
Members Present – F. Amey, M. Baggarly, S. Boyd, J. Brickey, T. Brinthaup, K. Butler, N. Callender, R. Clark, C. Cooper, W. Cribb, K. Darby, J. Dooley, L. Dubek, P. Fischer, L. Fisher, G. Freeman, T. Greer, C. Harris, R. Heinrich, R. Hoffman, P. Kelly, A. Lutz, J. Maynor, K. N. Nofsinger, J. P. Oliver, S. Rawls, M. Rice, C. Rice, J. Rich, C. Stephens, P. Wall, M. Weller, D. Winborn

Members Absent – M. Arndt, C. Beauchamp, R. Butler, S. Daugherty, J. Dowdy, W. Ilsey, R. McBride, L. Selva, S. Taylor

Members Excused – R. Henderson, Z. Khan, C. Li, M. Rice, B. Wallace, G. Zlotky

Additional Attendees – Brad Bartel (Provost, MTSU), Brandon Batts (Student Government President, MTSU), Casey McCollum (Student Regent, MTSU), John Morgan (Chancellor, TBR)

Agenda

1. Roll Call – The meeting was called to order at 4:30PM.
2. Approval of February 14, 2011 Minutes – A motion was made, seconded and passed to approve the minutes.
3. Treasurer's Report:
 - a. Travel – \$5.51
 - b. Operating Expenses – \$1,543.51
 - c. Foundation Account – \$517.44
4. President's Report:
5. Old Business:
6. New Business:
 - a. Chancellor Morgan – He welcomed Casey McCollum as the Student Regent. He gave a brief overview of his topics of discussion: budget, Complete College Act and questions from the Senate.

- i. He asked the Senate to be considering ways the TBR can help. He then referred the group to the budget chart that he provided which showed revenues and expenditures from 1978 – 2009. The dollars represented on the chart are representative of tax revenues. The graph shows the growth of the State revenue. The graph shows that State expenditures have grown as the State's economy has grown. He stated that over time, the State has seen a need to provide services comparable to the growth of the State's economy. He stated that TN is a low taxed state (4th lowest taxed state in the nation). The gray bars on the graph show the historic increases in sales taxes to keep up with the growth in the economy. He added that politicians have not discussed tax increases. He offered that the growing difference between the economy and revenue will probably not be mended. He stated that the Governor will present the next budget on March 14th. We have been asked to prepare a budget with a 1% budget reduction. The Chancellor thinks that the 1% budget reduction may not happen in light of State revenue. He presented the prediction that it will not be until 2014 that the budget recovers to the 2008 level. He stated that the circumstances lead to increased tuition. Eighty percent of the lost funding was planned to be recuperated by tuition increases. He stated that this may mask reduced student numbers.
- ii. He then went on to address salary. He admitted that salaries have not increased in four years and that this situation is untenable. He stated that as the economy recovers, individuals may begin to seek better opportunities. He stated that as individuals leave, new hires come in at higher salaries leaving existing employees with salary compression.
- iii. He also discussed the increase in insurance premiums and co-pays. He referred to this as adding insult to injury which must be addressed. He stated that the Governor's office is trying to build in a salary increase. He offered that it may be unavoidable for salaries to be covered with fees. He asked the group to think about the differing ways in which different institutions may be able to meet their salary requirements. He stated that he would advocate for flexibility to allow different institutions to take different actions.
- iv. The next topic that he addressed was the new funding formula. He stated that higher education in the State has made a shift from being enrollment driven to being outcomes driven. He added the caveat that the budget was rarely driven by the previous enrollment model. He stated that movement towards the outcomes model will take place over the next three years and that the hold harmless will be phased out. He stated that our recent Carnegie reclassification benefitted us but hurt other Institutions since this is a "zero sum game". He stated that the outcomes are focused on student success. As the Institutions improve the success in meeting the outcomes, the State should fund the improvements. The Chancellor also stated that there is a possibility that the State will not provide the necessary funding

for demonstrated improvements but will reallocate funds. He stated that we, State higher education, should prove to the State that we can meet the goal of the outcomes. He said that higher education has been a focal point for industry coming to the State. He said that the mindset in the State towards higher education is the best that it has been in his 30 plus years in State politics.

b. Questions:

- i. Warner stated that the Funding Formula seemed to measure student progress, but that our job is to maintain or improve academic quality. He posed the question as to how we do that? Chancellor Morgan asked how we do that under the current funding formula. He said that the problem has been in existence and was not created by the Complete College Act. He does not believe that faculty members will yield if pushed to set aside academic quality. He said that one of the rolls of the Board will be to monitor academic quality.
- ii. He was asked for specific evidence that gives him his optimism towards legislators' thoughts toward higher education. Chancellor Morgan could not provide evidence but stated that there are some that are not "anti-intellectuals".
- iii. Why does the State entertain the notion that UTK can move into the top twenty research institutions in the Nation? Chancellor Morgan believes that UTK can move up and that this will help the entire State. He stated that top tier institutions help the economies of their states. He stated that THEC is willing to make changes where changes are necessary.
- iv. He was asked to comment on the notion that the Complete College Act pushes to increase the number of graduated students who will contribute to the State; however, MTSU seems to be penalized compared to UTK which produces less with more financing. Chancellor Morgan would like to learn more about this topic.
- v. Micromanagement involving THEC was mentioned. Chancellor Morgan stated that he would like to have two rules: 1) don't do harm to another TBR Institution and 2) don't embarrass us.
- vi. It was stated that the Chancellor should go toe-to-toe with THEC on MTSU's behalf especially regarding graduate programs. Chancellor Morgan stated that he was willing to do that. Warner stated that it was hard to understand why our Doctorate in Education was held up. Chancellor Morgan does not understand why THEC holds up MTSU programs.

7. Adjournment – The meeting was adjourned at 5:59PM.

Respectfully submitted,

Nate Callender
2010-2011 Faculty Senate Recording Secretary

Edited: