



THE UNIVERSITY OF TENNESSEE, KNOXVILLE
CAMPUS ADVISORY BOARD
MINUTES
April 30, 2021
KNOXVILLE, TENNESSEE

The University of Tennessee, Knoxville, Advisory Board met virtually at 10:00 a.m. on Friday, April 30, 2021.

I. CALL TO ORDER

Chair John Tickle called the meeting to order at 10:05 a.m.

II. ROLL CALL

Roll call of board members conducted with all present.

Members present: Mr. John Tickle, Chair, Ms. Karmen Jones, Mr. Beauvais Lyons, Ms. Alexia Poe, Mr. Tom Smith, Ms. Syreeta Vaughn

III. OPENING REMARKS

Mr. John Tickle welcomed the group to the meeting.

IV. MINUTES OF THE LAST MEETING

Mr. Beauvais Lyons made a motion to approve the February 9, 2021 minutes provided the Secretary is authorized to make any necessary edits to correct spelling, grammatical, or format errors or other technical errors subsequently identified. Mr. Tom Smith seconded the motion. The motion was unanimously approved.

V. CHANCELLOR'S UPDATE

Dr. Donde Plowman, Chancellor

Chancellor Donde Plowman provided an overview of the spring semester. She recently met with the Office of Research and Engagement's External Advisory Council to review the strategic vision, which received positive feedback. Several of the athletic teams are doing well this spring and advancing in their respective tournaments. Spring commencement will be held in Neyland Stadium for the first time. Chancellor Plowman expressed her thankfulness for vaccines and feeling good about the upcoming fall semester.

VI. FY 2021-2022 OPERATING BUDGET RECOMMENDATION

Mr. Chris Cimino, Sr. Vice Chancellor, Finance and Administration

Mr. Chris Cimino provided an overview of the Higher Education Emergency Relief Funds provided to the university by the federal government. A committee has been established to review proposals on how best to use some of the funds to support student success. Decisions should be made by mid-May.

Mr. Tickle questioned if the funds had to be spent now. Mr. Cimino shared the funds are considered a grant and are reimbursed as they are spent. The university wants to put the money to work as soon as possible to make an impact on campus.

Mr. Cimino provided an overview of how the first two rounds of funds have been used to support student grants, expenses associated with isolation housing, and lost revenue. Mr. Cimino will provide an update on how the third round will be put to use at a future meeting.

Chancellor Plowman shared the isolation housing, health clinic, and contact tracing team plans for the fall. It appears virus related issues are winding down, but there are still unknowns going into the fall. We plan to maintain a much smaller number of isolation beds this fall. We will have contact tracers in the fall. The health center is currently administering vaccines and will continue to do so. Recently the clinic administered the 10,000th vaccine. Chancellor Plowman expressed her pride in the work that has been conducted by our staff related to covid. We anticipate expenses related to covid this fall, but hopefully not like we experienced over the last several months.

Mr. Smith questioned what the university's policy on vaccinations will be in the fall. Chancellor Plowman stated students will not be required to be vaccinated, but will be strongly encouraged to get vaccinated. We are discussing potential incentives to encourage students to get vaccinated. We do not know the number of students that are vaccinated, but the students she encounters on campus state they have received the vaccine or plan to get vaccinated over the summer.

Mr. Lyons echoed Chancellor Plowman's remarks related to students being vaccinated. Ms. Karmen Jones stated she has not experienced a sense of vaccine hesitancy in students. Ms. Jones reported the majority of SGA students have received their second dose. Mr. Tickle shared a report he heard of over 100 schools in the United States that will require the vaccine in the fall. Mr. Cimino stated there are approximately 4,200 higher education schools in the United States, so 100 is a small percentage of schools across the country.

Mr. Tickle asked is if there was a time constraint of the HEERF funds. Mr. Cimino reported once an institution receives the funds, they must request a draw down within the first 90 days, which has occurred on the first two rounds of funds. Following the initial draw down, we have approximately one year to spend the funds. The third round of funds is anticipated to be awarded in mid-May. Once awarded we have 90 days to draw down the first amount and then we would have one year to spend the funds just like the first two rounds.

Mr. Smith asked what our policy will be if a student tests positive and do we plan to shut everything down again like last year. Chancellor Plowman shared students living in a dorm will be required to isolate or go home. We do not anticipate shutting down the campus again. The safety net this time is that we have access to vaccines and the fear surrounding the contagion is diminished. Ms. Jones asked if students will still have to wear masks in the fall. Chancellor Plowman stated the hope is we will not have to wear masks in the fall, but we will look to the CDC for guidance.

Chancellor Plowman expressed her appreciation to Mr. Cimino and his team for providing students with grants without an application process. The university received recognition for our handling of covid due to how quickly we processed the grants and our communication efforts.

