



Presentation to Audit & Business Committee  
Board of Trustees  
October 6, 2022





## Financial Update



# FY21-22 Financial Summary (Actuals)

<b>7/1/21 Beginning Fund Balance</b>	<b>\$30,694,432</b>
Total Education and General Revenue	\$184,886,673
Total Auxiliary Revenue	\$20,592,510
<b>Total Revenue</b>	<b>\$205,479,183</b>
Total Education and General Expenditures & Transfers	\$190,384,433
Total Auxiliary Expenditures & Transfers	\$20,754,133
<b>Total Expenditures and Transfers</b>	<b>\$211,138,576</b>
<b>6/30/22 Ending Fund Balance</b>	<b>\$25,035,039</b>
<b>Allocation for Working Capital</b>	<b>\$3,786,177</b>
<b>Allocation for Encumbrances</b>	<b>\$1,158,441</b>
<b>6/30/22 Ending Fund Balance after Allocations</b>	<b>\$20,090,421</b>



# Update FY2021-22 EOY Status Operating Budget

<b>Fund balance (2-5%)</b>	<b>\$4,935,954</b>
<b>Unspent budgets carryforwards</b>	<b>\$3,255,133</b>
<b>Special fees carryforwards</b>	
• <b>Specialized Academic Fees</b>	<b>\$ 810,687</b>
• <b>Online Course Fees</b>	<b>\$ 4,116,438</b>
• <b>Student Activity Fees</b>	<b>\$ 606,936</b>
• <b>Technology Access Fees</b>	<b>\$ 2,499,662</b>
• <b>Research Indirect Cost</b>	<b>\$ 1,944,472</b>
• <b>Engineering Special Allocation</b>	<b>\$ 1,988,692</b>

Federal CARES/HEERF funds are not included in these numbers



# Tuition and Fee Revenues Exceeding Proposed Budget FY22-23

- **Fall 2022 revised revenue estimates (compared to July Proposed Budget)**

• Summer school	\$ 143,750
• Regular academic year	\$ 439,550
• TNeCampus (including out-of-state)	\$ (67,750)
• Out-of-state summer school	\$ 15,500
• Out-of-state regular academic year	\$ 8,500
• Out-of-state DMBA, MACC, MSN	\$ 6,000



# Enrollment Analysis by FTE

Student Type	Actual Fall 2022 FTE	Proposed Budget Projected Fall FTE	Difference
1 <sup>st</sup> Time Freshmen	2,050	1,761	289
Undergraduate Transfers	541	650	(109)
Dual Enrollment	277	239	38
New Graduate Students	184	94	90
Returning Students (UG & G)	5,701	5,991	(290)
International Students	129	136	(7)
Total	8,882	8,871	11



# Cumulative Impact of Tuition Changes

- **Impact of flat-rate tuition model** **\$6,554,206**
- **Impact of reduced domestic out-of-state tuition (headcount)**
  - UG non-athlete +238      UG athlete +122
  - GR non-athlete + 14      GR athlete + 21





## Master Plan Amendment





# Crawford Hall

- Demolition of Crawford Hall
  - Amend master plan to show demolition rather than renovation of Crawford Hall
  - More detailed programming of the buildings show renovation will not accommodate activities envisioned for the space
  - Provides a larger footprint for the new academic classroom building while still complying with scale and historical vernacular of the historic quad



# Crossville Property

- Adds purchase of Crossville Property to master plan
  - Former Trade-A-Plane campus in downtown Crossville
    - Approximately 120,000 square feet
    - 3 story office building with 2 connected warehouse structures
  - Envisioned as primarily a research facility for the University with some space available for classroom instruction
  - Potential to lease some space to other organizations whose activities support University research and/or instruction





## Land Acquisition



# Acquisition of Crossville Property

- Property has been acquired by Tennessee Tech Foundation on behalf of University
  - Cost of building to the University \$3,230,379.61
    - Building cost \$3,200,000
    - Settlement cost \$23,633
    - City/Town taxes \$6,746.61
  - University has received \$3,500,000 of recurring state appropriations to acquire and operate the facility





