the minutes amended to reflect his attendance at the beginning. There being no objections to the correction, Chair LeRoy called for a motion to approve the minutes. Judge Barker moved for approval of the minutes; Ms. Desai seconded the motion. A roll call vote was taken, and the minutes were approved unanimously. A copy of the May 6, 2021 meeting minutes approved by the Board are included in **Appendix A** to these minutes.

IV. CHANCELLOR'S REPORT

Chair LeRoy called on Chancellor Angle for his report. Chancellor Angle thanked everyone for participating in the meeting and for being engaged in the Strategic Plan, which will be discussed today. He also thanked Omar Dedovic as the student representative. He noted Dr. Harvey, the faculty representative on the Board, was unable to join because she was teaching at the time. He noted the group will have a chance for an enrollment briefing from Vice Chancellor Freeman, a budget briefing from Vice Chancellor Forrest, and an academic affairs briefing from Provost Hale.

Dr. Angle noted that the University is still dealing with COVID-19, as is the whole community, and it is taking more time than the university would like. The University is reviewing the new Biden executive order now to determine its impact on the University, which has federal contracts that might be covered by the order. If the University is required to comply with the order, it is likely that faculty and staff will be required to be vaccinated, but there would be exemptions for health reasons and religious reasons. The details of those are not known yet, but they are being worked out and the General Counsel's Office is talking to the Attorney General for the State of Tennessee this week to get that clarified. UTC will follow the guidelines, and it will be done as a system, not independent from the other campuses.

Dr. Angle shared that the campus is excited about the new Strategic Plan. Dr. Angle then turned the meeting back over to Chair LeRoy.

V. ACADEMIC AFFAIRS UPDATE

Chair LeRoy called on Provost Hale for an update on Academic Affairs. Provost Hale shared a PowerPoint presentation, which can be found [here](#). Provost Hale shared the following key points during his presentation:

- There have been some Academic Affairs leadership transitions through a reorganization that took place to better serve the needs of faculty, staff, students and the entire university community. Dr. Matt Matthews had been the only Vice Provost for the first two years Provost Hale was at UTC. Changes that have been made include better defining Dr. Matthews' portfolio of responsibilities to include faculty affairs and academic policy.
- Vice Provost Matthews, Ms. Charlene Harmon, and Provost Hale conducted three informational meetings: one for candidates who applied for promotion to the rank of Associate Professor with tenure in the upcoming year, a second one for faculty members who hold tenure at the rank of Associate Professor and applied for promotion to the rank of Professor, and a third for department heads and chairs of reappointment, tenure and promotion committees. Those were meetings that Dr. Matthews and the Provost had been performing since Dr. Hale's arrival on campus, and they had continued those along with Ms. Harmon.
- Academic Affairs added a Vice Provost for Diversity and Community Engagement position, which Dr. Shewanee Howard-Baptiste holds. Dr. Howard-Baptiste holds a faculty appointment at the rank of Professor in the Department of Health and Human Performance

in the College of Health, Education and Professional Studies. She has been working collaboratively with Vice Chancellor Lightfoot and is also heading up some very important work in collaboration with the Hamilton County School System, which they hope to be able to report on at a future meeting.

- A position that Dr. Lauren Ingraham, faculty in the Department of English, had been fulfilling for a couple of years was formalized. She was first appointed to chair a committee on the reimagining of general education on our campus by then Interim Provost Dr. George Hynd. She has been doing excellent work. Dr. Ingraham's position has now been formalized in Academic Affairs as Vice Provost for Curriculum.
- Dr. Dawn Ford, who had been heading the Walker Center for Teaching and Learning and serving as an Assistant Provost, has accepted a tenure-track faculty position in the Department of Health and Human Performance and has moved on to another direction in her career. Jennifer Glabb, who has been working for some time as one of the senior curriculum developers in the Walker Center, is serving as the interim director for the Walker Center.
- Ms. Charlene Harmon is the new Director of Faculty Records. The former Director of Faculty Records, Ms. Vickie Adkison, retired at the end of the summer, and Academic Affairs was very fortunate to recruit Ms. Harmon from the Office of Human Resources.

Provost Hale believes there is a very outstanding and exceptional team in place now that will better serve the academic mission of the University, and they are hitting the ground running.

Dr. Hale then provided updates about two new academic programs, one that has been approved and one that is going through the approval process.

- A Bachelor of Applied Science program in Applied Leadership, that will be housed in the College of Health, Education and Professional Studies, was approved by the Board of Trustees in June 2021. Provost Hale recognized the hard work that was done by Associate Dean David Rausch, Dr. Beth Crawford, and the Office of Planning, Evaluation and Institutional Research (OPEIR) staff under the able direction of Dr. Sherry Marlow-Ormsby. The applications for that program have already exceeded the projections made to the Board of Trustees and Tennessee Higher Education Commission (THEC), and so the program is off to an outstanding start.
- A Bachelor of Science (BAS) in Information Technology program focusing on cyber security is currently under development. It is aimed at improving student learning outcomes related to cyber security and importantly, is aimed at adult learners and non-traditional learners as was the BAS in Applied Leadership. A letter of notification of UTC's intent to create the program has been submitted to the UT System and to THEC. UTC is now responding to some preliminary questions posed by THEC. Provost Hale called attention to the contributions made by Dean Daniel Pack from the College of Engineering and Computer Science and one of his department heads, Dr. Luay Wahsheh, in putting that together.

Provost Hale next updated the Board on planning for the spring 2022 semester, which UTC is planning to look very much like a pre-COVID spring semester might have looked.

- Distribution of courses will be about 25% online and about 75% in a face-to-face environment. Phase I of building out the spring 2022 schedule, which is a very preliminary phase where departments are starting to put together what they believe their course offerings might look like, is heavily weighted toward face-to-face instruction as UTC tries to get back to something that will give the students more of the Mocs experience that they would have had if they been enrolled on campus or matriculated before the COVID-19 pandemic.
- Dr. Freeman and Provost Hale are currently asking students to respond to two different student surveys. One survey focuses on current students, looking at what their course modality preferences might be. The number of FTE students is down slightly from where it was a year ago, and he and Provost Hale want to find out the reason for the decrease and whether or not UTC is offering the courses in the distribution of course modalities that students would prefer. The second survey focuses on students who are missing in action; that is, those who were enrolled at UTC during the last academic year but did not graduate and did not re-enroll in the fall of 2021. The purpose is to focus on why they stepped away and whether it had anything to do with the distribution of course modalities or whether it was related to other issues like financial exigencies or personal issues. The information from the surveys will inform the building out of the spring 2022 schedule. The surveys close at 11:50pm on October 10. The response rate to the survey on course modality preferences was vigorous in the first few days. Donny Behneman, who works in Academic Affairs, is sending out daily reminders to students to encourage them to complete the surveys.

Provost Hale next provided an update on the SACSCOC reaffirmation process, and specifically Standard 7.2, which relates to the University's Quality Enhancement Plan (QEP), an approved program that is part of every university's reaffirmation. The plan that is established has to be a specific, strategically chosen plan by the University that is designed to enhance student success methods, graduation rates, student retention, and student performance in a number of ways. The preliminary work so far includes "QEP Roadshows" by UTC Library Dean Theresa Liedtka, coordinator of the reaffirmation efforts, and her staff. During the meetings, they have been talking with stakeholder groups about possibilities for the QEP. Based on the responses from those roadshows, the focus of the QEP will be on cohorts and collaborative learning on campus, with a priority given to those proposals that also focus on issues related to diversity, equity and inclusion as broadly construed and as defined by THEC and the target groups that they have for the funding formula. For the QEP, SACSCOC requires that the University invest the requisite resources to assure that it can be both implemented and advanced and maintained throughout the entire 10-year period of reaffirmation. Provost Hale hopes that the next time the Board meets he will have additional information and updates about the QEP and additional progress being made towards the SACSCOC reaffirmation plan.