Mr. Cimino reported we are not proposing any increase in tuition and fess for the upcoming year. This will be the third time in four years we have not raised tuition and fees. There will be no increases in housing or meal plan rates and no changes or additions in course fees. Course fees are continually reviewed. We currently have over 700 course fees. We are looking to see how we can reduce or eliminate some of the fees over the coming year. Mr. Smith asked if the HEERF funds could be used to cover previous losses instead of new items. Mr. Cimino shared the third set of funds may be used to address some of the losses related to housing, parking, dining, and conferences. This is in part due to the lobbying of our professional organizations such as APLU. We are now analyzing lost revenues and comparing that to needs in student success and will provide Chancellor Plowman with our recommendations on how best to use the funds.

Mr. Lyons reported the Faculty Senate passed a resolution this year requesting a significant reduction in fees applied to graduate students. These fees present challenges to recruiting the best graduate students to campus. Mr. Lyons expressed his appreciation for the commitment to look at all fees, some of which do not apply to graduate students. Mr. Lyons reported the fees are a concern of faculty and the dean of the graduate school, especially since our stipends not always competitive and the fees significantly reduce the stipend the graduate student receives. Chancellor Plowman shared they are looking at a potential solution to the graduate student fees issue and will share additional information at a later time.

Mr. Cimino reviewed the list of mandatory fees for every student. We are recommending no increase in any fees for the second year in a row. We are asking the student abroad fee be eliminated. This fee only assists a small group of students so we will remove it and fund this item through other sources.

Mr. Cimino shared the proposed specialized program increases for the coming year. The last increase for the executive MBA strategic leadership program was in FY17. The additional funds would support enhanced curriculum, student support, student residencies, and student recruitment. The supply chain MBA program has not increased since FY16 and it will be used to expand recruiting activities, high quality programming, enhance technologies, and experiential

learning. Chancellor Plowman shared the programs review the market annually to see where improvements need to be made. Many of these students are working and the fees are covered by their employer. The master of science supply chain program increased three years ago. The increase will allow them to increase mentorship opportunities, student services, and recruiting. The masters of science in social work is an annual amount spread over three semesters, which results in a \$100 increase each term. The additional funds were requested due to enrollment growth and the need to expand field placements and simulated patient technology.

Governor Lee's proposed budget, which passed the senate house this week, is very favorable to higher education. The proposed budget includes base appropriations increased by \$18 million, a formula increase of \$7.5 million, and salary funds of \$9.2 million. Salary funds include a two-part plan. The first part will take place in the current year. In the month of June, the state is going to provide all state employees with a 2% of six months of their salary one-time bonus, essentially a 1% one-time payment. The university is going to follow and provide the one-time payment. Mr. Smith asked about the source of the funds. Mr. Cimino shared the state is going to provide approximately 55% of the funds and we will need to find one-time funds from reserves to cover the remaining 45%. Mr. Smith questioned if stimulus funds could be used. Mr. Cimino responded those funds may not be used for faculty and staff. The Governor also recommended a 4% salary pool effective July 1st. The pool will be available to us and will be applied based on merit and market.

Mr. Smith inquired about the level of concern related to a period of significant inflation. Mr. Cimino expressed his concerns related to inflation. At this time the largest impact is on construction projects. Mr. Cimino and his colleagues in the SEC are continuing to monitor the situation and will address issues as they occur.

Mr. Cimino also shared we are looking at improving salaries for our lowest paid staff members. Mr. Lyons informed the group of a recommendation from the faculty senate asking the university to address the rate of pay for full time non-tenure track faculty members. He expressed his appreciation for the improvements that have been made over the last couple of years, from \$40,000 to \$45,000 per year. The faculty senate will continue to advocate for \$60,000 per year. Mr. Lyons asked if any of the merit/market adjustments could be used to increase the salary floor for these individuals. Mr. Cimino shared the state is not as restrictive on higher education with regards to the salary pool. Chancellor Plowman informed the group she will be making a presentation to the Board of Trustees in June on the work done to address lecturer pay. The market rate varies greatly by discipline. Under the new budget allocation model deans will have the option to review salary dollars and determine how they want to spend them. We have made considerable gains for lower end lecturers across the board and going into the future deans and faculty will determine how they want to spend their salary dollars. Provost Zomchick stated the best data we have at the moment regarding market rates is from the Oklahoma State University survey of the Association of Public Land Grant Universities. According to the report, we are at market for just about all of our non-tenure track faculty. Provost Zomchick shared Dean Lee, with the College of Arts and Sciences, met with non-tenure track faculty earlier this week to address compression concerns. When we raise the salary floor we create compression issues as

typically happen in this process. Dean Lee intends to use some of the raise pool dollars to address some of the compression issues for the lecturers that have been here for some period of time. The salary issues lie mainly in the College of Arts and Sciences. Provost Zomchick shared there are tenure track faculty who do not start at \$60,000 a year right now on our campus, but are in line with market differentials and many of our non-tenure track faculty are at \$60,000 or higher. Mr. Lyons expressed his appreciation of leadership's efforts to bring up lecturer salaries and the work to make this an institution of destination for faculty members.

Mr. Cimino shared information related to state appropriations over last ten years. Chancellor Plowman called attention to this information and acknowledged that many land grant universities have not been supported financially in the way higher education has in the state of Tennessee. She expressed her appreciation of the state legislature to continue their support and recognition of the importance of the work of land grant institutions.

