

MINUTES
Chancellor's Advisory Council Meeting
August 13, 2010
11:00am – 12:00noon
4th Floor Andy Holt Tower Conference Room

Present: Tom Cervone (Exempt Staff Council), Jimmy Cheek (Chancellor), Chris Cimino (Finance & Administration), Mary Evans (Admin & Student Affairs ERC), Camille Hall (Commission for Blacks), Joan Heminway (Faculty Senate), Linda Hendricks (Human Resources), Roger McDonald (Univ Operations ERC), Jane Moser (Academic Affairs ERC), Mary Papke (Commission for Women), Kay Reed (Commission for Women), Anton Reece co-chair (Council for Diversity & Interculturalism), Marva Rudolph (Equity & Diversity), Lynn Sacco (LGBT Commission), Gloria Tipton (Univ-Wide Administration ERC), and Karen Valero (Finance & Administration).

Absent: Becky Fields (Wellness Task Force), Valerie Hodge (Academic Affairs ERC), Richard Pope (University-Wide Admin ERC), James Salerno (Admin & Student Affairs ERC), and Donna Thomas co-chair (Council for Diversity & Interculturalism).

<p>NEXT MEETING November 18, 2010 3:00pm – 4:00pm 4th Floor Andy Holt Tower Conference Room</p>

Welcome and Introductions – Chris Cimino called the meeting to order and asked for introductions of each member since there are some new faces due to leadership changes. The May minutes were sent out before the meeting; Chris asked to let him know if anything needs to be recorded differently. Chris gave a little introduction to what this committee meets for. This meeting is an opportunity to give feedback and talk with the Chancellor regarding information discussed by your council and task force committees. A few agenda items were received from Roger McDonald and Joan Heminway. Chris started the discussion with items from Roger.

Roger McDonald has facilities services concerns on changes in the department: Mike Sherrell, Director, retiring in March 2011; two upper management positions on Stimulus money; and personnel performance. He also asked about the “Leaner is Meaner” that he is hearing about and is wondering what it means. Dr. Cheek responded that leaner means exactly that. This is a reality on the UTK campus and all campuses. We lost \$56M which is 30% of State resources. We know to some degree retirements and resignations make a difference and we know exactly what our budget is for FY11 assuming no additional cuts. Take College of Arts & Sciences for example, they have 9% less faculty and 22% less lecturers, but with same number of students than 2-1/2 years ago. Engineering has 9% fewer faculty with 3-4% fewer staff and more students. Each faculty member has to earn \$10,000 of their salary from grants and contracts compared to earning \$5,000 last year so this has doubled.

Roger also asked about a consultant coming to evaluate Facilities Services. Chris responded--several weeks ago a bid was released to entertain the proposals for companies with facilities experience to review the Facilities Services organization. Bids are back and about 12 companies have responded. There will be a task force made up of faculty, staff and students who will work with the consultants during their review. Roger said there is a rumor that Facilities Services is moving. Chris said about six years ago the State gave money to UT for a Support Services building. It is very unusual for the State to give money for an administrative building and we need to use that money. Right now, Facilities Services are located all over the campus. The hope is to centralize all areas into one location.

Other items raised by Roger were: there are the same number of people in Facilities Services today as 25 years ago but the campus continues to grow and they have to maintain the whole campus; hearing we need to get out of the construction business and concern for the future have people scared.

Dr. Cheek said our objective is to make Facilities Services a better place. This may mean reallocation of resources, and there may be things that do not need to be done anymore. Dr. Cheek and Chris have discussed some things for facilities like lawn care. This was outsourced and then we brought it back because we can do it cheaper and for less money.

Marva Rudolph asked when the facility will be built. Chris said it is already approved by the State and we already have an architect assigned. We can start next year (late 2011) but also have other priorities already on the construction schedule. It will likely be a couple of years before the facility is completed.

Roger asked another question regarding the increase in insurance, lack of raises and asked who represents UT for the State. The insurance rate is going up \$116 per month so his people are having to choose between feeding the family and insurance. Our employees qualify for food stamps, he said.

Dr. Cheek responded that communication is a two-way street. Anthony Haynes represents UT and says is the best rep he has seen and works with all senators and representatives. How to fund he has no idea because the State won't come up with the money. We desperately need raises and he would like to see a 5% raise. Looking at UT as a major university, positions here pay less than other universities. If we can't keep the faculty here, the student body will go elsewhere. We will lose the brightest and best in the state to other universities. It is critical to have the infrastructure on campus and critical to have the capacity to get raises.

Dr. Cheek said Linda Hendricks and Dr. Joe DiPietro has a Compensation Committee now and they are looking at people who make less than \$8/hr and are working on recommendations for consideration and will look very closely. One thing to know is our fringe benefits pool is much greater than the private sector. For staff at \$8/hr, UT provides 104% of the salary in fringe benefits and we need to look at the comparison of what the university puts in which is an enormous amount. The highest percent of fringe benefits goes to the lowest paid individuals and lower percent fringe benefits goes to the highest paid people so we are looking at this and it is on the radar screen. One of the legislators told him the best thing that could happen to UT is reduce our budget by 50% and would be more like a community college and Dr. Cheek said it would be the worst thing to be a community college. That is their belief but not everyone believes this. This was after Roger commented he ran into three candidates for public office who seemed to think UT had plenty of money. Our Governor believes to serve our state well UT needs to be a better university than we are today. Some students choose

not to come here due to the quality of dormitories and the faculty choose not to come here because of the quality of our infrastructure.

