



**President's Agenda Items  
Interim University Council  
January 9, 2017**



# Reflections - Strategic Initiatives for 2016-17

- **Strategic growth agenda**
  - Prioritized focus on the growth agenda
  - Diversify and expand programs such as BLUE weekend, Top Scholars recruitment, etc.
  - Outreach to targeted high schools and student populations with the inclusion of faculty
  - Student success collaborative and expansion of ETSU 1020
- **Strategic planning and budgeting**
  - Develop format for new budget process and associated decentralized functions
  - Implement work of the administrative review and academic portfolio review committees
  - Implement the 2015-25 strategic plan
- **Board of Trustees/FOCUS Transition**
- **MSHA – Wellmont Merger**
- **Diversity taskforce**
  - Review institutional efforts to support and promote diversity and inclusion
  - Develop structure/staffing and benchmarks/metrics to support this initiative
- **Institutional process review**
  - Focused review of institutional process with the goal of streamlining activities, enhancing the student experience, minimizing blue-tape, and focusing on employee/student/customer relations
- **Communication**
  - Enhance efforts to promote shared governance through public forums, departmental meetings, Council of Chairs, *Blue and Gold Digest*, Faculty and Staff Appreciation Week, Interim University Council, and other associated efforts



# Proposed Strategic Initiatives (Spring 2017)

- Finalize the 2016-2025 Strategic Plan and submit to BOT for approval
- Align the Strategic Plan (SP) with the strategic budget process and prepare for the implementation of a new/decentralized budget model
- Realize immediate goal of 2,100 freshmen and launch initiatives to support the overall goals of the strategic enrollment/sustainability plan
- Develop financial aid initiatives that align with the SP
- Develop tuition and fee proposals that align with the SP and meet immediate facilities needs/opportunities
- TBR and BOT governance transition and associated FOCUS implementation issues, process review, RODP departure, etc.
- Prepare for Capital Campaign and finalize process to support Lamb Hall
- Track efforts of the Diversity Taskforce and ensure alignment with budget and scholarship efforts
- MSHA – Wellmont Merger
- Develop proactive public relations campaign focused upon ETSU's impact in the community



# Proposed Budget Process (Spring 2017)

ETSU will implement a consultative process for developing budget recommendations to the Board of Trustees regarding the allocation of incremental increases (or decreases) to the annual operating budget. The proposed budget process will:

- align budget and resources with the University's strategic plan, mission, vision and goals
- provide a multi-year plan that is reviewed and updated regularly
- reflect differences and varying needs across diverse units
- promote fiscal responsibility
- engage and involve the entire ETSU community, thereby enhancing communication
- promote collaboration among academic and administrative units
- allow for the public presentation of budget priorities
- assure transparency in decision making
- follow an annual calendar and timeline
- provide a venue to evaluate and prioritize budget proposals from across the University for which there are limited resources



# Proposed Budget Principles (Spring 2017)

- Enhancing faculty/staff salaries is ETSU's overarching budget priority
- The establishment of strategic/innovation resource pools is critical to ensure flexibility and responsiveness to changing market forces
- The value of "student success" will undergird all budget decisions
- Budget increases/decreases will be implemented strategically based upon the evaluation and analysis of data, which will inform decision making
- Where feasible, changes in priorities within a unit will be first supported through the substitution/reallocation of unit resources, thereby minimizing the demand for additional University resources
- To ensure that allocations align with the SP, units will develop and implement assessment procedures and evaluation criteria to measure success
- ETSU will utilize incremental/base budget principles for planning projected revenue and mandatory expenses. In theory, units should start the 2017-18 academic year with a budget approximate to the October 2016-17 base budget. If we pilot the budget model, this would be adjusted +/- utilizing model criteria
- Units will be responsible for the management of fiscal resources within the limits of their specified allocations
- In the event that ETSU must implement budget reductions, all units will submit a 2% reduction strategy to their respective VPs as part of the unit level budget review



# Strategic Budget Process

**Phase 1:** The President establishes the strategic priorities, forecasts projected revenues, and issues budget directives to the VPs.

**Phase 2:** Units prepare prioritized budget proposals for submission to their respective VP. This will include any requests for specialized or required fees and the proposed use of such fees.

**Phase 3:** The VPs submit their prioritized budget proposals to the Budget Advisory Committee (BAC) for review. The BAC will conduct budget hearings, using the information gleaned from these hearings to prepare the BAC's budget recommendation.

**Phase 4:** The President's senior leadership team will review the BAC's recommendation and prepare a prioritized recommendation for review by the IUC. Proposed BAC membership (Batchelder, Collins, Moody, Epps).

**Phase 5:** The President holds the final internal-decision making authority for the budget. The President will submit the final budget to the Board of Trustees for approval.



