

The University of Tennessee at Chattanooga

UPRAC Meeting



Dr. Richard L. Brown, Jr.
CFO & Sr. Vice Chancellor for Finance, Operations & IT

Financial Re-Balancing for Strategic Competitiveness

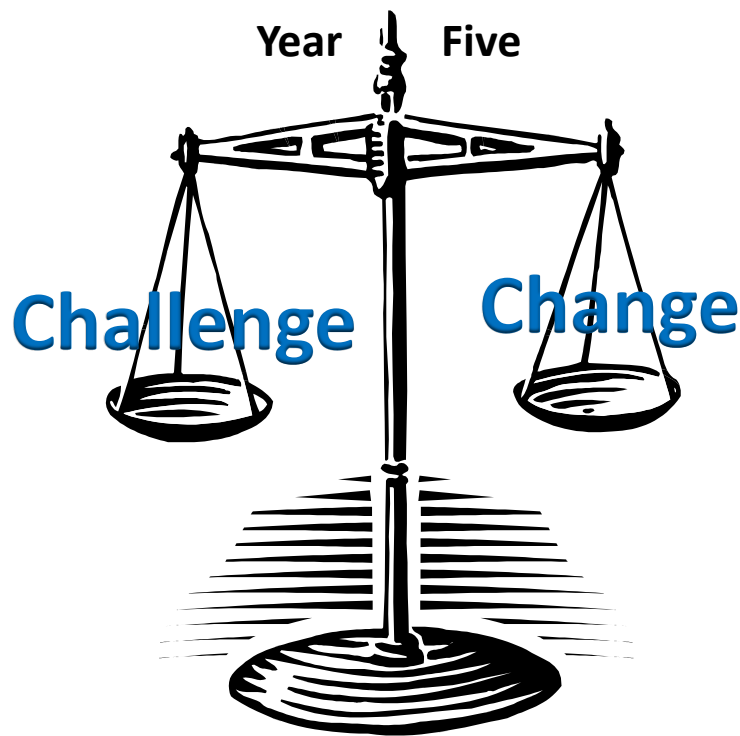
Tennessee Complete College Act

Reduced State Appropriations
Performance Metrics
New Funding Formula

Campus Master Plan
Facilities Growth
Sustainability
Housing New Bond Issue 25% match

IT Master Plan
Services Governance
Communication

Tuition and Fees Differential
Benchmarking
Compensation Plan



Academic Quality
Instructional Quality
Gen Ed QEP

New University Advancement Model
Capital Campaign
Athletics Master Plan

Campus Culture
Employer of Choice
Transparency

Resource Allocations
Accountability
Communications

Student Support Services
Housing Animation

Faculty /Student Ratio
Expenditures per FTE Student
Tuition and Fees (In-state)
Endowment per student
Alumni Giving Rate
Total Research Expenditures

Alignment of Resources to the Strategic Initiatives
Goal: UTC a premier Top 5 Southern Masters University

Budget Issues Looking Forward

- Tennessee Complete College Act
- Support of Instruction
- QEP Implementation Plan
- Compensation Plan (Faculty & Staff)
- Tuition & Fee Benchmarking (Differential)
- Capital Match Program – 25%
- Operating Budget Support
- Maintenance & Operations (Energy & Sustainability)
- Control of System Cost
- Enrollment Management
- New Housing to Meet Demand
- Campus Master Plan Implementation
- Land Acquisition for Expansion
- Enhance Out-of-State Tuition Base
- Strategic Planning & Institutional Support
- Athletics Master Plan
- IT Master Plan
- Student Development Operating Support
- Equity & Diversity Planning
- Online Education Delivery
- Student Health Services Model
- OSD Support



Budget Chatt

Your input and involvement count.

Base Budget

FY 2012 - 2013

Revenues

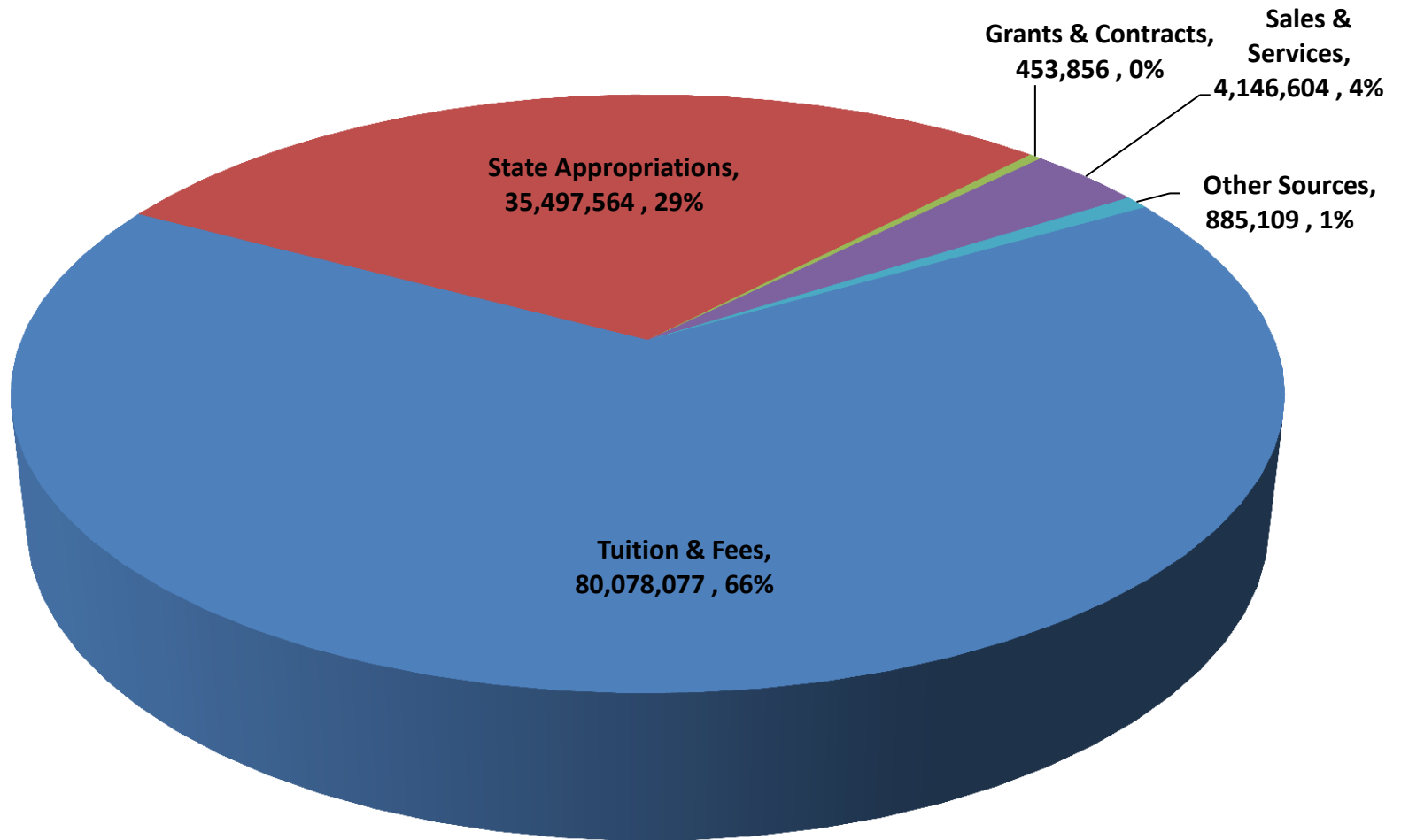
Tuition & Fees	\$ 80,078,077
State Appropriations	35,497,564
Grants & Contracts	453,856
Sales & Services	4,146,604
Other Sources	885,109
Total Revenue	<u>\$ 121,061,210</u>

Expenditures & Transfers

Instruction	\$ 52,804,590
Research	1,865,077
Public Service	2,187,189
Academic Support	8,146,335
Student Services	19,230,087
Institutional Support	9,899,677
Op/Maint Physical Plant	15,602,839
Scholarships & Fellowships	10,172,890
Sub-total Expenditures	<u>\$ 119,908,684</u>
Mandatory Transfers (In)/Out	773,707
Non-Mandatory Transfers (In)/Out	312,239
Total Expenditures & Transfers	<u>\$ 120,994,630</u>
Fund Balance Addition/(Reduction)	<u>\$ 66,580</u>

