



Presentation to Audit & Business Committee  
Board of Trustees  
June 23, 2022





## Maintenance and Mandatory Fees



# Maintenance and Mandatory Fees FY2022-23

- No increase recommended for both maintenance and mandatory fees
  - Exceptional level of new funding from State
  - THEC Commissioners voted for zero-to-zero range
  - THEC research shows our fees are considered average compared to peers across member states of Southern Regional Education Board





FY2021-22 Estimated & FY2022-23 Proposed Budget



# Reconciliation of Changes in E&G revenues

	October Revised Budget FY2021-22	Current Estimate FY2021-22	Difference	July Proposed Budget FY2022-23	Difference
Tuition & Fees	\$99,019,300	\$100,995,900	\$1,976,600	\$100,785,900	(\$210,000)
State Approp	\$64,128,100	\$64,128,100	\$0	\$78,863,600	\$14,735,500
Other	\$12,175,200	\$13,741,900	\$1,566,700	\$12,798,400	(\$943,500)
Total E&G	\$175,322,600	\$178,865,900	\$3,543,300	\$192,447,900	\$13,582,000



# E&G Revenues Reconciliation of Difference

## Revised vs Current Estimate

- Tuition and Fees
  - Conservative estimate in enrollment driven maintenance and fees \$1,976,600
- Other
  - Increase in indirect cost revenue \$857,900 (catch up)
  - Increase in Athletics \$632,500
  - Career Services \$64,100

## Current Estimate vs Proposed

- Tuition and Fees
  - Reduction in Summer (\$304,250)
  - Undergraduate Increase \$733,400
  - Graduate Decrease (\$500,000)
  - Out-of-state increase \$47,250
  - SAF and mandatory fee decline (\$213,500)
- State Appropriations
  - Outcomes Adjustment (\$497,500)
  - Share of new funding \$4,380,400
  - Matching Cybersecurity Grant \$700,000
  - Insurance Adjustment \$611,100
  - Salary Pool \$2,201,500
  - Rural Reimagined \$1,000,000
  - Evins Appalachian Craft Center \$2,840,000
  - Crossville Wind Tunnel Research \$3,500,000
- Other
  - Indirect Cost (\$857,900)

# Change in Expenses

	October Revised Budget FY2021-22	Current Estimate FY2021-22	Difference	July Proposed Budget FY2022-23	Difference
Instruction	\$89,399,100	\$86,171,200	(\$3,227,900)	\$86,981,400	\$810,200
Research	\$4,458,400	\$5,518,400	\$1,060,000	\$2,750,800	(\$2,767,600)
Public Service	\$2,486,000	\$2,568,400	\$82,400	\$2,056,600	(\$511,800)
Academic Supp.	\$14,979,100	\$16,243,900	\$1,264,800	\$14,308,000	(\$1,935,900)
Student Serv	\$22,767,500	\$23,490,400	\$722,900	\$22,823,600	(\$666,800)
Institutional Supp.	\$19,308,600	\$20,766,900	\$1,458,300	\$19,915,000	(\$851,900)
Maint & Oper.	\$16,281,900	\$16,511,400	\$229,500	\$16,319,900	(\$191,500)
Scholarship	\$16,309,200	\$16,514,600	\$205,400	\$17,536,300	\$1,021,700
<b>Total E&amp;G</b>	<b>\$185,989,800</b>	<b>\$187,785,200</b>	<b>\$1,795,400</b>	<b>\$182,691,600</b>	<b>(\$5,093,600)</b>



# Reconciliation of Change in Expenses

## Revised vs Current Estimate

- Instruction
  - Reallocate Lapse Strategic Funds to Capital Projects, legal fees, research, recruitment and scholarships (\$2,263,000)
  - Reallocate portion of College online fee to Provost for course development (\$338,750)
  - Summer School transferred to Un Exp. Plant-Summer Projects (\$617,868)
- Research
  - \$857,881 Indirect Cost Distribution catch up
  - Reallocation \$60,000 from Lapse Strategic Funds
- Public Service
- Academic Support
  - TAF increase due to conservative fall budget \$115,250
  - Reallocate portion of College online fee to Provost for course development \$338,750
  - IT Market Adjustments and new IT positions \$658,618
- Student Services
  - Athletics \$632,500
  - Disability Services \$75,000
  - Maxinet Software \$9,000
- Inst. Support/Maint. & Operation
  - Property Insurance \$475,000
  - Legal Fees Increase \$715,000
  - Fund Strategic Leader GA's & Stipends \$120,000
  - Transfers to Capital Projects \$424,350