## Capital Budget FY2023-24



# Capital Outlay Request FY2023-24

Requested for State Funding

Fiscal Year	Project	Initial Project Cost	Updated Project Cost	Project Description
2023-24	Academic Classroom Building	\$55,390,000	\$66,500,000	Demolish Matthews, Daniel and Crawford Halls. Construct new building that will provide classrooms, faculty offices and support spaces.
<b>Funding sources:</b>				
State capital appropriations		\$51,867,196	\$61,180,000	
Match required		3,522,804	\$5,320,000	
	<b>Total Requested</b>	<b>\$55,390,000</b>	<b>\$66,500,000</b>	



# Capital Maintenance Projects Request FY2023-24

## Requested for State Funding

New Priority	June Priority	Project	New Project Cost	June Cost	Project Description
1	1	RUC HVAC Upgrades	<b>\$1,150,000</b>	\$1,100,000	Replace air handlers. Clean coils and ductwork.
2	2	Elevator Upgrades	<b>\$870,000</b>	\$943,381	Refurbish for safer operability.
3	Not included	Campus-wide Building Controls	<b>\$2,025,000</b>	\$0	Upgrade pneumatic controls to digital controls on several buildings.
4	Not included	Derryberry Hall Upgrades Phase 1	<b>\$2,480,000</b>	\$0	Evaluate/replace/update mechanical, electrical and plumbing as needed. Any needed exterior repairs.
5	Not included	Bryan Fine Arts Auditorium	<b>\$2,300,000</b>	\$0	Upgrade MEP systems, stage lighting, sound system and seating.
6	5	Roof Replacements	<b>\$1,140,000</b>	\$500,000	Replace the roofs on Bell Hall and Ray Morris Hall.



# Capital Maintenance Projects Request FY2023-24

## Requested for State Funding

New Priority	June Priority	Project	New Project Cost	June Cost	Project Description
7	4	Utility Infrastructure Upgrades 1.1	\$3,030,000	\$2,430,000	Electrical service upgrades
8	Not included	Utility Infrastructure Upgrades 1.2	\$1,940,000	\$0	Replacement and repairs of utilities campus-wide
9	8	University Services Building Mechanical Upgrades	\$1,120,000	\$886,000	Replace the air handler, VAV boxes and piping.
Not included	6 & 9	Foundation Hall Upgrades 1.1&1.2	\$0	\$7,110,000	Lighting, finishes, reconfigurations for front end of building
Not included	7	Bryan Fine Arts Building Exterior Repairs	\$0	\$1,200,000	Provide exterior masonry repairs including north patio and retaining wall.
Not included	3	Intramural Field Replace Lights	\$0	\$2,000,000	Field lighting
<b>Total Requested</b>			<b>\$16,055,000</b>	<b>\$16,169,381</b>	







Disclosed Project



# Disclosed Project FY2022-23

## Campus Funded Projects

Fiscal Year	Project	Project Cost	Project Description
2022-23	Football Operations Center	\$15,000,000	Construct a football operations center (Gift Funded)
	<b>Total Request</b>	<b>\$15,000,000</b>	





## TTU Policy 511.1 (Fees, Charges, Refunds and Adjustments)



# Policy 511.1 Fees, Charges, Refunds and Adjustments

- Update policy to include residency classification for military-affiliated students and resulting fee assessment per State law (T.C.A. 49-7-1303)
  - Adds definition of military-affiliated individuals
  - Allows military-affiliated individuals to pay in-state tuition rates if they are enrolled at Tennessee Tech, but reside outside of the State of Tennessee





## Performance Evaluation & Performance-Based Compensation Analysis





## Employee Performance Evaluations



# Staff (Non-Faculty) Performance Evaluation Process

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- **Year 7 of Performance Evaluation Process**
- **Staff evaluations**
  - Focus on individual employee performance
  - Ensure employees have a voice in their evaluation
  - Allow for specific goals and achievements to be recognized
  - Stress job specific performance
  - Include a self-evaluation component