Concluding his report, Provost Hale offered to answer any questions. Chair LeRoy thanked Provost Hale and asked if anyone had any questions. Chair LeRoy inquired about the timeline for processing the results of the two student surveys cited by Provost Hale and how the results will be shared. Provost Hale responded that they are very simple surveys, so it will not take very long to score them. UTC will have the results in the upcoming week, and Provost Hale will be happy to share them with the Board. UTC primarily plans on sharing the results with the deans and department heads to help them build out a spring 2022 schedule that will maximize opportunities to re-attract students who have stepped away and to also keep the students who are currently enrolled through the spring semester. Chair LeRoy indicated he would like to see the results.

Mr. Dedovic asked how UTC is determining which courses are going to be face-to-face and which ones are going to be online. Dr. Hale responded that typically those decisions are left up to the department heads and deans. Academic Affairs offer them some guidelines that they are asked to meet, and that is partly why UTC wants to have those survey results available to them so that they will be able to plan which of the courses are most likely to meet the needs of students' who need online coursework. Provost Hale's best guess is that the students who will want more online course offerings are likely to be second semester juniors or seniors. That is one of the things UTC is hoping to find out from the surveys, so UTC can share that information and build out the sort of schedule that will be attractive to students.

VI. ENROLLMENT MANAGEMENT AND STUDENT AFFAIRS UPDATE

Chair LeRoy next called on Vice Chancellor Yancy Freeman for an enrollment management/student affairs update. Dr. Freeman shared a PowerPoint presentation, which can be found [here](#). Dr. Freeman talked about the following key notes:

- Dr. Freeman shared a "word cloud" generated in connection with a student survey conducted last year and noted that a word cloud would be generated in connection with student surveys noted by Provost Hale. With a word cloud, every time a student mentions a certain word, the word gets bigger and bigger, which results in different sizes in the word cloud and indicates things that most students are concerned with. Some of the things that could be seen from the word cloud being presented are "campus," "experience," "college experience," and "friend," indicating that many students missed having a traditional college experience as a result of the changes caused by the pandemic. When UTC goes back and looks at the information it had about the freshman class and freshman retention rate, it shows that students attempted and completed roughly the same number of hours as they had in previous years. When UTC goes back and looks at grade point average for those students, the grade point average is very similar to what they had in previous years. What is not the same is the withdrawal rate. There was a higher total withdrawal rate of first-time freshman students than UTC has had in the last ten years. And it played out in the overall retention rate of our freshman students from last year. Dr. Freeman firmly believes that this in some way is a correlation to the experience that UTC was not able to provide fully for them due to COVID-19 last year. As a result, Dr. Freeman noted a focus on reopening as fully as possible this year coming back into the school year. He thinks UTC has done that in a wonderful way this year in terms of offering many face-to-face activities

in as safe and healthy a way as it can based on some of the feedback received from last year.

- Dr. Freeman next shared a 14-day comparison of enrollment for UTC between last academic year and this academic, which showed a decrease in enrollment of about 2%; it dropped about 3% in FTE count. While not great news, many of UTC's peer institutions across the state fared worse. Dr. Freeman noted that the only two institutions in Tennessee that he is aware of that had an increase in their enrollment were UT Knoxville (which had an increase in out-of-state student enrollment but not in-state student enrollment) and Tennessee State University (which reflected a return to HBCU institutions by many African-American students across the nation).
- Dr. Freeman discussed the recruitment strategies that UTC is using to increase enrollment. UTC has tried to, in every way, talk with prospective students about coming to visit campus, and has implemented some face-to-face initiatives called "Mocs Tour Plus" where they get to come on campus and take a tour as well as meet with academic departments. There is a departmental session for specialty departments in business, nursing, physical therapy and other high-volume areas of study that students are interested in. With the "Meet-A-Moc" program, UTC recruiters goes to cities and high schools that cancelled college fairs because of COVID-19. UTC is also doing some targeted texting campaigns for students for them to be able to get direct messages, along with some other social media initiatives, to try and attract students. UTC will be using the survey information mentioned by the Provost to do a re-enrollment campaign to pull those students back who decided to not come back last year. In summary, UTC is employing multiple recruitment strategies and campaigns to increase enrollment.
- Dr. Freeman noted that student housing occupancy rate is really high and almost back to normal pre-pandemic levels. When things really get back to normal, Dr. Freeman plans to invite the board to come and meet and greet and maybe move a couple of boxes for family members when they get back to campus for that move in process. There was a 94% total occupancy for the campus for the fall semester; occupancy has normally been around 103%. Occupancy levels are trending upward back to normal levels and have allowed UTC to do the programming that needs to be done and allows students to engage in ways that they were not able to engage in last year. Overall, UTC is pleased with the occupancy rate, especially in light of the slight decline in enrollment this previous year.
- Dr. Freeman noted a slight drop in the first-year retention rate to 73% but an increase in the 6-year cohort graduation rate to 53%, so there has been some consistent increases in the number and percentages of students who are graduating within their cohort. There are cohort programs which concentrate and focus on allowing students to gather and meet in smaller groups and get to know each other and learn together. Three of the four academic residential colleges are set up, and the fourth (in Arts and Sciences) will be set up for the 2022-2023 academic year. The residential colleges are chances for students within each of the colleges to live together, to learn together, and get to know each other very well, and they are stretched across each of the residence halls in terms of residential college experience.

- Dr. Freeman next mentioned the Tim and Denise Downey Student Emergency Fund which provides financial assistance to students in emergency financial situations. UTC is proud of the fund and very thankful for the Downey family for starting that fund and continues to be thankful for donors who contribute to the fund.
- Dr. Freeman provided an updated on the "Cohort 2025" program. It is a cohort experience for students on campus with three major components or themes connected to it, including the residential component already mentioned. There are faculty-in-residence in the residence halls. The academic component is for first-time freshman students to register in courses by their discipline with two or three classes together in a cohort format by discipline. So far, 74% of first-time freshmen are registered. They really do get to know students in their discipline very well, and all of them have in common that they are a freshman student. The connection piece is focused in student affairs around high volume, high sight student organizations, like Freshman Senate, ROTC, the band, and other activities. The ultimate aim of the Cohort 2025 experience is to determine how UTC can cohort the entire freshman class in such a way that they will become connected with the campus soon after entering UTC so that, in the event that they decide things become very difficult, they have an avenue and a connection they can fall back on to receive support and assistance.

Dr. Freeman concluded his presentation and offered to answer any questions from the Board. Judge Barker noted that he remembered from eight or nine years ago that the six-year graduation rate was 49% and that it did not appear to have changed very much if 50% is what it is now. Dr. Freeman responded that the rate was much lower than that – the six-year graduation rate was closer to 36-37% when the Chancellor originally came to the campus about eight years ago. It has progressively grown over that time to what is now 53% for this most recent year. Dr. Angle also noted that rate cited by Judge Barker may have included students who graduated from another public institution in the state of Tennessee. Right now, the graduation rate is about 68-69% of students who start here as freshmen and graduate with a college degree within six years from any public institution in the state.

Chair LeRoy asked Dr. Freeman what he believes caused the drop in enrollment. Dr. Freeman responded that his instinct tells him that the pandemic was the main cause for the drop in freshman numbers, in transfer numbers, and drops in the freshman retention rate. He is currently tracking it now and enrollment is 70% above where it was last year in applications at this same date. It seems to be recovering well for the campus, and he is hopeful that trend will continue. Chair LeRoy thanked Dr. Freeman for his report.

VII. FINANCIAL REPORT

Chair LeRoy next called on Vice Chancellor Tyler Forrest for a financial report.

Dr. Forrest shared a PowerPoint presentation, which can be found [here](#). The presentation opened with a picture of Chamberlain Field, and he noted that for the eighth year in a row our campus has been recognized as a Tree Campus USA by the Arbor Day Foundation, something that UTC is very proud of. Mr. Forrest's report included the following key points:

- Financial challenges and opportunities. UTC anticipates a revenue shortfall due to the enrollment decrease of about \$3 million in tuition revenue. Luckily, HEERF funding in the current year will likely close the majority, if not all, of that gap. It will continue to be closely monitored as the year goes on. HEERF funding utilization all has to be spent by next May of 2022. UTC has been fortunate to receive three rounds and is on a path to finalize that spending. Also, the capital outlay master plan, which the Board will be engaged in throughout the process, has been awarded to the DLR Group from Charlotte, North Carolina. The DLR Group has done a number of master plans for institutions across the country and is familiar with UTC. The State Building Commission is set to approve that in the next few weeks and then UTC will move forward with the timeline and getting the Board and others engaged in the process.
- Current financial position. Dr. Forrest noted that looking at how FY21 finished up, the University maintained positive fiscal health due to a comprehensive team effort. The E&G balance is sitting at 4.9%, which it is at the top of the 2%-5% range required by THEC. On the auxiliary side, 4.36% is also within that acceptable range. Auxiliary units continued to remain financially stable, despite the unusual year last year that was particularly hard on auxiliary units. HEERF reimbursements were a big part of the year-end close. Last year UTC booked a little over \$10 million in lost revenue, which will be reflected in the financial statement that will be shared shortly. Each division finished with a positive surplus as well, so overall, unit by unit, UTC is in a good position. The year-end surplus of \$27.4 million, returned \$5.4 million back to the units, with a net balance of \$22 million. That is higher than what there has been in previous years but not surprising given the \$10 million that was booked in HEERF funds, as well as lower expenditures in certain areas such as travel and other operations. This is a positive financial position going into the beginning of this year. Campus reserves are healthy as well, with a total balance of \$65.6 million: \$18 million of that is obligated and \$46 million is unobligated. UTC plans extensively with these reserves, tries to avoid debt to the greatest extent possible, especially on small capital projects, and also tries to utilize reserves every way possible to make non-recurring investments across the campus. This is something that is closely monitored and reported on, because UTC wants to be good stewards of these balances as well.
- Summary of HEERF funding. In total, UTC has received a little over \$51 million in HEERF funding. This is a significant balance and comes with a lot of strings but has been positive for the campus. Right now, there is about \$12.2 million remaining after multiple distributions to students and other priorities across the campus. Of that \$12 million, \$2.7 million is allocated to student obligations, and \$6.9 million is committed to institutional projects. What would be left after that more than likely will go to close the revenue gap in the current fiscal year.
- Auxiliary Fund. The Auxiliary Fund balance is sitting right at \$1 million. The debt remains hovering at around \$100 million. UTC will take on \$22 million sometime in FY 2023 with the Wolford Arena Addition, and then there will likely be some other debt additions in later years with new housing, should that move forward, as well as the University Center renovation.

- Budget. The FY22 current budget is sitting at \$218 million, not including restricted funds. With restricted funds, the budget would be closer to \$300 million. For revenues, state appropriations are at 30% and tuition and fees are at 58%. Compared to a lot of UTC's national peers or even regional peers, state appropriations are well in excess of some of those institutions, so UTC is in a good place with that revenue. Dr. Forrest mentioned he thinks that tuition alone will be about a \$3 million deficit going into this coming year. That can be difficult to predict as UTC does not know exactly what spring and summer enrollment will be, but that would be the best estimate as of right now. Everything else looks stable. Expenses are trending at about 24%; with the last day of the first quarter you expect them to be at about 25%, so UTC is right in line with where expenses would normally fall, and revenue streams are in line with where they would typically track this time of year as well. There is about \$85 million encumbered in salary and UTC will certainly realize the vast majority if not all of that, but he anticipates this year that HEERF funding will continue to carry over a positive balance.

Dr. Forrest asked if there were any questions. Chair LeRoy thanked him for his presentation and reminded the Board that Dr. Forrest no sooner finishes a budget year than he turns around and starts another. This meeting is the one that usually focuses more on academics and student retention and progress and graduation rates; the next meeting will probably focus more on the budget that is coming up for the 2022-2023 fiscal year.

VIII. STRATEGIC PLAN APPROVAL

Chair LeRoy next addressed the Board's requirement to review and vote on a recommendation for the proposed strategic plan that UTC developed. UTC has been working on its new strategic plan for probably a little over a year because of the delay caused by COVID-19. He noted that Chancellor Angle will present the strategic plan to the Board.

Chair Leroy noted that a couple of Board members, including himself and Mr. Decosimo, met with the Strategic Plan Committee, which was a very broad-based group. Chair LeRoy commented that he had never seen so much input, critique, review, and very engaged members talking about the overall plan, everything from the concept down to the nitty-gritty details, and he was very impressed with the level of commitment of the committee as it went through the process. He stated that, following the Chancellor's presentation, the Board will have a chance for questions or discussion, and then the Board will vote upon a motion on whether it will recommend the plan to the UT Board of Trustees for approval at the UT Board of Trustees' next meeting. Chair LeRoy then turned the meeting over to Chancellor Angle.

Chancellor Angle reiterated the pandemic significantly impacted the university's ability to develop the new strategic plan within the initial schedule established. He noted that it was a very interactive process in which the committee received ideas, thoughts and feedback from university stakeholders, which culminated in the presentation of the proposed plan to the Board today. The vision and mission of UTC remain unchanged under the plan. The vision is, "*We engage students, inspire change and enrich community.*" The mission is, "*The University of Tennessee at Chattanooga is a driving force for achieving excellence by actively engaging students, faculty and staff, embracing diversity and inclusion, inspiring positive change and enriching and sustaining our community.*" There are six core values, and added in the second bullet, "*We affirm the essential*

function of a liberal arts education." While working on the strategic plan, it became very clear that this really underlies what UTC does and how it approaches the job of educating students, and it is important to who UTC is. So, that was put in with the other values UTC has had for the last 6/7 years.

The first goal Chancellor Angle discussed concerned teaching and learning, which was stated as follows, "*UTC will transform the lives of our students and the futures of our region by increasing access to a distinctive model of education, grounded in the liberal arts and tied closely to workforce opportunities.*" Chancellor Angle noted that this is at the heart of what UTC does as an institution and that there are a number of specific strategies that will be employed:

- Effectively recruit a larger and more diverse student population – UTC has an enrollment target set by the UT System we are striving to make as part of this strategic plan.
- Improve student performance – UTC wants to continue to advance graduation rates, retention and the quality of that experience
- Define and promote UTC's distinctive educational experience – Define what makes UTC different.
- More tightly align educational offerings to regional workforce needs (including curricular, co-curricular, extra-curricular and "stackable credential" opportunities) – This includes all of the student experiences, inside and outside the classroom; UTC want to meet the needs of our community while educating its students.
- Double the number of online degree programs – UTC has seen the need for increasing the number of online degree programs.

Chancellor Angle noted that some of the specific metrics that will be tracked during the term of the plan include:

- To grow freshman enrollment from 2,222 students to 2,576 students – an increase of 16%
- Increase freshman retention from 73% to 83%
- Increase the number of transfer students from 867 to 1,104
- Increase the 6-year graduation rate from 53% to 63.7%
- Increase the number of new graduate students from 346 to 442 – that would bring the total number of graduate students to about 1,840
- Increase total enrollment from 11,457 to 12,950 – a 13% increase

Chancellor Angle next discussed the Diversity and Inclusion goal under the plan, which was stated as follows, "*UTC will respond to the needs of our students and our region by modeling inclusive excellence, ensuring appropriate representation, and aligning with benchmark indicators.*" There are a number of key areas that UTC is focusing on:

- Build a community that cultivates and respects diversity as essential for UTC success and regional competitiveness
- Continue to internationalize the University
- Expand inclusive access
- Increase the engagement of diverse alumni and volunteers in UTC advisory boards and advocacy outreach

Chancellor Angle noted the following key points regarding this goal:

- With the hire of Vice Chancellor Lightfoot, UTC will be well-positioned to mobilize the team to look at some of these metrics. When looking at internationalizing the University, this is an example of the type of metrics that there will be under this diversity and inclusion goal, which is increasing the international student population by 10%. That helps bring the world to Chattanooga and to UTC students. UTC students are going to work in a very small world; the students will be going from UTC to do business, interact and work with people from all over the world, so understanding them, where they come from and their cultures, is something that is critical to the success of the students.
- In order to increase global competency outcomes within the curriculum, general education is an area UTC hopes to see advance in the term of this strategic plan to ensure that the curriculum helps students understand the world around them and to focus much broader. UTC wants to expand extracurricular interaction opportunities for domestic & international students. Once international students are recruited here, UTC wants to better connect them to students from Tennessee who may never have traveled abroad but can learn about the world from those students. UTC would also like to increase by 2.5% the number of students studying abroad each year by 2025 and to increase internal and external support for international teaching and research. Those are some of the metrics being looked at around this second goal of diversity and inclusion.