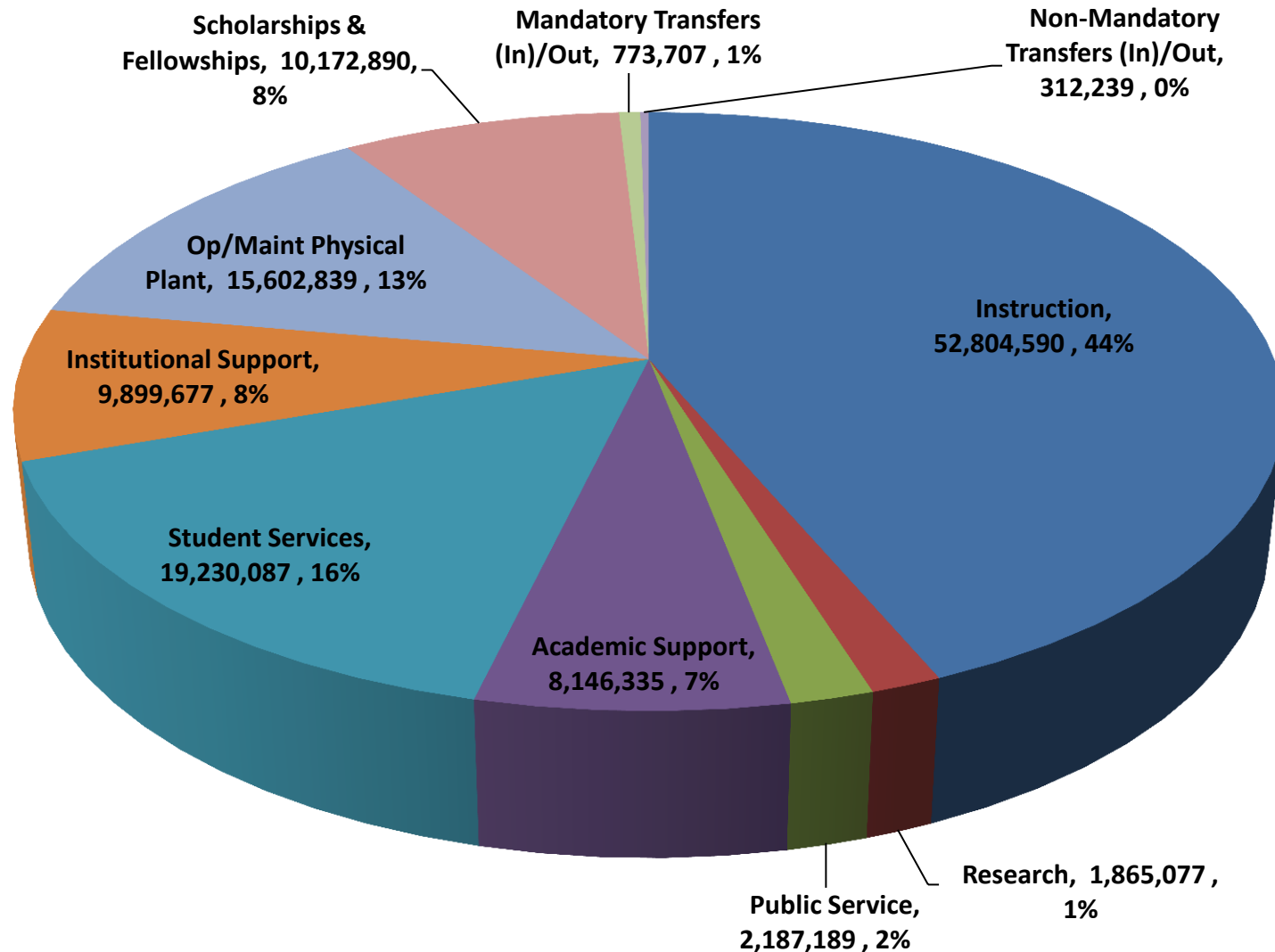
Base Budget - Revenue

FY 2012 - 2013



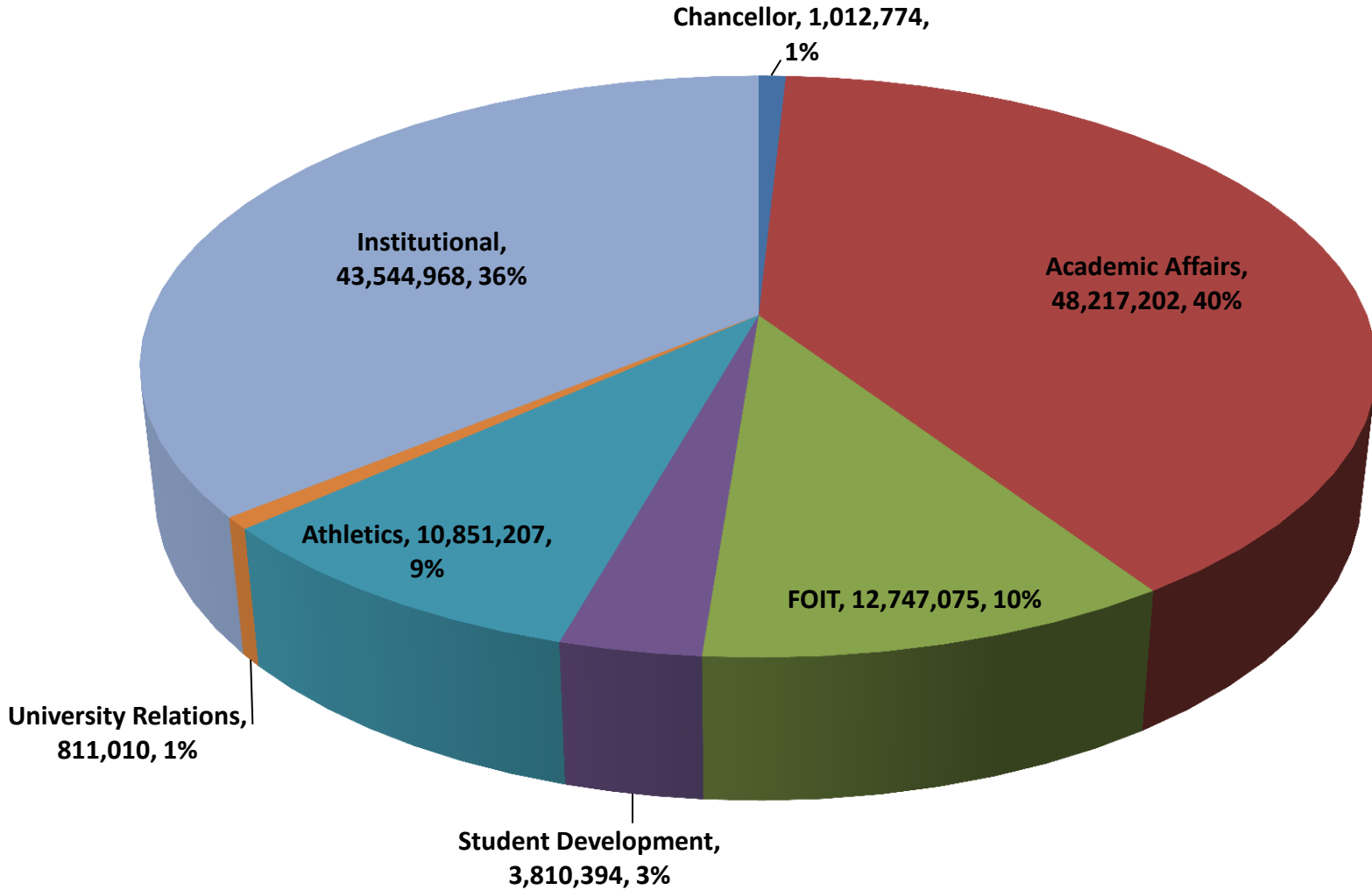
Base Budget - Expenditures & Transfers - Taxonomy

FY 2012 - 2013



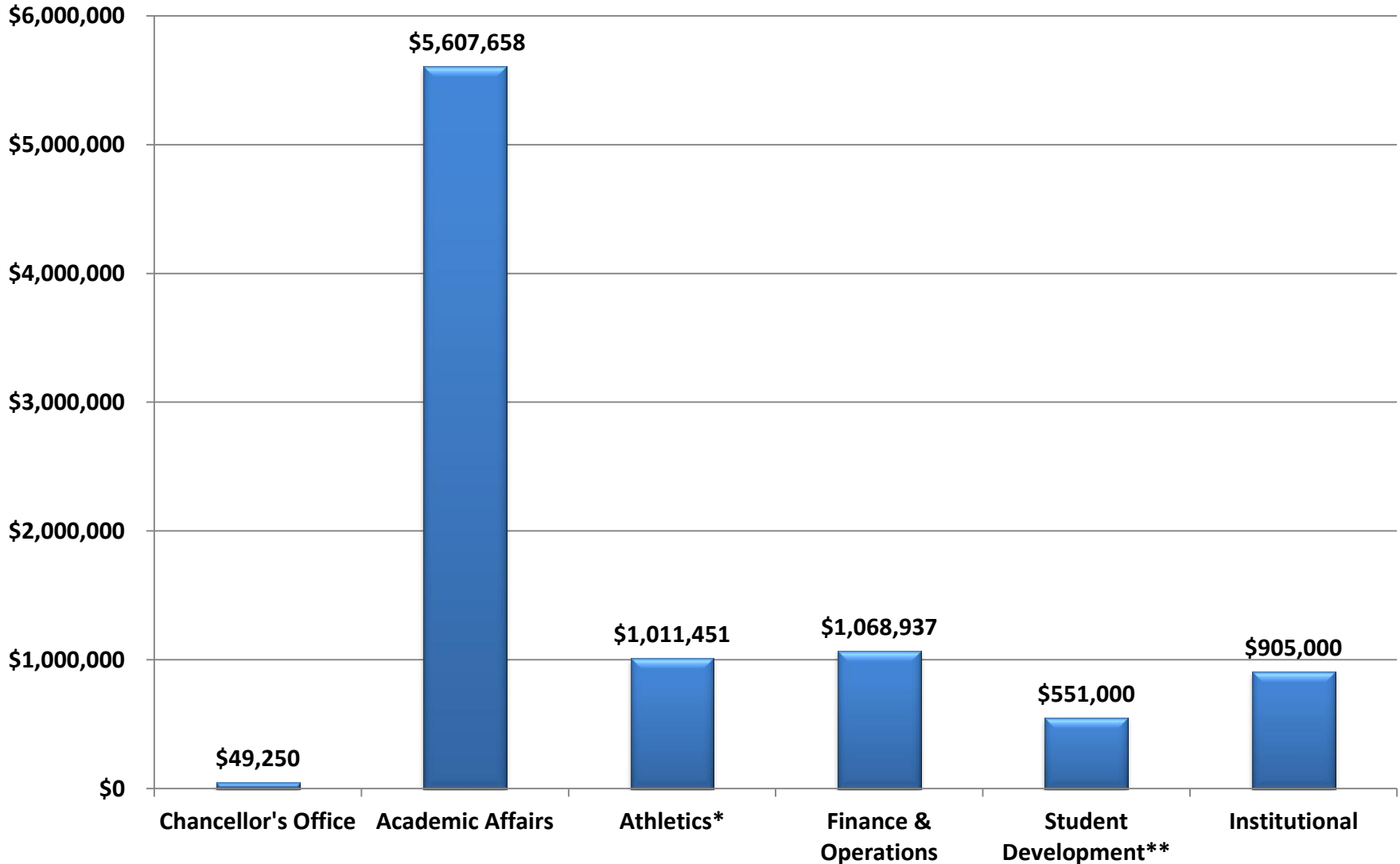
Base Budget - Expenditures & Transfers - Division

FY 2012 - 2013



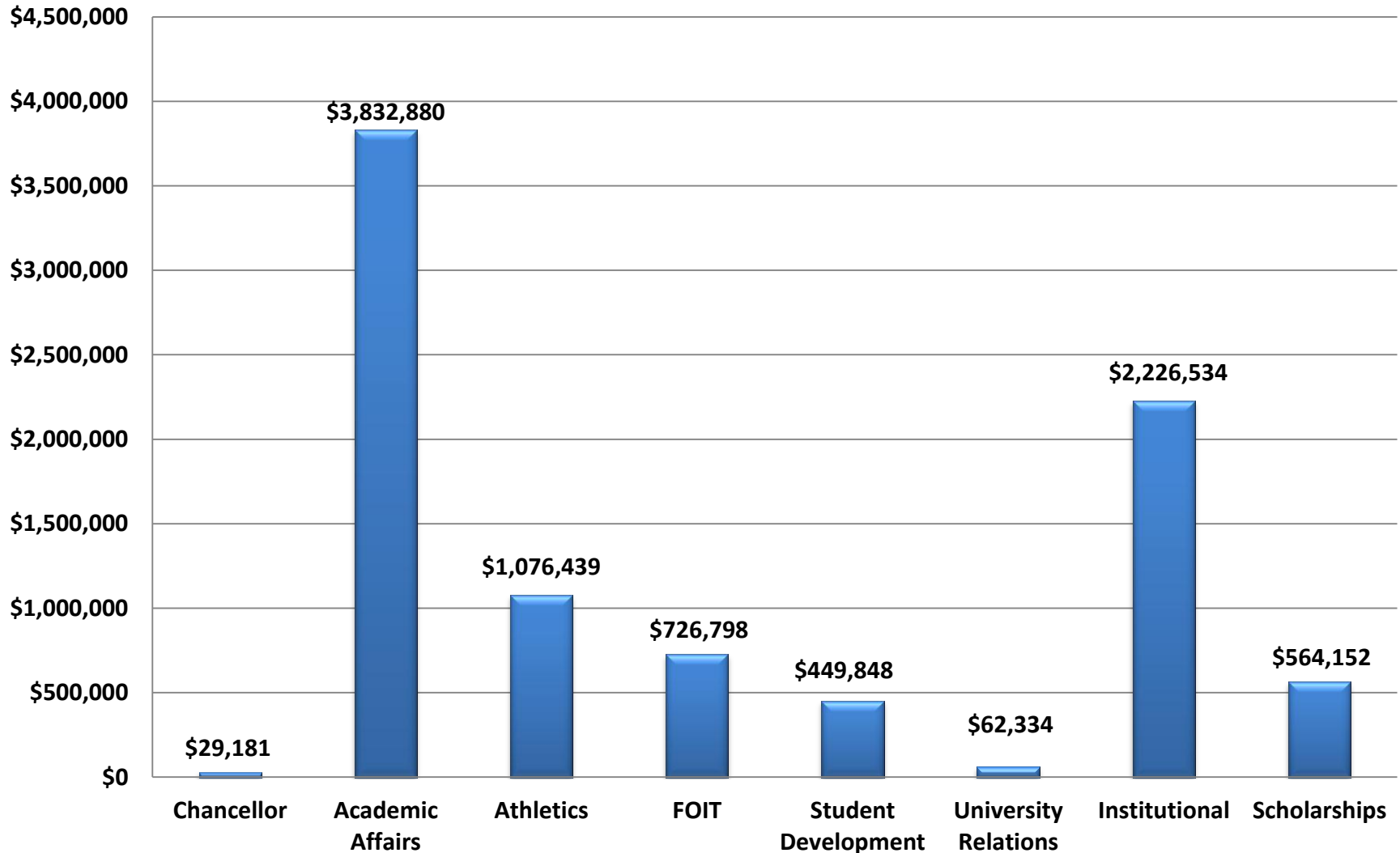
Requests By Division

FY 2012 - 2013



New Budget Allocations

FY 2012 - 2013



FY 2012-13 Budget Allocations

Revenue

Tuition	6% Tuition Increase	3,613,348
	Enrollment Growth - FY 12	1,268,946
	Enrollment Growth - FY 13	300,000
Total New Budget Allocations		\$5,182,294
State Appropriation	Salary Improvement - 2.5%	1,035,200
	Benefits (Insurance, TCRS, 401k)	557,200
	Outcome Productivity	855,100
	Base Reductions - 1.7%	-711,500
	Recurring Formula Adjustments	-436,900
	Access & Diversity Reduction - 1.7%	-5,755
Total New Budget Allocations		\$1,293,345
Fees	Athletic Fee (Returning \$324,062 to Student Activity Fee)	1,290,000
	Facilities Match Fee	650,000
	Library Fee	543,387
Total New Budget Allocations		\$2,483,387
Other	Program Adjustment - Partial Benefits for Market/Equity Pools	9,140
	Total New Budget Allocation	\$9,140
<u>Total Revenue</u>		<u>\$8,968,166</u>

FY 2012-13 Budget Allocations

Expenses

Chancellor	Estimated Beginning Base Budget FY 2013	\$1,012,774
	Operating Budgets	10,053
	State Mandated Salary Increase & Benefits - 2.5%	19,128
	Total New Budget Allocations	\$29,181

Academic Affairs	Estimated Beginning Base Budget FY 2013	\$48,951,035
	Faculty Positions - Phase 3 of Instruction Rebalancing	1,000,000
	Faculty Positions - Contingent for Road Block Courses	300,000
	Operating Budgets	150,000
	State Mandated Salary Increase & Benefits - 2.5%	1,117,493
	Faculty Market/Equity Pool & Benefits	242,000
	Faculty Promotions & Rollovers	180,000
	Part-time Instructional Budget	300,000
	Library Fee	543,387
	Total New Budget Allocations	\$3,832,880

Academic Affairs will also receive an estimated \$748,258 in course and lab fees along with an additional \$500,000 of non-recurring funds for part-time faculty.

