



Budget Council

Fiscal Year 2026 Planning

Finance & Administration

April 16, 2025

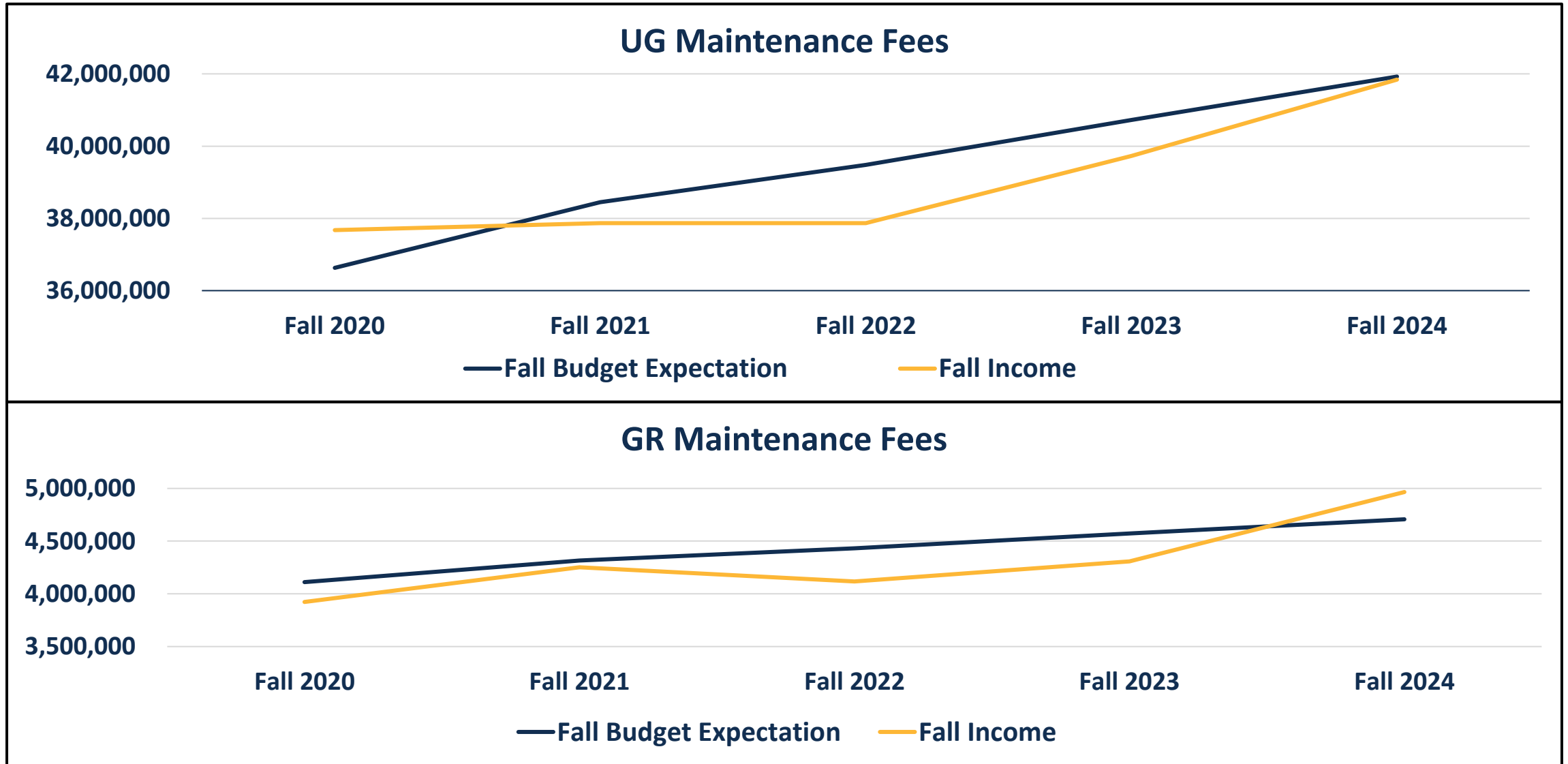
Operating Environment

- Largest freshman class for past two Fall semesters
- Continuation of overall enrollment growth goal
- Maintain an affordable and reasonable tuition environment
- Compensation needs
- Invest in campus infrastructure, capacity and maintenance
- Record amount of capital projects and debt service impacts
- DASH transition