Chancellor Angle next discussed the third goal of the plan concerning research and innovation, which was stated as follows, "*UTC will impact our community and enhance the educational experience of our students by sustaining the scholarly, creative and entrepreneurial activity of our faculty and students.*" For this goal, Chancellor Angle noted the following key strategies:

- To expand research capacity and needs to invest resources in up to three strategic areas that are cross-disciplinary, multi-disciplinary areas: it fits the size and the approach has to embrace applied research which solves problems; it helps the community as UTC works with them to solve problems of interest; and it positions students for success when they graduate.
- To benchmark and increase collaboration with community partners on community-impact projects. UTC is doing a lot of this, but not tracking it and would like to track an increase by understanding what the current benchmark is.
- To engage alumni and other community members in mentoring and support networks for faculty and student scholarly, creative and entrepreneurial endeavors. UTC can help the community by engaging them to work with students, which will help retain the best and brightest UTC students in the community by establishing more concrete connections with community members and organizations. If students are involved in an entrepreneurial activity in the community, they are much more likely to stay here and can fulfill UTC's mission to be part of the workforce development advances in the region and in the state of Tennessee.
- To increase 10% per year the number of undergraduates engaged in faculty-supervised research, creative endeavors, entrepreneurial activities.
- To increase research support, which is measured by expenditures, by increasing how much of grant money is spent to 7% per year to \$16.2 million by 2025.

- To require every college to produce a research agenda and plan to move forward their activities, which should include a benchmark for the number of peer-reviewed journal articles and scholarly publications and activities required for the college.

Chancellor Angle next discussed the fourth goal of the plan concern stewardship and resources and noted the following key points:

- UTC will ensure the sustainability of its institution and the vitality of students, faculty, staff and community by excelling in resource development and stewardship, which includes the following: expand revenue to help students with an affordable education as well as advance its priorities; develop a forward-looking resource base with a focus on expanding revenue streams; continue the physical transformation of campus; establish better operational transparency; establish a technology plan as technology drives so much of what UTC does; improve the university's web utilization; and adapt financial aid models to optimize access and affordability to try to continue to make UTC an affordable option for students, especially students in the state of Tennessee.
- UTC will produce and distribute State Impact Reports so that UTC's impact can be measured and appreciated, and the state of Tennessee can understand the value that it is receiving because of UTC.
- UTC will work to establish and sustain lifetime strategic engagements that will help it to continue to develop alumni as donors in the long run and to help them connect with students to help them find a place in society as employed, engaged and contributing.
- UTC will work to develop and implement a comprehensive campus community health and wellness plan. UTC needs to develop individual metrics, self-assessments that help students and employees evaluate their health and wellness, as well as group metrics with different programs that are available, and then how to apply that to the community to help drive a wellness plan where it is tied in to research priorities in terms of affordability of healthcare as well as helping people help themselves in terms of dietary options and exercise programs and managing stress and taking advantage of resources that are available to them.

Chancellor Angle noted that his presentation provided a brief summary of the strategic plan and that there is more detail in the document that the Board has received with more metrics around the goals that will continue to be developed. Dr. Angle then offered to answer any questions from the Board.

Judge Barker complemented the Chancellor on his report, and he thanked those who served on the committee for their hard work. He also commented that when talking about goals to increase diversity and inclusion during the Board's May 2021 meeting, one thing Dr. Hale discussed was the effort to increase population from special needs students and from rural students, and he felt that is important as a grandparent of a person with special needs, so he would like to see that as one of the goals that was discussed earlier, like for example increasing international students. Dr. Angle asked if that was a separate called-out point. Chief of Staff Steele responded that UTC does reference benchmarking and expanding services provided to students with disabilities. Dr. Angle mentioned student veterans, and UTC's desire to expand programs so that UTC can serve them better also, noting that veterans have a unique set of needs just like first generation college goers have a unique set of needs. UTC is trying to look at diversity in every element, not through a

narrow focus or lens. Provost Hale added that he believes reference is made in the fuller document to the THEC target populations and that would include what Judge Barker is talking about as well. Chair LeRoy noted that he does remember in one of the committee meetings there was discussion about improving the outreach and the inclusion factor for persons with various disabilities. He did not remember every specific detail in the plan document, but they talked about community and underserved groups and hopefully they will be within the reach of the plan as it moves forward to address all the specific needs of our community and in the region. Chair LeRoy noted that he serves on several other boards that specifically reach special needs children, and they are engaged in a number of programs with the university, so there is some of that work already in progress which he has seen first-hand and thinks is great. He further commented that the strategic plan is not necessarily a long-range plan, but it is a road map of areas UTC needs to focus on and move forward on and it is a requirement that the university renews and comes forward with a plan every five years that reflects the direction of the university for the next five years and is reviewed and approved or sent back for more work from the UT Board of Trustees. The UT Board of Trustees will review the UTC plan at its October 22 meeting.

Chair LeRoy asked if there were any other questions for the Chancellor or any comments about the strategic plan. There being none, Chair LeRoy reminded the board members that they had received an email last week that contained a draft of a proposed resolution drafted by Mr. Hamadeh in the General Counsel's Office that was sent out as a recommendation (a copy was posted in the chat if anyone wanted to look at it one more time). Chair LeRoy asked for a motion to approve the resolution. Judge Barker moved for approval; Ms. Desai seconded the motion. Chair LeRoy then asked for a roll call vote, and the motion was approved unanimously. Chair LeRoy thanked the Chancellor and the faculty and staff for the work done on the plan, noting it is a tremendous undertaking that takes the entire team is pulling together. A copy of the proposed UTC Strategic Plan recommended for approval by the Board is included in **Appendix B** to these minutes.

IX. OTHER BUSINESS

Chair LeRoy then asked if there was any further business.

Judge Barker noted that his original term on the board had ended a year or so ago, and Chancellor Angle had asked him to continue to serve, which he has done. He recently turned 80 years old and stated that he would like to step down from the board on December 31, 2021. Chair LeRoy thanked Judge Barker for his service. Judge Barker thanked Chair LeRoy and also Chancellor Angle, noting he feels Chancellor Angle has done a magnificent job in the years he has been at UTC and that the university is in good hands. Chancellor Angle also thanked Judge Barker for his service.

X. CLOSING REMARKS

There being no further business, Chair LeRoy asked Chancellor Angle for closing remarks. Chancellor Angle thanked everyone for taking time to read through the materials for the meeting. He also expressed appreciation for the members being engaged and stated that he feels like there is a lot vetted. He stated that the strategic plan will be a nimble one, and that UTC will add things as needed that align with the direction noted in the meeting. There will be some important metrics to follow. A strategic enrollment plan is something that is called for given the declining number of students graduating from high school in the next few years. It is a very challenging and

aggressive plan. The plan calls for UTC to raise \$100 million over the next five years, and that will keep fundraisers, deans and academic leadership busy as they work together to raise the funds to realize the academic aspirations and to make UTC affordable for students.

Chair LeRoy thanked everyone for their attendance at the meeting, noting it is an important part of the process to keep the university moving forward.

XI. ADJOURNMENT

Chair Leroy asked for a motion to adjourn. Judge Barker so moved, and the motion was seconded by Ms. Desai. A roll call vote was taken, and the motion passed by unanimous vote. The meeting was adjourned at 4:40 pm.

DRAFT

APPENDIX A

**THE UNIVERSITY OF TENNESSEE AT CHATTANOOGA
ADVISORY BOARD MEETING**

2:00 PM EST
Thursday
May 6, 2021

Zoom Meeting
<https://tennessee.zoom.us/j/99229026088>

ORDER OF BUSINESS

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XII. CALL TO ORDER AND ROLL CALL

Chair Scott LeRoy called the meeting to order at 2:02 p.m. Secretary David Steele, UTC Chief of Staff, called roll. The following Board members were present:

Muecke Barker
Fred Decosimo
Serina Desai
Jamie Harvey
Carole Hoffman
Scott LeRoy (Chair)

A quorum was present.

