

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

1:00 PM EST
Monday
October 5, 2020

Zoom Meeting
<https://tennessee.zoom.us/j/99525377249>

ORDER OF BUSINESS

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I. CALL TO ORDER AND ROLL CALL

Chair Fred Decosimo called the meeting to order at 1:01 p.m. Ms. Terry Denniston, Secretary, called roll. The following Board members were present:

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

A quorum was present.

Others in attendance included: Dr. Steven Angle, UTC Chancellor; Dr. Richard Brown, UTC Executive Vice Chancellor of Finance and Administration; Ms. Vicki Farnsworth, Vice Chancellor for Information Technology and CIO; Mr. Tyler Forrest, Associate 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 Communications and Marketing; Ms. Gina Stafford, Assistant Vice Chancellor for Communications and Marketing; Mr. David Steele, Director of Civic Engagement; and Ms. Kim White, UT Board representative.

II. OPENING REMARKS

Chair Decosimo thanked everyone for attending the meeting, acknowledging Ms. Kim White's attendance as a UT Board representative. He invited Judge Muecke Barker to make opening remarks. Judge Barker noted that the initial Board members serve for staggered terms, and his term was ending June 30, 2020. Chancellor Angle had asked Judge Barker if he would be interested in staying on the Board for a longer period. Judge Barker responded he would, and did not hear anything further until about 10 days ago, when he was notified by the Governor's office that the Governor had nominated him and that he has to be confirmed by the Tennessee General Assembly. Judge Barker noted that the General Assembly does not go into session until January 2021, and he was unsure of his current status on the Board. Mr. Hamadeh noted that, after reviewing the Advisory Board Bylaws, Judge Barker's appointment is valid as long as he is confirmed by the General Assembly within 90 days of the appointment and is authorized to sit on the Board.

III. ELECTION OF BOARD CHAIR

Chair Decosimo moved on to the election of a new chair for the Board. He noted that he appreciated everyone's confidence in him for the past two years and then nominated Mr. Scott LeRoy for the position of chair of the Board, which would start with the next meeting. Mr. LeRoy

is the former chair of the UTC Alumni Association, is an active member of the UC Foundation, and is a graduate of UTC. He has children and now a grandson at UTC as well. Ms. Desai seconded the nomination. A roll-call vote was taken, and Mr. LeRoy was elected unanimously as the new chair.

IV. APPROVAL OF THE MINUTES OF MAY 7, 2020

Chair Decosimo asked for a motion to approve the minutes of the May 7, 2020 meeting, a copy of which was provided to the Board members prior to the meeting. Judge Barker made a motion to approve the minutes, with Mr. LeRoy seconding. A roll-call vote was taken and the minutes were approved unanimously. A copy of the May 7, 2020 meeting minutes approved by the Board are included in **Appendix A** to these minutes.

V. CHANCELLOR'S REPORT AND INTRODUCTION OF NEW MEMBERS

Chancellor Angle welcomed two new Board members to the meeting. Dr. Jamie Harvey, the faculty representative, is an Associate Professor in Health and Human Performance, past-president of the UTC Faculty Senate, and a real MOC supporter and fan. Ms. Rachel Worley is the student member of the Board. She is a senior majoring in Business Management and scheduled to graduate in May of 2021. Chancellor Angle also welcomed Kim White to the meeting, a UC Foundation Board member and a UTC alum.

Chancellor Angle shared information regarding the following items:

- Number of faculty/staff active COVID cases. UTC has been in the 30-60 range for a while; when students returned to campus in August, UTC went up to a little above 120 active cases. That number has come back down as UTC has managed some of the interactions. The spread was not in class but rather social situations outside of class, according to the information UTC has reviewed. The work put in by everyone to get ready for this fall was just phenomenal.
- About 60% of courses are 100% online; enrollment is strong.
- There are about 279 beds being held aside for isolation and quarantine. Some students were spaced out and students were allowed to cancel their housing contracts basically until the first day of move-in. UTC has about 88-89% occupancy, given COVID and the fact that a number of UTC's students have 100% online courses.
- The importance of the face-to-face interactions that is a part of the UTC experience is even more apparent to all. The engagement outside of the classroom, the activities with clubs and organizations, the opportunities to do research or work on a project or get involved in the community, are all part of the UTC experience. UTC is doing everything it can to preserve that experience, but sometimes there is no replacement for sitting down with somebody and talking to them face-to-face. For freshmen in particular, who finished high school online and under COVID, starting college can be a little tough. UTC is trying to

reach out to students, engage them and interact as best it can, sometimes in virtual ways, many times in small groups.

- In the face of a contentious presidential election and the social justice issues going on last spring, Chancellor Angle issued a statement in the middle of June – UTC Stands Against Racism – which identified a number of items UTC will be pursuing. Chancellor Angle has assigned each of the vice chancellors with tasks to accomplish those items. Due to COVID, the search for a Vice Chancellor for Diversity and Engagement was put on hold. UTC is now ready to move forward with the search with the goal to hire a vice chancellor to work with federal compliance matters, diversity issues, training issues, engagement and helping to manage some of the diversity funding that is available to help incentivize the engagement and involvement of students, faculty, and staff. The search will be conducted this fall and UTC hopes to have a new vice chancellor in place in January if all goes well. This is a critical hire for the leadership team.

Dr. Angle stated that Dr. Freeman, Dr. Hale and Dr. Brown would be updating the Board on different aspects of UTC's operations. Chancellor Angle noted he has very proud of the UTC leadership and community members and all that they have accomplished in the face of the pandemic. There is no rule book for what UTC is doing now and it has been a really difficult situation, but UTC has been able to safely open. UTC has managed the risks and focused on the health of the campus community and the quality of its academic programs. Some of the things UTC has learned will help the university as it moves forward. Chancellor Angle further noted UTC is on the right path with community engagement, hands-on learning, and helping get its students practicing what they have learned in the classroom with real-world experiences.

Judge Barker asked if a search firm was being used for the vice chancellor search. Chancellor Angle responded that UTC is using the executive search coordinator from the UT System, Ashlie Czyz. Ms. Czyz has done a number of searches and she just ran a similar search for UT Martin. She also ran the search for the UT Martin Chancellor position, which Chancellor Angle chaired. Chancellor Angle worked with Ms. Czyz and commented that she is very capable. UTC is also saving money by not having to hire a search firm.

VI. ACADEMIC AFFAIRS UPDATE

Chair Decosimo next asked Provost Hale for an Academic Affairs update. Provost Hale shared information regarding the following items:

- The Spring 2020 semester began with 80% of courses totally face-to-face, and 20% of them online, which were mostly asynchronous online, where professors would upload assignments and the students would access the course contents and add their materials. In March, around spring break, UTC did a total pivot where all courses were converted to 100% online because of the pandemic. Provost Hale complemented the faculty, staff and students for their flexibility and the way that they approached what was a very demanding and very unusual situation. UTC got through the spring semester very well, according to the feedback they received.

- For the Fall semester, only 2.7% of classes were totally face-to-face, 34.8% were hybrid, mostly rotating face-to-face, and 62.5% online only. Provost Hale noted that he had told faculty members on numerous occasions that they would have no fewer challenges for the fall semester than they had in the spring – it's just that the challenges would be very different challenges than they were during the springtime.
- UTC conducted a "pulse" survey to gauge the student experience during the fall. 1,768 students responded; over 50% reported experiencing "more than average" or "tremendous" stress. 64.1% agreed or strongly agreed that they would excel academically, so one of the heartening things was learning that, even though it was a very different experience for students, a large majority still believe that they will do very well in the current environment that UTC is offering. 32.6% agree or strongly agreed that they feel a part of the UTC community – that is a concern both to Vice Chancellor Freeman and the Provost, and Vice Chancellor Freeman will address some of the very creative ways that the Student Affairs staff and other people on his team are addressing that particular issue.
- Academic Affairs also wanted to get some information from the pulse survey that would help with spring scheduling, and students were asked what type of courses they would prefer. For three or more of their courses, 45% of the students said they wanted face-to-face course offerings and 37.5% that said they wanted online asynchronous classes. That indicated that students were being very realistic and they knew that spring was likely to look in some ways a lot like fall and very different from previous spring semesters. Regarding online courses, students indicated that they preferred courses that would provide them with flexibility with their time and those would be the asynchronous ones. Provost Hale will be with the Council of Deans to discuss spring scheduling and he believes that the spring schedule will be something that will more closely reflect the student preferences than the fall semester, when there was no good data about what the students might prefer and what type of courses they would opt into given the chance. There were a number of challenges for the fall semester; some staffing challenges, there was the untimely passing of Dr. Kyle Knight, a very popular professor in the Department of Chemistry and Physics, and some adjunct faculty members who had been teaching for quite some time opted out of teaching for either that academic term or the entire year. There were also classroom configuration issues, and safety protocols are now in place that UTC believes are working very well. One of the safety protocols is to have social distancing in classrooms, which decreased classroom capacity between 25% and 30%, which led to some staffing challenges such as trying to find faculty members to cover the additional courses that we needed to offer. All of the department heads, program directors and faculty members really stepped up to those challenges and helped schedule the classes that were needed to schedule.
- There were also some professional development challenges for faculty and staff. There were restrictions on professional travel limitations, which kept some of faculty members from being able to complete their research and from being able to report their research to professional meetings.
- There have also been some research challenges for faculty members whose research involves the observation of human behavior and typically takes place in settings that are

not conducive to social distancing protocols. There have been some instructional challenges where faculty members were asked to do things as part of their instructional regime and climate that they had never done before. However, Provost Hale noted he was pleased to report UTC has found work-arounds for many of the professional challenges. He specifically recognized the Walker Center for Teaching and Learning as well as Vice Chancellor Farnsworth's information technology group and the faculty and staff in the library who have really helped faculty, staff and students with their instructional challenges.

- Vice Chancellor Farnsworth's team has done a really incredible work getting technology up and running when it was available. UTC has experienced some supply chain issues that appear to have been resolved, but they kept some classrooms from being as technologically equipped as desired when at the beginning of the semester.
- There were challenges for students as well. There were some attendance limitations so that students were involved in classroom environments the likes of which they had never experienced before. There were contact limitations that made it harder for students to stay in contact with one another. It also made it a little more difficult for them to stay in contact with professors. And then for some of our students who were doing and reporting their own research at professional academic conferences, they were experiencing many of the same travel limitations. The attendance limitations also relate to some of our student activities on campus because we have limitations to group sizes that students would work through. The students have also really risen to the challenge, and he could not say enough about what they have done, whether it is the wearing of masks on campus, whether it is adapting to non-normative kinds of classroom environments, or whether it is finding ways to connect safely with one another or connect with their faculty members, so the entire campus community has really done an incredible job.

Ms. Hoffman asked if there was any follow-up with the students who answered that they were under tremendous stress. Dr. Freeman shared that UTC could not respond directly to the survey participants because the survey was anonymous. However, UTC has instituted a number of things to address the concern, from group counseling to additional support mechanisms in the residence halls to check on students.

VII. STRATEGIC PLAN UPDATE

Provost Hale next presented a brief update on the 2025 Strategic Plan. UTC wants to make sure that the Strategic Plan, which will help guide for goal setting and goal achievement over the next five to six years, is guided by the principles that UTC holds dear; stays true to core values so that it will reflect who UTC is, what we do, and why it matters; and that it will have quality impact on the students and on the community. The university feels that it is important that it impact both the campus community and the greater Chattanooga community as one of the core values at UTC is to have a strong relationship with the greater Chattanooga community. Connecting students with experiential opportunities and facilitating both economic and social futures in the community will be important as well. There are tremendous opportunities relating to the next

strategic plan to help with the student experience, help with students transitioning from high school to college and building on some of the strengths seen in the Honors College model.

Provost Hale also noted that the general education requirements at UTC are the only common graduation requirements that all UTC students must meet and that UTC is looking at refreshing general education requirements so that they look less like a pull-down menu of courses and more like a series of competencies and strengths that UTC wants all of its students to graduate with when they finish up their time at UTC.

Provost Hale next stated UTC has real opportunities related to diversity and engagement. UTC believes that both diversity and engagement with the community are essential to the future of its students and to the future of the university. UTC wants to establish clear and measurable actions that will help us with recruitment of students, retention and graduation of minority students, and recruitment and retention of faculty and staff who will resemble the student body.

Provost Hale described the process for developing the Strategic Plan. The Provost was charged by the Chancellor to oversee the strategic planning process. There will be four subcommittees or workgroups to develop measurable objectives mostly related in some way to the thematic areas of the current goals. From those workgroups, there is also a 22-member Integration Committee. The Integration Committee will take the work product from those four workgroups and integrate it into a single cohesive document so that we can then begin to share with key constituencies from campus and in the community for feedback. The campus committees have been set up and the work is underway. A draft of the website has been developed – it is very easy to navigate and very informative. The website will give regular updates and dashboards for progress made. The future parts of the process include sessions with the campus, community, the Advisory Board, President Boyd and the UT Board of Trustees to get feedback and hopefully approval of the Strategic Plan as it moves forward.

VIII. ENROLLMENT MANAGEMENT AND STUDENT AFFAIRS UPDATE

Dr. Yancy Freeman was called to give an update on enrollment and student affairs. Dr. Freeman first shared that it is his 25th year at UTC and it has definitely been one of the most interesting and probably the most challenging year of any year. Dr. Freeman noted that echoed Chancellor Angle's comments that UTC did not have a playbook in terms of dealing with a pandemic and it has been challenging but he could not think of a better group of people to work with and to walk through this process with regarding how to keep the safety and well-being of students first in mind.

Dr. Freeman shared updates on the following items:

- There was a half-percent increase in fall enrollment, which was a very welcome development given the uncertainty caused by the pandemic which resulted in many colleges experiencing double-digit decreases in enrollment. The increase in enrollment was led by the Graduate School, and Dr. Freeman thanked his colleagues in the Graduate School for their great work. There was a slight increase in undergraduate of about 63 students at the Day 14 count.

- Some general enrollment trends are: students are enrolled from 70 different Tennessee counties, 40 different states and 40 different foreign countries, so a very diverse student population; first-year retention rate is 77%, a 5% jump in the retention rate from last year; and a 49.9% 6-year graduation rate, that rate was closer to 36% overall a few years ago. UTC's first generation program started last year which matches first gen faculty and staff with our first gen students to give our students a chance to see that there are people out there who were the first in their families to go through college and succeeded. UTC had almost a 4% increase in those students who participated in the pilot program last year. This is the 2nd year of that program and it continues to show dividends in terms of encouraging students, giving them confidence about coming back and giving them a connection to the campus.
- UTC has two residential colleges that are set up in university housing right now –one in the Gary W. Rollins College of Business and one in the College of Engineering and Computer Science. Dean Rutledge will be starting another one in the College of Health, Education and Professional Studies. Those residential colleges offer a cohort experience for students; they are living, learning and socializing together which helps them avoid getting lost in the shuffle of the college experience.
- UTC's student housing occupancy rates held steady in the face of the pandemic. UTC allowed students to get out of their housing contracts at the beginning of the semester if they felt uncomfortable coming to campus. Despite that option, UTC still had almost 3,000 students check in and our campus housing occupancy rate was 88%. UTC was encourage with that rate given the circumstances.
- UTC is focused on keeping housing open. When housing was shut down last March, there were students that did not have a place to go so UTC ended up keeping a number of students on campus. There were also students who had technology difficulties and no reliable access to internet or Wi-Fi, so they ended up having to stay due to converting to online classes. A number of students ended up staying in housing on campus in the spring. UTC has adopted a comprehensive plan to keep housing safe so that it can remain open. There is additional cleaning in hallways, near stairwells, elevators; hand sanitizer stations; hand sanitizer wipes available for residents; and UTC has hired additional personnel to help with sanitizing the common spaces for students. UTC is currently not allowing visitors to its residential halls.
- There are 270+ quarantine beds in the event that students get sick and need to be quarantined or isolated. Those spaces are being handled on campus with UTC medical staff to help students to get quarantined and to work through the process to get them healthy and back in the general environment with the rest of the students. Dr. Freeman shared pictures of what all has been done on campus to keep students safe and engaged at the same time.

