

Campus Advisory Board Meeting



FY 2019-20 Operating Budget Proposal
Chancellor Steven Angle & EVC Richard Brown

Budget Process Goals

- Align budget priorities to strategic goals
- Budget understanding – Transparency of process
- Build upon strong prior financial stewardship
- Broaden inclusion with fiscal planning
- Work closely with the Internal Budget Advisory Committee and the University Planning and Resource Advisory Council to collaboratively make budget decisions

Strategic Plan Goals

- **Goal 1:** Transform lives through meaningful learning experiences.
- **Goal 2:** Inspire, nurture and empower scholarship, creativity, discovery, innovation and entrepreneurial initiatives.
- **Goal 3:** Ensure stewardship of resources through strategic alignment and investments.
- **Goal 4:** Embrace diversity and inclusion as a path to excellence and societal change.

FY 2020 Budget Planning Timeline

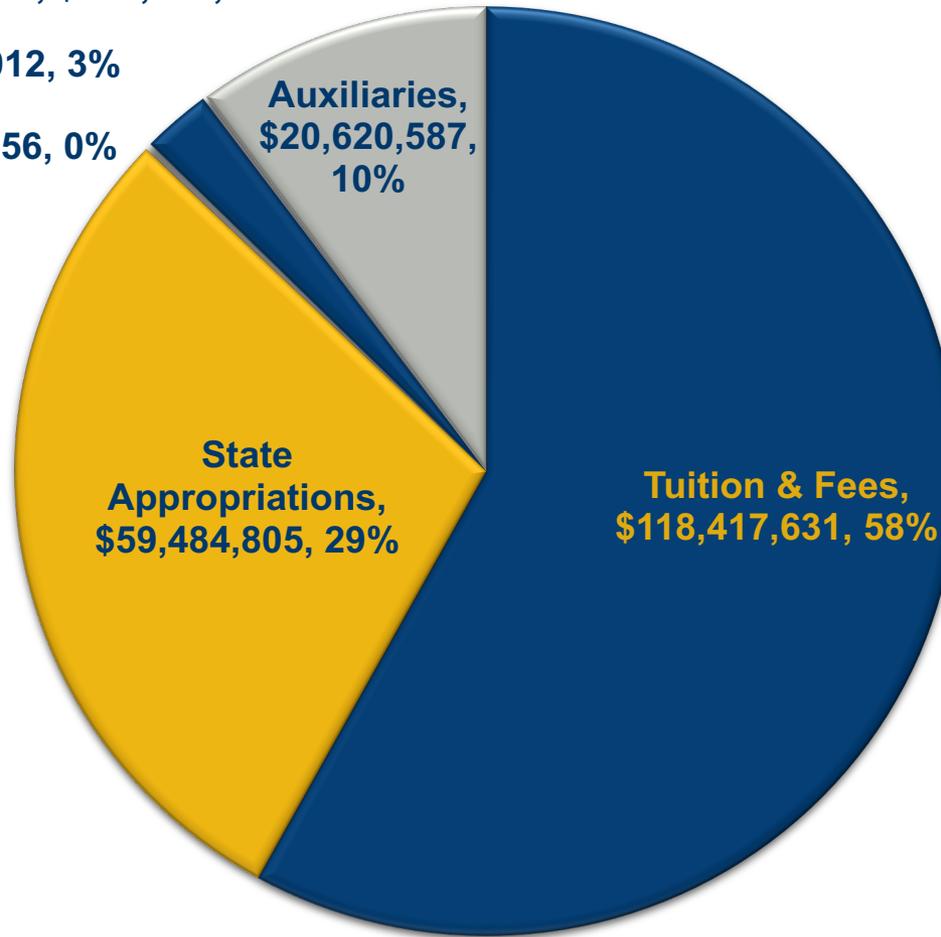
DATE	ACTION
October 2018	Campus units begin the budget planning process.
November 2018	Unit and department requests due to division leaders.
December 2018	Division leaders finalize budget requests.
Jan. - Mar. 2019	Internal Budget Advisory Council hears budget presentations.
March 2019	Executive Leadership Team prioritizes new investments.
March 28, 2019	UPRAC discusses investment priorities proposed by ELT.
April 2019	Executive Leadership Team finalizes proposed budget.
April 29, 2019	Chancellor's town hall meeting to share proposed budget.
May 14, 2019	UTC Advisory Board makes budget recommendation.
June 21, 2019	UT Board of Trustees approves proposed budget.

