



OUTCOMES-BASED FUNDING FORMULA PRESENTATION

TENNESSEE TECHNOLOGICAL UNIVERSITY

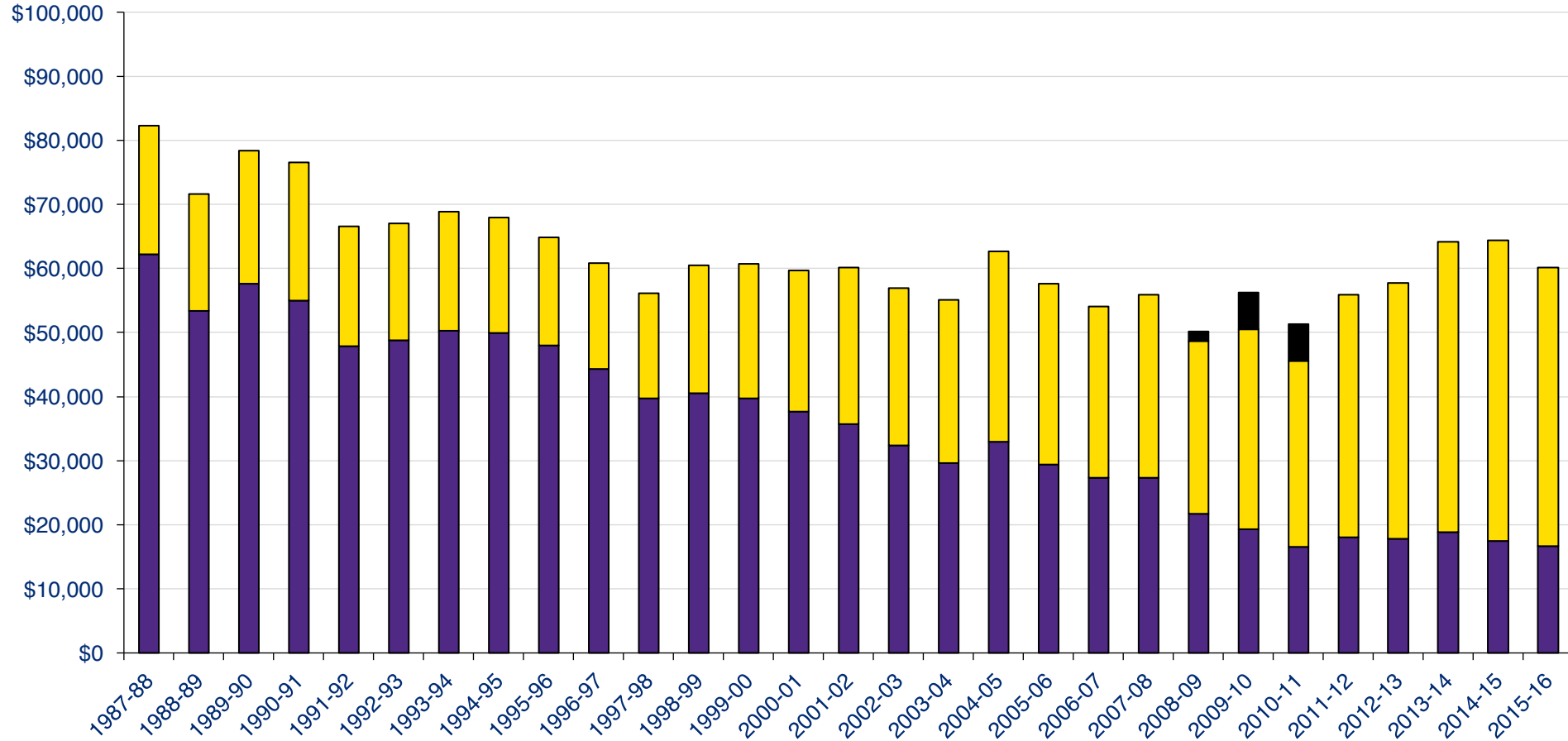
BOARD MEETING

12/11/2017

Total Revenue per Award – TTU

Inflation Adjusted (2015 Dollars)

■ State Appropriations/Award
 ■ Student Fees/Award
 ■ (ARRA and MoE)/Award



Sector Differentiated Outcomes

University

Students accumulating 30 hours

Students accumulating 60 hours

Students accumulating 90 hours

Bachelors and Associate degrees

Masters/Ed. Specialist degrees

Doctoral/Law degrees

Research, Service and Sponsored Prgs.

