



# THE UNIVERSITY OF TENNESSEE BOARD OF TRUSTEES

---

FINANCE AND ADMINISTRATION COMMITTEE	
Friday, March 1, 2024	Warren Wilson Hall Room, Martin Hall UT Southern
8:00 a.m. (CST)/9:00 a.m. (EST)	433 W. Madison Street, Pulaski, TN 38478

## AGENDA

- I. Call to Order and Roll Call
- II. Opening Remarks of the Committee Chair
- III. Requests to Address the Board (if appropriate for this Committee)
- IV. [Report on Financial Performance](#) – Information..... Tab 1
  - A. [Enterprise Resource Planning Project Update](#)..... Tab 1.1
- V. [Revised FY 2023-24 Operating Budget](#) – Action ..... Tab 2
- VI. Capital Projects ..... Tab 3
  - A. [Review of Recent Capital Projects](#) - Information ..... Tab 3.1
  - B. [New Student Housing \(UTC\)](#) – Action ..... Tab 3.2
  - C. [Student Housing P3 Project, Lake Loudoun Site \(UTK\)](#) – Action ..... Tab 3.3
  - D. [FY 2024-25 State Budget Amendment Request](#) – Action ..... Tab 3.4
- VII. [Annual Finance Report on Intercollegiate Athletics Programs](#) – Information ..... Tab 4
  - A. [UT Chattanooga](#) ..... Tab 4.1
  - B. [UT Knoxville](#) ..... Tab 4.2
  - C. [UT Martin](#) ..... Tab 4.3
  - D. [UT Southern](#) ..... Tab 4.4
- VIII. [Proposed Nonprofit Foundation](#) – Action ..... Tab 5
- IX. [Staff Engagement Survey Results](#) – Information ..... Tab 6
- X. [Consent Agenda](#) – Action..... Tab 7
  - A. [Minutes of the Last Meeting](#)..... Tab 7.1
  - B. [Honorary Naming of ROTC Center \(UTM\)](#)..... Tab 7.2
  - C. [Acquisition of Property by Gift for Institutional Use \(UTM\)](#)..... Tab 7.3
  - D. [Utility Easement to Ben Lomand Communications, LLC \(UTSI\)](#)..... Tab 7.4



# THE UNIVERSITY OF TENNESSEE BOARD OF TRUSTEES

---

XI. Other Business

*[Note: Under the Bylaws of the Board, items not appearing on the agenda may be considered only upon an affirmative vote representing a majority of the total voting membership of the Committee. Other business necessary to come before the Committee at this meeting should be brought to the attention of the Committee Chair or Board Secretary before the meeting.]*

XII. Closing Remarks and Adjournment

---

<b>Information Items</b> .....	Tab 8
A. <b>Report of Capital Projects Approvals for FY 2023-24</b> .....	Tab 8.1
B. <b>Endowment Investment Report</b> .....	Tab 8.2
C. <b>Composite Financial Index Report for FY 2022-23</b> .....	Tab 8.3

**Appendix**

2023 Annual Financial Report



# THE UNIVERSITY OF TENNESSEE BOARD OF TRUSTEES

---

## AGENDA ITEM SUMMARY

Meeting Date:	March 1, 2024
Committee:	Finance and Administration
Item:	<b><u>Report on Financial Performance</u></b>
Type:	Information
Presenter(s):	David L. Miller, Senior Vice President and Chief Financial Officer

### **Background Information**

The attached materials are presented to contribute to the body of financial reports periodically provided to the Board of Trustees. The slides summarize the first two quarters of fiscal year 2023-24 compared to the same time last year. A separate annual report of the Composite Financial Index for each institution and the System is under Informational Items in Tab 8.3.

The slides on the following pages provide revenue and expense data for the total UT System. For the total UT System, during this period total revenue is 9.6% above the same time last year. Total expenses are 5.4% above the same time last year. Revenue is up due to enrollment growth and increased auxiliary activity. Expenses grew due to a return to in-person activity, increased service levels, and DASH project expenses.

The ERP project remains on time and on budget. The following materials include a status report on the project details. The presentation and discussion will focus on the updated scope of projects and total costs. Since the Oracle Cloud finance and human capital management project began, we have purchased additional functions including facilities management, HCM enhancements, and Oracle Guided Learning for employee training. The actual cost of implementation consultants is tracking closely to the original estimate of \$50 million.

The various teams working on the project are doing an excellent job keeping the project on track. In March 2024, most project elements will move into the "User Acceptance Testing" to prepare for the July 1, 2024, transition.



# FY 2024 Q2 Financial Summary

# Synopsis

- First six months of FY 2024 financial performance positive overall with student growth and increased auxiliary activity
- Tuition, student fees, and auxiliary revenues continue to improve in-line with student growth
- Expense growth driven by increased service levels, inflationary factors and State supported pay plan

# FY 2024 Q2 Income Statement

All \$ presented in thousands

For the Six Months Ended December 31, 2023 and 2022

	December 31, 2023	December 31, 2022	Variance (\$thousands)	Variance (%)
<b>REVENUES</b>				
Gross Tuition & Fees	967,606	879,610	87,996	10.0%
Grants & Contracts	381,148	353,213	27,935	7.9%
Auxiliaries	244,842	211,859	32,983	15.6%
State & Local Appropriations	480,587	477,087	3,500	0.7%
Investment Income	36,370	34,311	2,059	6.0%
All Other Revenues	140,308	96,736	43,572	45.0%
<b>Total Revenues</b>	<b>2,250,862</b>	<b>2,052,816</b>	<b>198,046</b>	<b>9.6%</b>
<b>EXPENSES</b>				
Salaries & Benefits	786,615	708,648	77,968	11.0%
Utilities, Supplies & Other	435,636	366,046	69,590	19.0%
All Other Expenses	202,791	277,023	(74,232)	-26.8%
<b>Total Expenses</b>	<b>1,425,042</b>	<b>1,351,717</b>	<b>73,326</b>	<b>5.4%</b>

Tuition and fee driven by UTK \$75M

Aux. revenue growth led by UTK \$26M,  
UTM \$4M, and UTC \$3M

Driven by 4.3% inc. individuals paid  
and 5% State pay plan

Driven by student growth at UTK,  
increased DASH expense \$10.9M,  
and Supplies \$8.4M

# FY 2024 Q2 Balance Sheet

All \$ presented in thousands

For the periods ending December 31, 2023 and 2022

	December 31, 2023	December 31, 2022	Variance (\$thousands)	Variance (%)
<b>ASSETS &amp; DEFERRED OUTFLOWS</b>				
Cash & Cash Equivalents	1,762,832	1,593,186	169,646	10.6%
Investments	1,420,502	1,324,370	96,132	7.3%
Capital Assets	3,169,068	3,083,510	85,558	2.8%
Receivables	741,195	700,024	41,172	5.9%
All Other Assets	347,228	289,135	58,093	20.1%
<b>Total Assets</b>	<b>7,440,826</b>	<b>6,990,225</b>	<b>450,601</b>	<b>6.4%</b>
<b>LIABILITIES</b>				
Bonds, Notes, Credit Facility, & Leases	1,181,314	1,116,315	64,999	5.8%
Pension, OPEB, & Def. Inflows	398,712	473,296	(74,584)	-15.8%
Act Payable & Accrued Liab.	216,461	99,428	117,033	117.7%
Unearned Revenue	22,654	23,112	(458)	-2.0%
All Other Liabilities	472,401	452,802	19,599	4.3%
<b>Total Liabilities</b>	<b>2,291,541</b>	<b>2,164,952</b>	<b>126,589</b>	<b>5.8%</b>

Prior year surplus and growth in tuition, fees and auxiliary revenues

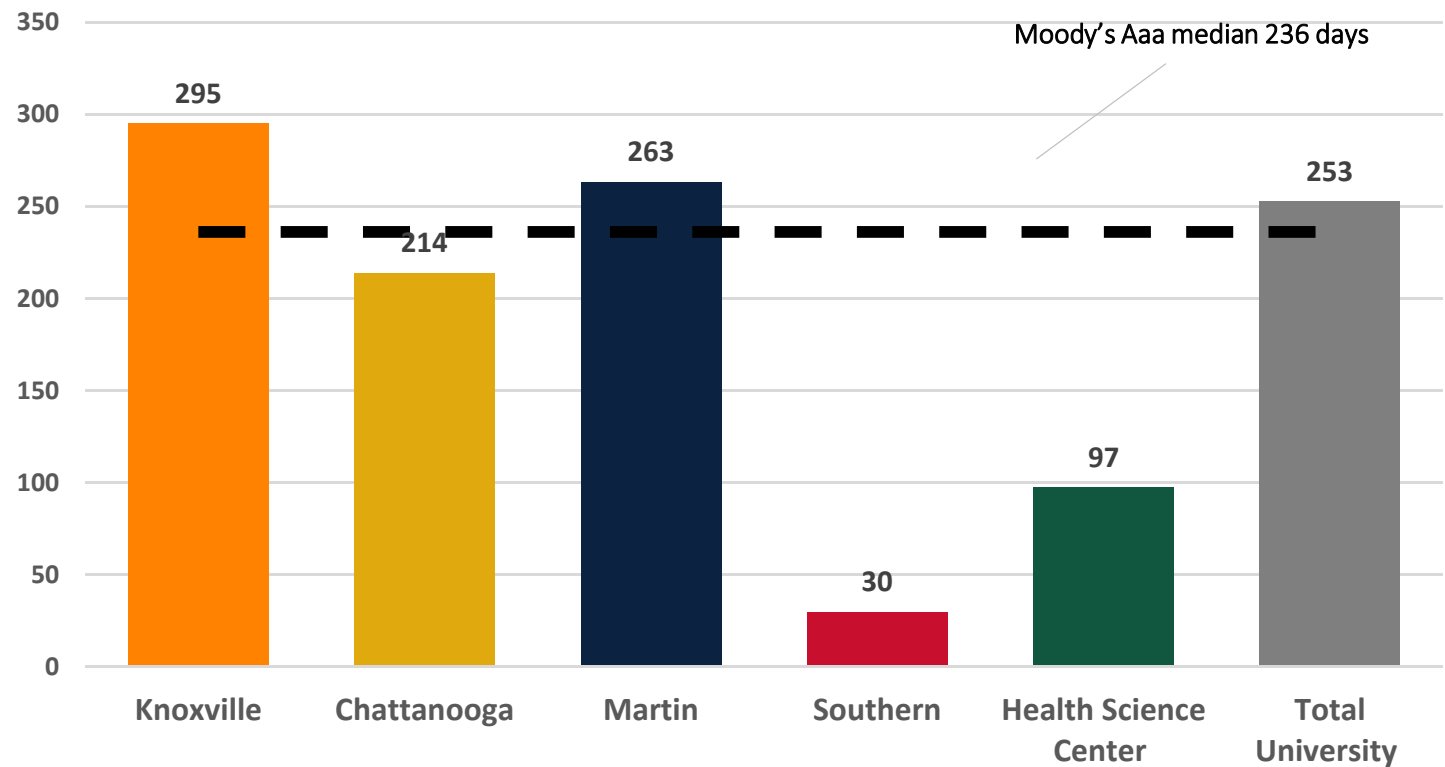
Largest inc. Neyland Renovation \$58M, and UTC Football/Athletic Facility \$21M, offset by \$51M of principal payments

# Liquidity Analysis

## Days of Cash on Hand

### Key notes

- Total University of 253 days is above median
- UTK & UTM above median
- UTC and UTHSC liquidity stable since FYE
- UT Southern liquidity reduced since fiscal year end





# Bottomline Impacts for Fiscal Year Q2 2023

## Key notes

- Continued positive financial outcomes
- Revenues up 9.6% driven by student growth and increased rates and fees
- Expenses up 5.4% with increasing auxiliary activities, increased student demand and inflationary factors

	All \$ presented in thousands			
	For the Six Months Ended December 31, 2023 and 2022			
	December 31, 2023	December 31, 2022	Variance (\$thousands)	Variance (%)
<b>REVENUES</b>	2,250,862	2,052,816	198,046	9.6%
<b>EXPENSES</b>	1,425,042	1,351,717	73,326	5.4%

University of Tennessee



# Board of Trustees Overview

Feb 2024

# Enterprise System Portfolio

## Oracle Fusion Cloud

Budget & Planning

Finance



Human Resources

Facilities



student

Financial Aid

Student Record Mgt



Real Estate / Space



Historical Archive

## Huron Research Suite



research

Research Admin



Dynamic Administrative Systems for Higher Ed



# Cost of Enterprise Projects

Software Solution	Cost: FY23 and FY24 In thousands	Through 2032
Oracle Cloud Finance and HCM Replaces 26+ operational systems	\$5,400	\$23,800
Facilities (UTK & UTHSC)	\$500	\$2,600
HCM Enhancements Recruitment and Employee Experience	\$126	\$967
Oracle Guided Learning	\$288	\$2,400
Student Information System (Planning)	\$371	15,100
<b>Oracle Total</b>	<b>\$6,700</b>	<b>\$44,700</b>

# Cost of Project Implementation

Implementation Consultant	Cost: FY23 and FY24 In thousands	Through 2032
Accenture (DASH Primary Consultant)	\$43,700	--
Huron (grants administration)	\$2,700	--
Planon (Facilities)	\$2,700	--
EPI-Use (Data warehousing)	\$160	\$23 annually
<b>DASH Implementation Total</b>	<b>\$49,260</b>	--

\*Excludes internal supplemental compensation

New Software Solution	Cost: FY23 and FY24 In thousands	Est. Long-Term
Huron Research Suite	\$1,700	\$12,100

University of Tennessee



# Project Status Report

Feb 2024

# DASH Implementation Timeline

## Deliverables

- 67 of 85 deliverables approved

## Design/Blueprint

- Conducted over 175 workshops
- Engaged with over 250 stakeholders

## Adopt & Adapt

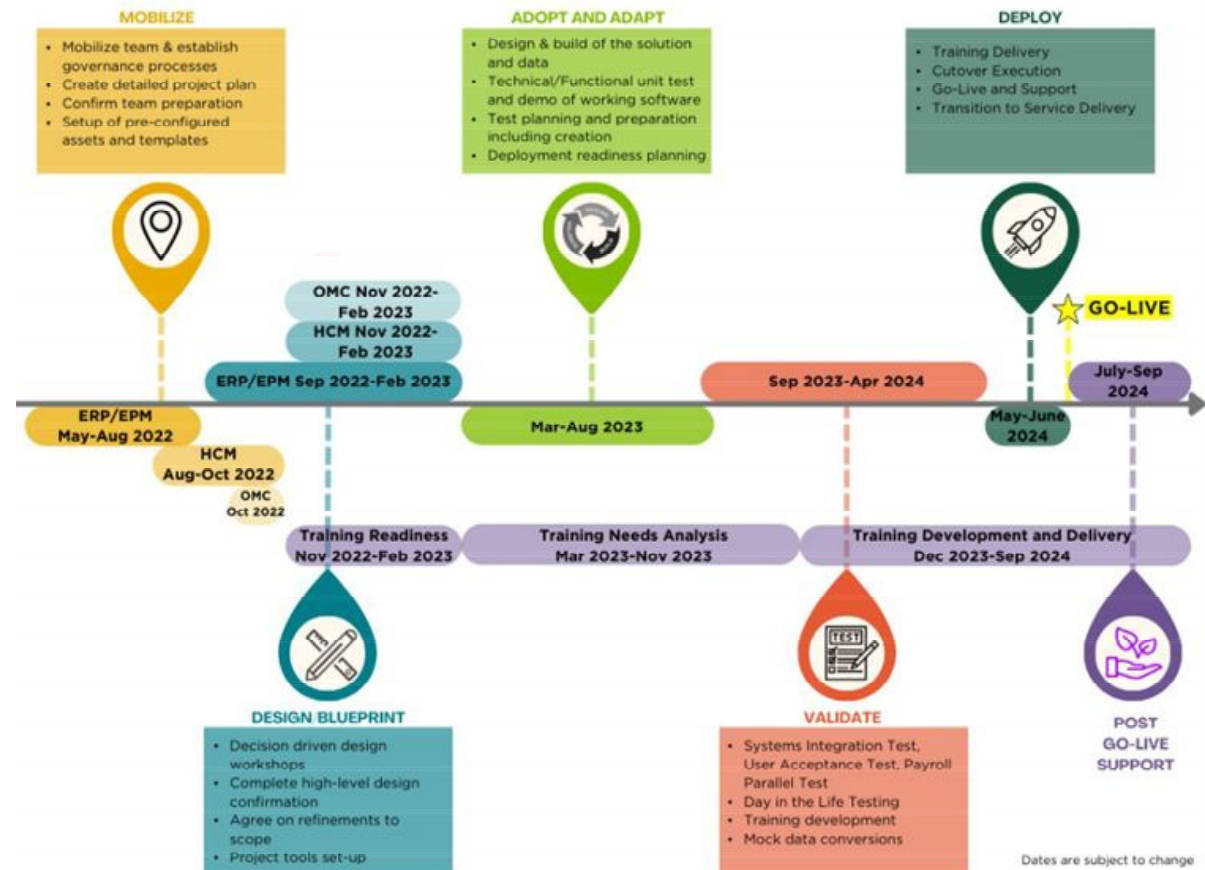
- Completed 3 prototype cycles demonstrating nearly 740 scenarios showing different uses of over 200 processes
- Engaged nearly 500 stakeholders

## Validate

- Completed 3 rounds of System Integration Testing with mock cutover, testing and parallel payroll reconciliation testing runs
- User Acceptance Testing (UAT) begins in March and will engage over 750 employees systemwide
- Preparing training materials and in application help for testing during UAT

## Deploy

- Freeze transactions, convert data, deliver training, transact in DASH, transition operations to UT



# IRIS to DASH Cutover & Blackout Period

- An IRIS to DASH cutover plan has been drafted. There will be a clean cutover with the Fiscal Year 2024 close in IRIS and Fiscal Year 2025 starting in DASH.
- Certain transactions will stop in IRIS over the last two weeks in June, some, isolated cases may require a longer period. This allows for a staggered conversion of data that aligns to our go-live.
- Next steps are to review and confirm the details for each by module (e.g., when and how to process salary increases).

## Cutover Activities Timeline and Freeze Dates





# Change Management Communication Channels



## Friends of DASH Website Posts and Resources

The primary communication mechanism for the project with key resources such as the knowledge base and DASH lingo.

- Uploaded DASH Town Hall January 10 recordings
- Number of subscribers to email list has grown to 1,922



## DASH Town Halls

Provides a forum for the university community to come together to receive project updates, ask questions, and hear from leadership.

- The third Town Hall was on January 10 with 3 sessions highlighting Facilities Maintenance, Human Resources, & Finance
- Approximately 3,000 people attended



## DASH Digest

Regular communication to individuals that are heavy IRIS users to provide information and resources to be successful at go-live.

- First issue was distributed on January 5 to 5,163 recipients
- The average email open rate was 50%



## DASH Training

- A Train-the-Trainer program is being implemented for select UT employees to serve as Subject Matter Experts (SMEs) and lead others in learning about DASH.
- A request to the Steering Committee was sent to request trainers from each campus/institute and kick-off will take place at the end of February .
- 22 Business Process Overviews (BPO) were created as a training resource and are pending process owner approval.
- Oracle resources are coming on site February 14 - 15 to help the team plan the strategy for the Oracle Guided Learning (OGL) rollout and prep for the March 7 Town Hall demo of OGL.



## DASH Virtual Office Hours

Open forum for individuals to hear DASH updates and ask questions, occurring on a monthly basis (previously known as IRIS Office Hours).

- First DASH Office Hours was held on January 22
- We had 179 attendees who participated in an interactive Q & A session

# Dash Program Status

DEV2	Mock 4 / PRT2	<b>Status Legend:</b> <span style="color: green;">G</span> On track <span style="color: yellow;">Y</span> Milestone at risk of delay <span style="color: red;">R</span> Milestone or go-live delayed <span style="color: blue;">C</span> Complete
DEV3	Mock 3 / PRT1	
DEV7	Configuration (Gold)	
DEV8	SIT3	
TEST	UAT	

**DASH Status**



**Go-Live & Current Status:** Yellow; Mock 4 & PRT2 delay / Tech build & testing / Plan-On / Security Role Mapping  
**Path to Green:** Resolve Mock4 defects and start PRT2 / resolve blocked objects & test / Planon Dev. / Complete Sec role

**Actual: 80%**  
**Planned: 82%**

## Workstream Key Accomplishments

### PMO / Change

- Finalized new requirements change request / sent SIT2 for sign-off

### Validate | System Integration Testing (SIT) / Payroll Reconciliation Testing (PRT)

- SIT3:** Completed first three weeks of onsite testing
- User Acceptance Testing (UAT):** Distributing invites for sessions and kick off
- Mock (data conversion) 4:** Critical / high defects - 3 remaining before Mock 4, Loaded main worker, additional worker data, worker friends, and salary for PRT2 and talent data

## Upcoming Activities

### PMO / Change

- PRT1 closure document sign-off

- Complete booking functional validation sessions for tech objects (**9-Feb**)

### Validate | System Integration Testing (SIT) / Payroll Reconciliation Testing (PRT)

- PRT2:** Initiate PRT2 / pending payroll and remaining worker files (**12-Feb**)
- SIT3:** Plan-On Integration (**15-Feb**) / Work request functionality completed (**26-Feb**)
- UAT:** Distribute all invites for UAT (**16-Feb**)
- Mock 4:** Complete all Mock4 loads (**16-Feb**)

Stream	Overall Status (last week)	Overall Status (this week)	Future Trend	Key Project Drivers		
				Scope	Schedule	Resources
ERP	Y	Y	→	G	Y	G
HCM	Y	Y	→	G	Y	G
EPM	Y	Y	→	G	Y	G
Tech	Y	Y	→	G	Y	G
Change Management	G	G	→	G	G	G
Facilities Management	G	G	→	G	G	G
Testing	Y	Y	→	G	Y	G
Security	G	Y	→	G	Y	G

### Program Health - Trend



Reason for Status



# THE UNIVERSITY OF TENNESSEE BOARD OF TRUSTEES

## AGENDA ITEM SUMMARY

Meeting Date: March 1, 2024

Committee: Finance and Administration

Item: **Revised FY 2023-24 Operating Budget**

Type: Action

Presenter: Ronald A. Loewen, Associate Vice President, Budget, Analysis and Planning

### **Background Information**

The University develops a revised operating budget proposal each fiscal year to adjust for changes that occur after the original budget is adopted in June. The primary revisions made each year include updating beginning net asset balances to reflect actual rather than projected beginning balances; state appropriations adjustments made by the state Department of Finance and Administration; and adjustments reflecting changes in enrollments, operating plans, organizational structure, and revenue and expense projections.

The revised Unrestricted Educational and General (E&G) Operating Budget is \$2,042,185,432, an increase of 1.8% over the original budget, and the revised Unrestricted Auxiliary Operating Budget is \$354,603,368, an increase of 1.5% from the original budget.

Unit	Unrestricted E&G	Unrestricted Auxiliary	Restricted	Total
Chattanooga	\$ 220,037,101	\$ 25,004,196	\$ 79,946,610	\$ 324,987,907
Health Science Center	355,744,928	4,125,312	320,603,970	680,474,210
Institute for Public Service	32,192,170		10,511,863	42,704,033
Knoxville	1,236,624,806	312,076,448	400,592,079	1,949,293,333
Martin	119,185,116	10,900,412	39,118,482	169,204,010
Southern	16,227,259	2,497,000	5,820,771	24,545,030
System Administration	62,174,052		11,850,000	74,024,052
<b>Total</b>	<b>\$ 2,042,185,432</b>	<b>\$ 354,603,368</b>	<b>\$ 868,443,775</b>	<b>\$ 3,265,232,575</b>

Detailed information on the revised operating budget follows this summary.



# THE UNIVERSITY OF TENNESSEE BOARD OF TRUSTEES

---

## Committee Action

The Committee Chair will call for a motion to recommend adoption by the Board of Trustees of the following resolution.

Resolution \_\_\_-2024\*  
Resolution to Approve the  
FY 2023-24 Revised Operating Budget

WHEREAS, by state law, the Board of Trustees must approve an annual operating budget for the University; and

WHEREAS, the Board approved the FY 2023-24 operating budget on June 30, 2023; and

WHEREAS, the operating budget must be revised during the year to update revenue and expenditure projections for the remainder of the fiscal year, taking into consideration final fall enrollments (which are estimated when the original budget is prepared), the impact of the prior year's activities carried forward into the current year, and adjustments in state appropriations occurring since the budget was approved on June 30, 2023; and

WHEREAS, the 2023-24 Revised Operating Budget includes adjustments allocating revisions to budgeted revenues and carry forward of unexpended non-recurring funds from 2022-23; and

WHEREAS, further adjustments may be required if material changes in revenues or expenditures arise during the remainder of FY 2023-24; and

WHEREAS, the FY 2023-24 Revised Budgets for Unrestricted Education and General (E&G) and Auxiliary Enterprises are balanced, and within available resources and comply with all applicable policies and guidelines;

NOW, THEREFORE, BE IT RESOLVED:

1. The FY 2023-24 Revised Unrestricted, Educational and General Operating Budget in the amount of \$2,042,185,432 and the Revised Unrestricted Auxiliary Operating Budget in the amount of \$354,603,368 are approved. A copy of the Revised Budget Document for FY 2023-24 is attached hereto.



## THE UNIVERSITY OF TENNESSEE BOARD OF TRUSTEES

---

2. If material changes in revenues or expenditures arise during the remainder of FY 2023-24, University Administration is authorized to modify budgets accordingly so expenditures will not exceed available resources and sufficient net assets will be available as of June 30, 2024 to meet outstanding commitments, satisfy liquidity requirements, fund activities deferred to the following fiscal year, and provide a reasonable reserve for contingencies for the beginning of FY 2024-25.

---

(\*) Number will be inserted after adoption.

# THE UNIVERSITY OF TENNESSEE

## Revised Operating Budget Fiscal Year 2023-24



THE UNIVERSITY OF  
TENNESSEE  
SYSTEM

---

FINANCE AND ADMINISTRATION  
System Budget and Planning

# THE UNIVERSITY OF TENNESSEE

UT Chattanooga

UT Knoxville

UT Space Institute

UT Institute of Agriculture

AgResearch - Extension - College of Veterinary Medicine

UT Martin

UT Health Science Center

UT Institute for Public Service

Municipal Technical Advisory Service

County Technical Assistance Service

Tennessee Language Center

UT Southern

UT System Administration

The University of Tennessee is a statewide system of higher education with campuses in Knoxville, Chattanooga, Martin, Memphis and Pulaski; the UT Space Institute in Tullahoma; the UT Institute of Agriculture with a presence in every Tennessee county; and the statewide Institute for Public Service. The UT system manages Oak Ridge National Laboratory through its UT-Battelle partnership; enrolls almost 59,000 students statewide; produces about 13,000 new graduates every year; and represents more than 445,000 alumni around the world.

# The University of Tennessee

## FY 2023-24 Revised Operating Budget

MESSAGE FROM THE CHIEF FINANCIAL OFFICER	A-1
UNRESTRICTED AND RESTRICTED OPERATING REVENUES	A-2
UNRESTRICTED AND RESTRICTED EXPENDITURES AND TRANSFERS	A-4
UNRESTRICTED EDUCATION AND GENERAL (E&G) REVENUES	A-5
UNRESTRICTED EDUCATION AND GENERAL (E&G) EXPENSES	A-8
AUXILIARY ENTERPRISES	A-10
UNRESTRICTED NET ASSETS	A-12
RESTRICTED FUNDS	A-13
SUPPORTING BUDGET SCHEDULES	B-1
TERMINOLOGY	C-1



## Message from the Chief Financial Officer

---

Each year, the university develops a revised operating budget that reflects operating plans and financial projections as of October 31. It includes revisions made to the original operating budget approved by the Board of Trustees during its annual meeting in June. Such revisions are needed to adjust for the following mid-year developments:

- The university's original budget is developed before the end of the previous fiscal year using budgeted net assets as an estimate of July 1 beginning fund balances. The revised budget uses actual net assets as the starting point. In most years, the change in beginning balances is offset by an increase in non-recurring expense budgets.
- State appropriations are adjusted in September, requiring minor budget revisions in most years.
- Other adjustments may be needed if there are material changes to operating plans, organizational structure, revenue projections, or inflation.

Total operating revenues are \$3.27 billion, up 1.6% from the original budget adopted in June. Revenues for basic educational and general operations (unrestricted E&G) are set at \$2.04 billion, revenues from auxiliary enterprises (housing, dining, parking, bookstores, and UTK athletics) are \$355 million, and projected revenues from restricted grants, contracts, gifts, and endowments are \$868 million.

Unrestricted E&G revenue budgets increased \$36.6 million (1.8%). This includes two significant changes. The state made an unusually large mid-year adjustment of \$14.4 million to appropriations to fund cost increases for employee health increase and 401k matching.

Projections of non-recurring revenues from interest earnings were increased by \$17.5 million. Unrestricted E&G expenditure budgets increased by \$98 million. This includes an increase of \$15 million in recurring expenditures, primarily for staff benefits cost increases funded by state appropriations. It also includes \$83 million for non-recurring expenses. (This represents authorized spending levels rather than projected expenditures; much of this will be carried forward for needs in future years).

Auxiliary enterprise revenue budgets were increased by \$5.1 million or 1.5%. The largest increases were for UT Knoxville athletics and housing and UT Martin housing.

Grants, contracts, gifts, and endowments will fund 59% of student financial aid, 54% of UT research activity, and 48% of UT's service to Tennessee citizens, communities, and businesses. Expectations for these restricted revenues were adjusted upwards 1.0%.

The following document includes further information on the university's plans and expectations for FY 2023-24. Revenue and expenditure data for each operating unit are provided.

Respectfully,

*David L. Miller*

David L. Miller  
Senior Vice President & Chief Financial Officer

## University of Tennessee FY 2023-24 Revised Operating Budget

### Overview

Current fund revenues for the University of Tennessee (UT) Fiscal Year 2023-24 (FY24) revised operating budget are nearly \$3.3 billion, up 1.6% from the original budget adopted in June 2023. This includes \$2.4 billion in unrestricted educational and general (E&G) and auxiliary enterprise revenues and \$868 million of revenues from restricted funds.

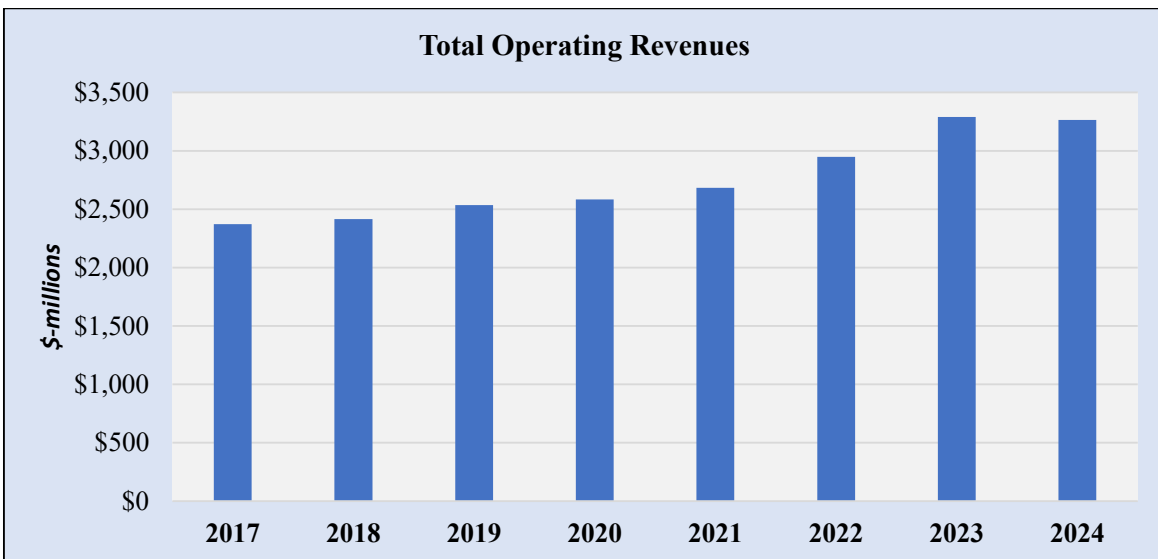
### FY24 Operating Revenues by Fund Group

Fund Group	Original	Revised	\$-change	%
Unrestricted E&G	\$ 2,005,632,546	\$ 2,042,185,432	\$ 36,552,886	1.8%
Unrestricted Auxiliaries	349,533,223	354,603,368	5,070,145	1.5%
<b>Subtotal: Unrestricted</b>	<b>\$ 2,355,165,769</b>	<b>\$ 2,396,788,800</b>	<b>\$ 41,623,031</b>	<b>1.8%</b>
Restricted Funds	860,080,949	868,443,775	8,362,826	1.0%
<b>Total Revenues</b>	<b>\$ 3,215,246,718</b>	<b>\$ 3,265,232,575</b>	<b>\$ 49,985,857</b>	<b>1.6%</b>

**Unrestricted E&G funds** support the core operations of the university. They are funded primarily through tuition and student fees, state appropriations, and other unrestricted revenues including grants and contracts, federal and local appropriations, sales and services, and investment income.

**Auxiliaries** are self-supporting enterprises that provide services to students, faculty, and staff such as housing, bookstores, food services, and UT Knoxville (UTK) athletics. They complement the core operations of each campus and are vital components of student life and campus culture.

**Restricted funds** include primarily grants, contracts, gifts, and endowments. These are the major revenue sources for research, scholarships, and fellowships.



## University of Tennessee FY 2023-24 Revised Operating Budget

### FY24 Operating Revenue

By Unit and Source	Unrestricted E&G	Unrestricted Auxiliaries	Restricted Funds	Total Revenues
Knoxville	\$ 1,236,624,806	\$ 312,076,448	\$ 400,592,079	\$ 1,949,293,333
Health Science Center	355,744,928	4,125,312	320,603,970	680,474,210
Chattanooga	220,037,101	25,004,196	79,946,610	324,987,907
Martin	119,185,116	10,900,412	38,118,482	169,204,010
Public Service	32,192,170		10,511,863	42,704,033
Southern	16,227,259	2,497,000	5,820,771	24,545,030
System Administration	62,174,052		11,850,000	74,024,052
<b>Total Revenues</b>	<b>\$ 2,042,185,432</b>	<b>\$ 354,603,368</b>	<b>\$ 868,443,775</b>	<b>\$ 3,265,232,575</b>
Tuition & Fees	960,205,962			960,205,962
State Appropriations	843,562,152		17,278,262	860,840,414
Grants & Contracts	67,048,556		757,472,918	824,521,474
Sales & Services	73,485,497			73,485,497
Other	97,883,265	354,603,368	93,432,595	191,315,860
<b>Total Revenues</b>	<b>\$ 2,042,185,432</b>	<b>\$ 354,603,368</b>	<b>\$ 868,443,775</b>	<b>\$ 3,265,232,575</b>

A few material revisions were made to operating revenue budgets since July 1. State funding increased to fund cost increases for various employee benefits programs, System Administration adjusted interest earning projections which will be set aside for the Student Information System (SIS) implementation, and UTC revised its outlook for restricted gift revenues.

### Operating Revenue Changes by Major Unit

By Unit	Original	Revised	\$-change	%
Knoxville	\$ 1,612,308,971	\$ 1,636,956,885	\$ 24,647,914	1.5%
Health Science Center	672,300,372	676,348,898	4,048,526	0.6%
Chattanooga	305,718,241	299,983,711	(5,734,530)	(1.9%)
Martin	155,400,944	158,303,598	2,902,654	1.9%
Public Service	41,385,520	42,704,033	1,318,513	3.2%
Southern	21,789,468	22,048,030	258,562	1.2%
System Administration	56,549,979	74,024,052	17,474,073	30.9%
<b>Total Revenues</b>	<b>\$ 2,865,453,495</b>	<b>\$ 2,910,369,207</b>	<b>\$ 44,915,712</b>	<b>1.6%</b>

## University of Tennessee FY 2023-24 Revised Operating Budget

### Current Operating Expenses

The FY24 revised expenditure budget allocates projected revenues plus a portion of unrestricted reserves to the following activities. The relative share of total funding allocated to each function is characteristic of long-term allocations; UT's expenditure profile is very stable across time. The largest resources allocations are found in instruction (29%), research (13%), scholarships & fellowship (12%), and academic support.

#### FY24 Operating Expenditures and Transfers

By Functional Area	Unrestricted	Restricted	Total	% of total
Instruction	\$ 728,766,156	\$ 224,701,342	\$ 953,467,498	29.1%
Research	196,099,889	228,364,215	424,464,104	13%
Public Service	119,590,789	108,542,907	228,133,696	7%
Academic Support	270,933,322	62,496,705	333,430,027	10.2%
Student Services	138,753,584	4,411,240	143,164,824	4.4%
Institutional Support	257,034,469	8,152,496	265,186,965	8.1%
Operation & Maintenance	207,846,853	465,665	208,312,518	6.4%
Scholarships & Fellowships	163,007,997	231,049,205	394,057,202	12%
Auxiliary Operations	310,484,800	260,000	310,744,800	9.5%
<b>Total Expenses</b>	<b>\$ 2,392,517,859</b>	<b>\$ 868,443,775</b>	<b>\$ 3,260,961,634</b>	<b>99.7%</b>
Transfers for Debt Service	76,984,059		76,984,059	2.3%
Non-Mandatory Transfers	(64,946,296)		(64,946,296)	(2%)
<b>Expenses &amp; Transfers</b>	<b>\$ 2,404,555,622</b>	<b>\$ 868,443,775</b>	<b>\$ 3,272,999,397</b>	<b>100%</b>

Mandatory Transfers are allocations from current operations to UT's retirement of debt fund required to fulfill debt obligations. Nearly 64% of the \$77 million set aside for transfers for debt service is related to debt for construction of auxiliary facilities such as residence halls, parking structures, and UTK athletics facilities. Non-mandatory transfers include operating funds allocated to capital expenditures and set aside to long term reserves for future needs such as the renewal and replacement of equipment, strategic initiatives, and future contingencies. The revised operating budget includes transfers of \$65 million out of long-term reserves into the current operating budget to help fund non-recurring expenditures.

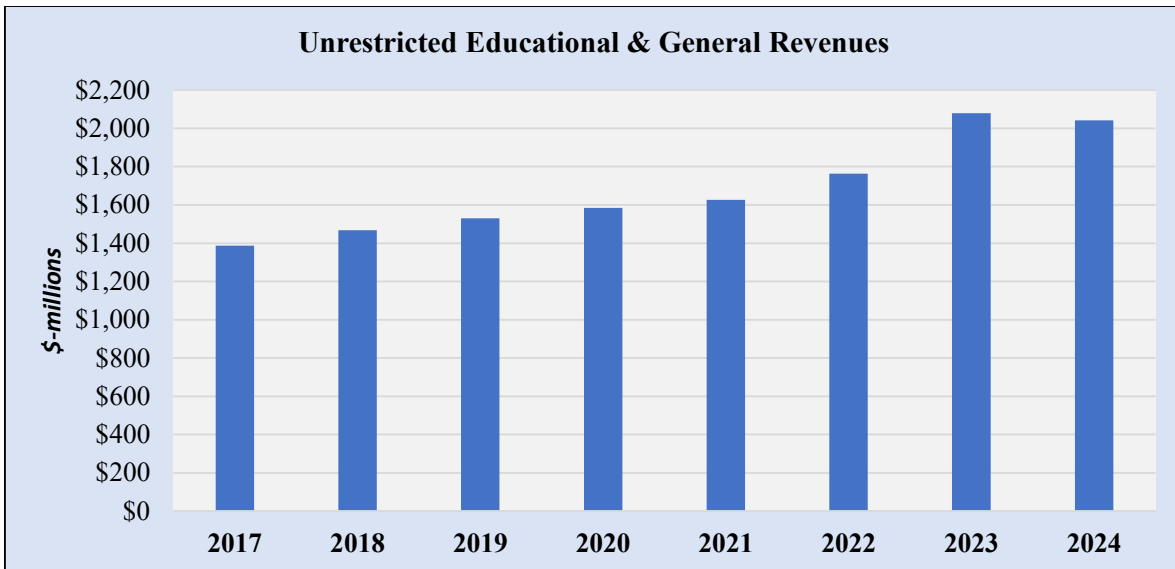
**University of Tennessee FY 2023-24 Revised Operating Budget**

**Unrestricted Educational and General (E&G) Revenues**

Revenue budgets for core E&G operations were adjusted up by 1.8%. This includes a relatively large mid-year \$14.4 million increase in state appropriations which will be offset by a similar increase in the costs of employee benefits. System Administration increased expectations for interest earnings, which will be set aside to help fund the upcoming Student Information System (SIS) implementation. The remaining adjustments to revenue budgets represent only 0.2% of total unrestricted revenues.

**Unrestricted E&G Revenues**

By Unit and Source	Original	Revised	\$-change	%
Knoxville	\$ 1,227,069,491	\$ 1,236,624,806	\$ 9,555,315	0.8%
Health Science Center	351,696,402	355,744,928	4,048,526	1.2%
Chattanooga	216,827,304	220,037,101	3,209,797	1.5%
Martin	117,282,462	119,185,116	1,902,654	1.6%
Public Service	31,970,887	32,192,170	221,283	0.7%
Southern	16,086,021	16,227,259	141,238	0.9%
System Administration	44,699,979	62,174,052	17,474,073	39.1%
<b>Total</b>	<b>\$ 2,005,632,546</b>	<b>\$ 2,042,185,432</b>	<b>\$ 36,552,886</b>	<b>1.8%</b>
Tuition & Fees	957,359,104	960,205,962	2,846,858	0.3%
State Appropriations	829,204,452	843,562,152	14,357,700	1.7%
Other Revenues	219,068,990	238,417,318	19,348,328	8.8%
<b>Total</b>	<b>\$ 2,005,632,546</b>	<b>\$ 2,042,185,432</b>	<b>\$ 36,552,886</b>	<b>1.8%</b>



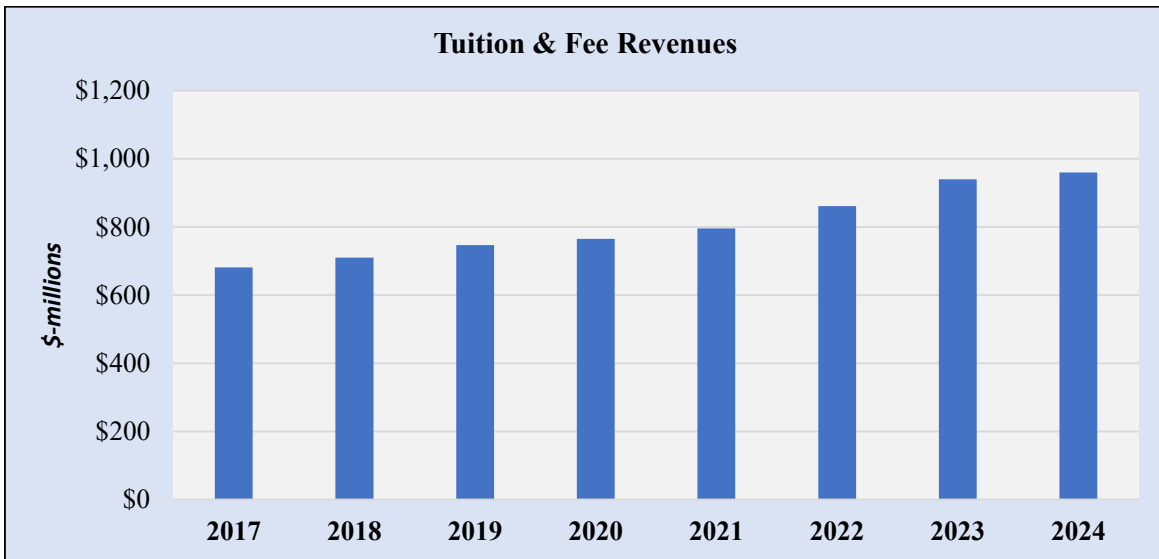
**University of Tennessee FY 2023-24 Revised Operating Budget**

**Unrestricted E&G Revenues – Tuition & Fees**

Three campuses made immaterial adjustments to revenue budgets to reflect actual fall 2023 enrollments. The net increase of \$2.8 million represents only 0.3% of the tuition and fee revenue budget approved in June 2023.