FY 20 E&G & Aux. Proposed Budget - Revenue

Other Sources, \$269,500, 0%

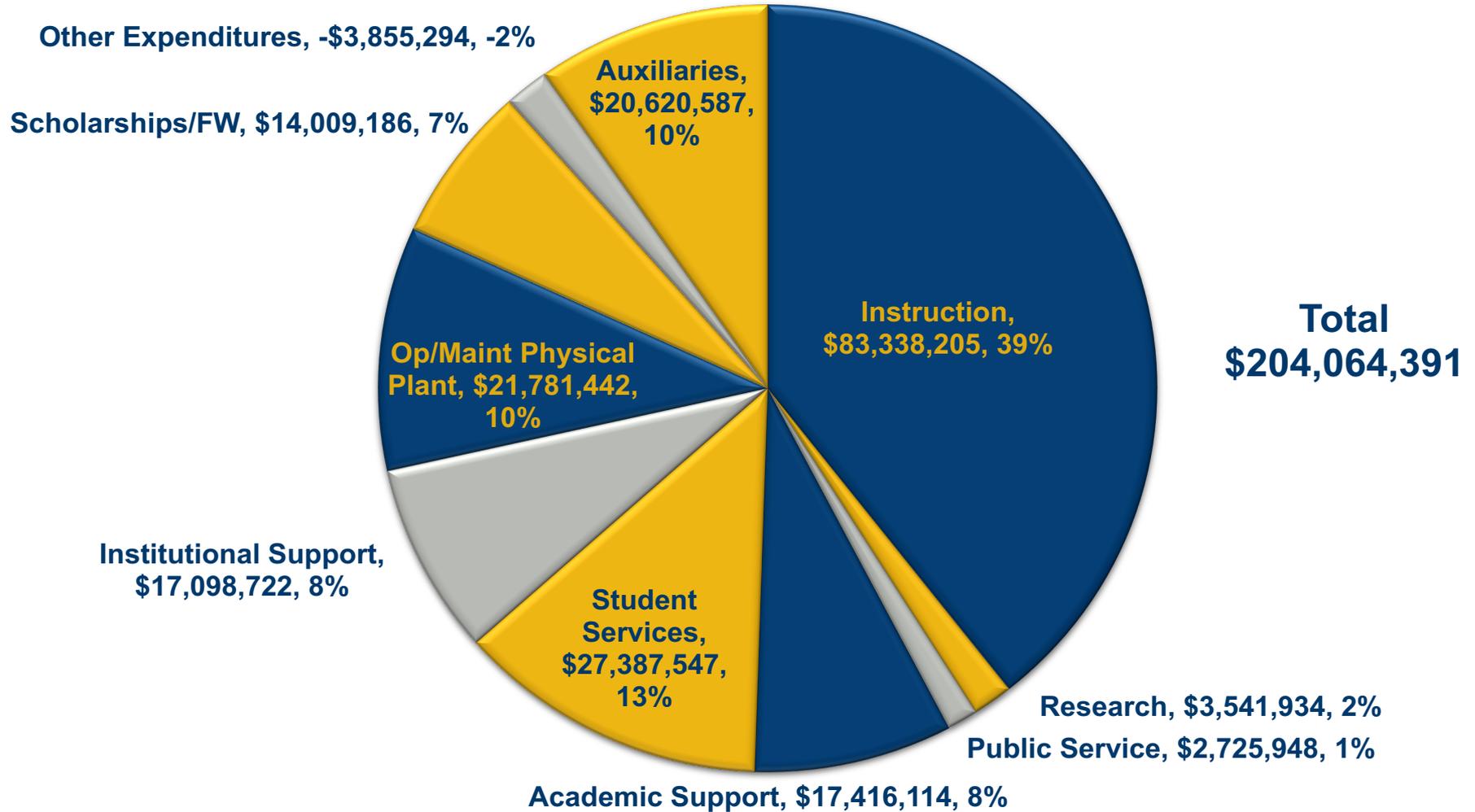
Sales & Services, 4818012, 3%

Grants & Contracts, \$453,856, 0%



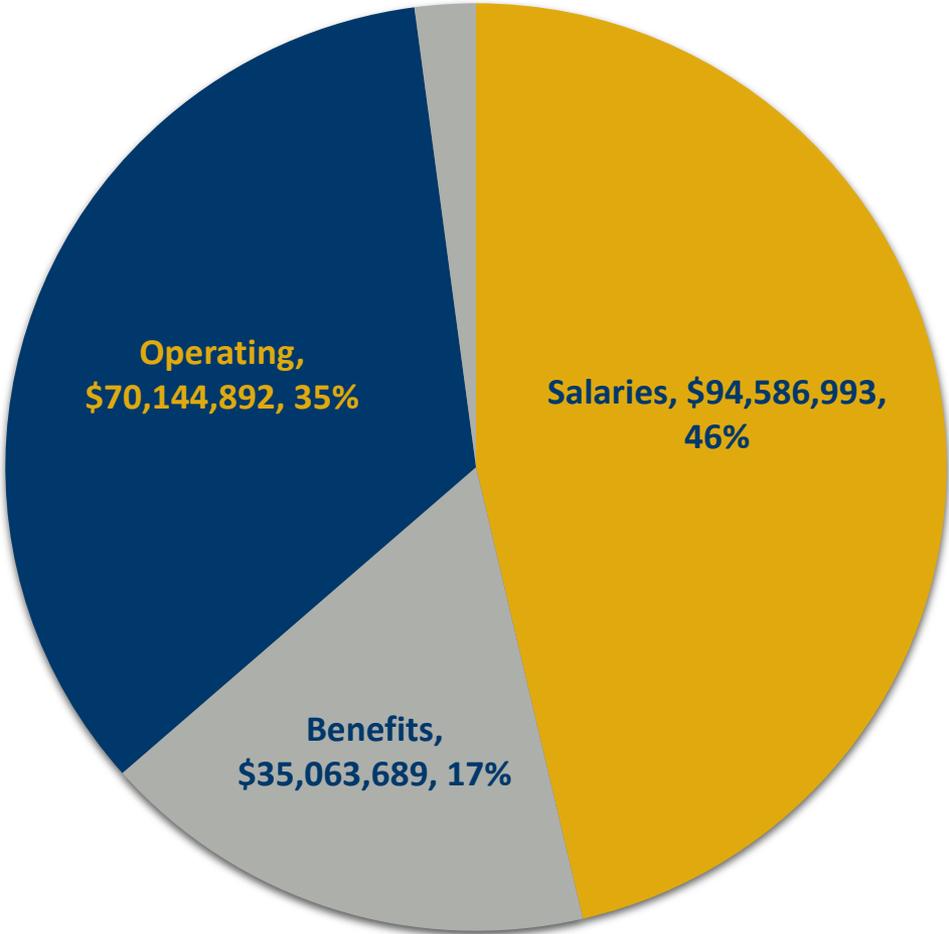
Total
\$204,064,391

FY 20 E&G & Aux. Proposed Budget - Expense



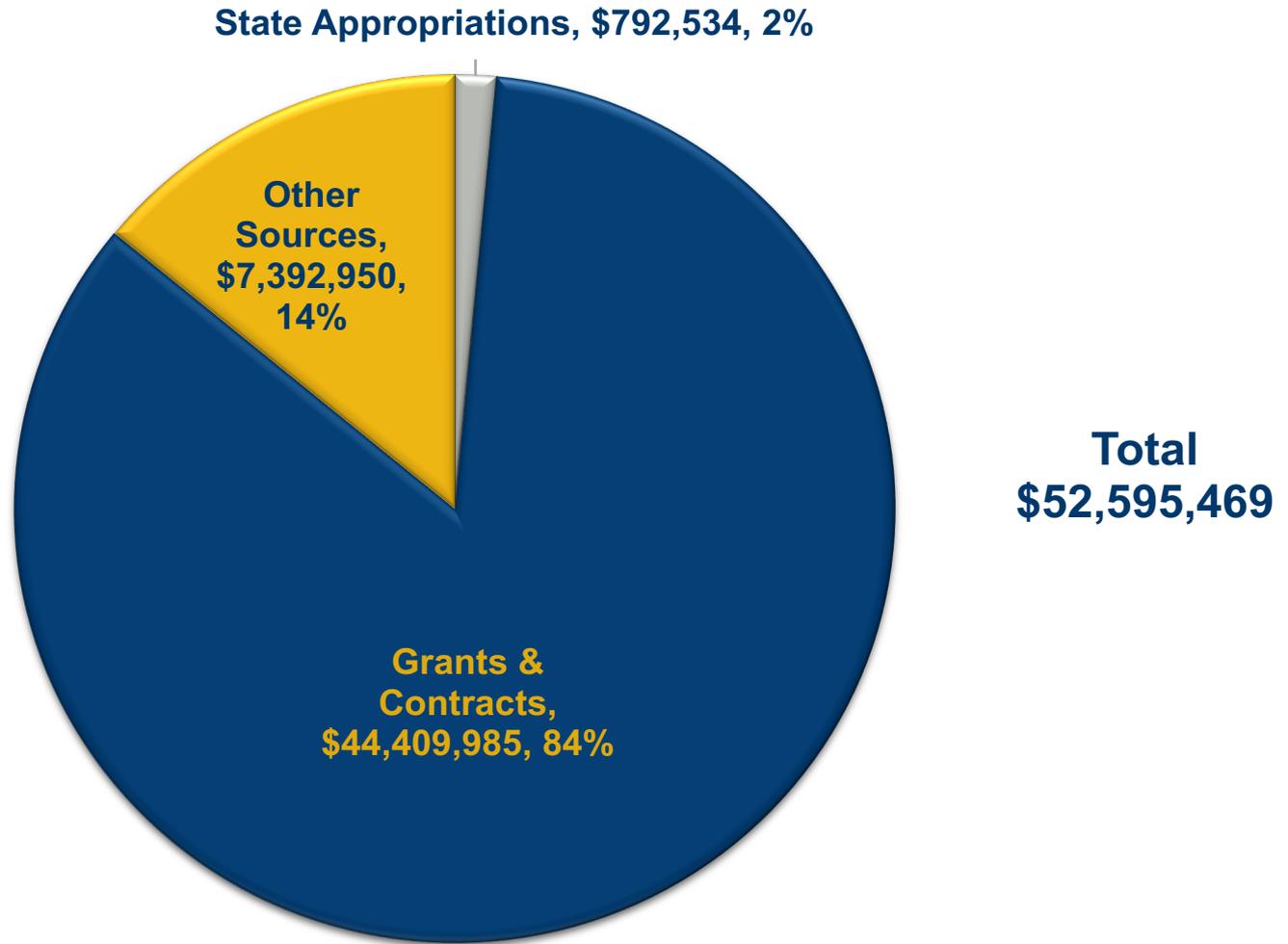
FY 20 E&G & Aux. Proposed Budget - Expense