FY 2012-13 Budget Allocations

Athletics	Estimated Beginning Base Budget FY 2013	\$10,851,207
	State Mandated Salary Increase & Benefits - 2.5%	110,501
	Athletic Fee Operating Support	965,938
	Total New Budget Allocations	\$1,076,439
FOIT	Estimated Beginning Base Budget FY 2013	\$13,543,455
	Operating Budgets	115,681
	State Mandated Salary Increase & Benefits - 2.5%	255,675
	Maintenance & Operations of Physical Plant	100,000
	Chief Information Officer & Benefits	175,000
	Banner Position & Benefits	80,442
	Total New Budget Allocations	\$726,798
Student Development	Estimated Beginning Base Budget FY 2013	\$3,810,394
	Operating Budgets	16,216
	State Mandated Salary Increase & Benefits - 2.5%	44,570
	Counseling Center Position & Benefits	65,000
	Athletic Fee Increase (Recalibration of Student Activity Fee)	324,062
	Total New Budget Allocations	\$449,848

FY 2012-13 Budget Allocations

University Relations	Estimated Beginning Base Budget FY 2013	\$811,010
	Operating Budgets	8,050
	State Mandated Salary Increase & Benefits - 2.5%	19,284
	Photographer & Benefits	35,000
	Total New Budget Allocations	\$62,334
Institutional	Estimated Beginning Base Budget FY 2013 (Inclusive of Fees)	\$42,014,755
	Utilities	200,000
	Staff Market/Equity Pool & Benefits - Allocated by HR	242,000
	State Mandated Benefits (Insurance, TCRS, 401k)	557,200
	System Recalibration (1/3 in FY 12-13)	577,334
	Facilities Match Fee - Capital Projects	650,000
	Total New Budget Allocations	\$2,226,534
Scholarships	Institutional Scholarships & Grant-In-Aid	569,907
	Access & Diversity Scholarships	-5,755
	Total New Budget Allocations	\$564,152
	Total Expenses	\$8,968,166

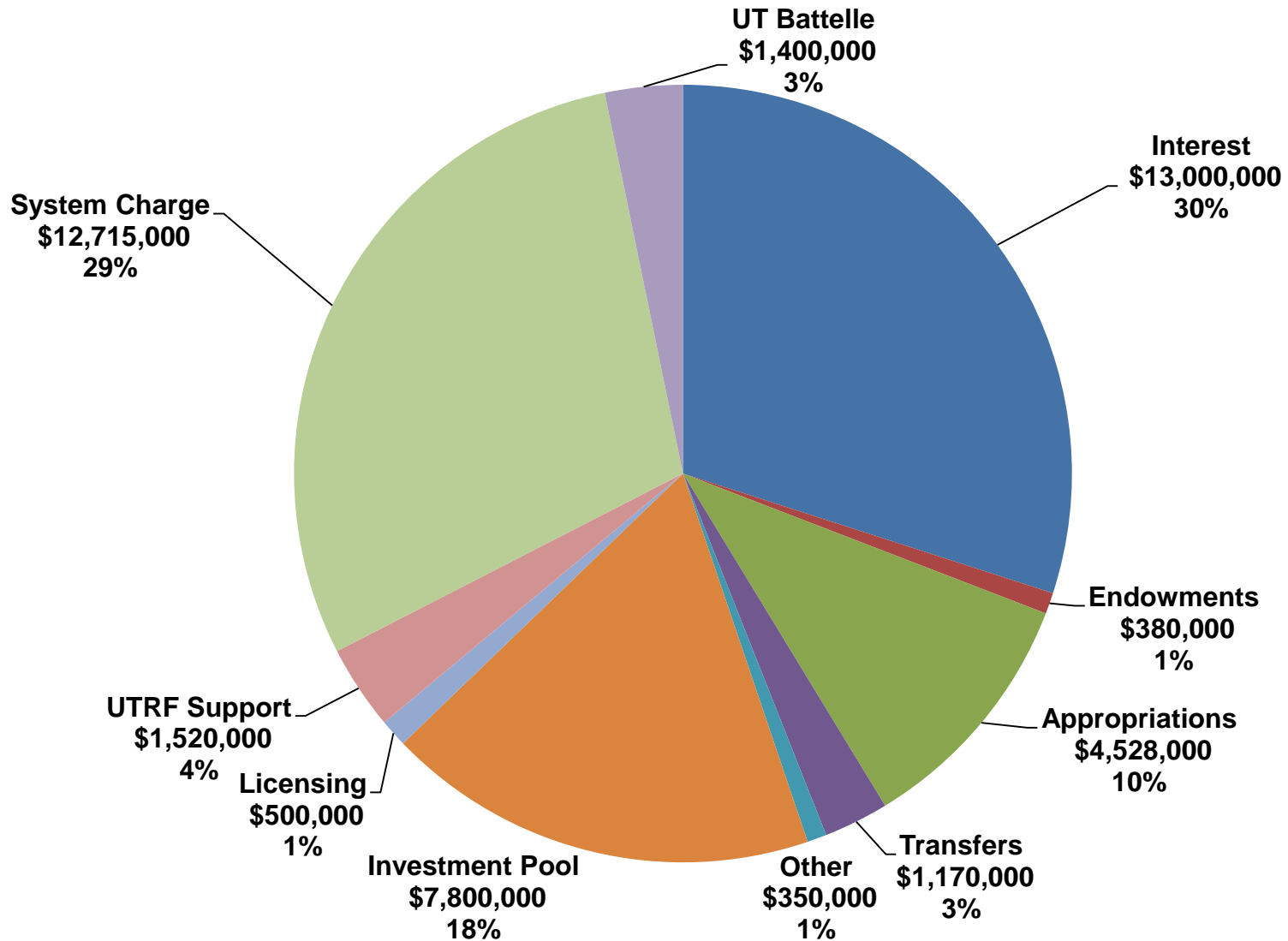
Compensation Planning

- **Across-the-Board Raise** - All regular faculty and staff members received an increase of 2.5% or \$1,000, whichever was greater.
- **Market/Equity Adjustments** - \$400,000 has been allocated to develop separate market/equity plans for faculty and staff to continue progress in closing the “market gap.” Faculty target is 85% of market for assistant and associate professors and 90% of market for full professors. Staff targets vary between 75-90% of market depending on years of service.
- **Keep the Stars Shining Fund** - \$500,000 of non-recurring funds were distributed in a merit bonus plan to recognize exceptional performance.
- **Mid-Year Market Equity Adjustments** - \$300,000 to \$400,000 expected additional allocation of enrollment growth funds to develop separate mid-year market/equity plans for faculty and staff to continue progress in closing the “market gap.” **Plan contingent on enrollment and budget reductions.**

All the above plans are consistent with the UTC Comprehensive Compensation Plan, which is supported by the Sibson Market Data.

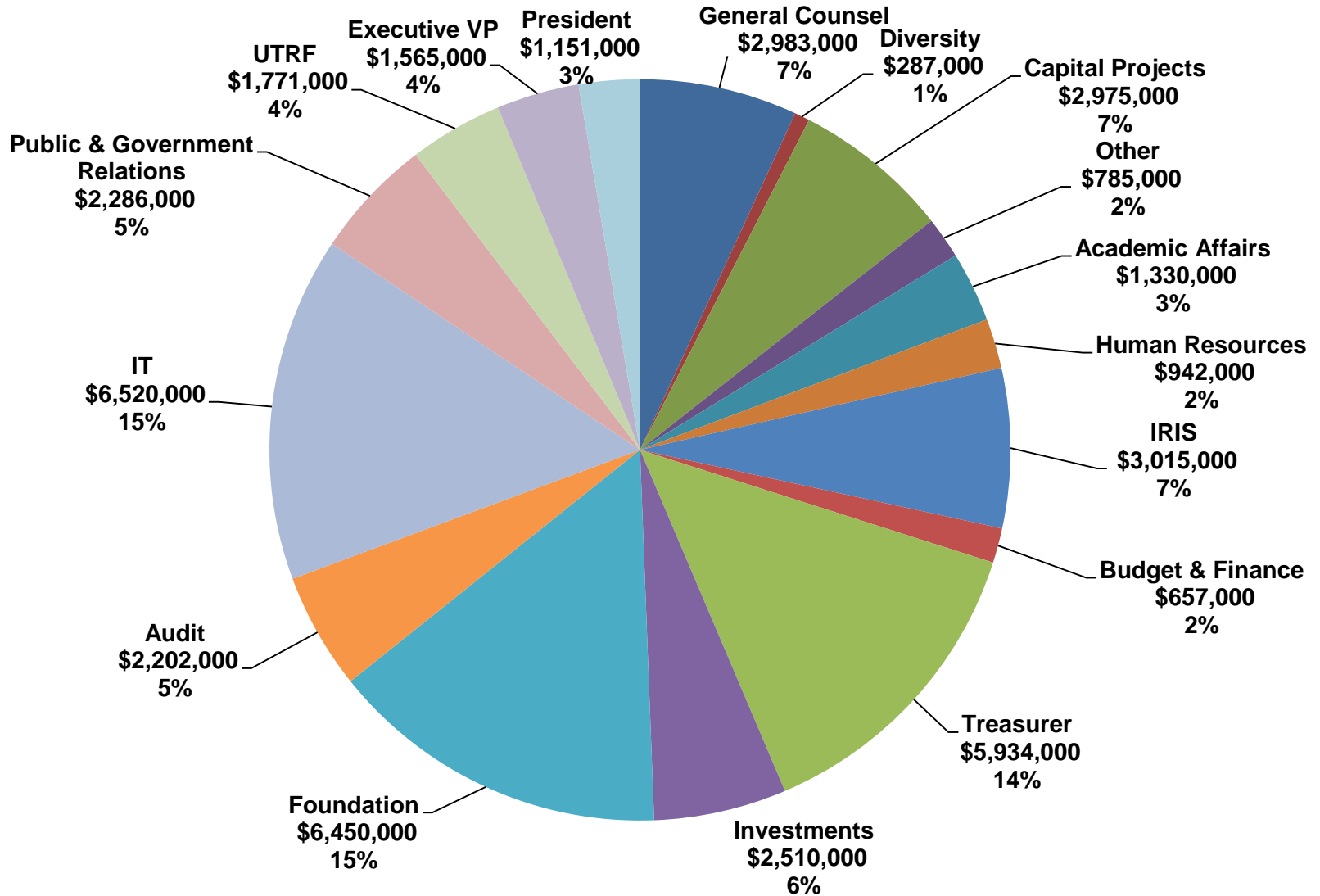
UWA Projected Funding

FY 2012 - 2013



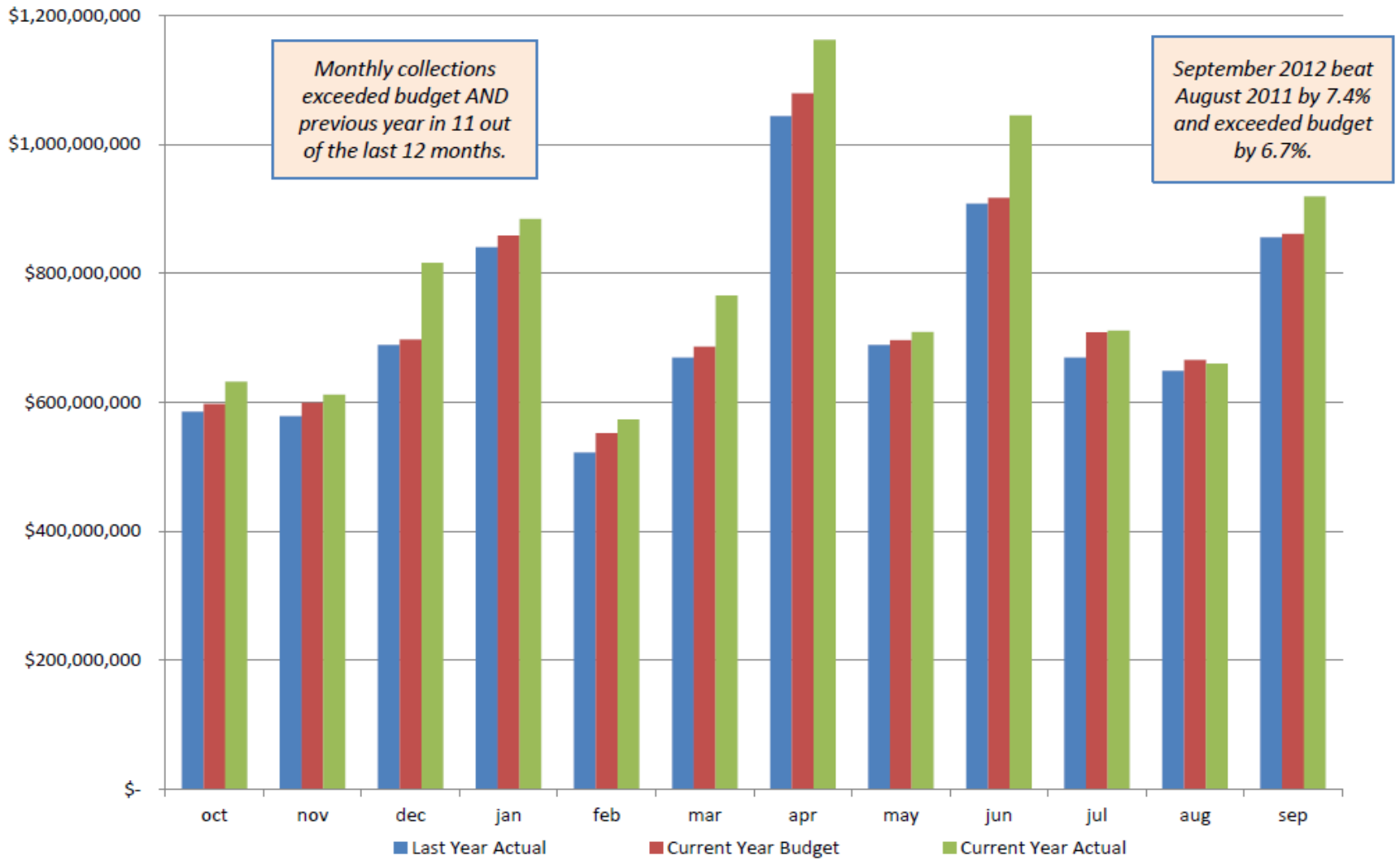
UWA Projected Expenses

FY 2012 - 2013



Monthly State General Fund Revenues

September 2012



Enrollment Growth Funds

FY 2012 - 2013

Enrollment Growth Funds	\$ 1,838,206
Academic Affairs - Graduate Assistantships	(100,000)
Academic Affairs - Part-time Instruction	(300,000)
Academic Affairs - Sr. Lecturer Promotions	(13,264)
<hr/>	
Reserve for State Appropriation Reduction	\$ 1,438,206

Enrollment growth was negatively impacted approximately \$300,000 as a result of a 3% reduction in graduate students enrolled as of September 3, 2012.