Continued Campus Initiatives

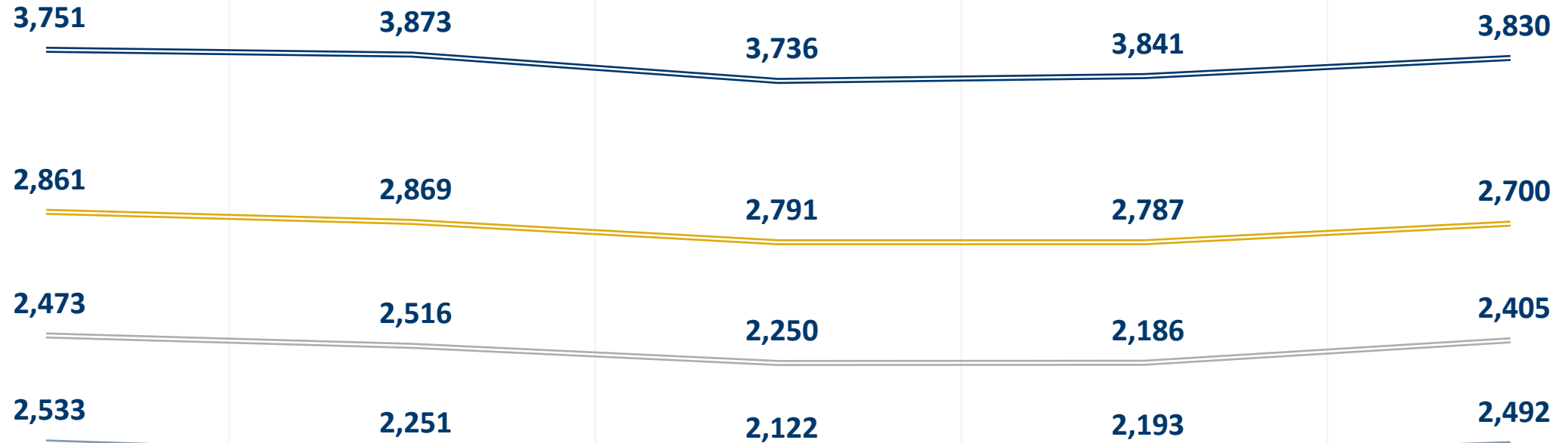
- Employee Compensation
- New Strategic Plan
- Total Organizational Health
- R2 Designation
- Quantum/Data/AI
- Teacher Education
- Nursing
- DASH – ERP & SIS
- Student Recruitment
- Student Retention
- Dual Enrollment Fee Structure
- Capital Outlay Projects
 - New Residence Hall
 - Health Sciences Building
 - Fletcher Addition
 - UC Renovation
 - 540 McCallie Renovation
 - New Dining Hall Building
 - New Parking Garage

Fall Enrollment Impacts on Budgets and Revenues



Funding Formula Data

== 30 Credit Hrs == 60 Credit Hrs == 90 Credit Hrs == Degrees



FY 2019-20
(REMOVED)

FY 2020-21
(REMOVED)