Transfers, \$4,268,817, 2%



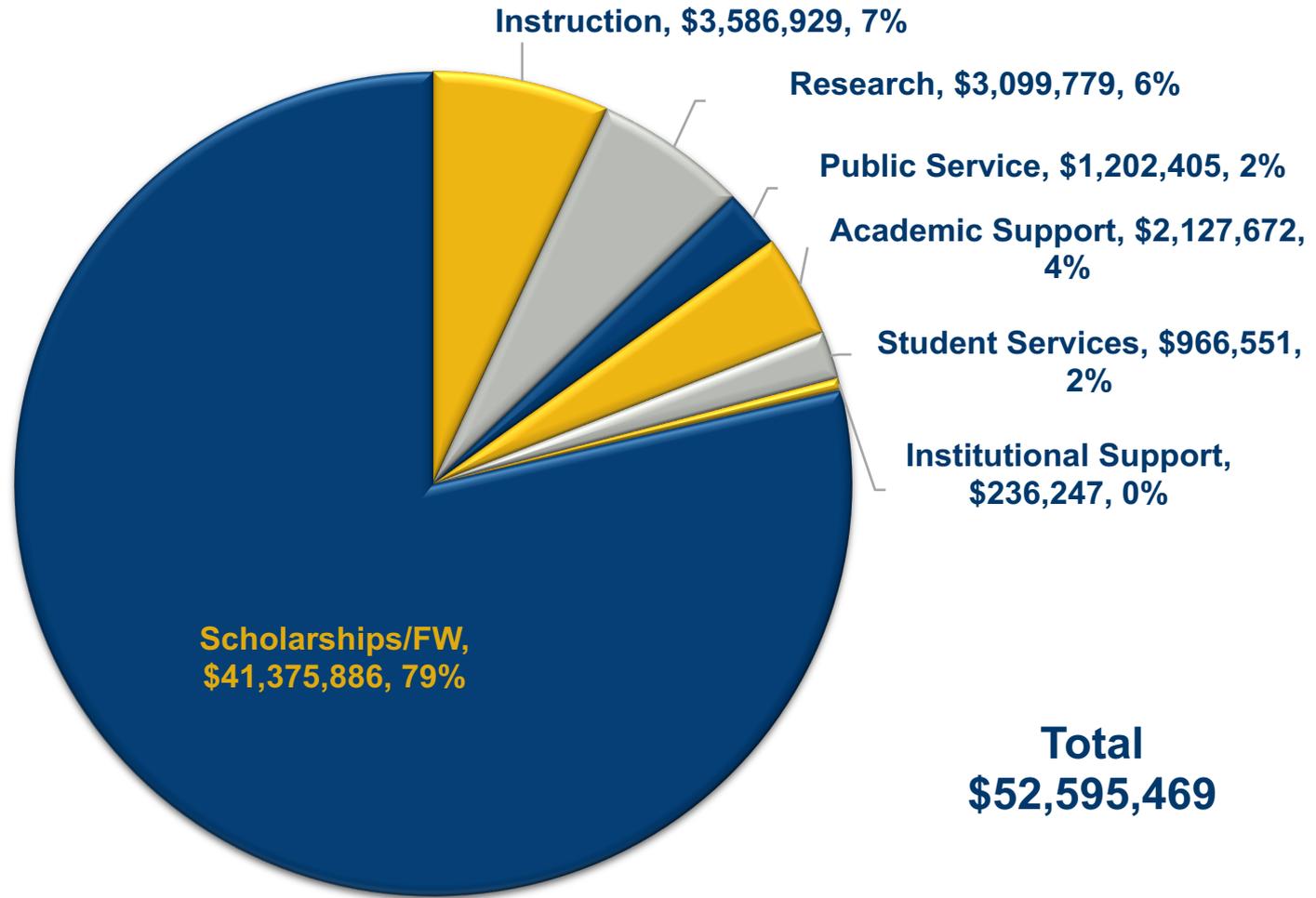
Total
\$204,064,391

FY 20 Restricted Proposed Budget - Revenue



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

FY 20 Restricted Proposed Budget - Expense



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

FY 20 E&G Proposed New Revenue

Source	Description	Revenue
Tuition	2.5% Increase; No Out of State Increase	\$1,942,201
Tuition	Reallocation of PMBA Funds	465,015
Tuition	15/4 New Tuition Funds	2,200,000
Differential Tuition	2.5% Increase; Nursing Increase	353,215
State Appropriation	CCTA Outcome Productivity Growth	2,867,000
State Appropriation	CCTA Outcome Productivity Rebalancing	-401,500
Fees	Athletic and Technology Increase; Seat Fee	467,860
Enrollment Growth	Fall 2018 & Spring 2019 FTE Increase	500,000
Reserves	Non-Recurring Investments	3,658,077
Total		\$12,051,868

Total division recurring requests in excess of \$13.5 million.

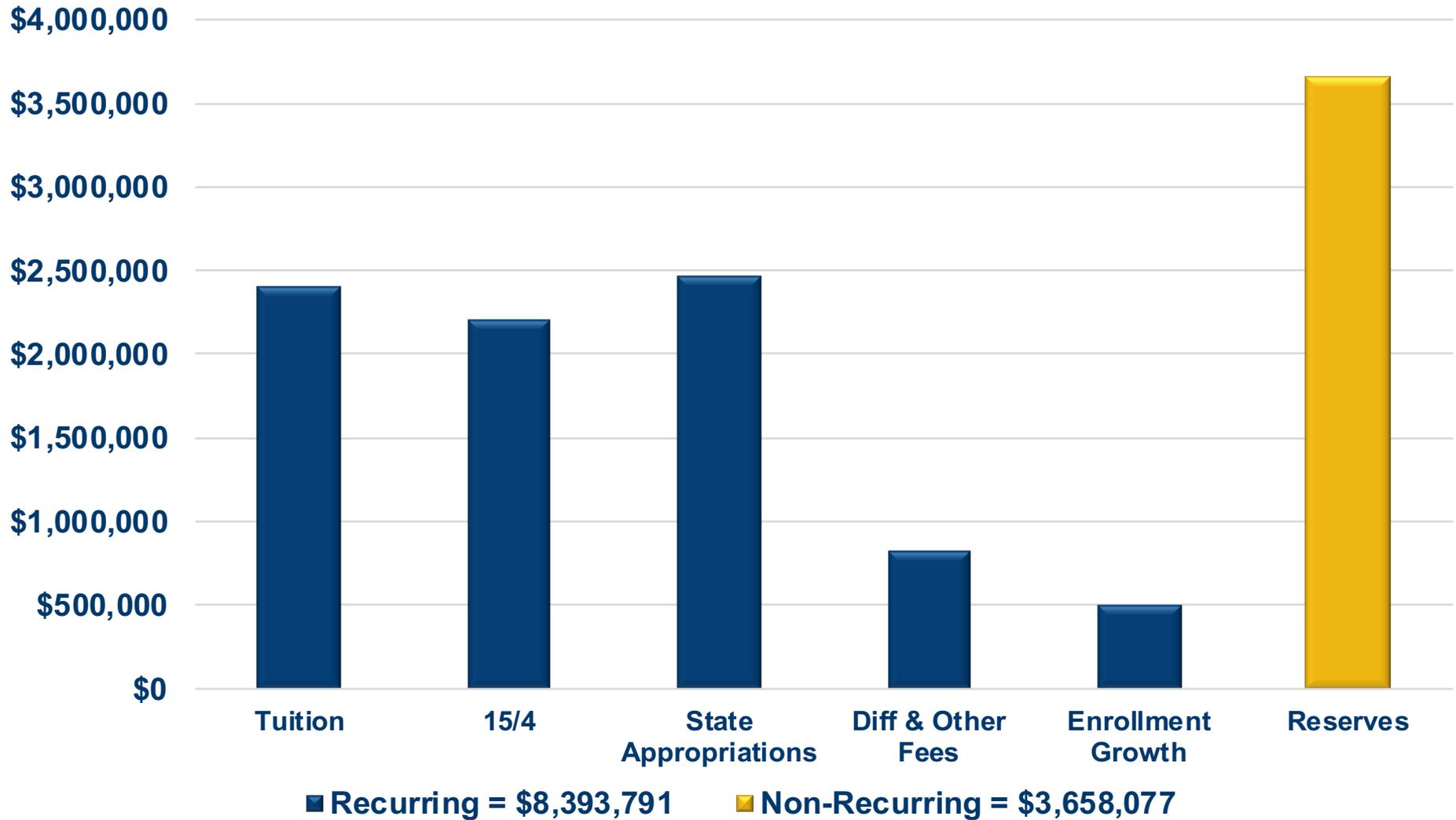
FY 20 Proposed Fee Changes

Approval	Fee	Current	Proposed	Change	%	Annual Revenue
Board	Residential Housing				2.0%	\$371,279
Board	Dining Meal Plans				2.5%	\$27,099
Board	Athletic Fee	\$480	\$514	\$34	7.0%	\$343,160
Board	Technology Fee	\$250	\$260	\$10	4.0%	\$123,200
Board	Nursing Differential	\$57	\$100	\$43	75%	\$250,000
President	Lab and Course Fees					\$17,400
Chancellor	Parking Decals				2.5%	\$23,500
Chancellor	Phys. Asst. Seat Fee	New	\$500	\$500	100%	\$1,500

