

Interim University Council

Date: July 20, 2015

Time: 8:15 a.m.

Location: D.P. Culp University Center Forum

Attendees: Dr. Brian Noland (chair), Dr. Gordon Anderson, Dr. Bert Bach, Dr. Wilsie Bishop, Dr. Larry Calhoun, Dr. Ranjan Chakraborty, Dr. David Collins, Dr. William Duncan, Dr. Susan Epps, Dr. Virginia Foley, Dr. Keith Johnson, Dr. Jane Jones, Tracy Barry (Mary Jordan), Troy Perdue (Ed Kelly), Dr. Cecilia McIntosh, Stefanie Murphy, Dr. Wendy Nehring, Pam Ritter, Dr. David Roane, Jeremy Ross, Dr. Richard Sander, Dr. Janna Scarborough, Dr. Joe Sherlin, Joe Smith, Patricia Wheeler, Josh Whitlock, Mary Cradic (staff support), Jennifer Hill (recording secretary)

Guest: Dr. Mike Hoff

MINUTES

Dr. Brian Noland opened the meeting, welcomed those in attendance, and introduced Pam Ritter, ETSU's new Vice President for University Advancement. Following introductions of all present, Dr. Noland explained the charge, purpose and timeframe of the Interim University Council (IUC). Over the next 18 months, the IUC will shape the institution by developing a strategic plan for 2015-20 and aligning that plan with the budget structures. The IUC will be the highest level of university governance during this time, taking the place of the Senior Staff and Strategic Planning Committee and providing a forum for debate. All major initiatives at the University will come before the IUC, and members are encouraged to be aware of developments on many levels that could have an impact on ETSU and bring those before this body.

The IUC will meet the second Monday of each month at 8:15 a.m. A location may be sought to allow a round-table format more conducive to discussion and debate than the Forum Room.

The IUC will have a Web presence (www.etsu.edu/president > Interim University Council) with agendas, minutes, resources, and other materials to provide information to the ETSU community and the public on the Council's deliberations and actions. Dr. Noland further encouraged transparency by asking IUC members to communicate information from the IUC with the rest of the campus. Agenda items must be submitted via the IUC Web page two weeks in advance of the next scheduled meeting, and approved agenda materials will be distributed one week in advance.

Dr. Noland pointed out that the IUC will not "start from scratch," but will build upon the work of the Committee for 125 and follow that Committee's recommendation to develop detailed aspirational goals for the institution.

The IUC will have the following subcommittees:

- **Budget:** Will review recommendations from the current Budget Process Committee and use that work to develop a new budget model that will support the implementation of the 2015-20 Strategic Plan. This effort is being led by Dr. Larry Calhoun.
- **Master Planning:** Will develop and draft the 2015-20 Strategic Plan. This effort is being led by Dr. Mike Hoff.
- **Accountability:** Will develop key performance indicators to track institutional progress at internal and external levels.

There will also be a **Research Committee** led by Dr. Robert Pack and a **Diversity Committee** led by Mary Jordan.

The projected timeline for the IUC's work is as follows:

- **Fall 2015:** National review of strategic plans at peer institutions, review of existing data for ETSU, and meeting with campus constituencies to discuss vision, aspirations and realities
- **Spring 2016:** Strategic plan to be submitted to IUC for approval
- **Summer 2016:** Budget process to be developed to support implementation of the strategic plan
- **Fall 2017:** Implementation of new budget model

Dr. Noland reviewed several themes that have emerged from the ongoing work of the existing Budget Process, Academic Portfolio Review and Administrative Services Review committees (www.etsu.edu/125/newbudgetprocess/default.aspx), including the need to streamline processes, continue efforts to enhance student success, "jump-start" philanthropy and community/alumni engagement, recognize that the University cannot "cut its way to excellence," and others (see PowerPoint).