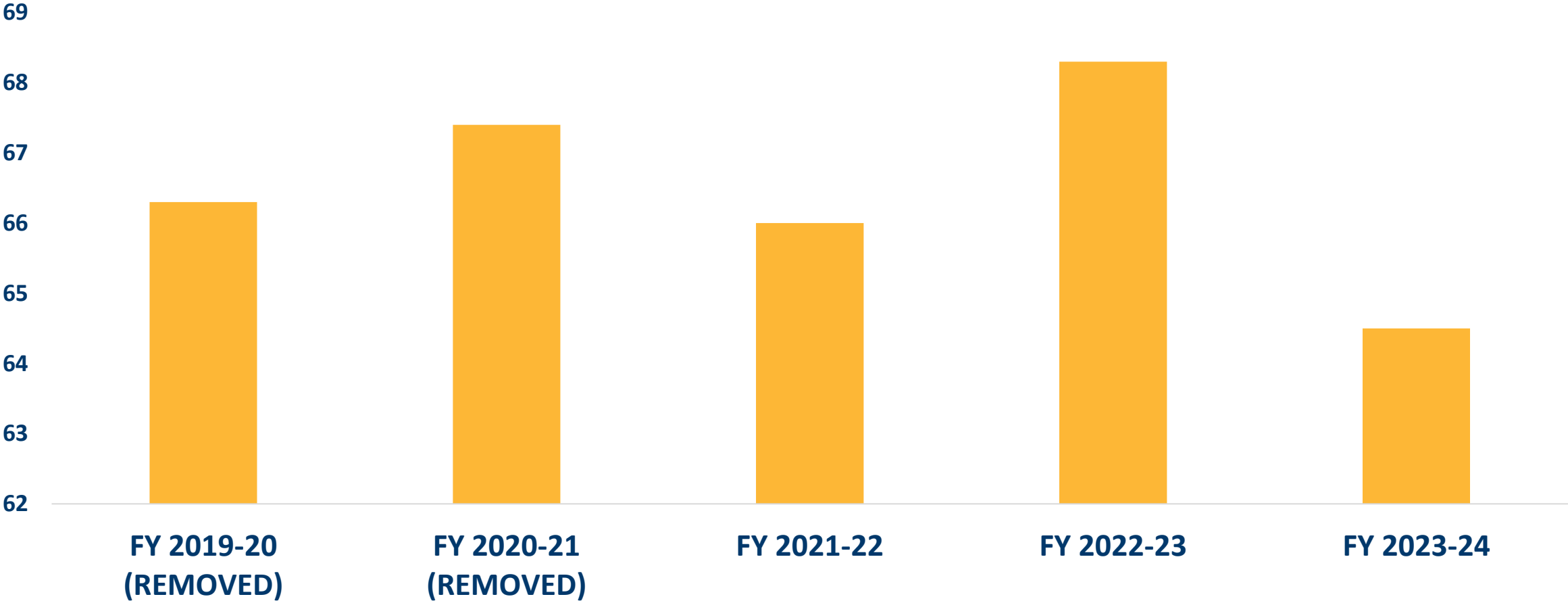
FY 2021-22

FY 2022-23

FY 2023-24

Funding Formula Data

6Yr Graduation Rate



FY26 State Appropriations – Governor’s Budget

UT Universities	Productivity Formula Adjustments	New Funding – Formula Growth - \$17M	Salary Pool – 2.6% - \$35.8M
UT Chattanooga	(\$1,110,900)	\$864,200	\$1,819,800
UT Knoxville	6,292,700	3,789,000	7,978,400
UT Martin	(528,100)	498,200	1,049,000
LGI Universities	Productivity Formula Adjustments	New Funding – Formula Growth - \$17M	Salary Pool – 2.6% - \$35.8M
Austin Peay	(\$877,900)	\$803,600	\$1,692,100
East Tennessee	(1,301,600)	1,064,300	2,241,000
Middle Tennessee State	(1,207,900)	1,527,000	3,215,500
Tennessee State	(952,400)	559,700	1,178,600
Tennessee Tech	(251,000)	839,000	1,766,700
University of Memphis	1,862,900	1,892,900	3,985,900

FY26 New Revenue

Resource	Funding
State Appropriation – Formula Growth	\$864,200
State Appropriation – Productivity Adjustment	(1,110,900)
State Appropriation – 2.6% Salary Pool (60% Cost Allocation)	1,819,800
Tuition – In State – 3.0% Increase	2,885,492
Tuition – Out of State – 3.0% Increase	207,404
Mandatory Fee – Transportation Fee Allocation – 3.0% Increase	649,830
Differential Fees – Tuition 3.0% Increase and New Fee	284,865
Program Fees – Mosaic Summer Fee Increase	9,000
Auxiliaries – Housing, Meal Plans, Parking - 4% Increase	1,555,178
Total Revenue Increase	7,164,869

FY26 Budget Adjustments

Resource	Funding
Revenue – Late Fees and Recoveries Budget	\$175,000
Tuition – Out-of-State Maintenance Fee Budget	792,596
Expenses – Shifting Faculty Cost to Online Fees	1,750,000
Expenses – Benefit Savings Budget Adjustments	542,500
Total Budget Adjustments	\$3,260,096

FY26 Recurring Institutional Expense Allocations

Expense	Funding
2.5% Compensation Pool	\$2,960,979
Faculty Promotions and Rollovers	400,000
Faculty Market Adjustments	1,500,000
Staff Compression/Market Adjustments	800,000
3% Scholarship and Retention	292,379
UT System Charge (Placeholder)	200,000
Mandatory Fees – Transportation	649,830