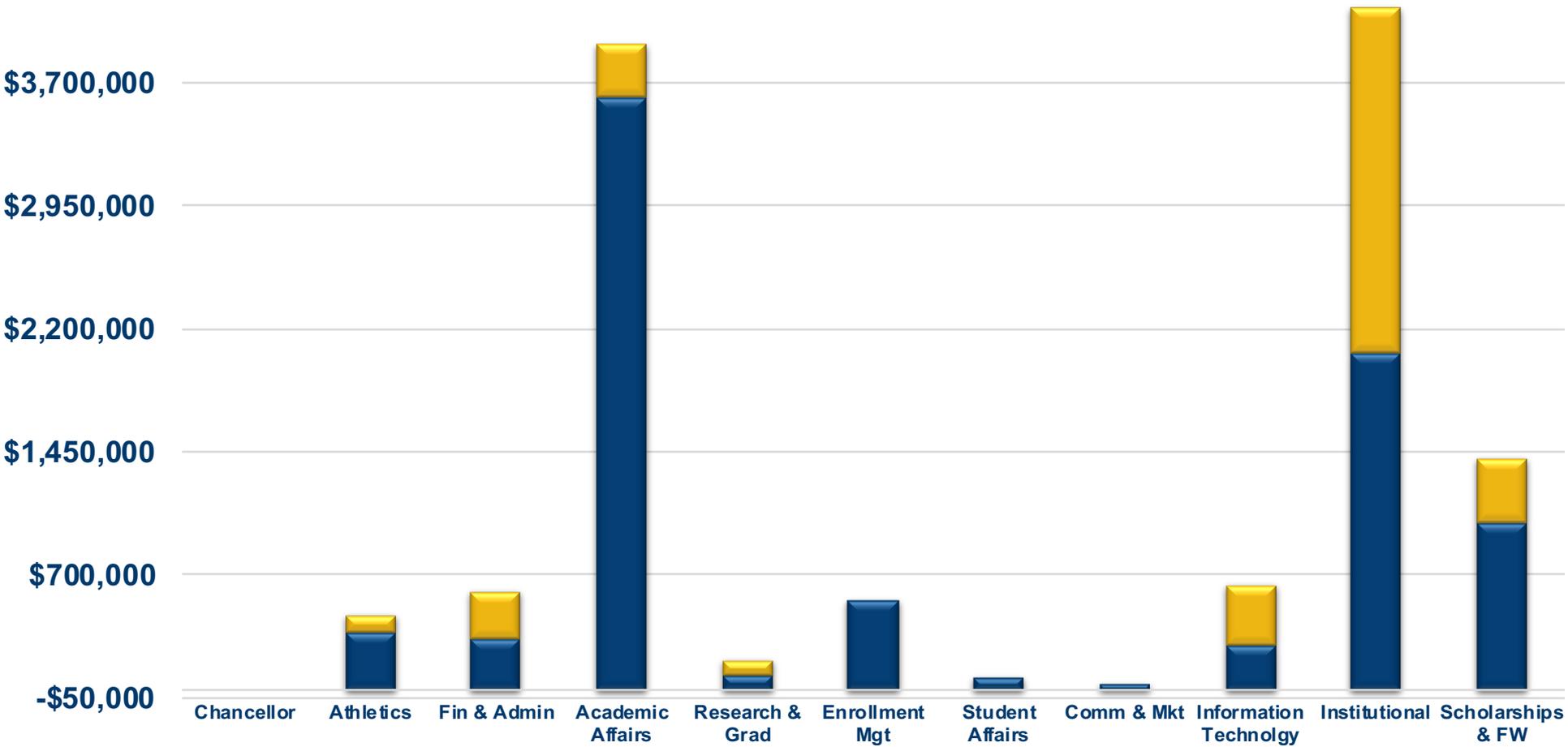
Mandatory Fees Comparison

Fee	FY 19 Current	FY 20 Proposed	Change	%
Student Activity	\$240	\$240	-	-
Debt Service	\$300	\$300	-	-
Health Services	\$120	\$120	-	-
Athletics	\$480	\$514	\$34	7.0%
Green	\$20	\$20	-	-
Technology	\$250	\$260	\$10	4.0%
Library	\$50	\$50	-	-
Transportation	\$96	\$96	-	-
Facilities	\$200	\$200	-	-
International	\$20	\$20	-	-
Total	\$1,776	\$1,820	\$44	2.5%

FY 20 E&G Proposed New Revenue



FY 20 E&G Proposed New Expenses



■ Recurring = \$8,393,791 ■ Non-Recurring = \$3,658,077

Institutional includes all centrally funded compensation pools.

Division Recurring Request Summaries

Division	Original Request	Reduction	Current Request
Chancellor	-	-	-
Athletics	1,000,000	-656,840	343,160
Administration & Finance	2,282,895	-1,971,874	311,021
Academic Affairs	4,013,281	-1,855,488	2,157,793
Research & Graduate Sch.	271,300	-176,573	94,727
Enrollment Management	433,850	-222,084	211,766
Student Affairs	1,253,721	-1,194,501	59,220
Communications & Mkt.	92,638	-49,633	43,005
Information Technology	662,390	-386,660	275,730
Institution & Scholarships	3,506,855	-809,786	2,697,369
Total	\$13,516,930	\$-7,323,139	\$6,193,791

Requests do not include 15/4 and non-recurring requests.

FY 2020 Proposed Budget - Chancellor

New Budget Allocations

- Recurring \$ -
- 15/4 Recurring \$ -
- Non-Recurring \$ -
- **Total** \$ -

Highlights

- No Requests

FY 2020 Proposed Budget – Academic Affairs

New Budget Allocations

Highlights

- Lecturers for Additional Sections Offered (15)
- New Faculty Positions (9)
- Additional Academic Advisors in Colleges (4)
- Increased Support for Tutoring
- New Programs Offered (Data Analytics, Mechatronics, Physician Asst.)
- Increased Instructional Support for Summer School
- Faculty Start-up Funding
- Library Computer Lab Refresh

FY 2020 Proposed Budget – Research & Grad.

New Budget Allocations

Highlights

- Partially Fund Deputy Vice Chancellor Position
- Fully Fund Director of Center for Urban Informatics and Progress Position

FY 2020 Proposed Budget – Admin. & Finance

New Budget Allocations

Highlights

- Emergency Services – Police Officers (2)
- Emergency Services – Fire Panel Systems
- Human Resources – Talent Management Specialist
- Human Resources – Compensation and Leave Specialist
- Bursar – Senior Accounting Clerk (Offset with Increased Revenues)
- Budget – Financial Analyst (Reallocation of Current Funding)
- Facilities – Ground Maintenance Contractual Services

FY 2020 Proposed Budget – Enrollment Mgmt.

New Budget Allocations

Highlights

- Advising Center – Advisor
- Enrollment – Internship Growth, 5 Peer Advisors, 5 Academic Advisors
- Student Success – Summer Bridge, Tutoring, Sr. SI Leader
- Admissions – Director of Admissions
- Financial Aid – Campus Logic Software
- International Education – International SOS
- Strategic Enrollment Technology – Support Specialist

FY 2020 Proposed Budget – Student Affairs

New Budget Allocations

Highlights

- Disability Resource Center – Transition Programs
- Disability Resource Center – Part-time Academic Coach
- Student Outreach and Support – Assistant Director

FY 2020 Proposed Budget – Athletics

New Budget Allocations

Highlights

- Fully Fund Head Men’s Basketball Coach
- Video Coordinator
- Stewardship Coordinator
- Learning Specialist
- Marketing Specialist
- Social Media Coordinator
- Beach Volleyball Operating

FY 2020 Proposed Budget – Comm. & Marketing

New Budget Allocations

Highlights

- Fully Fund Current Staff Writer
- Web Programmer Position

FY 2020 Proposed Budget – Information Tech.

New Budget Allocations

Highlights

- Network Systems Engineer Position
- Banner Systems Analyst
- Data Center Storage and Backup
- Client Services – Learning Space Refresh
- Data Center Infrastructure Refresh

FY 2020 Proposed Budget – Institutional

New Budget Allocations

Highlights

- 2% Compensation Pool
- Faculty Promotions, UCF Rollovers, and Senior Lecturers
- Staff Market Equity and Promotions
- Utilities for Additional Square Footage
- System Charge and UT Research Foundation Charge
- Information Technology Contractual Services

