

# Campus Advisory Board



## ***FY 2021-22 Operating Budget Proposal***

**Chancellor Steven Angle & VC Tyler Forrest**

# FY 21 E&G Budget vs YTD Actuals

	BUDGET	YTD ACTUALS	%
<b>Revenue:</b>			
Tuition & Fees	\$118,970,887	\$115,278,009	97%
State Appropriations	60,331,105	49,447,417	82%
Grants & Contracts	1,049,400	752,370	72%
Sales & Service	2,973,919	1,715,448	58%
Other Services	269,500	42,005	16%
<b>Total Revenue</b>	<b>\$183,594,811</b>	<b>\$167,235,249</b>	<b>91%</b>
<b>Expenses:</b>			
Salaries & Benefits	\$129,560,583	\$91,355,818	71%
Operating	60,451,146	45,208,692	75%
<b>Total Expenses</b>	<b>\$190,011,732</b>	<b>\$136,564,510</b>	<b>72%</b>
Transfers	-6,416,921	2,259,477	-35%
<b>Total Expenses &amp; Transfers</b>	<b>\$183,594,811</b>	<b>\$138,823,987</b>	<b>76%</b>
<b>Balance</b>	<b>-</b>	<b>\$24,411,262</b>	

*\*Current remaining salary and operating encumbrances equal \$34,685,508*

# FY21 Reserve Funds Summary

<b>Reserves</b>	<b>Balance</b>	<b>Obligations</b>	<b>Available</b>
Campus Reserves	11,828,435	(5,319,853)	6,508,582
Mandatory Fees	10,319,274	(3,365,963)	6,953,311
Division & College	5,024,804	(1,893,833)	3,130,971
Auxiliaries	9,942,572	(2,622,271)	7,320,301
Fund Balances	9,175,000	-	9,175,000
<b>Totals</b>	<b>46,290,085</b>	<b>(13,201,920)</b>	<b>33,088,165</b>

# **FY 2022 Budget Planning Overview**



# Financial Variables

- Tuition and fees recommendation
- State appropriations
- Enrollment
- Stimulus funding
- Pandemic response
- Housing occupancy
- Long-term debt planning
- Athletics
- ERP planning

# Pandemic Financial Response

- Response
  - Student refunds (Spring 2020)
  - Block grant awards
  - Student Emergency Fund investments
  - Maintained positive financial health
- Future Actions
  - Continuously assess financial position
  - Slowly loosen selective hiring freeze
  - Successfully distribute all HEERF funding

# HEERF I – CARES Funds

Stimulus Funds	CARES Student	CARES Institutional	CARES SIP	THEC CRF
Awarded	\$4,756,890	\$4,756,890	\$467,018	\$688,525
Disbursements	(4,756,890)	(4,382,390)	(143,517)	(688,525)
Obligations	-	(374,500)	(323,501)	-
Remaining Funds	\$0	\$0	\$0	\$0

- Impacted 4,843 students through block grants and emergency funds
- Pro-rated \$2 million to auxiliary units for refunds issued
- Purchased PPE, cleaning services, Plexiglass, etc.
- Technology to transition to online instruction

# HEERF II – CRRSAA Funds

Stimulus Funds	CRRSAA Student	CRRSAA Student Emergency	CRRSAA Institutional
Awarded	\$4,756,890	\$1,000,000	\$9,374,491
Disbursements	(4,756,890)	(834,500)	-
Obligations	-	-	-
<b>Remaining Funds</b>	<b>\$0</b>	<b>\$165,500</b>	<b>\$9,374,491</b>

- Impacted 5,222 students through block grants and emergency funds
- Increased allocation for student emergency funds by \$1,000,000
- University COVID testing services (student athletes)
- Revenue loss (Athletics, Auxiliaries, events and programs)
- Purchase PPE, technology, cleaning services, etc.

# HEERF III – American Rescue Plan Funds

Stimulus Funds	ARP Student	ARP Institutional
Estimated Awarded	\$13,254,500	\$13,254,500
Disbursements	-	-
Obligations	-	-
<b>Remaining Funds</b>	<b>\$13,254,500</b>	<b>\$13,254,500</b>

- Have not received funding yet, only estimated amounts to expect

# FY 22 Budget Planning Timeline

DATE	ACTION
October 2020	Campus units begin the budget planning process.
November 2020	UPRAC meeting on FY22 projected costs and budget priorities.
Nov. - Dec. 2020	Chancellor hosts "Conversations with the Colleges".
January 15, 2021	Division leaders finalize and submit budget requests.
January 2021	State of Tennessee Governor's budget released.
February 2021	Executive Leadership Team meets and prioritizes new investments.
February 2021	UPRAC meets to discuss investment priorities proposed by ELT.
March 2021	Chancellor and ELT finalizes proposed budget.
April 27, 2021	Chancellor hosts town hall meeting to share proposed budget with campus.
May 6, 2021	UTC Advisory Board makes recommendation on proposed budget.
June 25, 2021	UT Board of Trustees approves proposed budget.



# **FY 2022 Tuition & Fee Recommendation**

# FY 21 TN Undergraduate Market Position

Tennessee Public Institutions	In-State Maintenance	Mandatory Fees	Total Undergraduate Resident
Tennessee State	\$7,026	\$1,158	\$8,184
Austin Peay State	\$7,044	\$1,583	\$8,627
Middle Tennessee State	\$7,554	\$1,870	\$9,424
East Tennessee State	\$7,572	\$1,919	\$9,491
UT Chattanooga	\$7,836	\$1,820	\$9,656
UT Martin	\$8,221	\$1,527	\$9,748
University of Memphis	\$8,208	\$1,704	\$9,912
Tennessee Tech	\$9,060	\$1,278	\$10,338
UT Knoxville	\$11,332	\$1,932	\$13,264

*All tuition and fee amounts are reported for 15 student credit hours for fall and spring semesters.*

# FY 22 Proposed Undergraduate Tuition & Fees

UG Students	Maintenance Fees	Mandatory Fees	Out of State Tuition	Total Cost	Total Change	Cost Change
In-State*	\$7,992	\$1,856	N/A	<b>\$9,848</b>	2.0%	\$192
Bordering State	\$7,992	\$1,856	\$8,064	<b>\$17,912</b>	1.1%	\$192
Out-of-State	\$7,992	\$1,856	\$16,118	<b>\$25,966</b>	0.7%	\$192

*\*In-State rates reflect assessments of new students cost based on the Soar in Four fee schedule.*

# FY 22 Proposed Graduate Tuition & Fees

GR Students	Maintenance Fees	Mandatory Fees	Out of State Tuition	Total Cost	Total Change	Cost Change
In-State	\$8,618	\$1,856	N/A	<b>\$10,474</b>	2.0%	\$204
Out-of-State	\$8,618	\$1,856	\$8,064	<b>\$18,538</b>	1.1%	\$204
International	\$8,618	\$1,856	\$16,064	<b>\$26,538</b>	0.7%	\$204

# FY 22 Proposed Fee Changes

Approval	Fee	Current	Proposed	Change	%	Annual Revenue
Board	UG Maintenance Fee	\$7,836	\$7,992	\$156	2.0%	\$1,357,499
Board	GR Maintenance Fee	\$8,450	\$8,618	\$168	2.0%	\$339,375
Board	Mandatory Fees*	\$1,820	\$1,856	\$36	2.0%	\$374,920
Board	Differential Fees	\$58/\$100	\$59/\$102	\$1/\$2	2.0%	\$112,549
Board	Residence Halls	Varies	Varies	Varies	3.0%	\$491,869
Board	Meal Plans	Varies	Varies	Varies	3.0%	\$34,145
President	Lab/Course Fee Ext.	Varies	Varies	Varies	-	\$79,130
Chancellor	Parking	Varies	Varies	Varies	3.0%	\$45,562