Others in attendance included: Dr. Steven Angle, UTC Chancellor; Ms. Vicki Farnsworth, Vice Chancellor for Information Technology and CIO; Mr. Tyler Forrest, Vice Chancellor for Administration and Finance; Dr. Yancy Freeman, UTC Vice Chancellor of Enrollment Management, Student Success and Student Affairs; Dr. Jerold Hale, Provost and Senior Vice Chancellor for Academic Affairs; Mr. Yousef Hamadeh, University Associate General Counsel; Mr. George Heddleston, Vice Chancellor for Communication and Marketing; Ms. Gina Stafford, Assistant Vice Chancellor for Communications and Marketing; Mr. David Steele, Chief of Staff; Mr. Lofton Stuart, Interim Vice Chancellor for Development and Alumni Affairs and Executive Director of the UC Foundation, Inc.; Mr. Mark Wharton, Vice Chancellor and Director of Athletics.

XIII. OPENING REMARKS

Chair LeRoy thanked the Board members and attendees for taking time to participate in the meeting, noting that it is probably one of the more important meetings the Board has because of the review of the budget and potential approval to pass it on to the UT Board of Trustees.

XIV. APPROVAL OF THE MINUTES OF FEBRUARY 16, 2021

Chair LeRoy asked for a motion to approve the minutes for the October 5, 2020 Board meeting, a copy of which was provided to the Board members prior to the meeting. Dr. Harvey made a motion to approve the minutes, with Ms. Desai seconding. A roll call vote was taken, and the minutes were approved unanimously. A copy of the February 16, 2021 meeting minutes approved by the Board is included in **Appendix A** to these minutes.

XV. BYLAW REVISION

Chair LeRoy next asked Mr. Yousef Hamadeh, University Associate General Counsel, to share information about the proposed Board bylaw amendments for consideration. Mr. Hamadeh shared that the changes primarily address filling vacancies on the Board. Currently the bylaws

are silent on that. The proposed changes substantively track the requirements for filling board vacancies under the FOCUS Act. A table of contents is also being proposed included to make it easier to navigate and find information in the bylaws.

Mr. Hamadeh asked if there were any questions. Chair LeRoy commented that the Board is dealing with a vacancy with Judge Barker's position as his term expired and a replacement has not been appointed, so he is continuing to serve. The proposed amendment will provide the Board with a process for filling vacancies when the legislature is unable to do so in the normal timeframe. He asked if there were any questions about the proposed bylaw amendments. There being none, he asked for a motion to approve. Dr. Harvey made a motion to approve the proposed amendments to the bylaws, with Mr. Decosimo seconding. A roll call vote was taken, and the amendments were approved unanimously. A copy of the proposed Second Amended and Restated Bylaws are included in **Appendix B** to these minutes. The proposed Second Amended and Restated Bylaws will now be submitted to the UT Board of Trustees for final approval before they become effective.

XVI. CHANCELLOR'S REPORT

Chair LeRoy called on Chancellor Angle for his report. Chancellor Angle thanked everyone for participating in the meeting and all they do for UTC. Chancellor Angle shared updates on the following items:

- Commencement ceremonies. Between April 21st and 25th the University had nine in-person commencement ceremonies. Each student was able to bring four guests, and the ceremonies were held in McKenzie Arena. Everything went well. There were 1,838 students who received degrees, and 1,260 of those participated in the commencement ceremonies. He commended the hard work and dedication of everyone who helped make the ceremonies happen.
- Budget. UTC had a good budget year, with the state fully funding the formula. UTC is going to receive funding for three deferred maintenance projects in the \$7-\$9 million range. He thanked Governor Lee, the General Assembly, and particularly the members of the Hamilton County delegation. He also thanked Senator Bo Watson and Representative Patsy Hazelwood, who are chairs of their respective budget committees, for their commitment to the state and particularly to higher education and the budget that was enacted.
- COVID-19. Chancellor Angle thanked the faculty, staff and students for what they have done to navigate COVID-19 and move forward. Enrollment increased slightly, and contract and grant activity were up. UTC has been able to continue, maintain and move forward in spite of COVID-19. UTC is performing routine testing and contract tracing. There is a vaccine clinic on campus. UTC is planning a return to normal in the fall, with full density in classrooms. It is extremely likely that students will wear masks indoors and UTC is encouraging as many people as possible to get vaccinated. UTC is going to work out details for the fall opening by August 1 and make sure everyone is aware of those details so there can be a safe return to an in-person fall semester.

Chancellor Angle also shared that enrollment is really strong and noted that Dr. Freeman would be providing an update shortly.

He also shared that Ms. Stacy Lightfoot was just announced as the Vice Chancellor for Diversity and Engagement, beginning July 1. It was a national search and a really strong pool of candidates applied. Stacy rose to the top of that pool. He noted that there will also be a search for a Vice Chancellor for Development and Alumni Affairs. Fred Decosimo and Yancy Freeman will be serving as co-chairs of the search committee. Chancellor Angle thanked the Board members for serving and thanked Rachel Worley, the student representative who is graduating and rotating off the Board and noted that the Board will welcome the new student representative at the next meeting. He also welcomed Board member Muecke Barker, who joined the meeting a little late.

XVII. ACADEMIC AFFAIRS UPDATE

Chair LeRoy next called on Provost Hale for an update on Academic Affairs. Provost Hale shared a PowerPoint presentation which can be found [here](#).

Provost Hale shared additional information on the number of graduates who participated in each ceremony. Three were very small; four were pretty large, Friday, Saturday and the graduate ceremony on Sunday afternoon. He noted that the University received wonderful feedback from the graduates and their families, as well as from the faculty and staff. Provost Hale stated that he felt what the graduates for the class of 2021 have accomplished is especially notable because of the persistence and flexibility they showed in the last year. He noted that faculty are finishing grading and turning in their grades.

The Provost stated that the plan is for a fall semester that looks like what a pre-COVID fall semester looked like. He shared the course schedule numbers as of May 5. Seventy-two percent (72%) of courses in the fall are scheduled to be face-to-face; 6% are scheduled to be in some hybrid form (i.e., some combination of meeting face-to-face and meeting online); 22% are scheduled to be exclusively online, nearly all of those or the vast majority of them, will be asynchronous online, and not synchronous for the most part. There were faculty members for ten course listings who want to continue to try to offer courses in the hyflex format, which is simultaneously online and face-to-face. Seventy-six percent of courses in 2019 would have been exclusively face-to-face with some hybrid and about 20% of them exclusively online. Dr. Hale stated he was pleased with the course distribution for the fall because it was expected, as faculty became more comfortable with teaching online, that the number of online courses offerings as a matter of routine would increase and might go so far as to say that is preferable. One of the things that UTC would like to do on campus is to increase the number of fully online degree programs, or at least to give students those options, so that the accessibility to the university by students who live outside of the metropolitan area, probably outside of about a 50-mile radius around the campus, can still access UTC education if they would like to do that.

Provost Hale also shared that the Associate Vice Chancellor for Human Resources has left up to the various vice chancellors and division heads, the task of devising their own schedules for

employees who have been working remotely to return to work on campus. Academic Affairs expects all staff to return to face-to-face work on campus on July 1, 2021. Faculty should be back on campus by August 2, 2021.