Mr. LeRoy asked about the five-point jump in the retention rate and if there was anything in particular that would have led to it. Dr. Freeman noted that the university has been very strategic in planning around the things that have been done. The residential colleges are new, the first

generation programs are new, and UTC has instituted pre-registration for all first-time students. Dr. Freeman further noted that UTC has been very deliberate about checking on and monitoring the students, and that all of these efforts have contributed to the increased retention rate.

Chair Decosimo noted he had sent Dr Freeman three questions in the chat. He asked if UTC had more transfers than usual. Dr. Freeman responded that transfers were flat this year versus last year, a lot of which came from students who returned this year. A lot of the increase in enrollment came from students who transferred to UTC. UTC was down slightly in first-time freshmen this fall vs last fall, a lot of that is because of COVID, but UTC is hoping to gain some of those students back in the spring and hopefully fall '21.

Another question in the chat was around how many student hospitalizations UTC has had. Dr. Freeman was aware of just one case where a student had been hospitalized due to COVID-related issues. That student was admitted at Erlanger because it is the closest hospital to campus, and we kept in constant contact with the student and the family until the family, which lived several hours away, could arrive to be able to check on their daughter.

Judge Barker asked how UTC retention and graduation rate compares with UT Martin and UT Knoxville. Dr. Freeman responded that UTC is slightly higher than UT Martin and slightly lower than UT Knoxville, which is typical in terms of enrollment.

Ms. Kim White asked, assuming that the percentage of Hamilton County students increased this year, whether UTC was tracking that. Dr. Freeman responded that UTC got about 3% more than typical; the enrollment of Hamilton County student typically is 45% of the overall student body. Dr. Freeman worked with Vice Chancellor of Communications and Marketing George Heddleston to develop a marketing campaign this year to encourage students stay closer to home which helped pull some additional local students in. UTC also extended the admission deadline and the scholarship deadline for students who might have been thinking about going somewhere else. Dr. Freeman further noted an increase in the number of students from local high schools with large numbers of minority students, Howard, Tyner, Brainerd High School, and East Ridge. Those numbers almost were up 25% above the previous year.

Ms. Hoffman asked how UTC handles flu vaccines. Dr. Freeman responded there is a new UT Board policy that is going into effect to require all students, faculty, staff and administrators to get the flu vaccine this year. UTC does offer the vaccine on campus and has partnered with Access Pharmacy to provide it. Access Pharmacy was on campus last Friday giving flu vaccine shots in the University Center. They are going to do it in one of the residence halls. Access Pharmacy will file insurance for individual students who have insurance. UTC also has a number of vials that are free for students who cannot afford it.

At the conclusion of Dr. Freeman's presentation, Chair Decosimo noted that about 10 years ago, the UC Foundation was asked to fund a couple of extra Resident Assistants to go around to students who had been absent more than a couple of times and knock on their doors and explain to them the correlation between going to class and graduating. That seemed to have been an early, quick cause of improvement. Dr. Freeman noted that it did, and that UTC still uses it. The seed funding to help get that off the ground was appreciated.

IX. YEAR-END FINANCIAL REPORT

Chair Decosimo next asked Vice Chancellor for Finance and Administration Richard Brown to present information on the year-end financial report.

Dr. Brown began by encouraging Board members to visit the campus. UTC is a Tree Campus USA campus for the third year in a row. After 15-20 years, UTC has planted 1,000 new hardwood trees on the campus. The campus is an arboretum as well. It has been found from research that 70% of the time, students and their families make a decision to attend a university by the way it looks and the way it feels upon a first visit. So UTC is committed to keeping the campus beautiful.

Dr. Brown next thanked Chancellor Angle for his leadership through out this period. COVID-19 hit in the third quarter of the fiscal year, right in the middle of April and May, and UTC had to really pivot and do some things to ensure business continuity. Dr. Brown's presentation included the following key notes about the year-end financial report.

- Budget. A few changes were put in place regarding the budget. Spending was slowed, and UTC took a hard look at any expenditures over \$10,000. Travel was slowed, which saved a lot of money. A selective hiring freeze was implemented – if a department had an open position, it was not filled if it was not required. As a result of those actions, the budget will be balanced in the black. UTC's financial position remains healthy, and its reserves are healthy.
- Fall opening preparation. Some things had to be done to prepare the campus to open effectively in the fall, training of employees, and deep cleaning all the buildings. UTC spent over \$150,000 on facemasks and mailed two facemasks to every student coming into the university as well as making sure that they were available for faculty and staff. Hand sanitizer has been placed throughout campus.
- Challenges and opportunities going forward. Enrollment is an area to monitor. His office is working closely with Dr. Freeman to make sure that UTC's tuition and fees stay competitive in the state. UTC is facing SACS reaffirmation of accreditation coming up in the next couple of years, so UTC's financial index position and scores have to be strong.
- The COVID-19 impact on athletics and auxiliary units, like all NCAA competitive programs, has been significant. UTC probably will lose in excess of \$2.2 million as a result. Even on auxiliary units, food services, housing, bookstores, all of those things, are challenged as a result of COVID-19.
- About 1/3 of our faculty and staff work from home right now.
- Capital outlay. How UTC builds new facilities may become limited in the next five years. It is not expected that there will be more than \$50-\$100 million projects coming out of the state any time soon.
- Philanthropy and fundraising will continue to be important. The relationship with the UC Foundation always continues to be a real winner for this campus, and it is going to be

very important moving forward. UTC estimates that over 25-30% of base budget revenues will be coming from philanthropy across the country.

- COVID 2020 financial impacts. UTC issued about \$5.94 million in refunds as a result of COVID. These refunds came from the residence halls, meal plans and food service, and parking for the spring semester. UTC also experienced foregone revenue, about \$1.4 million, because of the absence of students, faculty and staff on campus. In the current budget year, in 2021, the foregone revenue, UTC lost a 1.5% tuition increase at \$1.76 million; a 1.5% decrease in mandatory fees of \$395,000; lack of funding for the State appropriations funding formula of \$1.9 million; a return to the State of \$1.5 million in State appropriations for a salary pool; a loss of online access fees in the amount of \$3.7 million; and a loss in Athletics revenue of \$1.5 million due to lost ticket sales and other revenues from cancelled Athletics events.
- On a positive note, UTC did receive stimulus funds of approximately \$9.5 million under the CARES Act \$9.5. UTC has spent about \$4.7 million directly for students and about \$4.7 million toward institutional funds. The State of Tennessee, through THEC, also provided approximately \$467 million in CARES funds. These funds had a significant impact on UTC's ability to get through the pandemic. These funds impacted over 5,000 students through block grants and emergency funds because most families in Tennessee were economically challenged as a result of COVID-19. UTC also prorated \$2 million return to auxiliary student services to help reinfuse the funds lost as a result of COVID-19. UTC used the funds to purchase PPE, technology, and cleaning supplies/services.
- Highlights for the fiscal year end. The budget was balanced in the fiscal black. UTC's fund balances are within the THEC preferred ranges. The UTC auxiliary service units are challenged but are stable. Food service will probably lose about \$4 million because the significant decrease in the volume of students the work force has been adjusted to make it manageable. The other good news is that UTC is leveraged in a stable way - all UTC notes and bonds payable have dedicated revenue streams, which is important for purposes of accreditation reaffirmation.

Chair Decosimo asked Dr Brown to explain what "E&G Funds" and "Auxiliary Funds" are. Dr. Brown explained that E&G Funds are "Educational and General Funds" and refer generally to funds that come from State government or from tuition and fees. Auxiliary Funds are restricted funds - they come from things like bookstore operations, food services, and non-State supported allocations.

Dr. Brown asked Associate Vice Chancellor Tyler Forrest to go over the year-end divisional balances. Mr. Forrest noted that the year-end divisional balances are the total balance by division. The approved carryovers include F&As, lab fees, and other approved adjustments that were made prior to the end of the fiscal year, and the net balance was the year-end balance less approved carryovers. Mr. Tyler shared the following information for each division:

- Chancellor. The net balance was \$16,870;

- Academic Affairs. By far the institution's largest division, has a year-end balance of almost \$4.2 million, with the bulk of the approved carryovers coming from that division totaling almost \$3 million, that is where most of the lab fees and F&As sit for the institution, resulting in a \$1.2 million net balance;
- The Vice Chancellor for Research had a net balance of \$276,248 after several approved carryovers;
- Administration and Finance - \$626,000;
- Enrollment Management and Student Affairs almost \$400,000;
- Information Technology came in right at zero
- Athletics has a slight deficit. As Dr. Brown mentioned, last year as will be this year as well, will be a very difficult year for Athletics. The fact that they only lost \$471,000 is a significant positive under the circumstances.
- Communications and Marketing right at a \$45,000 net balance.
- The Institution, which is everything that does not fall within a division (largely scholarships, central benefits, other fee adjustment accounts) - right at \$539,000.
- In the auxiliary units, a combination of housing and general auxiliaries, at a negative \$218,000. Those units were largely offset by the prorated share of \$2 million in CARES Act that Dr Brown previously mentioned. Without that, you would have seen that number being right at about \$2.2 million, so that helps substantially with those units.

The total net balance was \$2.4 million. Mr. Forrest noted that these are not audited numbers, but he does not expect them to change much.

Mr. Forrest next identified the Mandatory Fee Balances (which are all fees that are not part of in-state tuition or out-of-state tuition; so anything that the Board designates as a mandatory fee):

- Green Fee. The surplus balances except one. \$180,000 transferred to reserves.
- Facilities Fee. \$1.4 million transferred to reserves, a lot of that goes to capital and other cleaning needs and stuff like that across campus.
- Technology Fee. Finished right at a zero transfer.
- The Health Fee, something that UTC has had to tap into a couple of times this year, finished with \$156,000 transferring to reserves.
- Student Activity Fee - \$97,000.

- The Debt Service Fee - \$826,000 – that might seem like a higher number but UTC has been saving for a number of years to do a renovation to the University Center so those funds will go towards an initial down payment on that project.
- Library Fee. \$120,000 that largely covers inflation.
- The Online Access Fee actually has a negative since that fee was not charged for the summer semester.
- \$250,000 was added to the E&G Fund Balance, bringing that to \$8.25 million. As was mentioned, that is 4.38% unallocated balance there.
- On the auxiliary side, UTC added \$25,000 to that fund balance, bringing that to \$925,000.
- Notes and Bonds Payable is hovering right at campus-wide at \$100.7 million. UTC anticipates in adding roughly \$18.5 million to that balance in FY23 for the Wolford addition to McKenzie Arena.

Chair Decosimo thanked Dr Brown and Mr. Forrest for their presentations and asked Dr. Brown what UTC's deficit would have been had UTC not received any CARES Act funds. Dr. Brown responded that the deficit would probably have been about \$10 million in the aggregate. UTC would not be carrying forward a lot of the balances if those funds were not put into place. UTC's use of the CARES Act is being audited now and UTC feels confident that it used them in the right way.

X. OTHER BUSINESS

Chair Decosimo asked if there was any other business. Judge Barker asked Chancellor Angle about the status of the search for the Probasco Chair of Free Enterprise. Chancellor Angle responded that the chair has been filled by Claudia Williamson. She is moving from Mississippi State to UTC. Chancellor Angle stated that an announcement has been made. Chair Decosimo shared that he was on that search committee and the level of applicants was about as impressive as could be imagined. Judge Barker shared that meant so much to Scotty Probasco, and he was the liaison of that chair for awhile, so it means a lot to him too. Chancellor Angle noted that David Steele posted a link in the chat to the announcement for Claudia Williamson.

Chair Decosimo announced the proposed dates and times of the upcoming Board meetings: January 19, 2021 at 9:00am and May 6, 2021 at 3:00pm. He thanked everyone for their participation.

XI. CLOSING REMARKS

In closing, Chancellor Angle thanked Chair Decosimo for having been the inaugural chair of the Advisory Board and getting it off to a good start. He also expressed looking forward to working with Mr. LeRoy in his role as chair for the next two years. The Board has been new to all members and one of the functions of the Board is the Strategic Plan. Chancellor Angle thinks both Chair Decosimo and Mr. LeRoy are involved and engaged in the Integration Committee and working

on behalf of the Board so that there will be some opportunity for input there. The plan will be vetted broadly before it is finalized and it is very likely the Integration Committee will decide that finishing the Strategic Plan by March 31 will be the optimal timeline given everything that has to be done the rest of the semester. UTC is kind of under the COVID overload as it is trying to figure out a path forward. That will give a lot of opportunity for feedback, input, and making sure UTC gets it right as we move forward. He thanked everyone for their involvement and engagement, noting that the faculty and staff at UTC have just stepped up in a phenomenal way to help provide opportunities for students. The students have been so adaptable and flexible. It is different and it is not the optimal way to be doing some things but it is certainly allowing students to move forward with their education, and he stated that he hopes that they learn that flexibility and adaptability is going to be a part of their life as well as ours as we deal with unexpected occurrences that come up.

XII. ADJOURNMENT

Chair Decosimo asked for a motion to adjourn. Judge Barker so moved, and the motion was seconded. A roll-call vote was taken, and the motion was passed by unanimous vote. The meeting was adjourned.

THE UNIVERSITY OF TENNESSEE AT CHATTANOOGA
ADVISORY BOARD MEETING

3:00 p.m. ET
Thursday
May 7, 2020

Zoom Meeting
<https://tennessee.zoom.us/j/92295628241>

ORDER OF BUSINESS

I. CALL TO ORDER AND ROLL CALL..... 2

II. OPENING REMARKS..... 2

III. APPROVAL OF THE MINUTES OF JANUARY 21, 2020 AND CALLED MEETING
MARCH 13, 2020 2

IV. RECOGNITION OF OUTGOING BOARD MEMBERS/ANNOUNCEMENT OF NEW
MEMBERS..... 3

V. ACADEMIC AFFAIRS UPDATE 3

VI. FY 2020 PROPOSED BUDGET RECOMMENDATIONS..... 5

VII. STRATEGIC PLAN 9

VIII. MASTER PLAN 10

IX. OTHER BUSINESS 10

X. CLOSING REMARKS 10

XI. ADJOURNMENT 10

I. CALL TO ORDER AND ROLL CALL

Chair Fred Decosimo called the meeting to order at 3:06 p.m. Ms. Terry Denniston, Secretary, called roll. The following Board members were present:

Muecke Barker
Fred Decosimo (Chair)
Serina Desai
Carole Hoffman
Scott LeRoy
Gretchen Potts
Benjamin Smith

A quorum was present.

Others in attendance included: Dr. Steven Angle, UTC Chancellor; Dr. Richard Brown, UTC Executive Vice Chancellor of Finance and Administration; Mr. Tyler Forrest, Associate 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 Assistant General Counsel; Ms. Gina Stafford, Assistant Vice Chancellor for Communications and Marketing, and Ms. Kim White, UT Board representative.

II. OPENING REMARKS

Chair Decosimo invited Chancellor Angle to make opening remarks. Chancellor Angle thanked everyone for participating in the meeting. He noted that an update from Academic Affairs will be presented. He also noted that the University is planning to be open in the fall and a taskforce is in place working on how the university will do that safely and protect the quality of the academic programs. He is hopeful the taskforce will be able to come up with options and alternatives by June 5, 2020, to move the campus forward. It has taken a lot of hard work and effort on the part of UTC students, faculty and staff, along with the leadership team, everyone stepped up, and UTC got students through to graduation, including student representative Ben Smith.