Budget Reduction Schedule

	Base FY 2013	1.00%	2.00%	3.00%	4.00%	5.00%
State Appropriation	\$ 34,593,500	(345,935)	(691,870)	(1,037,805)	(1,383,740)	(1,729,675)
Projected Budget	\$ 34,247,565	\$ 33,901,630	\$ 33,555,695	\$ 33,209,760	\$ 32,863,825	

Reductions Schedule

Budget Reduction		(345,935)	(691,870)	(1,037,805)	(1,383,740)	(1,729,675)
Enrollment Growth Funds		1,438,206	1,438,206	1,438,206	1,438,206	1,438,206
Division Reductions		-	-	-	-	-
Funds Available for Reallocation	\$ 1,092,271	\$ 746,336	\$ 400,401	\$ 54,466	\$ (291,469)	

Distribution of Division Reductions*

Chancellor	1.28%	-	-	-	-	3,738
Academic Affairs	61.05%	-	-	-	-	177,942
Athletics	13.74%	-	-	-	-	40,046
Finance, Operations & IT	18.08%	-	-	-	-	52,689
Student Development	4.82%	-	-	-	-	14,062
University Relations	1.03%	-	-	-	-	2,993
Total Division Reductions	100.00%	\$ -	\$ -	\$ -	\$ -	291,469

* Division reductions would be based on percent of base budgets excluding institutional scholarships, staff benefits, fees and major institutional cost, such as utilities.

Revenue Analysis

FY 2013 - 2014

	Current Budget	1% Increase	3% Increase	5% Increase	6% Increase	7% Increase	8% Increase
Resident Enrollment Fees	60,331,120	603,311	1,809,934	3,016,556	3,619,867	4,223,178	4,826,490
Tuition-Out of State-UTC	6,382,995	63,830	191,490	319,150	382,980	446,810	510,640
Total Enrollment Fees	66,714,115	667,141	2,001,423	3,335,706	4,002,847	4,669,988	5,337,129
Cost of Fee Increase							
Awards, Grants & Subs.	10,168,357	101,684	305,051	508,418	610,101	711,785	813,469
Net Fee Increase	56,545,758	565,458	1,696,373	2,827,288	3,392,745	3,958,203	4,523,661

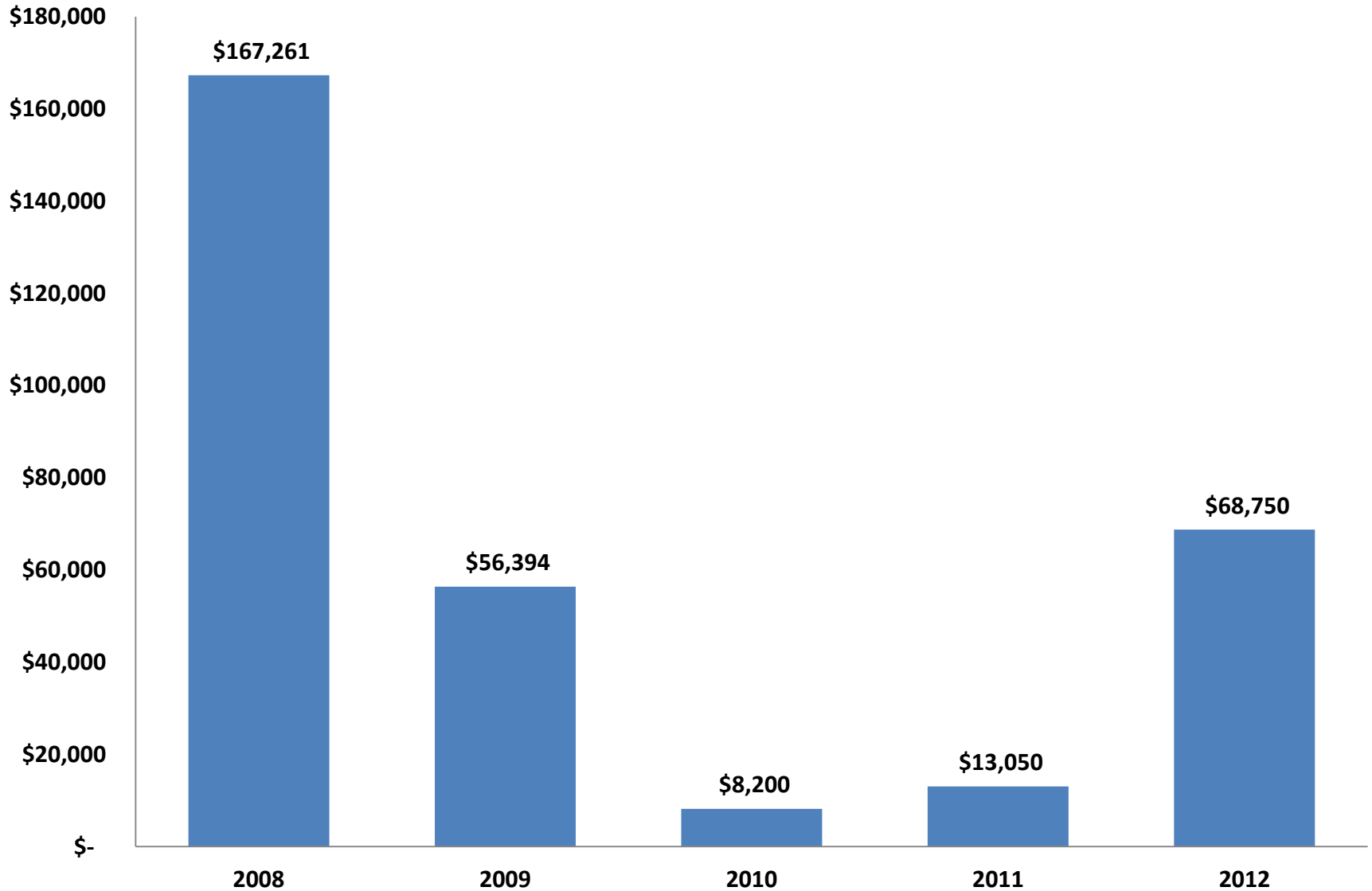
Projected Cost Going Forward

FY 2013 - 2014

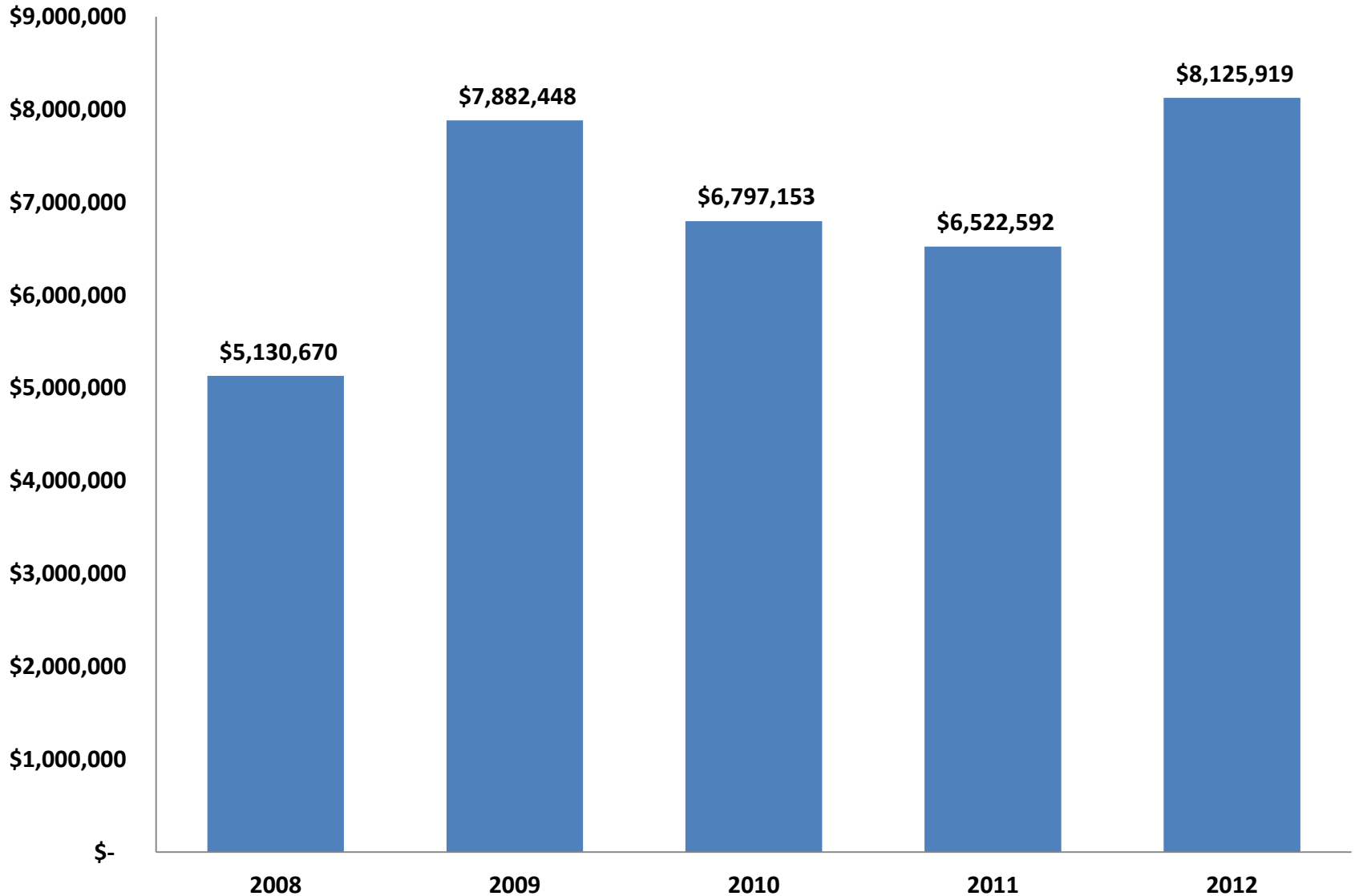
Division	Item	Amount
AA	Accreditation Cost	75,000.00
AA	Commencement/Diplomas	55,000.00
AA	Faculty Hires	500,000.00
AA	Graduate Assistantships	100,000.00
AA	Occupation Therapy Doctorate Program	175,000.00
AA	Operating Budgets - Academic Affairs	100,000.00
AA	Part-time Budget	500,000.00
AA	Promotions & Rollovers (Inclusive of Sr. Lecturers)	200,000.00
AA	Summer School Budget Rebalancing (Year 1/3)	250,000.00
C	Chancellor's Salary, Benefits & Housing Allowance	108,700.00
C	General Counsel - Budget Shortfall	40,000.00
FOIT	Human Resources - Taleo Annual Charges	15,410.00
FOIT	Law Enforcement - Equipment & Operating	95,000.00
FOIT	Mocs Card - Operating	30,000.00
FOIT	Safety Office - Position & Benefits	46,866.00
INST	Annual Giving Shortfall	40,000.00
INST	Computer Refresh Program	100,000.00
INST	Employee & Dependent Fee Waivers (Year 1/3)	200,000.00
INST	Key Staff Positions	200,000.00
INST	Market/Equity Adjustments	500,000.00
INST	Operating Budgets - General Campus	100,000.00
INST	State Mandated ATB Raise - Estimated Shortfall	550,000.00
INST	System Recalibration (Year 3/3)	577,334.00
INST	Utilities	200,000.00
INST	Website Software	10,000.00
STDT	Counseling Center - FY 12-13 Position Benefits	2,680.00
STDT	Disability Resource Center - Position & Operating	100,000.00
STDT	Veterans Support Services - Operating	12,000.00