FY26 Recurring Division Expense Allocations

Expense	Funding
AA – CAS – Dual Enrollment Faculty (2 Current)	\$122,670
AA – CHEPS - Psych Mental Health Nursing Faculty (1 New)	126,900
AA – RCOB Chair of Ethics (Current)	192,816
AA – Graduate School – 3% Graduate Assistantships	50,494
AA – Differential Fees	284,865
Athletics – 3% Grant In Aid	173,290
Athletics – Men Basketball Increase	175,000
EMSA – Recruitment	147,614
EMSA – Mosaic Program	9,000
Communications and Marketing – Ad Placements	650,000
Finance and Administration – Human Resources Position (Current)	133,950
Auxiliaries – Food Service and Parking	106,224
Auxiliaries - Housing	1,448,954

Year to Year Budget Highlights

	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	Proposed FY 2026
Total Budget	\$204,065,948	\$221,533,091	\$236,613,158	\$248,637,836	\$251,857,893	\$262,282,858
Tuition Increase	0%	2.0%	0%	3.0%	3.0%	3.0%
State Appropriations – Funding Formula	\$183,800	\$1,470,100	\$4,631,900	\$1,953,400	\$1,447,200	\$(246,700)
State Appropriations – Salary	-	\$2,550,000	\$2,674,700	\$3,523,500	\$2,219,800	\$1,819,800
Compensation Plan	Faculty Promotions	2.75% \$11 Min Wage Staff Equity Faculty Promotions	3.0% \$13 Min Wage Staff Equity Faculty Promotions	4.0% \$15 Min Wage Compression Faculty Promotions	3.0% Faculty Promotions	2.5% Staff Market Staff Compression Faculty Market Faculty Compression Faculty Promotions
Compensation Plan Cost	\$250,000	\$3,583,720	\$3,696,910	\$4,981,424	\$3,534,425	\$5,660,979

FY 2026 Proposed Fee Changes

Approval	Fee	Current	Proposed	Change	%	Annual Revenue
Board	UG Maintenance Fee	\$ 8,458	\$ 8,712	\$ 254	3.0%	\$ 2,510,378
Board	GR Maintenance Fee	\$ 9,120	\$ 9,396	\$ 276	3.0%	\$ 375,114
Board	Out of State Tuition	\$ 8,064	\$ 8,306	\$ 242	3.0%	\$ 207,404
Board	Mandatory Fees	\$ 1,990	\$ 2,050	\$ 60	3.0%	\$ 649,830
Board	Differential Fees	\$62 / \$108	\$64 / \$111	\$2 / \$3	3.0%	\$ 188,865
Board	New LEAD Differential	\$0	\$64	NEW	-	\$ 96,000
President	Mosaic Summer Fee	\$ 3,500	\$ 5,000	\$ 1,500	42.6%	\$ 9,000
Board	Auxiliaries	Varies	Varies	Varies	4.0%	\$ 1,555,178

FY 2026 Proposed Mandatory Fee Changes

Fee	Current	Proposed	Change	%
Student Activity	\$ 188	\$ 188	-	-
Debt Service	504	504	-	-
Health Services	130	130	-	-
Athletics	514	514	-	-
Technology	260	260	-	-
Library	50	50	-	-
Transportation	124	184	60	48.4%
Facilities	200	200	-	-
International	20	20	-	-
Total	\$ 1,990	\$ 2,050	\$ 60	3.0%

FY 2026 Proposed Undergraduate Tuition & Fees

UG Students	Maintenance Fees	Mandatory Fees	Out of State Tuition	Total Cost	Total Change	Cost Change
In-State	\$ 8,712	\$ 2,050	N/A	\$ 10,762	3.0%	\$ 314
Out-of-State	\$ 8,712	\$ 2,050	\$ 8,306	\$ 19,068	3.0%	\$ 556
International	\$ 8,712	\$ 2,050	\$ 16,546	\$ 27,308	3.0%	\$ 796

FY 2026 Proposed Graduate Tuition & Fees

GR Students	Maintenance Fees	Mandatory Fees	Out of State Tuition	Total Cost	Total Change	Cost Change
In-State	\$ 9,396	\$ 2,050	N/A	\$ 11,446	3.0%	\$ 336
Out-of-State	\$ 9,396	\$ 2,050	\$8,306	\$ 19,752	3.0%	\$ 578
International	\$ 9,396	\$ 2,050	\$16,546	\$ 27,992	3.0%	\$818