III. APPROVAL OF THE MINUTES OF JANUARY 21, 2020 AND CALLED MEETING MARCH 13, 2020

Chair Decosimo asked for a motion to approve the minutes of the January 21, 2020 meeting, which were provided to the Board members prior to the meeting. Ms. Hoffman noted that the minutes needed to be corrected to reflect that she was present at the January 21 meeting. With that correction, a motion was made for approval of the January 21, 2020 meeting minutes, which was seconded by Mr. LeRoy. The minutes were unanimously approved by a roll-call vote. A copy of the January 21, 2020 meeting minutes approved by the Board are included in **Appendix A** to these minutes. A motion was then made by Mr. LeRoy for the approval of the March 13, 2020 special

meeting called for the purpose of electing a new student representative; Judge Barker seconded the motion. The minutes were unanimously approved by a roll-call vote. A copy of the March 13, 2020 meeting minutes approved by the Board are included in **Appendix B** to these minutes.

IV. RECOGNITION OF OUTGOING BOARD MEMBERS/ANNOUNCEMENT OF NEW MEMBERS

Chair Decosimo asked Chancellor Angle to recognize outgoing board members. Chancellor Angle thanked Dr. Gretchen Potts for serving as the faculty representative on the board during its introductory term. He also thanked Ben Smith for serving as the student representative and congratulated him again on his degree. Mr. Smith will be attending UT Knoxville studying at the Bredesen Center in their data science in engineering doctoral program. For the coming year, Dr. Jamie Harvey will be the faculty representative. She is currently the Faculty Senate President. Ms. Rachel Worley, who will be a senior this coming fall, will serve as the student member on the board. They will join the board at the October 5, 2020, meeting. Chancellor Angle also thanked Judge Barker, who has agreed to serve another term on the board.

V. ACADEMIC AFFAIRS UPDATE

Chair Decosimo asked Provost Hale for an academic update. Provost Hale shared information regarding the following:

- Number of online courses vs face-to-face courses pre- and post-pandemic for the spring and summer terms.
- Most classes for the Summer short term will remain online. In order to keep students on track for a timely degree completion, it was decided that some courses had to be offered in a face-to-face setting. Dr. Chris Smith, head of the nursing school, has helped develop a series of safety protocols.
- Additional courses that must be completed face-to-face may include some clinical courses and some courses that are laboratory-based courses. Those might include not only the ones in health-related programs, but some programs in engineering or in the natural sciences, as well as some of the studio classes. The wearing of masks that would cover the nose and mouth area will be mandatory for any of the classes that are being taught face-to-face during the second summer session.
- Another issue is the option to allow students satisfactory/no credit grading. There was a petition circulated throughout the student body electronically that ended up with 3,173 signatures on it. The petition asked for the university to shift to mandatory pass/fail grading for all students in all courses. UTC does not have pass/fail grading but its version of that is satisfactory/no credit grading.
- UTC decided to create a system that let students voluntarily opt for S/NC grading up until the final day of instruction. UTC also extended the deadline for students to withdraw from courses without any penalty, if they wanted to do that, and allowed students to opt-in on a course-by-course basis with their S/NC grades.

- Nearly 3,200 students signed the petition that asked for mandatory pass/fail grading for all students in all courses. At the end of the month of April, 784 students opted for to S/NC grading -189 students opted in for all of their courses, 590 opted in for one or more but not all of their courses, and then four or five students, they opted in.
- UTC also extended the semester by a week and revised the final exam schedule. The Office of Research and Institutional Effectiveness ran a report shortly after the tornadoes came through the area to give an indication of how many UTC students, faculty and staff lived in zip codes where there was a direct tornado touchdown. UTC had more than 3,000 members of the university community directly affected by the storm in addition to everything else that was going on. Many did not have internet access or power for extended periods of time. Accordingly, UTC decided that the best thing to do was to extend the semester and revise the final exam schedule.
- The deadline for withdrawing from courses was extended, and compared to the Spring of 2019, there was an increase in the number of withdrawals from courses in Spring 2020, but also an increase in the number of courses that were offered. There was not a mass withdrawal from classes. UTC had a 2% increase in the percentage of students in 2020 compared to 2019 who withdrew from one or more of their classes.

Judge Barker asked if the same grading schedule will be used for these summer sessions as was used for this past semester. Provost Hale responded that when a course is loaded into the schedule for Summer, it will be loaded at that point in time as a course that is graded A through F or as a course that's graded S/NC and so we are using that same procedure. Nearly all of the courses that UTC will have for the summer session will be courses that will be graded A through F. Students will know when they enroll for a course for summer what the grading options are going to be before they enroll and they can pick and choose accordingly.

Ms. Hoffman asked how the S/NC grading affected scholarships. Provost Hale responded that the State was going to relax its policies and its benchmarks for checking on its progress toward degrees, so that if students who took S/NC courses, it would not affect their Hope Scholarships. UTC informed students that there was a chance that some of the federal scholarships or federal aid that they might get would be affected, and they were encouraged to talk with an academic advisor before opting in so they fully understood all of the implications. For the most part, a lot of the federal guidelines were relaxed because so many universities were moving to some version of pass, fail or S/NC grading.

Chair Decosimo asked Mr. Smith about how the students accepted what the university has done in terms of fairness or unfairness. Mr. Smith responded that, from a student perspective, what the university did was the best policy for students because students were able to pick and choose on individual classes. He indicated that the students also appreciated the policy.

Dr. Freeman added that a survey went out to all of the student body to gauge how students were feeling in light of the pandemic and how they progressing. Students who reflected a "full" rating, were sent a list of resources. Students who were on 75% got a list of resources. Those who were 50 and below received a personal phone call. UTC had roughly a thousand students who were on 50 and below in terms of their emotional state, and UTC made phone calls to all of those students. It was very well received. UTC had so many faculty and staff respond and volunteer to

connect with those students that they actually ran out of students to call. Through this entire process, UTC tried to keep a pulse on how our students were doing and tried to respond to any needs that they might have around, not just in relation to COVID, but also the tornado and all of the emotional distress that comes with having to postpone graduation.

Chair Decosimo thanked Dr. Freeman for his information and asked if there were any further questions for the Provost. He then acknowledged that Ms. Kim White, UTC's representative to the University of Tennessee System Board of Trustees, had joined the meeting. He then called on Chancellor Angle for a report on the budget.

VI. FY 2020-2021 PROPOSED BUDGET RECOMMENDATIONS

Chair Decosimo called on Chancellor Angle for a report on the budget. Chancellor Angle first commented on a report by the local news that the Lupton Library and Fine Arts construction project was shut down because there were five positive COVID-19 cases from the construction company that is working on those two projects. There is one company doing both projects at the same time, and they have taken a 14-day timeout while they disinfect the area and put everybody into quarantine. They are not UTC employees.

Chancellor Angle noted that budget being reviewed today is one that UTC has worked very hard on and it is a second round due to the Coronavirus. UTC expected to have a 1.5% tuition increase but now there will be no increase. UTC is also trying to hold the line at all of its housing costs so that it can remain as affordable as possible for our students. Chancellor Angle then turned the meeting over to Dr. Brown to share information about the budget.

Dr. Brown thanked the members of the advisory board for their continued support and advocacy on behalf of UTC and thanked Kim White for being a member of the UT Board of Trustees. He noted that the COVID-19 pandemic has really impacted planning as UTC moves forward. He also thanked the members of the Chancellor's executive leadership team for their continuing good work and collaboration in putting the budget together. A lot of the original assumptions in the fall have been adjusted to ensure business continuity in Fall of 2020. Dr. Brown also thanked faculty for moving very quickly to stand up online instruction which helped with business continuity. The numbers that Provost Hale had previously shown really did make the difference in terms of being able to close the books in the black. Dr. Brown's presentation included the following key notes about the revised 2020-2021 budget:

- There are a lot of financial variables as UTC moves through this budget and financial planning process. The THEC recommendation for tuition and fees was originally from zero to 1.5%. UTC now knows that it will be zero in terms of tuition and fee recommendation. Tennessee families and our students are really reeling from the economic impact of COVID-19, and asking for a tuition increase would not be appropriate at this time. One of the things that UTC is looking closely at is State appropriations post-COVID-19. The General Assembly meets again in June. The university has a pretty strong

State appropriation recommendation and is hoping that will hold, but if it doesn't, then UTC will have to make some other assumptions.

- Undergraduate and graduate enrollment impacts everything. Social distancing requirements will also impact how UTC stands up classrooms in the fall: the capacity of classrooms, whether or not UTC can do that effectively and safely. It also impacts the financial bottom line. Online instruction enhancements and investments in instructional technology are important in case classes need to be moved online quickly. Housing occupancy levels is as another big red flag on the auxiliary side of the house.
- Some red flag challenges: how to deal with face-to-face versus online tuition and fees? Auxiliary enterprises, food services, bookstore are also those things have a downstream effect and are red flag challenges post COVID-19.
- UTC is currently working redesigns of its food court and other interior spaces in accordance with CDC guidelines, which will restrict the numbers of students in those areas and impact revenues. Additionally, funding for UTC Athletics will be negatively impacted.
- The university is also looking at how to properly benchmark instructional support for contingent part-time faculty. All of those are red flag challenges for UTC. And to top that off, the UT system has announced it may try to stand up a new ERP financial management system. The current system is about 25 years old, and it is not going to be supported by SAP any longer. UTC has had some COVID-19 financial responses already. UTC refunded students over \$6 million for housing, meal plans, parking decals for that month that they were away from the university.
- UTC also invested in a student emergency fund through its development operations and foundations, as well as some internal campus appropriations to that fund. And UTC also altered its Summer 2020 fee assessments to ensure that it did not have a negative impact on student enrollments. For faculty and staff, 88% of faculty and staff have been working from home. UTC has avoided furloughing regular employees.
- UTC is looking to FEMA for reimbursements. The federal government has responded very quickly with the CARES Act distributions back to the campus. Over \$9.5 million dollars comes back to UTC. UTC just distributed \$4.7 million back to students. UTC has another \$4.7 million to come in, and that may be also some institutional relief if the Department of Education allows UTC to use those funds in that way. In terms of UTC's financial health, UTC had to take a deep dive into university finances and is continuously assessing its financial position.
- The budget projected to year end closing currently looks solid. If revenue assumptions continue to hold, UTC feels it can close the university books in the black with a reasonable amount of carry over funds. UTC has also implemented a selective hiring freeze. In order to get a position hired, the hiring department must have a compelling business for doing so at this time. UTC is also stressing conservative spending among its units. Any expenditure that exceeds \$10,000 must be reviewed by the procurement and budget team. UTC has slowed down expenditures as a result.

- UTC's primary goal for the budget process is to align its priorities with the strategic goals of the university, making sure that the full campus understands the budget and the transparency of process. The Chancellor and Dr. Brown hosted a town hall meeting last week via Zoom and over 500 faculty and staff showed up. They had a lot of good comments, building on strong financial stewardship, but working closely with the leadership team and making sure the budget and financial planning resource council has great input into the budget and planning process.
- Dr. Brown next provided an overview of the revised proposed budget, which included the following key notes:
 - Tuition and fees for UTC stands right now in state maintenance, \$7,836; total undergraduate resident tuition and fees of \$9,656.
 - There is a new tuition model for student from states like Kentucky and North and South Carolina and Georgia that border Tennessee. At \$17,734, UTC tried to lower the border-state/out-of-state tuition to be more competitive and attract more of those out-of-state students who are academically high functioning students into the state of Tennessee to not only improve the quality of the university, but to improve the State's workforce as well. Out-of-state tuition still remains at about \$25,788. UTC has not been able to meet the break-even point on out-of-state graduate students yet, but the graduate school and all the deans are working really hard to really begin to make that pay off and UTC is optimistic.
 - UTC has discontinued its efforts to establish a Physician's Assistant program at UTC and has reallocated \$430,000 from the program. Institutional reserves and debt service are about \$5.9 million.
 - Tuition and fees constitutes about \$121 million of this proposed budget - 58%. State appropriations - \$62.8 million at 30%. A small amount coming from grants and contracts; auxiliaries pick up about 10% at \$20.6 million; sales and services and all those sources make an aggregate of \$210 million on E&G and auxiliaries.
 - Mr. Tyler Forrest next went through the actual proposed line item budget allocation per division.
 - The Chancellor's Office has a recurring allocation from the UC Foundation of \$10,000 for the UC Foundation Chancellor's Discretionary Fund. That is a longstanding distribution from the Foundation. There initially was a proposed vice chancellor of equity and inclusion, and the Chancellor has postponed that hire in light of the uncertain financial situation.
 - One of UTC's largest allocations is in Academic Affairs (a total of \$2.46 million), a lot of which being recurring dollars coming from the new Soar in 4 funding. Allocations for lecturers for additional sections in roadblock courses are being consolidated until closer to the fall semester when UTC can analyze enrollment trends better by program. There are allocations for additional academic advisors and colleges, career centers and things like that. Those are

also being centralized until enrollment trends can be seen better in the coming months.

- There is a reallocation of the Physician's Assistant program faculty and staff. In light of the current situation, the Chancellor, Provost, and others made the tough decision to forego establishing that program because of the tremendous costs associated with it, not just on the recurring side, but also some capital cost associated with that. That decision did bring some recurring dollars back to the budget. There were two faculty members associated with that program and one staff member. All are being reassigned into other academic programs on campus. There were some limited prior commitments for new tenure track faculty as well. Those were related to outstanding offers that had already been made and were in the works.
- Under Athletics, there is a \$25,000 nonrecurring allocation for a mental health counselor that is shared with the counseling and career center.
- The international student orientation services fee is being expensed out as well. And also in this area, they manage a number of facilities on campus that are either fee or auxiliary funded. So there's a facilities director position here. This was originally going to be an E&G funded position. However, with the current financial situation, this has been changed to auxiliary and fee funded. Here one of the top priorities for the Chancellor and the executive team was a new clinical case manager in the counseling center as well that not only serves that center, but compliments the request from athletics as well.
- Institutional is always one of our biggest budget and in the proposed budget is larger than most categories because as Dr. Brown mentioned, there is a one and a half percent salary pool included.
- Our biggest non-recurring allocation this year is something that was certainly important to the Chancellor and others was a \$2 million non-recurring set aside for a strategic emergency fund. This is in response obviously to the current situation, but would allow him and others to respond to not only things associated with this pandemic, but also swift changes in enrollment and other items that may come up that aren't predicted at this time. There's also a small non-recurring allocation for an information technology contractual services, which is the final payment of an IT contract that we're in right now.
- Under scholarship and fee waivers, going into this budget, we knew that we had between a two and a two-and-a-half million dollar gap in our institutional scholarship budget. This was the result of a positive component of our scholarship program, where our retention rates were higher, which caused high performing students to keep their scholarship funds longer than we had initially planned. So it's a good problem to have, but it is an expensive problem to have, which is what created that two to two-and-a-half million dollar gap. So we had gone into this budget process planning on a significant scholarship

investment, and we've tried to keep that and actually enhance it some in order to respond to the current situation as well. So you'll see on a recurring and non-recurring basis, almost \$6 million being added to scholarships. A good portion of that will go toward closing that scholarship funding gap that I mentioned a minute ago. There's also nearly a million dollars being committed to increase funding and need based scholarships, because we do expect certainly an impact on our lowest income students, but also those students in the middle two income brackets, which tend to not be eligible for Pell dollars.

