

## 2011-2012 Faculty Senate Budget and Planning Committee Final Report

This committee has the following membership and charges:

Budget and Planning Committee. Membership shall consist of at least 10 faculty members. Ex-officio members shall include the chief financial officer for the campus.

The duties of the Budget and Planning Committee are: (1) to provide for campuswide faculty input into the campus budgeting processes; (2) to work with the University/System Relations Committee to monitor The University of Tennessee system budget; (3) to encourage the use of faculty expertise in budget matters; and (4) to inform the faculty, through the Faculty Senate, concerning budget matters. Both long-range and short-term aspects of its role will receive the committee's attention, including budget priorities, THEC formulas, and planning for projects of The University of Tennessee or other entities that may eventually result in changes to campus facilities.

The primary concerns of the Budget and Planning Committee are policy and communication. The Budget and Planning Committee is not expected to become involved with, nor engaged in, comprehensive investigations necessary as a basis for budget decisions.

At the end of the year, members of the committee included: Scott Gilpatric, Chair, Betsy Adams (ex officio), David Atkins, Chris Cimino (ex officio), Jerzy Dydak, Baoshan Huang, Ramon Leon, Beauvais Lyons, Mohammed Mohsin, Randal Pierce, Nathan Preuss, Harold Roth, and Klaus van den Berg. Conrad Plaut began the year as Chair of the committee, but resigned from the committee in October for personal reasons. The committee typically met on Monday afternoons at 3:30pm, roughly once a month. Attendance at meetings was mixed, but typically included more than half of the regular members.

Committee meetings typically included budget updates and discussion with Vice Chancellor for Finance and Administration Chris Cimino. Minutes are posted on the Faculty Senate website. Below are some issues that were discussed this year with Vice Chancellor Cimino.

1. **Changing the tuition model.** Currently the university tuition model treats 12 credit hours as full time enrollment. There have been discussions of charging tuition per credit hour with no cap or changing the full time benchmark to 15 credit hours. Effects on revenues as well as other concerns, such as students incentives to graduate more quickly, were discussed.
2. **Athletics.** The committee sought to understand whether and to what extent the Athletics department generates surplus revenue that benefits the broader university. Chris Cimino discussed a report of the finances of the Athletics department for FY2011 which showed a \$5.783 million surplus. After accounting for campus revenue and expense transfers, the net surplus was \$14,448. The discussion highlighted the fact that it is difficult to ascertain the financial impact of athletics on the university because of the many intangible ways the university supports athletics

which the athletics department does not pay for directly.

3. **Institutional Support Spending.** From 2010 to 2011 the UTK budget showed an increase of \$9.8 million in institutional support costs, or 39.7% growth. Chris Cimino explained that in FY2011 there was a large shift in Information Technology costs from the system budget to the campus budget which led to an increase of \$11.4 million in the campus institutional support costs. An additional \$1.04 million of increased institutional support costs was due to American Recovery and Reinvestment Act (ARRA) and State of Tennessee Maintenance of Effort funding. These factors accounted for all of the growth in institutional support costs (with other institutional support costs dropping during the period).
4. **Faculty Salaries and the allocation of the 2011 Merit and Equity Pool.** The committee received data for its annual faculty salary study, which allows comparisons salaries at THEC, SUG, and Top 25 peer institutions. However, this data reflected salaries as of October 2010, which did not allow analysis of the distribution of the 2011 merit and equity pool. Subsequently, Chris provided a report on the merit and equity salary increases for 2012. This showed that 70% of eligible faculty received a merit increase, and the average merit/equity increase was 3.89%. The reports shows that the merit/equity pool was distributed fairly evenly across ranks (4.56% for Assistant Professors, 4.24% for Associate Professors, 3.78% for Professors), but did not provide detail to study the distribution across academic units.

Other areas of committee attention this year included the following.

1. **Student Retention and graduation rates.** As part of the Top 25 and VolVision plan the university has placed emphasis on improving student retention and 5 and 6 year graduation rates. The committee sought to obtain data on students and their academic histories to study factors determining the likelihood of returning in the second and third year and ultimately graduating. Senator Gilpatric discussed the data with the Office of Institutional Research and Assessment, but it has not yet been made available to the committee.
2. **Student Assessment of Instruction System (SAIS).** The committee discussed ways to improve student evaluation of instruction, including the reporting of the data that are obtained. Senator Leon shared a report on experiences with the current SAIS system which included a recommendation to report data using a Mosaic plots rather than simple averages to better convey the full distribution of results. The committee voted to forward this report and recommendations to Provost Susan Martin and the taskforce she has formed on student assessment.
3. **Non-Instructional Program Assessment.** In May 2011 the committee produced a report on assessment of non academic programs and passed a resolution calling for better assessment of these programs and for an accounting of the decline in the share of UT system expenditures that has gone to instruction since 2005. This resolution will come before the Faculty Senate in May 2012.

The committee has identified the following ongoing agenda items for next year.

1. **Analysis of faculty salaries and comparison with peers.** We anticipate receiving data that will allow more up-to-date comparison of salaries with peer groups and more complete analysis of the allocation of merit and equity salary increases. This data should yield a report for the Faculty Senate by October 2012 at the latest. In addition, efforts should be made to work with Institutional Research to make sure that October payroll data is ready for the committee by January of each year. The committee should revisit the discussion of allocation of future cost of living and merit/equity raise pools discussed by the committee in 2010-2011.
2. **Institutional Research and Assessment.** The committee hopes to meet with the new head of IR, Denise Gardner, in order to facilitate open communication about the role of Institutional Research and Assessment and faculty concerns in this area.
3. **Student Retention.** The committee anticipates receiving the data we've requested to study student factors influencing student retention and graduation rates as discussed above.
4. In 2010-11 the committee completed a five-year a study of living wages on campus. The committee should continue to monitor the wages of the lowest paid workers on campus, and should plan to repeat the study in 2015.