Degrees per 100 FTE

Six-year graduation rate

Students accumulating 12 hours

Students accumulating 24 hours

Students accumulating 36 hours

Dual enrollment

Associate degrees

Long-term certificates

Short-term certificates

Job placement

Transfer out with 12 hours

Workforce training

Awards per 100 FTE

Community College

Overview of University Weights

Weights Based on Institutional Mission	UTM	APSU	UTC	TTU	MTSU	ETSU	TSU	UM	UTK
Student Progression: 30 Credit Hours	4.0%	3.0%	4.0%	4.0%	3.0%	6.0%	4.0%	3.0%	2.0%
Student Progression: 60 Credit Hours	6.0%	4.5%	6.0%	6.0%	4.5%	7.5%	6.0%	4.5%	4.0%
Student Progression: 90 Credit Hours	10.0%	7.5%	10.0%	10.0%	7.5%	9.0%	10.0%	7.5%	6.5%
Bachelors Degrees	30.0%	27.5%	25.0%	25.0%	22.5%	20.0%	22.5%	22.5%	20.0%
Masters Degrees	15.0%	20.0%	10.0%	15.0%	20.0%	15.0%	12.5%	10.0%	10.0%
Doctoral/Law Degrees	0.0%	0.0%	5.0%	5.0%	7.5%	15.0%	7.5%	15.0%	12.5%
Research/Grant Funding	5.0%	10.0%	10.0%	10.0%	10.0%	10.0%	15.0%	10.0%	12.5%
Degrees per 100 FTE	10.0%	17.5%	15.0%	10.0%	10.0%	7.5%	12.5%	10.0%	17.5%
Graduation Rate	20.0%	10.0%	15.0%	15.0%	15.0%	10.0%	10.0%	17.5%	15.0%
	100%	100%	100%	100%	100%	100%	100%	100%	100%

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Bachelors degrees;
little research/doctoral
degrees