Faculty Compensation Analysis

Rank	Count	TN Public Higher Education Institutions			SREB2/3		
		Gap to 85% of Market 50th Percentile	Gap to Market 50th Percentile	Gap to 115% of Market 50th Percentile	Gap to 85% of Market 50th Percentile	Gap to Market 50th Percentile	Gap to 115% of Market 50th Percentile
Professor	145	\$ 147,145	\$ 961,300	\$ 2,317,849	\$ 305,937	\$ 1,217,899	\$ 2,682,419
Associate Professor	114	\$ 66,470	\$ 430,715	\$ 1,241,139	\$ 96,809	\$ 515,368	\$ 1,548,570
Assistant Professor	126	\$ 50,089	\$ 465,434	\$ 1,344,470	\$ 114,577	\$ 712,370	\$ 1,947,826
Lecturer	136	\$ 37,211	\$ 376,220	\$ 1,204,580	\$ 48,055	\$ 460,329	\$ 1,427,155
Library	24				\$ 3,585	\$ 63,291	\$ 181,209
Total	545	\$ 300,916	\$ 2,233,670	\$ 6,108,038	\$ 568,962	\$ 2,969,257	\$ 7,787,179

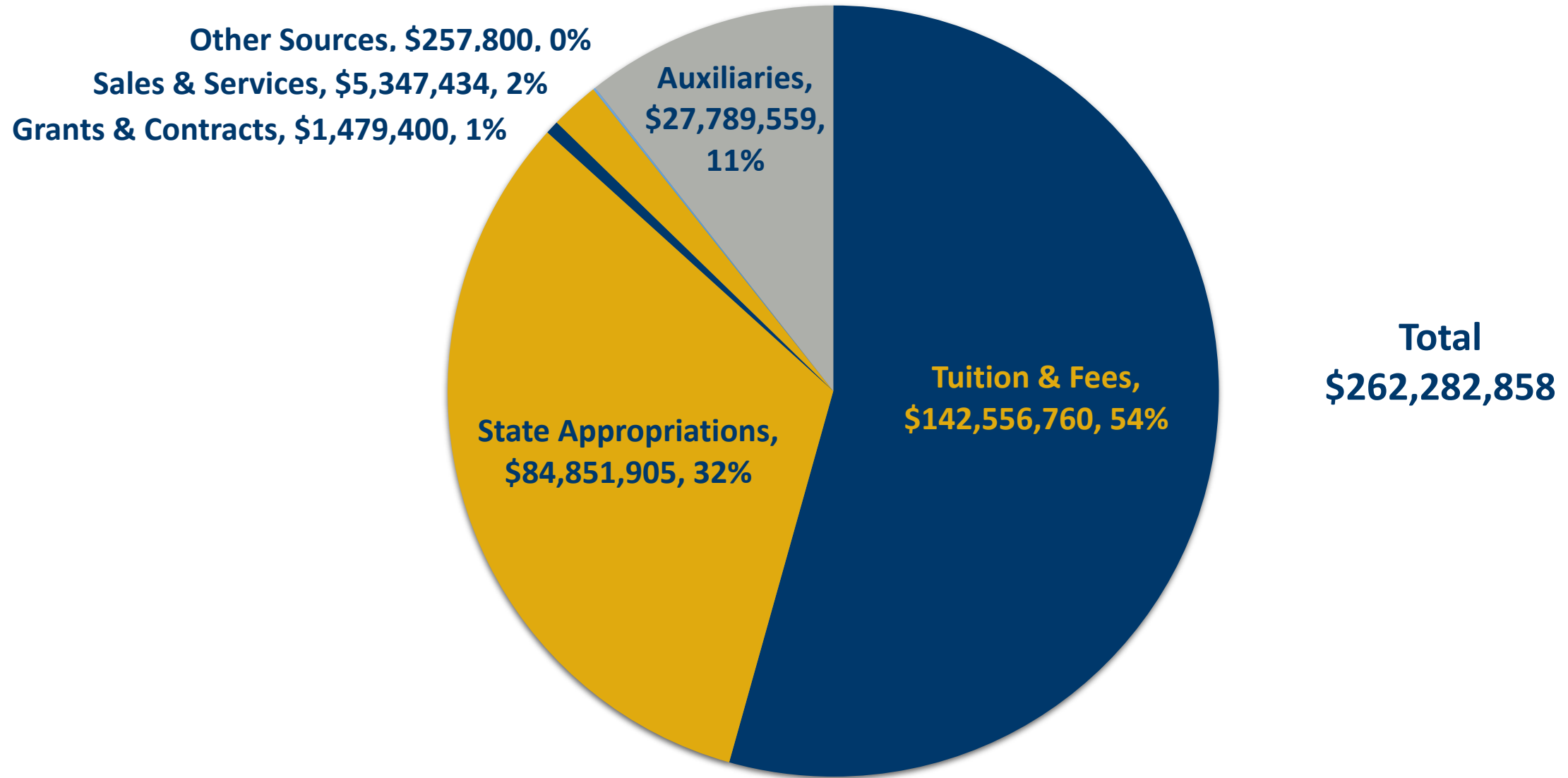
College	Count	TN Public Higher Education Institutions			SREB2/3		
		Gap to 85% of Market 50th Percentile	Gap to Market 50th Percentile	Gap to 115% of Market 50th Percentile	Gap to 85% of Market 50th Percentile	Gap to Market 50th Percentile	Gap to 115% of Market 50th Percentile
Arts & Sciences	262	\$ 189,560	\$ 1,430,232	\$ 3,712,586	\$ 206,805	\$ 1,474,699	\$ 3,864,810
Engineering & Computer Science	58	\$ 26,483	\$ 221,524	\$ 555,654	\$ 179,638	\$ 557,538	\$ 1,317,019
Health, Education & Professional Studies	131	\$ 84,873	\$ 518,686	\$ 1,502,052	\$ 174,995	\$ 782,673	\$ 1,964,196
Honors College	1				\$ 3,939	\$ 15,242	\$ 26,545
Rollins College of Business	69	\$ -	\$ 63,229	\$ 337,745	\$ -	\$ 75,814	\$ 433,401
Library	24				\$ 3,585	\$ 63,291	\$ 181,209
Total	545	\$ 300,916	\$ 2,233,670	\$ 6,108,038	\$ 568,962	\$ 2,969,257	\$ 7,787,179