**Tuition & Fee Revenues**

<b>By Unit and Fee Type</b>	<b>Original</b>	<b>Revised</b>	<b>\$-change</b>	<b>%</b>
Knoxville	\$ 659,727,193	\$ 660,665,227	\$ 938,034	0.1%
Chattanooga	131,540,761	133,079,912	1,539,151	1.2%
Health Science Center	89,935,735	89,935,735		
Martin	66,633,594	67,003,267	369,673	0.6%
Southern	9,521,821	9,521,821		
<b>Total</b>	<b>\$ 957,359,104</b>	<b>\$ 960,205,962</b>	<b>\$ 2,846,858</b>	<b>0.3%</b>
Maintenance Fee	\$ 614,922,106	\$ 615,340,138	\$ 418,032	0.1%
Out-of-State Tuition	164,621,442	164,562,268	(59,174)	
Programs & Services Fee	97,415,547	97,358,547	(57,000)	(0.1%)
Other Student Fees	75,530,023	78,075,023	2,545,000	3.4%
Non-Credit Courses	4,869,986	4,869,986		
<b>Total</b>	<b>\$ 957,359,104</b>	<b>\$ 960,205,962</b>	<b>\$ 2,846,858</b>	<b>0.3%</b>



**University of Tennessee FY 2023-24 Revised Operating Budget**

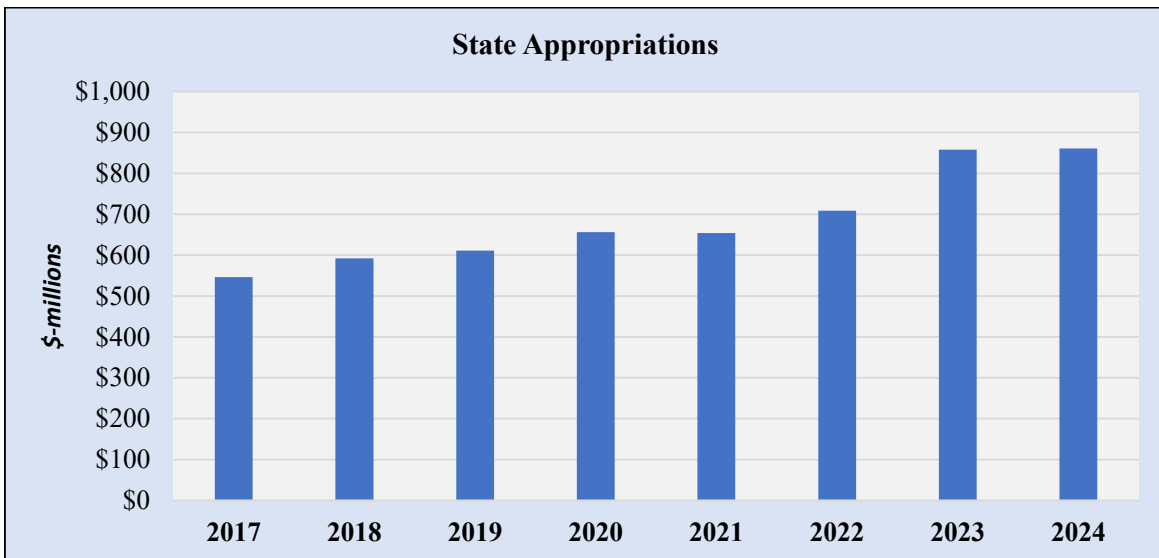
**Unrestricted E&G Revenues – State Appropriations**

The state made an unusually large mid-year adjustment to operating appropriations. Over \$14.0 million of the \$14.4 million increase will fund cost increases related to state administered employee benefit programs. These are zero-sum increases – all of the appropriations adjustments are offset by cost increases.

**FY 2023-24 State Appropriations**

	<b>Recurring</b>	<b>Non-Recurring</b>	<b>Total</b>
<b>FY 2023-24 Original</b>	<b>\$ 828,338,452</b>	<b>\$ 866,000</b>	<b>\$ 829,204,452</b>
OPEB Liability Funding	(\$ 759,300)		(\$ 759,300)
TCRS Legacy Retirement Program	138,500		138,500
Property & Claims Premiums	1,494,100	(428,600)	1,065,500
401k Enhanced Match		4,325,700	4,325,700
Employee Insurance Premium	9,555,700		9,555,700
Health Science Center adjustment	31,600		31,600
<b>Total Adjustments</b>	<b>\$ 10,460,600</b>	<b>\$ 3,897,100</b>	<b>\$ 14,357,700</b>
<b>FY 2022-23 Revised</b>	<b>\$ 838,799,052</b>	<b>\$ 4,763,100</b>	<b>\$ 843,562,152</b>

For the second year in a row, the state is providing non-recurring funds (\$4.3 million) to increase the employee 401k match from \$50-month to \$100-month. The \$9.6 million for insurance premium increases includes \$3.2 million for health insurance, \$2.6 million for long-term disability premiums, \$2.3 million for dental insurance, and \$1.5 million for basic life/accidental death coverage.



## University of Tennessee FY 2023-24 Revised Operating Budget

### Unrestricted E&G Expenses

FY24 unrestricted E&G expense budgets total \$2.08 billion. Half is allocated to instruction, research, and public service; 28% is allocated to academic support, student services, scholarships, and fellowships; and 22% is directed to institutional support and operation and maintenance of facilities, grounds, and mechanical systems.

#### FY24 Unrestricted E&G Expenses

\$-millions	UTK	HSC	UTC	UTM	IPS	UTS	UTSA	Total
Instruction	\$ 420.4	\$ 155.1	\$ 97.8	\$ 50.9		\$ 4.6		\$ 729
Research	149.5	40.7	5.8	0.1				196
Public Service	85.2	1.1	3.1	1.0	29.2	0.1		120
Academic Support	158.9	71.9	24.2	13.3	0.3	2.3		271
Student Services	75.1	8.0	34.1	16.3		5.2		139
Institutional Support	89.1	39.2	16.9	9.9	0.8	2.4	98.8	257
Operations & Maintenance	114.3	53.7	22.8	13.3		2.2	1.5	208
Scholarships & Fellowships	117.8	7.6	19.5	15.1		3.0		163
<b>TOTAL</b>	<b>\$ 1,210</b>	<b>\$ 377</b>	<b>\$ 224</b>	<b>\$ 120</b>	<b>\$ 30</b>	<b>\$ 20</b>	<b>\$ 100</b>	<b>\$ 2,082</b>

The revised expenditure budget is \$98 million above the original budget approved in June 2023. Most of the increase (\$83 million) is for non-recurring expenses. This represents long-term reserves allocated to non-recurring needs such as faculty start-up funds, equipment for instruction and research, bridge-funding for grant and contract programs, campus improvements, and one-time projects. These are spending authorizations delegated to colleges and departments which may or may not be used during FY 2023-24. Much of this funding will remain unspent at year end and carry forward to the following fiscal year.



## University of Tennessee FY 2023-24 Revised Operating Budget

### Unrestricted E&G Expenses (continued)

The figures below show how resource allocations for recurring operations have changed since July 1. Total recurring expense budgets are up by \$15.2 million. Over 90% of this change is for insurance premium increases that are being funded by state appropriations. Over \$13.5 million was transferred out of academic support budgets to instruction, research, public service, and institutional support to more accurately reflect the nature programs supported by these funds. Around \$10 million was moved from operating budgets to salary budgets to fund faculty promotions; new positions to expand tutoring, academic and career support; and market adjustments needed to respond to an extremely competitive labor market.

#### Recurring Unrestricted E&G Expenses

By Unit/Function/Type	Original	Revised	\$-change	%
Knoxville	\$ 1,187,823,436	\$ 1,196,159,835	\$ 15,239,050	0.7%
Health Science Center	338,945,997	341,950,847	3,004,850	0.9%
Chattanooga	209,767,666	211,363,368	1,595,702	0.8%
Martin	113,492,621	114,830,516	1,337,895	1.2%
System Administration	75,624,902	76,463,917	839,015	1.1%
Public Service	31,991,244	32,275,203	283,959	0.9%
Southern	18,313,188	18,440,837	127,649	0.7%
<b>Total</b>	<b>\$ 1,974,197,872</b>	<b>\$ 1,989,397,779</b>	<b>\$ 15,199,907</b>	<b>0.8%</b>
Instruction	700,162,132	711,728,146	11,566,014	1.7%
Research	156,849,658	160,462,275	3,612,617	2.3%
Public Service	111,017,303	118,013,419	6,996,116	6.3%
Academic Support	275,955,797	262,415,139	(13,540,658)	(4.9%)
Student Services	132,336,474	134,005,085	1,668,611	1.3%
Institutional Support	231,129,343	234,978,144	3,848,801	1.7%
Operation & Maintenance	205,581,471	206,313,239	731,768	0.4%
Scholarships & Fellowships	161,165,694	161,482,332	316,638	0.2%
<b>Total</b>	<b>\$ 1,974,197,872</b>	<b>\$ 1,989,397,779</b>	<b>\$ 15,199,907</b>	<b>0.8%</b>
Salaries & Benefits	1,314,850,630	1,343,738,418	30,491,951	2.3%
Operating & Equipment	498,181,548	484,177,029	(15,608,682)	(3.1%)
Scholarships & Fellowships	161,165,694	161,482,332	316,638	0.20%
<b>Total</b>	<b>\$ 1,974,197,872</b>	<b>\$ 1,989,397,779</b>	<b>\$ 15,199,907</b>	<b>0.8%</b>

## University of Tennessee FY 2023-24 Revised Operating Budget

### Auxiliary Enterprises

Auxiliaries are self-supporting enterprises providing services to students, faculty, and staff such as housing, bookstores, food services, and UTK athletics. (The athletic programs at UTC, UTM, and UTS are included in unrestricted E&G funds.) Most are funded through fee models such as housing rentals, meal plan prices, parking permits, and sales of books and supplies. UTK athletics has a variety of funding sources including ticket sales and television revenues. These revenues fund salaries and benefits, general operating, utilities, capital expenditures and debt service.

#### FY24 Auxiliary Revenues by Campus and Enterprise

\$-thousands	UTK	UTC	UTM	UTS	HSC	Total
UTK Athletics	\$ 187,583					\$ 187,583
Housing	68,023	19,167	9,180	1,534		97,904
Bookstores	29,500	500	310	100	1515	31,925
Parking	11,831	3,718	495		1,426	17,469
Food Services	10,903	1,251	489	863	1,106	14,612
Other	4,237	369	426		79	4,955
<b>Total</b>	<b>\$ 312,076</b>	<b>\$ 25,004</b>	<b>\$ 10,900</b>	<b>\$ 2,497</b>	<b>\$ 4,125</b>	<b>\$ 354,604</b>

#### Changes to Auxiliary Enterprise Revenues

Campus/Institute	Original	Revised	\$-change	%
Knoxville	\$ 307,141,799	\$ 312,076,448	\$ 4,934,649	1.6%
Chattanooga	25,004,196	25,004,196		
Martin	10,480,412	10,900,412	420,000	4.0%
Health Science Center	4,109,816	4,125,312	15,496	0.4%
UT Southern	2,797,000	2,497,000	(300,000)	(10.7%)
<b>Total</b>	<b>\$ 349,533,223</b>	<b>\$ 354,603,368</b>	<b>\$ 5,070,145</b>	<b>1.5%</b>
Athletics	\$ 184,080,049	\$ 187,582,601	\$ 3,502,552	1.9%
Housing	96,128,420	97,903,517	1,775,097	1.8%
Food Services	14,779,881	14,612,377	(167,504)	(1.1%)
Bookstores	31,924,591	31,924,591		
Parking	17,509,376	17,469,376	(40,000)	(0.2%)
Other	5,110,906	5,110,906		
<b>Total</b>	<b>\$ 349,533,223</b>	<b>\$ 354,603,368</b>	<b>\$ 5,070,145</b>	<b>1.5%</b>

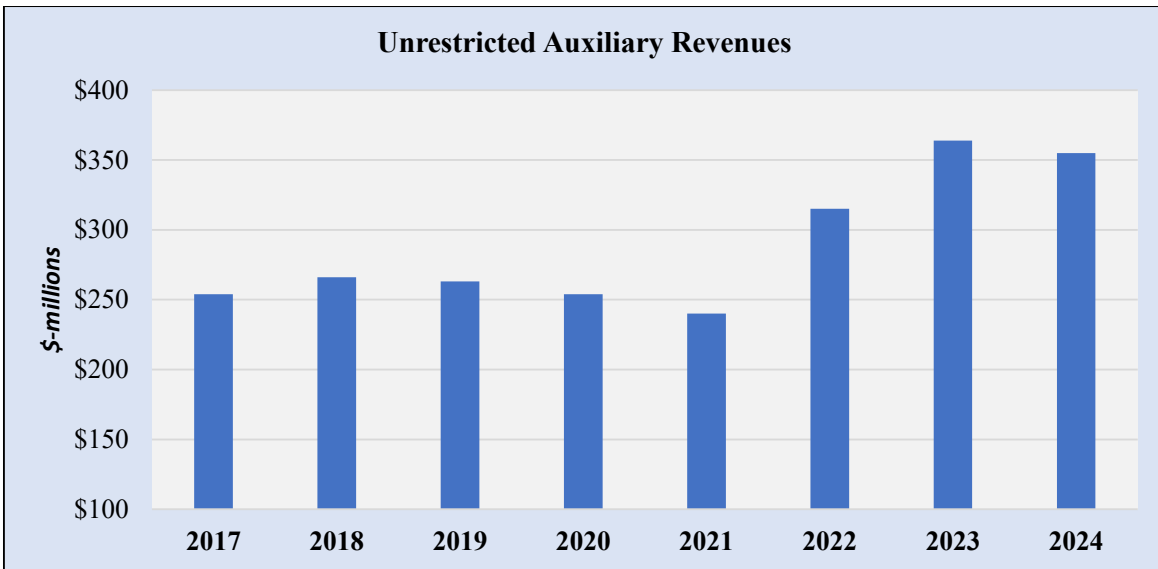
**University of Tennessee FY 2023-24 Revised Operating Budget**

**Auxiliary Enterprises (continued)**

**Changes to Auxiliary Enterprise Expenses & Transfers**

<b>Campus/Institute</b>	<b>Original</b>	<b>Revised</b>	<b>\$-change</b>	<b>%</b>
Salaries & Benefits	\$ 120,508,274	\$ 123,032,382	\$ 2,524,108	2.1%
Operating & Equipment	182,629,191	187,452,418	4,823,227	2.6%
<b>Total Expenses</b>	<b>\$ 303,137,465</b>	<b>\$ 310,484,800</b>	<b>\$ 7,347,335</b>	<b>2.4%</b>
Mandatory Transfers	50,712,367	49,196,982	(1,515,385)	(3.0%)
Other Transfers	(4,334,942)	(5,080,997)	(746,055)	(17.2%)
<b>Total Expenses &amp; Transfers</b>	<b>\$ 349,514,890</b>	<b>\$ 354,600,785</b>	<b>\$ 5,085,895</b>	<b>1.5%</b>

Auxiliary enterprises rely heavily on the presence of students, faculty, staff, and visitors on campus, the increase of enrollment, attendance at sporting events, concerts, and conferences influenced the increase of auxiliary revenues. Auxiliary revenues have rebounded from a significant decline experienced during the pandemic in FY20 and FY21.



## University of Tennessee FY 2023-24 Revised Operating Budget

### Unrestricted Net Assets

The university maintains sufficient levels of unrestricted net assets to comply with state regulations on working capital, properly account for revolving funds, and meet contractual obligations and operational plans for the next year. The revised budget results in fund balances of \$133 million as of June 30, including \$109.5 million for E&G operations and \$23.5 million for auxiliaries.

#### Unrestricted Current Fund Net Assets Budgeted for June 30, 2024

Fund Balances	E&G	Auxiliary	Total
Beginning Balances	\$ 117,281,171	\$ 23,483,009	\$ 140,764,182
Revenue	2,038,814,032	354,603,368	2,393,417,400
<b>Total Available Funding</b>	<b>\$ 2,156,092,087</b>	<b>\$ 378,086,377</b>	<b>\$ 2,534,181,582</b>
Expenses & Transfers	2,046,583,437	354,600,785	2,401,184,222
<b>Ending Balances</b>	<b>\$ 109,508,650</b>	<b>\$ 23,483,009</b>	<b>\$ 132,997,360</b>
<b>Net Asset Allocations:</b>			
Working Capital	\$ 24,623,172	\$ 7,763,216	\$ 32,386,387
Revolving Funds	5,773,948	404,149	6,178,096
Encumbrances	6,565,057		6,565,057
Reappropriations	4,700,000		4,700,000
Unallocated Reserve	\$ 67,849,589	\$ 15,318,227	\$ 83,167,819
<i>% of Expense &amp; Transfers</i>	<i>3.32%</i>	<i>4.32%</i>	<i>3.46%</i>

**Working capital** provides sufficient liquidity to fund accounts receivable, inventories, and petty cash. These are required by state regulations and are considered non-expendable during the fiscal year.

**Revolving funds** include fund balances tied to revenue-generating units (e.g., service centers, motor pools, conference centers, medical clinics) and university wide cost-distribution models (e.g., unemployment compensation, workers compensation liabilities, claims liabilities, etc.).

**Encumbrances** are carried over for commitments for purchases of goods and services that were not received before the close of the fiscal year. They are fully expended during the fiscal year.

**Reappropriations** are funds carried forward for specific programs and initiatives. The most common example is a project that was planned for the previous fiscal year but delayed until the next fiscal year. Most reappropriations are fully expended during the current year.

**Unallocated Reserves** are contingency funds used to respond to fluctuations in revenues and expenses. The unallocated reserve for E&G operations is limited to 2% to 5% of total expenses and transfers; the auxiliary target range is 3% to 5% of expenses and transfers.

## University of Tennessee FY 2023-24 Revised Operating Budget

### Restricted Funds

Restricted funds must be used for purposes established by an external party and in accordance with the contractual terms and conditions negotiated with the sponsor of each grant and contract or the administrative provisions set by donors for each gift fund and endowment. They are the largest funding sources for scholarships & fellowships (59%) and research (54%) and play an important role in funding the university's public service initiatives (48%). Restricted funds are not part of the proposed budget resolution. They are presented to provide a complete picture of total operating funds for FY2023-24.

### Restricted Operating Revenues & Expenses

\$-millions	Knoxville	Health Science Center	Chatta- nooga	Martin	Public Service	Southern	System Admin.	Total
Federal Grants & Contracts	\$ 165.5	\$ 41.0	\$ 29.7	\$ 15.0	\$ 5.9	\$ 2.4	\$ 0.6	\$ 260.0
State Grants & Contracts	126.6	38.0	36.0	19.0	3.2	2.6	10.7	235.9
Other Grants & Contracts	41.0	218.0	1.8	0.1	0.5			261.5
Gifts & Endowments	55.0	20.4	11.6	4.7	0.9	0.9	0.6	93.7
Other	12.8	3.3	0.9	0.3				17.3
<b>Revenues</b>	<b>\$ 400.6</b>	<b>\$ 320.6</b>	<b>\$ 79.9</b>	<b>\$ 39.1</b>	<b>\$ 10.5</b>	<b>\$ 5.9</b>	<b>\$ 11.9</b>	<b>\$ 868.4</b>
Scholarships/ Fellowships	\$ 133.6	\$ 9.0	\$ 53.7	\$ 31.3		\$ 3.4		\$ 231.0
Instruction	23.0	183.0	5.2	2.1		1.4	10.0	224.7
Research	154.9	65.5	7.1	0.1			0.7	228.4
Public Service	71.4	20.0	3.0	2.8	10.5	0.2	0.6	108.5
Other	17.7	43.1	10.9	2.7		0.9	0.5	75.8
<b>Expenses</b>	<b>\$ 400.6</b>	<b>\$ 320.6</b>	<b>\$ 79.9</b>	<b>\$ 39.1</b>	<b>\$ 10.5</b>	<b>\$ 5.9</b>	<b>\$ 11.9</b>	<b>\$ 868.4</b>

# The University of Tennessee

## FY 2023-24 Revised Operating Budget

### Supporting Schedules

Unrestricted Current Funds – Pie Chart	B-2
Unrestricted and Restricted Current Funds – Pie Chart	B-3
Unrestricted Current Funds by Unit	B-4
Unrestricted and Restricted Current Funds by Unit	B-5
Unrestricted Current Funds – Five Year History	B-6
Unrestricted and Restricted Current Funds – Five Year History	B-7
Unrestricted and Restricted Fund Details	B-8
Unrestricted Expenses – Natural Classification by Unit	B-9
Unrestricted Expenses – Natural Classification Summary	B-10
Recurring Unrestricted Expenses – Natural Classification Summary	B-11
Unrestricted Net Assets – E&G and Auxiliary Combined	B-12
Unrestricted Net Assets – E&G Only	B-13
Unrestricted Net Assets – Auxiliary Only	B-14
State Appropriations Summary	B-15
State Appropriations – Five Year History	B-16
Auxiliary Enterprises	B-17
Athletics	B-18
Budgeted Positions	B-20
Unrestricted Current Fund Summary – UT System	B-21
Unrestricted Current Fund Summary – UT System (Recurring)	B-22
Unrestricted Current Fund Summary – Chattanooga	B-23
Unrestricted Current Fund Summary – Knoxville	B-24
Unrestricted Current Fund Summary – Martin	B-25
Unrestricted Current Fund Summary – Southern	B-26
Unrestricted Current Fund Summary – Health Science Center	B-27
Unrestricted Current Fund Summary – Institute for Public Service	B-28
Unrestricted Current Fund Summary – System Administration	B-29

# The University of Tennessee FY 2023-24 Revised Budget Unrestricted Current Funds

### Current Fund Revenues (\$millions)

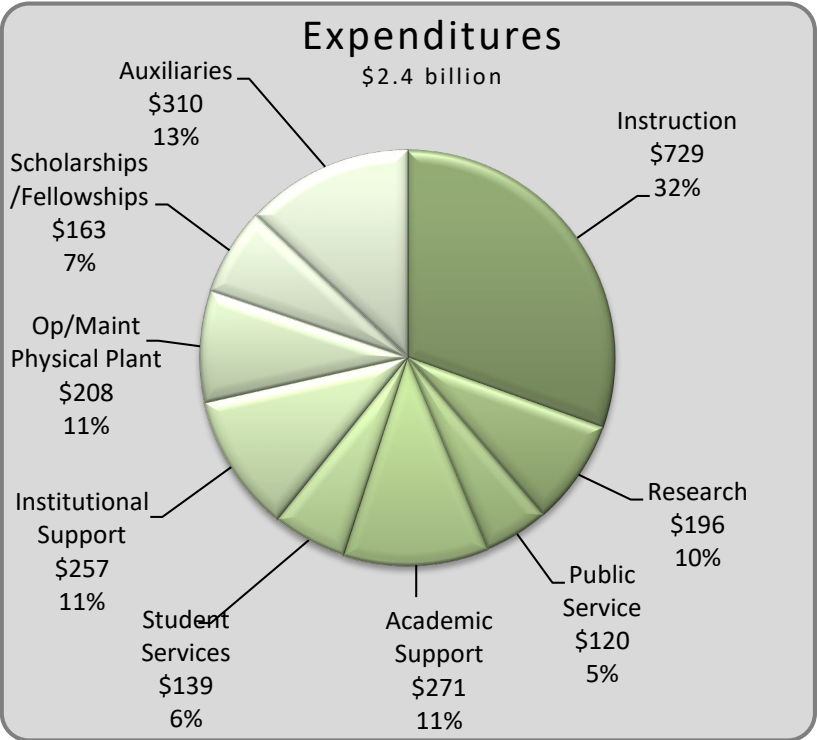
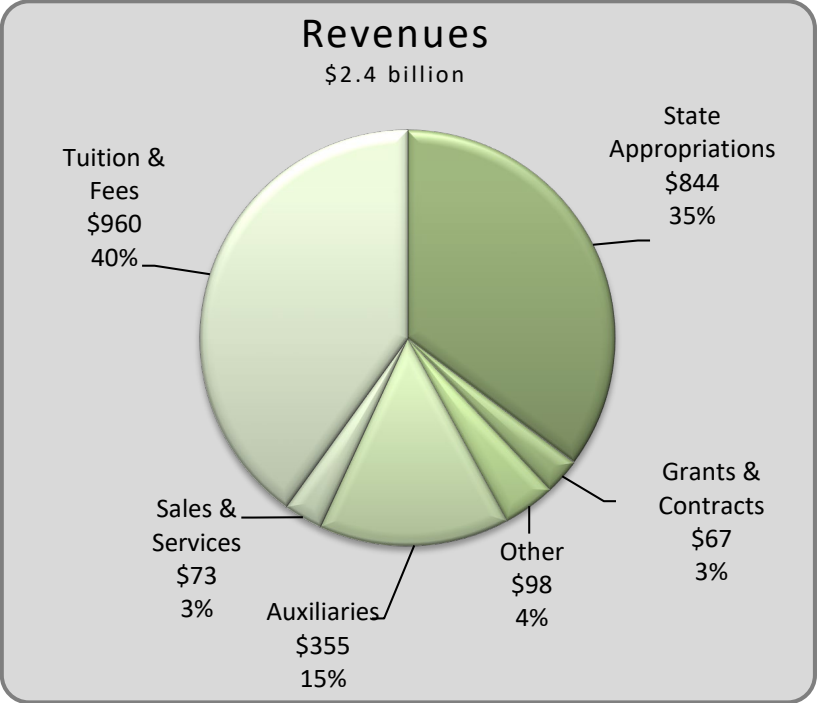
Chattanooga	\$245.0
Knoxville	1548.7
Martin	130.1
Southern	18.7
Health Science Center	359.9
Inst. for Public Service	32.2
System Administration	<u>62.2</u>
<b>TOTAL</b>	<b>\$2,396.8</b>

