



Employee Performance Evaluations

Presentation to Board of Trustees

September 2019



Staff (Non-Faculty) Performance Evaluation Process

- **Year 4 of new evaluation system based on performance**
- **Staff evaluations**
 - Focus on individual employee performance
 - Ensure employees have a voice in their evaluation
 - Allow for specific goals and achievements to be recognized
 - Stress job specific performance
 - Include a self-evaluation component



Continuing the Change of Non-Faculty Performance Evaluation Culture

- **Core competencies aligned to Tech Strategic Plan objectives**
 - Academic Excellence
 - Community Engagement
 - Meaningful Innovation
 - Student Success
 - Supportive Environment
 - Value Creation

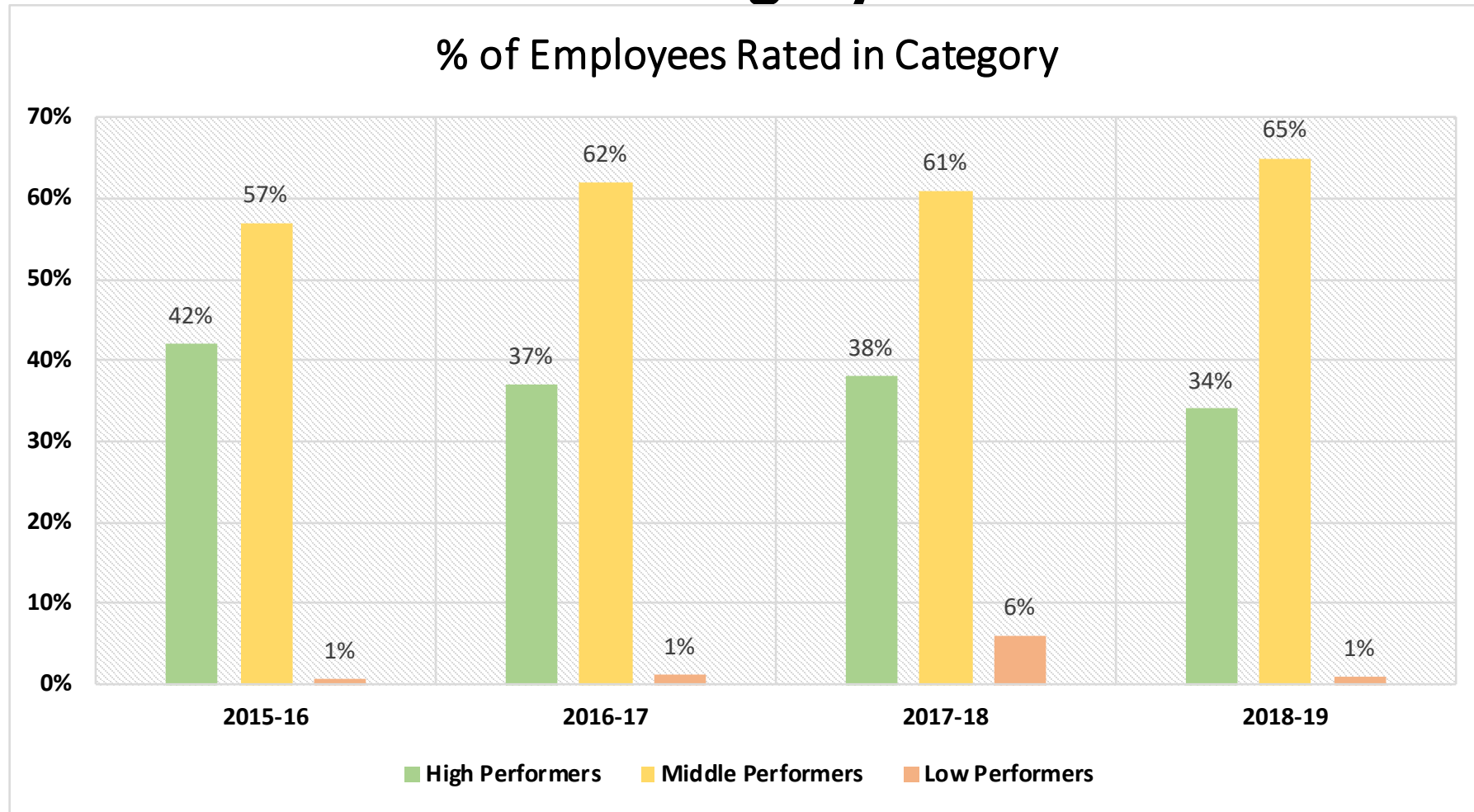


Continuing the Change of Non-Faculty Performance Evaluation Culture

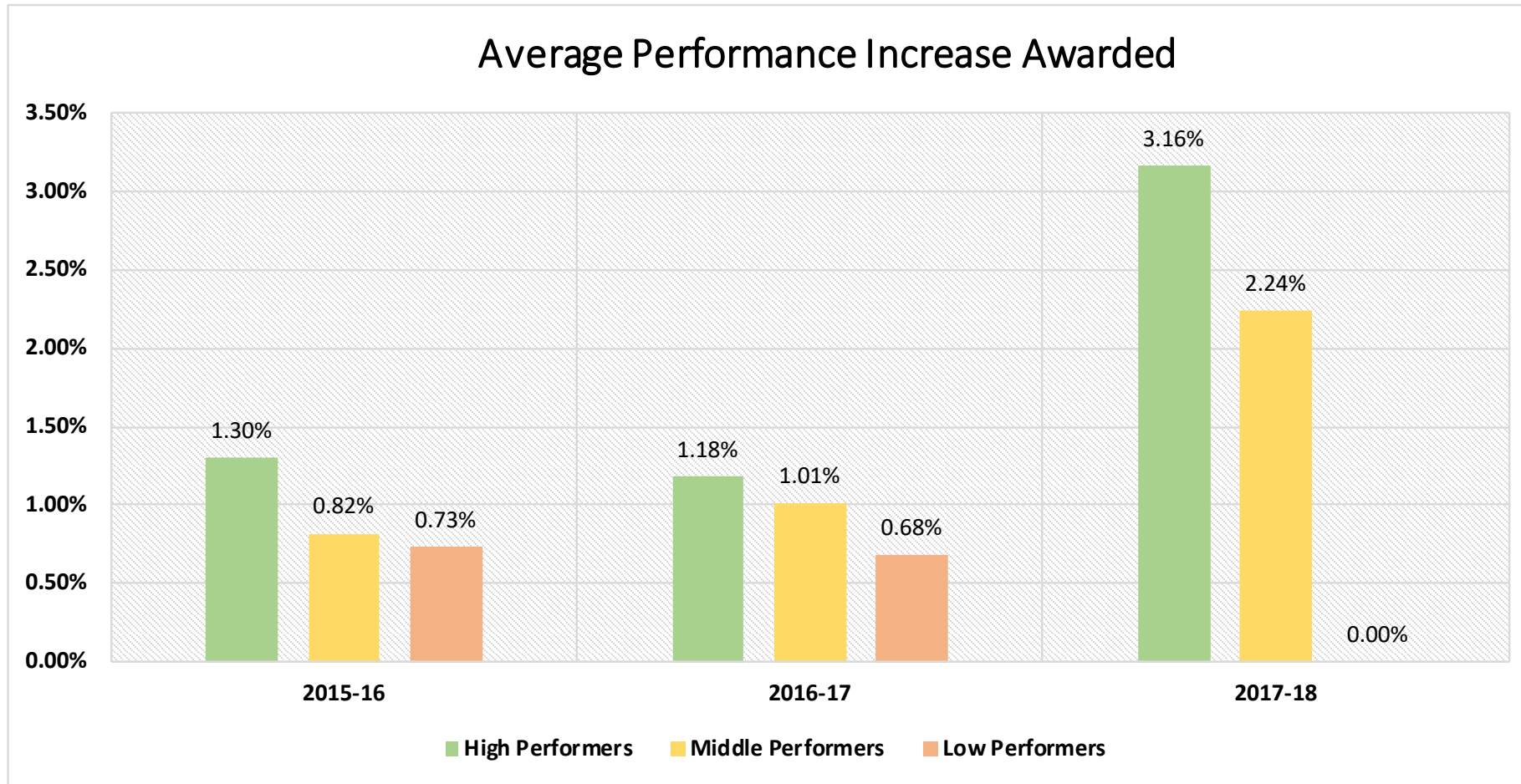
- **Evaluations scores tie directly back to actual job responsibilities**
 - Annually employees and supervisors review job duties prior to evaluation to ensure accurate reflection of duties
 - Employee is rated on their specific job duties
- **Employee goals are set for high performance and departmental growth**
 - Annually evaluate accomplishments towards goals