**Non-Recurring items will be funded on an as needed basis and if resources are available.*

FY 2020 Proposed Budget – Scholarships & FW

New Budget Allocations

Highlights

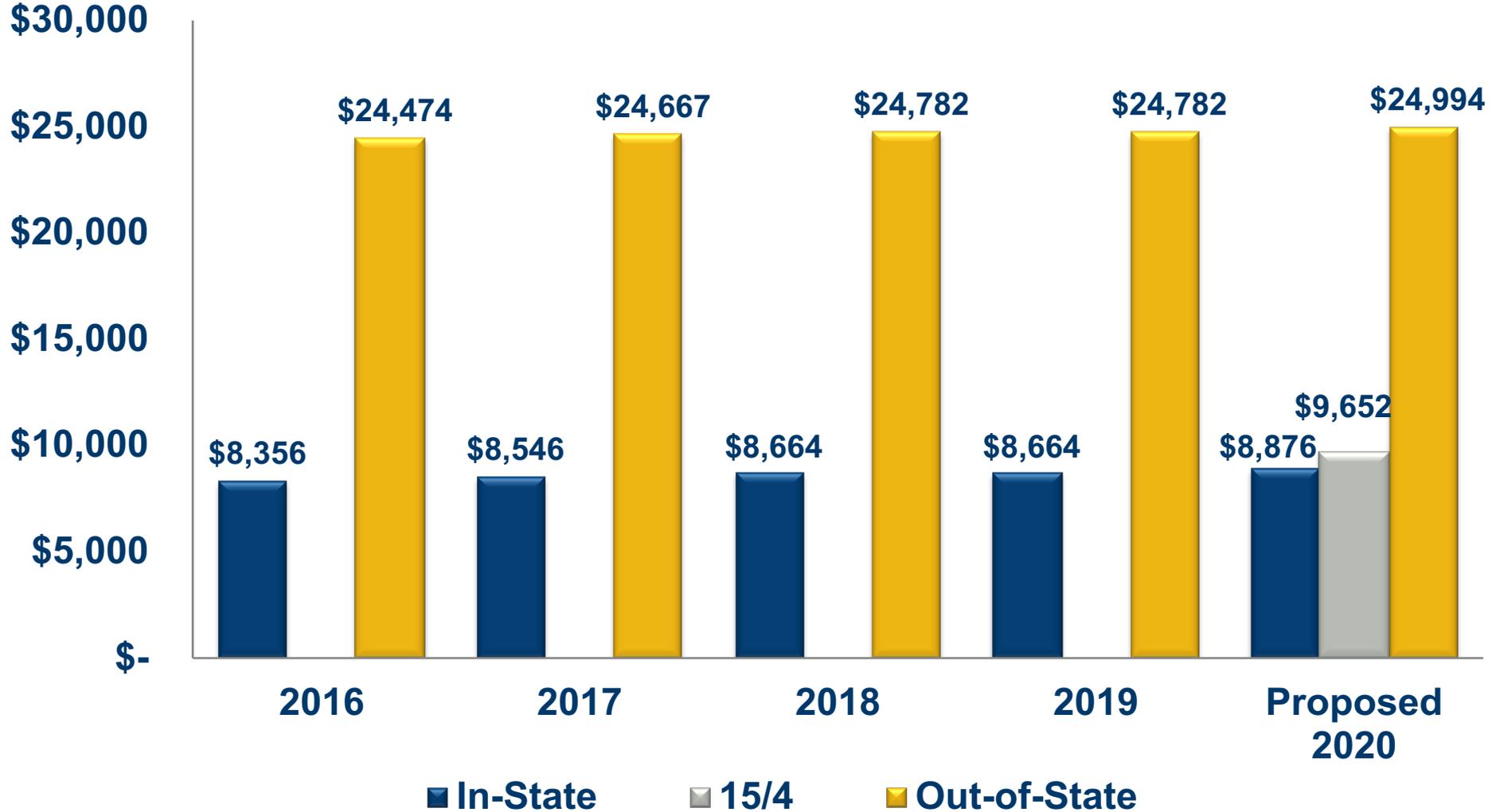
- Scholarship Investment from Enrollment Growth
- Scholarship Investment in First Time, Transfer and Need Based Students
- Grant-In-Aid
- Institutional Scholarships
- Institutional Graduate Assistantships
- Institutional Fee Waivers
- Reallocation of Current Funds

**Non-Recurring items will be funded on an as needed basis and if resources are available.*

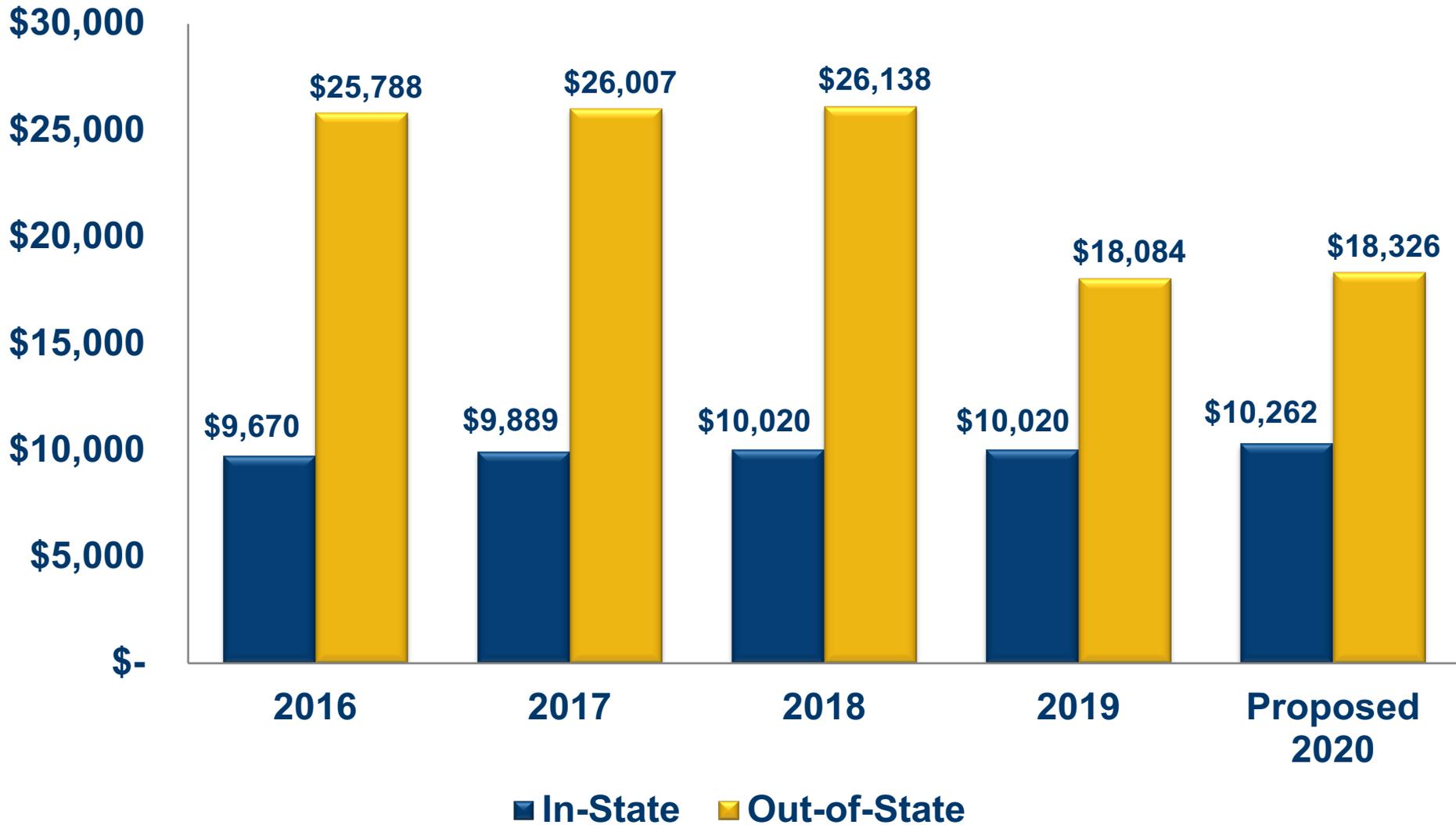
Tennessee Undergraduate Market Position

University	Total Mandatory Fees	Undergraduate Maintenance Fees	Total Undergraduate Resident
Tennessee State	\$1,108	\$6,900	\$8,008
Austin Peay State	\$1,583	\$6,888	\$8,471
UTC (current)	\$1,776	\$6,888	\$8,664
UT Martin (< 60 hrs.)	\$1,446	\$7,416	\$8,862
Tennessee Tech	\$1,243	\$7,860	\$9,103
Middle Tennessee	\$1,826	\$7,380	\$9,206
East Tennessee	\$1,855	\$7,422	\$9,277
UT Martin (>60 hrs.)	\$1,446	\$8,052	\$9,498
University of Memphis	\$1,637	\$8,064	\$9,701
UT Knoxville	\$1,896	\$11,110	\$13,006