### Fall 2023 FTE Enrollment

Knoxville	33,738
Chattanooga	10,253
Martin	5,211
Southern	827
Health Science Center	<u>3,037</u>
<b>TOTAL</b>	<b>53,066</b>

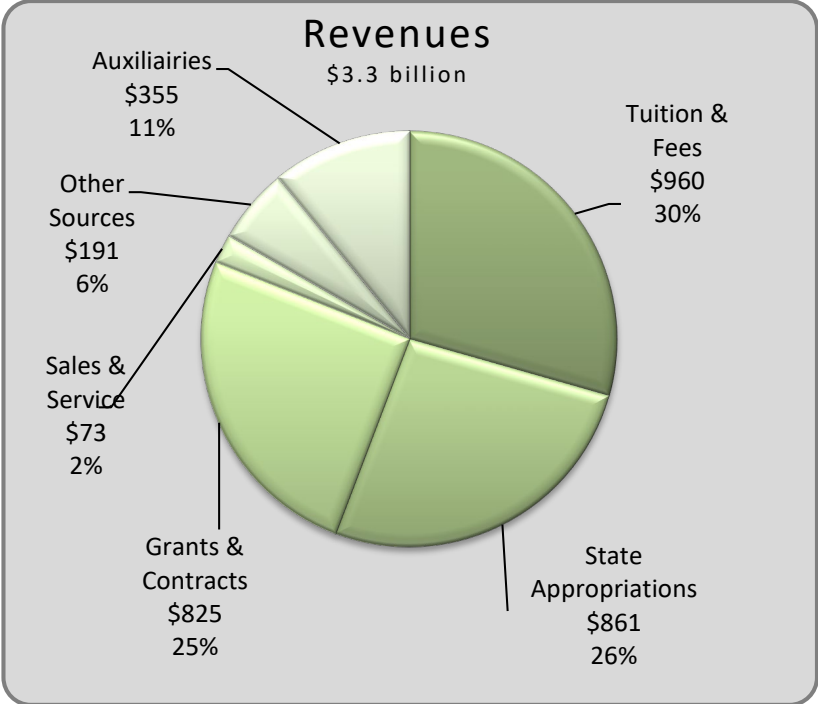
### FTE Positions (Unrestricted E&G) October 31, 2023

Faculty	3,751
Administrative	970
Professional	2,959
Cler/Tech/Maint	<u>4,032</u>
<b>TOTAL</b>	<b>11,712</b>

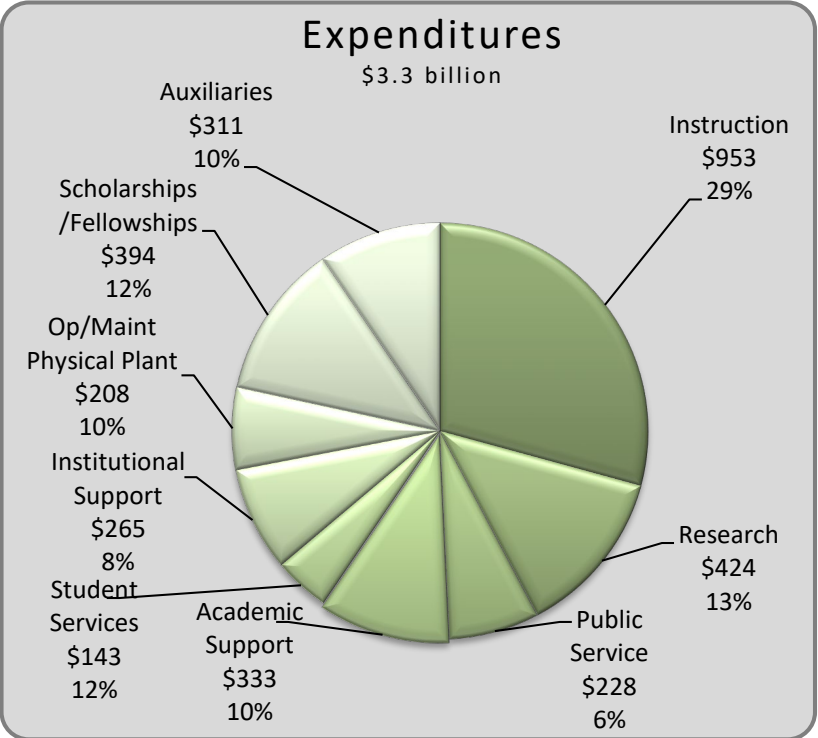


# The University of Tennessee FY 2023-24 Revised Budget Unrestricted & Restricted Current Funds

Unrestricted & Restricted Revenues (\$millions)	
Chattanooga	\$325.0
Knoxville	1,949.3
Martin	169.2
Southern	24.5
Health Science Center	680.5
Inst. for Public Service	42.7
System Administration	<u>74.0</u>
<b>TOTAL</b>	<b>\$3,265.2</b>



Fall 2023 Headcount Enrollment	
Knoxville	36,304
Chattanooga	11,380
Martin	6,941
Southern	978
Health Science Center	<u>3,123</u>
<b>TOTAL</b>	<b>58,726</b>



FTE Positions (Unrestricted & Restricted) October 31, 2023	
Faculty	4,672
Administrative	1,134
Professional	4,270
Cler/Tech/Maint	<u>5,608</u>
<b>TOTAL</b>	<b>15,685</b>



## University of Tennessee System FY 2023-24 Revised Budget Summary by Unit Unrestricted Current Funds, Revenues, Expenditures, and Transfers

	Total System	Chattanooga	Knoxville	Martin	Southern	Health Science Center	Institute for Public Service	System Administration
<b>EDUCATIONAL AND GENERAL</b>								
<b>Revenues</b>								
Tuition & Fees	\$ 960,205,962	\$ 133,079,912	\$ 660,665,227	\$ 67,003,267	\$ 9,521,821	\$ 89,935,735		
State Appropriations	843,562,152	80,047,905	469,546,622	46,994,297	6,104,300	217,690,324	\$ 16,745,187	\$ 6,433,517
Grants & Contracts	67,048,556	1,479,400	38,528,529	187,000	1,600	25,819,549	1,032,478	
Sales & Service	73,485,497	5,172,084	42,662,464	4,397,011	84,538	21,169,400		
Other Sources	97,883,265	257,800	25,221,964	603,541	515,000	1,129,920	14,414,505	55,740,535
Total Revenues	<u>\$ 2,042,185,432</u>	<u>\$ 220,037,101</u>	<u>\$ 1,236,624,806</u>	<u>\$ 119,185,116</u>	<u>\$ 16,227,259</u>	<u>\$ 355,744,928</u>	<u>\$ 32,192,170</u>	<u>\$ 62,174,052</u>
<b>Expenditures and Transfers</b>								
Instruction	\$ 728,766,156	\$ 97,832,665	\$ 420,368,265	\$ 50,889,673	\$ 4,623,191	\$ 155,052,362		
Research	196,099,889	5,756,841	149,533,294	93,004		40,716,750		
Public Service	119,590,789	3,062,471	85,221,273	1,017,033	59,309	1,054,038	\$ 29,176,665	
Academic Support	270,933,322	24,182,668	158,861,978	13,338,539	2,314,859	71,898,582	336,696	
Student Services	138,753,584	34,089,459	75,131,986	16,301,042	5,205,646	8,025,451		
Institutional Support	257,034,469	16,864,041	89,106,936	9,859,358	2,446,109	39,207,604	769,298	\$ 98,781,123
Op/Maint Physical Plant	207,846,853	22,758,181	114,283,597	13,331,096	2,204,561	53,729,418		1,540,000
Scholarships & Fellowships	163,007,997	19,512,186	117,755,767	15,086,186	3,033,000	7,620,858		
Subtotal Expenditures	<u>\$ 2,082,033,059</u>	<u>\$ 224,058,512</u>	<u>\$ 1,210,263,096</u>	<u>\$ 119,915,931</u>	<u>\$ 19,886,675</u>	<u>\$ 377,305,063</u>	<u>\$ 30,282,659</u>	<u>\$ 100,321,123</u>
Mandatory Transfers	27,787,077	4,663,880	15,607,473	101,392		7,295,789		118,543
Non Mandatory Transfers	(59,865,299)	(8,685,291)	10,754,237	(832,207)	(3,850,000)	(28,815,194)	2,086,744	(30,523,588)
Total Expenditures & Transfers	<u>\$ 2,049,954,837</u>	<u>\$ 220,037,101</u>	<u>\$ 1,236,624,806</u>	<u>\$ 119,185,116</u>	<u>\$ 16,036,675</u>	<u>\$ 355,785,658</u>	<u>\$ 32,369,403</u>	<u>\$ 69,916,078</u>
<b>Fund Balance Addition/(Reduction)</b>	<u>\$ (7,769,405)</u>				<u>\$ 190,584</u>	<u>\$ (40,730)</u>	<u>\$ (177,233)</u>	<u>\$ (7,742,026)</u>
<b>AUXILIARIES</b>								
<b>Revenues</b>	\$ 354,603,368	\$ 25,004,196	\$ 312,076,448	\$ 10,900,412	\$ 2,497,000	\$ 4,125,312		
<b>Expenditures and Transfers</b>								
Expenditures	\$ 310,484,800	\$ 17,755,580	\$ 279,683,508	\$ 7,424,456	\$ 1,759,417	\$ 3,861,839		
Mandatory Transfers	49,196,982	5,493,430	40,474,956	2,450,096	408,000	370,500		
Non-Mandatory Transfers	(5,080,997)	1,755,186	(8,082,016)	1,025,860	327,000	(107,027)		
Total Expenditures & Transfers	<u>\$ 354,600,785</u>	<u>\$ 25,004,196</u>	<u>\$ 312,076,448</u>	<u>\$ 10,900,412</u>	<u>\$ 2,494,417</u>	<u>\$ 4,125,312</u>		
<b>Fund Balance Addition/(Reduction)</b>	<u>\$ 2,583</u>				<u>\$ 2,583</u>			
<b>TOTALS</b>								
<b>Revenues</b>	\$ 2,396,788,800	\$ 245,041,297	\$ 1,548,701,254	\$ 130,085,528	\$ 18,724,259	\$ 359,870,240	\$ 32,192,170	\$ 62,174,052
<b>Expenditures and Transfers</b>								
Expenditures	\$ 2,392,517,859	\$ 241,814,092	\$ 1,489,946,604	\$ 127,340,387	\$ 21,646,092	\$ 381,166,902	\$ 30,282,659	\$ 100,321,123
Mandatory Transfers	76,984,059	10,157,310	56,082,429	2,551,488	408,000	7,666,289	-	118,543
Non-Mandatory Transfers	(64,946,296)	(6,930,105)	2,672,221	193,653	(3,523,000)	(28,922,221)	2,086,744	-30,523,588
Total Expenditures & Transfers	<u>\$ 2,404,555,622</u>	<u>\$ 245,041,297</u>	<u>\$ 1,548,701,254</u>	<u>\$ 130,085,528</u>	<u>\$ 18,531,092</u>	<u>\$ 359,910,970</u>	<u>\$ 32,369,403</u>	<u>\$ 69,916,078</u>
<b>Fund Balance Addition/(Reduction)</b>	<u>\$ (7,766,822)</u>				<u>\$ 193,167</u>	<u>\$ (40,730)</u>	<u>\$ (177,233)</u>	<u>\$ (7,742,026)</u>

Knoxville includes Knoxville campus, Space Institute, Extension, AgResearch, and the College of Veterinary Medicine.

**University of Tennessee System**  
**Unrestricted and Restricted FY 2023-24 Revised Budget Summary by Unit**  
**Unrestricted and Restricted Current Funds, Revenues, Expenditures, and Transfers**

	Total System	Chattanooga	Knoxville	Martin	Southern	Health Science Center	Institute for Public Service	System Administration
<b>EDUCATIONAL AND GENERAL</b>								
<b>Revenues</b>								
Tuition & Fees	\$ 960,205,962	\$ 133,079,912	\$ 660,665,227	\$ 67,003,267	\$ 9,521,821	\$ 89,935,735		
State Appropriations	860,840,414	80,928,360	482,351,977	47,332,779	6,104,300	220,944,294	\$ 16,745,187	\$ 6,433,517
Grants & Contracts	824,521,474	68,966,017	371,584,753	34,317,000	4,937,371	322,819,549	10,646,784	11,250,000
Sales & Service	73,485,497	5,172,084	42,662,464	4,397,011	84,538	21,169,400		
Other Sources	191,315,860	11,837,338	79,692,464	5,253,541	1,400,000	21,479,920	15,312,062	56,340,535
<b>Total Revenues</b>	<b>\$ 2,910,369,207</b>	<b>\$ 299,983,711</b>	<b>\$ 1,636,956,885</b>	<b>\$ 158,303,598</b>	<b>\$ 22,048,030</b>	<b>\$ 676,348,898</b>	<b>\$ 42,704,033</b>	<b>\$ 74,024,052</b>
<b>Expenditures and Transfers</b>								
Instruction	\$ 953,467,498	\$ 103,071,952	\$ 443,363,265	\$ 52,989,673	\$ 5,982,246	\$ 338,052,362		\$ 10,008,000
Research	424,464,104	12,905,931	304,386,637	238,004	-	106,251,532		682,000
Public Service	228,133,696	6,080,296	156,661,292	3,837,033	244,309	21,054,038	\$ 39,656,728	600,000
Academic Support	333,430,027	27,734,766	173,899,695	14,818,539	2,723,249	113,898,582	355,196	
Student Services	143,164,824	36,212,699	76,032,986	17,226,042	5,655,646	8,037,451		
Institutional Support	265,186,965	21,961,549	90,278,936	10,159,358	2,446,109	40,264,792	775,098	\$ 99,301,123
Op/Maint Physical Plant	208,312,518	22,863,846	114,608,597	13,366,096	2,204,561	53,729,418		1,540,000
Scholarships & Fellowships	394,057,202	73,174,083	251,363,767	46,399,668	6,451,326	16,620,858	7,500	40,000
<b>Subtotal Expenditures</b>	<b>\$ 2,950,216,834</b>	<b>\$ 304,005,122</b>	<b>\$ 1,610,595,175</b>	<b>\$ 159,034,413</b>	<b>\$ 25,707,446</b>	<b>\$ 697,909,033</b>	<b>\$ 40,794,522</b>	<b>\$ 112,171,123</b>
Mandatory Transfers	27,787,077	4,663,880	15,607,473	101,392		7,295,789		118,543
Non-Mandatory Transfers	(59,865,299)	(8,685,291)	10,754,237	(832,207)	(3,850,000)	(28,815,194)	2,086,744	(30,523,588)
<b>Total Expenditures &amp; Transfers</b>	<b>\$ 2,918,138,612</b>	<b>\$ 299,983,711</b>	<b>\$ 1,636,956,885</b>	<b>\$ 158,303,598</b>	<b>\$ 21,857,446</b>	<b>\$ 676,389,628</b>	<b>\$ 42,881,266</b>	<b>\$ 81,766,078</b>
<b>Fund Balance Addition/(Reduction)</b>	<b>\$ (7,769,405)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 190,584</b>	<b>\$ (40,730)</b>	<b>\$ (177,233)</b>	<b>\$ (7,742,026)</b>
<b>AUXILIARIES</b>								
<b>Revenues</b>	\$ 354,863,368	\$ 25,004,196	\$ 312,336,448	\$ 10,900,412	\$ 2,497,000	\$ 4,125,312		
<b>Expenditures and Transfers</b>								
Expenditures	\$ 310,744,800	\$ 17,755,580	\$ 279,943,508	\$ 7,424,456	\$ 1,759,417	\$ 3,861,839		
Mandatory Transfers	49,196,982	5,493,430	40,474,956	2,450,096	408,000	370,500		
Non-Mandatory Transfers	(5,080,997)	1,755,186	(8,082,016)	1,025,860	327,000	(107,027)		
<b>Total Expenditures &amp; Transfers</b>	<b>\$ 354,860,785</b>	<b>\$ 25,004,196</b>	<b>\$ 312,336,448</b>	<b>\$ 10,900,412</b>	<b>\$ 2,494,417</b>	<b>\$ 4,125,312</b>		
<b>Fund Balance Addition/(Reduction)</b>	<b>\$ 2,583</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,583</b>	<b>\$ -</b>		
<b>TOTALS</b>								
<b>Revenues</b>	\$ 3,265,232,575	\$ 324,987,907	\$ 1,949,293,333	\$ 169,204,010	\$ 24,545,030	\$ 680,474,210	\$ 42,704,033	\$ 74,024,052
<b>Expenditures and Transfers</b>								
Expenditures	\$ 3,260,961,634	\$ 321,760,702	\$ 1,890,538,683	\$ 166,458,869	\$ 27,466,863	\$ 701,770,872	\$ 40,794,522	\$ 112,171,123
Mandatory Transfers	76,984,059	10,157,310	56,082,429	2,551,488	408,000	7,666,289	-	118,543
Non-Mandatory Transfers	(64,946,296)	(6,930,105)	2,672,221	193,653	(3,523,000)	(28,922,221)	2,086,744	(30,523,588)
<b>Total Expenditures &amp; Transfers</b>	<b>\$ 3,272,999,397</b>	<b>\$ 324,987,907</b>	<b>\$ 1,949,293,333</b>	<b>\$ 169,204,010</b>	<b>\$ 24,351,863</b>	<b>\$ 680,514,940</b>	<b>\$ 42,881,266</b>	<b>\$ 81,766,078</b>
<b>Fund Balance Addition/(Reduction)</b>	<b>\$ (7,766,822)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 193,167</b>	<b>\$ (40,730)</b>	<b>\$ (177,233)</b>	<b>\$ (7,742,026)</b>

Knoxville includes Knoxville campus, Space Institute, AgResearch, Extension, and the College of Veterinary Medicine.