Dr. Brown thanked Mr. Forrest and asked if there were any questions. Chair Decosimo asked for a brief reminder of what the 15 /4 program. Dr. Brown responded that the 15 and 4 is a special tuition model that encourages students to take 15 hours or more per semester so they will effectively graduate in four years. Many of the dollars that are driven from that model will be used to support faculty to ensure that students don't have roadblock courses.

Judge Barker noted that in Mr. Forrest's report that there's been a set of almost \$3 million as a contingency and part of that is to provide for changes in perhaps in enrollment this year because of the coronavirus. He noted that he is hearing that there are going to be some reductions in enrollment across the country because of people being out of work and the virus and asked if there had been any evidence of that coming this year and, assuming the answer is yes, if someone was accepted this year, but not able to attend this year, how long will their acceptance be good for? Dr. Freeman responded that for just starting with summer and thinking about what the summer enrollment looks like, it has really held strong. As of yesterday, UTC was up a hundred students overall in terms of head count. So far, UTC's enrollment numbers for the fall semester, have held up as well. For the fall semester, UTC is running about a hundred students behind its number last year at this time, but is in on good footing overall.

Chair Decosimo asked if UTC has furloughed any employees. Dr. Brown responded it has not. UTC has put in place is a voluntary retirement incentive program. UTC has upwards of 40 retiring from the university. UTC will pay a bit of 50% of their salary out of the existing line. And then UTC will strong look at whether or not it need to refill that position, which provides a lot of budget flexibility.

Chair Decosimo thanked Dr. Brown and Mr. Forrest for their presentations. Dr. Potts moved for approval of the budget, with Ms. Hoffman and Mr. LeRoy seconding. There being no further discussion, Chair Decosimo called for a roll call vote. The budget was approved unanimously. A copy of the proposed budget approved by the board is included as **Appendix C** to these minutes.

VII. STRATEGIC PLAN

Chair Decosimo then called on Provost Hale to talk about the Strategic Plan. Dr. Hale noted the pandemic kept UTC from making some of the progress it had hoped to make on developing a new plan but has a schedule that the Provost thinks will provide a new strategic plan by the time

the current strategic plan expires. With the help of Tom Griscom, sub-committees have been formed from the steering committee that was put together.

The current strategic plan includes an introductory section on the University's mission, values and vision statements, and it includes four different goals. UTC will assign either the introductory section of the old strategic plan or one of the goals to each of the sub-committees and ask them to tell comment on what portions of that goal or of the strategic plan ought to be retained, if there's anything in it that they think is no longer relevant or a priority, and make some suggestions for things that are not included that they believe ought to be included.

The steering committee will use the information from those initial subcommittee meetings to begin discussions with various constituent groups and stakeholders that UTC wants to assist with developing the strategic plan.

Chair Decosimo asked who from the board is on the strategic plan committee. Ms. Desai and Mr. Leroy are serving.

VIII. MASTER PLAN

Dr. Brown noted that UT Knoxville, UT Martin, and UTC were scheduled to start new master plans. Due to COVID-19, the plans have been pushed back for a year to allow an opportunity for people to assemble. The State has recommended that and THEC agrees.

IX. OTHER BUSINESS

Chair Decosimo introduced Mr. Lofton Stuart as the Interim Executive Director of the UC Foundation. He also thanked everyone for their time to participate in the meeting and asked if there was any additional business to bring before the board.

Ms. Hoffman asked Provost Hale if the S/NC grading affects a student's overall GPA going forward. Provost Hale responded that S/NC grades do not figure into a student's grade point average at all and is only computed based on courses that they take in A through F grading.

X. CLOSING REMARKS

In closing, Judge Barker expressed his thanks to Dr. Potts and Mr. Smith for serving on the Board this year. There being no further business, Chair Decosimo also expressed his thanks to Dr. Potts and Mr. Smith.

XI. ADJOURNMENT

Chair Decosimo asked for a motion to adjourn. Mr. Leroy so moved, and the motion was seconded. A roll-call vote was taken, and the motion was passed by unanimous vote. The meeting was adjourned.

THE UNIVERSITY OF TENNESSEE AT CHATTANOOGA
ADVISORY BOARD MEETING

1:00 p.m. ET
Tuesday
January 21, 2020

Foundation Room - University Center
615 McCallie Avenue
Chattanooga, Tennessee

ORDER OF BUSINESS

I.	CALL TO ORDER AND ROLL CALL.....	2
II.	OPENING REMARKS	2
III.	APPROVAL OF THE MINUTES OF OCTOBER 3, 2019	2
IV.	FISCAL YEAR 2021 BUDGET	2
V.	UTC STRATEGIC PLAN 2020-2025.....	6
VI.	UT BOARD OF TRUSTEES PERFORMANCE AUDIT.....	7
VII.	OTHER BUSINESS.....	7
VIII.	CLOSING REMARKS	8
IX.	ADJOURNMENT	8

APPENDIX A

I. CALL TO ORDER AND ROLL CALL

Chair Fred Decosimo called the meeting to order at 1:00 p.m. Secretary Terry Denniston called roll. The following Board members were present:

Muecke Barker
Fred Decosimo (Chair)
Carole Hoffman
Scott LeRoy
Gretchen Potts
Benjamin Smith

A quorum was present.

Others in attendance included: Dr. Steven Angle, UTC Chancellor; Dr. Richard Brown, UTC Executive Vice Chancellor for Finance and Administration; Dr. Yancy Freeman, UTC Vice Chancellor for Enrollment Management, Student Success and Student Affairs; Dr. Jerold Hale, Provost and Senior Vice Chancellor for Academic Affairs; Mr. Tyler Forrest, Associate Vice Chancellor for Administration and Finance; Ms. Gina Stafford, Assistant Vice Chancellor for Communications and Marketing; Mr. Yousef Hamadeh, University Assistant General Counsel.

II. OPENING REMARKS

Chair Decosimo thanked everyone for attending and invited Chancellor Angle to make a few opening remarks. Chancellor Angle noted the items on the agenda, including the proposed budget, strategic plan and the State Sunset Audit that was recently completed. Chancellor Angle mentioned some events that have taken place on campus, such as the academic night for intercollegiate athletes. Chancellor Angle also noted several accomplishments by the Athletics Department, including praise for Emily Blackman and the academic coaches for the academic success of UTC student-athletes – 20 of 22 student softball players had a 3.0 GPA or above, the women's soccer team members achieved similar GPAs, and the football team achieved its highest ever average team GPA.

III. APPROVAL OF THE MINUTES OF OCTOBER 3, 2019

Chair Decosimo asked for a motion to approve the minutes of the October 3, 2019 meeting, a copy of which was provided to the Board members prior to the meeting. Judge Muecke Barker made a motion to approve the minutes, with Mr. Scott LeRoy seconding. Chair Decosimo asked for any discussion. There being none, a voice vote was taken, and the motion carried by a unanimous vote. A copy of the October 3, 2019 meeting minutes approved by the Board are included in **Appendix A** to these minutes.

IV. FISCAL YEAR 2021 BUDGET

Chair Decosimo next invited Dr. Richard Brown, UTC Vice Chancellor for Finance and Administration, to discuss UTC's 2020-2021 budget. Dr. Brown thanked Tyler Forrest and Chris Sherbesman, as well as Alison Evans, for their continued work on the university budget. Dr.

APPENDIX A

Brown noted that UTC is going into the third quarter of this year's budget and that it is financially in good shape. Dr. Brown's presentation included the following key notes about the 2020-2021 budget:

- \$205 million dollars make up the revenue portion of the budget – tuition and fees account for almost 60% of revenue; State appropriations account for 29%; auxiliary services account for 10%; and other sources in sales, grants and contracts make up about \$5 million of revenues.
- Almost 40% of revenue will go to academic program needs and staffing; approximately 6% to scholarships; approximately 8% to institutional support; approximately 10% to the physical plant; and another 9% in academic support. Over the next two years, there will be a strong focus on reaffirmation of SACSCOC accreditation, which happens every 10 years. The Provost and the executive and academic leadership teams are working on the QEP, the quality enhancement project, that will require some investments.
- The Governor will announce his budget later this month, and UTC is hoping that he will continue to support full funding of the appropriations formula.
- Graduate out-of-state tuition rates were reduced about 50%, which will help UTC better recruit out-of-state students. Having a competitive enrollment management plan is very important as the disaggregation of public higher education in Tennessee means it's a very competitive higher education environment.
- The Provost is evaluating the academic affairs needs of UTC and the budget will support key academic positions throughout the university. There is a system-wide compensation benchmarking study that is ongoing. The results of the study should be available in March, and should show UTC's competitiveness regarding its compensation benchmarking.
- Regarding student housing growth, a new 600-bed residence was just opened, which is now full. UTC will be considering building another one as need arises.
- Further discussion about new campus strategic and master plans will take place. Additional items for discussion include online education - what that will look like for UTC and the University of Tennessee System, as well as IT funding and technology that affects the classrooms. UTC has a new Vice Chancellor for Information Technology, Vicki Farnsworth, who will be developing IT strategic plan that's going to require some investment from UTC in the next six months or so.
- The Chancellor, Provost, the budget team and Dr. Brown met with the deans of all the colleges and all the major operating divisions. Later this month, the Governor's budget will be released and that will give some indication of what the State will fund for UTC. UTC will continue to develop the budget all the way into May. On May 7, the Chancellor's final budget recommendations will be presented to the Advisory Board for approval. Once approved at the campus level, the budget will be presented to the UT Board of Trustees in June for final approval.

APPENDIX A

- UTC is recommending a 2% increase in tuition, which aligns with the recommendation of the Tennessee Higher Education Commission (THEC). A 2% increase will generate about \$1.6 million for UTC. 15/4 tuition dollars are estimated to be about \$2.2 million. These are the funds that UTC can utilize to make sure students can graduate in four years. The funds will help ensure UTC has enough courses and enough teaching faculty on the ground, along with academic support, tutors, etc. CCTA formula productivity growth is projected at \$2.1 million in funds for UTC. UTC continues to be at the top of the State in outcome productivity, and Dr. Brown is hopeful UTC will lead the State next year. For the first time in a long time, THEC has recommended \$1.2 million to support a 2% compensation pool for the university.
- In response to Dr. Potts's inquiry as to whether the 2% tuition increase and the tuition increases associated with the 15/4 tuition model would apply to all current students or just those who will be subject to the 15/4 model, Dr. Brown and Tyler Forrest responded that current students will be subject to the 2% increase and that new students coming in will also be subject to the 15/4 tuition rates, which will result in all students eventually being subject to the same tuition rate over time. Chancellor Angle commented that both UT Knoxville and UT Martin followed the same phased approach.
- Salaries and benefits total a 2% pool, which will be about \$2.2 million. A small benefit to institutional support will leave an unallocated amount of about \$1 million. UTC had to increase scholarship awards to stay competitive and to keep enrollment up, so UTC will be probably recommending some of that amount be used to support scholarships. UTC projects a balanced budget from the revenue that it has in the budget right now.
- Chair Decosimo asked whether UTC is having to hire additional instructors in order to facilitate the 15/4 structure. Dr. Brown responded in the affirmative, stating that the bulk of the tuition increase from the 15/4 model is being spent in that regard. A lot of the new faculty instructors are lecturers and adjunct instructors until UTC can assess what permanent faculty will be needed.
- In response to Chair Decosimo's inquiry, Dr. Brown indicated that UTC is close to being on track with respect to the revenues and expenses in this year's budget through December. Dr. Brown indicated that UTC may have a little bit of a surplus at the end because of vacant positions which have not been filled and other savings. Chancellor Angle indicated that UTC hit its projection on the number of students planned, but to meet the budget, the more important figures are how many of those students were fully Pell Grant eligible, how many UTC is providing scholarships, how many pay the full tuition fee, etc. Chancellor Angle further noted that UTC actually had more students who were offered financial aid packages who actually took them up at this time. Accordingly, UTC has had to redirect some funds to meet its financial aid obligations. Dr. Yancy Freeman added that, in addition to having more students who accepted financial aid than projected, UTC had more students this year who continued their progression, which also contributed to higher than predicted financial aid costs.
- Ms. Hoffman asked for clarification on whether UTC offers more in financial aid than it has allocated in funding for financial aid based on trends as to how many it expects to actually accept financial aid. Dr. Freeman responded that was correct. Dr. Brown noted it is a good

APPENDIX A

problem to have so if the students continue to progress, the CCTA formula allocation will actually account for that outcome and increase UTC's share of the allocation.

- Chair Decosimo asked where UTC is now in terms of where it was five years ago with retention. Dr. Freeman responded that the first year retention rate is slightly down, but is still up significantly from where UTC was five years ago. This past year UTC had at a 72% retention rate for first-time freshmen students. UTC hopes and believes it can achieve an 80% retention rate. Dr. Freeman also indicated UTC is also building some things into its program for retention of second year students. Chair Decosimo noted that the UC Foundation made some grants for resident assistants to knock on doors to encourage students to go to class, which would help improve 4-year graduation rates, and thought the effort had a fairly quick impact. Dr. Freeman responded that the Housecalls program did have a positive impact.
- Dr. Brown discussed the voluntary retirement incentive program (VRIP), which UTC does every four to five years. Out of 176 eligible employees, 49 submitted applications and 37 signed agreements that have been approved by UT System CFO David Miller. Participants were notified in December. All university units have been notified of the employees who have elected to take advantage of this benefit. Total estimated salary dollars impacted and available for reallocation after implementation of the program was about \$2.6 million. The vacated positions will come back centrally to the attention of the Chancellor, Provost and Dr. Brown, who will then evaluate whether the position will go back to the unit or to reallocate the position somewhere else.
- In 2019, the domestic graduate out-of-state tuition rate was again reduced by 50%. He complimented the Communications and Marketing Department on the great job they did coming up with marketing materials for those states that border Tennessee to help advertise this program. UTC is marketing and trying to recruit enough out-of-state students in order for the decrease in tuition funds to have a revenue neutral effect. Just about every public university in Tennessee is implementing similar out-of-state tuition reduction plans, so the change is an attempt to make UTC more competitive in recruiting out-of-state students.
- UTC has almost \$46 million spread over 9 construction projects in progress. Another nine projects are in the design phase and are estimated to cost about \$75 million. Thirteen projects have been approved for funding at about \$8 million in small projects. In response to an inquiry from Chair Decosimo, Dr. Brown indicated that about \$37 million dollars of the total allocated for capital projects is for the Lupton Library renovation.
- Dr. Brown provided an overview of the planned process for developing a new Facilities Master Plan for the campus, which is projected to take approximately 18 months. The process will involve internal committee meetings as well as input from external parties, including UTC's campus neighbors. A proposed plan will be presented for recommendations and approval to the Advisory Board in 2022. After approved at the campus level, it will be presented to the UT Board of Trustees. After approval by the UT Board of Trustees, it will be presented to THEC for final approval. The final plan will come to the advisory board in 2022. He indicated that Chancellor Angle would like at least two members of the Advisory Board to serve on the master planning committee. The committee will be looking at how UTC

APPENDIX A

utilizes its current facilities, the percentage of facilities being utilized, the campus master housing plan and projected student growth, athletics facilities, and landscape planning.

V. UTC STRATEGIC PLAN 2020-2025

After Dr. Brown concluded his presentation on the 2021 fiscal year budget, Provost Jerold Hale shared information on the process for developing UTC's new strategic plan. The current strategic plan, which runs through 2020, is winding down and coming to an end. The university is in a dramatically different place now than it was when the current strategic plan was put in place. The most dramatic change is in the nature of the relationship between UTC and the larger Chattanooga community.