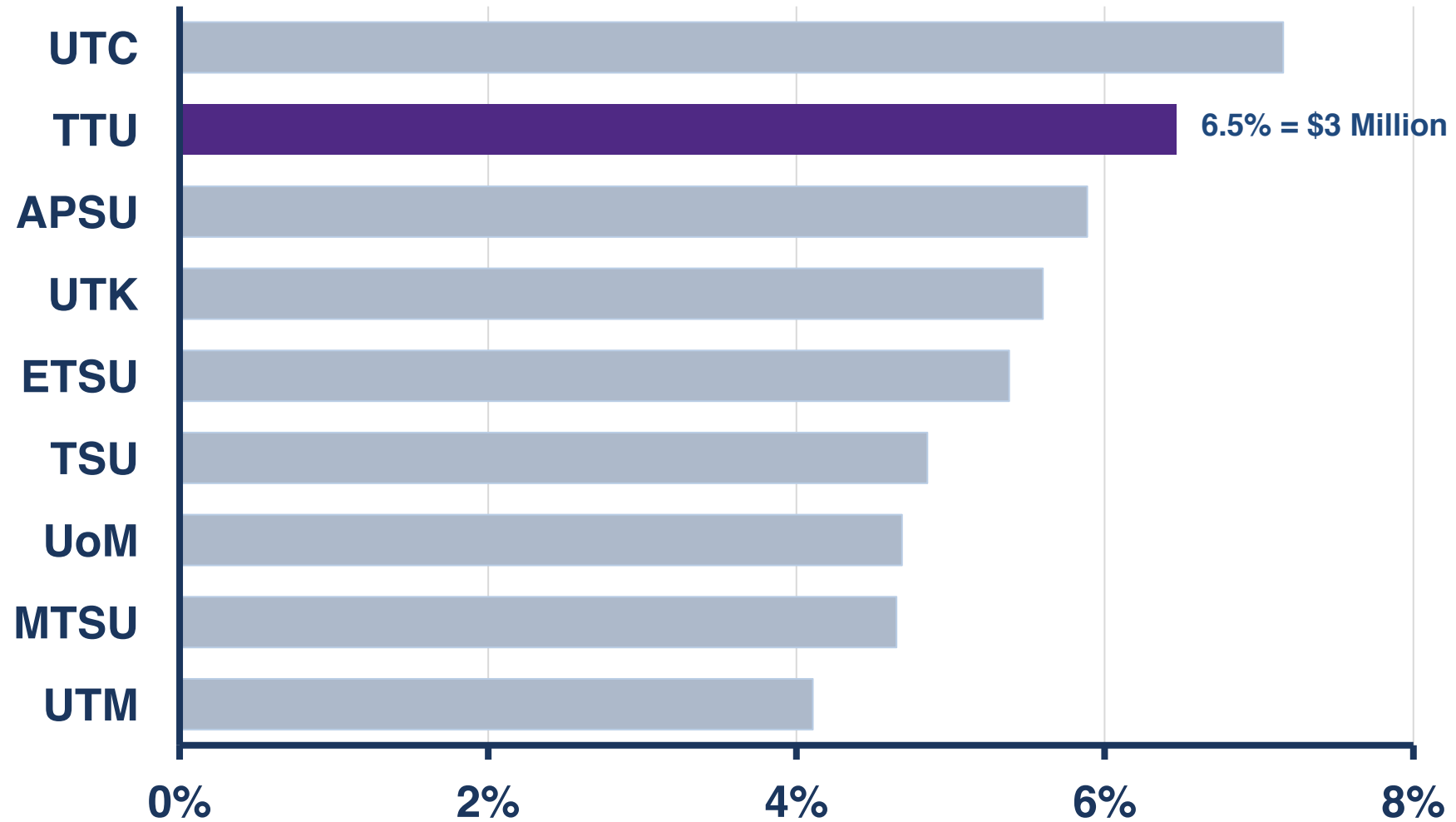
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Extensive doctoral
degrees and emphasis on
research