**University of Tennessee System**  
**FY 2023-24 Revised Budget**  
**Five Year History**  
**Current Funds Revenues, Expenditures and Transfers - Unrestricted**

	FY 2019-20 Actual	FY 2020-21 Actual	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Revised	Change FY 2020 to FY 2024	
						Amount	%
<b>EDUCATIONAL AND GENERAL</b>							
<b>Revenues</b>							
Tuition & Fees	\$ 764,506,490	\$ 796,442,074	\$ 860,945,260	\$ 940,423,500	\$ 960,205,962	\$ 195,699,472	25.6 %
State Appropriations	639,918,152	637,749,852	692,872,652	841,139,752	843,562,152	203,644,000	31.8 %
Grants & Contracts	53,256,325	58,474,905	65,896,545	124,293,297	67,048,556	13,792,231	25.9 %
Sales & Service	56,898,631	63,844,595	73,281,000	77,374,205	73,485,497	16,586,866	29.2 %
Other Sources	69,049,649	70,724,613	70,005,617	97,518,580	97,883,265	28,833,616	41.8 %
<b>Total Revenues</b>	<b>\$ 1,583,629,248</b>	<b>\$ 1,627,236,038</b>	<b>\$ 1,763,001,073</b>	<b>\$ 2,080,749,333</b>	<b>\$ 2,042,185,432</b>	<b>\$ 458,556,185</b>	<b>29.0 %</b>
<b>Expenditures and Transfers</b>							
Instruction	\$ 517,826,331	\$ 515,072,267	\$ 553,644,179	\$ 591,148,542	\$ 728,766,156	\$ 210,939,825	40.7 %
Research	147,846,046	152,948,873	165,037,772	179,856,283	196,099,889	48,253,843	32.6 %
Public Service	77,459,911	78,506,063	87,759,408	100,889,598	119,590,789	42,130,878	54.4 %
Academic Support	177,371,195	180,342,080	196,364,494	223,405,359	270,933,322	93,562,127	52.7 %
Student Services	99,453,375	99,523,809	117,311,075	131,197,558	138,753,584	39,300,209	39.5 %
Institutional Support	175,763,031	175,004,979	191,232,321	215,949,008	257,034,469	81,271,438	46.2 %
Operation & Maintenance of Plant	158,633,657	146,589,495	159,279,408	174,750,505	207,846,853	49,213,196	31.0 %
Scholarships & Fellowships	129,968,045	142,839,827	153,464,168	168,266,284	163,007,997	33,039,952	25.4 %
<b>Subtotal Expenditures</b>	<b>\$ 1,484,321,590</b>	<b>\$ 1,490,827,395</b>	<b>\$ 1,624,092,826</b>	<b>\$ 1,785,463,135</b>	<b>\$ 2,082,033,059</b>	<b>\$ 597,711,469</b>	<b>40.3 %</b>
Mandatory Transfers	13,109,489	13,034,781	14,225,791	16,273,019	27,787,077	14,677,588	112.0 %
Non-Mandatory Transfers	79,126,450	107,678,171	136,326,936	279,814,313	(59,865,299)	(138,991,749)	(175.7) %
<b>Total Expenditures &amp; Transfers</b>	<b>\$ 1,576,557,529</b>	<b>\$ 1,611,540,347</b>	<b>\$ 1,774,645,553</b>	<b>\$ 2,081,550,467</b>	<b>\$ 2,049,954,837</b>	<b>\$ 473,397,308</b>	<b>30.0 %</b>
<b>Fund Balance Addition/(Reduction)</b>	<b>\$ 7,071,719</b>	<b>\$ 15,695,691</b>	<b>\$ (11,644,480)</b>	<b>\$ (801,135)</b>	<b>\$ (7,769,405)</b>		
<b>AUXILIARIES</b>							
<b>Revenues</b>	\$ 253,541,204	\$ 240,192,478	\$ 314,780,102	\$ 364,219,976	\$ 354,603,368	\$ 101,062,164	39.9 %
<b>Expenditures and Transfers</b>							
Expenditures	\$ 200,623,961	\$ 189,764,399	\$ 234,337,332	\$ 276,973,612	\$ 310,484,800	\$ 109,860,839	54.8 %
Mandatory Transfers	54,855,089	45,342,299	43,128,960	48,888,685	49,196,982	(5,658,107)	(10.3) %
Non-Mandatory Transfers	3,543	4,006,341	24,511,501	47,736,364	(5,080,997)	(5,084,540)	(143,509.5) %
<b>Total Expenditures &amp; Transfers</b>	<b>\$ 255,482,593</b>	<b>\$ 239,113,039</b>	<b>\$ 301,977,793</b>	<b>\$ 373,598,661</b>	<b>\$ 354,600,785</b>	<b>\$ 99,118,192</b>	<b>38.8 %</b>
<b>Fund Balance Addition/(Reduction)</b>	<b>\$ (1,941,388)</b>	<b>\$ 1,079,439</b>	<b>\$ 12,802,308</b>	<b>\$ (9,378,685)</b>	<b>\$ 2,583</b>		
<b>TOTALS</b>							
<b>Revenues</b>	\$ 1,837,170,452	\$ 1,867,428,516	\$ 2,077,781,175	\$ 2,444,969,309	\$ 2,396,788,800	\$ 559,618,348	30.5 %
<b>Expenditures and Transfers</b>							
Expenditures	\$ 1,684,945,551	\$ 1,680,591,794	\$ 1,858,430,159	\$ 2,062,436,748	\$ 2,392,517,859	\$ 707,572,308	42.0 %
Mandatory Transfers	67,964,578	58,377,080	57,354,751	65,161,704	76,984,059	9,019,481	13.3 %
Non-Mandatory Transfers	79,129,993	111,684,512	160,838,437	327,550,677	(64,946,296)	(144,076,289)	(182.1) %
<b>Total Expenditures &amp; Transfers</b>	<b>\$ 1,832,040,122</b>	<b>\$ 1,850,653,386</b>	<b>\$ 2,076,623,347</b>	<b>\$ 2,455,149,129</b>	<b>\$ 2,404,555,622</b>	<b>\$ 572,515,500</b>	<b>31.3 %</b>
<b>Fund Balance Addition/(Reduction)</b>	<b>\$ 5,130,330</b>	<b>\$ 16,775,131</b>	<b>\$ 1,157,828</b>	<b>\$ (10,179,819)</b>	<b>\$ (7,766,822)</b>		

**University of Tennessee System**  
**FY 2023-24 Revised Budget**  
**Five Year History**

**Current Funds Revenues, Expenditures and Transfers - Unrestricted and Restricted**

	FY 2019-20 Actual	FY 2020-21 Actual	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Revised	Change FY 2020 to FY 2024	
						Amount	%
<b>EDUCATIONAL AND GENERAL</b>							
<b>Revenues</b>							
Tuition & Fees	\$ 764,506,490	\$ 796,442,074	\$ 860,945,260	\$ 940,423,500	\$ 960,205,962	\$ 195,699,472	25.6 %
State Appropriations	656,204,483	654,138,435	709,459,014	858,067,130	860,840,414	204,635,931	31.2 %
Grants & Contracts	702,555,500	773,721,174	824,958,637	839,027,782	824,521,474	121,965,974	17.4 %
Sales & Service	56,898,631	63,844,595	73,281,000	77,374,205	73,485,497	16,586,866	29.2 %
Other Sources	150,237,117	154,302,041	163,094,449	202,636,183	191,315,860	41,078,743	27.3 %
<b>Total Revenues</b>	<b>\$ 2,330,402,222</b>	<b>\$ 2,442,448,319</b>	<b>\$ 2,631,738,359</b>	<b>\$ 2,917,528,799</b>	<b>\$ 2,910,369,207</b>	<b>\$ 579,966,985</b>	<b>24.9 %</b>
<b>Expenditures and Transfers</b>							
Instruction	\$ 718,398,379	\$ 734,728,227	\$ 784,840,096	\$ 782,276,664	\$ 953,467,498	\$ 235,069,119	32.7 %
Research	340,459,794	344,488,230	372,601,387	398,847,523	424,464,104	84,004,310	24.7 %
Public Service	147,913,206	153,667,491	171,584,448	206,179,030	228,133,696	80,220,490	54.2 %
Academic Support	229,901,710	230,667,734	256,471,181	292,130,791	333,430,027	103,528,317	45.0 %
Student Services	102,352,867	102,440,509	121,280,186	135,471,716	143,164,824	40,811,957	39.9 %
Institutional Support	182,412,654	201,528,713	209,220,042	227,987,354	265,186,965	82,774,311	45.4 %
Operation & Maintenance of Plant	159,048,262	147,041,164	159,849,086	175,277,231	208,312,518	49,264,256	31.0 %
Scholarships & Fellowships	331,245,119	358,886,060	400,653,407	391,754,843	394,057,202	62,812,083	19.0 %
<b>Subtotal Expenditures</b>	<b>\$ 2,211,731,991</b>	<b>\$ 2,273,448,127</b>	<b>\$ 2,476,499,832</b>	<b>\$ 2,609,925,151</b>	<b>\$ 2,950,216,834</b>	<b>\$ 738,484,843</b>	<b>33.4 %</b>
Mandatory Transfers	13,109,489	13,034,781	14,225,791	16,273,019	27,787,077	14,677,588	112.0 %
Non-Mandatory Transfers	79,126,450	107,678,171	136,326,936	279,814,313	(59,865,299)	(138,991,749)	(175.7) %
<b>Total Expenditures &amp; Transfers</b>	<b>\$ 2,303,967,930</b>	<b>\$ 2,394,161,079</b>	<b>\$ 2,627,052,559</b>	<b>\$ 2,906,012,483</b>	<b>\$ 2,918,138,612</b>	<b>\$ 614,170,682</b>	<b>26.7 %</b>
<b>Fund Balance Addition/(Reduction)</b>	<b>\$ 26,434,292</b>	<b>\$ 48,287,240</b>	<b>\$ 4,685,800</b>	<b>\$ 11,516,316</b>			
<b>AUXILIARIES</b>							
<b>Revenues</b>	\$ 253,981,095	\$ 241,926,102	\$ 315,270,491	\$ 371,194,102	\$ 354,863,368	\$ 100,882,273	39.7 %
<b>Expenditures and Transfers</b>							
Expenditures	\$ 200,818,916	\$ 191,245,294	\$ 234,601,692	\$ 278,409,035	\$ 310,744,800	\$ 109,925,884	54.7 %
Mandatory Transfers	54,855,089	45,342,299	43,128,960	48,888,685	49,196,982	(5,658,107)	(10.3) %
Non-Mandatory Transfers	3,543	4,006,341	24,511,501	47,736,364	(5,080,997)	(5,084,540)	- %
<b>Total Expenditures &amp; Transfers</b>	<b>\$ 255,677,548</b>	<b>\$ 240,593,934</b>	<b>\$ 302,242,153</b>	<b>\$ 375,034,084</b>	<b>\$ 354,860,785</b>	<b>\$ 99,183,237</b>	<b>38.8 %</b>
<b>Fund Balance Addition/(Reduction)</b>	<b>\$ (1,696,453)</b>	<b>\$ 1,332,168</b>	<b>\$ 13,028,338</b>	<b>\$ (3,839,982)</b>			
<b>TOTALS</b>							
<b>Revenues</b>	\$ 2,584,383,317	\$ 2,684,374,421	\$ 2,947,008,849	\$ 3,288,722,902	\$ 3,265,232,575	\$ 680,849,258	26.3 %
<b>Expenditures and Transfers</b>							
Expenditures	\$ 2,412,550,907	\$ 2,464,693,421	\$ 2,711,101,524	\$ 2,888,334,186	\$ 3,260,961,634	\$ 848,410,727	35.2 %
Mandatory Transfers	67,964,578	58,377,080	57,354,751	65,161,704	76,984,059	9,019,481	13.3 %
Non-Mandatory Transfers	79,129,993	111,684,512	160,838,437	327,550,677	(64,946,296)	(144,076,289)	(182.1) %
<b>Total Expenditures &amp; Transfers</b>	<b>\$ 2,559,645,478</b>	<b>\$ 2,634,755,013</b>	<b>\$ 2,929,294,712</b>	<b>\$ 3,281,046,567</b>	<b>\$ 3,272,999,397</b>	<b>\$ 713,353,919</b>	<b>27.9 %</b>
<b>Fund Balance Addition/(Reduction)</b>	<b>\$ 24,737,839</b>	<b>\$ 49,619,408</b>	<b>\$ 17,714,138</b>	<b>\$ 7,676,334</b>	<b>\$ (7,766,822)</b>		

# University of Tennessee System

## FY 2023-24 Revised Budget Summary

### Unrestricted and Restricted Current Funds Revenues, Expenditures and Transfers

	FY 2022-23 Actual			FY 2023-24 Original			FY 2023-24 Revised			Change Original to Revised	
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total	Amount	%
<b>EDUCATION AND GENERAL</b>											
<b>Revenues</b>											
Tuition & Fees	\$ 940,423,500		\$ 940,423,500	\$ 957,359,104		\$ 957,359,104	\$ 960,205,962		\$ 960,205,962	\$ 2,846,858	0.3 %
State Appropriations	841,139,752	\$ 16,927,378	858,067,130	829,204,452	\$ 17,278,262	846,482,714	843,562,152	\$ 17,278,262	860,840,414	14,357,700	1.7 %
Grants & Contracts	124,293,297	714,734,485	839,027,782	66,795,055	742,529,092	809,324,147	67,048,556	757,472,918	824,521,474	15,197,327	1.9 %
Sales & Service	77,374,205		77,374,205	71,518,449		71,518,449	73,485,497		73,485,497	1,967,048	2.8 %
Other Sources	97,518,580	105,117,603	202,636,183	80,755,486	100,013,595	180,769,081	97,883,265	93,432,595	191,315,860	10,546,779	5.8 %
<b>Total Revenues</b>	<b>\$ 2,080,749,333</b>	<b>\$ 836,779,467</b>	<b>\$ 2,917,528,799</b>	<b>\$ 2,005,632,546</b>	<b>\$ 859,820,949</b>	<b>\$ 2,865,453,495</b>	<b>\$ 2,042,185,432</b>	<b>\$ 868,183,775</b>	<b>\$ 2,910,369,207</b>	<b>\$ 44,915,712</b>	<b>1.6 %</b>
<b>Expenditures and Transfers</b>											
Instruction	\$ 591,148,542	\$ 191,128,123	\$ 782,276,664	705,937,399	\$ 233,355,068	\$ 939,292,467	\$ 728,766,156	\$ 224,701,342	\$ 953,467,498	\$ 14,175,031	1.5 %
Research	179,856,283	218,991,240	398,847,523	158,622,403	214,954,140	373,576,543	196,099,889	228,364,215	424,464,104	50,887,561	13.6 %
Public Service	100,889,598	105,289,432	206,179,030	111,017,303	98,163,579	209,180,882	119,590,789	108,542,907	228,133,696	18,952,814	9.1 %
Academic Support	223,405,359	68,725,432	292,130,791	276,624,631	58,692,010	335,316,641	270,933,322	62,496,705	333,430,027	(1,886,614)	(0.6) %
Student Services	131,197,558	4,274,157	135,471,716	132,487,208	4,140,153	136,627,361	138,753,584	4,411,240	143,164,824	6,537,463	4.8 %
Institutional Support	215,949,008	12,038,346	227,987,354	230,533,192	8,609,860	239,143,052	257,034,469	8,152,496	265,186,965	26,043,913	10.9 %
Operations & Maintenance of Plant	174,750,505	526,727	175,277,231	206,614,471	404,422	207,018,893	207,846,853	465,665	208,312,518	1,293,625	0.6 %
Scholarships & Fellowships	168,266,284	223,488,559	391,754,843	162,124,294	241,501,717	403,626,011	163,007,997	231,049,205	394,057,202	(9,568,809)	(2.4) %
<b>Subtotal Expenditures</b>	<b>\$ 1,785,463,135</b>	<b>\$ 824,462,016</b>	<b>\$ 2,609,925,151</b>	<b>\$ 1,983,960,901</b>	<b>\$ 859,820,949</b>	<b>\$ 2,843,781,850</b>	<b>\$ 2,082,033,059</b>	<b>\$ 868,183,775</b>	<b>\$ 2,950,216,834</b>	<b>\$ 106,434,984</b>	<b>3.7 %</b>
Mandatory Transfers	16,273,019		16,273,019	27,787,077		27,787,077	27,787,077		27,787,077		
Non-Mandatory Transfers	279,814,313		279,814,313	(4,684,058)		(4,684,058)	(59,865,299)		(59,865,299)	(55,181,241)	(1,178.1) %
<b>Total Expenditures &amp; Transfers</b>	<b>\$ 2,081,550,467</b>	<b>\$ 824,462,016</b>	<b>\$ 2,906,012,483</b>	<b>\$ 2,007,063,920</b>	<b>\$ 859,820,949</b>	<b>\$ 2,866,884,869</b>	<b>\$ 2,049,954,837</b>	<b>\$ 868,183,775</b>	<b>\$ 2,918,138,612</b>	<b>\$ 51,253,743</b>	<b>1.8 %</b>
<b>Fund Balance Addition / (Reduction)</b>	<b>\$ (801,135)</b>	<b>\$ 12,317,451</b>	<b>\$ 11,516,316</b>	<b>\$ (1,431,374)</b>		<b>\$ (1,431,374)</b>	<b>\$ (7,769,405)</b>		<b>\$ (7,769,405)</b>		
<b>AUXILIARIES</b>											
<b>Revenues</b>											
	\$ 364,219,976	\$ 6,974,126	\$ 371,194,102	\$ 349,533,223	\$ 260,000	\$ 349,793,223	\$ 354,603,368	\$ 260,000	\$ 354,863,368	\$ 5,070,145	1.4 %
<b>Expenditures and Transfers</b>											
Expenditures	\$ 276,973,612	\$ 1,435,423	\$ 278,409,035	\$ 303,137,465	\$ 260,000	\$ 303,397,465	\$ 310,484,800	\$ 260,000	\$ 310,744,800	\$ 7,347,335	2.4 %
Mandatory Transfers	48,888,685		48,888,685	50,712,367		50,712,367	49,196,982		49,196,982	(1,515,385)	(3.0) %
Non-Mandatory Transfers	47,736,364		47,736,364	(4,334,942)		(4,334,942)	(5,080,997)		(5,080,997)	(746,055)	(17.2) %
<b>Total Expenditures &amp; Transfers</b>	<b>\$ 373,598,661</b>	<b>\$ 1,435,423</b>	<b>\$ 375,034,084</b>	<b>\$ 349,514,890</b>	<b>\$ 260,000</b>	<b>\$ 349,774,890</b>	<b>\$ 354,600,785</b>	<b>\$ 260,000</b>	<b>\$ 354,860,785</b>	<b>\$ 5,085,895</b>	<b>1.5 %</b>
<b>Fund Balance Addition / (Reduction)</b>	<b>\$ (9,378,685)</b>	<b>\$ 5,538,702</b>	<b>\$ (3,839,982)</b>	<b>\$ 18,333</b>		<b>\$ 18,333</b>	<b>\$ 2,583</b>		<b>\$ 2,583</b>		
<b>TOTALS</b>											
<b>Revenues</b>											
	\$ 2,444,969,309	\$ 843,753,593	\$ 3,288,722,902	\$ 2,355,165,769	\$ 860,080,949	\$ 3,215,246,718	\$ 2,396,788,800	\$ 868,443,775	\$ 3,265,232,575	\$ 49,985,857	1.6 %
<b>Expenditures and Transfers</b>											
Expenditures	\$ 2,062,436,748	\$ 825,897,439	\$ 2,888,334,186	\$ 2,287,098,366	\$ 860,080,949	\$ 3,147,179,315	\$ 2,392,517,859	\$ 868,443,775	\$ 3,260,961,634	\$ 113,782,319	3.6 %
Mandatory Transfers	65,161,704		65,161,704	78,499,444		78,499,444	76,984,059		76,984,059	(1,515,385)	(1.9) %
Non-Mandatory Transfers	327,550,677		327,550,677	(9,019,000)		(9,019,000)	(64,946,296)		(64,946,296)	(55,927,296)	(620.1) %
<b>Total Expenditures &amp; Transfers</b>	<b>\$ 2,455,149,129</b>	<b>\$ 825,897,439</b>	<b>\$ 3,281,046,567</b>	<b>\$ 2,356,578,810</b>	<b>\$ 860,080,949</b>	<b>\$ 3,216,659,759</b>	<b>\$ 2,404,555,622</b>	<b>\$ 868,443,775</b>	<b>\$ 3,272,999,397</b>	<b>\$ 56,339,638</b>	<b>1.8 %</b>
<b>Fund Balance Addition / (Reduction)</b>	<b>\$ (10,179,819)</b>	<b>\$ 17,856,154</b>	<b>\$ 7,676,334</b>	<b>\$ (1,413,041)</b>		<b>\$ (1,413,041)</b>	<b>\$ (7,766,822)</b>		<b>\$ (7,766,822)</b>		

**University of Tennessee System**  
**FY 2023-24 Revised Budget**  
**Natural Classifications by Unit**  
**Unrestricted Current Funds Expenditures**

	Total System	Chattanooga	Knoxville	Martin	UT Southern	Health Science Center	Institute for Public Service	System Administration
<b>EDUCATIONAL AND GENERAL</b>								
<b>Salaries and Benefits</b>								
Salaries								
Academic	\$ 462,449,801	\$ 56,225,726	\$ 283,604,562	\$ 26,955,687	\$ 3,507,381	\$ 91,962,103	\$ 45,869	\$ 148,473
Non-Academic	534,745,340	52,746,436	307,661,469	27,670,395	4,966,407	91,359,602	15,950,783	34,390,248
Students	12,103,469	974,830	8,848,889	1,228,573	192,904	672,560	22,000	163,713
Total Salaries	\$ 1,009,298,610	\$ 109,946,992	\$ 600,114,920	\$ 55,854,655	\$ 8,666,692	\$ 183,994,265	\$ 16,018,652	\$ 34,702,434
Staff Benefits	334,439,808	41,931,166	190,255,235	23,219,889	2,788,042	58,448,234	5,930,991	11,866,251
Total Salaries and Benefits	\$ 1,343,738,418	\$ 151,878,158	\$ 790,370,155	\$ 79,074,544	\$ 11,454,734	\$ 242,442,499	\$ 21,949,643	\$ 46,568,685
Operating	700,083,441	71,083,115	402,254,585	39,318,348	8,184,049	117,388,890	8,102,016	53,752,438
Equipment and Capital Outlay	38,209,661	1,097,239	17,636,817	1,523,039	247,892	17,473,674	231,000	
Total Expenditures	\$ 2,082,031,520	\$ 224,058,512	\$ 1,210,261,557	\$ 119,915,931	\$ 19,886,675	\$ 377,305,063	\$ 30,282,659	\$ 100,321,123
<b>AUXILIARIES</b>								
<b>Salaries and Benefits</b>								
Salaries								
Academic	\$ 1,201,581	\$ 36,000	\$ 1,165,581					
Non-Academic	92,007,361	5,076,938	83,615,052	1,824,020	72,757	1,418,594		
Students	6,610,049	148,598	5,988,161	473,290				
Total Salaries	\$ 99,818,991	\$ 5,261,536	\$ 90,768,794	\$ 2,297,310	\$ 72,757	\$ 1,418,594		
Staff Benefits	23,213,391	1,208,544	21,173,440	677,679		153,728		
Total Salaries and Benefits	\$ 123,032,382	\$ 6,470,080	\$ 111,942,234	\$ 2,974,989	\$ 72,757	\$ 1,572,322		
Operating	186,796,334	11,283,000	167,092,690	4,444,467	1,686,660	2,289,517		
Equipment and Capital Outlay	656,084	2,500	648,584	5,000				
Total Expenditures	\$ 310,484,800	\$ 17,755,580	\$ 279,683,508	\$ 7,424,456	\$ 1,759,417	\$ 3,861,839		
<b>TOTALS</b>								
<b>Salaries and Benefits</b>								
Salaries								
Academic	\$ 463,651,382	\$ 56,261,726	\$ 284,770,143	\$ 26,955,687	\$ 3,507,381	\$ 91,962,103	\$ 45,869	\$ 148,473
Non-Academic	626,752,701	57,823,374	391,276,521	29,494,415	5,039,164	92,778,196	15,950,783	34,390,248
Students	18,713,518	1,123,428	14,837,050	1,701,863	192,904	672,560	22,000	163,713
Total Salaries	\$ 1,109,117,601	\$ 115,208,528	\$ 690,883,714	\$ 58,151,965	\$ 8,739,449	\$ 185,412,859	\$ 16,018,652	\$ 34,702,434
Staff Benefits	357,653,199	43,139,710	211,428,675	23,897,568	2,788,042	58,601,962	5,930,991	11,866,251
Total Salaries and Benefits	\$ 1,466,770,800	\$ 158,348,238	\$ 902,312,389	\$ 82,049,533	\$ 11,527,491	\$ 244,014,821	\$ 21,949,643	\$ 46,568,685
Operating	886,879,775	82,366,115	569,347,275	43,762,815	9,870,709	119,678,407	8,102,016	53,752,438
Equipment and Capital Outlay	38,865,745	1,099,739	18,285,401	1,528,039	247,892	17,473,674	231,000	
Total Expenditures	\$ 2,392,516,320	\$ 241,814,092	\$ 1,489,945,065	\$ 127,340,387	\$ 21,646,092	\$ 381,166,902	\$ 30,282,659	\$ 100,321,123

Knoxville includes Knoxville campus, Space Institute, Extension, AgResearch, and College of Veterinary Medicine.