Staff (Non-Faculty) - % of Employees Rated in Performance Category



Staff (Non-Faculty) – Average Performance Increase Awarded



Staff (Non-Faculty) - Performance Increases Awarded by Category

		STAFF		
		High Performers	Middle Performers	Low Performers
		Mean	Mean	Mean
2015-16		Increase Budget - 2%		
	<i>% of Employees Rated in this category</i>	42%	57%	0.6%
	<i>Average Performance Score awarded to this category</i>	3.81	3.14	2.39
	<i>Avg Performance increase awarded to this category</i>	1.30%	0.82%	0.73%
2016-17		Increase Budget - 1% COLA & 1% Performance		
	<i>% of Employees Rated in this category</i>	37%	62%	1.1%
	<i>Average Performance Score awarded to this category</i>	3.75	3.16	2.33
	<i>Avg Performance increase awarded to this category</i>	1.18%	1.01%	0.68%
2017-18		Increase Budget - 2.5%		
	<i>% of Employees Rated in this category</i>	38%	61%	0.6%
	<i>Average Performance Score awarded to this category</i>	3.73	3.16	2.17
	<i>Avg Performance increase awarded to this category</i>	3.16%	2.24%	0.00%
2018-19		Increase Budget - TBD		
	<i>% of Employees Rated in this category</i>	34%	65%	0.9%
	<i>Average Performance Score awarded to this category</i>	3.72	3.16	2.36
	<i>Avg Performance increase awarded to this category</i>	TBD	TBD	TBD

