

Why Tennessee's proposed \$50 million to U of M research is 'particularly good news'



Laura Testino

Memphis Commercial Appeal

[View Comments](#)

0:05

1:00



Tennessee Gov. Bill Lee has proposed \$50 million toward an endowment at the University of Memphis meant to sustain research activity at the university, which has recently grown to be recognized among the top tier of doctoral research universities in the country.

U of M is expected to match the funds with \$50 million in private donations, creating a \$100 million endowment that will be key to sustaining the efforts made to increase research in recent years.

"We worked very hard to get R1 on kind of a shoe string," said Jasbir Dhaliwal, the

executive vice president for research and innovation. The university was recognized as Carnegie R1, a top research classification, in December.

"... Another big variable is now Nashville appreciates what is going on with Memphis in terms of research, and how the best and brightest from the country are going to be coming here as well. It's going to help change our city, literally," Dhaliwal said Tuesday. "I'm excited."

Part of the budget proposals laid out in his Monday evening address to the state, the \$50 million to Memphis came with Lee's recognition that Memphis' research accomplishment places a top research university in each division of the state. The funding, if approved, would "propel work that will make Memphis a global leader in agri-tech, cybersecurity and the digital workforce," Lee said.

In a letter to faculty and staff Tuesday morning, U of M President M. David Rudd described the one-time endowment funding as "particularly good news." The university has raised \$14 million of the match so far, and has about \$10 million in negotiations, placing them near half of the match.



More: [University of Memphis just scored top research classification, 'R1.'](#)
[Here's what that means](#)

Rudd has previously cautioned the U of M board about the sustainability of the research activity and has made comparisons to recurring funding from the state allocated to the University of Tennessee Knoxville, which has been an R1 university for nearly 50 years.

In a statement to The Commercial Appeal, Rudd called the funding for research sustainability "one of the biggest challenges facing the U of M in coming years."

"The significant differences in base funding levels for the U of M and (University of Tennessee-Knoxville) highlight the nature of the challenge and costs associated with maintaining a top-tier, flagship research university,"

Rudd said. "As we continue to expand our research footprint and impact globally, there will be increases in infrastructure costs critical to attracting and keeping highly productive faculty, equipping research labs, and funding growth doctoral students and post-doctoral research staff."

"However," Rudd continued, "the return on investment far exceeds the costs, as the importance of (Tennessee) maintaining two Carnegie R1 flagship universities cannot be overstated, particularly for workforce development and economic growth in west (Tennessee)."

Setting the U of M on the path toward attaining R1 will be one of the most lauded efforts of Rudd's tenure at Memphis, set to come to a close soon, with current Auburn provost Bill Hardgrave selected last fall to take the helm.

The endowment, which will be added to one of the university's two foundations, will "make a big difference," Dhaliwal said, and "will literally secure our Carnegie R1 status for a while."



The Carnegie classifications, he explained, have become a way that research universities compete with research, and thereby compete for research grants from federal agencies. (The U of M Tuesday announced a \$3.8 million cybersecurity education grant from the National Science Foundation.)

Sustaining capacity through the endowment allows the U of M to be nimble to national and Tennessee priorities for research, and be more competitive, especially through local and statewide partnerships, for more federal dollars. The increased research should also be good for the city, Dhaliwal said, if at the most basic level meaning more professors and doctoral research students coming to Memphis to study, live and work.

In Rudd's letter to faculty, he also pointed out Lee's proposal for the state to fund \$25 million for renovations at the Fogelman College of Business and Economics and \$20 million for renovations at Mynders Hall.

And the recommended \$90 million to the state's outcomes funding formula for higher education was another of the "very positive" budget proposals for the state and U of M, Rudd said. Some \$47.5 million is going toward statewide salary increases, Rudd said, at an equivalent of 4% to the salary pool, which universities would need to match at 4%.

Higher education formula: Tennessee wants to incentivize colleges to graduate more STEM, health care students

The U of M president has spoken up about proposed changes to the outcomes formula throughout review committee meetings since the summer, in which the state initially suggested a proposal that would change the outcomes portion of the formula to a 4-year graduation rate from the present 6-year rate for determining funding. The state dropped the suggestion.

"A four-year outcome metric will systematically disadvantage all universities with high numbers of Pell and non-traditional students, even if the comparisons are simply internal...The six-year rate provides a more meaningful comparison and target, given the natural barriers faced by these students," Rudd wrote to the Tennessee Higher Education Commission in the summer, when the funding formula review began.

The outcomes-based formula was developed in 2010 by the state with the help of colleges and state government representatives, and it's reviewed every five years. The previous formula was based on enrollment numbers.

Because of the pandemic, the five-year review was postponed one year.