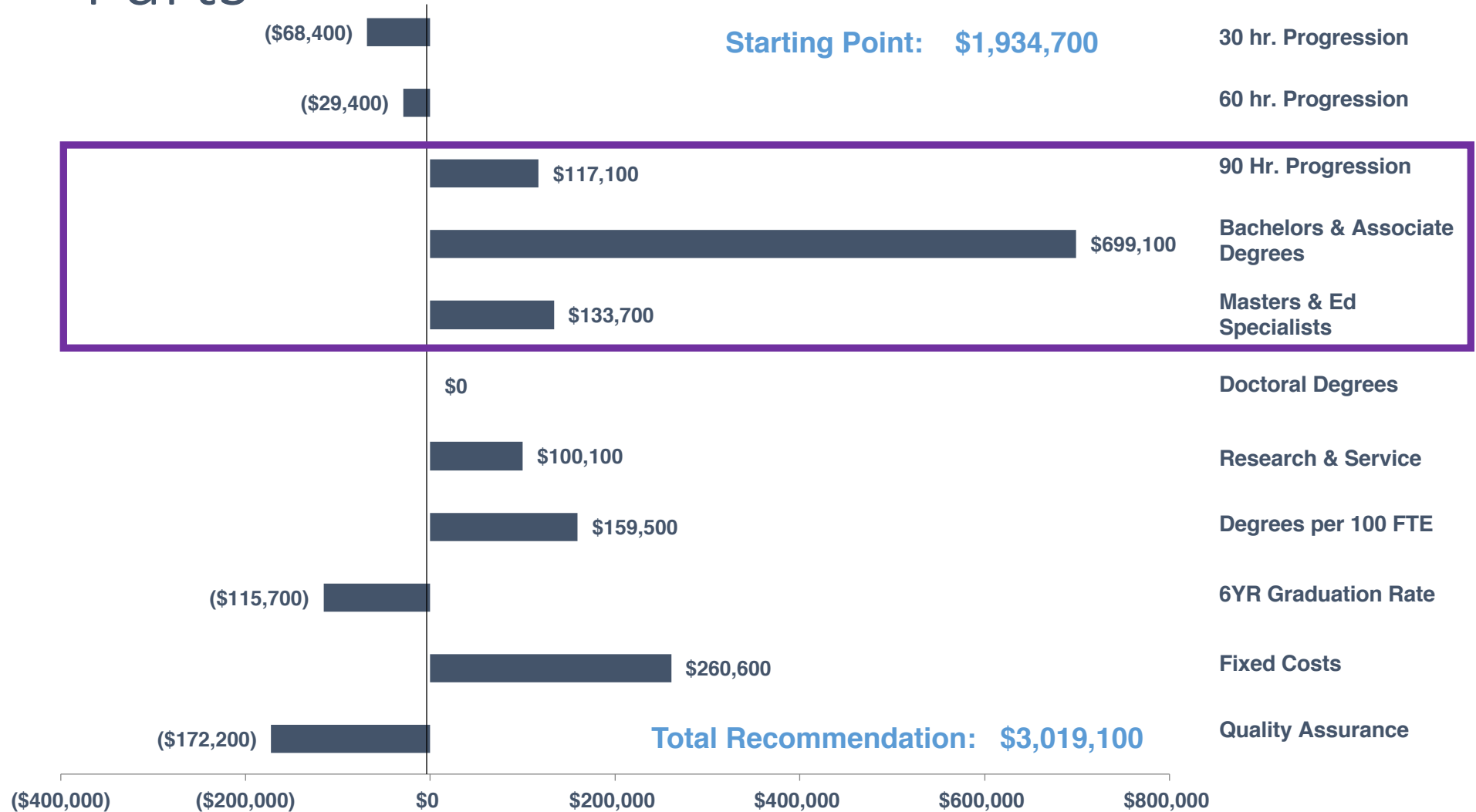


FORMULA ANALYSIS

2018-19 Recommended Appropriation Increases



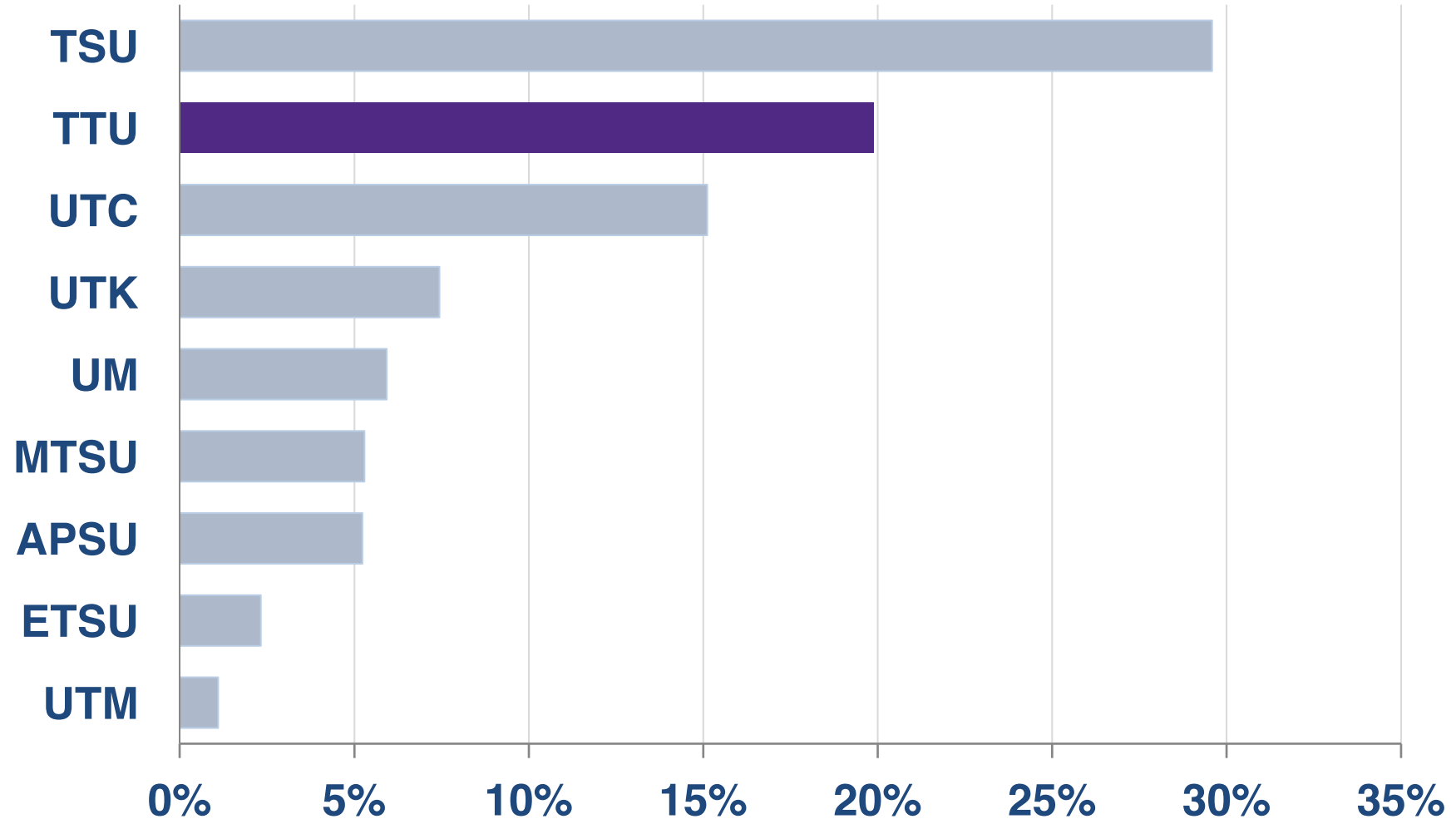
2018-19 Breakdown of Components Parts



University Outcome 5-Year Comparisons

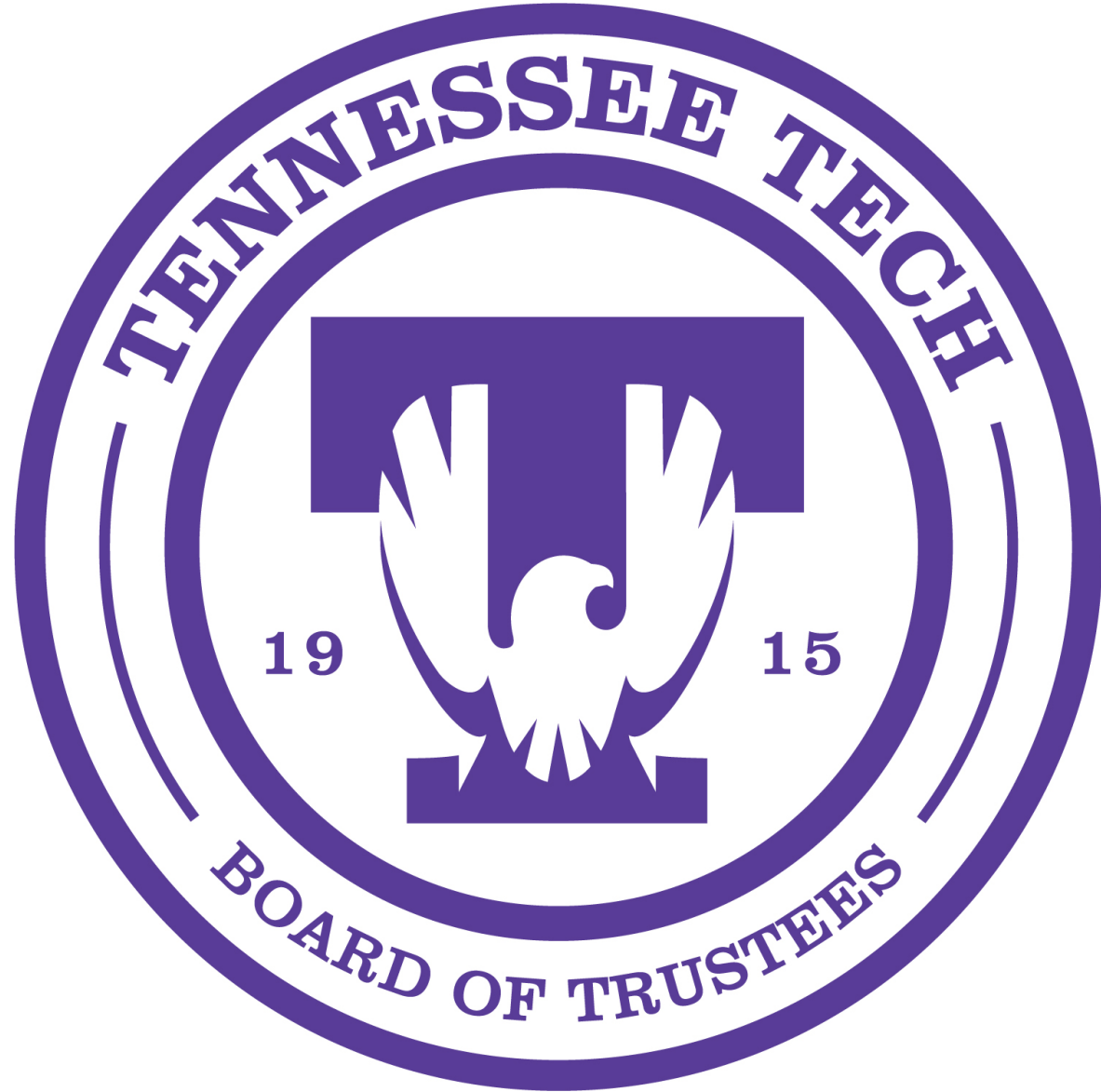
Formula Three-year Averages		
Outcomes	TTU 5-Year Change	All Univs 5-Year Change
<i>Students Accumulating 30 hrs</i>	-8%	-11%
<i>Students Accumulating 60 hrs</i>	11%	-4%
<i>Students Accumulating 90 hrs</i>	13%	3%
<i>Bachelors and Associate</i>	25%	17%
<i>Masters/Ed Specialist Degrees</i>	-38%	-6%
<i>Doctoral / Law Degrees</i>	-7%	14%
<i>Research, Service, and Sponsored Programs</i>	-14%	-20%
<i>Degrees per 100 FTE</i>	17%	20%
<i>Six-Year Graduation Rate</i>	7%	3%