The strategic plan committee will be smaller than the last one, and the nature of the listening sessions and meetings will also be somewhat different. The first step in the strategic planning process was to put together a strategic planning steering committee, the composition of which is identified in the packets provided the Board members. In order to make sure that every division of the university was represented, Dr. Hale reached out to all of the vice chancellors and then to all of the deans and asked them for recommendations. Both staff employee entities on campus, the Employee Relations Council and the Exempt Staff Council, are represented. UTC students are also represented, including the Graduate Student Association President and the Student Government Association President. There are three committee positions to be determined and Dr. Hale indicated that he would like the Advisory Board to have representation on the committee. Additionally, he is still waiting on a representative to be named from the UC Foundation.

Dr. Hale next gave an overview of the proposed timeline for the planning committee. There are four basic tenants or goals for the committee:

- Focusing on instructional excellence and guaranteeing students the kinds of educational experiences that will serve them well after they leave the university.
- Increasing or improving the university's research profile.
- Being good stewards of UTC's resources, including its philanthropic efforts and development efforts related to the UC Foundation.
- Ensuring that the UTC campus is a diverse and inclusive campus.

Dr. Hale expects for the committee to accomplish its work within the proposed timeline because he does not envision any radical changes from the current plan, but rather a revamping and refreshing of the items in the current plan.

In response Ms. Hoffman's inquiry, Dr. Hale provided a more detailed overview of how committee representatives were selected.

In response to an inquiry from Chair Decosimo, Dr. Hale indicated that an analysis of which goals in the current plan that UTC accomplished is published online on the UTC website. The website provides a year-by-year analysis, complete with data, about how UTC has done with each of the identified goals.

APPENDIX A

Chair Decosimo noted the Advisory Board has two opportunities as a board to significantly participate—the master plan and the strategic plan. Ms. Serina Desai has a preference to participate on the master plan committee. Ms. Hoffman previously volunteered to serve on master plan committee. Mr. LeRoy offered to work on the strategic plan committee. Chair Decosimo also offered to serve on the strategic plan committee.

Chair Decosimo thanked Dr. Hale for his presentation, noting that it is an exciting time to see what the next five years is going to bring to UTC.

VI. UT BOARD OF TRUSTEES PERFORMANCE AUDIT

Chair Decosimo next asked Dr. Brown to present information about the results of the State Sunset Audit for the University of Tennessee system and campuses. Dr. Brown noted that, about every five years, the State Comptroller of the State of Tennessee conducts a performance audit of the University of Tennessee. Dr. Brown provided an overview of the areas assessed by the audit. With respect to specific items assessed in the audit regarding UTC, Dr. Brown noted that the audit made findings and recommendations regarding several campus safety issues, and that UTC has already implemented or was in the process of addressing those findings and recommendations. Dr. Brown's presentation of the audit findings and UTC's response to the audit can be found [here](#). During the presentation, several campus safety issues were discussed including, when UTC issues Clery Act warnings, how UTC notifies the campus community of emergency and/or public safety situations, UTC's fulfillment of its crime reporting obligations, campus physical security features (e.g., controlling access to facilities, etc.), and cooperation with and delineation of responsibilities between UTCPD and the Chattanooga Police Department.

Dr. Potts inquired about UTC's efforts to address the increased need for mental health services for students. Dr. Freeman gave an overview of the mental health services available to students and programs that have been established to address mental health concerns, including its suicide prevention strategies. Dr. Freeman noted that more students are utilizing campus counseling services. Dr. Potts noted that the wait times for receiving counseling services seem to be growing and asked about what actions UTC is taking to address the issue. Dr. Freeman indicated that there is a recognized need to expand capacity due to the increase in need for such services. The counseling center added a counselor and a psychiatric nurse practitioner, and UTC will be adding a clinical case manager. Dr. Freeman further noted that additional resources and options are being evaluated for funding.

VII. OTHER BUSINESS

Chair Decosimo next asked Assistant General Counsel Yousef Hamadeh to discuss the student board member appointment. Mr. Hamadeh noted the next scheduled regular board meeting is May 7, but that the state statute requires the Advisory Board to select the next student member by April 15. Mr. Hamadeh indicated that he is looking at ways for the board to make the appointment by the required deadline, and that a special meeting may need to be called in advance of the regular May 7 meeting. He concluded that he will provide guidance to Secretary Denniston and Chancellor Angle on options, which will then be communicated to the board.

APPENDIX A

VIII. CLOSING REMARKS

Chancellor Angle shared two things that are taking place on campus. There is an ongoing search for Dean of the College of Arts and Sciences. There will also be a search for the Vice Chancellor for Development and Alumni Affairs and Executive Director of the UC foundation. The Foundation will be using Aspen Leadership Group, which conducted the search that brought Marty Smith to the Foundation as the Associate Vice Chancellor for Development and Alumni Affairs. Their price structure is competitive, and Mike Costello, the Chair of the Foundation Board, was very comfortable with them. Kerry Witcher, the UTFI President, was also comfortable with them, and Chancellor Angle feels that it is a good firm.

Dr. Potts asked when the Dean of the College of Arts and Sciences candidates will be on campus. Dr. Hale responded that he did not have that information at hand, but that UTC will continue to accept applications and that candidates are guaranteed full consideration if they apply on or before January 22. Dr. Daniel Pack, Dean of the College of Engineering and Computer Science, is chairing that search committee. Dr. Hale received a preliminary report from Dr. Pack, and that as of Friday of last week, there were 70 completed applications and several more that were in partial completion stages that Parker Executive Search (who is running the search) believe will be completed before the deadline.

IX. ADJOURNMENT

Chair Decosimo asked for a motion to adjourn. Mr. Leroy so moved, and Judge Barker seconded the motion. The motion was passed by unanimous vote. The meeting was adjourned.

APPENDIX B

THE UNIVERSITY OF TENNESSEE AT CHATTANOOGA
ADVISORY BOARD MEETING

9:00 a.m. ET
Friday
March 13, 2020

Foundation Room - University Center
615 McCallie Avenue
Chattanooga, Tennessee

ORDER OF BUSINESS

I. CALL TO ORDER AND ROLL CALL..... 2
II. OPENING REMARKS 2
III. SELECTION OF STUDENT MEMBER TO THE BOARD 2
IV. CLOSING REMARKS..... 2
V. ADJOURNMENT..... 2

APPENDIX B

I. CALL TO ORDER AND ROLL CALL

Chair Fred Decosimo called the meeting to order at 9:01 a.m. Ms. Terry Denniston, Secretary, called roll. The following Board members were present:

Fred Decosimo (Chair)
Serina Desai
Carole Hoffman
Scott LeRoy
Gretchen Potts
Benjamin Smith (via telephone)

A quorum was present.

Others in attendance included: Dr. Steven Angle, UTC Chancellor; Dr. Yancy Freeman, UTC Vice Chancellor of Enrollment Management, Student Success and Student Affairs.

II. OPENING REMARKS

Chancellor Angle thanked everyone for attending the meeting to select the next student board member, noting that the bylaws of the board do not allow meeting by phone.

III. SELECTION OF STUDENT MEMBER TO THE BOARD

Chair Decosimo announced that there were several candidates for consideration for the next student member position on the Board for the term commencing on July 1, 2020 and ending June 30, 2021. Chair Decosimo noted that all candidates were impressive. Gretchen Potts made a motion to select student-candidate Rachel Worley for the position. Serina Desai and Carole Hoffman seconded the motion. Chair Decosimo called for discussion. Ms. Desai shared that she thought the candidates were well prepared, but felt Ms. Worley answered every question right away and in full. Ms. Hoffman felt Ms. Worley had some knowledge that the others may not have and felt her sincerity about the student body and connecting with them. The motion for the selection of Rachel Worley as the next student member carried by unanimous vote.

IV. CLOSING REMARKS

The next board meeting is scheduled for May 7. Dr. Potts noted that she will be moving off the board at the end of June and Dr. Jamie Harvey, Faculty Senate President, will join the board on July 1.

V. ADJOURNMENT

Chair Decosimo asked for a motion to adjourn. Mr. LeRoy so moved, and Ms. Hoffman seconded the motion. The motion was passed by unanimous vote. The meeting was adjourned at 9:19 am.

Campus Advisory Board Meeting



FY 2020-21 Operating Budget Proposal
Chancellor Steven Angle & EVC Richard Brown

FY 2021 Budget Planning Overview

Financial Variables

- Tuition and fees recommendation (0-1.5%)
- State appropriations post COVID-19
- Tennessee's economic position
- Undergraduate and graduate enrollment impact
- Social distancing requirements
- COVID-19 lab protocols
- Online instruction enhancements
- Serving online and adult students
- Housing occupancy levels
- Fundraising demands

Red Flag Challenges

- Financial impacts
 - Face to face verses online tuition and fees
 - Auxiliary enterprises
 - Continuing and executive education
 - Athletics
- Benchmarking instructional support
- UT System ERP integration

COVID-19 Financial Response

- Students
 - Refunded housing, meal plans, and parking decals
 - Invested in Student Emergency Fund
 - Altered Summer 2020 Fee Assessments
- Faculty/Staff
 - Avoided furloughing regular employees

COVID-19 Financial Response

- FEMA Reimbursements To-Be-Determined
- CARES Act Distributions
 - \$4.76 Million to Student Aid
 - \$4.76 Million to Student Aid/Institutional Relief
- Financial Health
 - Continuously Assessing Financial Position
 - Selective Hiring Freeze
 - Emphasizing Conservative Spending

Budget Process Goals

- Align budget priorities to strategic goals
- Budget understanding – Transparency of process
- Build upon strong prior financial stewardship
- Broaden inclusion with fiscal planning
- Work closely with the Executive Leadership Team and the University Planning and Resource Advisory Council to collaboratively make budget decisions

Strategic Plan Goals

- **Goal 1:** Transform lives through meaningful learning experiences.
- **Goal 2:** Inspire, nurture and empower scholarship, creativity, discovery, innovation and entrepreneurial initiatives.
- **Goal 3:** Ensure stewardship of resources through strategic alignment and investments.
- **Goal 4:** Embrace diversity and inclusion as a path to excellence and societal change.

FY 21 Budget Planning Timeline

DATE	ACTION
October 2019	Campus units begin the budget planning process.
November 2019	Unit and department requests due to division leaders.
Nov. - Dec. 2019	Chancellor hosts "Conversations with the Colleges".
January 2020 (mid)	Division leaders finalize budget requests.
January 2020 (late)	State of Tennessee Governor's budget released.
February 2020 (mid)	Executive Leadership Team meets and prioritizes new investments.
February 24, 2020	UPRAC meets to discuss investment priorities proposed by ELT.
April 2020 (mid)	Executive Leadership Team finalizes proposed budget.
April 30, 2020	Chancellor hosts town hall meeting to share proposed budget with campus.
May 7, 2020	UTC Advisory Board makes recommendation on proposed budget.
June 26, 2020	UT Board of Trustees approves proposed budget.

**FY 2021
Tuition & Fee
Recommendation**

FY 20 TN Undergraduate Market Position

Tennessee Public Institutions	In-State Maintenance	Mandatory Fees	Total Undergraduate Resident
Tennessee State	\$7,026	\$1,158	\$8,184
Austin Peay State	\$7,044	\$1,583	\$8,627
Tennessee Tech	\$8,040	\$1,278	\$9,318
Middle Tennessee State	\$7,554	\$1,870	\$9,424
East Tennessee State	\$7,572	\$1,919	\$9,491
UT Chattanooga	\$7,836	\$1,820	\$9,656
UT Martin	\$8,214	\$1,520	\$9,734
University of Memphis	\$8,208	\$1,704	\$9,912
UT Knoxville	\$11,332	\$1,932	\$13,264

All tuition and fee amounts are reported for 15 student credit hours for fall and spring semesters.

FY 21 Proposed Undergraduate Tuition & Fees

UG Students	Maintenance Fees	Mandatory Fees	Out of State Tuition	Total Cost	Total Change	Cost Change
In-State*	\$7,836	\$1,834	N/A	\$9,670	0.1%	\$14
Bordering State	\$7,836	\$1,834	\$8,064	\$17,734	NEW	NEW
Out-of-State	\$7,836	\$1,834	\$16,118	\$25,788	0.1%	\$14

**In-State rates reflect assessments of new students cost based on the Soar in Four fee schedule.*

FY 21 Proposed Graduate Tuition & Fees

GR Students	Maintenance Fees	Mandatory Fees	Out of State Tuition	Total Cost	Total Change	Cost Change
In-State	\$8,450	\$1,834	N/A	\$10,284	0.1%	\$14
Out-of-State	\$8,618	\$1,834	\$8,064	\$18,516	0.1%	\$14
International	\$8,618	\$1,834	\$16,064	\$26,516	0.1%	\$14

FY 21 Proposed Fee Changes

Approval	Fee	Current	Proposed	Change	%	Annual Revenue
Board	Student Health Fee	\$120	\$126	\$6	5.00%	\$71,250
Board	Debt Service Fee	\$300	\$308	\$8	2.67%	\$80,000
President	Lab and Course Fees					\$17,190
Chancellor	International Orientation Fee	\$0	\$100	\$100	100.00%	\$5,000
Chancellor	Physical Therapy Seat Fee	\$500	\$1,000	\$500	100.00%	\$1,500

Mandatory Fees Comparison

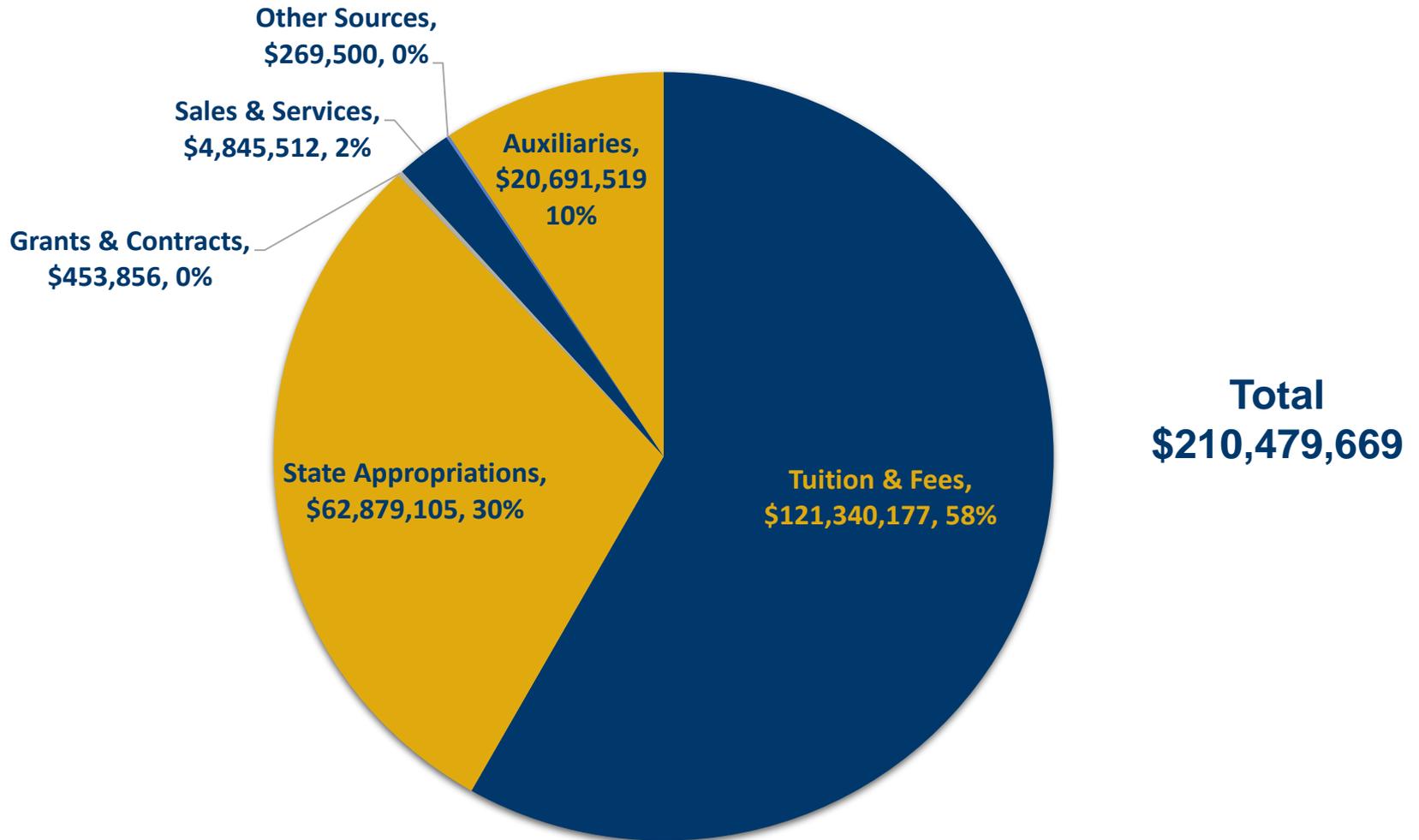
Fee	FY20 Current	FY21 Proposed	Change	%
Student Activity	\$240	\$240	-	-
Debt Service	\$300	\$308	\$8	2.67%
Health Services	\$120	\$126	\$6	5.00%
Athletics	\$514	\$514	-	-
Green	\$20	\$20	-	-
Technology	\$260	\$260	-	-
Library	\$50	\$50	-	-
Transportation	\$96	\$96	-	-
Facilities	\$200	\$200	-	-
International	\$20	\$20	-	-
Total	\$1,820	\$1,834	\$14	0.77%

