

UTHSC ADVISORY BOARD MEETING

DATE:	November 12, 2020	Via ZOOM
DAY:	Thursday	
TIME:	1:00PM	Memphis, TN

AGENDA

1. Call to Order and Roll Call..... Dr. Wenk
2. Governance..... Mr. Ferrara
 - a. Updated Member Listing
 - b. Election of Chair for July 1, 2020 through June 30, 2022
3. **ACTION:** Approval of Minutes from May 15, 2020 Dr. Wenk
4. Chancellor’s Report..... Dr. Schwab
 - a. Campus COVID Update
 - b. SACS Update
 - c. State of the University
5. FY 2021 Budget Update Mr. Ferrara
6. FY 2022 Tuition Background Information..... Mr. Ferrara
7. 2021 Meeting Schedule – all meetings scheduled for 1:00PM to 4:00PM
 - a.
 - b.
 - c.
 - d.
8. Adjournment Dr. Wenk

Dates being coordinated

UTHSC ADVISORY BOARD MEETING

Friday, May 15, 2020

Zoom

MINUTES

Present:

Board Members:

Dr. Philip Wenk, *Chair*
Dr. Terry Cooper (Faculty)
Dr. Lynn Massingale
Honorable Mark Norris
Mr. Andrew McBride (Student)
Dr. Natalie Tate
Dr. Michael Ugwueke

Staff:

Dr. Steve Schwab
Mr. Anthony Ferrara, *Secretary*
Dr. Kennard Brown
Dr. Steve Goodman
Dr. Lori Gonzalez
Mr. Love Collins

Deans:

Dr. Wendy Likes
Dr. James Ragain
Dr. Catherine Womack
Dr. Marie Chisholm-Burns
Dr. Steve Alway
Dr. Don Thomason
Dr. Steve Strome

Guests: Members of the HSC community and public were invited to participate in the Zoom broadcast

1. Call to Order

Dr. Wenk called the meeting to order at 1:00 PM and Mr. Ferrara called the roll. All board members were in attendance.

2. Approval of the Minutes of the January 16, 2020 Meeting

Minutes for the January 16, 2020 meeting were approved.

3. Information Items

Recommended changes were made to the September 30, 2019 and the revised minutes were included for review by Advisory Board. Related to the changes in the September 30 minutes, an information copy of the Board of Trustees Policy on the Process for Campus Advisory Boards to Submit a Recommendation to the President on the Proposed Strategic Plan for the Campus was provided to the committee.

4. Chancellor's Report

Dr. Schwab provided an overview of the Ramp Up to Fall 2020. The new normal with COVID-19 is not going away and is anticipated to last for the next 1-2 years. The HSC is seeking how to minimize the risk in the new normal. Fully deployed through COVID-19 were essential employees, core research activities, Graduate Medical Education and faculty practice groups. General return to campus guidelines include mandatory online education, self-check for symptoms, required social distancing and face masks and work at home when possible.

Follow-up discussion:

- Estimated cost of COVID-related expenses (PPEs, computer needs) to the university – The university is in the process of gathering costs for this process and will begin reporting these costs to THEC on a monthly basis.
- Ratio of students, faculty, staff who have been ill – It was noted that outside of the one fatality, there is a very low ratio (app. 1%) of cases for our campus.

- HVAC system requirements regarding the ratio of fresh air pumped into buildings – It has been addressed particularly in our new buildings and there are designated staff to address this issue.
- Biggest challenge in the ramp up to reopening – Learning to adapt to the small group environment; working longer hours to meet students’ needs.

5. FY 2021 Budget Proposal / Recommendation

Dr. Wenk provided a brief summary prior to the presentation – the state reallocated some of the funds that were scheduled for UTHSC and shifted them in response to the pandemic. Budget presentation is tentative as there is a possibility that additional committed funds may also be removed.

Mr. Ferrara explained the budget terminology used in the budget recommendation to be presented to the Board of Trustees. Trend graphics for the past 10 years were presented for revenue, expenditures, and total general operating. FY 2021 budget was presented to the Advisory Board for recommendation to the Board of Trustees as required by the UT Focus Act. In March, the legislature approved fund increases which included over \$3.5 million dollars for 1.5% salary/benefit increases with an additional \$6 million for operating costs. Before the legislature was adjourned, the \$6 million in operating cost increase was removed. It should be noted that the legislature is expected to reconvene in June and there may be further changes to the budget approved in March. HSC intends to leave tuition changes as previously approved by the Advisory Board including changes to out of state tuition for Medicine and Health Professions.

Internal funding changes for FY 2021 will include retaining excess F&A revenue to support the campus infrastructure and restore reserves. Of the estimated \$16.4 million to be carried forward to FY 2021, \$10million will be used to meet recurring budget requirements; and the remaining amount to be allocated for infrastructure and reserves..