# Continuing the Change of Non-Faculty Performance Evaluation Culture

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- **Core competencies aligned to TTU Strategic Plan objectives**
  - Academic Excellence
  - Student Success
  - Community Engagement
  - Meaningful Innovation
  - Supportive Environment
  - Value Creation





# Continuing the Change of Non-Faculty Performance Evaluation Culture

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- **Evaluations scores tie directly back to actual job responsibilities**
  - Annually employees and supervisors review job duties prior to evaluation to ensure accurate reflection of duties
  - Employee is rated on their specific job duties
- **Employee goals are set for high performance and departmental growth**
  - Annually evaluate accomplishments towards goals



# Training

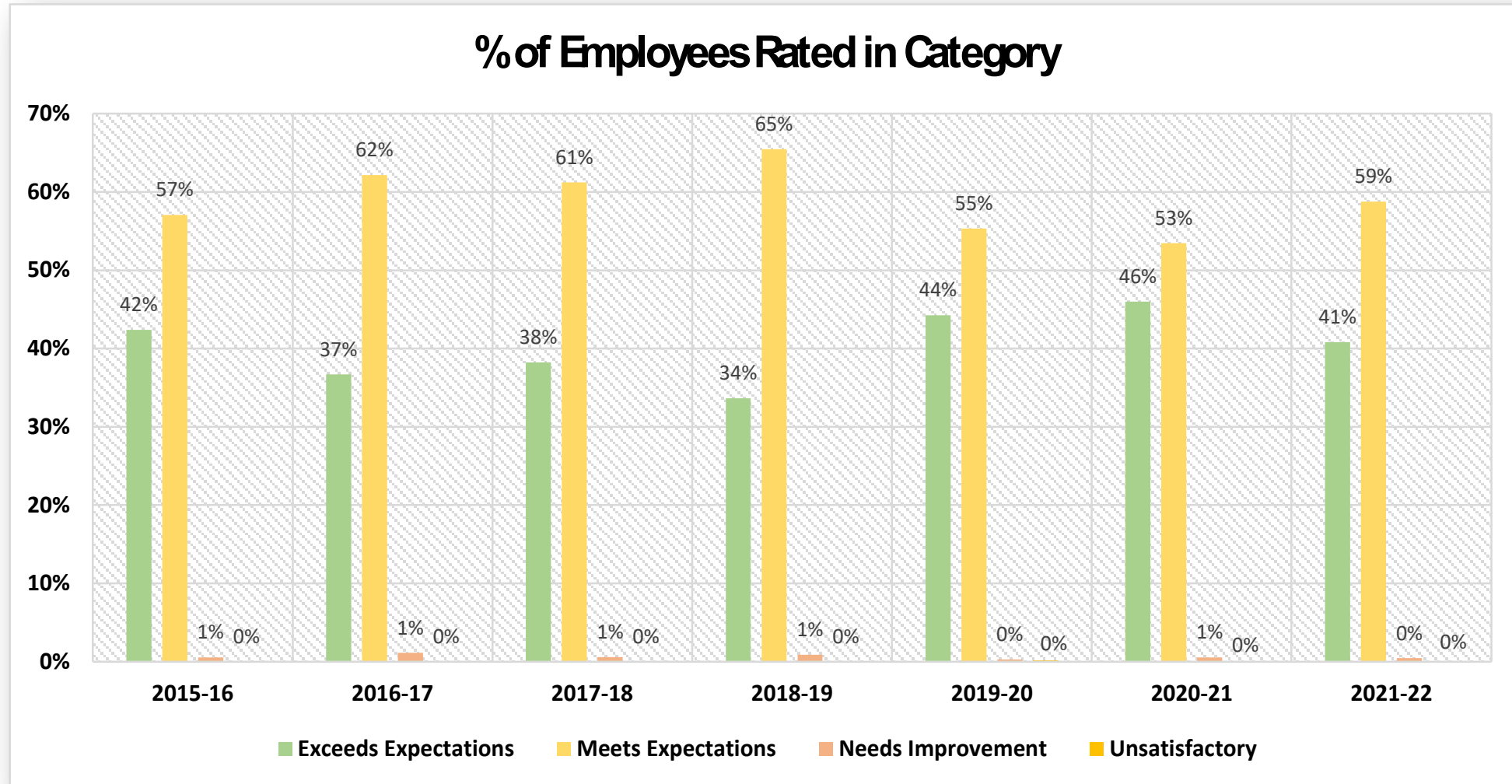
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- **Targeted communications to supervisor and reviewing officers**
  - Sent the month of March
  - Included role responsibilities, understanding the rating scale, tips on writing an evaluation, and completing the one-on-one meetings
- **Training sessions to supervisors and employees**
  - Twelve Employee Training Sessions
  - Twelve Supervisor Training Sessions



