



THE UNIVERSITY OF TENNESSEE, KNOXVILLE
CAMPUS ADVISORY BOARD

MINUTES OF THE SUMMER MEETING
May 15, 2019
KNOXVILLE, TENNESSEE

The summer meeting of the University of Tennessee, Knoxville, Advisory Board was held at 10:04 a.m. (EDT) on Wednesday, May 15, 2019, in the Student Union Room 270 on the campus of the University of Tennessee, Knoxville.

I. CALL TO ORDER AND ROLL CALL

Chair John Tickle called the meeting to order and announced that all but one board member were present.

Present members:

John Tickle, Chair
Louis Gross
Ovi Kabir
Alexia Poe
Syreetta Vaughn
Tim Williams

Absent member:

Tom Smith

II. APPROVAL OF MARCH MINUTES

Chair John Tickle called for approval of the March minutes. Alexia Poe made a motion to approve March minutes, Tim Williams seconded, and the motion passed unanimously by voice vote.

III. PRESENTATION TO OVI KABIR

Interim Chancellor Wayne Davis presented Ovi Kabir, student member of the advisory board, a plaque in recognition of his service to the board. Kabir will rotate off the board on June 30.

IV. INTRODUCTION OF JOHNELLE SIMPSON

Interim Chancellor Wayne Davis introduced Johnelle Simpson, College of Law first-year student, as the new student member of the board starting July 1. Simpson introduced himself and was welcomed by the board with a round of applause.

V. PRESENTATION BY SENIOR VICE CHANCELLOR CHRIS CIMINO— BUDGET OVERVIEW

Presentation can be found online: <https://chancellor.utk.edu/wp-content/uploads/sites/60/2019/05/05152019-Advisory-Board-Budget-Presentation.pdf>

Louis Gross disclosed to the board that he sent a set of questions and comments related to the budget to Interim Chancellor Davis and Senior Vice Chancellor Cimino beforehand.

Discussion of Education and General Expenditure Summary

Gross asked what is driving the tremendous difference in research expenditures from 2012 to 2019 from around \$30 million to around \$90 million. Cimino commented that the largest increase one can see from 2017 to 2018 and 2019 is due to the change of the way the university accounts for faculty effort related to internal non-sponsored research by faculty. A lot of funds were shifted out of instruction and are now showing as research. Gross commented that this change has a positive impact on ranking.

Gross asked about the \$31.8 million difference between FY '19 probable and FY '20 proposed research expenditure. Cimino clarified that it's because FY '19 included a lot of carryover and startup funds, whereas carryover and startup funds are not included in FY '20 proposed budget. Gross requested Cimino send details for the Faculty Senate budget committee to review.

Tim Williams asked if the carryover dollars appropriated in prior years and not spent will be or were spent in 2019. Cimino gave an example of faculty startup funds that were not spent in one year are set aside in a savings-type account and will be moved back in the following year and show up in the "probably" category and will increase the projected budget. Davis added that in most cases, new faculty lines will come with three-year startup funds that would be allocated in the first year but likely not spent in the first year so will carry over until its completion. Cimino added that the total start up carryover in 2018 was \$4.8 million.

Syreeta Vaughn clarified that Gross was asking about the reason behind the drastic change in research expenditures. Cimino commented that it's about a \$30 million change after accounting for how the university counts faculty effort. Provost David Manderscheid added that it's consistent with practice at other institutions, and the National Science Foundation felt it's a better reflection of what universities invest in research.

Gross commented that the amount in scholarship/fellowship category almost doubled in the past five years, and it would be beneficial to publicize that. Cimino added that it also included the increase in graduate student waivers.

Gross asked the reason for decreased proposed expenditure in public service. Cimino answered that the main drop is in the area of conferences, and the university is working with a number of organizations in the hope of making up the difference.

Auxiliary Budget Summary Discussion

A discussion of how much the Athletic department provides the university was held. Gross would like to encourage the future chancellors to require some part of Athletics' income to be given back to the university. Chair John Tickle shared his experience serving on the athletics' board and added that UT Knoxville athletics budget is small when compared with other SEC schools, and the reserve is small. Tickle also pointed out that athletics is the face of campus and an important part of the campus. Gross reiterated the need to hold athletics accountable. Interim Chancellor Wayne Davis said that this is a work in progress and has been discussed with the incoming chancellor. Alexia Poe added that from a public accountability standpoint, people are aware of athletics' activities due to media coverage.

FY 2019–20 Proposed Unrestricted Educational and General Funds

Gross asked about the savings in these areas. Cimino answered that even with new buildings the university is not increasing its budget due to efficiency savings with projects. Poe suggested adding a slide on savings in future budget presentations.

Williams asked what restricted funds are. Cimino answered that they are grants and contracts, specifically for research and/or projects.

Gross explained the meaning of sponsored projects.