President's Report

2015-16 Budget: Dr. Noland presented a budget summary (see PowerPoint), which included new revenue from the state of \$5.5 million for capital maintenance projects on the main campus and at the Quillen College of Medicine, \$28 million in capital construction funds for the Fine Arts Building, and \$350,000 in recurring and \$5 million in non-recurring non-instructional funding for operating the Gray Fossil Site and the ETSU and General Shale Natural History Museum and Visitor Center. Dr. Noland noted that ETSU begins the 2015-16 fiscal year with a balanced budget after beginning last year with a \$6.2 million structural budget deficit; he thanked Dr. David Collins and all administrators for their efforts in alleviating that deficit without employee layoffs.

Dr. Collins reported that the Tennessee Board of Regents approved a 3 percent student fee increase at ETSU, which is the University's smallest percent increase since at least 2000. (See Salary Policy item below for additional information.)

Dr. Collins also reported on the potential impact of proposed rules issued by the Department of Labor in response to an executive order issued by President Barack Obama that would require all administrative employees making less than \$50,440 to be paid time-and-a-half for each hour worked over 40 hours per week. ETSU currently has 486 employees who would be affected by this rule. Dr. Collins said that to his knowledge, it will not apply to faculty. If these rules are

implemented in January 2016 as currently expected, ETSU will need to identify funds to pay overtime or hire additional staff, which will have a major impact on ETSU's budget.

Enrollment: Dr. Noland reported that ETSU has been aggressive in student recruitment efforts over the past year, with special events, high school visits, the creation of new scholarships, a partnership with Royall & Company in enrollment marketing, and more. These activities have been part of an effort to offset the negative impact of a "perfect storm" that includes the elements of Tennessee Promise, which provides last dollar scholarships for graduating high school seniors to attend a community college or TCAT; the decision of the University of Tennessee-Knoxville to grow; and the current demographic low number of high school graduates. Dr. Noland noted that out-of-state recruitment efforts have significantly helped in countering the impact of these factors on in-state numbers. He said that enrollment projections for this fall – currently down 181 students overall – are within budget confidence intervals; graduate student numbers are up this year.

Dr. Hoff shared a new scorecard he created to track enrollment, which may also be used as a budgeting tool.

Capital Projects: Dr. Noland reviewed the projects on ETSU's updated Facilities Master Plan, which was approved by the State Building Commission in fall 2014 (see PowerPoint), and noted that from a financial perspective, this five-year capital improvement plan is the largest in the history of the University.

Dr. Noland reported that property for the Fine Arts Facility has been acquired, and architects will visit the University this week. Conversations are ongoing with Johnson City officials regarding a possible partnership that would increase the number of seats in the large performance hall from 750, and ETSU will soon launch the final leg of the drive to raise the University's matching funds for the project. He also noted that sororities have been moved to Buc Ridge in the Greek housing transition project, and renovation/addition work will begin soon on the Culp Center and Lamb Hall. Ground will also be broken this fall for the new football stadium.

Salary Policy: Dr. Noland and Dr. Collins both noted that the student fee increase of 3 percent approved by the TBR did not provide sufficient revenue for a 1.5 percent salary equity pool that would have been added to the 1.5 percent salary pool approved through the governor's budget for a total 3 percent salary pool. The Board did, however, approve sufficient funds to create a 2 percent salary pool and granted the University leeway in structuring how these funds would be allocated to employees. Dr. Hoff is leading a committee on salary equity, which will finalize its recommendations to take to the TBR in September for approval. Dr. Collins noted the approved increase will go into effect with October paychecks, retroactive to July for regular full-time employees and to the start of the academic year for faculty. It is expected that the final recommendation from the committee will include a recommendation for the 2 percent increase to be across-the-board with a \$500 minimum increase.