FY 2021 Proposed Budget Recommendation

FY 21 E&G Proposed New Revenue & Transfers

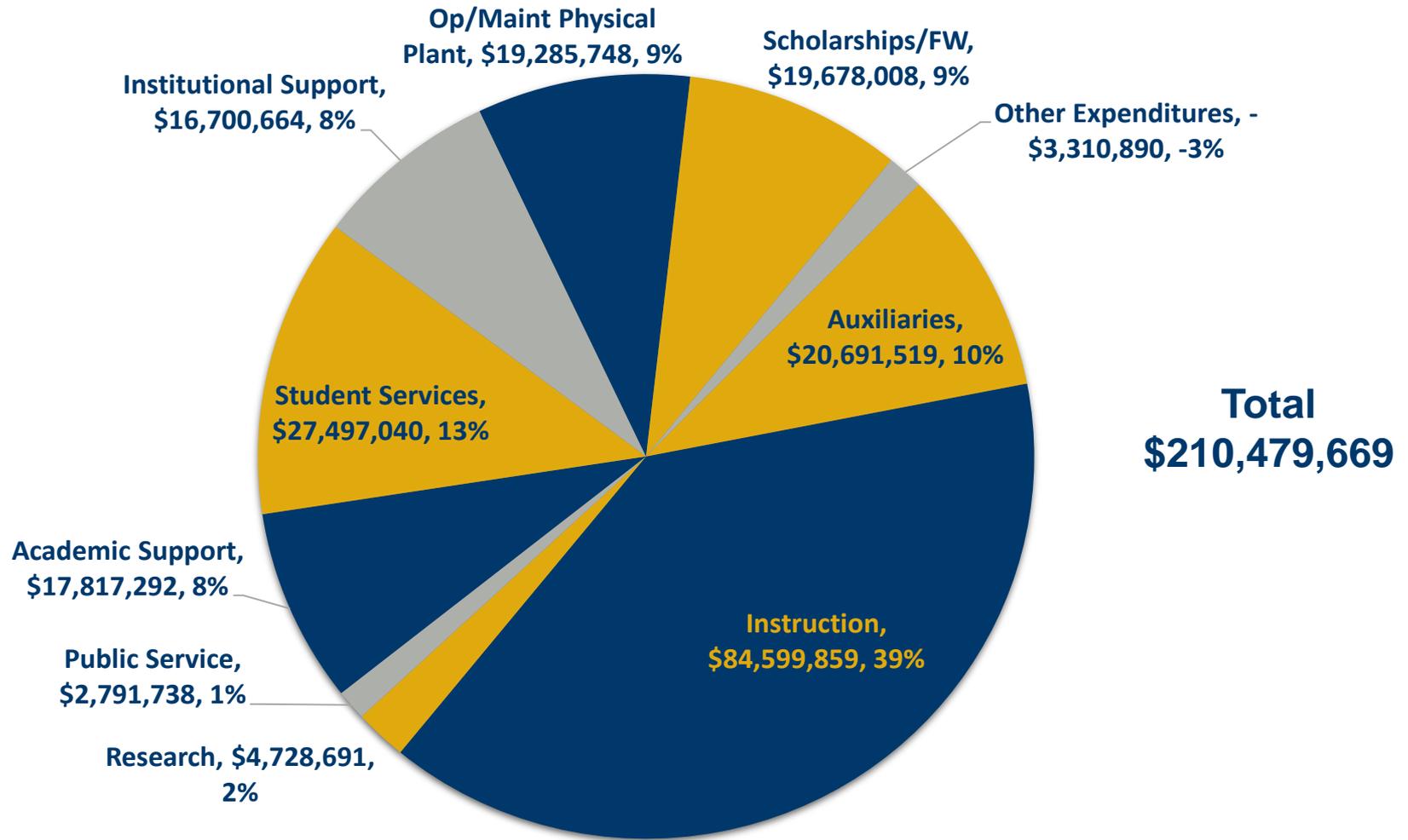
Source	Description	Revenue
Tuition	Soar In Four New Tuition Funds and Reallocation	\$2,366,600
State Appropriation	Formula, Salary Pool, and Benefits	3,311,500
Fees	Mandatory, Orientation, and Seat Fees	174,940
Enrollment Growth	Fall 2019 and Spring 2020 FTE Increase	400,000
Enrollment Decline	Graduate Out-of-State Tuition Reduction	-400,000
Reallocation	Physicians Assistant Program	430,100
Reserves	Institutional and Debt Service	5,934,186
Grant's Program	Institution, UC Foundation and Tennessee Tomorrow	1,968,288
Total		\$14,185,614

FY 21 E&G & Aux. Proposed Budget - Revenue



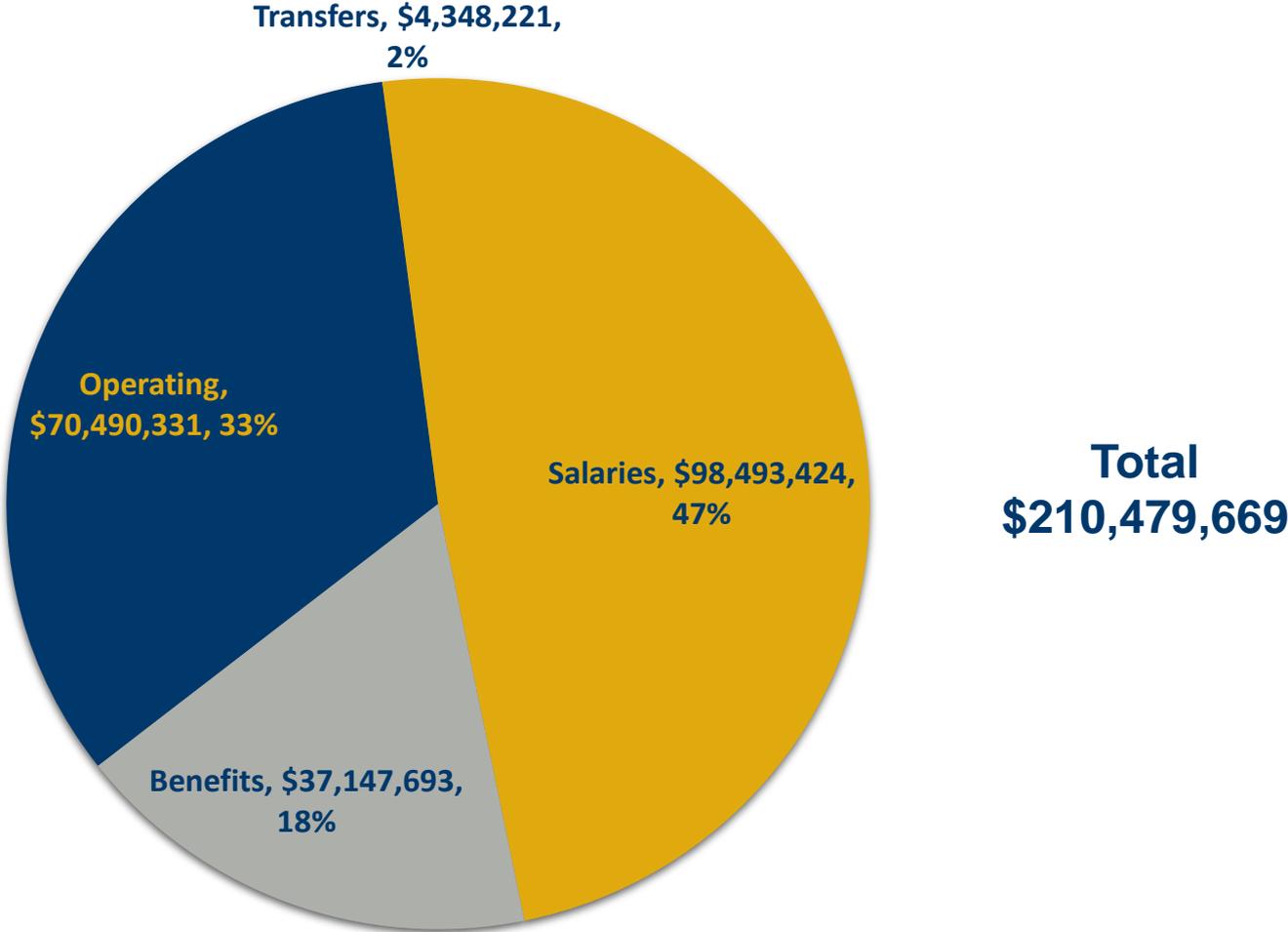
Amounts may change slightly due to possible adjusting entries within the proposed budget period.

FY 21 E&G & Aux. Proposed Budget - Expense



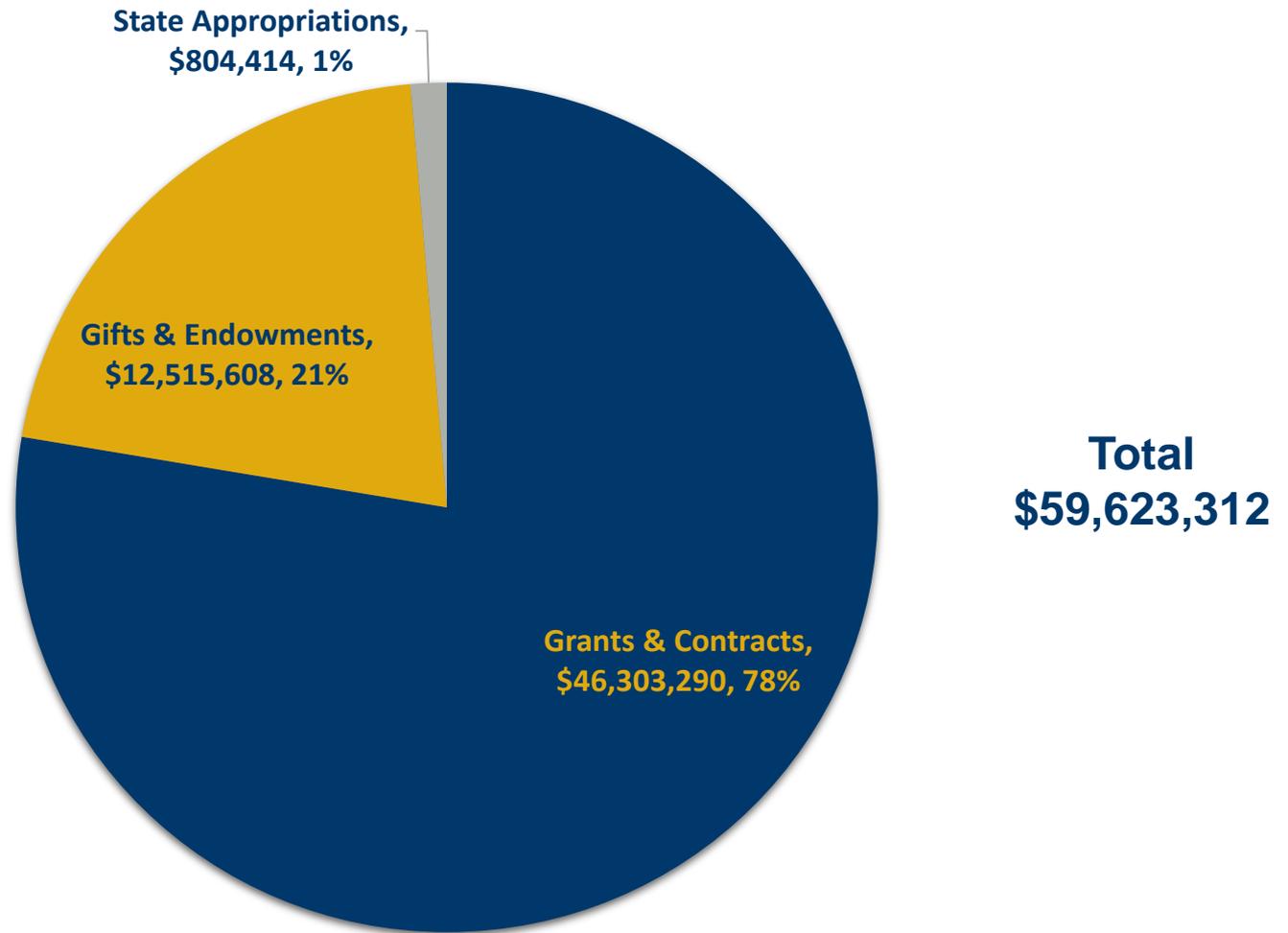
Amounts may change slightly due to possible adjusting entries within the proposed budget period.