Provost Hale also provided an update on the SACSCOC reaffirmation process. Theresa Liedtka, Dean of the UTC Library, has taken on the additional duty of being the SACSCOC coordinator for the campus, and she has done a marvelous job in the first few months of being appointed. The other key person is Cindy Williamson, the director of assessment and the SACSCOC liaison in the Office of Planning, Evaluation and Institutional Research. Every aspect of the campus will be judged by an accreditor, and there are 74 separate standards for reaffirmation, including ones related to things like the Campus Advisory Board and how it interacts with the System and Board of Trustees, for example. The most important thing that has to be done in the short run for SACSCOC reaffirmation is completion of the Quality Enhancement Plan (QEP). The QEP must be aimed at improving student learning outcomes in some way; it must come along with a resource commitment by the university; and it has to include a plan for how to assess the progress to know whether the university is succeeding or failing. A number of QEP input sessions have been held, with attendees including faculty, staff and students, with a handful of members of the community of various advisory boards participating as well. Also, a survey related to the QEP has been administered. The QEP topics being considered to date include cohort-based learning experiences (which data from other universities shows greatly enhances student success metrics on university campuses), experiential learning and high impact educational practices learning beyond the classroom and improving diversity and inclusion on campus. Input is being solicited and the Executive Leadership Team can make a choice and chart a course for the next 10 years. Dr. Hale concluded his report by asking if there were any questions.

Chair LeRoy thanked Provost Hale for his report and asked if there is any gauge on how the number of face-to-face and hybrid courses scheduled for the fall semester compares to other universities or peer institutions. Provost Hale responded he could not tell precisely but he could say that all of the peer institutions, to the best of his knowledge, are planning on being back in a pre-COVID schedule for the fall. One thing where there is some difference is there are now about a little over 200 universities that are requiring students to be vaccinated before they come back to campus. Chair LeRoy asked if there were any further questions. There were none.

XVIII. STRATEGIC PLAN UPDATE

Chair LeRoy next asked Provost Hale to provide an update on the Strategic Plan, noting that he and Mr. Decosimo have been participating in some of the subcommittees, and he is very impressed with the level of engagement, enthusiasm and work of the other committee members. They have been putting in a tremendous amount of time and effort toward pushing the 2025 plan forward.

Provost Hale thanked Chair LeRoy and Mr. Decosimo for their participation, noting that the participation by the entire campus community has been outstanding. He also praised the individuals who have worked on work groups and the Integration Committee, which is the group that took the various subcommittee or workgroup reports and put them together into a more a comprehensive and cohesive document, especially noting the work of Chief of Staff David Steele, Tom Griscom, and Alexis Hurley, who have been doing a lot of the "heavy lifting" so far.

President Boyd has indicated that the campuses that are redoing their strategic plans should have unique strategic plans but should dovetail smoothly with the UT System's strategic plan. UTC plans to use the original four-goal structure, with one goal related to teaching and learning, one related to diversity and inclusion, one related to research and innovation, and one related to stewardship and resources. Provost Hale's slide presentation can be found [here](#). Key points under the four goals include:

- **Teaching and Learning:** Increase student access and achievement and have a distinct model of educational excellence. UTC wants to undertake initiatives that will increase student access to UTC and student achievement, and also wants to have a distinct model of educational excellence that would include a new set of general education requirements that is much more skill based. The Gen Ed Committee that is working under the direction of Dr. Lauren Ingram is asking questions like, "what is a central skill set that UTC wants its graduates to have when they finish up at UTC." The other thing that will be part of that distinct model of education excellence is a commitment on the part of the entire university to more cohort-based experiences.
- **Diversity and Inclusion:** Expand access to technology, expand access for underrepresented and/or special needs students, and expand online degree programs. UTC is thinking of diversity and inclusion quite broadly to include expanding student access. There is still a large quantity of students, especially in rural parts of the states, who have a technology gap between what they need to be completely active members of the campus and what is available to them. UTC wants to expand access to the university for students from underrepresented groups and/or groups with special needs. That includes both racial and ethnic minorities, first generation students, and students from low-income families. UTC is working closely with Michelle Rigler, Director of the UTC Disability Resource Center, to make the university more accessible to students with disabilities as well. And UTC wants to expand online degree programs, one of the fastest growing demographics for colleges. "Students" is not just non-traditional students in terms of age but also students who have some college credits, but no degree earned or have stepped away for a while. The best way to attract such students is to expand online degree programs, because most of those students are also working between 40-60 hours a week, and they can't come on Monday, Wednesday, Friday at 10:00. But they can still change their lives in positive, significant ways if they are brought back to degree programs, so they can access other research and innovations.
- **Research and Innovation:** Increase research support and productivity, identify up to three areas of strategic opportunity. UTC wants to increase resources and support for research and increase research productivity. A commitment has been made to try to identify up to three areas of strategic opportunity to be able to invest resources and have an extremely positive benefit to the region and the state.
- **Stewardship:** Expand student support services. Under this category, quite a bit still aims at improving services for students and the environment on campus for students. The goal is to try to expand student services, benchmark and expand health and wellness resources for students, and adapt financial aid models so that they will increase access for more students to be able to have the benefits of a UTC education.

Dr. Hale shared the abridged timeline, noting the target date for finishing has changed, in part because President Boyd requested that the campuses wait and present their strategic plans to the Board of Trustees at the same time the UT System is presenting its plan at the UT Board of Trustees meeting in October.

Judge Barker noted that Mr. Steele had sent an unabridged timeline this morning and asked if a copy of the draft strategic plan had been sent out. Provost Hale responded it has not been sent yet because there are still a number of unfinished areas. For example, UTC wants to increase access to certain programs, and have asked the vice chancellors to help construct goals that are reasonable but that are also going to challenge the university. Provost Hale confirmed that the draft strategic plan would be sent out as soon as some of the gaps had been filled in.

XIX. ENROLLMENT MANAGEMENT AND STUDENT AFFAIRS UPDATE

Chair LeRoy thanked Dr. Hale for his update and then called on Vice Chancellor Yancy Freeman for an enrollment update. Dr. Freeman first provided information on the close of the spring 2020 semester. UTC's enrollment was up more in the fall and just slightly in the spring. Graduate school enrollment has been gaining speed.

Dr. Freeman shared a PowerPoint presentation, which can be found [here](#). Dr. Freeman's report included the following key notes:

- **Housing.** For the spring, Probasco South was at 85% occupancy and North Campus was at 70%, which is about a 78% overall spring occupancy rate. Dr. Freeman noted he was very pleased with housing occupancy, expressing thanks that parents and students trusted UTC enough to live on campus away from their safe homes during the pandemic.
- **Student Cohorts.** Dr. Freeman also mentioned Cohort 2025, a cohort experience being planned for all first-time freshman students. This experience is categorized into three areas, one of which is residential. In living learning communities and theme learning communities, there are faculty and residents. There are residential colleges in the residence halls. The second piece of this is in connections, which is for those high-profile student organizations like Freshman Senate, ROTC, student athletics, the band, etc. Those things that are very high profile are going to be part of the connections piece. And the final piece is the academic piece, which pairs students in two or three classes in courses together and by discipline, and it gives them an opportunity to begin forming a community at a new institution to better acclimate to the campus. Dr. Freeman hopes to get all 2,300 new freshmen students this fall engaged in this cohort experience.
- **Fall 2021 enrollment.** Fall enrollment as of May 3 is up 279 in headcount compared to last year's day-to-day headcount and up 129, almost 130, in FTE, so that number is really strong. This is going to continue to change because there is pre-registration for all new freshmen and registering new transfers, so around 2,500 students will register in May. This is an indication of returning students and also of the retention rate, so he is very pleased so far. North Campus housing for Fall 2021 is now at 65% as of May 5; South Campus is at 84%, and Dr. Freeman anticipates being at 95% overall for the campus. UTC will continue to have some isolation/quarantine rooms for the fall. There were 279 spaces

this past year; that will be reduced to less than a third of that for this upcoming year, with spaces in both North and South Campus.

Dr. Freeman shared pictures of what was done for student life this past year through a COVID-19 environment with social distancing. Activities included social-distanced Olympics, sweets and swag giveaways, painting parties, a drive-in movie with candy and popcorn, goat yoga, paddle boarding on the Tennessee River and ultimate frisbee competitions.

Dr. Freeman then asked if there were any questions. Judge Barker asked if it was possible for boarding students on campus to be required to be fully vaccinated before school starts in the fall? Dr. Freeman deferred to Associate General Counsel Yousef Hamadeh for a response. Mr. Hamadeh responded that UTC does not have the legal authority to require students to get vaccinated. Judge Barker then asked if the campus has a vaccination program for those students who want to get vaccinated. Dr. Freeman responded that UTC has a phenomenal health affairs team, led by Dr. Chris Smith, who has done a great job with not only offering routine testing for students but also vaccinations for students, faculty and staff beginning in mid-February/March. Vaccinations have now been opened up to persons connected to UTC, such as relatives of employees. They also have a mobile show that is getting ready to go on the road, so they will even come to offices to give vaccinations. UTC is also working with the Hamilton County Health Department to record information on the vaccinations given at UTC.