Total \$ 4,882,990.00

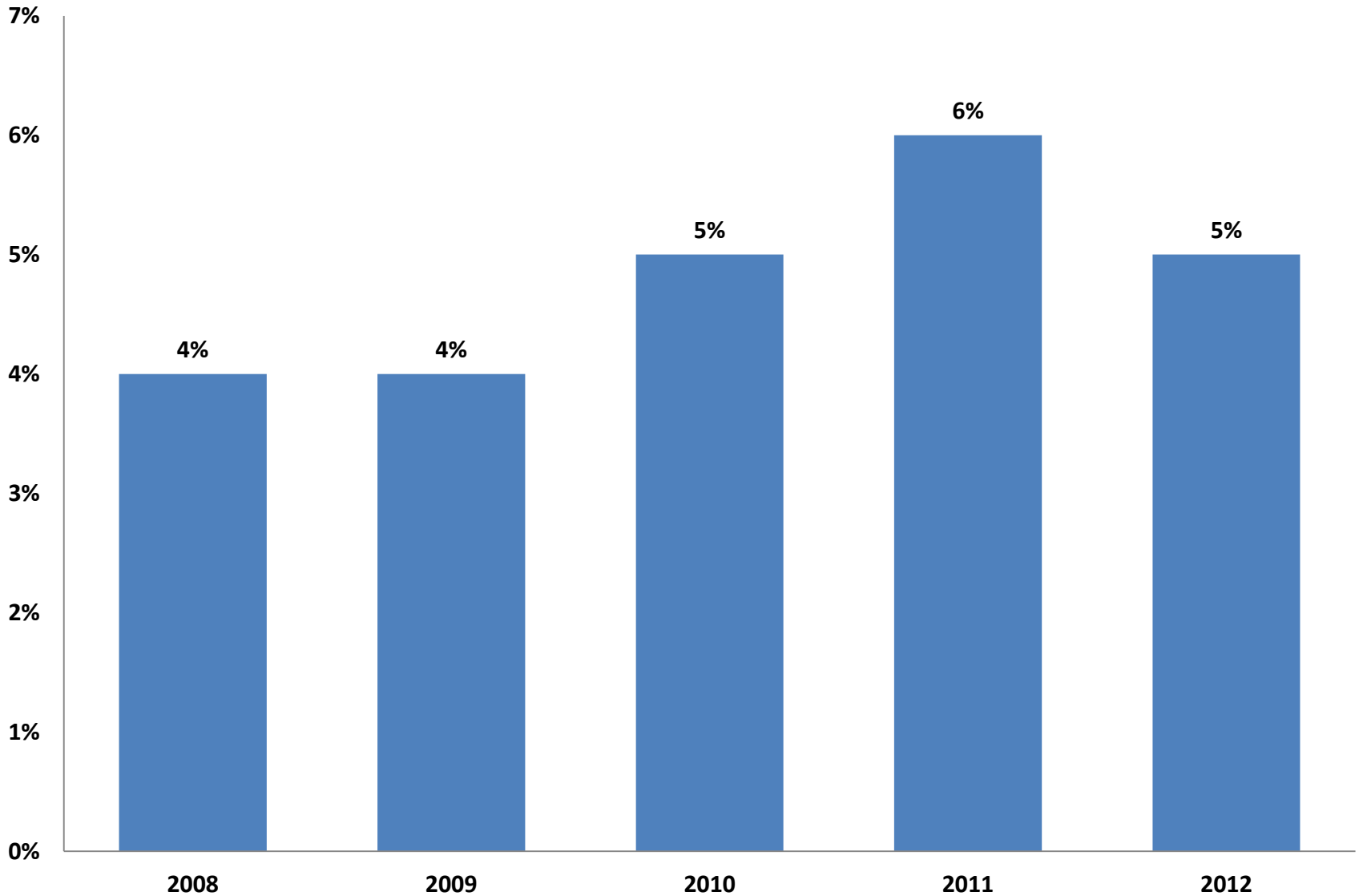
Unrestricted Giving



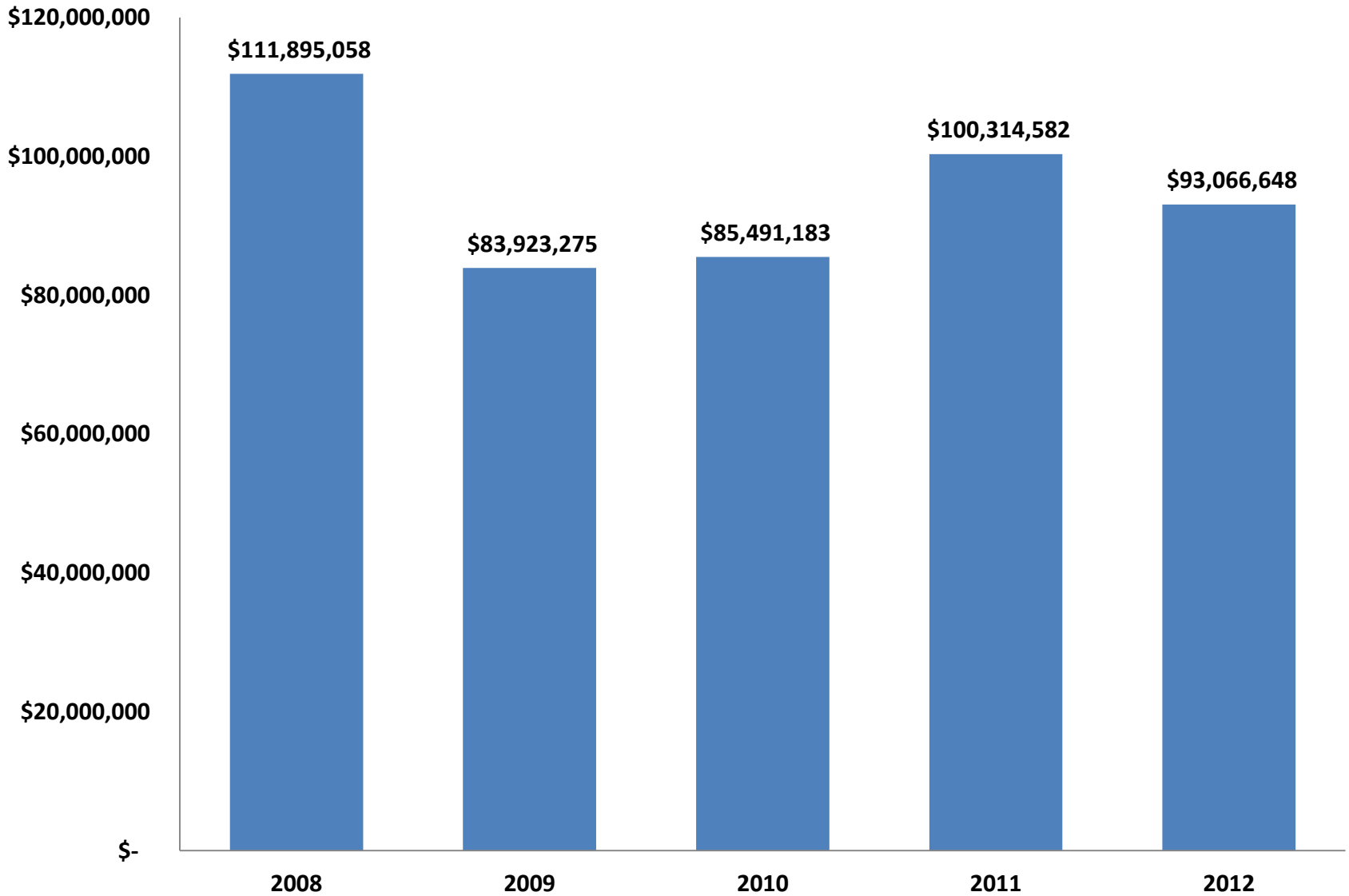
Restricted Giving



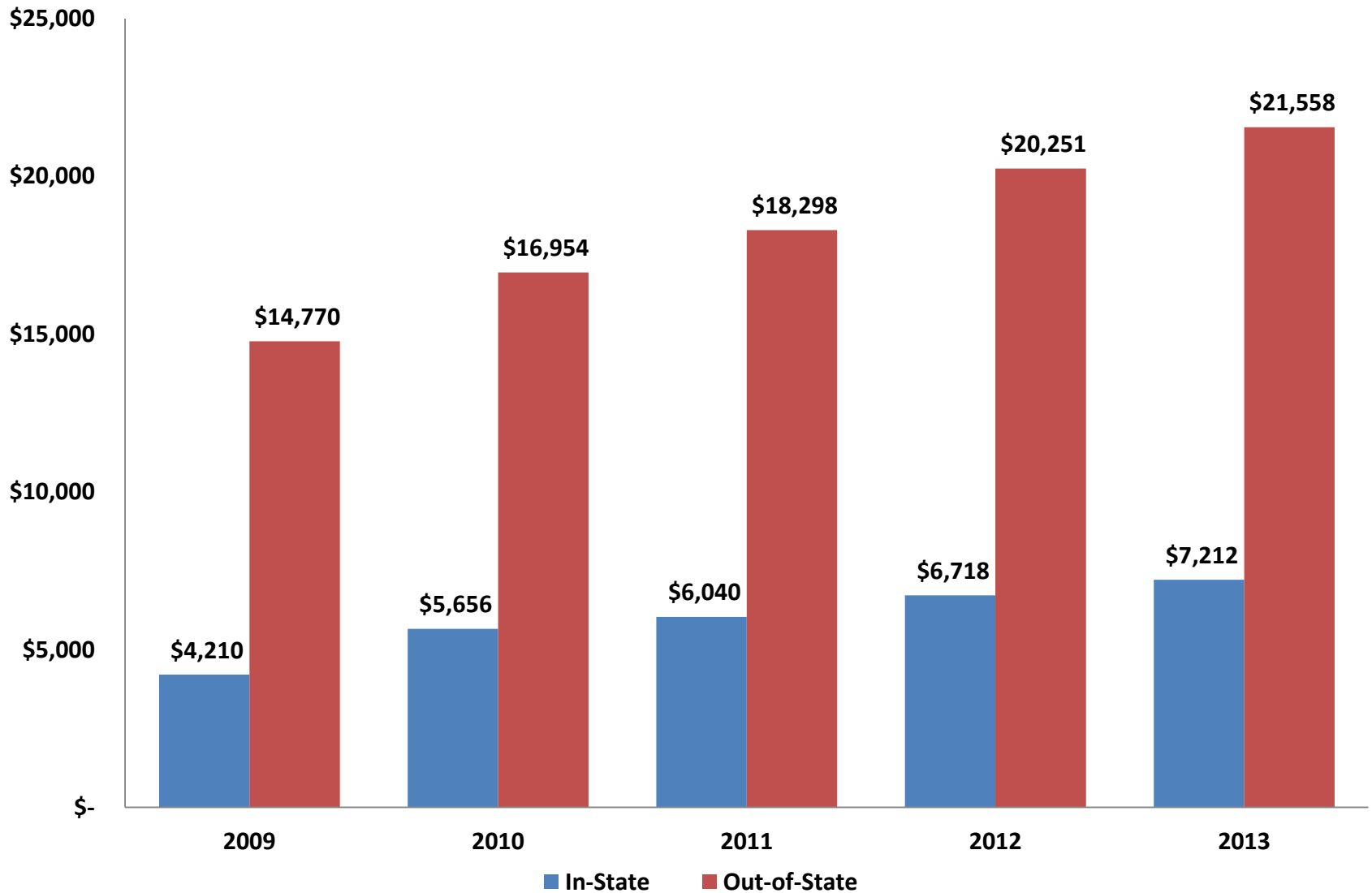
Alumni Giving Rate



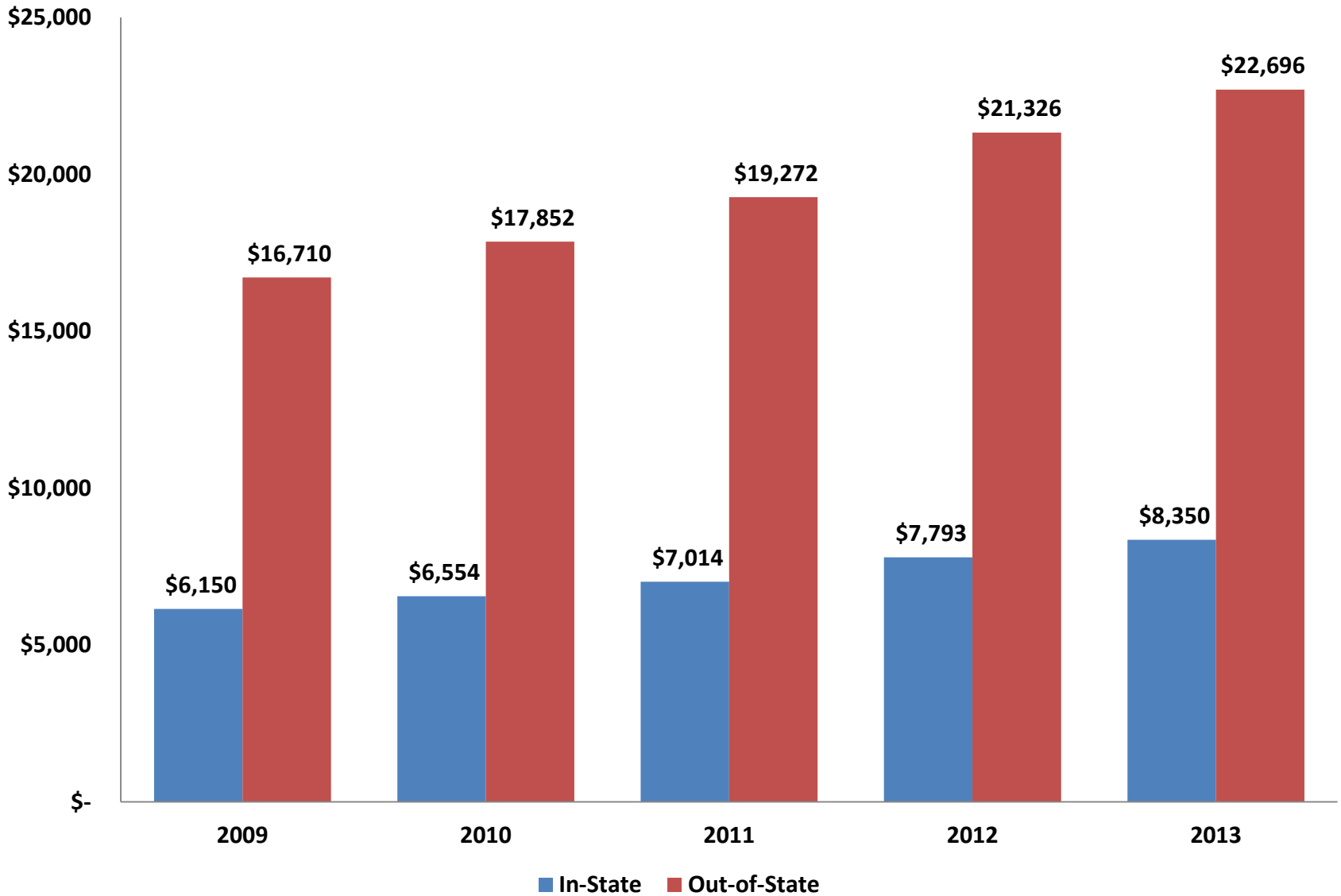
Endowment Market Value



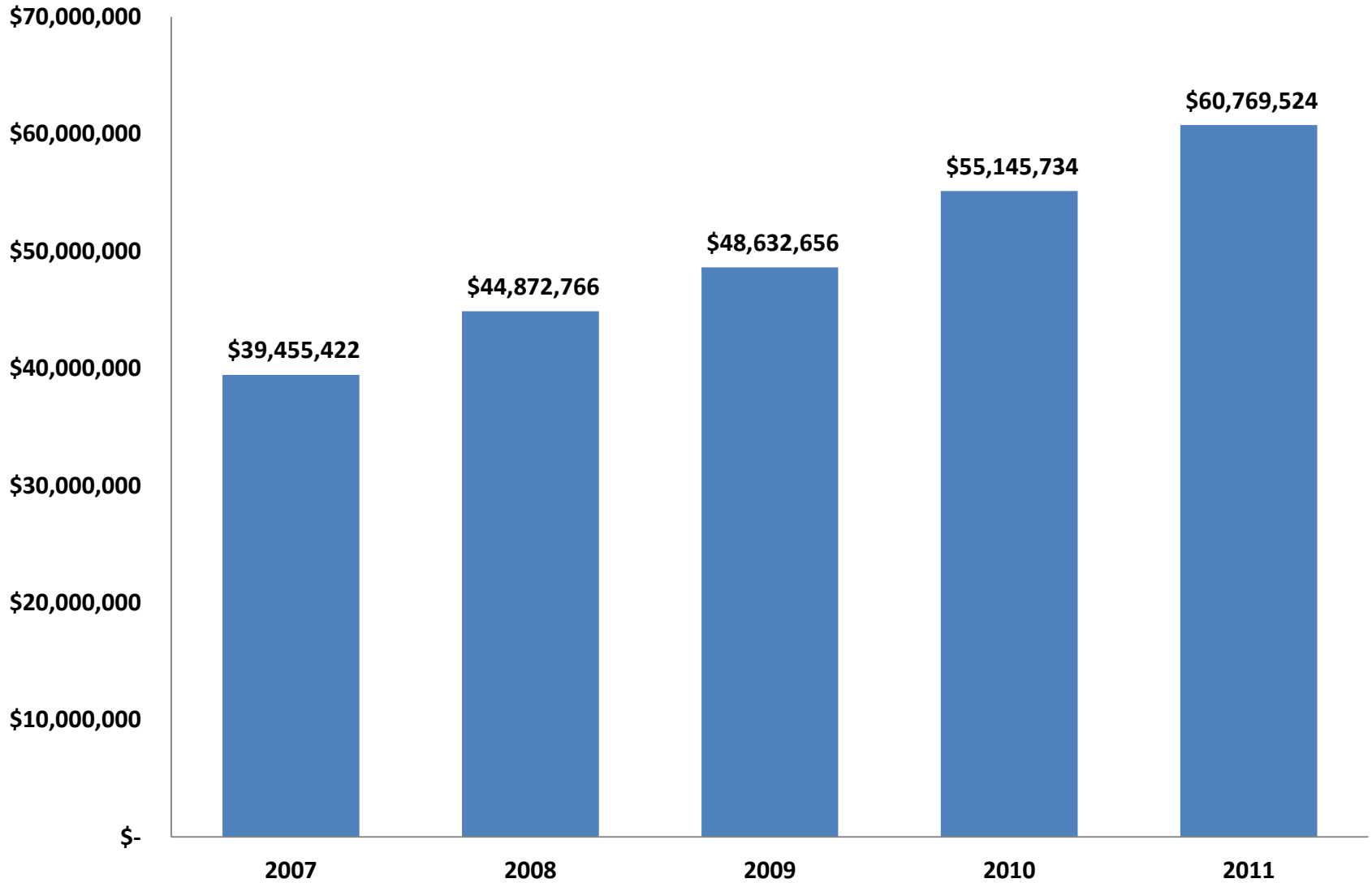
Tuition & Fees - Full-Time - Undergraduate