FY 21 E&G & Aux. Proposed Budget - Expense



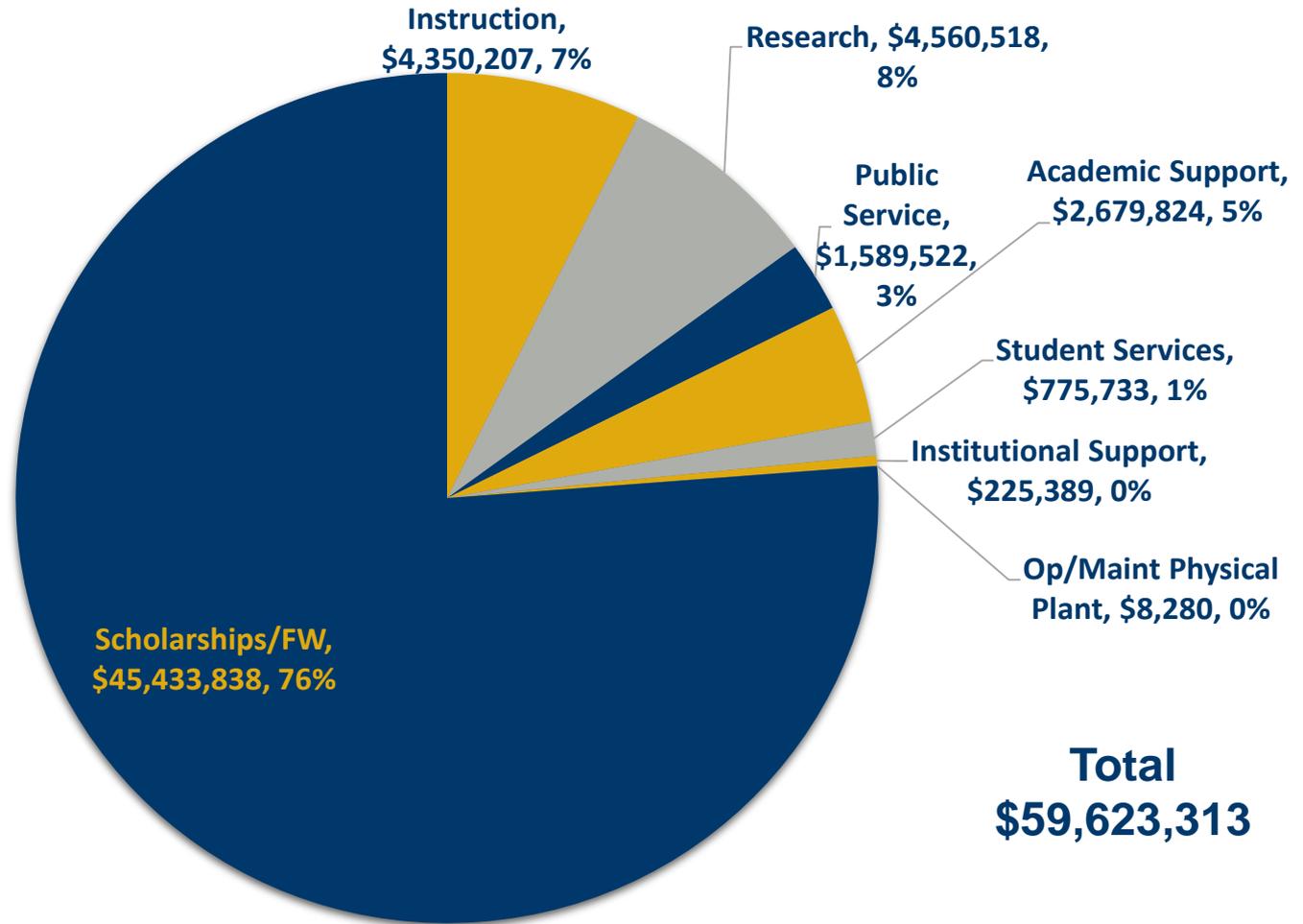
Amounts may change slightly due to possible adjusting entries within the proposed budget period.

FY 21 Restricted Proposed Budget - Revenue



Amounts may change slightly due to possible adjusting entries within the proposed budget period.

FY 21 Restricted Proposed Budget - Expense



Amounts may change slightly due to possible adjusting entries within the proposed budget period.

FY 2021 Proposed Budget - Chancellor

New Budget Allocations

Highlights

- UC Foundation Chancellor's Discretionary Fund

FY 2021 Proposed Budget – Academic Affairs

New Budget Allocations

Highlights

- Lecturers for additional sections in roadblock courses
- Additional academic advisors in colleges
- Summer school instructional support
- Reallocation of Physician Assistant Program faculty and staff
- Limited prior commitments for new tenure-track faculty
- Professorships
- Tennessee Tomorrow investments in faculty and departmental operations

FY 2021 Proposed Budget – Athletics

New Budget Allocations

Highlights

- Mental health counselor shared with Counseling Center

FY 2021 Proposed Budget – Comm. & Marketing

New Budget Allocations

- Recurring \$ -
- 15/4 Recurring \$ -
- Non-Recurring \$ -
- Grant's Program \$ -
- **Total** \$ -

Highlights

FY 2021 Proposed Budget – EMSA

New Budget Allocations

Highlights

- Records Office graduation specialist position
- Strategic enrollment technology specialist position
- Tutoring and academic support services
- International student orientation services
- EMSA facilities director (auxiliary and fee funded)
- Counseling Center clinical case manager and operating support

FY 2021 Proposed Budget – Finance & Admin.

New Budget Allocations

Highlights

- Human Resources total compensation specialist position

FY 2021 Proposed Budget – Information Tech.

New Budget Allocations

Highlights

- Banner Office systems analyst position

FY 2021 Proposed Budget – Research & Grad.

New Budget Allocations

Highlights

- Research deputy vice chancellor position
- Graduate School recruitment and marketing coordinator position
- Graduate School grant's program graduate assistantship funding

FY 2021 Proposed Budget – Institutional

New Budget Allocations

Highlights

- 1.5% compensation pool with a \$600/annual minimum increase
- Faculty promotions, UCF rollovers, and lecturer promotions
- Staff market equity and promotions
- Group health insurance adjustment
- Realignment of graduate assistant budget to FY19 actuals
- Institutional strategic emergency fund
- Information Technology contractual services

FY 2021 Proposed Budget – Scholarships & FW

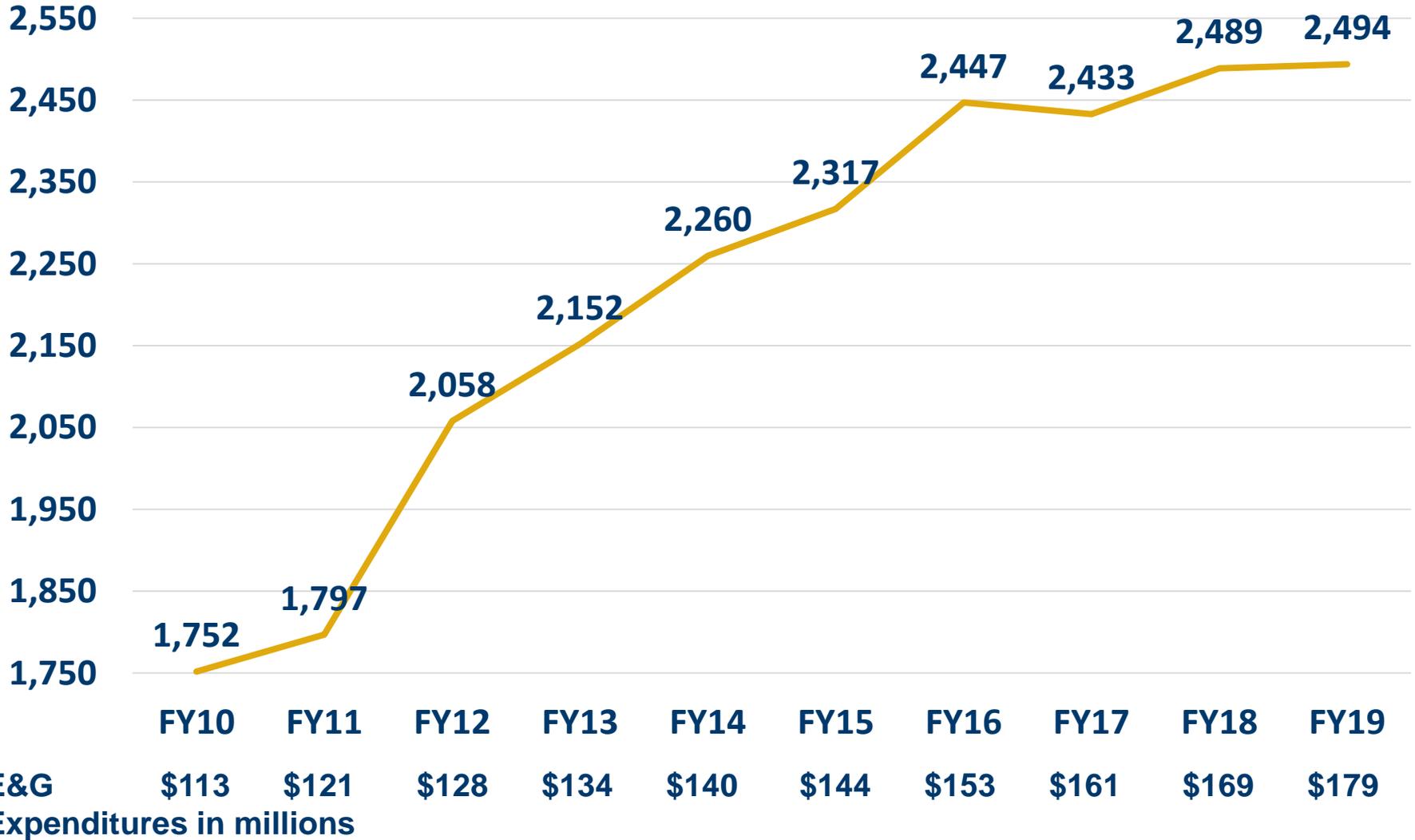
New Budget Allocations

Highlights

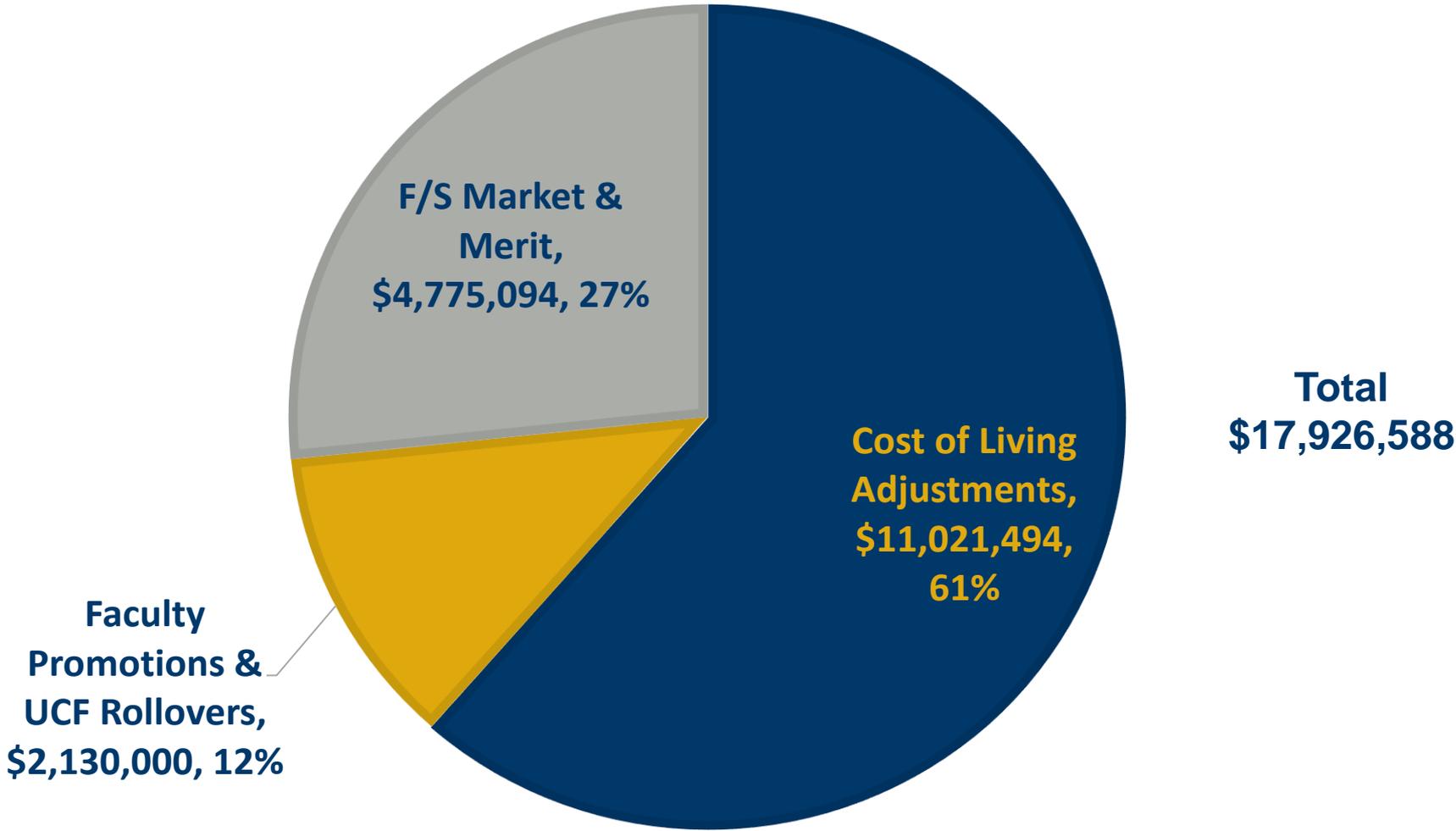
- Scholarship funding gap
- Need based scholarships
- UT Promise
- Athletics grant-in-aid
- Institutional strategic emergency aid fund
- Grant's program investment in Honor's College, Athletics, International Studies, and institutional scholarships