Vision Statement: Dr. Noland provided a handout with a possible mission and vision statement for the University that he had drafted in response to requests from other administrators for him to outline his vision for the University (see in Resources); he noted that it unfolds from the vision from the Committee for 125 and from ETSU's historic commitment to the people of this region. He reminded the IUC that the existing vision is to be the best regional university in the nation, but there's been debate on the definition of such words as "best" and "region." He said that if we

can quantify what we do, we can clearly demonstrate for the people of Appalachia that we are the driving force for this region; we are an institution committed to student success and enhancing the quality of life for the people of Appalachia. We're not the best regional university; we're the institution that's the best in terms of our commitment to improving the quality of life for the people of this region and the students we serve. Dr. Noland wants to bring the vision statement process to a close with the August meeting, because until this is completed, it will be impossible for Strategic Planning team to proceed.

Presidential Fellowship: Dr. Noland reported that a "robust set of applicants" applied for the Presidential Fellowship, which he launched in the spring. The fellows will be selected and announced at the next IUC meeting.

TTU Partnership: It was reported that efforts to establish joint Doctor of Nursing Practice (D.N.P.) and Bachelor of Science in Engineering (B.S.E.) programs with Tennessee Tech University have reached an impasse. Dr. Bert Bach reviewed the history of these efforts, which began with a letter of intent (LOI), which was signed by both President Noland and TTU President Dr. Philip Oldham, approved by both TBR Chancellor John Morgan and then-Tennessee Higher Education Commission (THEC) Executive Director Dr. Richard Rhoda, and posted on the THEC website. The proposed joint D.N.P. would expand opportunities for students and provide TTU D.N.P. programming for the first time without compromising ETSU's current D.N.P., and the proposed B.S.E. would allow ETSU to offer engineering for the first time and allow TTU to expand its current, broad engineering offerings to include the B.S.E.

Dr. Bach noted that ETSU remained willing to follow its commitment as outlined in the LOI, but that TTU changed its mind regarding the joint B.S.E. program, for reasons that are unclear. Subsequent informal proposals by TTU that reduced the initial joint B.S.E. program to an articulation and credit transfer strategy were deemed unacceptable to ETSU. Bach reported that Dr. Noland has written to Chancellor Morgan indicating that ETSU is withdrawing the proposal for a joint B.S.E. and will seek support for a stand-alone B.S.E. at ETSU; Dr. Noland has also communicated this to THEC Interim Executive Director Russ Deaton. Dr. Wendy Nehring reported that the joint D.N.P. was likewise at an impasse.

Dr. Noland stated that ETSU has worked in good faith for two years in pursuit of these two joint degree programs. He noted that ETSU is now in a difficult position in that the University has marketed engineering and has made commitments to students and employers, and he said that ETSU as an institution now needs to stand on principle as it moves forward in pursuing an engineering degree in order to fulfill its commitments. He said this will need to be considered in light of its impact on the budget in the next cycle.

MSHA-Wellmont Merger: Dr. Wilsie Bishop gave an update on the potential merger between the Mountain States Health Alliance and Wellmont health systems, which would affect ETSU in the areas of academics, philanthropy, and research. Both systems have signed an agreement to plan a merger and are currently exploring policy issues surrounding such a merger. An agreement could be signed by the end of August. Both systems would need to sign "certificates of public advantage," required by both Tennessee and Virginia, that would protect the citizens of the region from a monopoly. Open community forums will be held throughout the region to obtain public input. Dr. Bishop noted that a merger would keep the resources within this region, but if the merger does not go through and both systems sell, these local resources would go outside the region. Dr. Bishop and other ETSU officials are currently involved as chairpersons

of and participants on committees guiding various aspects of the proposed merger, and as President of ETSU, Dr. Noland would serve on the board of directors of a merged system.

In closing, Dr. Noland listed agenda items already determined for the August 10, 2015, meeting, which include committee reports and an update on branding initiatives. He reiterated that the IUC is the policy-making body for ETSU for the next 18 months and noted that open forums will be held across campus during that time to allow input by campus constituencies.

The meeting was adjourned.