**University of Tennessee System**  
**FY 2023-24 Revised Budget**  
**Natural Classifications**  
**Unrestricted Current Funds Expenditures**

	FY 2022-23 Actual	FY 2023-24 Original	FY 2023-24 Revised	Change	
				Original to Revised Amount	%
<b>EDUCATIONAL AND GENERAL</b>					
<b>Salaries and Benefits</b>					
Salaries					
Academic	\$ 428,352,964	\$458,966,473	\$ 462,449,801	\$ 3,483,328	0.80 %
Non-Academic	458,054,264	521,334,378	534,745,340	13,410,962	2.60 %
Students	11,101,930	10,657,986	12,103,469	1,445,483	13.60 %
Total Salaries	\$ 897,509,158	\$990,958,837	\$ 1,009,298,610	\$ 18,339,773	1.90 %
Staff Benefits	313,432,071	322,287,630	334,439,808	12,152,178	3.80 %
<b>Total Salaries and Benefits</b>	<b>\$ 1,210,941,229</b>	<b>\$1,313,246,467</b>	<b>\$ 1,343,738,418</b>	<b>\$ 30,491,951</b>	<b>2.30 %</b>
<b>Operating</b>	<b>528,846,820</b>	<b>633,796,650</b>	<b>700,083,441</b>	<b>66,286,791</b>	<b>10.50 %</b>
<b>Equipment and Capital Outlay</b>	<b>37,286,618</b>	<b>36,917,784</b>	<b>38,209,661</b>	<b>1,291,877</b>	<b>3.50 %</b>
Total Expenditures	\$ 1,777,074,667	\$1,983,960,901	\$ 2,082,031,520	\$ 98,070,619	4.90 %
<b>AUXILIARIES</b>					
<b>Salaries and Benefits</b>					
Salaries					
Academic	\$ 820,285	\$869,885	\$ 1,201,581	\$ 331,696	38.1 %
Non-Academic	80,337,769	89,224,761	92,007,361	2,782,600	3.1 %
Students	5,804,347	6,444,871	6,610,049	165,178	2.6 %
Total Salaries	\$ 86,962,401	\$96,539,517	\$ 99,818,991	\$ 3,279,474	3.4 %
Staff Benefits	19,959,845	23,968,757	23,213,391	(755,366)	(3.2) %
<b>Total Salaries and Benefits</b>	<b>\$ 106,922,247</b>	<b>\$120,508,274</b>	<b>\$ 123,032,382</b>	<b>\$ 2,524,108</b>	<b>2.1 %</b>
<b>Operating</b>	<b>168,003,653</b>	<b>181,962,434</b>	<b>186,796,334</b>	<b>4,833,900</b>	<b>2.7 %</b>
<b>Equipment and Capital Outlay</b>	<b>1,238,127</b>	<b>666,757</b>	<b>656,084</b>	<b>(10,673)</b>	<b>(1.6) %</b>
Total Expenditures	\$ 276,164,026	\$303,137,465	\$ 310,484,800	\$ 7,347,335	2.4 %
<b>TOTALS</b>					
<b>Salaries and Benefits</b>					
Salaries					
Academic	\$ 429,173,250	\$459,836,358	\$ 463,651,382	\$ 3,815,024	0.8 %
Non-Academic	538,392,033	610,559,139	626,752,701	16,193,562	2.7 %
Students	16,906,277	17,102,857	18,713,518	1,610,661	9.4 %
Total Salaries	\$ 984,471,559	\$1,087,498,354	\$ 1,109,117,601	\$ 21,619,247	2.0 %
Staff Benefits	333,391,917	346,256,387	357,653,199	11,396,812	3.3 %
<b>Total Salaries and Benefits</b>	<b>\$ 1,317,863,476</b>	<b>\$1,433,754,741</b>	<b>\$ 1,466,770,800</b>	<b>\$ 33,016,059</b>	<b>2.3 %</b>
<b>Operating</b>	<b>696,850,473</b>	<b>815,759,084</b>	<b>886,879,775</b>	<b>71,120,691</b>	<b>8.7 %</b>
<b>Equipment and Capital Outlay</b>	<b>38,524,744</b>	<b>37,584,541</b>	<b>38,865,745</b>	<b>1,281,204</b>	<b>3.4 %</b>
Total Expenditures	\$ 2,053,238,693	\$2,287,098,366	\$ 2,392,516,320	\$ 105,417,954	4.6 %

**University of Tennessee System**  
**FY 2023-24 Revised Budget (RECURRING)**  
**Natural Classifications**  
**Unrestricted Current Funds Expenditures**

	FY 2021-22 Actual	FY 2023-24 Original	FY 2023-24 Revised	Change	
				Original to Revised Amount	%
<b>EDUCATIONAL AND GENERAL</b>					
<b>Salaries and Benefits</b>					
Salaries					
Academic	\$ 428,352,964	\$ 459,007,913	\$ 461,458,770	\$ 2,450,857	0.5 %
Non-Academic	458,054,264	523,049,277	535,913,477	12,864,200	2.5 %
Students	11,101,930	10,657,986	11,184,602	526,616	4.9 %
Total Salaries	\$ 897,509,158	\$ 992,715,176	\$ 1,008,556,849	\$ 15,841,673	1.6 %
Staff Benefits	313,432,071	322,180,996	331,938,242	9,757,246	3.0 %
<b>Total Salaries and Benefits</b>	\$ 1,210,941,229	\$ 1,314,896,172	\$ 1,340,495,091	\$ 25,598,919	1.9 %
Operating	528,846,820	622,376,916	611,426,773	(10,950,143)	(1.8) %
Equipment and Capital Outlay	37,286,618	36,924,784	37,474,376	549,592	1.5 %
Total Expenditures	\$ 1,777,074,667	\$ 1,974,197,872	\$ 1,989,396,240	\$ 15,198,368	0.8 %
<b>AUXILIARIES</b>					
<b>Salaries and Benefits</b>					
Salaries					
Academic	\$ 820,285	\$ 869,885	\$ 1,201,581	\$ 331,696	38.1 %
Non-Academic	80,337,769	89,224,761	92,007,361	2,782,600	3.1 %
Students	5,804,347	6,444,871	6,610,049	165,178	2.6 %
Total Salaries	\$ 86,962,401	\$ 96,539,517	\$ 99,818,991	\$ 3,279,474	3.4 %
Staff Benefits	19,959,845	23,968,757	23,213,391	(755,366)	(3.2) %
<b>Total Salaries and Benefits</b>	\$ 106,922,247	\$ 120,508,274	\$ 123,032,382	\$ 2,524,108	2.1 %
Operating	168,003,653	181,912,434	186,752,199	4,839,765	2.7 %
Equipment and Capital Outlay	1,238,127	666,757	656,084	(10,673)	(1.6) %
Total Expenditures	\$ 276,164,026	\$ 303,087,465	\$ 310,440,665	\$ 7,353,200	2.4 %
<b>TOTALS</b>					
<b>Salaries and Benefits</b>					
Salaries					
Academic	\$ 429,173,250	\$ 459,877,798	\$ 462,660,351	\$ 2,782,553	0.6 %
Non-Academic	538,392,033	612,274,038	627,920,838	15,646,800	2.6 %
Students	16,906,277	17,102,857	17,794,651	691,794	4.0 %
Total Salaries	\$ 984,471,559	\$ 1,089,254,693	\$ 1,108,375,840	\$ 19,121,147	1.8 %
Staff Benefits	333,391,917	346,149,753	355,151,633	9,001,880	2.6 %
<b>Total Salaries and Benefits</b>	\$ 1,317,863,476	\$ 1,435,404,446	\$ 1,463,527,473	\$ 28,123,027	2.0 %
Operating	696,850,473	804,289,350	798,178,972	(6,110,378)	(0.8) %
Equipment and Capital Outlay	38,524,744	37,591,541	38,130,460	538,919	1.4 %
Total Expenditures	\$ 2,053,238,693	\$ 2,277,285,337	\$ 2,299,836,905	\$ 22,551,568	1.0 %



**University of Tennessee System**  
**FY 2023-24 Revised Budget**  
**Current Unrestricted Net Assets by Unit**  
**Unrestricted Educational & General (E&G) and Auxiliary Funds**

	Total System	Chattanooga	Knoxville	Martin	Southern	Health Science Center	Institute for Public Service	System Administration
<b>FY 2021-22 Actuals</b>								
<b>Net Assets at Beginning of Year</b>	\$ 149,783,056	\$ 15,792,987	\$ 79,690,743	\$ 10,890,552	\$ 892,757	\$ 8,576,015	\$ 1,819,895	\$ 32,120,106
Operating Funds								
Revenue	\$ 2,077,781,174	\$ 221,991,601	\$ 1,332,387,538	\$ 118,103,929	22,190,571	\$ 313,247,214	\$ 28,141,696	\$ 41,718,625
Less: Expenditures and Transfers	(2,076,623,349)	(222,108,240)	(1,319,600,850)	(116,884,146)	(22,475,549)	(309,988,784)	(28,061,407)	(57,504,372)
Carryover Funds To/(From) Net Assets	\$ 1,157,826	\$ (116,639)	\$ 12,786,688	\$ 1,219,783	\$ (284,978)	\$ 3,258,430	\$ 80,289	\$ (15,785,747)
<b>Net Assets Detail:</b>								
<b>ALLOCATED</b>								
Working Capital	\$ 36,821,219	\$ 4,234,592	\$ 28,418,766	\$ 907,531			\$ 66,841	\$ 3,193,489
Revolving Funds	18,537,157		2,047,181			\$ 9,507,654		6,982,322
Encumbrances	4,817,429	1,191,755	3,312,304	43,922			113,259	\$ 156,189
Reserve for Reappropriations	10,195,943		-	5,750,000		993,899	700,000	2,752,044
Total Allocated Net Assets	\$ 70,371,748	\$ 5,426,347	\$ 33,778,252	\$ 6,701,452	\$ -	\$ 10,501,553	\$ 880,100	\$ 13,084,044
<b>UNALLOCATED</b>	<b>80,569,135</b>	<b>10,250,000</b>	<b>58,699,181</b>	<b>5,408,883</b>	<b>607,780</b>	<b>1,332,890</b>	<b>1,020,086</b>	<b>3,250,315</b>
<b>Total Net Assets - June 30, 2022</b>	<b>\$ 150,940,883</b>	<b>\$ 15,676,347</b>	<b>\$ 92,477,433</b>	<b>\$ 12,110,335</b>	<b>\$ 607,780</b>	<b>\$ 11,834,443</b>	<b>\$ 1,900,186</b>	<b>\$ 16,334,359</b>
Percent Unallocated of Expend. & Transfers	3.88%	4.61%	4.45%	4.63%	2.70%	0.43%	3.64%	4.78%
<b>FY 2022-23 Actuals</b>								
<b>Net Assets at Beginning of Year</b>	\$ 150,940,883	\$ 15,676,347	\$ 92,477,433	\$ 12,110,335	\$ 607,780	\$ 11,834,443	\$ 1,900,186	\$ 16,334,359
Operating Funds								
Revenue	\$ 2,444,969,309	\$ 237,102,313	\$ 1,528,228,741	\$ 122,565,621	17,908,993	\$ 330,959,412	\$ 31,083,207	\$ 177,121,021
Less: Expenditures and Transfers	(2,455,146,010)	(236,157,380)	(1,541,362,528)	(123,214,588)	(17,860,819)	(331,257,407)	(30,844,158)	(174,449,130)
Carryover Funds To/(From) Net Assets	\$ (10,176,701)	\$ 944,934	\$ (13,133,788)	\$ (648,967)	\$ 48,173	\$ (297,995)	\$ 239,050	\$ 2,671,892
<b>Net Assets Detail:</b>								
<b>ALLOCATED</b>								
Working Capital	\$ 32,586,389	\$ 5,186,033	\$ 12,901,443	\$ 1,012,461		\$ 10,971,601	\$ 202,326	\$ 2,312,525
Revolving Funds	6,178,096	850	(5,646)					6,182,892
Encumbrances	6,565,058	1,184,398	4,814,619	21,972		429,173	94,496	\$ 20,400
Reserve for Reappropriations	12,548,070			4,275,000			700,000	7,573,070
Total Allocated Net Assets	\$ 57,877,613	\$ 6,371,281	\$ 17,110,416	\$ 5,309,433	\$ -	\$ 11,400,774	\$ 996,822	\$ 16,088,887
<b>UNALLOCATED</b>	<b>82,886,569</b>	<b>10,250,000</b>	<b>61,633,229</b>	<b>6,151,935</b>	<b>655,954</b>	<b>135,673</b>	<b>1,142,414</b>	<b>2,917,363</b>
<b>Estimated Total Net Assets - June 30, 2023</b>	<b>\$ 140,764,182</b>	<b>\$ 16,621,281</b>	<b>\$ 79,343,645</b>	<b>\$ 11,461,368</b>	<b>\$ 655,954</b>	<b>\$ 11,536,447</b>	<b>\$ 2,139,236</b>	<b>\$ 19,006,250</b>
Percent Unallocated of Expend. & Transfers	3.88%	4.34%	4.00%	4.99%	3.67%	0.04%	3.70%	4.42%
<b>FY 2023-24 Revised Budget</b>								
<b>Net Assets at Beginning of Year</b>	\$ 140,764,182	\$ 16,621,281	\$ 79,343,645	\$ 11,461,368	\$ 655,954	\$ 11,536,447	\$ 2,139,236	\$ 19,006,250
Operating Funds								
Revenue	\$ 2,393,417,400	\$ 245,041,297	\$ 1,548,701,254	\$ 130,085,528	18,724,259	\$ 356,498,840	\$ 32,192,170	\$ 62,174,052
Less: Expenditures and Transfers	(2,401,184,222)	(245,041,297)	(1,548,701,254)	(130,085,528)	(18,531,092)	(356,539,570)	(32,369,403)	(69,916,078)
Carryover Funds To/(From) Net Assets	\$ (7,766,822)				\$ 193,167	\$ (40,730)	\$ (177,233)	\$ (7,742,026)
<b>Net Assets Detail:</b>								
<b>ALLOCATED</b>								
Working Capital	\$ 32,386,387	\$ 5,186,033	\$ 12,901,442	\$ 1,012,461		\$ 10,771,601	\$ 202,326	\$ 2,312,525
Revolving Funds	6,178,096	850	(5,646)					6,182,892
Encumbrances	6,565,057	1,184,398	4,814,618	21,972		429,173	94,496	\$ 20,400
Reserve for Reappropriations	4,700,000			4,275,000			425,000	
Total Allocated Net Assets	\$ 49,829,541	\$ 6,371,281	\$ 17,110,414	\$ 5,309,433	\$ -	\$ 11,200,774	\$ 721,822	\$ 8,515,817
<b>UNALLOCATED</b>	<b>83,167,819</b>	<b>10,250,000</b>	<b>61,633,231</b>	<b>6,151,935</b>	<b>849,121</b>	<b>294,943</b>	<b>1,240,182</b>	<b>2,748,407</b>
<b>Estimated Total Net Assets - June 30, 2023</b>	<b>\$ 132,997,360</b>	<b>\$ 16,621,281</b>	<b>\$ 79,343,645</b>	<b>\$ 11,461,368</b>	<b>\$ 849,121</b>	<b>\$ 11,495,717</b>	<b>\$ 1,962,003</b>	<b>\$ 11,264,224</b>
Percent Unallocated of Expend. & Transfers	3.46%	4.18%	3.98%	4.73%	4.58%	0.08%	3.83%	2.94%

*Recommended percent unallocated of expenditures and transfers is 2% to 5% for unrestricted E&G and 3% to 5% for auxiliaries.  
 Knoxville includes UT Knoxville campus, Space Institute, AgResearch, Extension and College of Veterinary Medicine.  
 The Institute of Public Service includes the Institute of Public Service Unit, Municipal Technical Advisory Services, County Technical Advisory Services and the Tennessee Language Center.*

**University of Tennessee System**  
**FY 2023-24 Revised Budget**  
**Current Unrestricted Net Assets by Unit**  
**Unrestricted Educational & General (E&G) Funds**

	Total System	Chattanooga	Knoxville	Martin	Southern	Health Science Center	Institute for Public Service	System Administration
<b>FY 2021-22 Actuals</b>								
<b>Net Assets at Beginning of Year</b>	\$ 129,723,669	\$ 14,086,692	\$ 62,476,180	\$ 10,115,226	\$ 826,963	\$ 8,278,606	\$ 1,819,896	\$ 32,120,106
Operating Funds								
Revenue	\$ 1,763,001,073	\$ 201,015,711	\$ 1,054,956,175	\$ 107,821,335	19,167,234	\$ 310,180,297	\$ 28,141,696	\$ 41,718,625
Less: Expenditures and Transfers	(1,774,645,555)	(201,321,688)	(1,054,719,464)	(106,594,403)	(19,483,661)	(306,960,560)	(28,061,407)	(57,504,372)
Carryover Funds To/(From) Net Assets	\$ (11,644,482)	\$ (305,977)	\$ 236,711	\$ 1,226,932	\$ (316,427)	\$ 3,219,738	\$ 80,289	\$ (15,785,747)
<b>Net Assets Detail:</b>								
<b>ALLOCATED</b>								
Working Capital	\$ 24,968,134	\$ 3,338,960	\$ 8,515,863	\$ 590,101		\$ 9,262,880	\$ 66,841	\$ 3,193,489
Revolving Funds	8,157,902		1,175,580				-	6,982,322
Encumbrances	5,811,328	1,191,755	3,312,304	43,922		993,899	113,259	156,189
Reserve for Reappropriations	9,202,044			5,750,000			700,000	2,752,044
Total Allocated Net Assets	\$ 48,139,408	\$ 4,530,715	\$ 13,003,747	\$ 6,384,022	\$ -	\$ 10,256,780	\$ 880,100	\$ 13,084,044
<b>UNALLOCATED</b>								
Estimated Total Net Assets - June 30, 2022	\$ 118,079,187	\$ 13,780,715	\$ 62,712,890	\$ 11,342,158	\$ 510,537	\$ 11,498,344	\$ 1,900,184	\$ 16,334,359
Percent Unallocated of Expend. & Transfers	3.94%	4.59%	4.71%	4.65%	2.62%	0.40%	3.64%	4.18%
<b>FY 2022-23 Actuals</b>								
<b>Net Assets at Beginning of Year</b>	\$ 118,079,187	\$ 13,780,715	\$ 62,712,890	\$ 11,342,158	\$ 510,537	\$ 11,498,344	\$ 1,900,184	\$ 16,334,359
Operating Funds								
Revenue	\$ 2,080,749,333	\$ 214,509,191	\$ 1,203,598,603	\$ 111,786,146	15,084,634	\$ 327,566,529	\$ 31,083,207	\$ 177,121,021
Less: Expenditures and Transfers	(2,081,547,349)	(213,962,117)	(1,206,915,753)	(112,463,896)	(15,050,365)	(327,861,930)	(30,844,158)	(174,449,130)
Carryover Funds To/(From) Net Assets	\$ (798,016)	\$ 547,074	\$ (3,317,150)	\$ (677,750)	\$ 34,269	\$ (295,401)	\$ 239,050	\$ 2,671,892
<b>Net Assets Detail:</b>								
<b>ALLOCATED</b>								
Working Capital	\$ 24,823,173	\$ 3,892,541	\$ 6,929,700	\$ 743,605		\$ 10,742,476	\$ 202,326	\$ 2,312,525
Revolving Funds	5,773,947	850	(409,794)		0		-	6,182,892
Encumbrances	6,565,058	1,184,398	4,814,619	21,972		429,173	94,496	20,400
Reserve for Reappropriations	12,548,070			4,275,000			700,000	7,573,070
Total Allocated Net Assets	\$ 49,710,249	\$ 5,077,789	\$ 11,334,524	\$ 5,040,577	\$ -	\$ 11,171,649	\$ 996,822	\$ 16,088,887
<b>UNALLOCATED</b>								
Estimated Total Net Assets - June 30, 2023	\$ 117,281,171	\$ 14,327,790	\$ 59,395,740	\$ 10,664,408	\$ 544,805	\$ 11,202,943	\$ 2,139,234	\$ 19,006,250
Percent Unallocated of Expend. & Transfers	3.25%	4.32%	3.98%	5.00%	3.62%	0.01%	3.70%	4.42%
<b>FY 2023-24 Revised Budget</b>								
<b>Net Assets at Beginning of Year</b>	\$ 117,281,171	\$ 14,327,790	\$ 59,395,740	\$ 10,664,408	\$ 544,805	\$ 11,202,943	\$ 2,139,234	\$ 19,006,250
Operating Funds								
Revenue	\$ 2,038,814,032	\$ 220,037,101	\$ 1,236,624,806	\$ 119,185,116	16,227,259	\$ 352,373,528	\$ 32,192,170	\$ 62,174,052
Less: Expenditures and Transfers	(2,046,583,437)	(220,037,101)	(1,236,624,806)	(119,185,116)	(16,036,675)	(352,414,258)	(32,369,403)	(69,916,078)
Carryover Funds To/(From) Net Assets	\$ (7,769,405)	\$ -	\$ -	\$ -	\$ 190,584	\$ (40,730)	\$ (177,233)	\$ (7,742,028)
<b>Net Assets Detail:</b>								
<b>ALLOCATED</b>								
Working Capital	\$ 24,623,172	\$ 3,892,541	\$ 6,929,699	\$ 743,605		\$ 10,542,476	\$ 202,326	\$ 2,312,525
Revolving Funds	5,773,948	850	(409,794)				-	6,182,892
Encumbrances	6,565,057	1,184,398	4,814,618	21,972		429,173	94,496	20,400
Reserve for Reappropriations	4,700,000			4,275,000			425,000	
Total Allocated Net Assets	\$ 41,662,177	\$ 5,077,789	\$ 11,334,523	\$ 5,040,577	\$ -	\$ 10,971,649	\$ 721,822	\$ 8,515,817
<b>UNALLOCATED</b>								
Estimated Total Net Assets - June 30, 2024	\$ 109,511,766	\$ 14,327,790	\$ 59,395,740	\$ 10,664,408	\$ 735,389	\$ 11,162,213	\$ 1,962,001	\$ 11,264,224
Percent Unallocated of Expend. & Transfers	3.32%	4.20%	3.89%	4.72%	4.59%	0.05%	3.83%	2.94%

Recommended percent unallocated of expenditures and transfers is 2% to 5%. For System Administration, transfers-in for system charge is excluded from the calculation. Knoxville includes UTK Campus, Space Institute, Extension, AgResearch, College of Veterinary Medicine

**University of Tennessee System**  
**FY 2023-24 Revised Budget**  
**Current Unrestricted Net Assets by Unit**  
**Auxiliary Funds**