Three-Year Average Bachelors and Associate Degree Change





THANK YOU





October (Revised) Budget

Presentation to Board of Trustees

Dec. 11, 2017



Fall 2017 Enrollment Compared with Fall 2016

	Fall 2017	Fall 2016	Change	Percentage Change
Headcount	10,504	10,492	12	0.1%
Full Time Equivalent	9,019	9,125	-106	-1.2%
First Time Freshmen	1,761	1,608	153	9.5%
Transfers	794	716	78	10.9%
Out-of-state				
International	549	714	-165	-23.1%
Domestic	278	318	-40	-12.6%



Investment in Marketing

- One-time investment
 - Billboards
 - Radio
 - Television
- Going forward
 - Priority to identify permanent funding



3-year Investment in New Faculty Positions

- 1st Year 2018-2019 (advertise 2017-18)
 - College of Engineering Computer Science – 2 tenure track + 1 lecturer
 - College of Business Decision Science – 1 lecturer



3-year Investment in New Faculty Positions

- 2nd Year 2019-2020 (advertise 2018-19)
 - College of Education – 1 tenure track
 - College of Business Decision Science – 1 lecturer
 - College of Engineering Computer Science – 1 tenure track + 1 lecturer



3-year Investment in New Faculty Positions

- 3rd Year 2020-2021 (advertise 2019-2020)
 - College of Engineering Computer Science – 1 lecturer
 - College of Business Decision Science – 1 tenure track



E&G Budget Summary

	Actual FY2016-17	October Budget FY2017-18
Beginning Fund Balance	\$15,200,043	\$11,099,357
E&G Revenues	\$153,003,265	\$156,943,800
E&G Expenses	\$149,778,295	\$156,191,300
Mandatory and Non-mandatory Transfers	\$7,327,856	\$3,576,100
Ending Fund Balance	\$11,097,157	\$8,275,757



