

The University of Tennessee at Chattanooga Budget Presentation



Deborah S. Parker

Associate Vice Chancellor of Business & Financial Affairs

UTC 2010-11 Budget and Financial Planning

Financial Re-Balancing For Efficiency and Effectiveness

Year Two



Alignment of Resources to the Strategic Initiatives

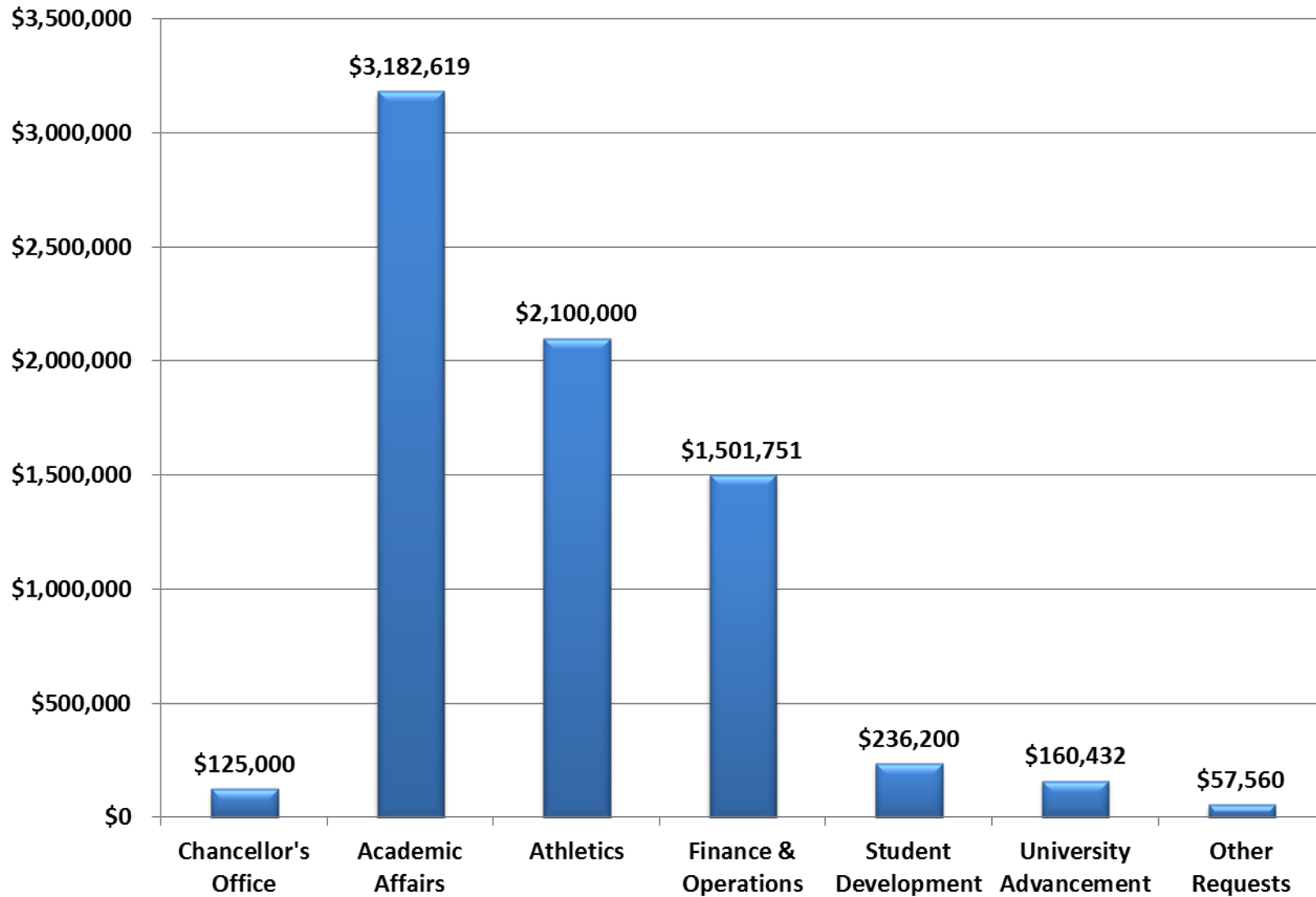
Budget Issues Looking Forward

- Support of Instruction and Academic Quality
- SACS Reaffirmation
- QEP
- Compensation (Faculty & Staff)
- Operating Budget Support
- Maintenance and Operations (Energy)
- Control of System Cost
- Complete College Act
- New Funding Formula