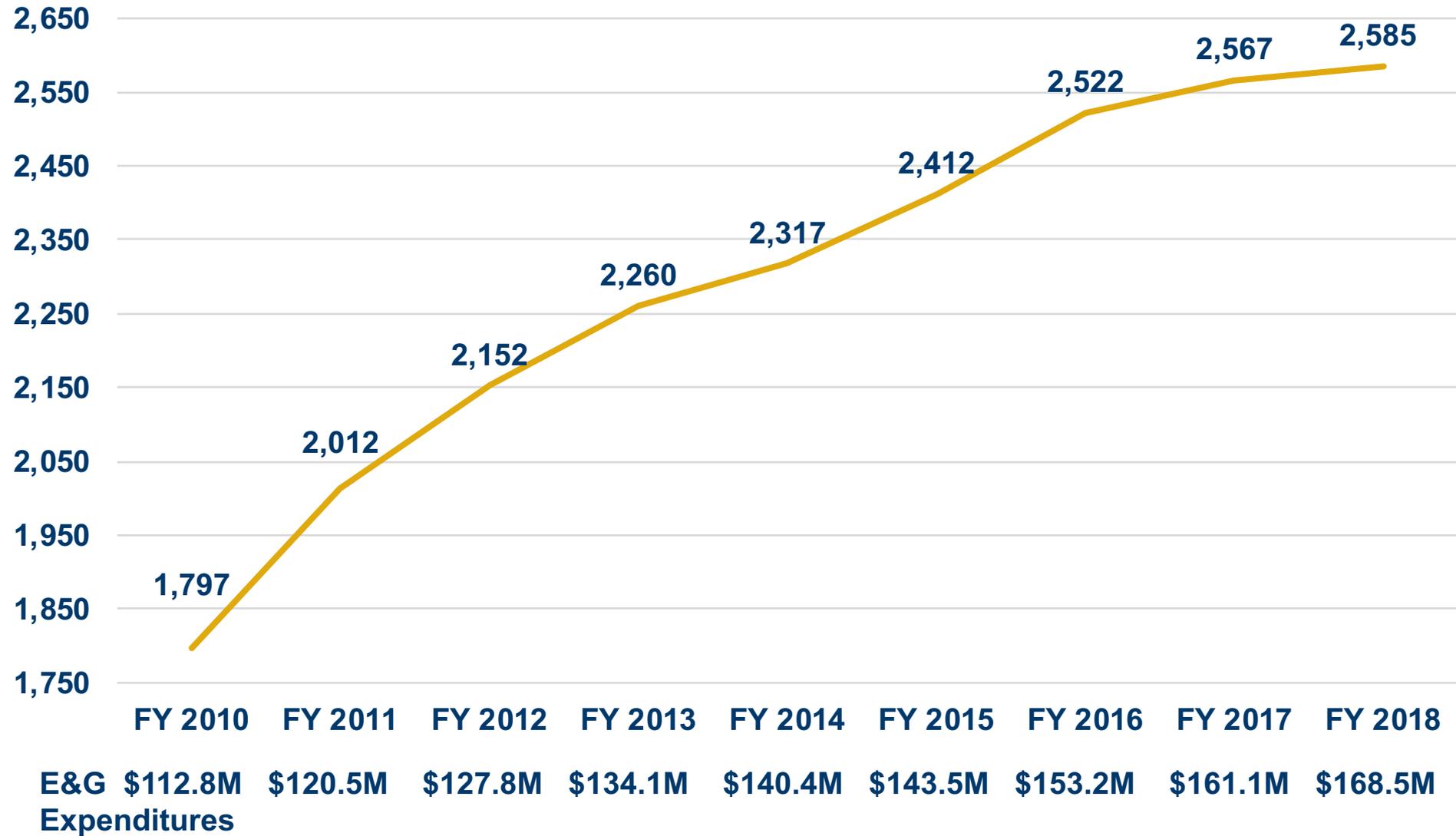
FY 16-20 Undergraduate Tuition & Fees



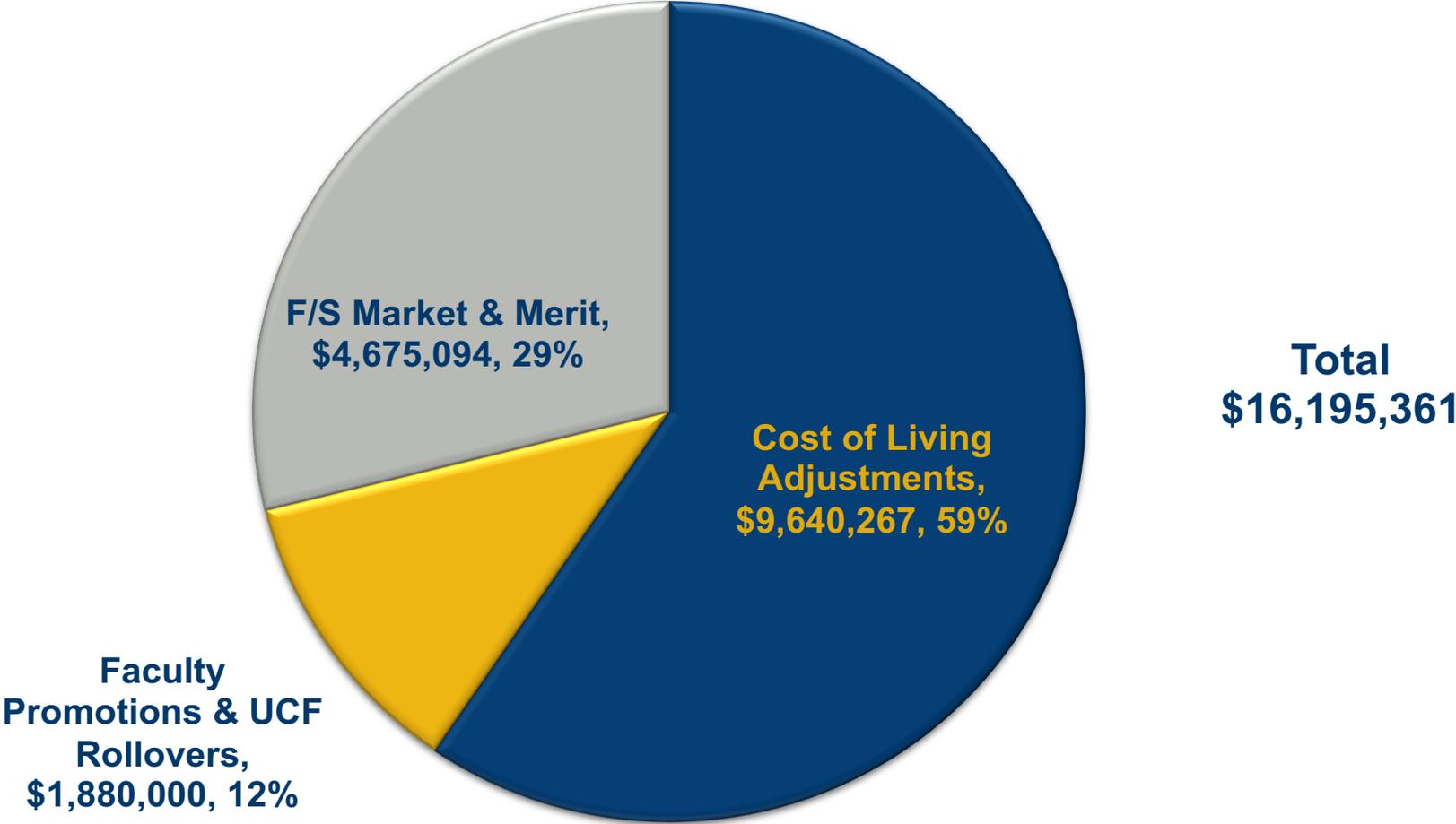
FY 16-20 Graduate Tuition & Fees



FY 10-18 Degrees Awarded



FY 13-20 Institutional Compensation Investment



Graph includes FY 20 proposed compensation plans.

Budget Related Items

UG Out of State Tuition Reduction Proposal

- In FY 2021, domestic out-of-state undergraduate students from any state that borders Tennessee (plus South Carolina) would pay 50% of current out-of-state tuition (plus maintenance and mandatory fees)
- Approximately an increase of 127 out-of-state FTE would be required for the program to breakeven (\approx \$1,892,495)
- Total cost for bordering out-of-state undergraduate students would drop to 74% of the THEC peer average
- All other remaining out-of-state students will continue to pay the current rate

Proposed FY21 Out of State Fee Schedule

UG Bordering Students	Current	Proposed Current Student 2.5% Only	Proposed New Student 2.5% & Hybrid 15/4
Maintenance Fee*	\$6,888	\$7,060	\$7,836
Mandatory Fees*	1,776	1,820	1,820
Total In State	\$8,664	\$8,880	\$9,656
Bordering Out-of-State Tuition	16,118	8,064	8,064
Total Bordering Out-of-State	\$24,782	\$16,944	\$17,720
UG Out-of-State Students	Current	Proposed Current Student 2.5% Only	Proposed New Student 2.5% & Hybrid 15/4
Maintenance Fee*	\$6,888	\$7,060	\$7,836
Mandatory Fees*	1,776	1,820	1,820
Out-of-State Tuition	16,118	16,118	16,118
Total Out-of-State	\$24,782	\$24,998	\$25,774

*Fee schedule is based on the FY 2020 proposed fee schedule. All fees are subject to change between current proposed rates and implementation rates in Fall 2020 (FY 2021) based on UT Board approved fee schedules.