FY 2019–20 Proposed Appropriations

Gross commented that it's a real benefit for the campus that the state is supporting the UT Space Institute. Cimino added that UTSI's total operating budget is \$11.1 million.

Trend in Undergraduate Tuition Increases

Tickle asked about tuition increases on other campuses within the UT system. Cimino confirmed that UT Knoxville is doing well compared with other campuses.

Proposed Tuition and Mandatory Fees

Gross pointed out that tuition and fees do not reflect how much the incoming freshmen families are paying and requested to see actual cost to families. Tickle mentioned the advisory board has seen the actual cost slide before. Cimino added that the actual cost number was just updated for fall semester and he can send the new actual number to Gross, who reiterated that showing the actual cost versus tuition and fees can attract students. Vaughn confirmed that the actual cost slide was presented to the advisory board during the March meeting.

Other Student Fees



Tickle asked about the high fee in the Aerospace and Defense MBA program. Cimino responded that the cost was determined based on analysis of similar programs and the cost listed is the full program cost.

Ovi Kabir asked if nursing students are expecting a high increase in program fees. Cimino answered that the students have been informed. And it's not an actual increase, instead of the current model of having students pay for materials on their own, the material cost will be included in their program fee, and if the actual cost exceeds what was paid, the university will assume the extra cost.

Williams asked why some program fees are on top of the tuition, such as law, and some are included in tuition, this is not consistent. Davis commented that it was a great point, and clarification could be made in future presentations.

Sources and Uses

Gross asked to hear the plan for academic investments. Manderscheid responded that academic investments will be made in three main areas: faculty hiring and support, student success (recruitment and retention), and online education.

Gross asked if there will be an increase in graduate teaching assistant lines. Manderscheid responded that this year the focus will be on increasing the stipends and that adding new lines would be considered in next year's budget.

Poe asked how UT Knoxville's salary for faculty and staff compares with other SEC and/or other comparable schools. Cimino responded that UT Knoxville has done well coming out of the Great Recession and this year will try to do a fixed amount for low-income faculty and staff. UT Knoxville is in the middle of the pack comparing with SEC schools and is studying entry-level salaries and compression to see where improvements can be made. Davis added that a salary study was just released and UT Knoxville is fairly competitive on an overall basis with peer institutions. Gross commented that details of the study can be found on the Faculty Senate budget committee website.

Williams asked if the number of budgeted new faculty lines will be relative to new enrollment growth. Cimino said it would. Davis added that partial salary reallocation program related to retiring faculty developed last year will also help add about four to five new faculty lines each year, and it's a good way to reallocate faculty lines into high-growth areas across the university.

Tickle asked how UT Knoxville's enrollment growth plan will affect other institutions since the total number of high school graduates is projected to decline. A discussion formed around recruiting students while not detrimentally affecting other System campuses, increasing scholarship to stay competitive, and strengthening collaborations between UT Knoxville and community colleges.

Tickle asked what percentage of UT System's budget is contributed by the Knoxville campus. Cimino responded that the System's overall budget is \$50 million, while the amount they assessed on campuses is just over \$19 million. Knoxville campus pays just over \$9 million. For FY '20, the system will not increase the charge but also give Knoxville campus a rebate of \$2 million due to an increase in other funding resources. Davis added UT Research Foundation as part of the System is more self-sustained now. Tickle asked where the rest of the System budget comes from. Cimino responded that it's from interest income. The System has a taskforce to study efficiency and will report to the Board of Trustees.

Tickle asks how UT System compares with other state school systems. Cimino responded that it's hard to compare due to size differences.

Poe asked if it is common for System staff to be on the same campus as the flagship institute. Cimino responded that it's common to be on the same campus, but not in the same building. UT System is unique.

Cimino ended the presentation with a breakdown of diversity and engagement fund usage.

Tickle called for a motion to approve the budget and tuition recommendations presented.

Williams made a motion to approve the tuition and fees recommendation. Vaughn seconded. Tickle opened the floor for discussion. Gross clarified the motion is to approve the tuition and fee portion of the one-page summary recommendation requested by the president. Motion passed unanimously with voice vote.

Williams made a motion to approve the budget as presented. Gross seconded. Tickle opened the floor for discussion.

- Williams requested a possible workshop to help the advisory board understand the budget in detail. Cimino agreed and would like to offer one or two workshops between now and fall meeting.
- Vaughn asked what level of details the Board of Trustees will receive. Cimino responded that the presentation will be less than what is presented today, but they will receive budget summaries. Tickle added that the Board of Trustees has a finance committee that will spend more time on budget.
- Gross requested a conversation be pursued with the new chancellor on how to make budget preparation more transparent not only to the board but also to the campus, citing UT Chattanooga campus as an example. Tickle agreed to take on the assignment to discuss with the new chancellor.
- Vaughn clarified that the advisory board voted on the budget, tuition, and fees recommendation while Board of Trustees will be approving the budget, tuition, and fees.
- Poe reiterated the request to add a slide showing campus savings.

