



FACULTY SENATE MINUTES

Meeting Date:	07/15/20	Time:	14:45 – 16:30	Location:	Sam Wilson Hall room 230
Next Meeting:	08/18/20	Scribe:			Eric Sellers
Present:	Anand, Rajani; Blackhart, Ginette; Brown, Patrick; Cherry, Donna; Collins, Charles; Dunn, Andrew; Ellis, Jon; Emma, Todd; Epps, Susan; Evanshen, Pam; Foley, Virginia; Fraysier, Donna; Garris, Bill; Hagemeyer, Nick; Hemphill, Bill; Hemphill, Jean; Hendrix, Stephen; Holmes, Alan; Johnson, Mikki; Johnson, Michelle; Kim, Sookhyn; Livingston, James; Lyons, Renee; Mackara, Fred; Marek, Greta; McGarry, Theresa; Mitchell, Holly; Olson, Nate; O'Neil, Kason; Owens, Bea; Peterson, Jonathan; Ransom, Mark; Sargsyan, Alex; Sellers, Eric; Sergiadis, Ashley; Silver, Ken; Smith, Samuel; Taylor, Teresa Brooks; Trogen, Paul; Walden, Rachel				
Absent:	Alexander, Katelyn; Burford, Mike; Burns, Bracken; Byington, Randy; Chen, Yi-Yang; Drinkard-Hawkshawe, Dorothy; Gray, Jeffrey; Kostrzewa, Richard; Oh, Sunny; Sarkodie, Olga; Stone, William; Ramsey, Priscilla				
Excused:					

Agenda Items

Meeting called to order

1. Roll Call

2. Opening Remarks from President Noland

3. Q&A with President Noland

4. Final Remarks from Dr. Noland

5. Comments from Guests

6. Adjourn

DISCUSSIONS

1. Roll Call

2. Opening Remarks from President Noland

2.1 Dr. Noland noted that he has met with the Faculty Senate Executive Committee frequently since the beginning of the COVID pandemic and thanked them for their leadership. He also introduced several guests joining him on the call. (Dr. Wilsie Bishop; Dr. Karen King; Dr. BJ King; Dr. Mike Hoff; and, Dr. Adam Greene)

2.2 Dr. Noland mentioned that the rate of change is beyond comprehension and used the budget as an example. At the end of May, the governor's office issued a directive to remove 12% (or \$8 million) from the state budget; late in June the Governor moved in a different direction. Subsequently, a plan to move forward with a budget structured around a projected enrollment decline of 500 students was developed and will be presented to the BOT this Friday.

2.3 Dr. Noland thanked the senate for the opportunity to discuss budget issues and answer faculty questions.

3. Q&A with President Noland



DISCUSSIONS

- 3.1 **Dunn** asked Dr. Noland to address the confusion surrounding the adjunct budget in the College of Arts and Sciences. Specifically, he noted that there are funds to hire most of the adjuncts, but full time faculty will be required to teach a course overload and they will not be compensated. He also asked who will decide which faculty will be required to teach an overload. **Noland** replied that prior to the new budget model adjunct faculty cost were covered by the Provost office; under the new budget model the college is required to cover the cost of adjunct instructors. In the new budget plan, which will be voted on by the BOT, a \$1.6 million budget correction will be added to the college's budget. Noland also added that, due to the decentralized budget model, the deans and chairs will determine which faculty teach additional courses and it will be different for each college.
- 3.2 **McGarry** noted that there was a large expensive mistake created by the new budget model and, in an effort to correct the mistake, an increase in course fees was unfairly passed along to students. She further questioned whether the fees will be removed now that the budget correction has been applied. **Noland** responded that the fees and the adjunct budget are related, but they are not directly related. He reiterated that the Provost Office was able to cover adjunct faculty using resources from all colleges prior to the new budget model. The course fees provide revenue to all of the colleges and they will be held constant at the same level as they were for the 2019-2020 academic year. Noland further noted that none of the deans have brought forward a suggestion to lower the fees; thus, there is not currently a plan to reduce fees.
- 3.3 **Hendrix** questioned why the university does not cut specific athletic programs in order to save money. **Noland** replied that the ongoing work of the Strategic Options Workgroup is to provide recommendations as to how the institution should respond to the financial downturn. Currently, the target is a 5.3% budget reduction for administrative units, and a 4.3% budget reduction for academic units. Athletics will take a cut of approximately \$850,000 and, at this time, it is not necessary to cut programs. However, in the future, it may be necessary to look at reducing the number of athletic programs offered at the university. Noland added that cutting athletics will also have deleterious effects on enrollment, and he hopes the financial situation will not deteriorate. If the situation deteriorates, more draconian measures will need to be taken.
- 3.4 **Trogen** asked whether the Strategic Options Workgroup has provided recommendations that would increase revenue for the university. **Noland** replied that the group's primary focus was to remove 12% from the budget, as directed by the letter received from THEC on May 28, 2020. On June 26 the university was notified that the budget cut would be much lower than expected. It is now possible to examine strategies to grow enrollment.
- 3.5 **McGarry** stated that her colleagues have pointed out that the university will almost certainly cancel athletic events that cost money to put on, and questioned whether there are plans to put that money into academics. **Noland** responded that if the NCAA decides to hold events without fans present athletics will incur significant revenue losses. **McGarry** followed up by asking whether athletic programs would be cancelled if they are losing money. Noland replied by stating that if the university is asked to play without fans every option in athletics from A to Z will be explored. He further stated that university funds will not be used to subsidize athletics.
- 3.6 **Bill Hemphill** questioned whether it is possible to live stream sports events to season ticket holders and game day ticket purchases. **Noland** replied that he did not have an answer for the question, but noted that it is on the agenda for the next call with the Southern Conference Council of Presidents. Noland added that the total athletic budget is approximately \$16 million, and \$6 million of that is for scholarships.
- 3.7 **Peterson** asked whether there are plans to cut academic programs across campus. **Noland** replied that a list of programs for termination has not been created. THEC keeps a list of low producing programs and, as we go through the visioning and planning process established by the Committee for 125 we would look at our academic program distribution and identify new opportunities for growth.
- 3.8 **Dunn** noted that faculty at the department level are developing recruitment strategies, but at the university level marketing does not fund the efforts and questioned the marketing function of the university, the budget allocated to marketing, the marketing ROI, and what the university is doing increase enrollment. **Noland** replied that this spring college specific marketing campaigns have been developed, the university has not