Auxiliary Enterprises Budget Summary

	Actual FY2016-17	October Budget FY2017-18
Beginning Fund Balance	\$1,591,190	\$1,561,761
Auxiliary Revenues	\$16,917,308	\$17,673,700
Auxiliary Expenses	\$6,801,561	\$7,235,800
Mandatory and Non-Mandatory Transfers	\$10,143,034	\$10,724,700
Ending Fund Balance	\$1,563,903	\$1,274,961



Education & General (E&G) Revenue Budget

	Actual FY 2017	Proposed (July) FY 2018	Revised (October) FY2018	Change from July to October
Tuition and Fees	\$96,845,705	\$98,559,500	\$98,560,500	\$1,000
State Appropriations	\$42,172,363	\$45,448,900	\$47,030,200	\$1,581,300
Grants & Contracts	\$1,450,159	\$971,400	\$971,400	\$0.00
Sales & Services	\$11,539,646	\$10,332,500	\$9,515,700	\$(816,800)
Other Sources	\$995,392	\$683,500	\$866,000	\$182,500
Total E&G	\$153,003,265	\$155,995,800	\$156,943,800	\$948,000



E&G Expenses and Transfers

	Actual FY 2017	Proposed (July) FY2018	Revised (October) FY 2018	Change from July to October
Instruction	\$68,403,756	\$66,572,800	\$71,337,200	\$4,764,400
Research & Public Serv	\$4,769,862	\$5,163,200	\$6,072,900	\$909,700
Academic Support	\$12,298,538	\$12,204,400	\$11,680,800	\$(523,600)
Student Services	\$20,082,370	\$18,164,100	\$18,783,400	\$619,300
Institutional Support	\$15,061,103	\$14,635,600	\$15,990,800	\$1,355,200
Oper & Maint Plant	\$12,822,785	\$14,088,400	\$13,687,300	\$(401,100)
Scholarships & Fellowships	\$16,339,882	\$18,044,100	\$18,638,900	\$594,800
Transfers	\$7,327,856	\$7,028,300	\$3,576,100	\$(3,452,200)
Total E&G	\$157,106,151	\$155,900,900	\$159,767,400	\$3,866,500