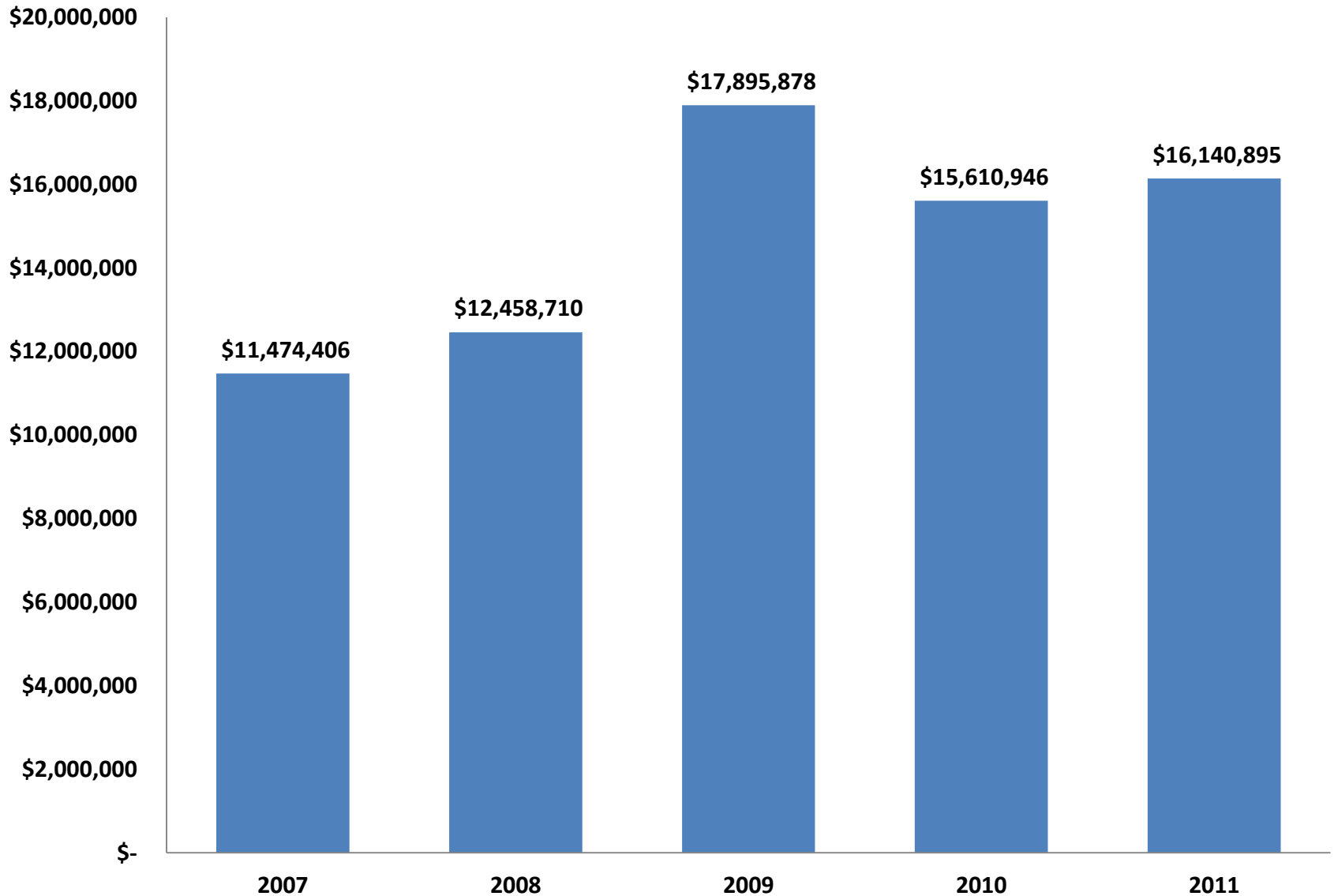
Tuition & Fees - Full-Time - Graduate



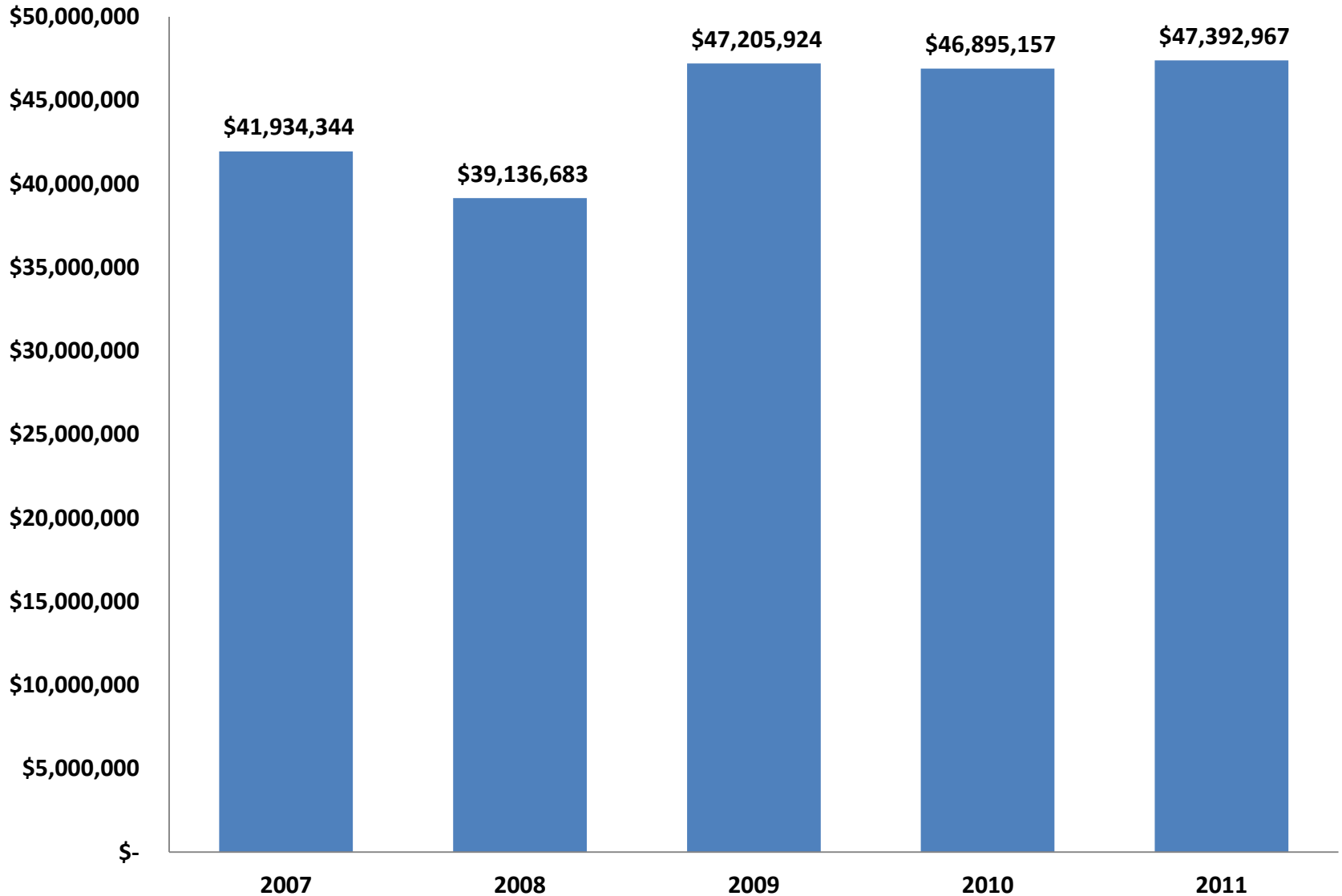
Net Tuition Revenue



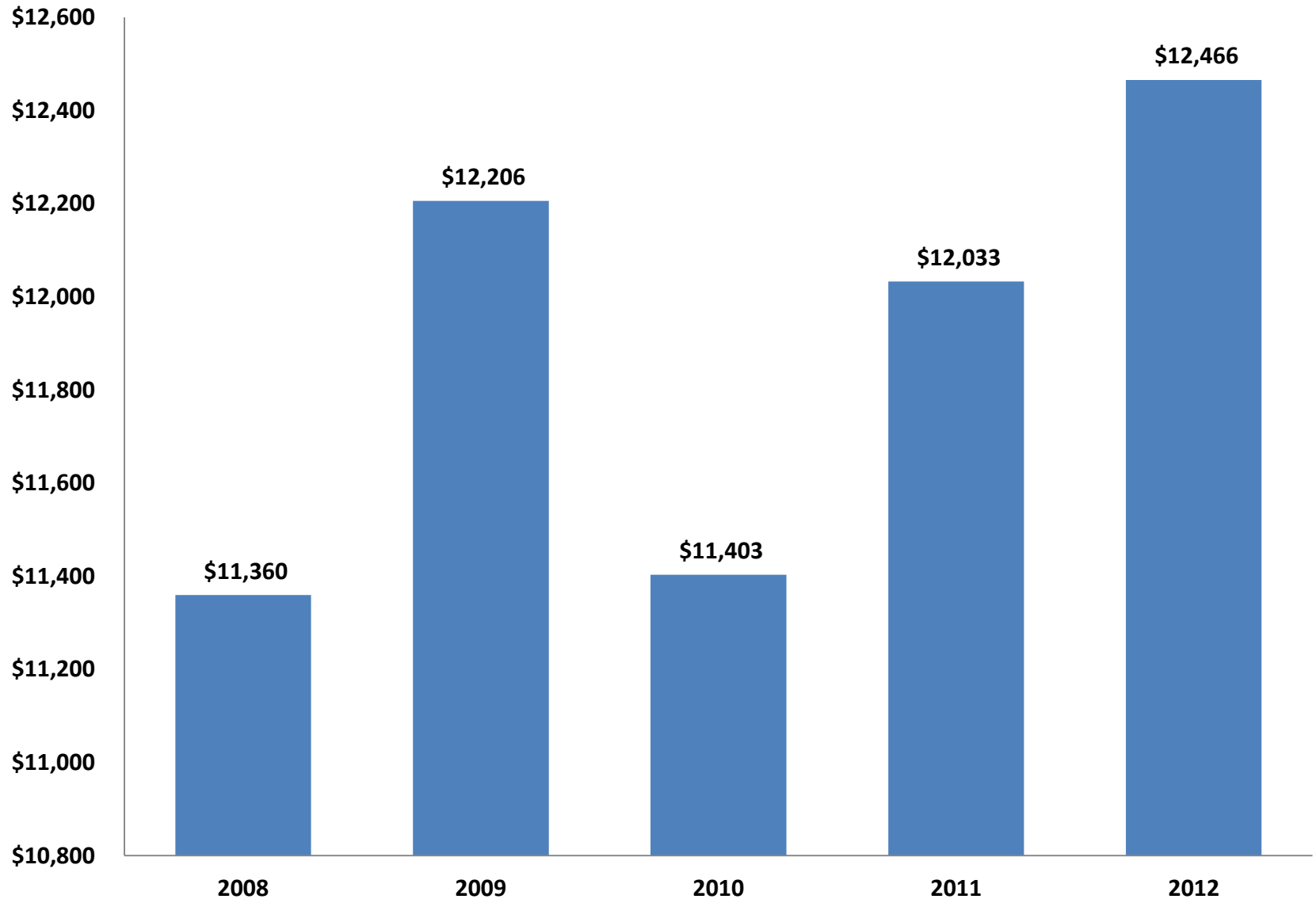
Total Financial Aid Awards



