Dean's Faculty Advisory Committee
University of Tennessee, College of Medicine

January 5, 2009

Call to Order

The meeting was called to order by the president, Dr. Len Lothstein, at 12:00 PM on January 5, 2009, in the Hyman building, Room 101.

Attendance

The following members were present:

Louisa Balazs, MD, PhD, Martin A. Croce, MD, Elizabeth Fitzpatrick, PhD, Bob Foehring, PhD, Elias A. Giraldo, MD, MS, Gary Keyes, PhD, Leonard Lothstein, PhD, E. Haavi Morreim, PhD, William R. Morris, MD, Linda K. Myers, MD, A.P. Naren, PhD, Edwards Park, PhD, Renate Rosenthal, PhD, Claudette Shephard, MD, Laura Sprabery, MD, Thad Wilson, PhD, Karen Johnson, MD, MPH

The following guest(s) was (were) present:

Steve Schwab, MD, Polly Hofmann, PhD

Approval of minutes

The minutes of the previous meeting were approved as written. Minutes had previously been distributed by electronic means.

Business

Pres. Lothstein began by informing members that efforts are now under way to find suitable meeting space in the 910 Madison building, now that so many College of Medicine faculty are in 910/920/930 buildings and nearby buildings.

He then added that the Chair Survey is now online, and the main remaining task is to find out which chairs have been here less than a year, so that they will be exempted from review. It was proposed that faculty should be given about a two week period in which to log on and complete their survey. That period will begin probably in mid-January. The overall data will be provided to the chairs and to the dean. Pres. Lothstein suggested that although the DFAC will not receive any substantive results from the survey, it would be helpful for the DFAC to receive a percentage figure indicating how many faculty have responded in each department, so that we can figure out how to improve the process in the future. It was also proposed that, once the survey period begins, more than one email should be sent out, since not all faculty will fill out the survey upon the first email. Three or four such emails will therefore be sent, inviting faculty to respond.
Dr. Schwab then gave an update since the last DFAC meeting. Essentially there have been no major substantive developments, largely because several important policy issues are currently in the hands of the Trustees and of administration in Knoxville. However, he said that several things are now clear:

* the UTHSC campus will receive an additional 20% reduction, in addition to earlier reductions, effective July 1;
* with the exception of dentistry, the budget reduction will apply equally across the campus;
* because some things can not be effectively reduced (heating, cooling, etc), it will amount to approximately a 25% reduction;
* the CoM has requested that the Trustees approve a 15% increase in tuition plus an increase of 15 students; we will hear about their decision at the time of the February 26 Trustees meeting;
* each chair has been asked to identify 15% in cuts in his/her respective department, a 15% which will not involve eliminating tenured or tenure-track faculty (however, funds to cover faculty could be shifted from one account to another, and voluntary retirement of tenured faculty remains an option);
* it is not clear whether we will be allowed to do across-the-board cuts or furloughs until after the Trustees have met;
* discontinuation of academic departments/units is still being considered, but whether that will be permitted will be subject to the Trustees' decisions, which again are expected to be issued at their meeting in February.

Dean Schwab elaborated on several of these points.

The proposed 15% tuition increase would amount to $2-3M, out of a total $14M reduction. An addition of 15 more students can reasonably be encompassed by current facilities, both physical and faculty. Additionally, it would be desirable to attract more out-of-state students who would pay 'full' tuition.

Dr. Schwab also noted that the 15% proposed cuts that department chairs are being asked to formulate will not necessarily be implemented. It is likely that the system itself will take actions, such as an across-the-board salary cut or temporary furlough approach, that would make it unnecessary to take the entire 15% from each department. It was noted that, while salary cuts are recurring and essentially permanent, furloughs are one-time and must be separately instituted for any future occasions. In that sense, faculty and staff are likely to prefer furloughs over (permanent) salary cuts.

Dr. Schwab additionally observed that the Trustees must be consulted prior to discontinuing any academic department or unit. A multi-step process must proceed through the Chancellor, the Faculty Senate, the DFAC, and the Trustees. The Trustees could hypothetically make such cuts at their February meeting (not highly likely) or, if not then, at their June meeting. Realistically, the February meeting is more likely to yield something like a generic decision whether unit discontinuations will be permitted or forbidden, in addition to broad decisions that could agree to system-wide measures such as across-the-board salary reductions or furloughs.

The Trustees' February 26 meeting will be held here in Memphis, at the GEB, and will be an open meeting. Members of the UTHSC community will be able to attend.

Increasing revenues is also, of course, a focus. For all the colleges, the Alumni office is encouraging donations. Another revenue proposal, concerns offering a masters degree--an idea
that is being pursued up the appropriate channels. The CoM also is exploring other options, from increasing grant revenue to enhancing clinical earnings. UTMG revenues are reasonably good, given that collections are fairly high in proportion to billing. However, one source of revenue loss is that clinical faculty do not always fulfill the requirements necessary to create a billing. For example, faculty must be present and supervising for nearly all resident-performed procedures to generate a bill. Inadequate documentation is another important reason why potential billings are lost.

The question was raised what cuts can be made by the Chancellor and/or Dean without the Trustees' approval. The response: we can cut staff, not travel, not buy furniture, reduce heating and cooling, and similar things that are supported by "orange dollars." Additionally, last year some efforts were made to encourage early retirement among people who were "eligible" for bonuses designed to encourage such retirement. Those efforts met with modest success. It was also noted that none of this affects federal GME dollars, which constitute a larger portion of the CoM's revenue than state 'orange' dollars.

As observed during DFAC discussion:
It's not the decisions that are hard, it's the consequences; it's not the fall, it's the impact.

Next Meeting

The next meeting of the committee will be held on February 2, 2008, at 12:00 Noon in the Hyman building, Room 101.

Adjournment

There being no further business, the meeting was adjourned at 1:20 PM.

Respectfully submitted,

E. Haavi Morreim, PhD
Secretary