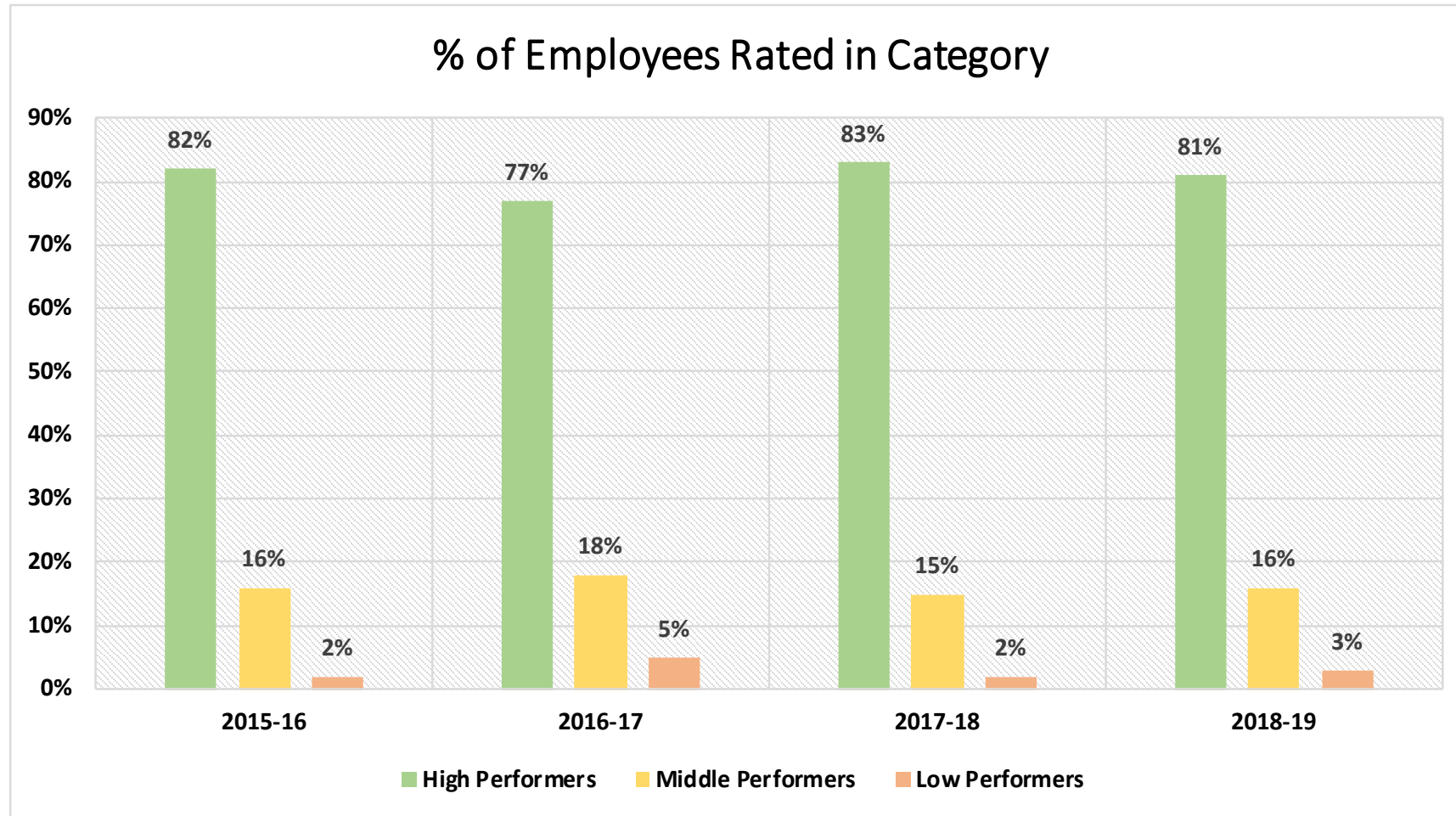


Faculty Performance Evaluation Process

- All faculty, both tenured and non-tenured, are evaluated annually by the department chairperson and the college dean on
 - Teaching
 - Advisement
 - Research/Scholarship/Creative Activity
 - Service/Outreach
 - Administration
 - Other (as assigned and detailed)



Faculty - % of Employees Rated in Performance Category



PERFORMANCE BASED COMPENSATION

Key Points to Performance Pay

- **Performance pay strategy rewards those employees who add the most value to the organization**
 - Traditional pay systems often reward mediocre, “just doing the job,” performance.
- **For 2019, most annual base pay increases in the U.S. are in the 2.8% - 3.1% range**
- **Top performers love performance pay; low performers do not**



Key Points to Performance Pay

- Align strategic plan objectives with goals that employees can personally impact; “**what can I do to receive performance pay**”
- Set clear expectations and communicate
- Monitor critical staffing levels within Tech
- Balance performance pay appropriately with market conditions



What to Measure



How Tech Can Stay Competitive

- **Shift to performance pay structure that can be used to enhance the university's value proposition for employees and focuses on high performers**
- **Consider one-time performance bonuses for top performers**
 - Must be impactful/meaningful to the employee (\$\$\$)
- **Review base salaries to maintain competitiveness under current market conditions**
 - Adjustments to pay based on market reviews