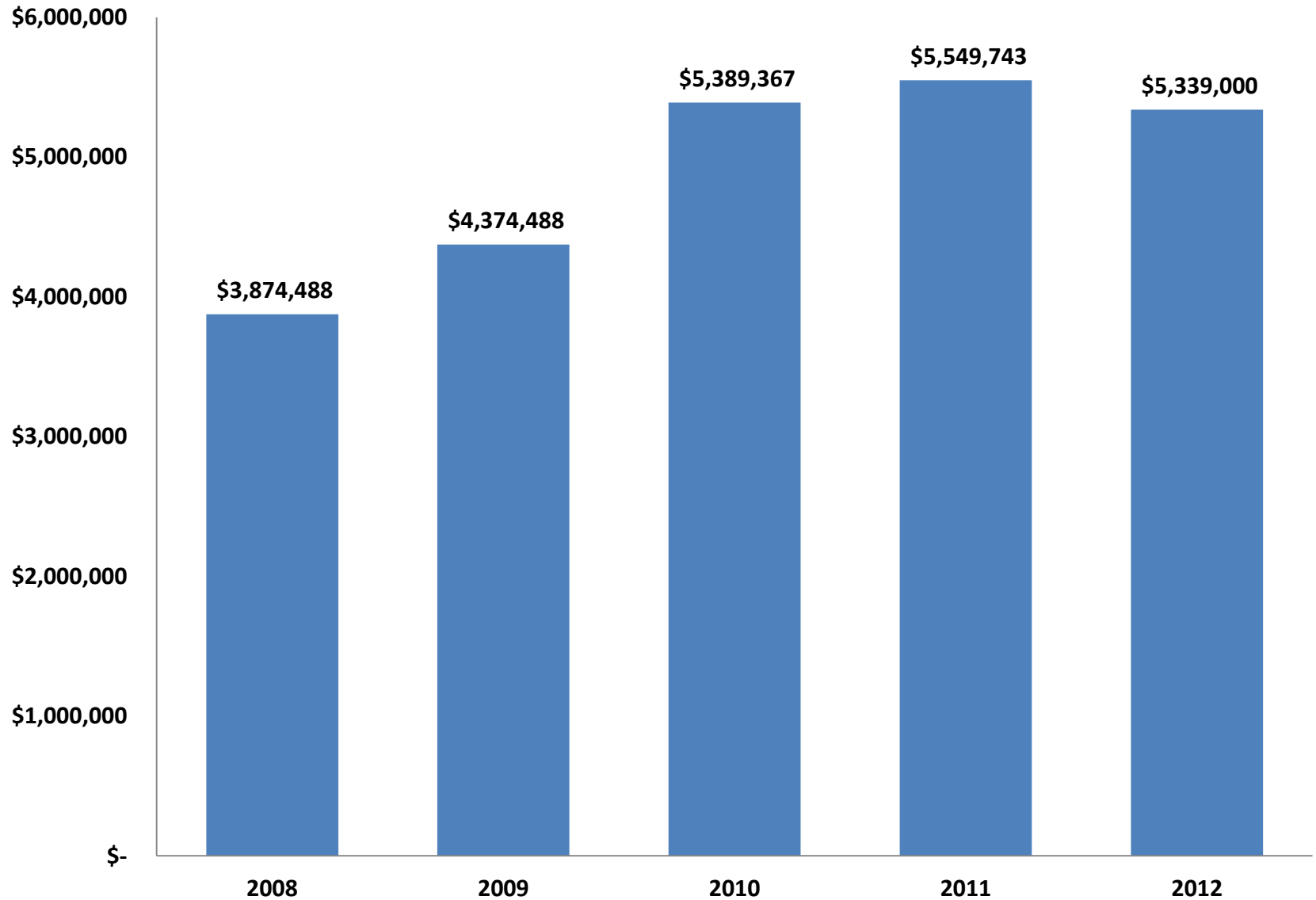
Notes & Bonds Payable



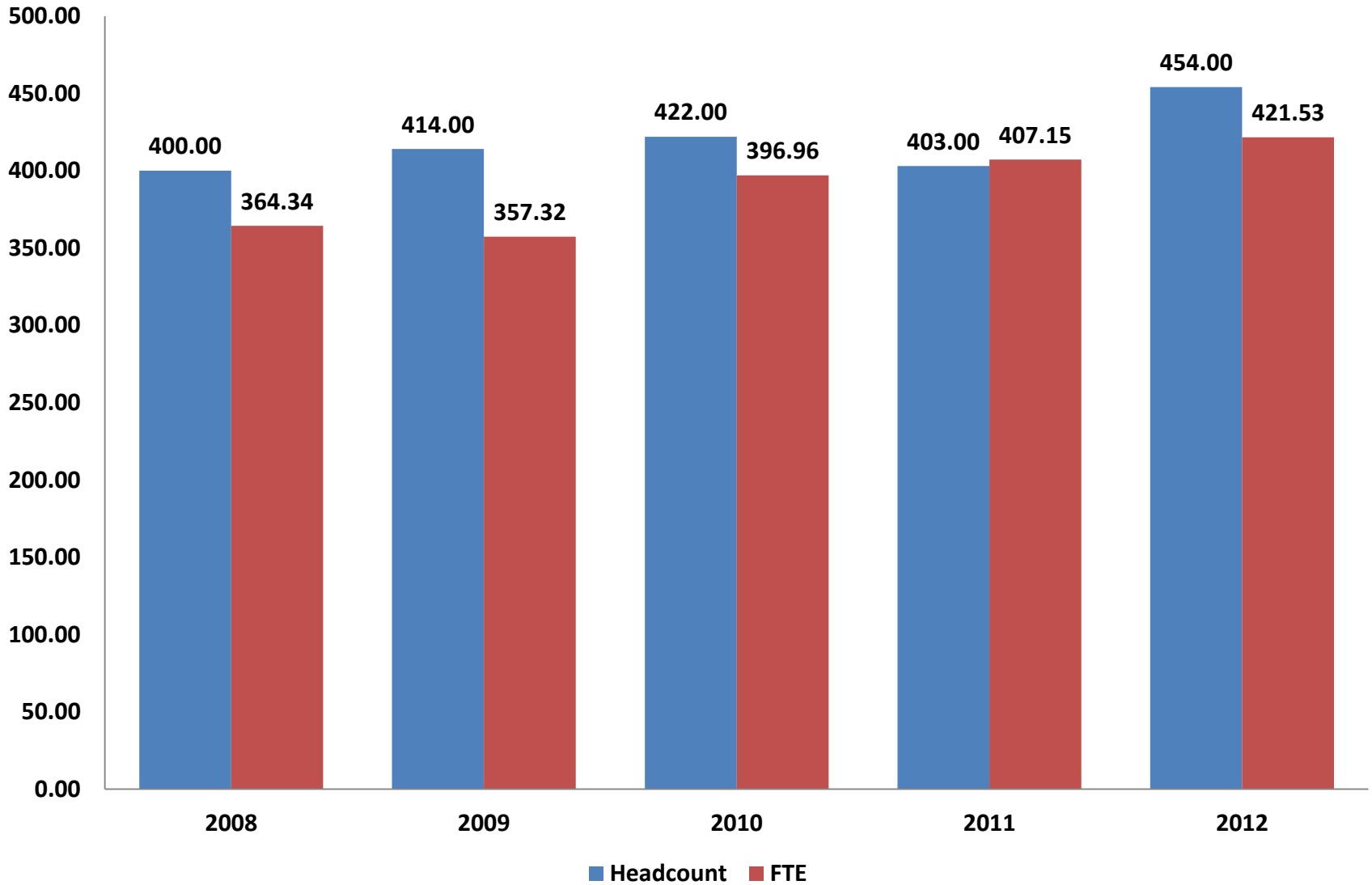
Expense Per Student



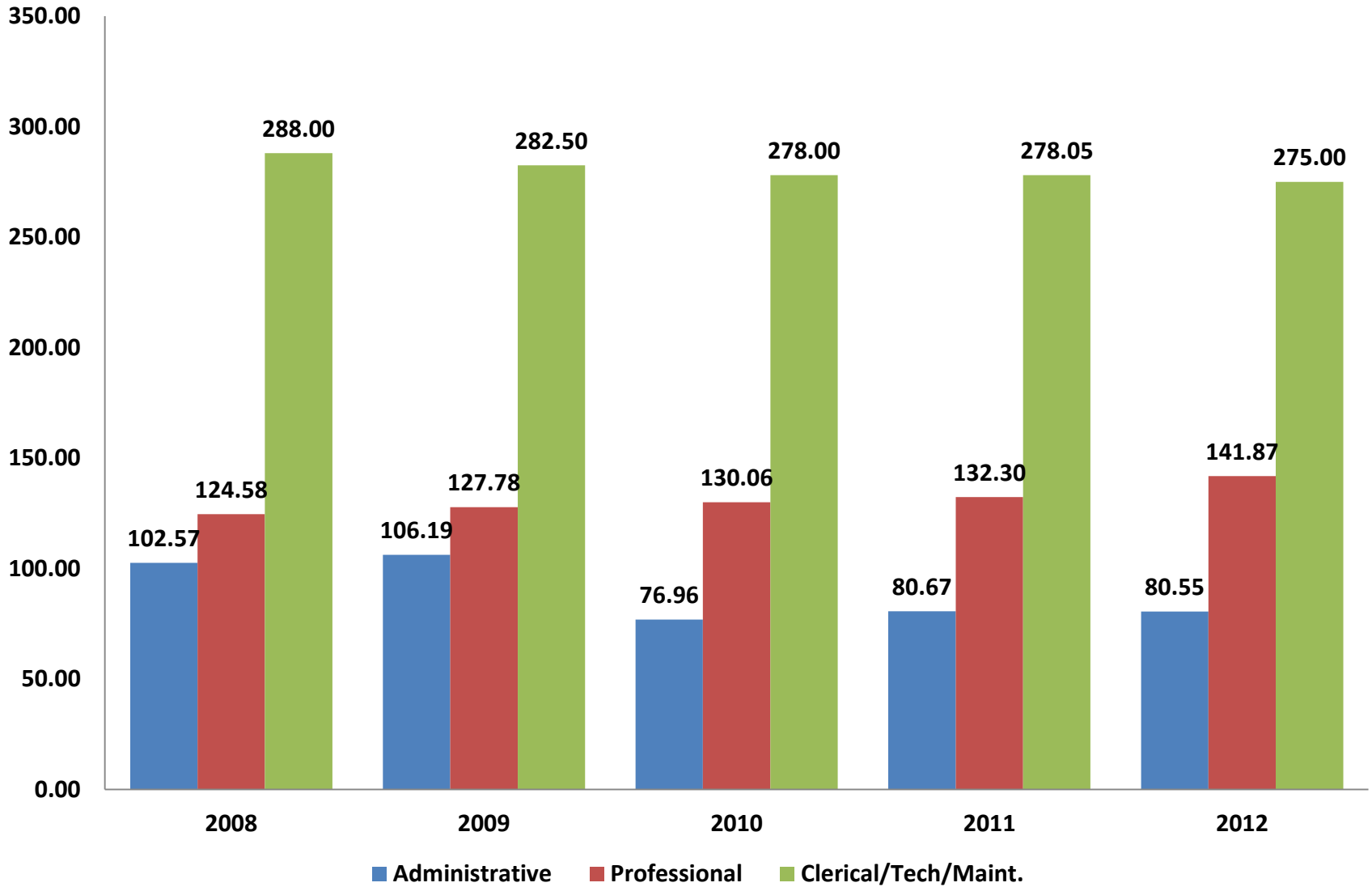
Fund Balance



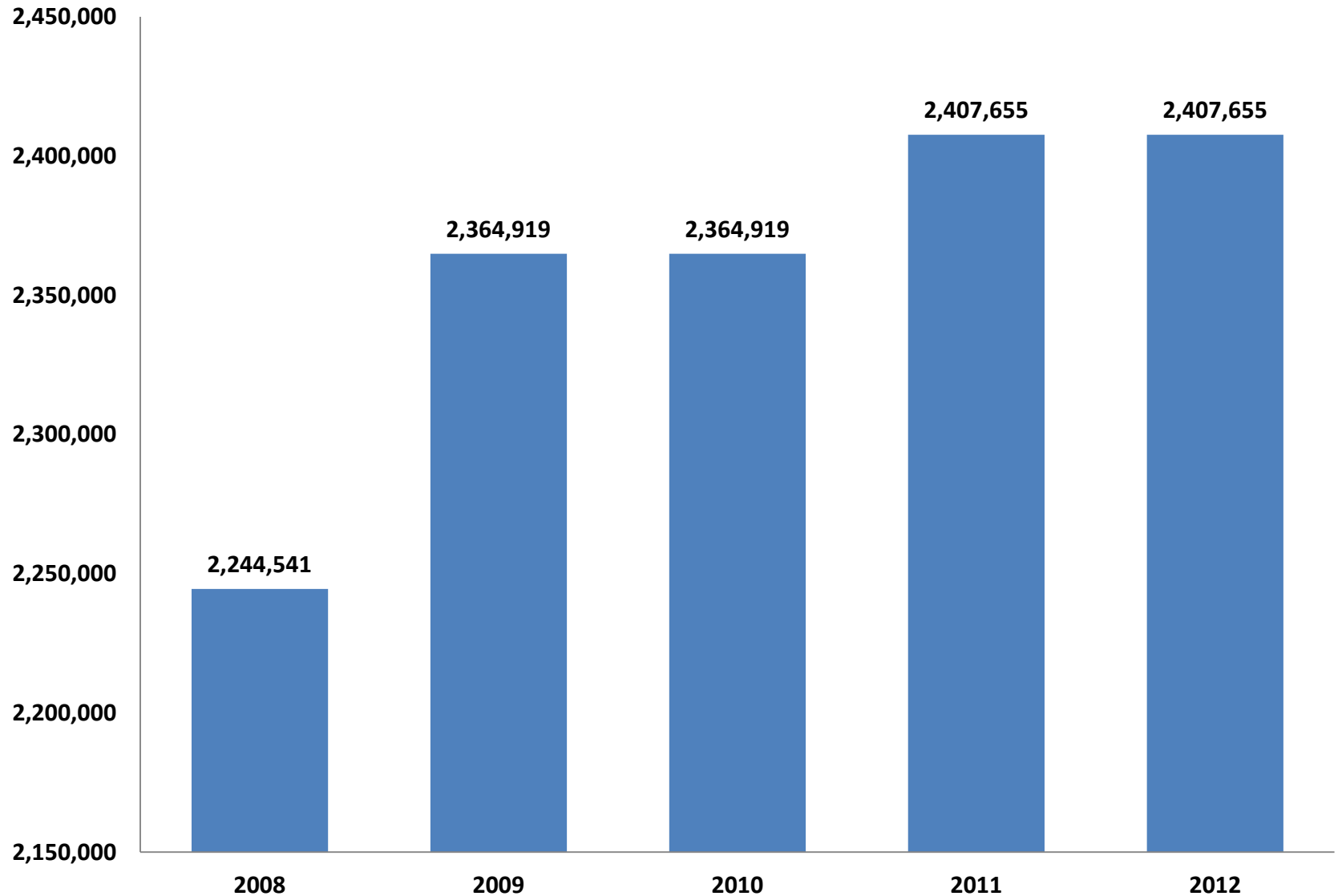