Nursing Differential Fee Increase

- Current fee is \$57 per credit hour
- Proposed increase to \$100 per credit hour
- Projected revenue increase of \$250,000
- Program needs include equipment, operating upgrades, accreditation costs, faculty support, and enhanced learning opportunities
- Remains competitive among peer programs

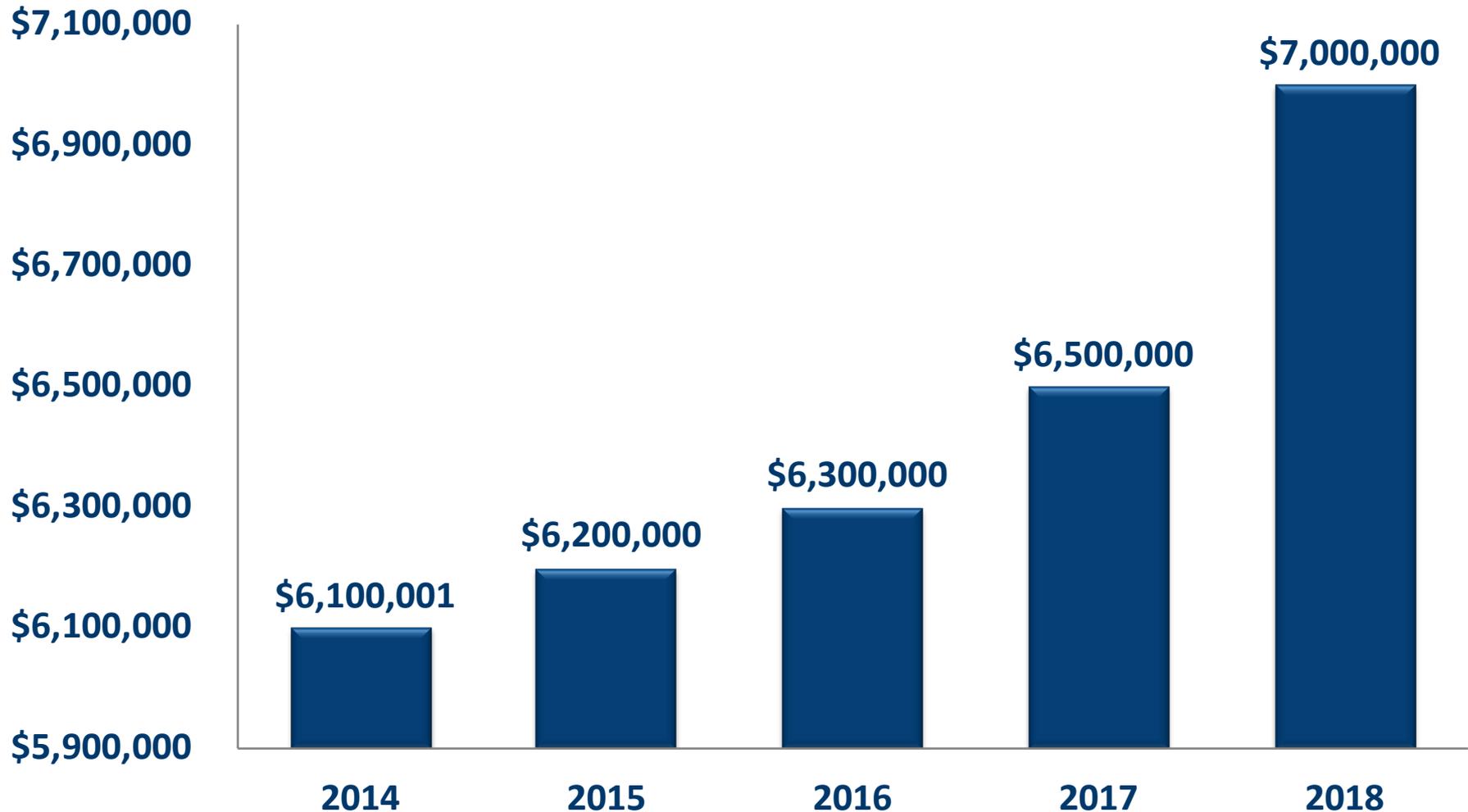
Voluntary Retirement Incentive Program

- Estimated 136 potential retirement eligible employees (67 faculty and 69 staff)
- Effective date of June 30, 2020
- Incentive payment of 50% of annualized base salary
- Participants must submit application by October 15, 2019
- Potential salary/benefit dollars impacted are \$10,970,044
- Opportunities to rehire, restructure, reallocate and plan
- Same program was offered June 30, 2015 with successful results

Campus Parking APA Changes

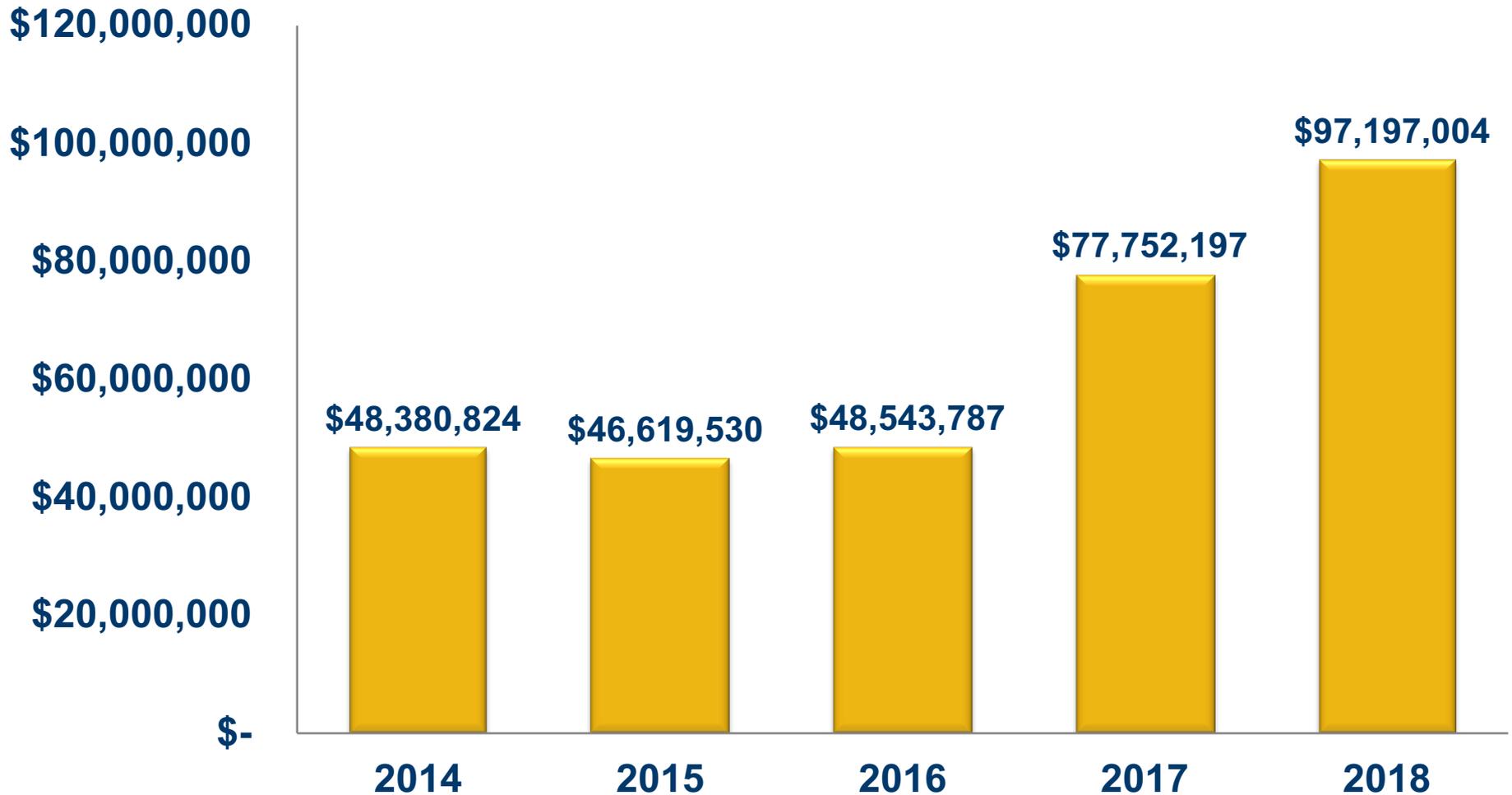
- Comprehensive review of parking system accomplished in 2016
- Implementing license plate recognition (LPR) technology
- Reduces efforts of issuance, display and securing of a physical decal permit
- Administrative Procedures Act Parking Regulations need to be revised to allow for LPR