DISCUSSIONS

had a robust marketing budget and, with decentralized budget model, colleges have contributed resources to the marketing effort. The plans that were launched in spring have been disrupted by COVID. Noland further stated that there is an entity looking at marketing and University Relations and they will provide a report prior to the start of the fall semester. The report will be used to inform strategic changes in marketing and university relations. He also acknowledged that there is room for growth in marketing and PR.

3.9 **Jean Hemphill** noted that unlimited growth is not sustainable and questioned what the university is doing to counter the decline in birth rate across the region. **Noland** agreed that there will be a significant decrease in the number of students graduating from high school in 2025, and added that planning for the downturn should be front and center in the visioning process of the Committee for 125 chapter two.

3.10 **Blackhart** noted that COVID numbers are increasing and questioned how bad the situation would need to become before we moved back to online only instruction, and what will happen if the university is required to provide refunds for housing and meal plans. **Noland** replied he is hopeful that we will not be in that position and that there is not a numerical threshold to determine whether campus will be closed. If enrollment is down 1,000 students an 8.3% budget reduction will be necessary. The university refunded approximately \$1.4 million for housing and \$1.4 million for meal plans in the spring. If the university is forced to do this in the fall it would create budget challenges for housing, but we could probably make it through the coming academic year. If it carries forward into 2122, we may have some debt service payment issues. Occupancy rates are currently at 85%, which is encouraging.

3.11 **McGarry** noted that her colleagues perceive an extreme lack of openness and transparency regarding the budget and questioned whether people who have been hired as fundraisers are bringing in more money than they cost. Noland replied that employees in University Advancement will take the 5.4% budget reduction, consistent with other administrative units. When advancement officers were hired for each college half of their salary was paid for by the foundation, and the other half was paid for by the respective college. The university is on target to bring in \$26.7 million in gifts this year.

3.12 **Peterson** noted that an issue that has currently arisen since the decentralized budget model was implemented has been the cannibalism and competition of programs and duplication of courses across colleges. **Noland** replied that the university was aware that competition among colleges was a potential weakness of moving to a decentralized budget. Noland added that he does not think ETSU has seen the cannibalization that has been seen at other universities that have a decentralized budget.

3.13 **Hendrix** asked whether Noland would like to address the status of ongoing construction projects. **Noland** replied that none of the ongoing projects are funded from the academic portions of the budget. In addition, the funds are specific to deferred maintenance and to use the funds for any other purpose would be a violation of TN Code Annotated.

3.14 **Holmes** asked for clarification regarding the amount of money in reserve funds. **Noland** replied that Mr. Keeling reported \$36 million in reserve and the correct amount is \$18 million. Ten million dollars are in unrestricted reserved and \$8 million are in reserved for housing, food service, and other auxiliary elements.

4. Final Remarks from Dr. Noland

4.1 **Noland** thanked President Hendrix for the opportunity to appear before Senate and thanked colleagues for their questions, passion, and advocacy on behalf of faculty, students, and staff. He further stated that he realizes not everyone is in alignment with all of the budgetary decisions that are being made, but his overarching goal is to protect the jobs of faculty and staff at the university.

5. Comments from Guests

5.1 Dr. Bishop stated that she appreciates the work faculty are doing to maintain the continuity of our educational programs for students, and looks forward to working with faculty in the future.



DISCUSSIONS

6. Adjourn

Motion to Adjourn: Brown
Second: Peterson
Meeting Adjourned

Please notify Senator Eric Sellers (sellers@etsu.edu or 9-4476, Faculty Senate Secretary, 2019-2020) of any changes or corrections to the minutes.