

To: Faculty Senate

From: Budget and Economic Status Committee

Date: April 1st, 2016

Re: 2015-2016 Committee Report

Committee Members: Chair Michael Bell, Raga Ahmed, Titus Albu, Leonora Brown, Parthasarati Dileepan, Andrew Najberg, Charlene Schmidt, Gavin Townsend, John Trussel, Katherine Winters, Jerald Ainsworth, and Richard Brown

The committee's primary responsibilities were to: 1) study and report to the Faculty Senate the financial aspects of public higher education in Tennessee and the prospects for faculty salary levels and raises; 2) examine fringe benefits and recommend changes and additions as appropriate; 3) participate in recommending faculty salary policies; and 4) participate in broader budgetary matters that impinge on the institution's educational function.

The committee met seven times (dates: 09/55, 10/16, 11/20, 1/22, 2/26, 04/1, and 4/15) during the 2015-2016 academic year and met with representatives from the administration including Dr. Richard Brown and Dr. Jerald Ainsworth.

The main committee discussions focused on:

- Results of University budget reductions and reallocations;
- Report on impact on UTC budget of first year of TN Promise (decreased freshman enrollment and lost income), which was greater than had been anticipated;
- Efforts in place to minimize impact on budget from second year of TN Promise (increased recruiting efforts for potential freshmen and transfer students, expansion of out-of-state tuition options for students in neighboring states);
- Methodology used by Deans for distribution of faculty merit funds;
- Reports on legislative measures that threaten to have negative impacts on UTC budgets (tuition caps, tuitions freezes);
- Faculty salaries. Last year faculty saw a cost of living increase and eligible faculty members saw merit-based increases, based on formulas devised by Deans and specific to their college.
- The Provost noted that the Governor's proposed budget for 2016-17 does not include funds for salary increases;
- Summer school compensation and summer pay cap (pilot in place this summer using 2014-15 enrollment and costs figures as baseline for this summer's schedule);

The recommendations of the committee are:

- To encourage the University Administration to continue to pursue its goal of having all faculty member salaries at 95% of the median average for rank as outlined in the Sibson report

- To encourage the University administration to not narrow its focus to awarding increases based solely on merit, but to also keep the ongoing issue of salary compression for senior faculty as part of the equation

(Note: the committee is scheduled to meet one more time (April 15th) after this report has been submitted to Faculty Senate)