*\*The \$36 increase will be allocated solely to the Debt Service Fee to accommodate capital project plans.*

# Mandatory Fees Comparison

<b>Fee</b>	<b>FY21 Current</b>	<b>FY22 Proposed</b>	<b>Change</b>	<b>%</b>
Student Activity	\$240	\$240	-	-
Debt Service	\$300	\$336	\$36	12%
Health Services	\$120	\$126	-	-
Athletics	\$514	\$514	-	-
Green	\$20	\$20	-	-
Technology	\$260	\$260	-	-
Library	\$50	\$50	-	-
Transportation	\$96	\$96	-	-
Facilities	\$200	\$200	-	-
International	\$20	\$20	-	-
<b>Total</b>	<b>\$1,820</b>	<b>\$1,856</b>	<b>\$36</b>	<b>2.0%</b>



# **FY 2022 Proposed Budget Recommendation**

# FY 22 E&G Proposed New Revenue & Transfers

Source	Description	Revenue
Tuition	2.0% Increase and Soar in Four New Students	\$3,896,874
State Appropriation	Formula, Salary Pool, and Benefits	4,421,700
Fees	2.0% Mandatory, Differential, Lab/Course Ext.	566,599
Reallocation	Soar in Four Previous Funding	238,474
Reserves	Institutional Non Recurring Transfers	1,505,128
Grant's Program	Institution, UC Foundation and TN Tomorrow	1,969,320
Auxiliaries	3.0% Housing, Meal Plans and Parking	571,576
Total		\$13,169,671

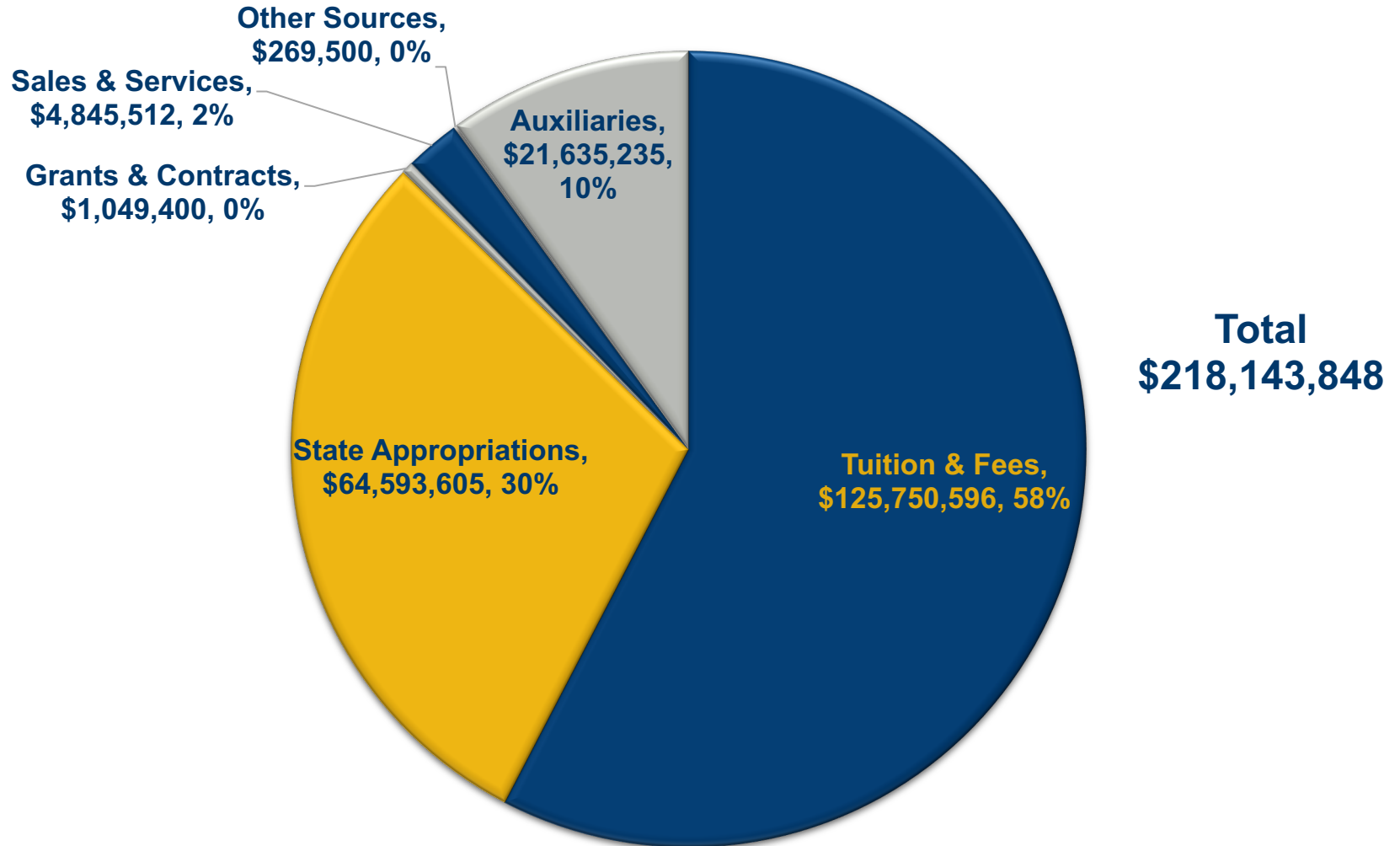
# FY 2022 Proposed Expense Summary

Division	Recurring	Non-Recurring	Total
Chancellor	\$10,000	-	\$10,000
Academic Affairs	1,756,949	986,918	2,743,867
Athletics	70,565	50,000	120,565
Communications & Marketing	-	-	-
Enrollment Mgt & Student Affairs	324,056	280,000	604,056
Finance & Administration	-	-	-
Information Technology	-	-	-
Research & Graduate School	69,540	184,190	253,730
Institutional	4,632,594	102,418	4,735,012
Scholarships & Fee Waivers	4,030,865	100,000	4,130,865
Auxiliary	571,576	-	571,576
<b>Total</b>	<b>\$11,466,145</b>	<b>\$1,703,526</b>	<b>\$13,169,671</b>

# FY 2022 Proposed Compensation Pools

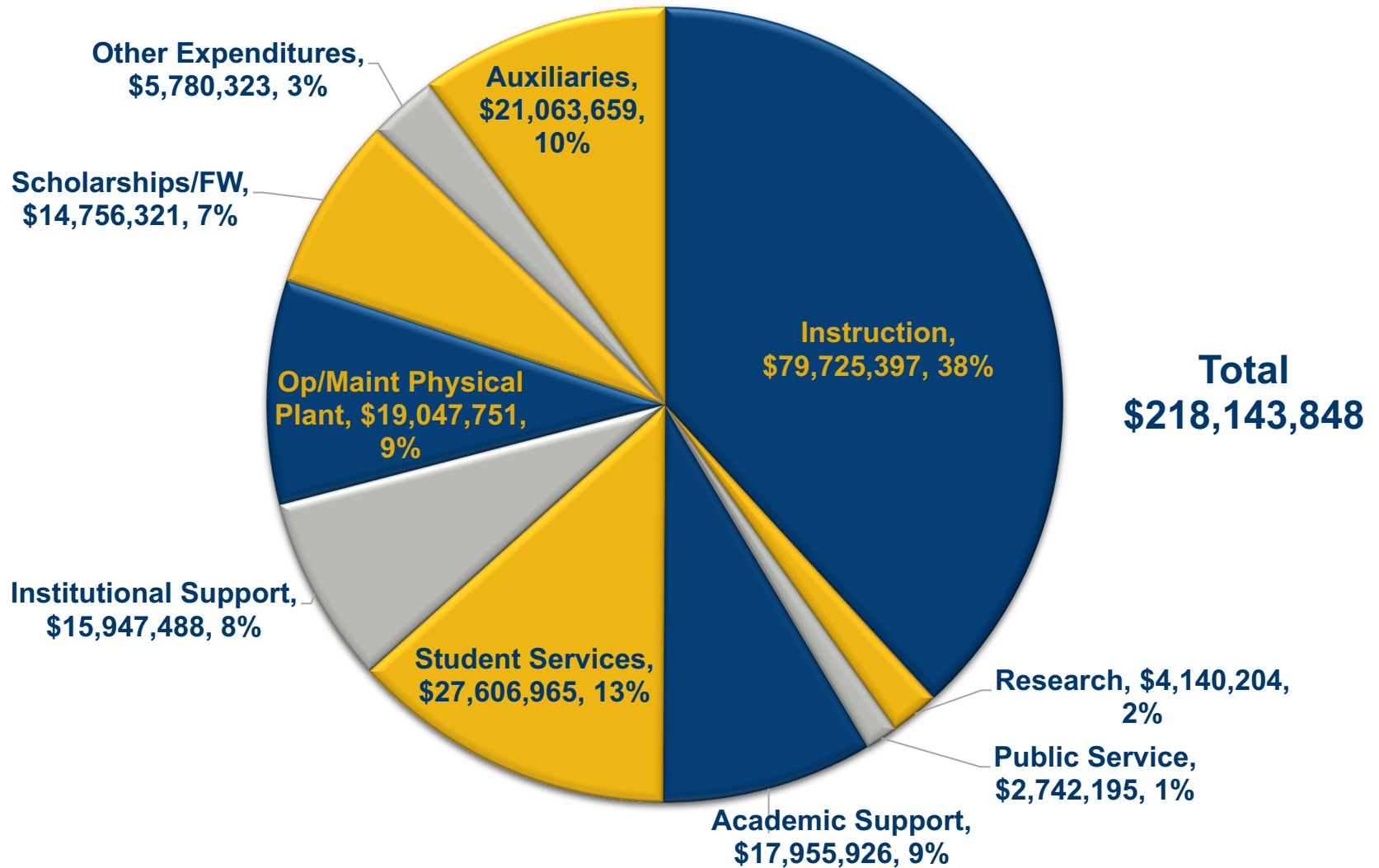
- 4% Total Compensation Pool
  - State Proposed Increase
  - State Funds 55% of Proposed Increase
- Salary Pool Allocation
  - Raise Minimum Wage to \$11.30/hr (11.9% Increase)
  - Non-Tenure Track Minimum
  - Tenure and Non-Tenure Promotions & UCF Rollovers
  - UT Job Family Restructure – Q1 Adjustments
  - Staff Market Equity
  - 2.75% Market and Merit

# FY 22 E&G & Aux. Proposed Budget - Revenue



*Amounts may change slightly due to possible adjusting entries within the proposed budget period.*

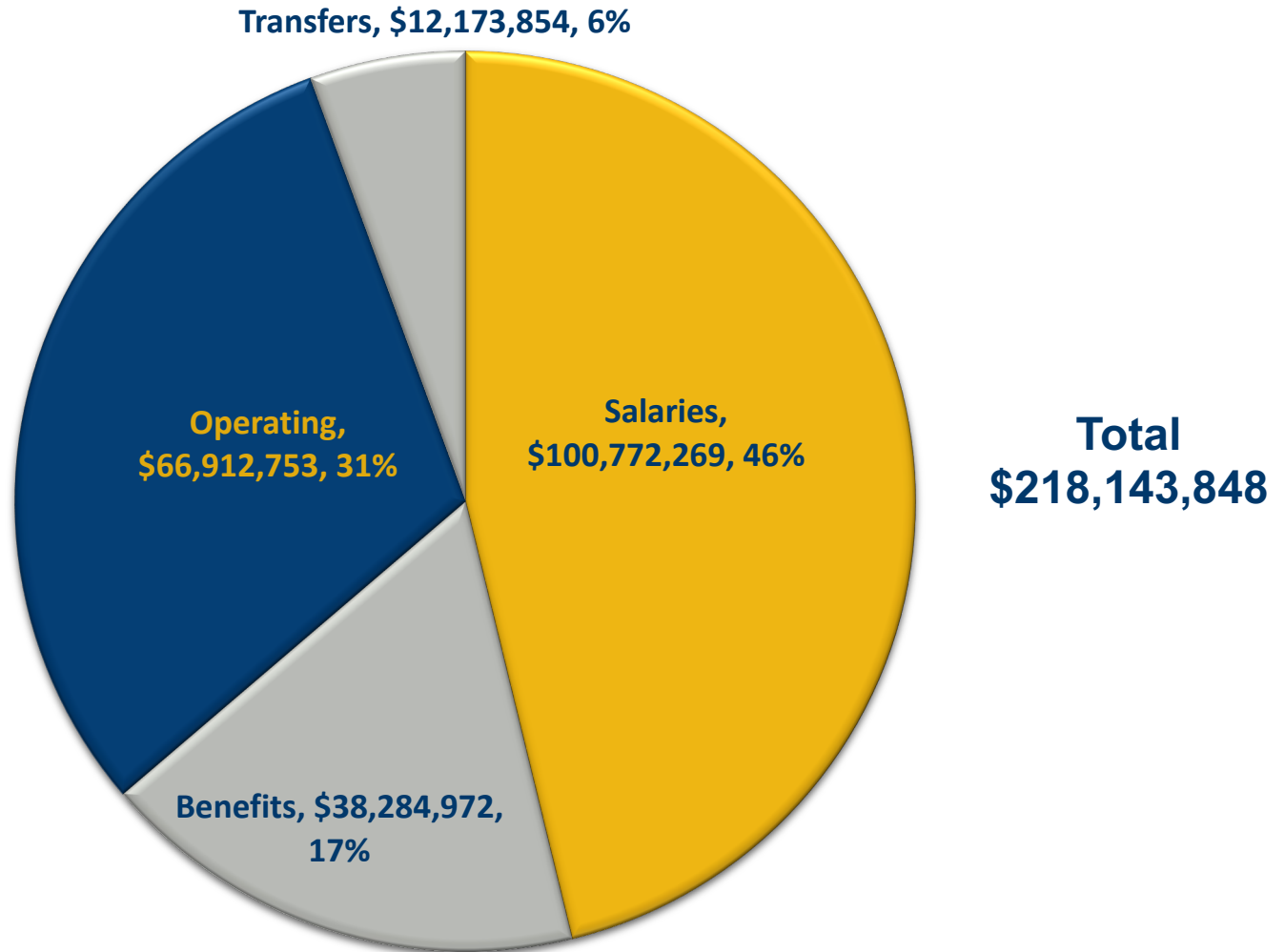
# FY 22 E&G & Aux. Proposed Budget - Expense



*Amounts may change slightly due to possible adjusting entries within the proposed budget period.*

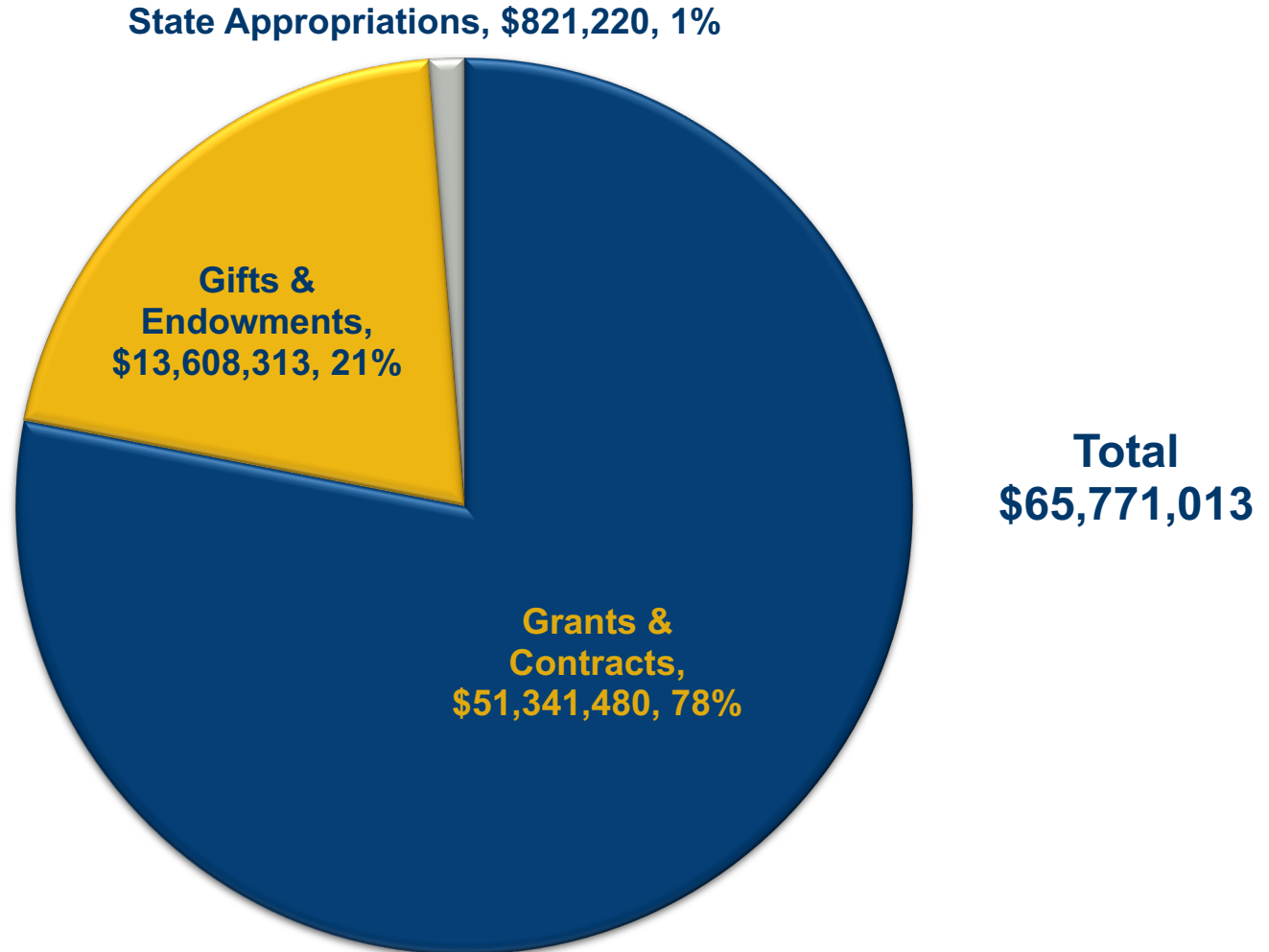


# FY 22 E&G & Aux. Proposed Budget - Expense



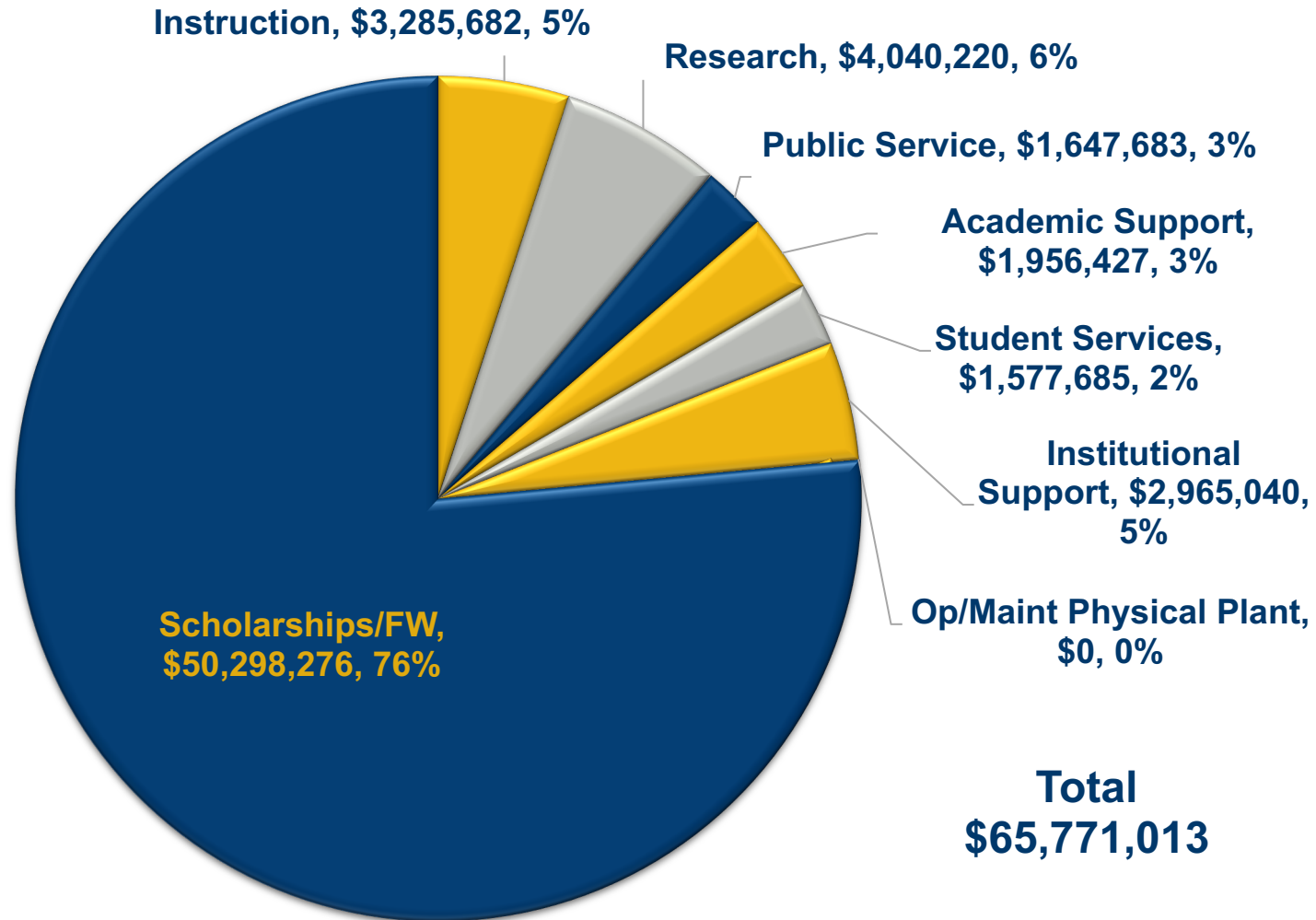
*Amounts may change slightly due to possible adjusting entries within the proposed budget period.*

# FY 22 Restricted Proposed Budget - Revenue



*Amounts may change slightly due to possible adjusting entries within the proposed budget period.*

# FY 22 Restricted Proposed Budget - Expense

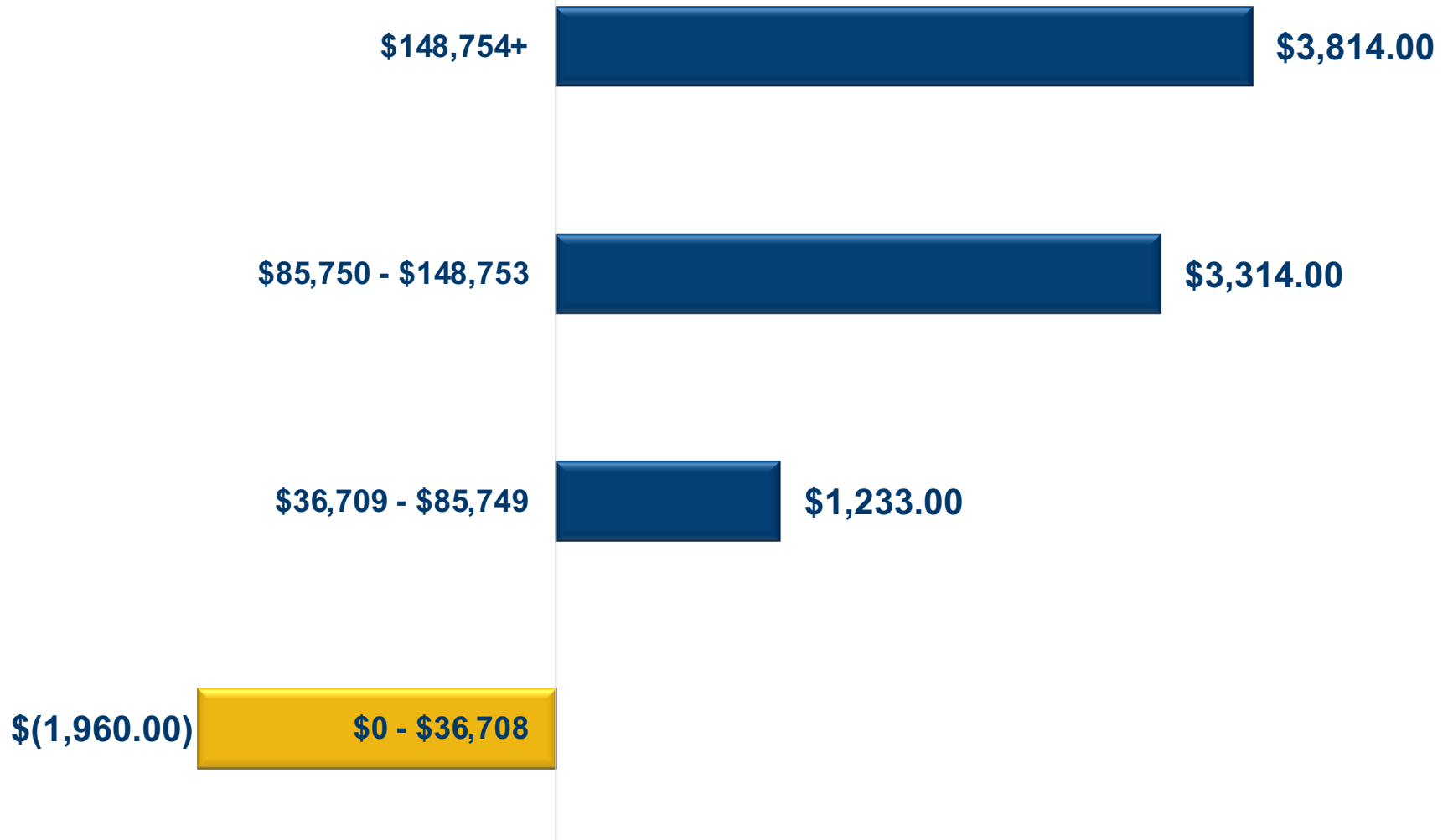


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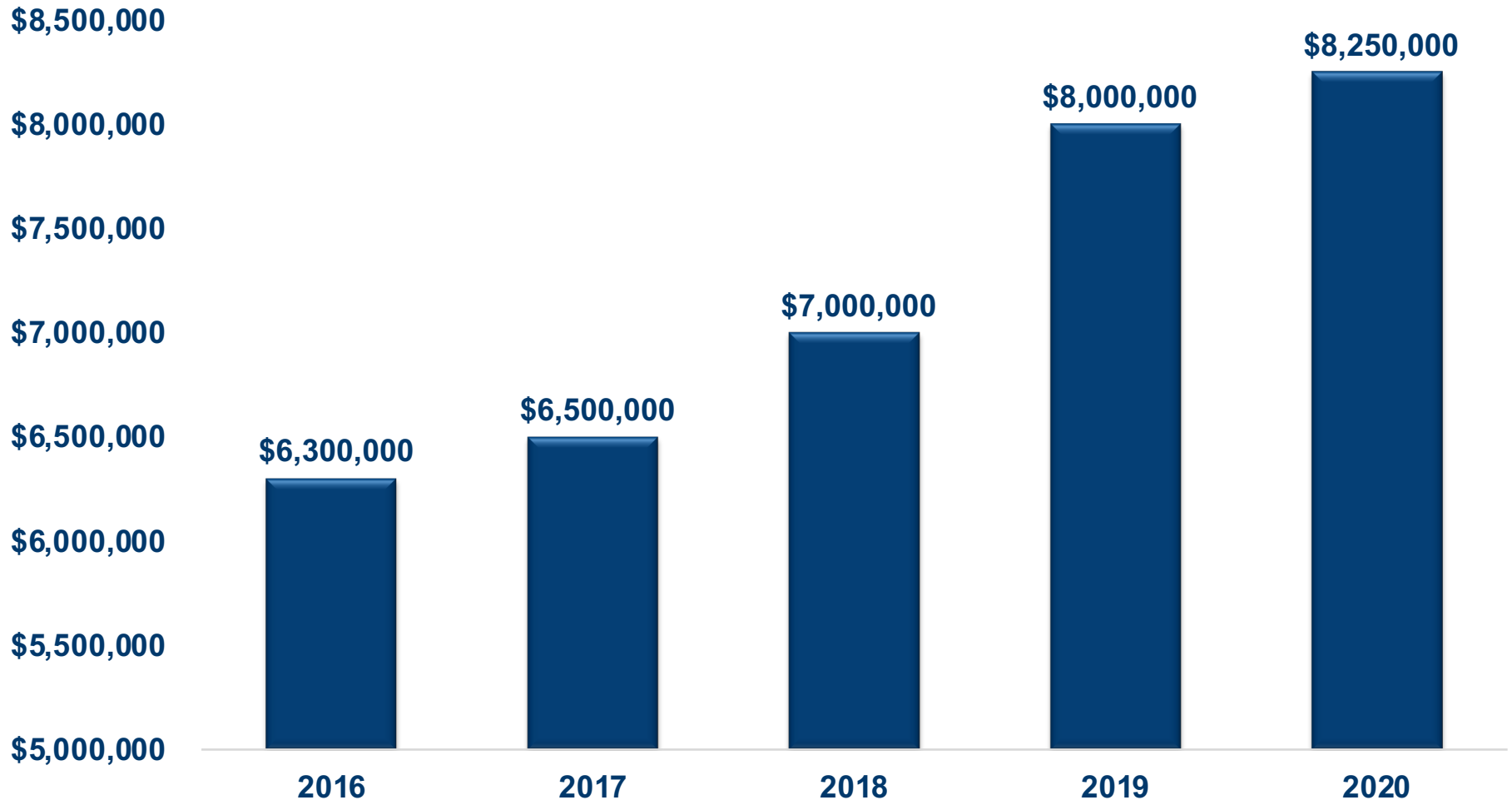
# Financial Health Indicators