E&G October Budget FY2017-18

Beginning Fund Balance

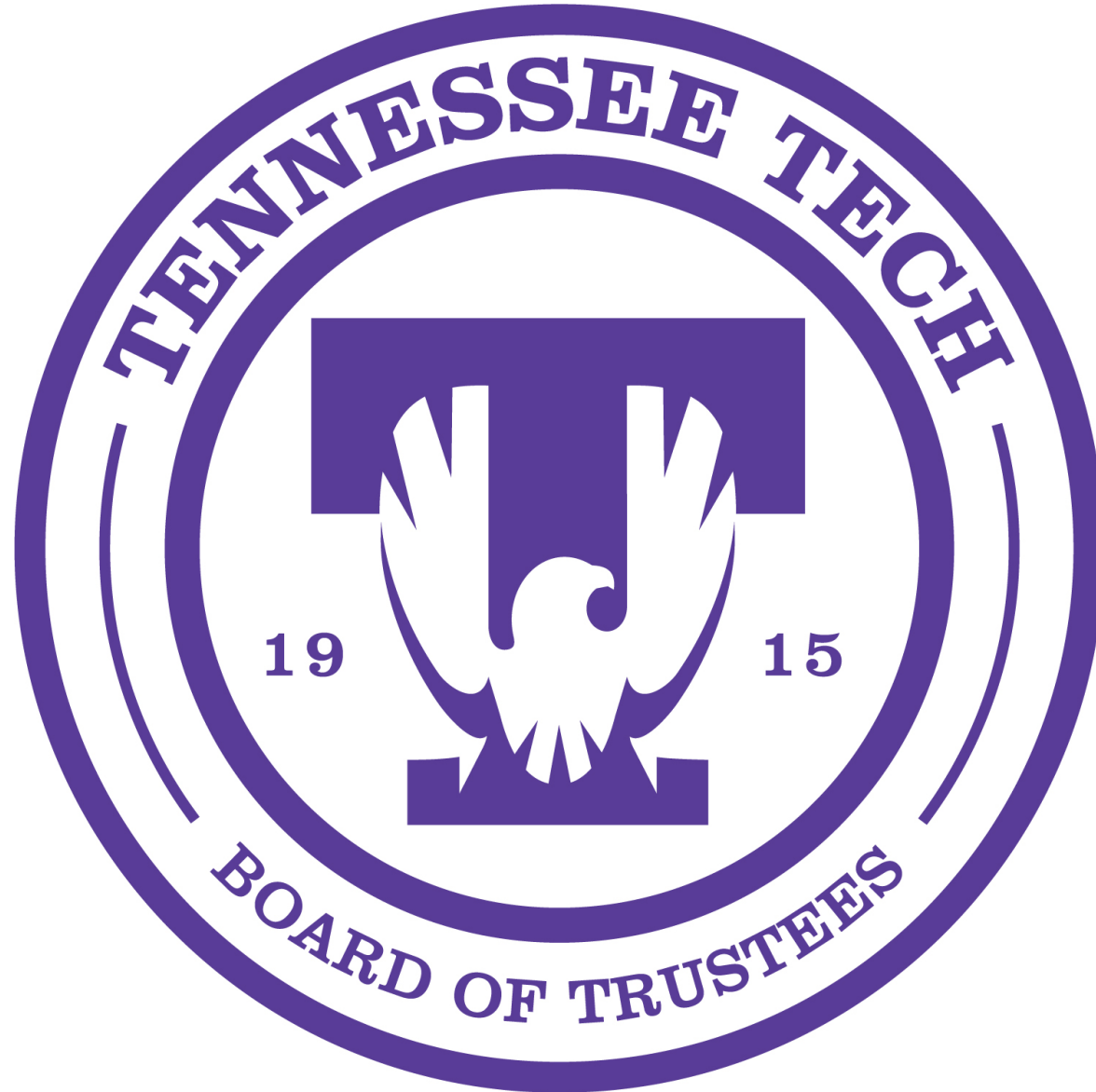
Total E&G Fund Balance	\$11,099,357
Allocation for Encumbrances	\$270,194
Allocation for Working Capital	\$2,944,013
Special Allocation*	\$7,885,150
Unallocated Balance	\$0
*2% to 5% Reserve	\$6,003,368
*Student Activity Fee	\$621,069
*Technology Access Fee	\$1,076,383
*Specialized Academic Course Fee	\$184,330

Ending Fund Balance

Total E&G Fund Balance	\$8,275,757
Allocation for Encumbrances	\$270,194
Allocation for Working Capital	\$2,944,013
Special Allocation*	\$5,061,476
Unallocated Balance (rounding)	\$74
*2% to 5% Reserve	\$3,179,694
*Student Activity Fee	\$621,069
*Technology Access Fee	\$1,076,383
*Specialized Academic Course Fee	\$184,330



DISCUSSION





Procurement and Capital Budget Management Severance

Dec. 11, 2017



Procurement and Capital Projects Severance from TBR

- Procurement Effective Dec. 1, 2017
 - Adopted TBR procurement policies with exception of bid limits
- Capital Project Management Effective July 1, 2018
 - Policies and procedures in accordance with State Building Commission, State Architect, THEC requirements



Considerations for Setting Bid Thresholds

	Percentage of Purchases	Percentage of Dollars Spent	Dollars Spent
Up to \$25,000	87%	16%	\$4.6 million
> \$25,000 < \$100,000	9%	23%	\$6.8 million
\$100,000 and over	4%	61%	\$18.1 million



Procurement Severance Differences

TBR

- Up to \$10,000 no bid required

Tennessee Tech

- Up to \$25,000 no bid required



Procurement Severance Differences

TBR

- Greater than \$10,000 but less than \$50,000 requires 3 informal bids

Tennessee Tech

- Greater than \$25,000 but less than \$100,000 requires 3 informal bids



Procurement Severance Differences

TBR

- \$50,000 and greater require formal bids to known vendors up to 15 vendors

Tennessee Tech

- \$100,000 and greater require formal bids to known vendors up to 15 vendors



DISCUSSION