# Strategic Budget Process – Phase 1

- The President determines/affirms University priorities for the 2017-18 academic year in consultation with the senior leadership team, IUC, and other advisory groups to the President.
- The President establishes the University's revenue forecast based upon projected enrollment, state appropriations, and student generated revenues.
- In coordination with finance staff and the BAC, the President will issue budget directives to the VPs in January 2017. The budget directives will provide expectations for the various data elements required to support the budget process.



# Strategic Budget Process – Phase 2

Given the unique organizational structures of each unit, the proposed process does not prescribe a uniform structure to be followed by each unit in developing its prioritized budget proposal. To promote transparency and engage the campus community, VPs are expected to observe the following principles:

- Support the strategic priorities of the University and their respective unit priorities
- Engage the leadership within their units in the strategic budget process
- Utilize findings and recommendations from internal and external program reviews to evaluate and determine unit and program needs
- Assess the effectiveness of the previous fiscal year expenditures and the present fiscal year budget allocation in relationship to strategic priorities and program reviews, as applicable

University “strategic investments” requests are to be submitted as part of each VPs budget proposal. Upon approval by the President, University strategic investments will be given funding priority and will be evaluated annually through the University’s strategic budget process. Strategic investment requests are those items deemed by the President that involve shared benefits, risks, and investment. (ex – campus security, Bldg 60 fee, First year studies, Royall)





# Strategic Budget Process – Phase 2

- In conjunction with their leadership team, the VPs will review the budget proposal from their respective units, searching for areas of overlap and synergy, and prepare a funding recommendation for the collective unit.
- Units such as athletics, legal, etc. will be presented under the President's budget request. Miscellaneous units such as UH, Carter Train Museum, etc. deserve consideration and discussion in the budget process.
- Each VP will meet with their respective senior staff to review multi-year strategic priorities, plans, goals and benchmarks; and, present current and projected budget information, and answer questions regarding the budget (Late Feb 2017). ). It is anticipated that any reallocations among units will have been discussed in an open and transparent manner.
- Budget submissions and requests for the COM, FM and COP will be incorporated into the budget materials for the VP for the Academic Health Sciences Center.
- The VPs will finalize their respective unit budgets for submission to the BAC (Due March 3, 2017).
- The VP holds the final decision making authority for the prioritized budget proposal for their respective units.



# Strategic Budget Process – Phase 3

- The BAC will receive the compilation of prioritized budget proposals at least one week prior to formal presentations by the VP (due March 3).
- The BAC will hold public budget forums and each VP will present their prioritized budget proposals. VP budget presentation materials will be posted to the campus via the IUC web site prior to the budget hearings (March 8-10) with the BAC. The campus will have an opportunity to submit comments and feedback on these presentations via the IUC web site. Public comments will be provided to BAC members for their consideration in advance of the meeting at which they will deliberate and prepare their budget recommendation for the 2017-18 academic year.
- The BAC will review the cumulative materials presented through the budget process and submit a prioritized budget recommendation to the President's senior leadership team by March 27, 2017.



# Strategic Budget Process – Phase 4 and 5

- The President will meet with the senior leadership team to review the BAC recommendations and develop the final budget for presentation to the IUC (April 3).
- Final budget presentation provided to the IUC for their review and discussion (April 10, 2017).
- The President holds the final decision making authority for the budget. Once a final budget decision is determined, the President will direct staff to prepare the budget for submission to the Board of Trustees (late April 2017).
- The BOT will formally approve the budget in May 2017, recognizing that the Governor's Budget and THEC's fee directives are received mid-May and could include information impacting the proposed budget.



# Questions and Deliberation



# Proposed Scholarship Initiatives (Spring 2017)

- ASPIRE – TN residents who qualify for the ASPIRE portion of the HOPE scholarship will receive a housing scholarship. Such students will be required to live in a designated living learning community and participate in programs such as Quest for each year that they receive the housing waiver. The Quest program will be enhanced to support the needs of international, first generation, and underserved populations.
- Public Performance Scholarships – Remove the cap for new and renewal awards. Students would be required to live on campus and meet other elements of the scholarship.
  - The residency requirement would exist for freshman only
  - Active and focused recruiting
- Carter and Gilbreath scholarship – Remove the ACT requirement and structure awards based upon the GPA qualification only (3.0 GPA).



# Proposed Scholarship Initiatives (Spring 2017)

- Public service corps (Part 1) - Waive out of state tuition for up to 60 students in the freshman and *sophomore* class. Members of the PSC would participate in a structured program that supports the work of the Governor's Books to Birth Foundation. As a further incentive, members who graduate in four years will receive free tuition for their first semester of graduate school at ETSU.
- Public service corps (Part 2) – Provide an additional \$1000 to Presidential APS scholars who participate in the Honor's portion of the PSC. These students (N=20 per year) would be designated as Presidential Honors Scholars and the program would be structured according to the prospectus outlined in Appendix D of the Scholarship Report.

