

Interim University Council

Date: October 10, 2016

Time: 8:15 a.m.

Location: D.P. Culp University Center, East Tennessee Room

Attendees: Dr. Brian Noland (chair), Dr. Bert Bach, Dr. Ranjan Chakraborty, Dr. David Collins, Dr. Wallace Dixon, Dr. William Duncan, Dr. Susan Epps, Dr. Bill Flora, Dr. Jane Jones, Mary Jordan, Ed Kelly, Dr. Karen King, Dr. Cecilia McIntosh, Stefanie Murphy, Dr. Wendy Nehring, Pam Ritter, Dr. David Roane, Jeremy Ross, Dr. Richard Sander, Dr. Janna Scarborough, Mary Cradic (staff support), Jennifer Hill (recording secretary)

Guests: Andrea Di Fabio, Dr. Virginia Foley, Tammy Hamm, Dr. Mike Hoff, Tom Horan, Dr. David Linville, Diana McClay, Bill Rasnick

MINUTES

Dr. Brian Noland opened the meeting and welcomed those in attendance. Before moving to the agenda, he noted that recent weeks have been busy as the university has dealt with various issues, and after Fall Break (Oct. 10-11), the administration will begin the transition phase toward the new governance structure following the months of preparation, review and reflection. President Noland encouraged Interim University Council (IUC) members to reflect on the Sept. 28 incident in which a freshman wearing a gorilla mask taunted students participating in a Black Lives Matter protest at Borchuck Plaza. He said that instead of dividing the campus, the incident caused the campus to come together, and he asked IUC members to think of what they might do to carry that conversation forward.

Approval of Minutes

The minutes from the Sept. 12, 2016, meeting were approved.

Review of Personnel Policy Changes Resulting from FLSA Changes

Dr. David Collins, assisted by Tammy Hamm and Diana McClay of Human Resources, presented modifications to three existing personnel policies and one new policy resulting from President Barack Obama's executive order changing the Fair Labor Standards Act rules affecting overtime pay for individuals making salaries less than \$47,476 (*see attached documents; [two copies are provided of each policy](#) – one copy showing the exact edits and the other a final, clean copy*). Some key points from discussion included:

- The new FLSA rules, and therefore the revised ETSU policies, take effect Dec. 1. Various efforts under way in Washington, D.C., and elsewhere to postpone or block implementation of these rule changes are not expected to be successful.
- In [PPP-02](#), Employment Classification, changes are mainly editorial. There is now a “Professional (Exempt)” category in addition to “Professional (Non-exempt).” This policy also reflects a change ETSU has already made under the Affordable Care Act, offering medical benefits to “temporary employees working on average at least 30 hours per week over a specified measurement period.” Following a question regarding a possible point of confusion, language will be added to the policy section on Graduate Assistants/Graduate Instructors to clarify that a full graduate assistantship is 20 hours per week and a half graduate assistantship is 10 hours a week, and overtime is not permitted.
- The largest change to [PPP-05](#), Pay Procedures, is that, per the request of the IUC, the deadline for departments to pay compensatory time has been moved from May to September to allow the summer months to be used for this purpose rather than paying overtime. Dr. Collins cautioned that departments must remember that as of June 30, any accrued overtime will be charged to the department, and the liability will be carried over to the new fiscal year to be paid in September if the employee does not take the time off. Per IUC members’ comments, this liability will be highlighted in the policy by new wording or bracketing.
- Another section in [PPP-05](#) on emergency callback, which will primarily affect facilities employees, requires a minimum of three hours of compensable time to make it worth their while to come back to campus.
- Complexities in the guidelines governing hours worked while traveling were noted and questioned.
- Changes to [PPP-09](#), Retirement, clarify that employees moving to the non-exempt category who are already in the Optional Retirement Program will remain there; new employees in the non-exempt category will become members of the Tennessee Consolidated Retirement System. A section was also added on temporary employment of retirees.
- [PPP-083](#), Non-Exempt Employees Who Also Teach as Adjunct Faculty, is a new policy. Dr. Collins noted that with the non-exempt salary level rising to \$47,476, there is a greater possibility of more non-exempt employees teaching a course, especially the ETSU 1020 “Foundations of Student Success” course. They are subject to overtime for those hours. Dr. Collins said the new law allows – and ETSU will use – a “task-based” system to pay an individual who is doing two different jobs in such a manner; with this system, the university will not be required to track the employee’s teaching hours (including teaching, class preparation, grading and related tasks), but may pay the greater of the standard adjunct rate or a prorated overtime rate covering two-and-a-half hours per week for each hour of credit. A calculator has been created to assist supervisors in determining the prorated overtime rate.
- Dr. Noland noted that because this is a mid-year change, the General Assembly did not allocate funds to cover these new rules, and the Tennessee Board of Regents (TBR) did not allow tuition revenues to cover this cost, so this must come out of the existing budget. Dr. Collins added that there is no central budget for it at ETSU, either, so it will be up to each department to manage.

- In response to a question, Dr. Noland also asked that any departments wishing to make adjustments to salaries in advance of this implementation to get those requests to him by the end of this week (Oct. 14). If job audits are required, those need to be processed quickly. If a job audit does not move a person to the \$47,476 threshold, that person will remain non-exempt. Dr. Collins stated that internal equity must be maintained.
- Three training sessions are being offered for supervisors and employees affected by the FLSA changes, and supervisors are encouraged to attend to be more fully aware of the law and its requirements.