# FY 2021 Net Price Summary

Average Net Price by Family Income Quartiles



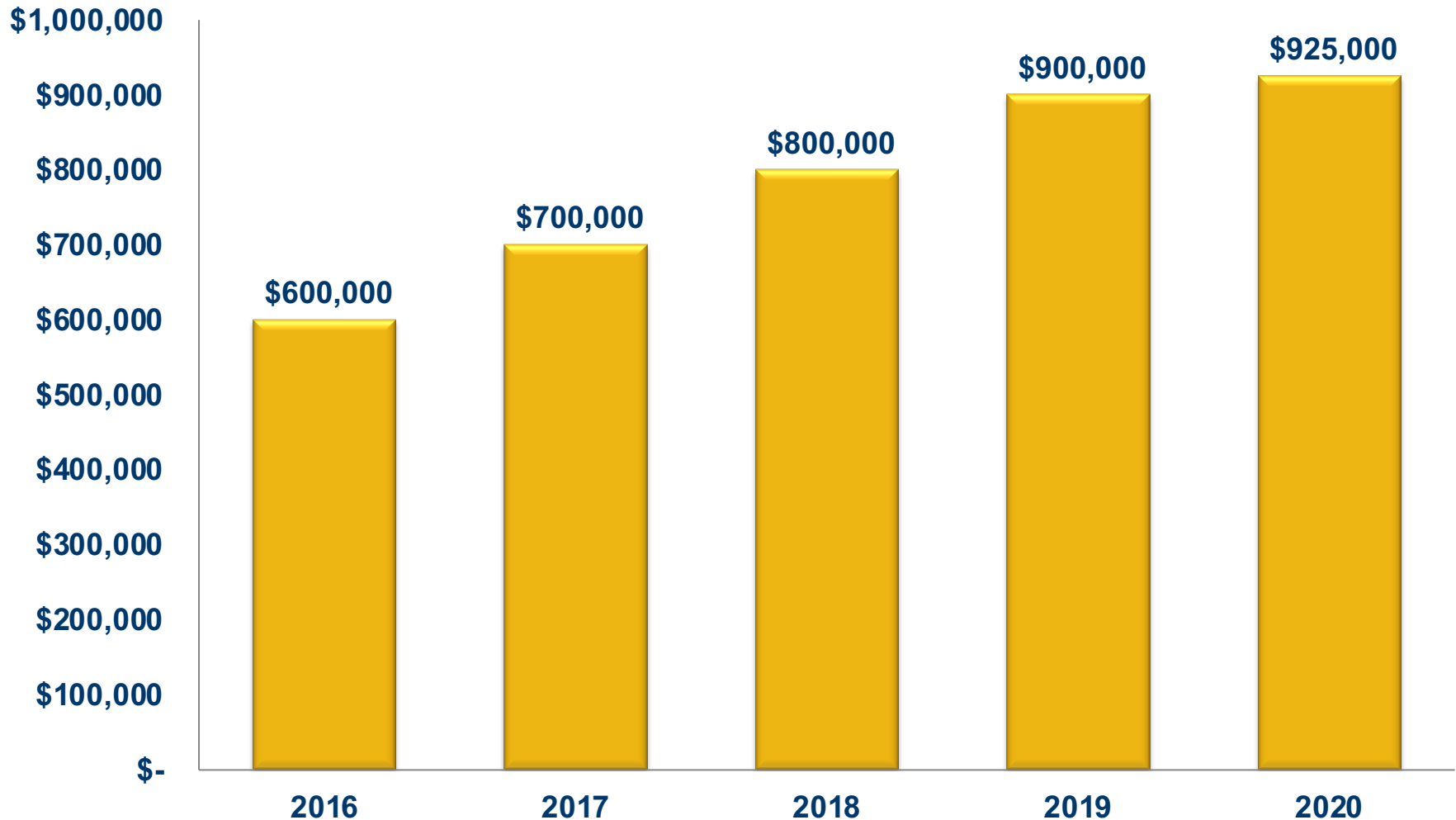
# FY 16-20 E&G Fund Balance



*The fund balance represents 4.50% of unallocated expenditures and transfers.*

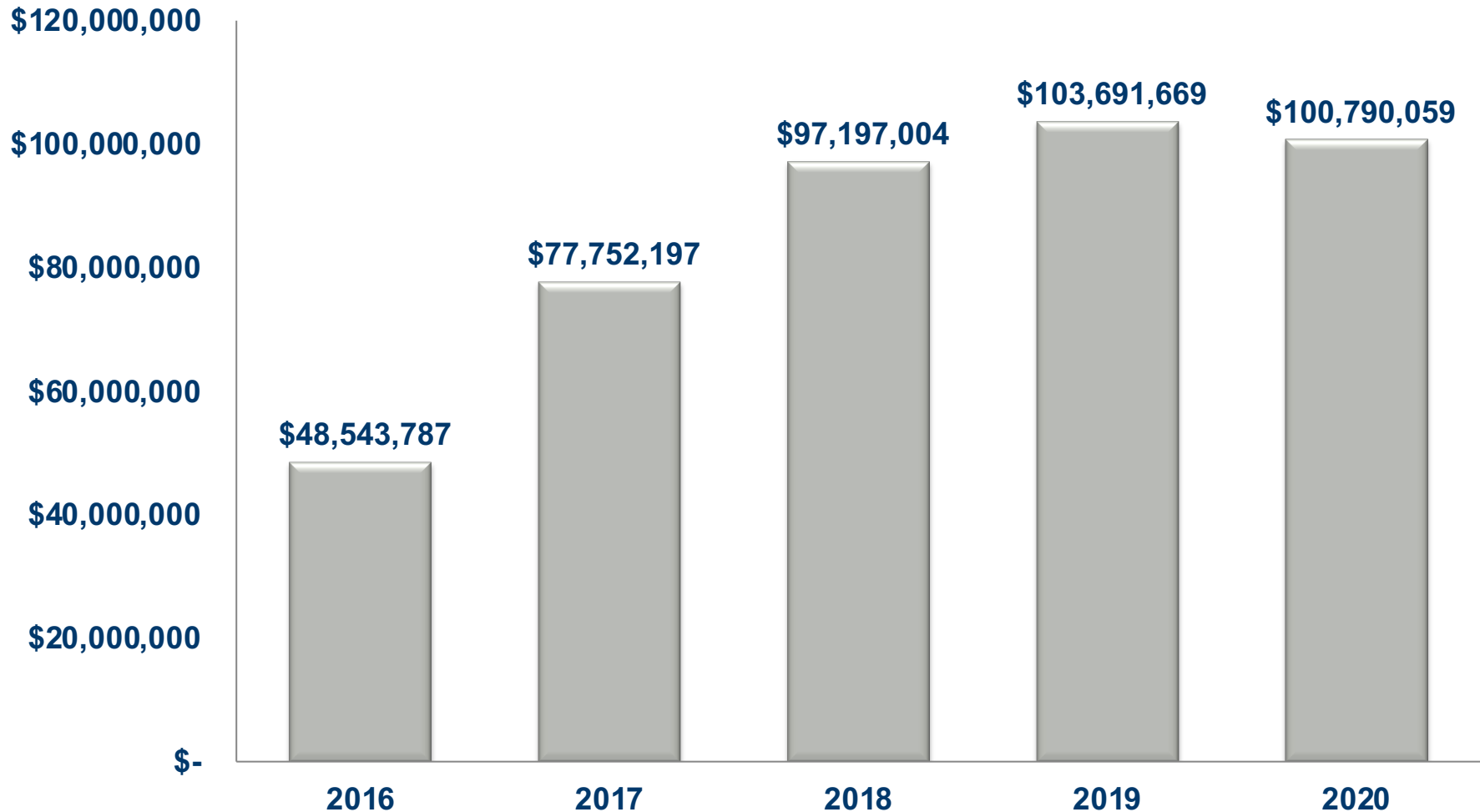