Summary of New Allocations Requested

Chancellor's Office	\$125,000
Academic Affairs	\$3,182,619
Athletics	\$2,100,000
Finance & Operations	\$1,501,751
Student Development	\$236,200
University Advancement	\$160,432
Other Requests	\$57,560
Total	\$7,363,562

Summary of New Allocations Requested



Cost Going Forward

9.9% Fee Increase	\$4,328,901	Balance
QEP	\$150,000	\$4,178,901
McClellan Gym	\$100,000	\$4,078,901
Graduate Assistantships (Phase 1)	\$80,375	\$3,998,526
2 Positions Supporting Doctorate of Nursing Program	\$141,000	\$3,857,526
Completion of Faculty Hires	\$500,000	\$3,357,526
Institutional Research Compliance Officer	\$70,000	\$3,287,526
Student Development Judicial Officer	\$76,845	\$3,210,681
Sustainability Office Position (currently on stimulus funds)	\$75,000	\$3,135,681
Safety Officer	\$30,000	\$3,105,681
Facilities Staffing (Operating New Square Footage)	\$50,000	\$3,055,681
Raise Lower-level Employees to \$8.50/hr per CFOs and UT HR	\$38,000	\$3,017,681
Mandated Safety Compliance (15K Sprinklers; 40K Fire Alarms)	\$55,000	\$2,962,681
Techology Upgrades	\$70,000	\$2,892,681
Faculty Senate	\$30,000	\$2,862,681
Utilities (Add \$25,000 for Water and \$25,000 for Utilities)	\$300,000	\$2,562,681
Operating Budgets - Administration & Academic	\$100,000	\$2,462,681
Merit Increase	\$150,000	\$2,312,681
OED Position (currently on stimulus funds includes benefits)	\$35,000	\$2,277,681
Rollover one Banner Position (includes benefits)	\$70,000	\$2,207,681
Faculty Promotions and Rollovers	\$150,000	\$2,057,681
University Relations (2 positions including benefits on Stim funds)	\$75,000	\$1,982,681
System Recalibration (1/3 in FY 11-12)	\$577,334	\$1,405,347
Amount needed to fund 40% salary plus add'l 1.4%	\$1,375,000	\$30,347
Total	\$4,298,554	

Cost Going Forward

Chancellor	Raise Employee Minimum to \$8.50/hour	232
	<u>Funding for 40% Salary Increase and Add'l 1.4%</u>	<u>8,388</u>
	Total	\$8,619
Academic Affairs	QEP	150,000
	Graduate Assistantships (Phase 1)	80,375
	Doctorate of Nursing Program - 2 Positions	141,000
	Completion of Faculty Hires	500,000
	Institutional Research Compliance Officer	70,000
	Faculty Senate	30,000
	Faculty Promotions and Rollovers	150,000
	Raise Employee Minimum to \$8.50/hour	26,348
	<u>Funding for 40% Salary Increase and Add'l 1.4%</u>	<u>953,398</u>
Total	\$2,101,121	