	Total System	Chattanooga	Knoxville	Southern	Martin	Health Science Center
<b>FY 2021-22 Actuals</b>						
<b>Net Assets at Beginning of Year</b>	\$ 20,059,387	\$ 1,706,295	\$ 17,214,563	\$ 65,794	\$ 775,326	\$ 297,408
Operating Funds						
Revenue	\$ 314,780,102	\$ 20,975,890	\$ 277,431,363	\$ 3,023,337	\$ 10,282,594	\$ 3,066,917
Less: Expenditures and Transfers	(301,977,794)	(20,786,552)	(264,881,385)	(2,991,888)	(10,289,743)	(3,028,225)
Carryover Funds To/(From) Net Assets	\$ 12,802,308	\$ 189,338	\$ 12,549,978	\$ 31,449	\$ (7,149)	\$ 38,692
<b>Net Assets at End of Year</b>	<b>\$ 32,861,694</b>	<b>\$ 1,895,632</b>	<b>\$ 29,764,541</b>	<b>\$ 97,244</b>	<b>\$ 768,177</b>	<b>\$ 336,100</b>
<b>Net Assets Detail:</b>						
<b>ALLOCATED</b>						
Working Capital	\$ 21,360,739	\$ 895,633	\$ 19,902,903		\$ 317,430	\$ 244,773
Revolving Funds	871,601		871,601			
Encumbrances						
Reappropriations	-					
Total Allocated Net Assets	\$ 22,232,340	\$ 895,633	\$ 20,774,505	\$ -	\$ 317,430	\$ 244,773
<b>UNALLOCATED</b>						
	<b>10,629,355</b>	<b>1,000,000</b>	<b>8,990,037</b>	<b>97,244</b>	<b>450,748</b>	<b>91,326</b>
<b>Estimated Total Net Assets - June 30, 2022</b>	<b>\$ 32,861,694</b>	<b>\$ 1,895,632</b>	<b>\$ 29,764,541</b>	<b>\$ 97,244</b>	<b>\$ 768,177</b>	<b>\$ 336,100</b>
<i>Percent Unallocated of Expend. &amp; Transfers</i>	3.52%	4.81%	3.39%	3.25%	4.38%	3.02%
<b>FY 2022-23 Actuals</b>						
<b>Net Assets at Beginning of Year</b>	\$ 32,861,694	\$ 1,895,632	\$ 29,764,541	\$ 97,244	\$ 768,177	\$ 336,100
Operating Funds						
Revenue	\$ 364,219,976	\$ 22,593,122	\$ 324,630,138	\$ 2,824,359	\$ 10,779,475	\$ 3,392,883
Less: Expenditures and Transfers	(373,598,661)	(22,195,263)	(334,446,775)	(2,810,454)	(10,750,692)	(3,395,477)
Carryover Funds To/(From) Net Assets	\$ (9,378,685)	\$ 397,860	\$ (9,816,637)	\$ 13,905	\$ 28,783	\$ (2,595)
<b>Net Assets at End of Year</b>	<b>\$ 23,483,009</b>	<b>\$ 2,293,492</b>	<b>\$ 19,947,903</b>	<b>\$ 111,148</b>	<b>\$ 796,960</b>	<b>\$ 333,506</b>
<b>Net Assets Detail:</b>						
<b>ALLOCATED</b>						
Working Capital	\$ 7,763,216	\$ 1,293,492	\$ 5,971,743		\$ 268,856	\$ 229,125
Revolving Funds	404,149		404,149			
Encumbrances						
Reappropriations	-					
Total Allocated Net Assets	\$ 8,167,364	\$ 1,293,492	\$ 6,375,892	\$ -	\$ 268,856	\$ 229,125
<b>UNALLOCATED</b>						
	<b>15,315,645</b>	<b>1,000,000</b>	<b>13,572,012</b>	<b>111,148</b>	<b>528,105</b>	<b>104,381</b>
<b>Estimated Total Net Assets - June 30, 2023</b>	<b>\$ 23,483,009</b>	<b>\$ 2,293,492</b>	<b>\$ 19,947,903</b>	<b>\$ 111,148</b>	<b>\$ 796,960</b>	<b>\$ 333,506</b>
<i>Percent Unallocated of Expend. &amp; Transfers</i>	4.10%	4.51%	4.06%	3.95%	4.91%	3.07%
<b>FY 2023-24 Revised Budget</b>						
<b>Net Assets at Beginning of Year</b>	\$ 23,483,009	\$ 2,293,492	\$ 19,947,903	\$ 111,148	\$ 796,960	\$ 333,506
Operating Funds						
Revenue	\$ 354,603,368	\$ 25,004,196	\$ 312,076,448	\$ 2,497,000	\$ 10,900,412	\$ 4,125,312
Less: Expenditures and Transfers	(354,600,785)	(25,004,196)	(312,076,448)	(2,494,417)	(10,900,412)	(4,125,312)
Carryover Funds To/(From) Net Assets	\$ 2,583	\$ -	\$ -	\$ 2,583	\$ -	\$ -
<b>Net Assets at End of Year</b>	<b>\$ 23,485,592</b>	<b>\$ 2,293,492</b>	<b>\$ 19,947,903</b>	<b>\$ 113,731</b>	<b>\$ 796,960</b>	<b>\$ 333,506</b>
<b>Net Assets Detail:</b>						
<b>ALLOCATED</b>						
Working Capital	\$ 7,763,216	\$ 1,293,492	\$ 5,971,743		\$ 268,856	\$ 229,125
Revolving Funds	404,149		404,149			
Encumbrances						
Reappropriations	-					
Total Allocated Net Assets	\$ 8,167,365	\$ 1,293,492	\$ 6,375,892	\$ -	\$ 268,856	\$ 229,125
<b>UNALLOCATED</b>						
	<b>15,318,227</b>	<b>1,000,000</b>	<b>13,572,011</b>	<b>113,731</b>	<b>528,104</b>	<b>104,381</b>
<b>Estimated Total Net Assets - June 30, 2023</b>	<b>\$ 23,485,592</b>	<b>\$ 2,293,492</b>	<b>\$ 19,947,903</b>	<b>\$ 113,731</b>	<b>\$ 796,960</b>	<b>\$ 333,506</b>
<i>Percent Unallocated of Expend. &amp; Transfers</i>	4.32%	4.00%	4.35%	4.56%	4.84%	2.53%

Recommended percent unallocated of expenditures and transfers is 3% to 5%.  
 Knoxville includes UTK Campus and UT Space Institute.

**University of Tennessee System**  
**FY 2023-24 Revised Budget**  
**State Appropriations Summary**  
**Unrestricted Current Educational and General Funds**

	FY 2022-23 Actual	FY 2023-24 Original	FY 2023-24 Revised	Change Original to Revised	
				Amount	%
<b>STATE APPROPRIATIONS</b>					
Chattanooga	\$ 74,268,205	\$ 78,697,205	\$ 80,047,905	\$ 1,350,700	1.7 %
Knoxville					
<i>Knoxville Campus</i>	\$ 312,141,655	\$ 335,304,455	\$ 341,451,055	\$ 6,146,600	1.8 %
<i>Space Institute</i>	10,250,303	10,696,903	10,841,803	144,900	1.4 %
<i>AgResearch</i>	34,286,088	35,789,388	36,307,688	518,300	1.4 %
<i>Extension</i>	44,897,517	47,194,817	47,959,017	764,200	1.6 %
<i>College of Veterinary Medicine</i>	29,750,259	32,424,259	32,987,059	562,800	1.7 %
Subtotal Knoxville	\$ 431,325,822	\$ 461,409,822	\$ 469,546,622	8,136,800	1.8 %
Martin	42,641,597	46,131,497	46,994,297	862,800	1.9 %
Southern	5,761,900	5,981,100	6,104,300	123,200	2.1 %
Health Science Center	193,083,624	214,318,924	217,690,324	3,371,400	1.6 %
Institute for Public Service					
<i>Institute for Public Service</i>	\$ 7,097,285	\$ 6,852,885	\$ 6,962,585	\$ 109,700	1.6 %
<i>Municipal Technical Advisory Service</i>	4,278,451	4,568,751	4,639,251	70,500	1.5 %
<i>County Technical Assistance Service</i>	3,654,051	4,084,951	4,140,051	55,100	1.3 %
<i>Tennessee Language Center</i>	898,200	987,500	1,003,300	15,800	1.6 %
Subtotal Institute for Public Service	\$ 15,927,987	\$ 16,494,087	\$ 16,745,187	\$ 251,100	1.5 %
System Administration	78,130,617	6,171,817	6,433,517	261,700	4.2 %
Total State Appropriations	\$ 841,139,752	\$ 829,204,452	\$ 843,562,152	\$ 14,357,700	1.7 %

**University of Tennessee System**  
**FY 2023-24 Revised Budget**  
**State Appropriations Five Year History**  
**Unrestricted Current Educational and General Funds**

	FY 2019-20 Actual	FY 2020-21 Actual	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Revised	Change	
						FY 2019-20 Amount	TO FY 2023-24 %
<b>STATE APPROPRIATIONS</b>							
Chattanooga	\$ 59,726,805	\$ 60,975,006	\$ 64,737,706	\$ 74,268,205	\$ 80,047,905	\$ 20,321,100	34.0 %
Knoxville							
<i>Knoxville Campus</i>	\$ 249,914,955	\$ 252,727,556	\$ 268,413,955	\$ 312,141,655	\$ 341,451,055	\$ 91,536,100	36.6 %
<i>Space Institute</i>	9,380,503	9,471,203	9,756,703	10,250,303	10,841,803	1,461,300	15.6 %
<i>AgResearch</i>	31,206,388	31,563,388	32,602,388	34,286,088	36,307,688	5,101,300	16.3 %
<i>Extension</i>	38,387,017	38,919,517	42,391,515	44,897,517	47,959,017	9,572,000	24.9 %
<i>College of Veterinary Medicine</i>	22,518,259	22,951,258	24,454,559	29,750,259	32,987,059	10,468,800	46.5 %
Subtotal Knoxville	\$ 351,407,122	\$ 355,632,922	\$ 377,619,120	431,325,822	469,546,622	118,139,500	33.6 %
Martin	\$ 36,452,197	\$ 35,718,897	\$ 37,389,697	\$ 42,641,597	\$ 46,994,297	\$ 10,542,100	28.9 %
UT Southern			\$ 6,230,000	\$ 5,761,900	\$ 6,104,300	\$ 6,104,300	1.1 %
Health Science Center	162,456,024	165,262,724	177,539,024	193,083,624	217,690,324	55,234,300	34.0 %
Institute for Public Service							
<i>Institute for Public Service</i>	\$ 6,124,885	\$ 6,178,685	\$ 6,832,285	\$ 7,097,285	\$ 6,962,585	\$ 837,700	13.7 %
<i>Municipal Technical Advisory Service</i>	3,715,551	3,789,751	3,972,451	4,278,451	4,639,251	923,700	24.9 %
<i>County Technical Assistance Service</i>	3,205,751	3,263,250	3,397,852	3,654,051	4,140,051	934,300	29.1 %
<i>Tennessee Language Center</i>	719,900	748,000	806,100	898,200	1,003,300	283,400	39.4 %
Subtotal Institute for Public Service	13,766,087	13,979,686	15,008,688	15,927,987	16,745,187	2,979,100	21.6 %
System Administration	\$ 16,109,917	\$ 6,180,617	\$ 14,348,417	\$ 78,130,617	\$ 6,433,517	\$ (9,676,400)	(60.1) %
Total State Appropriations	\$ 639,918,152	\$ 637,749,852	\$ 692,872,652	\$ 841,139,752	\$ 843,562,152	\$ 203,644,000	31.8 %

## University of Tennessee System

### FY 2023-24 Revised Budget

#### Auxiliary Enterprises

#### Unrestricted Auxiliary Current Funds Revenues, Expenditures and Transfers

	FY 2021-23	FY 2023-24	FY 2023-24	Original to Revised	
	Actual	Original	Revised	Amount	%
<b>HOUSING</b>					
<b>Revenues</b>	\$ 91,296,434	\$ 96,128,420	\$ 97,903,517	\$ 1,775,097	1.80 %
<b>Expenditures and Transfers</b>					
Expenditures	\$ 57,480,949	\$ 64,794,945	\$ 68,559,722	\$ 3,764,777	5.80 %
Mandatory Transfers	24,039,524	25,710,809	24,195,424	(1,515,385)	(5.90) %
Non-Mandatory Transfers	9,438,654	5,589,695	5,022,400	(567,295)	(10.10) %
Total Expenditures and Transfers	\$ 90,959,127	\$ 96,095,449	\$ 97,777,546	\$ 1,682,097	1.80 %
<b>Fund Balance Addition/(Reduction)</b>	\$ 337,307	\$ 32,971	\$ 125,971	\$ 93,000	282.10 %
<b>FOOD SERVICE</b>					
<b>Revenues</b>	\$ 18,047,041	\$ 14,779,881	\$ 14,612,377	\$ (167,504)	(1.10) %
<b>Expenditures and Transfers</b>					
Expenditures	\$ 6,380,840	\$ 6,910,392	\$ 6,850,888	\$ (59,504)	(0.90) %
Mandatory Transfers	6,306,992	7,379,696	7,379,696		
Non-Mandatory Transfers	6,925,980	611,458	611,458		
Total Expenditures and Transfers	\$ 19,613,812	\$ 14,901,546	\$ 14,842,042	\$ (59,504)	(0.40) %
<b>Fund Balance Addition/(Reduction)</b>	\$ (1,566,772)	\$ (121,665)	\$ (229,665)	\$ (108,000)	(88.80) %
<b>BOOKSTORES</b>					
<b>Revenues</b>	\$ 36,163,295	\$ 31,924,591	\$ 31,924,591		
<b>Expenditures and Transfers</b>					
Expenditures	\$ 31,168,223	\$ 31,496,042	\$ 31,675,552	\$ 179,510	0.60 %
Mandatory Transfers	-	109,418	109,418		
Non-Mandatory Transfers	4,250,215	319,131	140,371	(178,760)	(56.00) %
Total Expenditures and Transfers	\$ 35,418,438	\$ 31,924,591	\$ 31,925,341	\$ 750	- %
<b>Fund Balance Addition/(Reduction)</b>	\$ 744,857	\$ -	\$ (750)	\$ (750)	(100.00) %
<b>PARKING</b>					
<b>Revenues</b>	\$ 15,646,769	\$ 17,509,376	\$ 17,469,376	\$ (40,000)	(0.20) %
<b>Expenditures and Transfers</b>					
Expenditures	\$ 8,636,558	\$ 11,074,275	\$ 11,034,275	\$ (40,000)	(0.40) %
Mandatory Transfers	5,864,652	6,185,920	6,185,920		
Non-Mandatory Transfers	896,725	142,154	142,154		
Total Expenditures and Transfers	\$ 15,397,935	\$ 17,402,349	\$ 17,362,349	\$ (40,000)	(0.20) %
<b>Fund Balance Addition/(Reduction)</b>	\$ 248,834	\$ 107,027	\$ 107,027		
<b>ATHLETICS</b>					
<b>Revenues</b>	\$ 190,119,158	\$ 184,342,549	\$ 187,845,101	\$ 3,502,552	1.90 %
<b>Expenditures and Transfers</b>					
Expenditures	\$ 164,848,042	\$ 183,499,953	\$ 187,002,505	\$ 3,502,552	1.90 %
Mandatory Transfers	12,109,495	10,758,502	10,758,502		
Non-Mandatory Transfers	6,624,958	(9,915,906)	(9,915,906)		
Total Expenditures and Transfers	\$ 183,582,495	\$ 184,342,549	\$ 187,845,101	\$ 3,502,552	1.90 %
<b>Fund Balance Addition/(Reduction)</b>	\$ 6,536,664				
<b>OTHER</b>					
<b>Revenues</b>	\$ 12,947,280	\$ 4,848,406	\$ 4,848,406		
<b>Expenditures and Transfers</b>					
Expenditures	\$ 8,459,000	\$ 5,361,858	\$ 5,361,858		
Mandatory Transfers	568,022	568,022	568,022		
Non-Mandatory Transfers	19,599,832	(1,081,474)	(1,081,474)		
Total Expenditures and Transfers	\$ 28,626,854	\$ 4,848,406	\$ 4,848,406		
<b>Fund Balance Addition/(Reduction)</b>	\$ (15,679,574)				
<b>TOTAL</b>					
<b>Revenues</b>	\$ 364,219,976	\$ 349,533,223	\$ 354,603,368	\$ 5,070,145	150.0% %
<b>Expenditures and Transfers</b>					
Expenditures	\$ 276,973,612	\$ 303,137,465	\$ 310,484,800	\$ 7,347,335	240.0% %
Mandatory Transfers	48,888,685	50,712,367	49,196,982	(1,515,385)	(3.00) %
Non-Mandatory Transfers	47,736,364	(4,334,942)	(5,080,997)	(746,055)	(17.20) %
Total Expenditures and Transfers	\$ 373,598,661	\$ 349,514,890	\$ 354,600,785	\$ 5,085,895	1.50 %
<b>Fund Balance Addition/(Reduction)</b>	\$ (9,378,685)	\$ 18,333	\$ 2,583	\$ (15,750)	(85.90) %

**University of Tennessee System**  
**FY 2023-24 Revised Budget Summary (Page 1 of 2)**  
**Athletics Total**  
**Unrestricted and Restricted Current Funds for Men's and Women's Athletics**

	FY 2022-23 Actual	FY 2023-24 Original	FY 2023-24 Revised	Change Original to Revised	
				Amount	%
<b>TOTAL ATHLETICS</b>					
<b>Revenues</b>					
General Funds	\$ 21,084,016	\$ 20,998,063	\$ 22,140,063	\$ 1,142,000	5.4%
Student Fees for Athletics	8,360,661	8,394,663	8,394,663		
Ticket Sales	38,668,553	43,056,837	43,146,837	90,000	0.2%
Gifts	67,307,511	58,313,569	58,313,569		
Other	101,055,631	91,054,844	95,114,021	4,059,177	4.5%
Total Revenues	<u>\$ 236,476,372</u>	<u>\$ 221,817,976</u>	<u>\$ 227,109,153</u>	<u>\$ 5,291,177</u>	<u>2.4%</u>
<b>Expenditures and Transfers</b>					
Salaries and Benefits	\$ 85,399,346	\$ 91,653,382	\$ 95,666,755	\$ 4,013,373	4.4%
Travel	22,214,724	20,346,722	20,983,875	637,153	3.1%
Student Aid	33,131,266	35,554,745	35,557,883	3,138	0.0%
Other Operating	64,671,354	71,227,424	72,786,652	1,559,228	2.2%
Subtotal Expenditures	\$ 205,416,691	\$ 218,782,273	\$ 224,995,165	\$ 6,212,892	2.8%
Debt Service Transfers	12,373,319	11,951,609	11,029,894	(921,715)	-7.7%
Other Transfers	6,624,958	(8,915,906)	(8,915,906)		
Total Expenditures and Transfers	<u>\$ 224,414,968</u>	<u>\$ 221,817,976</u>	<u>\$ 227,109,153</u>	<u>\$ 5,291,177</u>	<u>2.4%</u>
<b>Fund Balance Addition / (Reduction)</b>	<b>\$ 12,061,404</b>				
<b>KNOXVILLE</b>					
<b>Revenues</b>					
General Funds					
Student Fees for Athletics	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000		
Ticket Sales	37,710,753	42,041,814	42,041,814		
Gifts	63,577,115	55,263,569	55,263,569		
Other	95,254,657	87,034,666	90,537,218	\$ 3,502,552	4.0%
Total Revenues	<u>\$ 197,542,525</u>	<u>\$ 185,340,049</u>	<u>\$ 188,842,601</u>	<u>\$ 3,502,552</u>	<u>1.9%</u>
<b>Expenditures and Transfers</b>					
Salaries and Benefits	\$ 70,367,358	\$ 77,181,308	\$ 80,683,860	\$ 3,502,552	4.5%
Travel	19,246,193	17,977,378	17,977,378		
Student Aid	20,795,458	22,871,732	22,871,732		
Other Operating	56,337,660	65,467,035	65,467,035		
Subtotal Expenditures	\$ 166,746,669	\$ 183,497,453	\$ 187,000,005	\$ 3,502,552	1.9%
Debt Service Transfers	12,109,494	10,758,502	10,758,502		
Other Transfers	6,624,958	(8,915,906)	(8,915,906)		
Total Expenditures and Transfers	<u>\$ 185,481,121</u>	<u>\$ 185,340,049</u>	<u>\$ 188,842,601</u>	<u>\$ 3,502,552</u>	<u>1.9%</u>
<b>Fund Balance Addition / (Reduction)</b>	<b>\$ 12,061,404</b>				
<b>CHATTANOOGA</b>					
<b>Revenues</b>					
General Funds	\$ 10,114,848	\$ 9,569,234.00	\$ 10,304,725	\$ 735,491	7.7%
Student Fees for Athletics	5,300,661	5,334,663	5,334,663		
Ticket Sales	802,471	870,023	960,023	90,000	10.3%
Gifts	2,486,116	2,000,000	2,000,000		
Other	2,771,703	1,945,000	1,855,000	(90,000)	-4.6%
Total Revenues	<u>\$ 21,475,800</u>	<u>\$ 19,718,920</u>	<u>\$ 20,454,411</u>	<u>\$ 735,491</u>	<u>3.7%</u>
<b>Expenditures and Transfers</b>					
Salaries and Benefits	\$ 8,478,979	\$ 7,875,133	\$ 8,098,307	223,174	2.8%
Travel	1,594,873	1,369,082	1,803,235	434,153	31.7%
Student Aid	5,767,715	6,081,894	6,081,894		
Other Operating	5,471,799	3,301,096	4,300,975	999,879	30.3%
Subtotal Expenditures	\$ 21,313,367	\$ 18,627,205	\$ 20,284,411	\$ 1,657,206	8.9%
Debt Service Transfers	162,433	1,091,715	170,000	(921,715)	-84.4%
Other Transfers					
Total Expenditures and Transfers	<u>\$ 21,475,800</u>	<u>\$ 19,718,920</u>	<u>\$ 20,454,411</u>	<u>\$ 735,491</u>	<u>3.7%</u>
<b>Fund Balance Addition / (Reduction)</b>					

Includes unrestricted and restricted funds. Other revenue sources include NCAA conference income, tournament income, program sales, concessions, parking, broadcasting, television, radio, internet, endowments, investments, royalties, advertisements, sponsorships, game guarantees, licensing fees, and sports camps.