Analysis totals do not include the FY25 3% and FY26 2.5% increases or the promotion adjustments. The "Gap to Market 50th Percentile" is anticipated to be less than shown here.

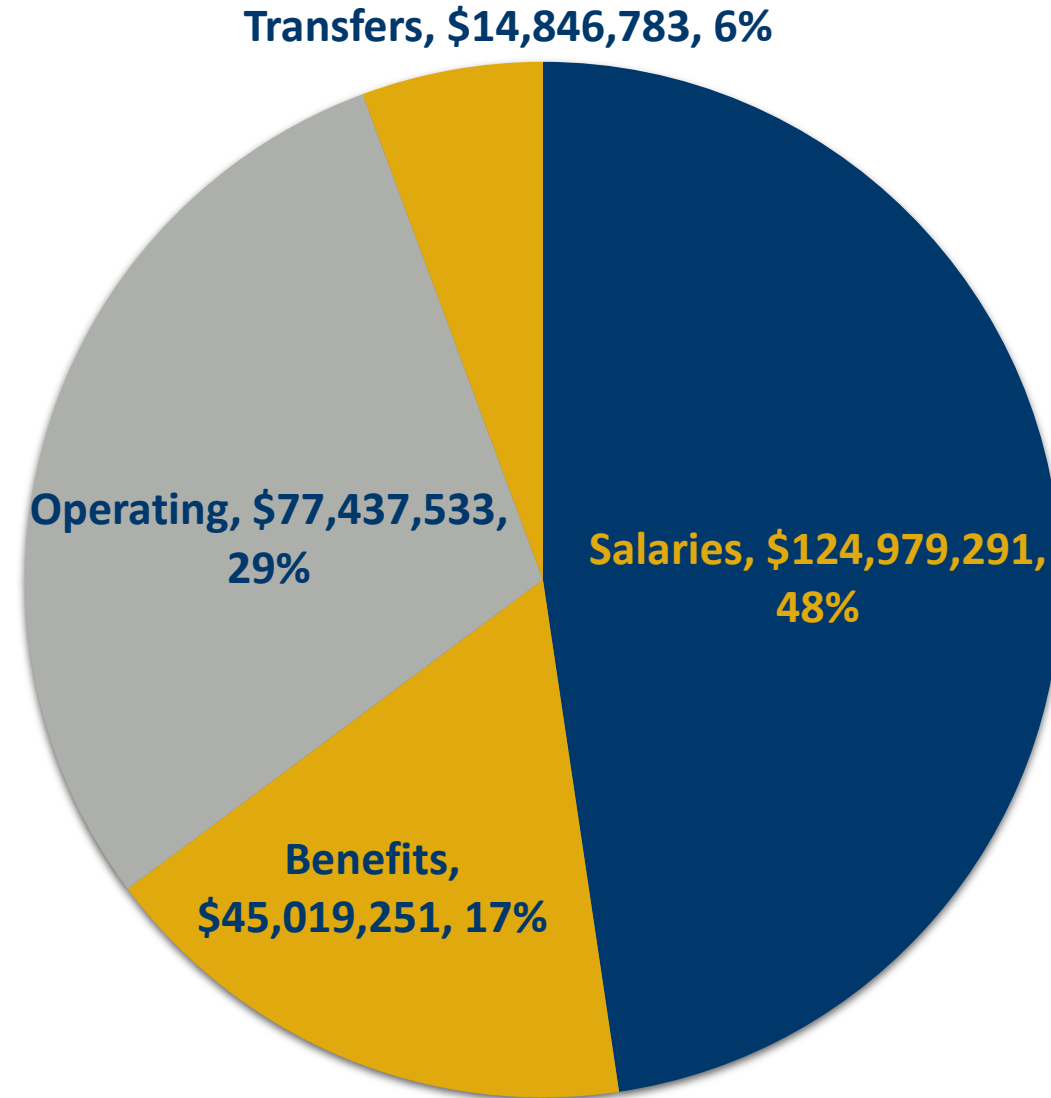
Staff Compensation Analysis

FY23 Compression Plan Structure				FY24 Compression Plan Structure				FY26 MR Structure Impact Overview			
Range	Entry-level Hrly Rate	Range Penetration	Annualized Salary	Range	Entry-level Hrly Rate	Range Penetration	Annualized Salary	Range	Entry-level Hrly Rate	Range Penetration	Annualized Salary
MR1	\$ 13.00	46%	\$ 27,040.00	MR1	\$ 15.00	69%	\$ 31,200.00	MR1	\$ 15.00	61%	\$ 31,200.00
MR2	\$ 13.59	37.50%	\$ 28,267.20	MR2	\$ 15.75	61%	\$ 32,760.00	MR2	\$ 15.75	53%	\$ 32,760.00
MR3	\$ 14.94	37.50%	\$ 31,075.20	MR3	\$ 16.54	52%	\$ 34,403.20	MR3	\$ 16.54	44%	\$ 34,403.20
MR4	\$ 16.12	37.50%	\$ 33,529.60	MR4	\$ 17.37	44%	\$ 36,129.60	MR4	\$ 17.37	37%	\$ 36,129.60
MR5	\$ 17.30	30.50%	\$ 35,984.00	MR5	\$ 18.24	37%	\$ 37,939.20	MR5	\$ 18.24	29%	\$ 37,939.20
MR6	\$ 18.36	25% / Q2Min	\$ 38,188.80	MR6	\$ 19.15	29%	\$ 39,832.00	MR6	\$ 19.15	22%	\$ 39,832.00
Funding existed to address compression for MR1-6 only				MR7	\$ 20.11	22%	\$ 41,828.80	MR7	\$ 20.11	16%	\$ 41,828.80
				MR8	\$ 21.12	15%	\$ 43,929.60	MR8	\$ 21.12	9%	\$ 43,929.60
				MR9	\$ 22.18	9%	\$ 46,134.40	MR9	\$ 22.18	3%	\$ 46,134.40
				MR1-9 includes 572 Employees / 67% of Staff Population as of FY24.				No compression funding in FY25. FY26 overview is outlined above based on entry-level rates established in FY24. MR structure was adjusted July 24 and July 25, impacting range penetration of entry-level rates.			