Cost Going Forward

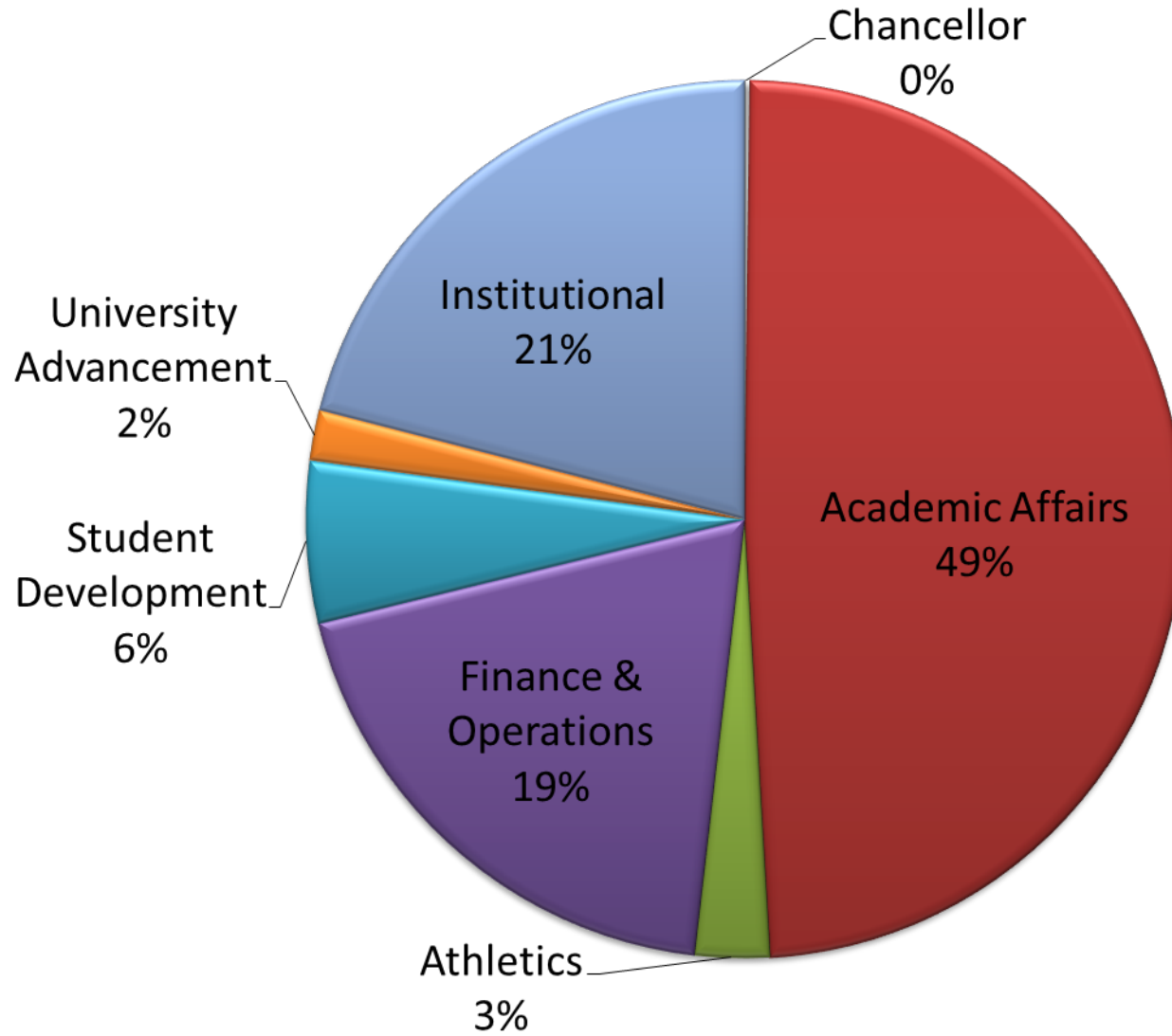
Athletics	Raise Employee Minimum to \$8.50/hour		3,181
	Funding for 40% Salary Increase and Add'l 1.4%		<u>115,088</u>
		Total	\$118,268

Finance & Operations	Safety Officer		30,000
	Facilities Staffing (New Square Footage)	50,000	
	Mandated Safety Compliance (Sprinklers & Fire Alarms)		55,000
	Technology Upgrades		70,000
	Utilities		300,000
	OED Position (Stimulus Supported)		35,000
	Rollover Banner Position		70,000
	Raise Employee Minimum to \$8.50/hour		5,980
	Funding for 40% Salary Increase and Add'l 1.4%		<u>216,370</u>
	Total	\$832,350	