Five-Year Strategic Financial Plan Update

Presentation to Audit & Business Committee
Board of Trustees

September 24, 2019



5-Year Strategic Financial Plan Update

- FY 2019 Actual Results
 - Ending Unrestricted Fund Balance \$4,887,245.57
 - Sufficient to reinstate our operating fund balance
 - Investment Pool Fund Balance \$1,172,792
 - \$775,182.80 invested in program start-ups in FY2020
 - Engineering State Appropriation Fund Balance \$1,866,612
 - Majority of this is already committed
 - Research match, faculty research & indirect cost carryforwards \$783,331



Going Forward Revised (October) Budget



Fall full-time equivalent (FTE) enrollments

FTE Enrollments	Budgeted	Actual	Difference
UG – In-state*	-245	-116	129
UG – Dual Enrollment	-8	45	53
UG – Out-of-state domestic	No change	-36	-36
UG – Out-of-state R250	No change	10	10
UG – Out-of-state eRate	No change	9	9
G – In-state	-8	5	13
G – Out-of-state domestic	-2	1	3
G – Out-of-state R250	-1	-.25	.75
G- Out-of-state eRate	1	0	-1
International	-180	-50	130
*included in-state portion for international students			



Revenue Estimates

- Fall Revenues Exceeded Proposed (July) Budget \$998,000
 - In-state tuition \$349,500
 - Out-of-state tuition \$648,500
- Out-of-state primarily from international enrollments
 - Will be used to address one-time needs only
- TNeCampus tuition
 - TNeCampus courses being replaced by Tech online courses
 - Estimating significant decline in revenues from TNeCampus



Other revenue increases

- Online course fee **\$1,014,800**
 - \$523,228 (52%) to be distributed to colleges
 - \$491,568.44 (48%) to be distributed to support student life activities and online course development
- Specialized Academic Course Fees **\$188,500**



Carryforward of fee resources

- Technology Access Fee \$1,243,333.66
- Student Activity Fee (various activities)*\$ 658,709.15
- Specialized Academic Course Fees \$1,325,832.98

- Total fee carryforward from FY19 to FY20 \$3,237,875.79
- *Potential to reallocate some of the resources



Carryforward resources available to Colleges

College	Specialized Academic Course Fees	Recovery of Indirect Cost on Research Grants	Total
Ag & Human Ecology	\$32,975.99	\$7,678	\$40,653.99
Arts & Sciences	\$133,607.26	\$149,702	\$283,309.26
Business	\$(10,529.12)	\$14,595	\$4,065.88
Education	\$290,170.27	\$14,880	\$305,050.27
Engineering	\$534,317.51	\$406,285	\$940,602.51
Fine Arts	\$89,923.62	\$388	\$90,311.62
Interdisciplinary Studies		\$4,295	\$4,295.00
Nursing	\$255,367.45	\$1,065	\$256,432.45
	\$1,325,832.98	\$598,888	\$1,924,720.98



Investment Pool

- Lapse salaries **\$2,582,677**
 - Released back to departments \$ 792,205
 - Seed money for new programs \$ 775,183
 - One-time expenses \$ 641,793



Salary increases under consideration

- 2 prong approach
 - 1% pool to address performance increases
 - 1% one-time performance bonus pool
 - Would be effective January 1, 2020
- Cost of 1% performance pool \$921,200 (including fringe benefits)
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- Proposal will be brought to Board for approval at December meeting



Departmental budget requests

- Resource requests under consideration
 - Recurring expenses \$ 867,620
 - Use of Investment funds \$ 661,652
 - One-time expenses \$ 1,021,880
 - Use of Special fees \$ 548,210
- Reallocation within units \$ 580,668
 - Provost worked closely with Deans on reallocations
- Additional \$1,098,000 requests were not recommended by Provost to move forward