# Staff (Non-Faculty)

## % of Employees Rated in Performance Category



# Faculty Performance Evaluation Process

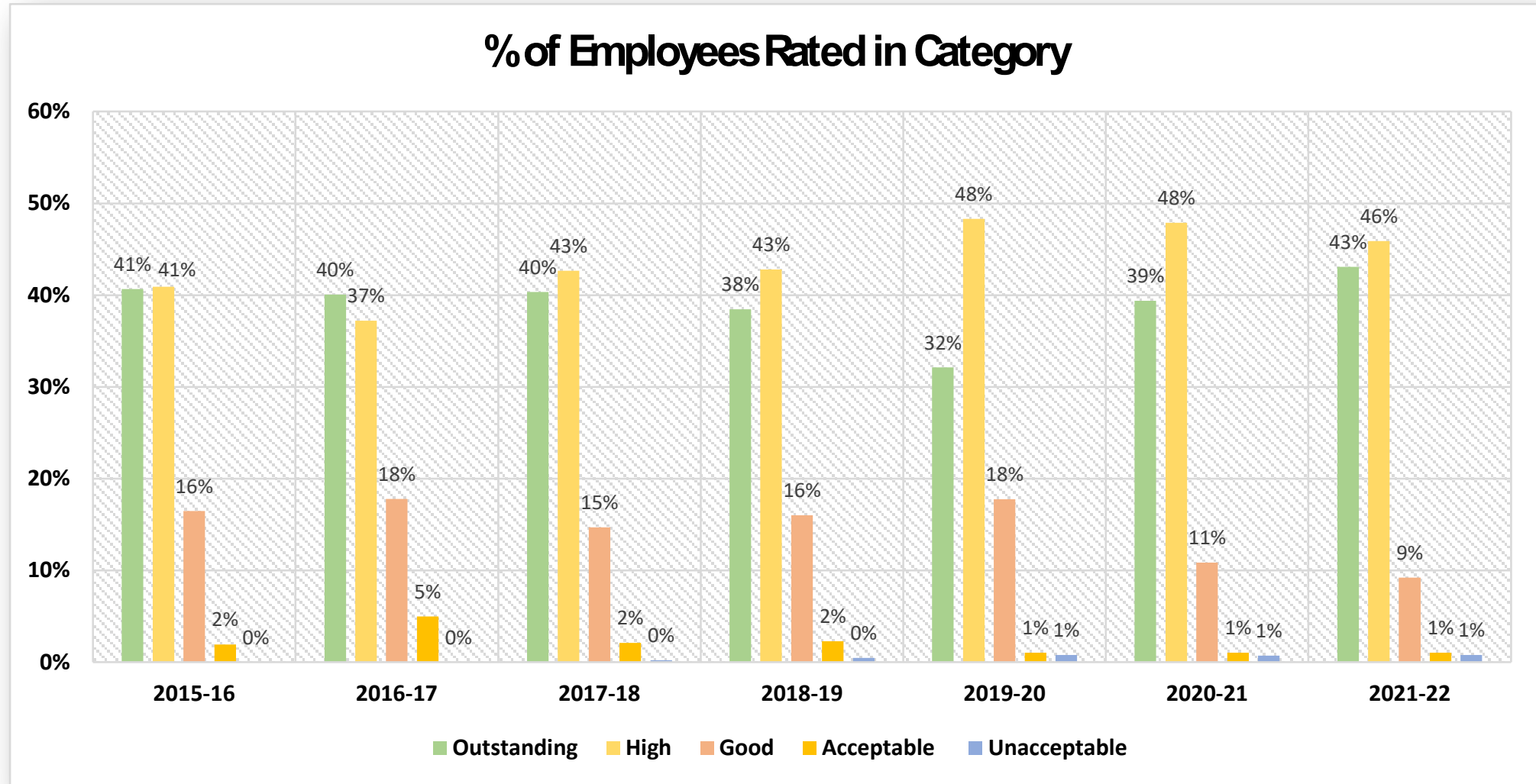
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- **All faculty, both tenured and non-tenured, are evaluated annually by the department chairperson and the college dean**
  - Teaching
  - Advisement
  - Research/Scholarship/Creative Activity
  - Service/Outreach
  - Administration
  - Other (as assigned and detailed)