## Current Estimate vs Proposed

- Faculty Promotions \$203,897
- Maintenance Contracts \$65,000
- One-time carryforward removed
  - Instruction (\$11,320,171)
  - Research \$(2,507,921)
  - Academic Support \$(1,795,653)
  - Public Service \$(196,328)
  - Student Services \$(318,822)
  - Institutional Support \$(481,306)
  - Plant \$(707,897)
- Permanent Budget Reallocation (\$1,941,868)
- Instruction/Research
  - Crossville Wind Tunnel \$3,500,000
  - CEROC \$1,200,000
  - Rural Reimagined \$1,000,000
  - Craft Center \$2,840,000
- Institutional Support
  - Marketing \$650,000
  - Increase health insurance \$611,100
- Plant – increase utilities \$427,000
- New Presidential Scholarships \$1,000,000
- Salary increase 4% and Fringe Benefits - \$3,891,342





# Change in Natural Expenses

	October Revised Budget FY2021-22	Current Estimate FY2021-22	Difference	July Proposed Budget FY2022-23	Difference
Salary and Wages	\$83,091,597	\$82,075,661	(\$1,015,936)	\$85,226,469	\$3,150,808
Fringe Benefits	\$35,758,386	\$36,128,286	\$369,900	\$37,031,368	\$903,082
Travel	\$1,685,364	\$2,154,059	\$468,695	\$1,584,615	(\$569,444)
Operating & Utilities	\$48,044,509	\$49,119,709	\$1,075,200	\$40,394,442	(\$8,725,267)
Scholarships & Fellowships	\$16,872,770	\$17,080,640	\$207,870	\$18,093,623	\$1,012,983
Capital	\$537,328	\$1,226,926	\$689,598	\$361,094	(\$865,832)
<b>Total E&amp;G</b>	<b>\$185,989,954</b>	<b>\$187,785,281</b>	<b>\$1,795,327</b>	<b>\$182,691,611</b>	<b>(\$5,093,670)</b>



# Reconciliation of Change in Natural Expenses

## Revised vs Current Estimate

- Salary and Wages
  - Lapse Strategic Investment Pool (\$2,781,127)
  - Funds transferred for GA's \$1,056,856
  - IT and Police Market adjustments \$324,277
  - Director of Infrastructure, Systems Administrator and AVP of Student Engagement \$401,800
- Benefits
  - Funds transferred to cover GA fee Waivers \$268,605
- Travel
  - Units transferred dollars from operating or temporary wages to cover travel expenditures \$509,902
- Operating & Utilities
  - Lapse invested back at College/VP level \$1,117,585
- Scholarships
  - Funds added to cover new Presidential Scholarship Program \$300,000
- Capital
  - Funds transferred from Lapse investment to cover infrastructure \$624,350

## Current Estimate vs Proposed

- Salary and Wages
  - Faculty promotions \$203,897
  - Salary increase 4% - \$2,993,339
  - Permanent Budget Reallocation (\$1,274,057)
  - Re-establish lapse salaries \$2,781,127
  - Remove temporary budgets for GA's (\$1,056,856)
  - Remove temporary budgets for Adjuncts and Summer School (\$624,061)
  - New Positions for CDL, Chief Diversity Officer, Music \$121,000
- Fringe Benefits
  - Estimated FB for 4% salary increase \$898,003
  - Permanent Budget Reallocation (\$111,898)
- Travel
  - Remove one-time departmental transfers (\$509,902)
  - Permanent Budget Reallocation (\$45,593)
- Operating & Utilities
  - Remove temporary budgets for carryforwards (\$17.3M)
  - Remove temporary budget lapse salary (\$1,117,585)
  - Permanent Budget Reallocation (\$510,400)
  - Crossville Wind Tunnel \$3,500,000
  - CEROC \$1,200,000
  - Rural Reimagined \$1,000,000
  - Craft Center \$2,840,000
  - Increased Utilities \$427,000
  - Increased Marketing \$650,000
- Scholarships
  - New Presidential Scholarships \$1,000,000
- Capital
  - Remove one-time departmental transfers \$624,350





## Disclosed Projects FY2022-23



# Disclosed Projects FY2022-23

## Campus funded projects

Fiscal Year	Project	Project Cost	Project Description
2022-23	Pavement Repairs	\$500,000	Asphalt paving repairs of selected streets and parking lots campus wide
2022-23	New Hall North Roof Replacement	\$750,000	Replace the shingles on New Hall North
	<b>Total Request</b>	<b>\$1,250,000</b>	