Chancellor Plowman requested Mr. Cimino to provide an update on formula funding for this group in the fall. Mr. Cimino stated the timing would be applicable as they are currently conducting the five-year review.

Mr. Cimino commented on the deferred maintenance funds the state provides the university. The funds allow us to invest in improved HVAC systems, steam line improvements, electrical and plumbing distributions in our buildings without using tuition dollars. Mr. Smith encouraged the group to continue to offer our appreciation of their financial investment in higher education.

Mr. Cimino reviewed the changes in the budget for the coming year. He called attention to the increase in restricted funds, which represents the federal awards for covid. As money comes in from the federal government for covid related awards, it will show up in the restricted funds over the next one to two years as we spend those dollars. Auxiliaries shows a slight increase. This is related to the decrease in revenue related to covid and the expectation those activities will rebound as more concerts and events are scheduled.

Mr. Cimino shared the budget for tuition and fees is \$34.7 million. This reflects a recognition of past enrollment performance for both this year and some of what we are predicting for next year. We are very conservative on what we predict and budget for our enrollment increases. We will adjust this number later this fall when we have final numbers on enrollment. We have been very fortunate to have strong enrollment numbers over the past few years. Increased enrollment helps to keep tuition low. The majority of our expenditures are split between instruction support and scholarships and fellowships. Under auxiliaries, athletics will see a small change as ticket sales will begin. Athletics is being conservative in their approach this year. Housing and the Vol Shop anticipate a slight decrease. If we are face to face in the fall, we expect some of the areas to make up losses from the previous year.

Mr. Lyons asked what is the university's financial commitment to athletics to address their losses and how athletics plans to address the shortfall over the long term. Mr. Cimino reported athletics anticipates they will need \$12 million or less. Athletics expects to close out the FY21 year in a

break-even status due to the timing of some SEC funds they will receive. Going forward in FY22, we will have to see where they come in with ticket sales.

Mr. Cimino provided a completed operating budget recommendation form with the numbers presented in today's presentation for the approval by this group. Should these numbers change significantly prior to the Board of Trustees meeting in June, we will reach back out to this group. Following the approval by this group, the form will be sent to the president and then to the Board of Trustees for approval.

Mr. Smith made a motion for adoption of the following Resolution:

Resolved: The University of Tennessee, Knoxville Advisory Board recommends approval of the proposed operating budget for FY2021-22 attached as Attachment A hereto and authorizes the Chancellor to present the proposed operating budget to the President as provided in Board Policy BT0026.

Further Resolved: The Advisory Board authorizes the Chancellor to provide additional information to the President prior to the Board of Trustees meeting on June 24-25, 2021, to support any needed adjustments to the proposed operating budget based on changed circumstances or new data made available to the Chancellor relating to UTK's anticipated operations in FY2021-22. Ms. Alexia Poe seconded the motion. The motion was unanimously approved.

VII. RECOGNITION OF OUTGOING BOARD MEMBER

Chancellor Plowman recognized Ms. Karmen Jones as our outgoing board member. Ms. Jones served as the SGA president for the past year, which is a huge job and responsibility. Ms. Jones expressed her appreciation for the board allowing a student to have a voice in this space and announced the incoming SGA president for next year will be Ms. Claire Donelan. Chancellor Plowman shared one of our graduate students will be filling the student position beginning in August and she will be introduced to the group at our first meeting of the new academic year.

VIII. CLOSING REMARKS

We have selected tentative meeting dates for next year. We will send those dates out after I speak with our chair. We anticipate a brief zoom meeting in August, an in-person meeting this fall associated with a football game, a meeting in February associated with a basketball game, and one additional meeting in the spring.

Mr. Smith asked if we have any vacancies on the board. Chancellor Plowman reported we have one vacancy. We have a nominee and that person is awaiting legislative approval and should join us in the fall.

Ms. Syreeta Vaughn requested information on how the university plans to transition staff back to campus and if flexible work schedules will be considered. Chancellor Plowman explained the needs of a higher education campus are different. So much of what we do is focused on serving students in-person. Chancellor Plowman has asked vice chancellors and deans to review positions and determine if they have positions that are more productive off campus. Positions will not be moved off campus for health-related reasons. We have not implemented a campus or system-wide policy related to transitioning back to onsite work or flexible work schedules.

Ms. Vaughn asked if the use of zoom over the past year will influence how we teach. Chancellor Plowman stated we have learned a great deal from using zoom and anticipate it will be used in some situations, such as advising at times outside normal business hours. There are also downsides, such as students feeling isolated and alone. We are looking at implementing a re-engagement program for students this fall. We have three classes of students that have not experienced a normal year of university life and we need to help them adjust. Ms. Vaughn expressed her appreciation of the work done by the university over the past several months. The university has been a leader and set the standard in their efforts dealing with the challenges of the past year.

Mr. Lyons commented how well the university has done with student retention given the challenges over the past year.

Mr. Tickle stated it has been a challenge for everyone and the university has done the best it could under difficult circumstances.

IX. ADJOURN

With no further business to come before the advisory board, the chair adjourned the meeting at 11:18 p.m.

Respectfully Submitted,

Susan E. England

Susan E. England, Secretary