Cost Going Forward

Student Development	Student Development Judicial Officer	76,845
	McClellan Gym	100,000
	Raise Employee Minimum to \$8.50/hour	2,123
	<u>Funding for 40% Salary Increase and Add'l 1.4%</u>	<u>76,821</u>
	Total	\$255,789
University Advancement	University Relations - 2 Positions (Stimulus Supported)	75,000
	Raise Employee Minimum to \$8.50/hour	136
	<u>Funding for 40% Salary Increase and Add'l 1.4%</u>	<u>4,936</u>
	Total	\$80,073
Institutional	Sustainability Office Position (Stimulus Supported)	75,000
	Operating Budgets - Administration & Academic	100,000
	Merit Increases	150,000
	<u>System Recalibration (1/3 in FY 11-12)</u>	<u>577,334</u>
	Total	\$902,334
	Grand Total	\$4,298,554

Cost Going Forward



Chattanooga

FY 2010-11 Annual Tuition and Fees

	FY 2010-11	FY 2011-12	CHANGE	
			Amount	Percent
IN-STATE				
Undergraduate				
Tuition	\$4,912	\$5,398	\$486	9.9%
Other Fees:				
Programs & Services *	\$590	\$590	\$0	-
Athletics	240	360	120	50%
Library Fee	0	50	50	100%
Green Fee	20	20	-	-
Technology	200	200	-	-
Facilities	100	100	-	-
Total Other Fees	<u>\$1,150</u>	<u>\$1,320</u>	<u>\$170</u>	<u>15%</u>
Total Tuition and Fees	<u><u>\$6,062</u></u>	<u><u>\$6,718</u></u>	<u><u>\$656</u></u>	<u><u>10.8%</u></u>
Graduate				
Tuition	\$5,890	\$6,473	\$583	9.9%
Other Fees:				
Programs & Services *	\$590	\$590	\$0	-
Athletics	240	360	120	50%
Library Fee	0	50	50	100%
Green Fee	20	20	-	-
Technology	200	200	-	-
Facilities	100	100	-	-
Total Other Fees	<u>\$1,150</u>	<u>\$1,320</u>	<u>\$170</u>	<u>15%</u>
Total Tuition and Fees	<u><u>\$7,040</u></u>	<u><u>\$7,793</u></u>	<u><u>\$753</u></u>	<u><u>10.7%</u></u>

Fee Analysis

Athletic Fee Analysis

	Fee Increase Revenue	Current Revenue at \$120 per Semester	Return 1/2 Student Activity Fee Funds	Total Athletic Fee Revenue	Net Increase
Est. Revenue Generated at \$60 per Semester	\$ 1,290,000	\$ 2,385,108	\$(324,062)	\$ 3,351,046	\$ 965,938

Library Fee Analysis

Est. Revenue Generated at \$25 per Semester	\$537,500				\$ 537,500
--	-----------	--	--	--	------------

Salary Increases

Percent Increase	Salary Expense	Benefit Expense	Total Expense	Required Tuition Increase
1.6%	\$880,000.00	\$176,000.00	\$1,056,000.00	2.42%
1.4%	\$770,000.00	\$154,000.00	\$924,000.00	2.11%
3%	\$1,650,000.00	\$330,000.00	\$1,980,000.00	4.53%
4%	\$2,200,000.00	\$440,000.00	\$2,640,000.00	6.04%
5%	\$2,750,000.00	\$550,000.00	\$3,300,000.00	7.55%

Assumptions

- 1) The salary projections are based on UTC's annual salary cost of \$55,000,000 as of Jan. 1, 2011.
- 2) A 1% tuition increase yields approximately \$437,000 net after scholarships.

Salary Increases

Cost of 3% salary Increase with Benefits	1,980,000.00
State Appropriations	<u>605,000.00</u>
Amount Needed to Fund from Tuition & Fees	<u><u>\$1,375,000.00</u></u>

Stimulus Funds FY 2009-2011