Follow-up discussion:

- Question was posed regarding the large increase in sponsored project revenue for FY 17. Mr. Ferrara explained that, following a state audit, the difference is attributable to an accounting adjustment that changed reporting revenue from deferred to actual.
- Question was posed regarding whether the faculty practice plans are self-supporting or if they consume/generate cash and where is information reflected in the campus’ budget. Mr. Ferrara explained that most of the practice plans consume cash; however, as part of the affiliation agreements with these practice plans, academic mission support comes to the university and is reflected in the contract revenue section of the sponsored programs area of the budget.
- Question was posed regarding examples of the use of the Chancellor’s Discretionary Fund. Dr. Schwab provided examples include recruiting package that colleges could not accommodate and the start-up of unexpected college or research initiatives (ex. COVID research). Mr. Ferrara clarified that the funds are misnamed as monies are actually invested in the Strategic Investment Fund and support the various missions of the campus.
- Question was posed regarding the shifting of sponsored projected incentives to the colleges and how it affects the colleges. Mr. Ferrara explained that the shift of the incentives (app. \$2.5 million) allows the college more control over how the monies are paid to the university vs. the university doing a base reduction and making the decision for the colleges. Further clarification was requested by Judge Norris as to how the incentives were divided among the colleges. Mr. Ferrara stated that the incentive is formula driven and, at year end, calculations are based on the colleges that have the grants – primarily the Colleges of Medicine and Pharmacy. Judge Norris also asked if the budget presented included future potential losses of funding. It was stated that it did not. It is anticipated that the 1.5% for salary increases will be removed. There are hints there will be deeper cuts to the state budgets.

- Question was posed regarding the status of reserves to date and the goals of the reserves. Mr. Ferrara responded that HSC reserves are currently under \$10 million but should be \$15+ million in anticipation of needs for the university.
- Question was posed regarding whether staff reductions and/or compensation cuts are planned or anticipated. Dr. Ugwueke outlined program/position reductions at Methodist and asked if the University received any federal monies. Mr. Ferrara replied the university received approximately \$1 million for student aid and those monies were used exclusively for that purpose. Dr. Wenk emphasized that any federal monies received relative to COVID would be disbursed through THEC to UT System and then to the campuses. President Boyd summarized that UT received federal dollars which only covered approximately 30% of the losses. Mr. Ferrara stated that the majority of those funds received were disbursed to undergraduate colleges that suffered severe losses.
- Question was posed if the May 27 mandate for budget submission could be modified and what alternatives are available, if any, to what is being proposed. Dr. Wenk stated that this group has to turn in a budget to be consolidated with other system submissions to be recommended to the Board of Trustees by a specific date.
- It was asked if there are any other cost cutting areas in anticipation of future cuts. Dr. Brown summarized cuts recognized in both Facilities and IT that were magnified during COVID and Mr. Ferrara summarized how changes in budget funding will ultimately benefit the colleges both for research and academic support. Dr. Massingale restated his question if consideration is being given to corporate vs. academic cuts. Dr. Schwab assured the board that the university would include administration when considering budget cuts.
- It Question was posed if there was a contingency plan if there are more drastic cuts for the HSC after the General Assembly reconvenes in June. Dr. Wenk's opinion is that there would need to be a special called Advisory Board meeting if there are any significant modifications. Judge Norris agreed and believes that if a special called meeting is needed, he would like to hear from the colleges that will be affected by the cuts.
- Question was posed as to who is financing the COVID related processes. Dr. Schwab stated that the university is covering the initial cost with anticipation that we will recover at least 80% of the costs through the various federal programs. Most of the expenditures for research have been funded by the HSC and most of the testing costs have been funded by the College of Medicine. Judge Norris suggested this information should be used with state legislature to justify preventing additional budget cuts.

A motion was moved and seconded to approve the budget as presented (including the fact that the budget may be tentative and may be changed). Motion was approved.

6. COVID-19 Response

Dr. Strome outlined the College of Medicine's efforts related to COVID-19. Dr. Strome emphasized that this was a full campus process. Kudos to campus administration for the production of hand sanitizer and masks. Steps taken:

- Community Outreach - website; interactive maps, FAQs; digital and printed publications
- Testing - creation of first testing center and serves as advisor to additional testing sites; students were instrumental in staffing facilities under faculty supervision; drive-through testing; building of own testing platform with FDA approval; development of new testing modalities in Regional Biocontainment Lab; developing home and group testing assays

- Field Hospital - Dr. Strome was volunteered by President Boyd to manage the facility in the former Commercial Appeal building; construction was coordinated by the Army Corps of Engineers and a 401-bed hospital was completed in two weeks
- Symposium - Teaching opportunities for community providers; citywide ICU conferences
- Biostatistics – provides information on how COVID-19 progresses; data is updated daily.
- Working in conjunction with Oak Ridge National Laboratory

Andrew McBride described the COVID “boots on the ground” experience from the perspective of the students. Over a six-week period, over 175 students (medicine, nursing and dentistry) logged over 6000 volunteer hours. It was described as an unprecedented educational opportunity for clinical students and speaks highly of how well trained our students are to be able to work on the frontlines of fighting the virus. It also provided a sense of pride in providing this service to the city.

7. **Adjournment**

Dr. Wenk adjourned meeting at 3:13 PM.