# FY 16-20 Auxiliary Fund Balance



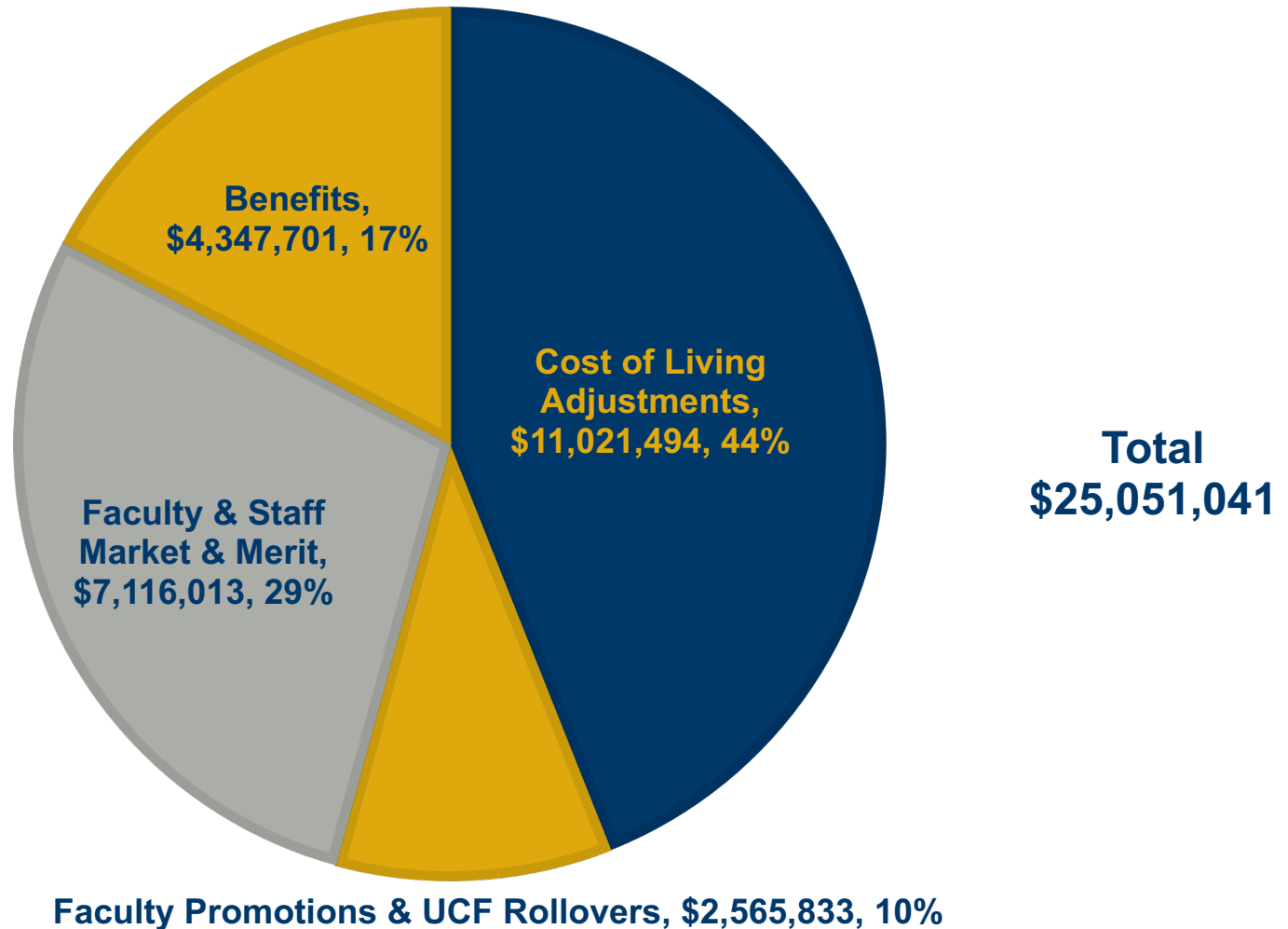
*The fund balance represents 4.39% of unallocated expenditures and transfers.*

# FY 16-20 Notes & Bonds Payable



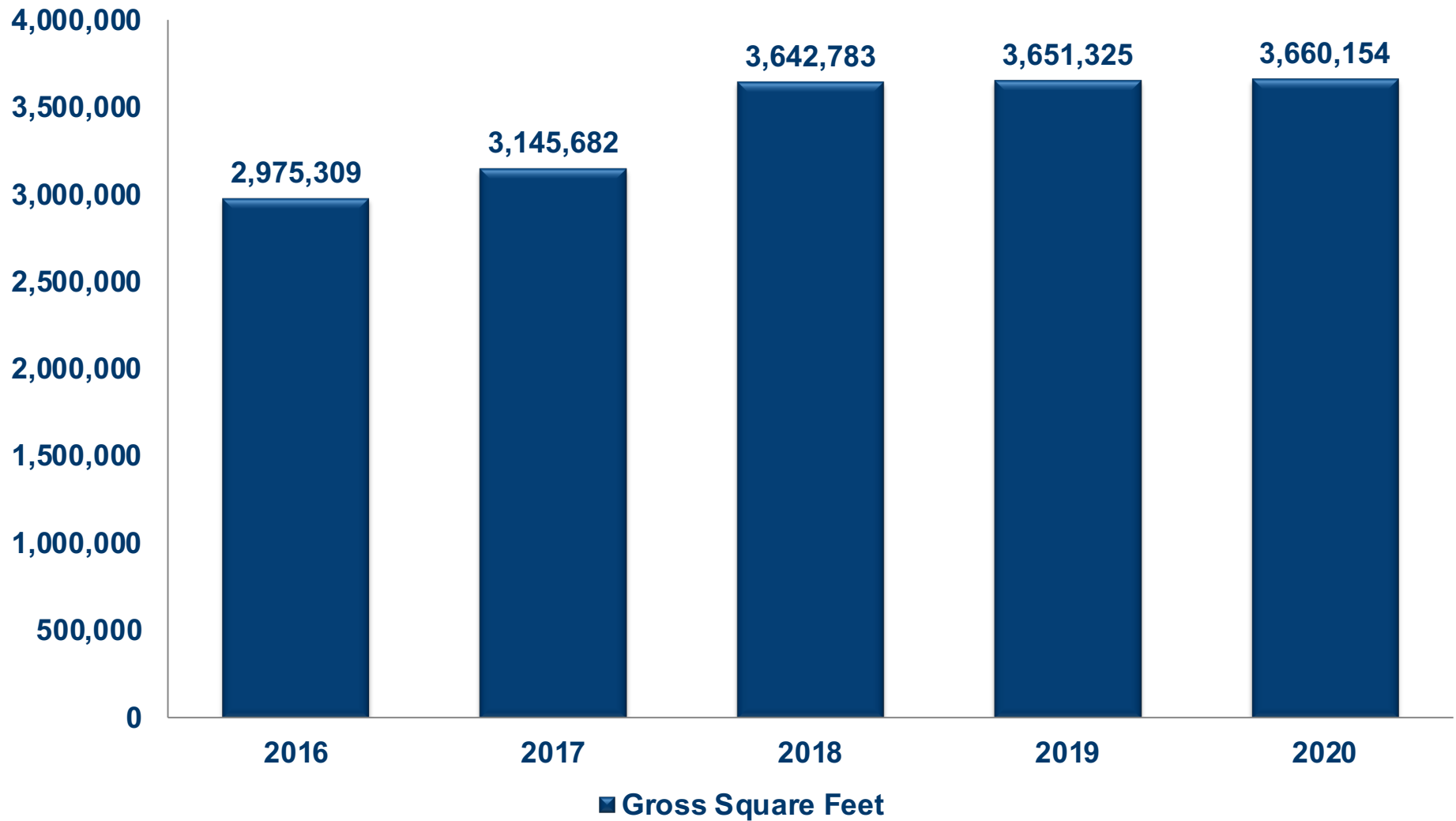
*By FY 2023 an amount of \$25.6M of bonded debt will be added for the Wolford Athletics Center.*