# Faculty

## % of Employees Rated in Performance Category



# Performance Evaluations – Next Steps

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- **Real Time Reporting of Performance Ratings**
- **Incorporation of “Wings Up Way”**
- **Emphasis on Individual Contributions in Relation to Goals and Objectives**
- **Reinforcing an Ongoing Performance Evaluation Process (periodic check-ins throughout the year)**
- **Annual Mandatory Supervisor Training**





## Performance Based Compensation



# Performance Based Compensation Model

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- **4% Pool for Performance Base Salary Increase**

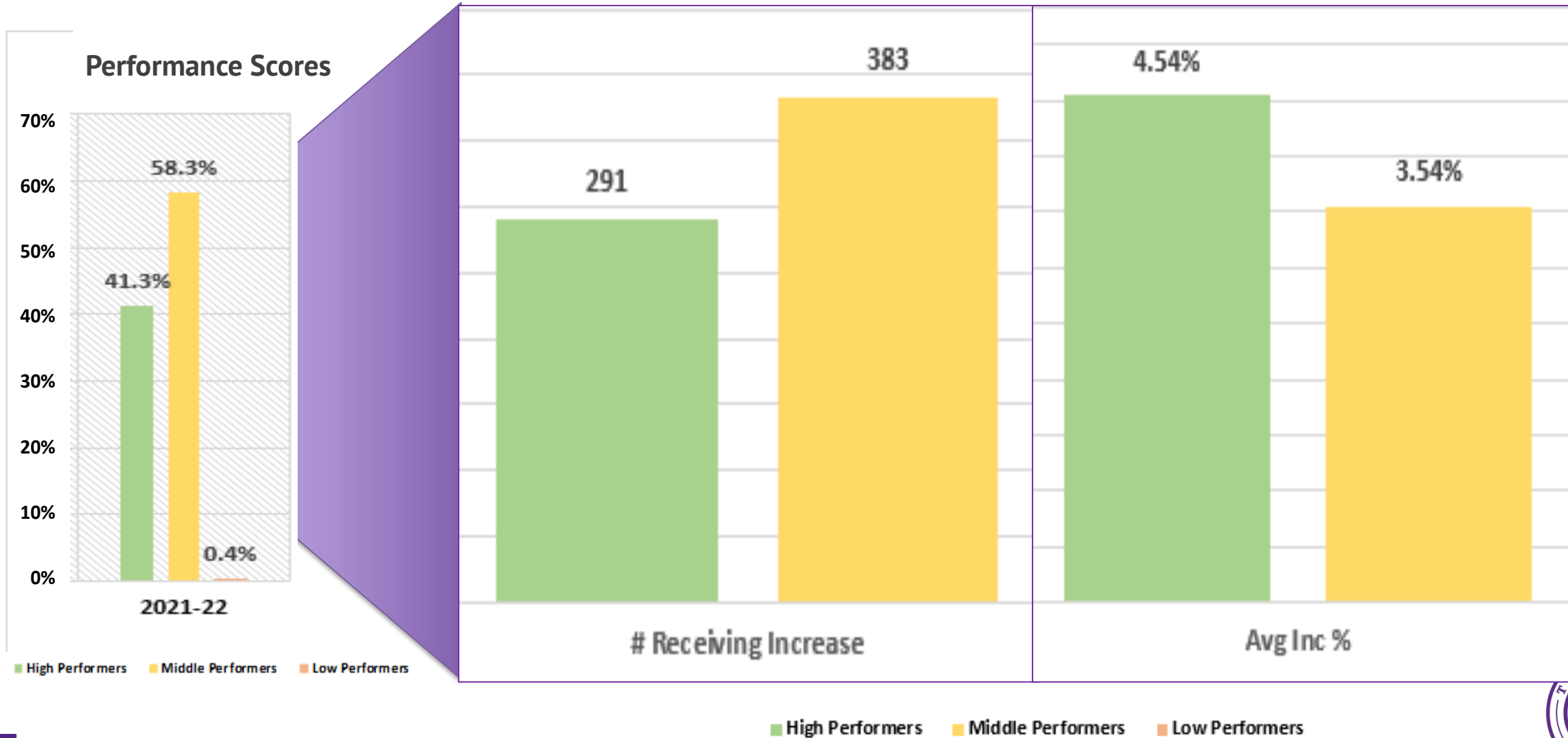
- **Eligibility**

- **Faculty** = 2022 Performance Evaluation Scores of acceptable or better rating
- **Staff** = 2022 Performance Evaluation Scores of meets expectations or better rating
- Hire date on or before December 31, 2021
- Employee NOT placed on a Performance Improvement Plan during the fiscal year (July 1, 2021 – June 31, 2022)
- Minimum award = 1%
- Maximum award = 7%