Projected Fiscal Year 2026 Budget - Revenues

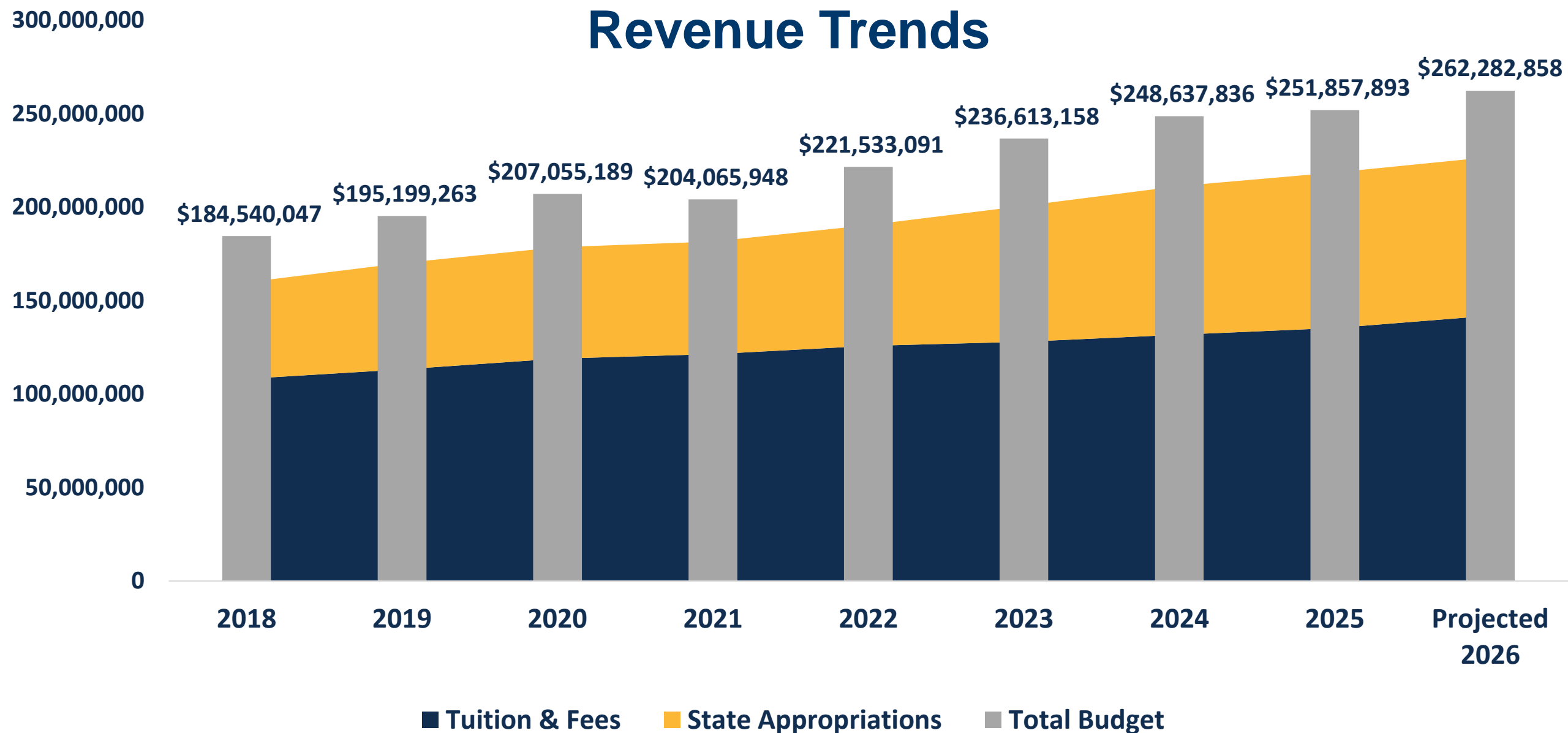


Projected Fiscal Year 2026 Budget – Expenses



Total
\$262,282,858

Revenue Trends



VRIP Update

	Employees		Salary Dollars	Payout
2025 VRIP – Total Eligible	215		\$ 18,941,380	\$ 9,470,690
2025 VRIP – Actuals	53		\$ 4,487,189	\$ 2,243,594
Division	Group	Employees	Salary Dollars	Payout
Academic Affairs	Faculty	21	\$ 2,235,734	\$ 1,117,867
Academic Affairs	Staff	7	\$ 477,889	\$ 238,944
Athletics	Staff	1	\$ 96,552	\$ 48,276
Enrollment Mgmt & Student Affairs	Staff	4	\$ 282,128	\$ 141,064
Finance and Administration	Staff	13	\$ 918,312	\$ 459,156
Information Technology	Staff	5	\$ 325,396	\$ 162,698
Chancellor	Staff	1	\$ 71,573	\$ 35,787
Research	Staff	1	\$ 79,605	\$ 39,803

Payout amounts don't include annual leave payout amounts.

Position Retention Justification Requests due by April 30th. Review process lead by Chancellor, Provost and CBO in May.

Thank you!

Questions?