Faculty Headcount & FTE



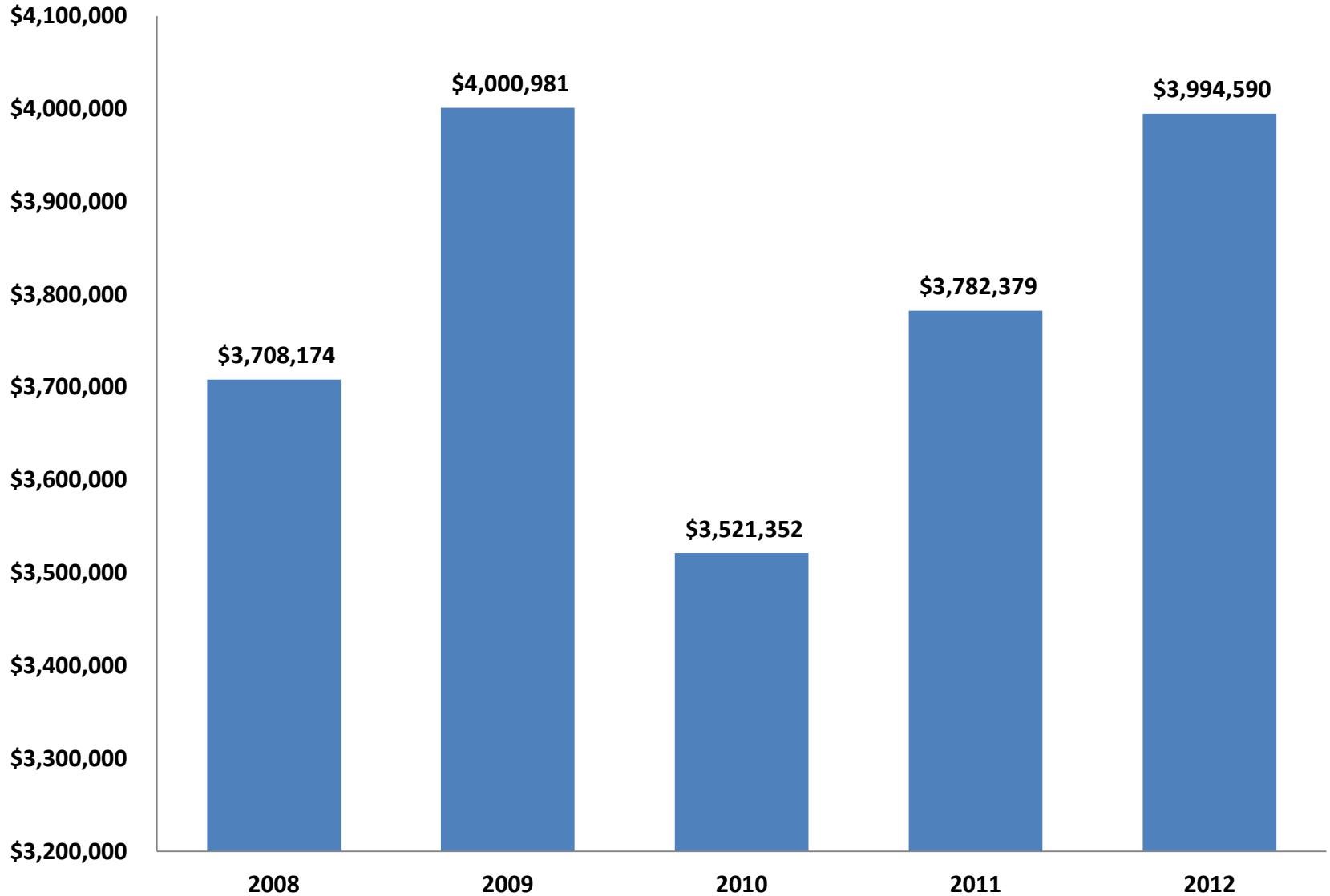
Staff Count



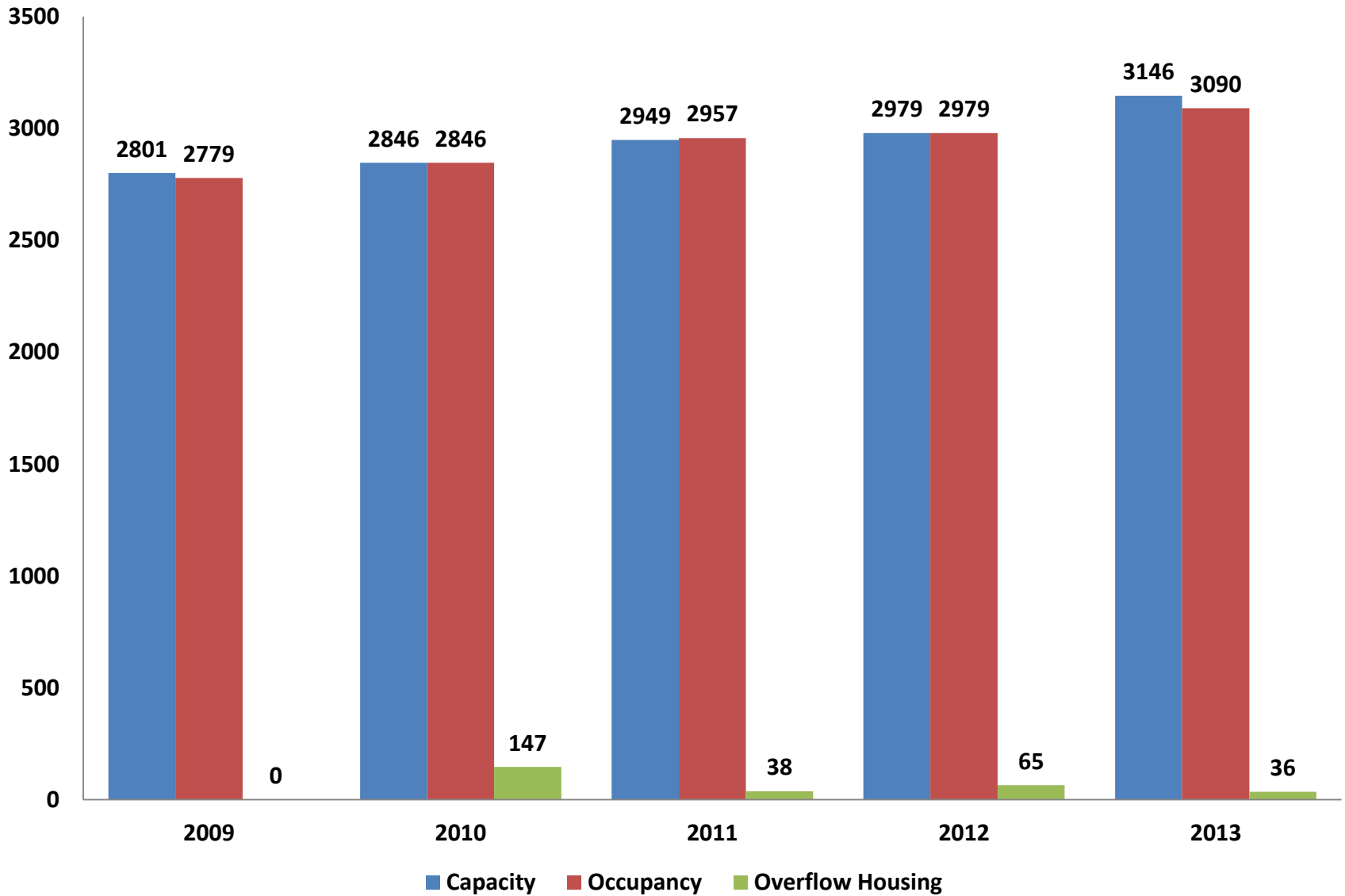
Gross Square Footage of Physical Plant



Utility Cost



Residence Hall Occupancy Rates



Questions