Energy Management

Dr. Collins introduced Bill Rasnick and Tom Horan of Facilities Management. Mr. Rasnick noted that Mr. Horan was hired as Facilities Energy Engineer one year ago to help the university control its energy costs. Mr. Horan gave a presentation outlining his energy management agenda for the university and highlighting the initiatives of the Facilities Energy Management Committee (*see attached [PowerPoint presentation](#)*). Some highlights include:

- The committee has divided its agenda into supply side (focusing on utility prices, weather trends and more) and demand side (focusing on power needs in facilities across campus and projects to reduce usage).
- Natural gas volume and pricing for the boiler plant and Valleybrook are locked in at \$3.16 per through the end of 2017.
- A database has been created showing energy costs over the past 10 years so that trends may be analyzed.
- Another database of data from meters in buildings has been created, and the committee is working to have meters installed in all buildings for more effective monitoring.
- Various lighting projects – some now completed and others in planning – have been designed to improve safety and reduce energy costs.

Mr. Rasnick noted that additional funding will be needed to complete some of the planned projects. The TVA has indicated that electricity rates are expected to rise by 1½-2 percent each year for the next five years.

Strategic Planning

Dr. Mike Hoff reported that the draft strategic plan for 2015-2025 is ready for public comment, after which it will be revised and brought before the IUC in November. In the meantime, the Strategic Planning Committee will create a “dashboard” for tracking and measurements. In November, the committee will present two sets of recommendations: the first will be a plan departments may use from November to February 2017 to “cascade” goals and which will also provide an easier way to report planning activities to the Southern Association of Colleges and Schools Committee on Colleges, and the second will include ways to improve the planning environment. In March, the dashboard with all the departments’ cascaded goals and measures will be presented to the IUC for approval before being presented to the new board, showing the board how the university plans to do, track and improve business.

Dr. Hoff pointed out that some comments both online and in meetings centered on the desired inclusion of certain individual units in the strategic plan. However, he said, if a broad enough context for planning is created and empowers people at the appropriate levels, all areas will get what they need. Some specific areas, such as Athletics, were included because of opportunities to leverage market capacity, and thereby expand ETSU's market share.

In response to a comment that some items on the strategic plan now may not be pertinent in three years, Dr. Hoff pointed out that the plan is meant to be implemented over 10 years, and some items may not be accomplished immediately. He stressed the need for the planning process to be ongoing, with the committee and IUC looking at the plan each year and making adjustments as necessary.

The IUC approved the motion for the strategic plan draft to be placed on the public comment website for 30 days.

Introduction of Andrea Di Fabio

Dr. Karen King introduced Andrea Di Fabio, ETSU's new Chief Information Security Officer and Associate CIO. Selected through a rigorous national search, he will have responsibility for cybersecurity and internet security. The Information Technology Services units reporting to Mr. Di Fabio in his ACIO role are Information Systems, Server Administration, Network and Telecommunications, and Web Technologies.

Mr. Di Fabio said he will work to understand the challenges faced by the university and formulate a security program for the university.

President's Report

- **State of the University Address**

President Noland briefly summarized the content of his Oct. 3 State of the University Address, the [video](#) and PowerPoint [slides](#) from which are available [online](#). He stressed that if ETSU is to meet the target outcomes of the Drive to 55 initiative and reach salary equity goals, the university must grow revenue and reach the goal of 18,000 students.

- **[Board of Trustees Update](#)**

Dr. Noland said he anticipates the [announcement](#) from Gov. Bill Haslam of the membership of ETSU's new board of trustees later this week. Following the announcement, he said, the board members will be welcomed, and opportunities will be scheduled for these individuals to meet with deans, department heads and others across campus.

Dr. Noland also announced that Dr. David Linville, who has chaired the Governance Transition Committee, will serve as secretary to the board and as board liaison.

The first board meeting is projected to be held in April 2017, until which time ETSU remains under the governance of the TBR. The East Tennessee Room in the D.P. Culp University Center

will be the boardroom, and some modifications to be made to the room prior to April are incorporated in the budget for the Culp Center renovation project.

Dr. Noland stressed again that the most important goal for the university to focus on between now and Fall 2017 is enrollment growth. He said that if the downward enrollment trend is not reversed, the new board will quickly be faced with conversations pertaining to major budget-cutting measures.

- **Budget Task Force Update**

Dr. Noland said that the report of the Budget Redesign Committee will be presented to the IUC in November. This report will call for a transition to base-plus and decentralized budgeting. He said the base-plus model incentivizes colleges and allows them to retain tuition revenues; however, if the university experiences flat or declining enrollment in specific areas, base-plus becomes base-minus-production for areas that do not hold their enrollment or grow. He encouraged IUC members to look critically at the committee's recommendations and how these will impact each of their respective areas.

- **Diversity Task Force**

Dr. Noland reported that he will name ETSU's new Diversity Task Force by the end of this week, and he has already provided a proposed committee charge to chairpersons Mary Jordan and Dr. Chris Dula. He stressed that the establishment of this task force has been in the planning stages for a while and is not a result of the events of Sept. 28. Concern was expressed that some areas of diversity, such as LGBTQ and religion, are sometimes left out of conversations regarding diversity. Dr. Noland stated that the projected membership of the new task force should encompass all of these areas.

The meeting was adjourned.