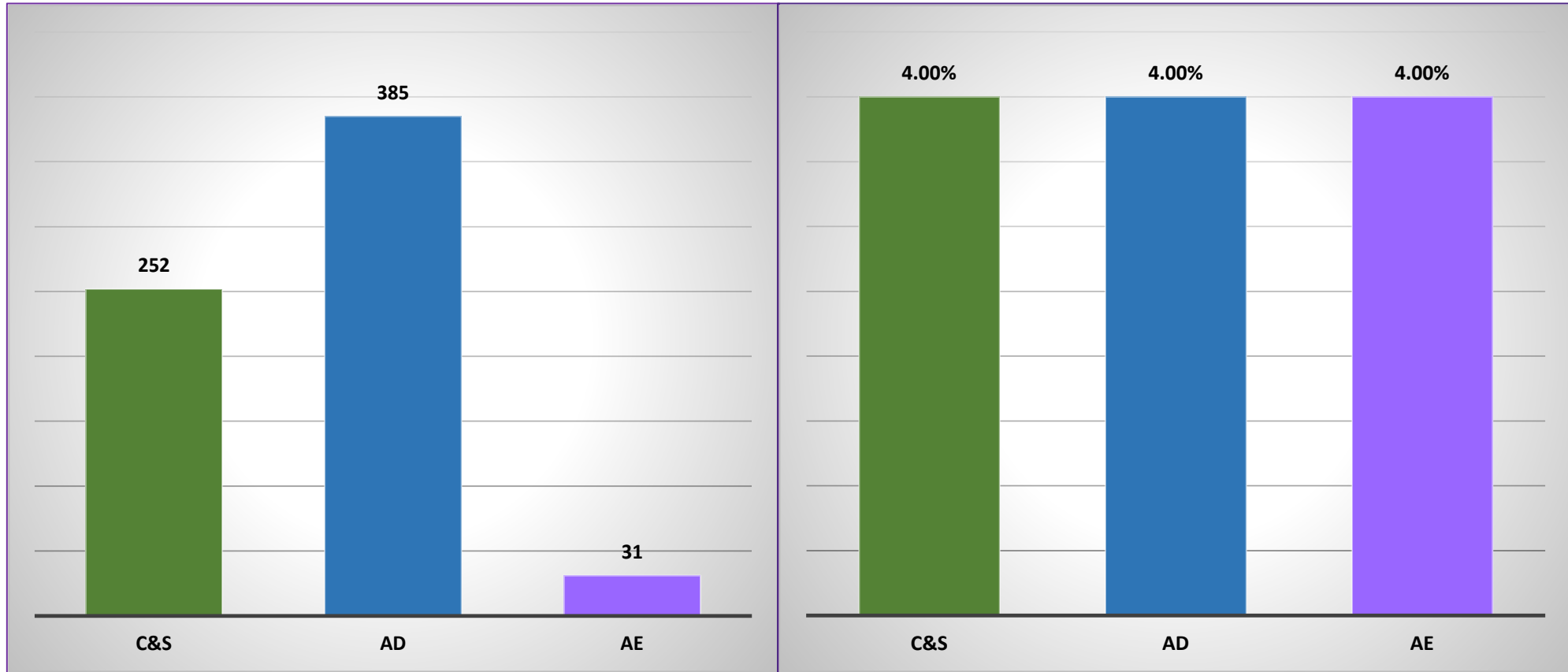




# Staff – Distribution of Base Salary Increase By Category

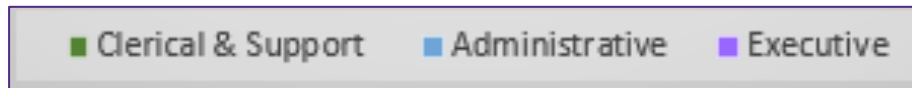


# Staff – Distribution of Base Salary Increase (By Classification)

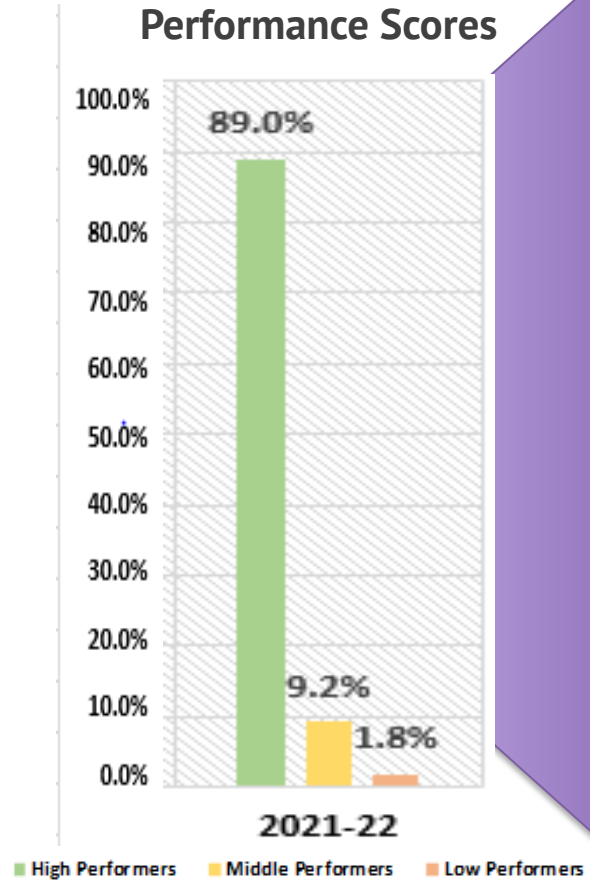


# Receiving Increase

Average Raise Percentage



# Faculty - Distribution of Base Salary Increase By Category



# Performance Based Compensation – Next Steps

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- **Focus on Value and Impact of Individual Contributions Relative to Departmental and University Goals and Objectives**
- **Providing Merit Allocation Approaches**
- **Real-time Graphic Representation of Merit Allocations in Working Documents**
- **Supervisory Review of Performance Scores and Merit Distribution with Staff**





Tenure Upon Appointment Recommendation