The Athletics Department budget is in excess of \$100M a year and they give us \$10.25M a year. This supports things like garages, fellowships, and scholarships. They are one of the highest in the nation in terms of supporting their campus.

Mary Papke stated we need positive happenings at UT. About 10 years ago they looked at an under-paid salary level to give a one-time salary boost so these employees would not have to choose between food and insurance. This is something we could be looking at now and take money somewhere (maybe Athletics) to give to this group of employees. Dr. Cheek answered that there is a task force looking at salaries and will make a recommendation and see what can be done.

Linda Hendricks added that this task force will meet before the Board meetings in October and her hope is to make a recommendation. The Chancellors will discuss before the Compensation Board in October. Mary (Papke) said this was done once before. Roger said at one of their ERC meetings, the President came and he hoped he could get raises but didn't happen. All we see is our insurance going up each year without salary increases.

Lynn Sacco stated we are working ourselves to death, that some faculty are taking on double loads.

Dr. Cheek said the 9% tuition increase primarily covered the \$11M cut. It also covered fixed costs such as academic promotions, graduate student health insurance, and career ladder obligations. This year we also have differential tuition for three colleges—College of Business Administration, College of Engineering and College of Nursing. There is a task force also looking at academic efficiency; classroom utilization and bottleneck courses.

Dr. Cheek also added we are looking at our tuition model. A task force, led by Chris Cimino and Sally McMillan, is looking at various models that would best serve UTK. TBR moved to a per credit hour charge last year and other institutions have changed their cap from 12 to 15—the idea is to have students pay for what they're taking. The task force will be looking at our peer institutions and keep affordability in mind as they review and make recommendations. We have to drive tuition—we cannot have a world class institution without a budget and we cannot let students go to other institutions. This means we need to have the best faculty and staff and four years without a salary increase is unacceptable.

Marva talked about information in the newspaper that 40% UT graduates left with \$24,000 in debt. Dr. Cheek responded by saying 60% graduates don't have that debt.

Joan Heminway raised the concern of the uncertainty and unpredictability of when cuts are coming. Dr. Cheek said each college should know what is going to happen. Regarding employees on stimulus funding, written letters have gone out to the employees. Joan asked what about the ones that don't know. Linda said everyone paid on stimulus has been notified 2 or 3 months ago and what to expect.

Joan also asked how faculty can find out about program cuts. While she knows who to talk to in her college, others do not. Dr. Cheek said the colleges have their plans and employees need to check with their Dean's office.

Joan's other comments were on raises and more work demands placed on the faculty. She is worried about losing people to salaries. We need to recruit on campus so we won't lose our staff to salaries elsewhere and being President of the Faculty Senate, she is passionate trying to keep the faculty at UT.

Joan added she agrees with Mary Papke to work together and she looks forward meeting with this group. She gave an experience where she and other staff went to the University of Alabama and everyone was so nice and welcomed them on every area visited. She wants that atmosphere for UT. Joan will be giving a list of community successes to the Chancellor and to the Provost as well as Margie Nichols to get this out to the public and to show why we deserve this funding.

Marva added we need to be unified as a campus, all speaking the same message. Mary Papke suggested a goal to have a welcoming place for students and to make this more of a community.

Jane Moser asked the question why staff will be penalized for three years since they did not have medical insurance previously or no plan prior. Linda will look into this and will follow up. She will ask Butch Peccolo for the next meeting but the provisions is for all state employees not just UT employees. The basic reason for the penalty is due to open enrollment. Since the state is willing to provide an open enrollment period for those who did not elect coverage, it must charge a "premium" or penalty due to risk of pre-existing conditions. Also Jane asked about the graduate insurance student why GTAs with 6 hours required for the semester cannot get insurance if not enrolled for 9+ hours. Kay Reed added that there is an option of students paying an \$85 health fee that is assessed at 9 hours and would not have to pay the \$300/year. Dr. Cheek said the health fee has to pay for services and to benefit for a service you have to pay for it. Chris Cimino will look into this.

Camille Hall added that the Chancellor came to talk to her college a year ago and she is pleased at the direction the college is going under the Chancellor and is excited for the future.

Dr. Cheek said there is too much focus on bad things at the university and we should rejoice that we have 4,200 students coming this year. California furloughed all faculty 8% last year and this year 8% cut in faculty in California. Jamie Woodson's first issue to him was a 5% cut for all UT employees in salary. He said everyone is under paid and would not agree to the cut and he would take the heat and it fortunately was taken off the table. So we can celebrate that the 5% cut did not happen and need to talk about the positive things at UT.

Linda Hendricks stated that employees don't take advantage of what UT has to offer in benefits. She will try to get more of this out to the staff. Jane Moser stated that going to seminars and having UT pay for it would be great.

Last meeting of the year – November 18, 2010, 3:00-4:00pm, 4th floor Andy Holt Tower Conference Room (please note time change to the afternoon).

Dr. Cheek and Chris Cimino thanked everyone for coming and meeting was adjourned.