# FY 13-22 Institutional Compensation Investment

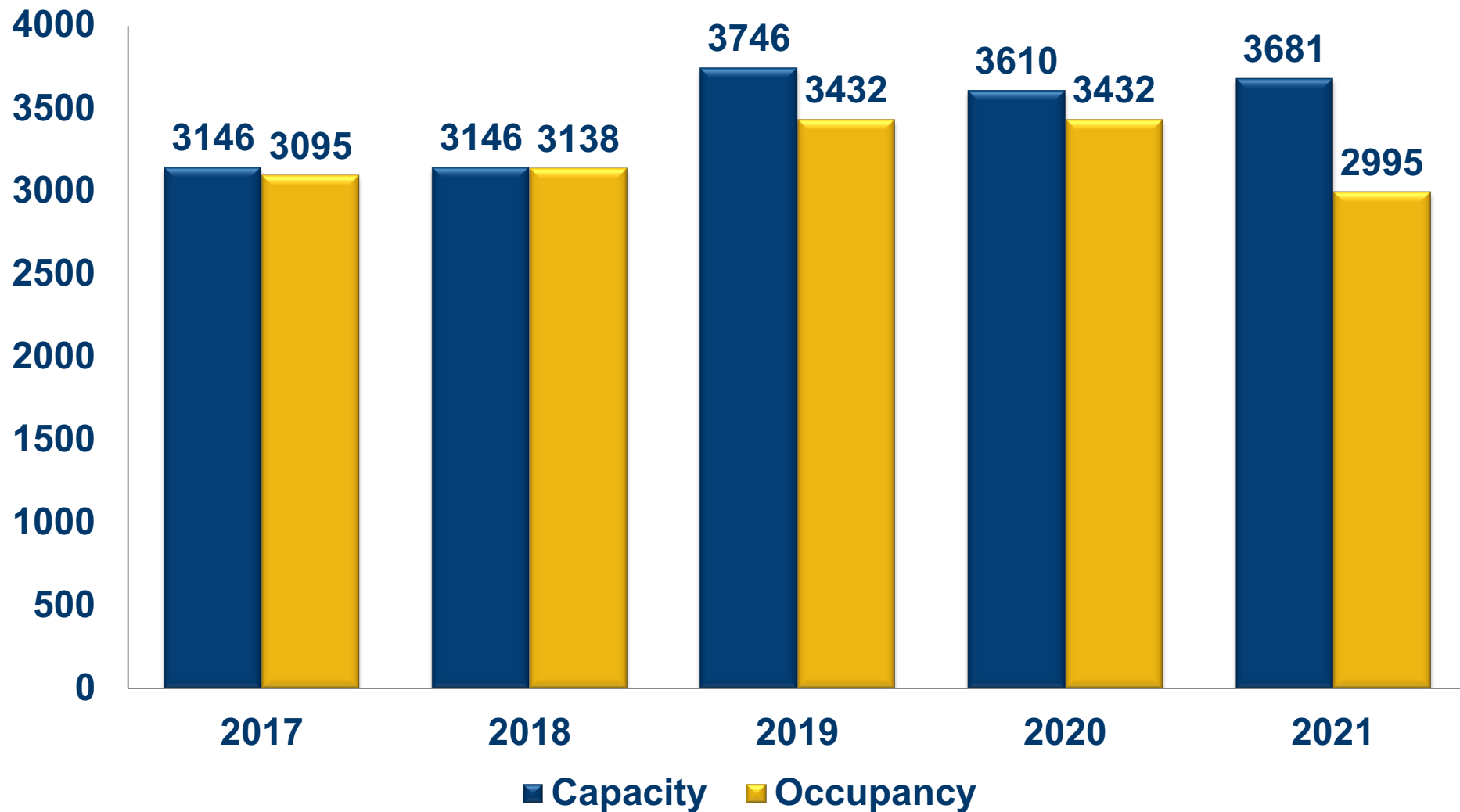


*Graph includes FY 22 proposed compensation plans.*

# FY 16-20 Physical Plant Square Footage



# FY 17-21 Residence Hall Occupancy Rates



# Capital Projects

Capital Project	Funding	Capital Project	Funding
McKenzie Arena (Ramp & Sound Improvement)	\$1,578,000	Fine Arts Mech. & Elec. Improvements	\$8,400,000
Fletcher Hall Addition Programming	\$200,000	Fletcher Hall Interior Renovations	\$10,281,000
Campus Safety & Security Improvements	\$3,700,000	Hunter Hall	\$13,000,000
New Residence Hall Programming	\$200,000	ADA Improvements	\$267,600
Lighting Improvements	\$2,700,000	Mapp Bldg. Repl. Chiller	\$1,000,000
I-AMAC Engineering Building	\$925,000	State Office Building System Upgrades	\$850,000
Electrical Services Upgrade	\$685,000	Pfeiffer Hall Programming	\$105,000
Roof Replacements	\$4,500,000	Health Sciences Building Programming	\$350,000
Boling Exhaust Improvements	\$165,000	Maclellan Building Programming	\$200,000
Retrofit State Office Building (Floors 4/5)	\$2,530,000	Wolford Athletics Center	\$29,150,000
Academic Classroom Renovations	\$38,410,000	East Campus Utility Expansion	\$6,770,000
Lupton Aramark POD Installation	\$393,000	University Center Programming	\$100,000
Lupton Garage Improvements	\$1,490,000	Guerry Crossroads Roof Replacement	\$129,000
West Campus Utility Connection	\$5,630,000	Special Security Project	\$1,044,000

**Total Active Capital Projects \$134,359,600**

# UC Foundation Endowment

Endowment Breakdown	Value – 3/31/21
Unrestricted/Institutional Support	\$ 56,524,258
Scholarships	39,394,680
Academic Support	60,710,687
Professorships	18,674,745
Faculty Development	964,872
<b>Total Endowment Value</b>	<b>\$ 176,269,242</b>
<b>Temporary Funds</b>	<b>\$ 11,985,128</b>

*The Foundation also has \$114 million of appraised real estate assets.*

# FY 22 UC Foundation Planned Distribution

Distribution Category	Distribution
Unrestricted/Institutional Support	\$ 92,549
Unrestricted/Development and Alumni Affairs Operating	1,772,625
Scholarships	1,310,469
Academic Programs	1,675,575
Professorships	730,530
Faculty Development	30,556
<b>Total FY 2020-21 Disbursements</b>	<b>\$ 5,612,304</b>



# Thank You

A special thank you is extended to the following for continuing to be outstanding stewards of resources and for assistance with the budget planning process:

Executive Leadership Team

Academic Deans

Unit Leaders

Department Heads

Business Managers

Office of Budget and Finance

# Questions