Motion passed unanimously with voice vote.

Break for lunch at 11:45 a.m.



Meeting resumed at 12:18 p.m.

VI. PRESENTATION BY DAVID MANDERSCHIED, PROVOST AND SENIOR VICE CHANCELLOR—ENROLLMENT UPDATE

Presentation on budget overview can be found online: <https://chancellor.utk.edu/wp-content/uploads/sites/60/2019/05/AdvisoryBoardEnrollment052019.pdf>

Tickle asked if there is a mandated maximum percentage of out-of-state students by state legislators. Manderscheid responded the state legislators have not expressed a desire to put a cap on percentage of out-of-state students at UT Knoxville.

Vaughn asked why there was a decrease in the number of high school graduates. Manderscheid and Davis responded that it's due to decreased birth rate.

Gross asked about the plan of faculty growth to meet the 15 percent growth in undergraduate enrollment and how it's distributed across the colleges. Manderscheid stressed that the university has to be careful where to allocate those faculty lines to meet the needs, and the graduate school dean has been asked to look into the growing need for the number of GTAs to meet instructional needs.

Gross asked about the imbalance between projected faculty growth at 7 percent and undergraduate student growth at 15 percent and how it's going to impact the faculty-to-student ratio. Interim Chancellor Davis responded that he and the provost have been monitoring. The ratio has not increased in the past three years. Right now the growth in both faculty and students are balanced, but Davis agreed with Gross's comments and also added that two areas that need attention are staff and GTAs to provide faculty support. Davis commented that it's a chicken-and-egg situation where if you do not see the student growth, you cannot hire more faculty. The university needs to keep a keen eye on monitoring the situation. Manderscheid added that not only tuition but also private support through the Foundation is helping to grow the faculty.

Gross asked if there is a plan to increase non-tenure-track faculty. Manderscheid responded that the current focus is on growing the number of tenured and tenure-track faculty to provide the best education for undergraduate students. But non-tenure-track faculty growth will be part of the mix. Davis added that a second benefit of growing tenured and tenure-track faculty is that they will support graduate program growth through externally funded grants.

Williams asked if transfers refer to those from junior college or other four-year colleges. Manderscheid responded that it's a mixture of both.

Vaughn commented that the number of applications is up significantly. Davis mentioned that what's important is the number of confirms. Manderscheid added that now using the Common App, students can fill out the same applications for multiple schools at once.

Tickle opened the floor for questions.

- Gross mentioned that efforts were made to increase interactions between first-year students and tenure-track faculty in order to increase first-year retention rate. Is there any evidence that it's effective? Manderscheid commented that no direct causal relations studies have been done at UT Knoxville, but there are certain high-impact practices on our and other campuses, such as more research opportunities and study abroad. These practices have higher impact on first-generation students.
- Gross requested evaluations be done in the future to show which practices lead to increased retention to address efficiency. Manderscheid agreed and said the university currently is relying on what has worked on other campuses and anecdotal evidence. Many initiatives are relatively new. Literature has shown especially for first-generation students, engaging in research leads to a higher retention rate. Davis added that the first-generation category has the lowest retention rate and that's why the university is focusing on them now. Research can help students get engaged, and if it's a paid research position, it can help students financially. Manderscheid added that if students are from a lower income group, students can acquire federal aid and qualify for work-study.

VII. PRESENTATION BY SENIOR VICE CHANCELLOR CHRIS CIMINO— CAMPUS MASTER PLAN UPDATES

Presentation on budget overview can be found online: https://chancellor.utk.edu/wp-content/uploads/sites/60/2019/05/051519-UT_Master_Plan_Update-reduced.pdf

Discussions and comments about the following projects are formed.

- Sorority village
- Concord
- Expansion of Pedestrian Mall
- More classrooms or labs to accommodate projected enrollment growth
- Time period for future capital projects
- Residence Hall renovations
- Dining services on campus
- Campus beautification projects

Davis reminded advisory members of future meeting dates and asked if any other issues have not been addressed.

- Tickle: Vision of Top 25 university, track of progress
- Vaughn: Opportunity to tour new facilities, such as Stokely, new dorms
 - Tickle: Have the next meeting at new facilities
- Gross: Is there a need for quick presentation from faculty members?
 - Vaughn: More interested in hearing from first-time freshmen students
- Poe: Opportunity to meet with the new chancellor before October 11 meeting
 - Davis: Summer workshop may be an opportunity



VIII. ADJOURNMENT

With no further business to come before the advisory board, Vaughn made the motion to adjourn the meeting, Poe and Gross seconded. The chair adjourned the meeting at 1:33 p.m.

Respectfully Submitted,

Rachel Rui

Rachel J. Rui, Secretary