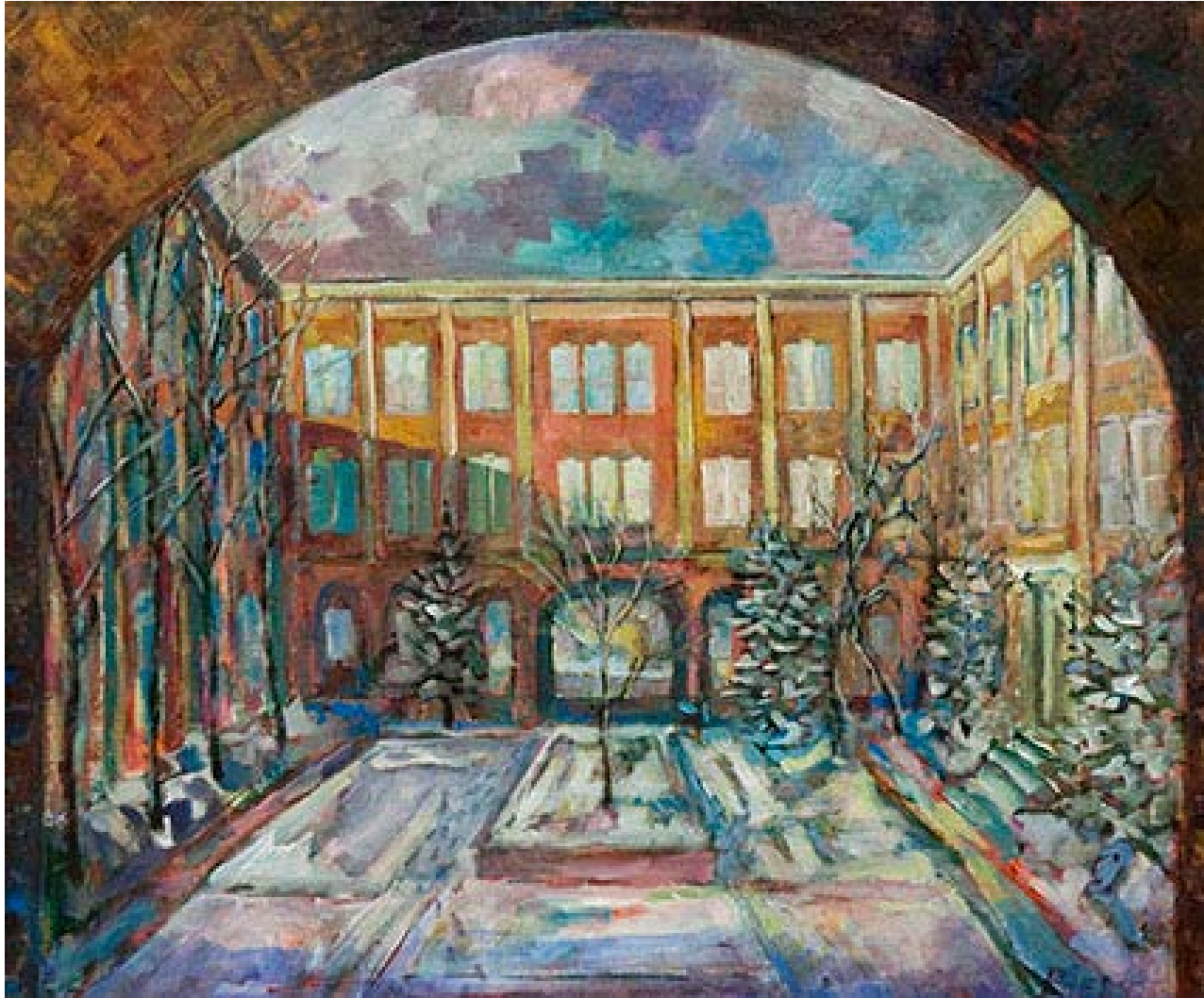


# Proposed Scholarship Reviews

- Out-of-State tuition – Conduct market analysis and review of our OS tuition structure, scholarship, recruitment efforts, etc. This review should be conducted during the 2017 summer session and the results will inform our conversations with the BOT. The goal is to reset OS tuition for the 2018-19 academic year.
- International students – As outlined in Appendix H of the Scholarship Report, ETSU has experienced significant growth. The report calls for the establishment of an aggressive goal and associated staff support.
- Marketing and web presence – Simplify the application and search structure for the university's scholarships. Utilizing ACT scores, move to a structure of auto-awards and aggressive admissions for qualified students.



# Questions and Deliberation





# President's Report

- Enrollment Update
  - Spring enrollment within projections, but engagement efforts appreciated to secure yield
  - Enrollment for fall projected to follow negative trend lines
  - Development of RFP to support aggressive on-line program expansion and enrollment growth
- Board of Trustees confirmation and transition update
- SACS update – Substantive change
- Administrative restructuring
- Reflections on planning priorities



# Review of Strategic Initiatives (Spring 2017)

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