Ms. Hoffman asked if the campus has considered incentives to increase vaccination rates. Dr. Freeman responded that UTC has been doing incentives during the past year for routine testing and vaccinations. Students are asked to upload their information into Mediat, which is a software package used by University Health Services. UTC is being careful to ensure compliance with new Tennessee laws relating to COVID-19 vaccination and to avoid putting pressure on students to get vaccinated, so UTC is trying the incentives to encourage them to upload their information if they have been vaccinated. Vice Chancellor George Heddleston has also been assisting with the marketing to faculty, staff and students to encourage them to be vaccinated. Some of this is about education and so the more UTC can educate the campus population, the hope is that it will continue to help drive up those vaccination rates for campus.

Ms. Desai asked what vaccinations are being offered to students. Dr. Freeman indicated that UTC has administered the double-dose Moderna vaccine and the Johnson and Johnson single dose vaccine. There was a break when there was a brief respite in the use of the Johnson and Johnson vaccine, but both are back to being offered. Chair LeRoy thanked Dr. Freeman for his report, noting that it does look like the numbers are moving up in the right categories of student population and less in COVID-19.

XX. FINANCIAL REPORT

Chair LeRoy next called on Vice Chancellor Tyler Forrest for a financial report to be followed by a discussion of the budget.

Mr. Forrest opened his presentation by noting it was a team effort, including a lot of participants on this call as well as a lot of team members across the campus. Mr. Forrest shared a PowerPoint presentation, which can be found [here](#). Mr. Forrest's report included the following key notes:

- Current financial position. The current budget is still well ahead of expectations. This year has a revenue yet to be realized in State appropriations as well as summer tuition and fees. There are some expenses yet to be realized as well, both on the operating and several payrolls left. Mr. Forrest anticipates a strong surplus balance, particularly as a good bit of lost revenue is transferred in from round three of HEERF funding that lost revenue can be charged to.
- Reserves remain strong as well. Unobligated reserves are sitting right at about \$33 million. The fund balance is currently sitting at \$9 million. He hopes that increases to over \$10 million, given that UTC is preparing for a SACSCOC reaccreditation over the next couple of years the health of the fund balance is one of their primary indicators on their assessments.
- Mr. Forrest next shared information on general financial variables that were considered this year and in the out year as well, the first being tuition and fees recommendations. As THEC continues to have a pretty substantial hand in setting binding tuition rates, this is becoming a little bit more and more of a challenge, less so on the general tuition side and more so on the mandatory fee side as UTC tries to move forward several large capital projects. State appropriation continues to be strong and something that UTC is very thankful for. Enrollment is one of the biggest variables because it drives the largest revenue stream. It is trending up and remaining strong. At the very worst, the hope is that it will remain flat, and if so, the budget will hold as planned. Stimulus funding is something that UTC has been very fortunate to receive throughout this year, but it does have some challenges in spending it. It has been successful so far, but with HEERF III in particular, Mr. Forrest thinks there will continue to be some uphill challenges to get all of those dollars spent. Focus will continue on the pandemic response and all of the expenses associated with that as well as housing occupancy. This year it was down; thanks to the HEERF funding, Mr. Forrest thinks the gap can be largely closed on that, but it will be something that will continue to be monitored, as well as long-term debt.
- There are several projects in the pipeline, specifically a University Center renovation, a new housing complex in the next few years, as well as the McKenzie Arena addition. All of those will add debt to the balance sheet, so that is something that is being closely monitored and watched.
- Athletics struggled this year from a revenue standpoint, but Mark Wharton and his team have done a phenomenal job at still trying to balance their budget, and Mr. Forrest commended them for that.
- One thing on the horizon that Mr. Forrest did not think had been shared with the Board before is that the University of Tennessee is moving forward with an RFP to have a new ERP system. The current system is about 20 years old, and it does not do what is needed to do here in 2021, so by 2024 UTC will have rolled out a new ERP system.
- In looking at what the financial response has been to the pandemic, UTC has issued everything from student refunds to block grants to student emergency fund investments, as well as really focused on maintaining positive financial health throughout the

pandemic. Mr. Forrest stated UTC really is in a good financial position. Future actions will obviously be continuously assessing that financial position and slowly loosening what has been a selective hiring freeze. As long as enrollment holds, Mr. Forrest expects that hiring freeze would be lifted completely by the fall semester.

- Then the focus will be on successfully distributing all of the HEERF I, II and III funds. Looking at HEERF I, all of those funds have been either spent or obligated. Most notably out of that, students were awarded 4,843 block grants or emergency fund payments. Both of those programs were extremely successful. UTC prorated over \$2 million of refunds to auxiliary units that issued student refunds last spring and will do some more of those prior to the close of the fiscal year, as well as bought items related to PPE and technology. From HEERF II, which was the second round of federal stimulus funding known most commonly as CRRSAA funds, there have been over 5,200 block grants and emergency funds distributed, and an additional million dollars was added to the student emergency fund as well, so both of these programs are continuing to be successful and working as planned. Spending on PPE has continued as well as a great deal of resources on COVID-19 testing. For HEERF III, UTC has received a preliminary notification, but not an award as yet but that is expected to be right at \$26 million. Half of that is required to go to students, which will also be paid in the form of those same block grants, as well as student emergency funds. The remaining \$13 million will be retained by the campus for institutional expenses that will largely piggyback on everything Mr. Forrest explained so far.

XXI. PRESENTATION/APPROVAL OF BUDGET

Mr. Forrest then began to discuss the 2021-2022 budget, including the following key notes:

The timeline for this year has been very similar to years past and his office have continued to engage the campus at all levels since last October in planning for the budget. Last week the Chancellor and Mr. Forrest hosted a budget town hall with almost 200 campus attendees showing up virtually to learn about the proposed budget. If the Advisory Board approves the proposed budget today, the UT Board of Trustees would consider it for approval on June 25.

- Tuition and fees. The Chancellor, Mr. Forrest and a number of others carefully considered if tuition and fees should increase this year and feel that UTC is in a good position for a modest increase, particularly given there was not an increase last year at all and a modest increase the year before that. UTC is also well positioned from a market standpoint and continues to remain in the middle of the pack with in-state peers and often closest competitors in terms of its tuition rates. Right now, tuition and fees are at \$9,656; if all of those are inflated by 2%, UTC would stay about the same place. UTK is not having a tuition increase because of a substantial enrollment increase that they had in lieu of a tuition increase. They will comfortably remain at the most expensive spot in-state. Assuming the 2% increase is adopted, tuition and fees will be at about \$9,848 for in-state undergraduate students and out-of-state would go up accordingly. Also, graduate in-state remains competitive as well at about \$10,474 – that would increase by 2%. The out-of-state rate of \$8,064 and \$16,064 respectively will not be going up, which is why the out-of-state and international percentage increases are less than 2%. Everything is set at a 2% increase, with the exception of the auxiliary units. The auxiliary units are required to pay

for 100% of the 4% salary pool, which is why there will be a 3% increase in residence hall meal plans and parking. Mr. Forrest also noted that the debt service increase, which is the only mandatory fee increase, will all be designated to the future University Center renovation. That debt service mandatory fee is the only one going up; that's a 12% increase on that fee but aggregately it is 2% overall.

- Revenue summary. Tuition will bring in right at about \$3.9 million. That includes the third-year phase-in of the Soar in Four funding, which was the transition to the 15-in-4 program. State appropriations will bring in about \$4.4 million. Of the remaining, those are all less significant than the top two, but Mr. Forrest did point out a reserve transfer of a million and a half that is an incoming transfer. Last year that figure was at \$5 million as UTC planned for the pandemic. The non-recurring transfer has been drastically reduced for a total new revenue of about \$13.1 million. Mr. Forrest provided a summary of where that will be spent. Academic Affairs will receive the lion's share of the distributions each year set at about \$2.7 million. Much of that is for lecturers in bottle-neck courses and other faculty members or faculty agreements that were set in order to move forward certain high-performing programs. Also note on the institutional line the \$4.7 million increase – the vast majority of that is related to the 4% salary pool proposed by the Governor and subsequently adopted by the General Assembly. Although the State takes credit for 100% of the salary pool, because UTC is a formula unit, they only fund 55% of it, so that is another reason that tuition would be going up slightly in order to pay for the remaining one and a half percent of that salary pool. UTC has worked very diligently on how to go about closing a \$4 million scholarship gap which has been the result of retaining-progressing-graduating students better. Since those students have been retained longer than normal, they maintained scholarships longer than typical, which created a substantial deficit, and there is a \$4 million hole with that program; the allocation of \$4.1 million, if adopted, would entirely close that gap.
- Compensation pool. Mr. Forrest noted he had previously shared that the Governor included a 4% pool in his budget earlier this year, which was adopted last week by the General Assembly. That is only 55% funded. UTC has tried to focus on a number of different things this year with the pool, the first being a raise of campus minimum wage from \$10.10/hour to \$11.30/hour. UTC will continue to focus on this in the next few years and hope to be right at that \$14-\$15/hour market range. A new non-tenure-track minimum for those individuals that have a terminal degree will also be instituted. The minimum will be set at \$45,000, and for those without a terminal degree, \$40,000. Tenure and promotions would continue as well. As a tenure-track faculty member at UTC is promoted from Associate Professor to Full Professor or Assistant Professor to Associate Professor, they receive a 10% increase. The University of Tennessee also adopted a new job family restructure, which was a significant and much welcomed update to the market ranges of a number of staff positions. Some adjustments were made for individuals who were below the first quartile in staff compensation. UTC will continue to be aggressive with those same compensation measures for staff in the new fiscal year and is proposing a 2.75% market merit adjustment for all eligible employees effective July 1 for staff and August 1 for faculty.

- Revenue breakdown. Mr. Forrest shared additional slides showing the revenues broken out; about 30% is from State appropriations, which is a welcome addition from the State. On the expense side, everything academic sits right at about 50% - scholarships are about 7%, auxiliaries at 10%, and student services, which is a combination of Dr. Freeman's area and Athletics, which is right at about 13%. Salaries and benefits continue to be the single biggest expenditure on campus, but there is also about 31% in operating costs as well. On the restricted side, which sits right at about a \$65 million budget and also requires the Board's approval, \$51 million of that is made up of grants and contracts, with the biggest portion of that being the Hope Scholarship funded by the Tennessee lottery and then other gifts and endowments being right at about \$13.6 million. On the expense classification of that restricted budget, scholarships and fee waivers make up about 76% of that in alignment with the Hope Scholarship; the remainder of that is other grants and things happening on campus.
- Mr. Forrest noted additional information regarding the net price of attendance at UTC. The sticker price is often advertised, which for an in-state undergraduate would be right at about \$9,800 this fiscal year, if adopted, but here in the current fiscal year for a student with a family income of \$0 to \$36,708, those students are often getting a refund on average of about \$2,000. If the family income is between \$36-\$85K, they are paying about \$1,200; then it does go up gradually from there. In the highest quartile, on average, it is about \$3,800, so the net price numbers still remain very competitive, which is something that will continue to be aggressively monitored, making sure it remains that way.
- There are about \$135 million in capital projects right now. The Governor's budget also includes three capital maintenance projects totaling about \$11 million. The UC Foundation continues to remain a tremendous part of this campus with a total endowment value of about \$176 million; they turn around and give about \$6 million of that back to the campus every year, and UTC is very grateful for their support and all the work that many in attendance do on that foundation. Mr. Forrest thanked everyone involved in this process.

Judge Barker congratulated Mr. Forrest on his report and asked what maintenance fees constitute in the budget. Mr. Forrest responded that "maintenance fee" is the Tennessee term for in-state tuition. Judge Barker suggested that be included in the title on future documents. He then asked what the "mandatory fee" includes. Mr. Forrest responded that the "mandatory fee" include fees such as facilities fees, technology fees, student activity fees, and other similar fees. Judge Barker asked if maintenance fees are Tennessee's term for tuition. Mr. Forrest responded that out-of-state tuition in Tennessee is referred to as "tuition" and in-state tuition is referred to as "maintenance."

Chair LeRoy also commended Mr. Forrest for his report and asked if there were any other questions. Mr. Decosimo asked what a block grant is and the amount of the average block grant. Mr. Forrest responded that the block grants were based on Pell eligibility, and they averaged about \$2,000 per block grant. He added that the one thing that can be done on HERF III that could not have been done on HERF I and II is apply those block grants to outstanding student balances. The first two HERF rounds prohibited that, but Mr. Forrest thinks that will help on the third round when those funds can be allocated. Chair LeRoy asked if there were any other questions. There being none, Chair LeRoy noted that part of the Board's official duty is to vote to recommend

the budget for adoption and recommended that the Board recommend the budget as proposed so that it can be submitted to the UT Board of Trustees for approval at its June meeting. Chair LeRoy asked if there were any other questions or comments, if none, he will ask for a motion. He noted that the 2% increase is long overdue; if you don't look at anything else besides inflation over the last three years, inflation has exceeded 2% over the course of three years, so that is probably not even catching up with inflation by doing a 2% increase. Mr. Forrest commented that there is a one-page budget document that the Board is required to vote on for approval and that was in the Board's packet. He further noted that it is possible that there could be a minor adjustment to that document after Board approval because this process does not align with the UT System budget development process. If they ask UTC to make an entry, those numbers could change, but he would alert the Board at the next meeting if that were to occur. It would be very immaterial if that occurred. Chair LeRoy acknowledged that this was just a recommendation, not a final approval. That would come from the UT Board of Trustees, and there could be adjustments between now and June.

Mr. Decosimo asked Chancellor Angle if he knew what President Boyd's recommendation regarding a fee increase would be. Chancellor Angle responded that President Boyd would like the fee increase to be as low as possible but understands why the 2% is appropriate. He also noted that the Tennessee Higher Education Commission has yet to issue a final, firm guideline. They are probably going to be between 0-3%. UTC is actively looking at enrolling students for the next semester, this coming fall, when these new fees are going to be used and is operating with the best information obtained and developed the budget accordingly. Chair LeRoy asked if there were any further questions or comments. There being none, he asked for a motion to approve the operating budget recommendations. Judge Barker made a motion to approve with Dr. Harvey seconding. A roll call vote was taken, and the budget recommendations were approved unanimously.

XXII. OTHER BUSINESS

Chair LeRoy then asked if there was any further business. There being none, he then asked Chancellor Angle for his closing comments.

XXIII. CLOSING REMARKS

Chancellor Angle thanked everyone for their time, noting that a lot of work had gone into preparing the presentations. He noted that the budget is an incredible amount of work, and he expressed his appreciation to Mr. Forrest for the work he did. UTC will continue to try to be good stewards of the funding received from the State of Tennessee and from students with tuition. The recommended 2% tuition increase is something that can be used to maintain the quality of programs, fulfill UTC's part of the 4% salary pool that the Governor had, and still be affordable. UTC will continue to set scholarships as a high priority and continue to focus on keeping attendance affordable. He assured the Board that UTC will continue to push there. Chancellor Angle again thanked everyone, expressing his appreciation for Chair LeRoy and Mr. Decosimo for participating in the Strategic Planning Committee.

Chair LeRoy noted that the next meeting of the Board is scheduled for October 4, 2021, at 3:00 p.m. and requested that the Board members make sure it is on their calendars. He also expressed his appreciation for everyone participating in the meeting and advising, which is the role of the Board.

XXIV. ADJOURNMENT

Chair Leroy asked for a motion to adjourn. Ms. Hoffman so moved, and the motion was seconded. A roll call vote was taken, and the motion passed by unanimous vote. The meeting was adjourned at 3:28 p.m.

DRAFT

APPENDIX B

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