Financial Health Indicators

FY 10-19 Degrees Awarded

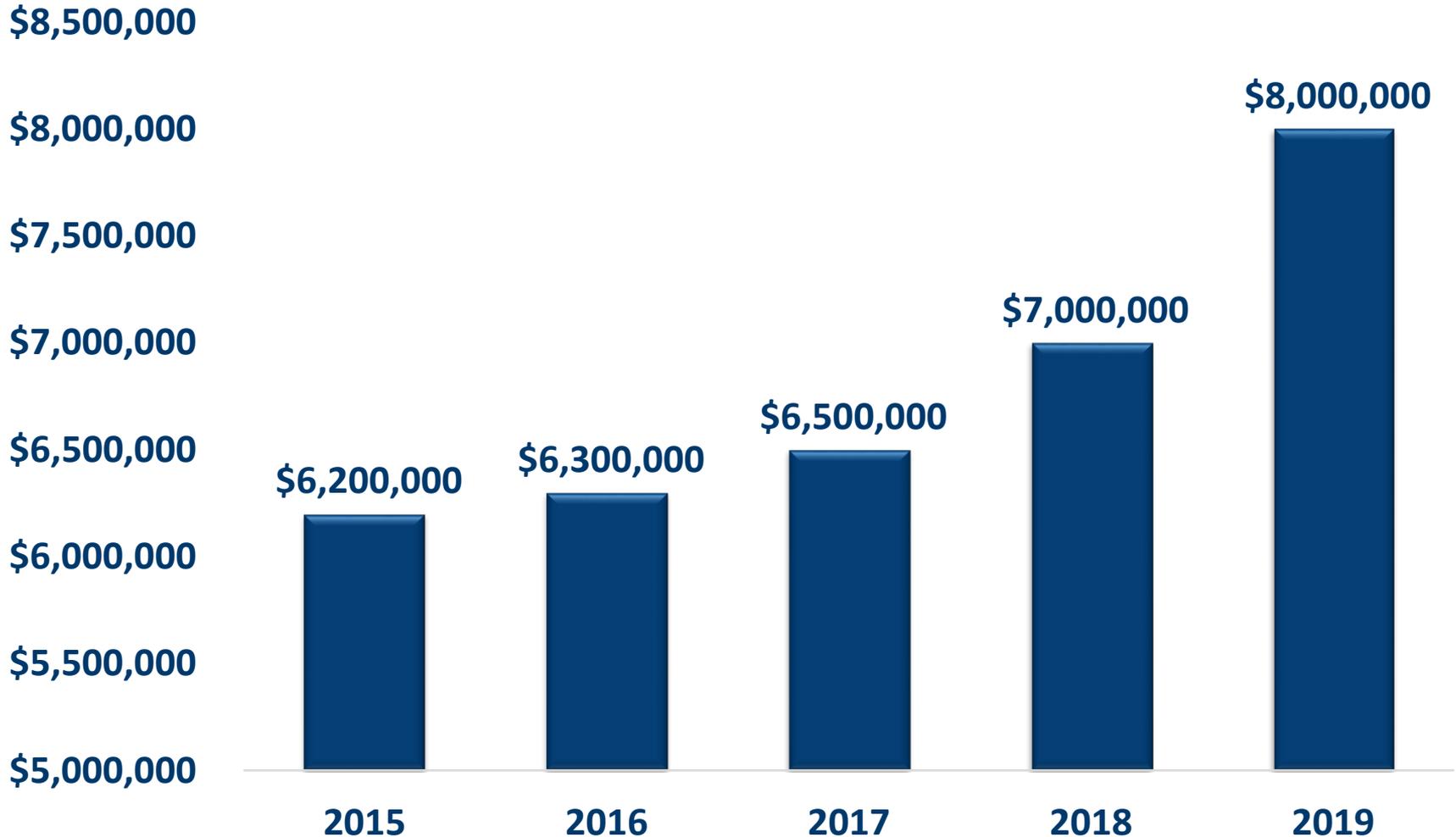


FY 13-21 Institutional Compensation Investment



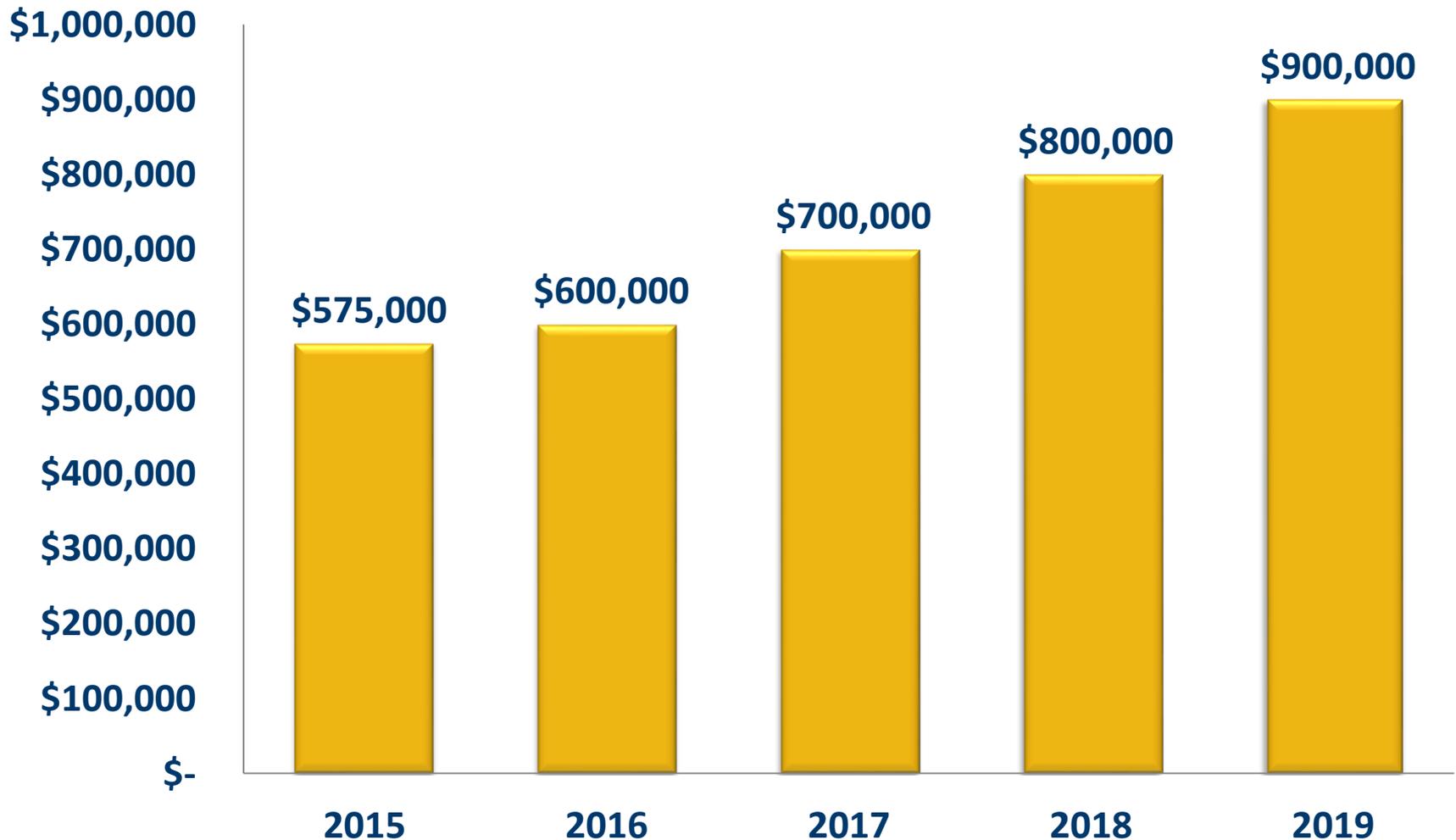
Graph includes FY 21 proposed compensation plans.

FY 15-19 E&G Fund Balance



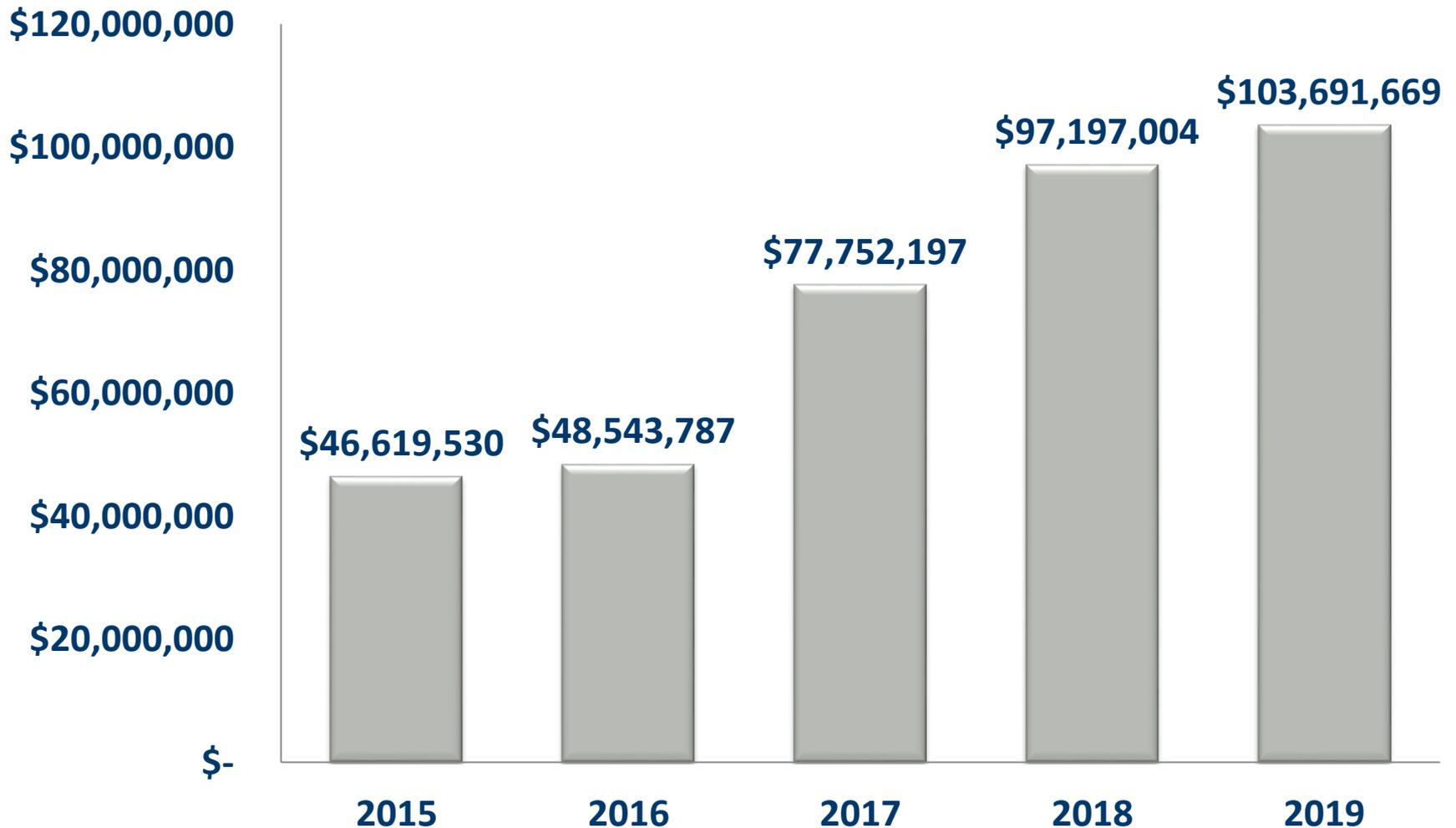
The fund balance represents 4.48% of unallocated expenditures and transfers.

FY 15-19 Auxiliary Fund Balance



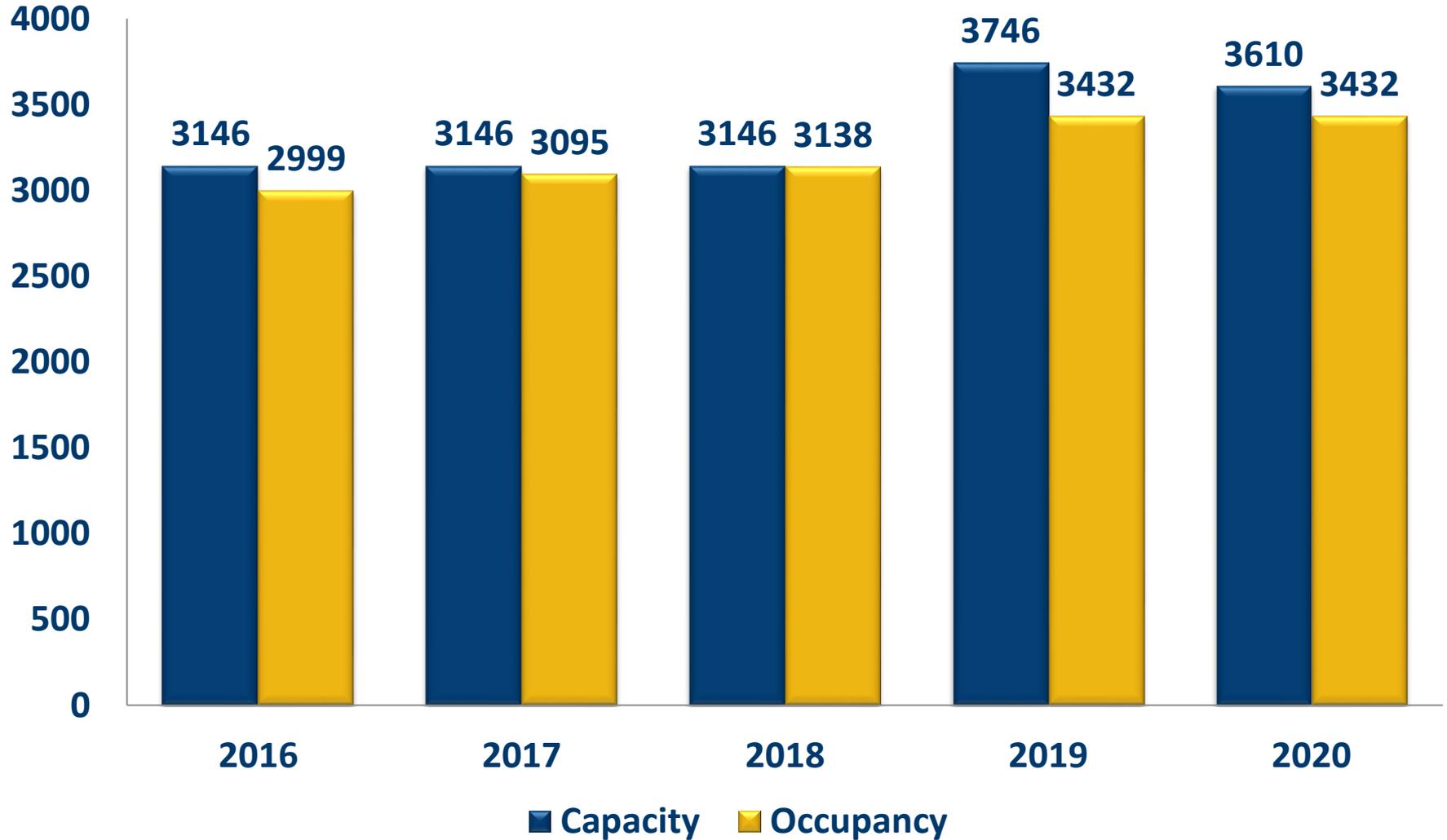
The fund balance represents 4.63% of unallocated expenditures and transfers.

FY 15-19 Notes & Bonds Payable



Unspent bond proceeds could add an additional \$10.39 million to notes and bonds payable in FY 2020.

FY 16-20 Residence Hall Occupancy Rates



Capital Projects

Capital Project	Funding
West Campus Housing Pedestrian Way	\$1,000,000
Holt Hall Improvements	\$8,650,000
Campus Safety & Security Improvements	\$3,700,000
Utility Distribution Expansion	\$5,300,000
Lighting Improvements	\$2,700,000
Campus Site Improvements	\$3,500,000
Guerry Center Renovation	\$5,700,000
Roof Replacements	\$4,500,000
Parking Garage Lighting Upgrades	\$755,000
Retrofit State Office Building (Floors 4/5)	\$2,530,000
Academic Classroom Renovations (Lupton/FAC)	\$38,410,000
Campus Branding	\$205,000
Executive and Continuing Education Center	\$1,415,000
Entrepreneurial Center	\$800,000
SimCenter Computer Room HVAC	\$460,000
West Campus Utility Connection	\$5,630,000

Capital Project	Funding
Fine Arts Mech. & Elec. Improvements	\$8,400,000
Fletcher Hall Interior Renovations	\$10,281,000
Hunter Hall	\$13,000,000
ADA Improvements	\$267,600
Mapp Bldg. Repl. Chiller (Pending Approval)	\$1,000,000
5th Street Parking Garage Stairwell Repairs	\$285,000
Lupton Garage Structural Repairs	\$271,000
Health Sciences Building Programming	\$250,000
Maclellan Building Programming	\$100,000
McKenzie Athletics Facility Programming	\$22,300,000
East Campus Utility Expansion	\$6,770,000
University Center Programming	\$100,000
Guerry Crossroads Roof Replacement	\$129,000
Lupton Aramark POD Installation	\$393,000
Lupton Garage Repairs (Temporarily Delayed)	\$1,487,000
Special Security Project	\$1,044,000

Total Active Capital Projects \$133,009,600

UC Foundation Endowment

Endowment Breakdown	Value – 3/31/20
Unrestricted/Institutional Support	\$ 46,382,096
Scholarships	31,517,808
Academic Support	49,865,717
Professorships	15,646,667
Faculty Development	811,972
Total Endowment Value	\$ 144,224,260
Temporary Funds	\$ 10,792,661

The Foundation also has \$114 million of appraised real estate assets.

FY 21 UC Foundation Planned Distribution

Distribution Category	Distribution
Unrestricted/Institutional Support	\$ 101,656
Unrestricted/Development and Alumni Affairs Operating	1,727,597
Scholarships	1,245,324
Academic Programs	1,517,278
Professorships	575,804
Faculty Development	29,130
Total FY 2020-21 Disbursements	\$ 5,196,789