FY 14-18 E&G Fund Balance



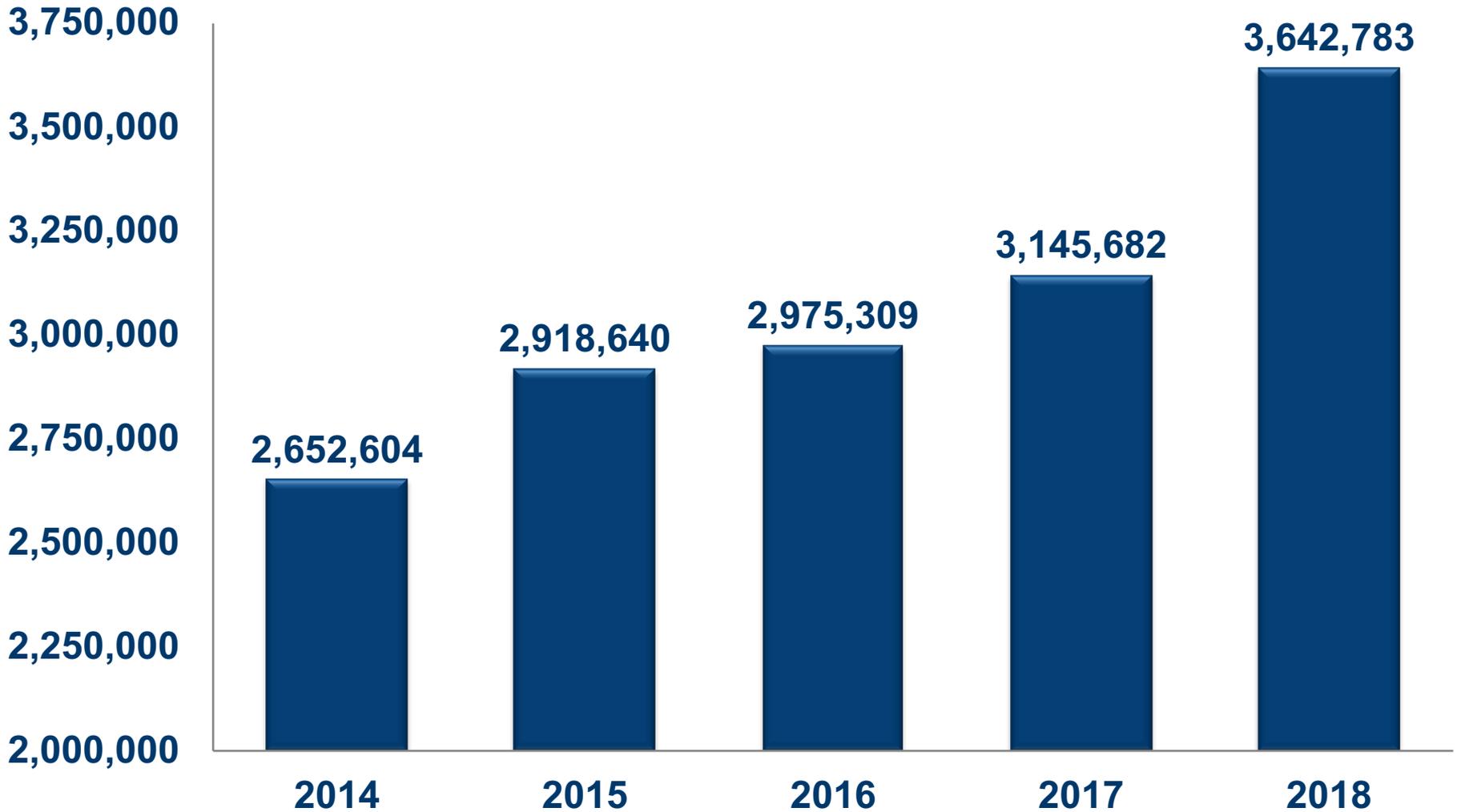
The fund balance represents 4.15% of unallocated expenditures and transfers.

FY 14-18 Notes & Bonds Payable

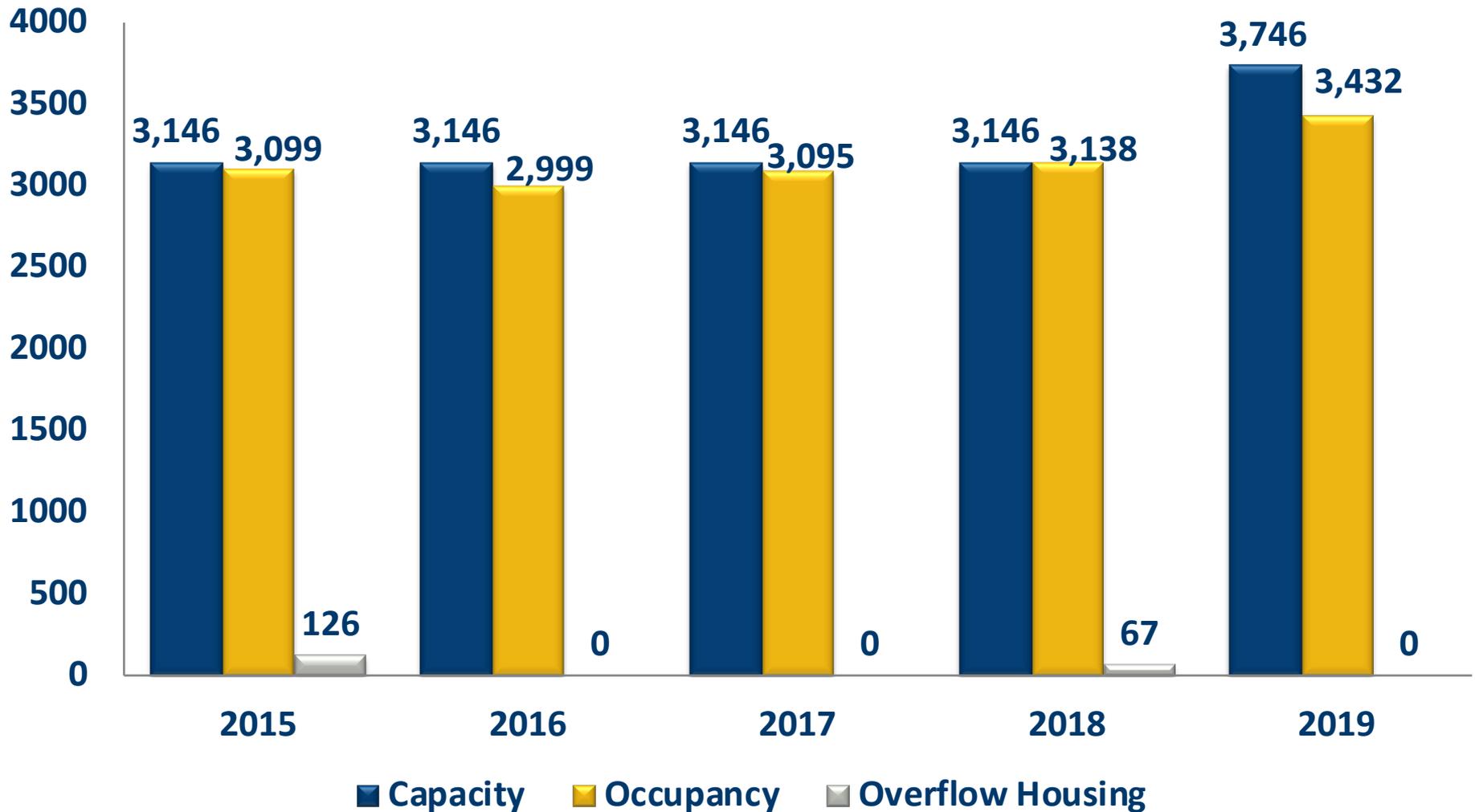


The West Campus Housing & Parking Garage project will add an additional \$28MM by year end of FY 2019.

FY 14-18 Physical Plant Square Footage



FY 15-19 Residence Hall Occupancy Rates



Capital Projects

Capital Project	Amount
West Campus Housing Pedestrian Way	\$1,000,000
Holt Hall Improvements	\$8,650,000
Campus Safety & Security Improvements	\$3,700,000
Utility Distribution Expansion	\$5,300,000
Lighting Improvements	\$2,700,000
Campus Site Improvements	\$3,500,000
Guerry Center Renovation	\$5,700,000
Roof Replacements	\$4,500,000
Parking Garage Lighting Upgrades	\$755,000
Retrofit State Office Building (Floors 4/5)	\$2,530,000
Lupton/FAC Renovations	\$38,410,000
Campus Branding	\$205,000
Executive and Continuing Education Center	\$1,415,000
Entrepreneurial Center	\$800,000

Capital Project	Amount
Boling Roof Replacement	\$470,000
SimCenter Computer Room HVAC	\$460,000
West Campus Utility Connection	\$5,630,000
Fine Arts Mech. & Elec. Improvements	\$8,400,000
Fletcher Hall Interior Renovations	\$7,000,000
Hunter Hall	\$13,000,000
ADA Improvements	\$96,000
Mapp Bldg. Replacement Chiller	\$375,000
5th Street Parking Garage Stairwell Repairs	\$285,000
Lupton Garage Structural Repairs	\$271,000
Health Sciences Building Programming	\$250,000
Maclellan Building Programming	\$100,000
McKenzie Athletics Facility Programming	\$250,000

Total Active Capital Projects \$115,752,000