## Capital Budget FY2023-24



# Capital Outlay Request FY2023-24

## Requested for State Funding

Fiscal Year	Project	Project Cost	Project Description
2023-24	Academic Classroom Building	\$55,390,000	Demolish Matthews/Daniel Hall. Construct new academic classroom building on same site. Renovate the adjacent Crawford Hall and connect to the new building.
<b>Funding sources:</b>			
State capital appropriations		\$51,867,196	
Match required		3,522,804	
	<b>Total Requested</b>	<b>\$55,390,000</b>	



# Capital Maintenance Projects Request FY2023-24

## Requested for State Funding

Priority	Project	Project Cost	Project Description
1	Roaden University Center HVAC Upgrades	\$1,100,000	Replace air handlers. Clean coils and ductwork.
2	Elevator Upgrades	\$943,381	Refurbishment for safer operability
3	Intramural Field Lighting Replacement	\$2,000,000	Field Lighting
4	Utility Infrastructure Upgrades	\$2,430,000	Replace underground utilities including steam, chilled water, domestic water, sanitary and storm sewer, telecom, ITS, gas and electric.
5	Roof Replacements	\$500,000	Replace the roofs on Bell Hall and Ray Morris Hall.
6	Foundation Hall Upgrades 1.1	\$3,610,000	Electrical service upgrades



# Capital Maintenance Projects Request FY2023-24

## Requested for State Funding

Priority	Project	Project Cost	Project Description
7	Bryan Fine Arts Building Exterior Repairs	\$1,200,000	Provide exterior masonry repairs including north patio and retaining wall.
8	University Services Building Mechanical Upgrades	\$886,000	Replace the air handler, VAV boxes and piping.
9	Foundation Hall Upgrades 1.2	\$3,500,000	Lighting, finishes, reconfigurations for front end of building
	<b>Total Requested</b>	<b>\$16,169,381</b>	







## Land Acquisition



# Land Acquisition

- Coomer Property – two parcels
  - 520 E. Eleventh Street
  - 1108 N. Washington Avenue
- Purchasing from TTU Foundation
- Lesser of \$425,000 or appraised value at time of purchase
- Identified in Acquisition Plan in 2014 Master Plan
- High priority acquisition for University
  - Relocation of Facilities Services Complex





Joe L. Evins Appalachian Center for Craft  
Lease



# Craft Center Lease

- Renewal of lease with U.S. Government, U.S. Army Corps of Engineers
  - Essentially the same as current lease
  - Facilities and 451.68 acres
  - 25-year lease
    - beginning November 30, 2020 and ending November 30, 2045
  - Consideration for this lease is operations and maintenance of the premises
    - Annual “Use & Development Plan”
    - Initial 5-year Use & Development Plan estimated cost \$2,481,500
    - \$2,840,000 in one-time State appropriations to cover these costs





## Dual Enrollment Tuition Rate



# Dual Enrollment Tuition Rate

- Rate is deeply discounted from regular tuition rates
  - Applies to high school students taking courses for both high school and college credit
  - TN Student Assistance Corporation (TSAC) provides Dual Enrollment Grants to cover costs for up to 5 courses for dual enrolled students
  - We accept the Dual Enrollment Grant with no additional charge to dual enrolled students
  - TSAC increased grants from \$500 per 3 cr. hr. course to \$538.65 per cr. hr. course
- Recommend increase from \$166 per credit hour to \$179.55 per credit hour effective Fall semester 2022
  - This is inclusive of \$513 tuition plus 5% Dual Enrollment Access Fee of \$25.65





## Emeritus President Contract





## TTU Policy 506 (General and Group Travel Policies)





# General and Group Travel Policies

- Minor changes resulting from biennial review
- Incorporate use of travel credit card and new travel expense management software (Chrome River)
- Clarification on allowable expenses
- Added State's "Automobile Accident Reporting" requirement
- Clarification on when employees may request travel advances
- Update CONUS rates (federal rates for continental U.S. travel)





## TTU Policy 600 (Code of Conduct)



# Code of Conduct Policy

- Clarification of TTU employees subject to policy
- Clarification on “due process” application in cases of “appearance of unethical or irresponsible conduct...”
- Clarification that employee failure to follow lawful directives constitutes insubordination





## Faculty Promotions





## Tenure Recommendations