## University of Tennessee System FY 2023-24 Revised Budget Summary (Page 2 of 2)

### Athletics Total

#### Unrestricted and Restricted Current Funds for Men's and Women's Athletics

	FY 2022-23 Actual	FY 2023-24 Original	FY 2023-24 Revised	Change Original to Revised	
				Amount	%
<b>MARTIN</b>					
<b>Revenues</b>					
General Funds	\$ 6,792,639	\$ 7,403,326	\$ 7,590,823	\$ 187,497	2.5%
Student Fees for Athletics	2,060,000	2,060,000	2,060,000		
Ticket Sales	140,000	140,000	140,000		
Gifts	1,163,777	1,000,000	1,000,000		
Other	2,731,116	1,882,420	2,529,045	646,625	34.4%
Total Revenues	<u>\$ 12,887,532</u>	<u>\$ 12,485,746</u>	<u>\$ 13,319,868</u>	<u>\$ 834,122</u>	<u>6.7%</u>
<b>Expenditures and Transfers</b>					
Salaries and Benefits	\$ 4,832,658	\$ 4,835,030	\$ 5,122,677	\$ 287,647	-
Travel	1,029,973	697,822	900,822	203,000	29.1%
Student Aid	4,961,302	5,084,319	5,087,457	3,138	0.1%
Other Operating	1,962,207	1,767,183	2,107,520	340,337	19.3%
Subtotal Expenditures	\$ 12,786,140	\$ 12,384,354	\$ 13,218,476	\$ 834,122	6.7%
Debt Service Transfers	101,392	101,392	101,392		
Other Transfers					
Total Expenditures and Transfers	<u>\$ 12,887,532</u>	<u>\$ 12,485,746</u>	<u>\$ 13,319,868</u>	<u>\$ 834,122</u>	<u>6.7%</u>
<b>Fund Balance Addition / (Reduction)</b>					
<b>SOUTHERN</b>					
<b>Revenues</b>					
General Funds	\$ 4,176,528	\$ 4,025,503	\$ 4,244,515	\$ 219,012	5.4%
Student Fees for Athletics					
Ticket Sales	15,329	5,000	5,000		
Gifts	80,503	50,000	50,000		
Other	298,154	192,758	192,758		
Total Revenues	<u>\$ 4,570,515</u>	<u>\$ 4,273,261</u>	<u>\$ 4,492,273</u>	<u>\$ 219,012</u>	<u>5.1%</u>
<b>Expenditures and Transfers</b>					
Salaries and Benefits	\$ 1,720,351	\$ 1,761,911	\$ 1,761,911		
Travel	343,685	302,440	302,440		
Student Aid	1,606,791	1,516,800	1,516,800		
Other Operating	899,688	692,110	911,122	219,012	31.6%
Subtotal Expenditures	\$ 4,570,515	\$ 4,273,261	\$ 4,492,273	\$ 219,012	5.1%
Debt Service Transfers					
Other Transfers					
Total Expenditures and Transfers	<u>\$ 4,570,515</u>	<u>\$ 4,273,261</u>	<u>\$ 4,492,273</u>	<u>\$ 219,012</u>	<u>5.1%</u>
<b>Fund Balance Addition / (Reduction)</b>					

Includes unrestricted and restricted funds. Other revenue sources include NCAA conference income, tournament income, program sales, concessions, parking, broadcasting, television, radio, internet, endowments, investments, royalties, advertisements, sponsorships, game guarantees, licensing fees, and sports camps.



## University of Tennessee System

### FY 2023-24 Revised Budget Positions

All Full-time and Part-time Positions (No Students)

<b>UNRESTRICTED EDUCATION AND GENERAL (E&amp;G)</b>					
<b>Budget Unit</b>	<b>Faculty</b>	<b>Administrative</b>	<b>Professional</b>	<b>Cler/Tech/Maint</b>	<b>Total</b>
Chattanooga	546	165	363	322	1,396
<b><u>Knoxville</u></b>					
Knoxville Campus	1,926	417	1,294	1,678	5,315
Space Institute	15	11	23	43	92
Agricultural Experiment Station	99	19	83	112	313
Extension	51	20	321	260	651
Veterinary Medicine	117	15	39	267	438
<b>Sub-total Knoxville</b>	<b>2,208</b>	<b>482</b>	<b>1,759</b>	<b>2,360</b>	<b>6,809</b>
Martin	332	72	147	291	842
Health Science Center	612	147	340	917	2,016
Southern	51	17	44	41	153
<b><u>Public Service Units</u></b>					
Institute for Public Service	1	6	29	13	48
Municipal Tech. Advisory Service		1	44	9	55
County Tech. Assistance Service		1	34	3	38
Tennessee Language Center		1	13	5	19
<b>Sub-total Public Service Units</b>	<b>1</b>	<b>9</b>	<b>120</b>	<b>30</b>	<b>160</b>
System Administration	1	79	187	70	336
<b>Total Unrestricted E&amp;G</b>	<b>3,751</b>	<b>970</b>	<b>2,959</b>	<b>4,032</b>	<b>11,712</b>

<b>AUXILIARIES</b>				
	<b>Administrative</b>	<b>Professional</b>	<b>Cler/Tech/Maint</b>	<b>Total</b>
Chattanooga	19	15	59	93
<b><u>Knoxville</u></b>				
Knoxville Campus	71	247	436	754
Space Institute			3	3
<b>Sub-total Knoxville</b>	<b>71</b>	<b>247</b>	<b>439</b>	<b>757</b>
Martin	3	10	31	44
Health Science Center		5	27	32
Southern		1	1	2
<b>Total Auxiliaries</b>	<b>93</b>	<b>278</b>	<b>557</b>	<b>927</b>

<b>RESTRICTED EDUCATION AND GENERAL (E&amp;G)</b>					
<b>Budget Unit</b>	<b>Faculty</b>	<b>Administrative</b>	<b>Professional</b>	<b>Cler/Tech/Maint</b>	<b>Total</b>
Chattanooga	23	10	32	41	105
<b><u>Knoxville</u></b>					
Knoxville Campus	96	18	356	124	595
Space Institute	5	0	9	1	14
Agricultural Experiment Station	3	1	9	14	27
Extension	10	0	203	255	468
Veterinary Medicine	0	2	3		5
<b>Sub-total Knoxville</b>	<b>114</b>	<b>22</b>	<b>580</b>	<b>394</b>	<b>1,110</b>
Martin	2	2	26	11	40
Health Science Center	777	34	352	566	1,729
Southern	5	1	4	1	11
<b><u>Public Service Units</u></b>					
Institute for Public Service	1	1	28	3	33
Municipal Tech. Advisory Service			4	0	4
County Tech. Assistance Service				1	1
Tennessee Language Center			2		2
<b>Sub-total Public Service Units</b>			<b>33</b>	<b>4</b>	<b>39</b>
System Administration		2	7	3	12
<b>Total Restricted E&amp;G</b>	<b>921</b>	<b>71</b>	<b>1,033</b>	<b>1,020</b>	<b>3,045</b>
<b>TOTAL UNIVERSITY POSITIONS</b>	<b>4,672</b>	<b>1,134</b>	<b>4,270</b>	<b>5,608</b>	<b>15,685</b>
	<b>29.8%</b>	<b>7.2%</b>	<b>27.2%</b>	<b>35.8%</b>	<b>100.0%</b>

# University of Tennessee System

## FY 2023-24 Revised Budget

### Unrestricted Current Funds Revenues, Expenditures, and Transfers

	FY 2022-23 Actual	FY 2023-24 Original	FY 2023-24 Revised	Change Original to Revised	
				Amount	%
<b>EDUCATIONAL AND GENERAL</b>					
<b>Revenues</b>					
Tuition & Fees	\$ 940,423,500	\$ 957,359,104	\$ 960,205,962	\$ 2,846,858	0.3 %
State Appropriations	841,139,752	829,204,452	843,562,152	14,357,700	1.7 %
Grants & Contracts	124,293,297	66,795,055	67,048,556	253,501	0.4 %
Sales & Service	77,374,205	71,518,449	73,485,497	1,967,048	2.8 %
Other Sources	97,518,580	80,755,486	97,883,265	17,127,779	21.2 %
<b>Total Revenues</b>	<b>\$ 2,080,749,333</b>	<b>\$ 2,005,632,546</b>	<b>\$ 2,042,185,432</b>	<b>\$ 36,552,886</b>	<b>1.8 %</b>
<b>Expenditures and Transfers</b>					
Instruction	\$ 591,148,542	\$ 705,937,399	\$ 728,766,156	\$ 22,828,757	3.2 %
Research	179,856,283	158,622,403	196,099,889	37,477,486	23.6 %
Public Service	100,889,598	111,017,303	119,590,789	8,573,486	7.7 %
Academic Support	223,405,359	276,624,631	270,933,322	(5,691,309)	(2.1) %
Student Services	131,197,558	132,487,208	138,753,584	6,266,376	4.7 %
Institutional Support	215,949,008	230,533,192	257,034,469	26,501,277	11.5 %
Operation & Maintenance of Plant	174,750,505	206,614,471	207,846,853	1,232,382	0.6 %
Scholarships & Fellowships	168,266,284	162,124,294	163,007,997	883,703	0.5 %
<b>Subtotal Expenditures</b>	<b>\$ 1,785,463,135</b>	<b>\$ 1,983,960,901</b>	<b>\$ 2,082,033,059</b>	<b>\$ 98,072,158</b>	<b>4.9 %</b>
Mandatory Transfers	16,273,019	27,787,077	27,787,077		
Non-Mandatory Transfers	279,814,313	(4,684,058)	(59,865,299)	(55,181,241)	(1,178.1) %
<b>Total Expenditures &amp; Transfers</b>	<b>\$ 2,081,550,467</b>	<b>\$ 2,007,063,920</b>	<b>\$ 2,049,954,837</b>	<b>\$ 42,890,917</b>	<b>2.1 %</b>
<b>Fund Balance Addition/(Reduction)</b>	<b>\$ (801,135)</b>	<b>\$ (1,431,374)</b>	<b>\$ (7,769,405)</b>		
<b>AUXILIARIES</b>					
<b>Revenues</b>	\$ 364,219,976	\$ 349,533,223	\$ 354,603,368	\$ 5,070,145	1.5 %
<b>Expenditures and Transfers</b>					
Expenditures	276,973,612	303,137,465	310,484,800	7,347,335	2.4 %
Mandatory Transfers	48,888,685	50,712,367	49,196,982	(1,515,385)	(3.0) %
Non-Mandatory Transfers	47,736,364	(4,334,942)	(5,080,997)	(746,055)	(17.2) %
<b>Total Expenditures &amp; Transfers</b>	<b>\$ 373,598,661</b>	<b>\$ 349,514,890</b>	<b>\$ 354,600,785</b>	<b>\$ 5,085,895</b>	<b>1.5 %</b>
<b>Fund Balance Addition/(Reduction)</b>	<b>\$ (9,378,685)</b>	<b>\$ 18,333</b>	<b>\$ 2,583</b>		
<b>TOTALS</b>					
<b>Revenues</b>	\$ 2,444,969,309	\$ 2,355,165,769	\$ 2,396,788,800	\$ 41,623,031	1.8 %
<b>Expenditures and Transfers</b>					
Expenditures	\$ 2,062,436,748	\$ 2,287,098,366	\$ 2,392,517,859	\$ 105,419,493	4.6 %
Mandatory Transfers	65,161,704	78,499,444	76,984,059	(1,515,385)	(1.9) %
Non-Mandatory Transfers	327,550,677	(9,019,000)	(64,946,296)	(55,927,296)	(620.1) %
<b>Total Expenditures &amp; Transfers</b>	<b>\$ 2,455,149,129</b>	<b>\$ 2,356,578,810</b>	<b>\$ 2,404,555,622</b>	<b>\$ 47,976,812</b>	<b>2.0 %</b>
<b>Fund Balance Addition/(Reduction)</b>	<b>\$ (10,179,819)</b>	<b>\$ (1,413,041)</b>	<b>\$ (7,766,822)</b>		

**University of Tennessee System**  
**FY 2023-24 Revised Budget (Recurring Budget)**  
 Unrestricted Current Funds Revenues, Expenditures, and Transfers

	FY 2022-23 Actual	FY 2023-24 Original	FY 2023-24 Revised	Change Original to Revised	
				Amount	%
<b>EDUCATIONAL AND GENERAL</b>					
<b>Revenues</b>					
Tuition & Fees	\$ 940,423,500	\$ 956,332,605	\$ 957,732,237	\$ 1,399,632	0.1 %
State Appropriations	841,139,752	828,338,452	838,799,052	10,460,600	1.3 %
Grants & Contracts	124,293,297	66,795,055	67,048,556	253,501	0.4 %
Sales & Service	77,374,205	71,518,449	73,218,717	1,700,268	2.4 %
Other Sources	97,518,580	72,955,486	73,348,106	392,620	0.5 %
<b>Total Revenues</b>	<b>\$ 2,080,749,333</b>	<b>\$ 1,995,940,047</b>	<b>\$ 2,010,146,668</b>	<b>\$ 14,206,621</b>	<b>0.7 %</b>
<b>Expenditures and Transfers</b>					
Instruction	\$ 591,148,542	\$ 700,162,132	\$ 711,728,146	\$ 11,566,014	1.7 %
Research	179,856,283	156,849,658	160,462,275	3,612,617	2.3 %
Public Service	100,889,598	111,017,303	118,013,419	6,996,116	6.3 %
Academic Support	223,405,359	275,955,797	262,415,139	(13,540,658)	(4.9) %
Student Services	131,197,558	132,336,474	134,005,085	1,668,611	1.3 %
Institutional Support	215,949,008	231,129,343	234,978,144	3,848,801	1.7 %
Operation & Maintenance of Plant	174,750,505	205,581,471	206,313,239	731,768	0.4 %
Scholarships & Fellowships	168,266,284	161,165,694	161,482,332	316,638	0.2 %
<b>Subtotal Expenditures</b>	<b>\$ 1,785,463,135</b>	<b>\$ 1,974,197,872</b>	<b>\$ 1,989,397,779</b>	<b>\$ 15,199,907</b>	<b>0.8 %</b>
Mandatory Transfers	16,273,019	27,787,077	27,787,077		
Non-Mandatory Transfers	279,814,313	(2,134,229)	(2,648,690)	(514,461)	(24.1) %
<b>Total Expenditures &amp; Transfers</b>	<b>\$ 2,081,550,467</b>	<b>\$ 1,999,850,720</b>	<b>\$ 2,014,536,166</b>	<b>\$ 14,685,446</b>	<b>0.7 %</b>
<b>Fund Balance Addition/(Reduction)</b>	<b>\$ (801,135)</b>	<b>\$ (3,910,673)</b>	<b>\$ (4,389,498)</b>	<b>\$ (478,825)</b>	<b>(12.2)</b>
<b>AUXILIARIES</b>					
<b>Revenues</b>	\$ 364,219,976	\$ 349,533,223	\$ 354,903,368	\$ 5,370,145	1.5 %
<b>Expenditures and Transfers</b>					
Expenditures	276,973,612	303,087,465	310,440,665	7,353,200	2.4 %
Mandatory Transfers	48,888,685	50,712,367	49,196,982	(1,515,385)	(3.0) %
Non-Mandatory Transfers	47,736,364	(2,646,942)	(3,113,862)	(466,920)	(17.6) %
<b>Total Expenditures &amp; Transfers</b>	<b>\$ 373,598,661</b>	<b>\$ 351,152,890</b>	<b>\$ 356,523,785</b>	<b>\$ 5,370,895</b>	<b>1.5 %</b>
<b>Fund Balance Addition/(Reduction)</b>	<b>\$ (9,378,685)</b>	<b>\$ (1,619,667)</b>	<b>\$ (1,620,417)</b>		
<b>TOTALS</b>					
<b>Revenues</b>	\$ 2,444,969,309	\$ 2,345,473,270	\$ 2,365,050,036	\$ 19,576,766	0.8 %
<b>Expenditures and Transfers</b>					
Expenditures	\$ 2,062,436,748	\$ 2,277,285,337	\$ 2,299,838,444	\$ 22,553,107	1.0 %
Mandatory Transfers	65,161,704	78,499,444	76,984,059	(1,515,385)	(1.9) %
Non-Mandatory Transfers	327,550,677	(4,781,171)	(5,762,552)	(981,381)	(20.5) %
<b>Total Expenditures &amp; Transfers</b>	<b>\$ 2,455,149,129</b>	<b>\$ 2,351,003,610</b>	<b>\$ 2,371,059,951</b>	<b>\$ 20,056,341</b>	<b>0.9 %</b>
<b>Fund Balance Addition/(Reduction)</b>	<b>\$ (10,179,819)</b>	<b>\$ (5,530,340)</b>	<b>\$ (6,009,915)</b>		

## Chattanooga

### FY 2023-24 Revised Budget

Unrestricted Current Funds Revenues, Expenditures, and Transfers

	FY 2022-23 Actual	FY 2023-24 Original	FY 2023-24 Revised	Change Original to Revised	
				Amount	%
<b>EDUCATIONAL AND GENERAL</b>					
<b>Revenues</b>					
Tuition & Fees	\$ 132,838,183	\$ 131,540,761	\$ 133,079,912	\$ 1,539,151	1.2 %
State Appropriations	74,268,205	78,697,205	80,047,905	1,350,700	1.7 %
Grants & Contracts	1,722,815	1,479,400	1,479,400		
Sales & Service	5,434,625	4,852,138	5,172,084	319,946	6.6 %
Other Sources	245,364	257,800	257,800		
Total Revenues	\$ 214,509,191	\$ 216,827,304	\$ 220,037,101	\$ 3,209,797	1.5 %
<b>Expenditures and Transfers</b>					
Instruction	\$ 82,203,526	\$ 96,830,871	\$ 97,832,665	\$ 1,001,794	1.0 %
Research	6,027,929	7,111,868	5,756,841	(1,355,027)	(19.1) %
Public Service	1,975,454	2,781,680	3,062,471	280,791	10.1 %
Academic Support	20,805,923	21,776,085	24,182,668	2,406,583	11.1 %
Student Services	32,179,646	31,849,478	34,089,459	2,239,981	7.0 %
Institutional Support	16,189,580	16,480,286	16,864,041	383,755	2.3 %
Operation & Maintenance of Plant	20,126,449	22,641,831	22,758,181	116,350	0.5 %
Scholarships & Fellowships	18,629,274	19,512,186	19,512,186		
Subtotal Expenditures	\$ 198,137,780	\$ 218,984,285	\$ 224,058,512	\$ 5,074,227	2.3 %
Mandatory Transfers	3,389,326	4,663,880	4,663,880		
Non-Mandatory Transfers	12,438,128	(6,820,861)	(8,685,291)	(1,864,430)	(27.3) %
Total Expenditures & Transfers	\$ 213,965,234	\$ 216,827,304	\$ 220,037,101	\$ 3,209,797	1.5 %
<b>Fund Balance Addition/(Reduction)</b>	\$ 543,957				
<b>AUXILIARIES</b>					
<b>Revenues</b>	\$ 22,593,122	\$ 25,004,196	\$ 25,004,196		
<b>Expenditures and Transfers</b>					
Expenditures	14,373,190	17,755,580	17,755,580		
Mandatory Transfers	5,122,097	5,493,430	5,493,430		
Non-Mandatory Transfers	2,699,976	1,755,186	1,755,186		
Total Expenditures & Transfers	\$ 22,195,263	\$ 25,004,196	\$ 25,004,196		
<b>Fund Balance Addition/(Reduction)</b>	\$ 397,859				
<b>TOTALS</b>					
<b>Revenues</b>	\$ 237,102,313	\$ 241,831,500	\$ 245,041,297	\$ 3,209,797	1.3 %
<b>Expenditures and Transfers</b>					
Expenditures	\$ 212,510,970	\$ 236,739,865	\$ 241,814,092	\$ 5,074,227	2.1 %
Mandatory Transfers	8,511,423	10,157,310	10,157,310		
Non-Mandatory Transfers	15,138,104	(5,065,675)	(6,930,105)	(1,864,430)	(36.8) %
Total Expenditures & Transfers	\$ 236,160,497	\$ 241,831,500	\$ 245,041,297	\$ 3,209,797	1.3 %
<b>Fund Balance Addition/(Reduction)</b>	\$ 941,816				

## Knoxville

### FY 2023-24 Revised Budget

#### Unrestricted Current Funds Revenues, Expenditures, and Transfers

	FY 2022-23 Actual	FY 2023-24 Original	FY 2023-24 Revised	Change	
				Original to Revised Amount	%
<b>EDUCATIONAL AND GENERAL</b>					
<b>Revenues</b>					
Tuition & Fees	\$ 647,470,516	\$ 659,727,193	\$ 660,665,227	\$ 938,034	0.1 %
State Appropriations	431,325,822	461,409,822	469,546,622	8,136,800	1.8 %
Grants & Contracts	45,505,783	38,528,529	38,528,529		
Sales & Service	47,133,850	42,037,639	42,662,464	624,825	1.5 %
Other Sources	32,162,632	25,366,308	25,221,964	(144,344)	(0.6) %
<b>Total Revenues</b>	<b>\$ 1,203,598,603</b>	<b>\$ 1,227,069,491</b>	<b>\$ 1,236,624,806</b>	<b>\$ 9,555,315</b>	<b>0.8 %</b>
<b>Expenditures and Transfers</b>					
Instruction	\$ 338,804,190	\$ 406,759,824	\$ 420,368,265	\$ 13,608,441	3.3 %
Research	145,663,234	137,474,131	149,533,294	12,059,163	8.8 %
Public Service	71,827,956	77,511,522	85,221,273	7,709,751	9.9 %
Academic Support	124,335,500	175,937,557	158,861,978	(17,075,579)	(9.7) %
Student Services	70,900,566	72,789,379	75,131,986	2,342,607	3.2 %
Institutional Support	83,710,684	85,794,952	89,106,936	3,311,984	3.9 %
Operation & Maintenance of Plant	102,456,028	114,428,204	114,283,597	(144,607)	(0.1) %
Scholarships & Fellowships	126,024,850	117,650,767	117,755,767	105,000	0.1 %
<b>Subtotal Expenditures</b>	<b>\$ 1,063,723,009</b>	<b>\$ 1,188,346,336</b>	<b>\$ 1,210,263,096</b>	<b>\$ 21,916,760</b>	<b>1.8 %</b>
Mandatory Transfers	6,071,179	15,607,473	15,607,473		
Non-Mandatory Transfers	137,121,567	23,115,682	10,754,237	(12,361,445)	(53.5) %
<b>Total Expenditures &amp; Transfers</b>	<b>\$ 1,206,915,755</b>	<b>\$ 1,227,069,491</b>	<b>\$ 1,236,624,806</b>	<b>\$ 9,555,315</b>	<b>0.8 %</b>
<b>Fund Balance Addition/(Reduction)</b>	<b>\$ (3,317,152)</b>				
<b>AUXILIARIES</b>					
<b>Revenues</b>	\$ 324,630,138	\$ 307,141,799	\$ 312,076,448	\$ 4,934,649	1.60 %
<b>Expenditures and Transfers</b>					
Expenditures	249,908,837	272,780,857	279,683,508	6,902,651	2.5 %
Mandatory Transfers	40,747,307	41,990,674	40,474,956	(1,515,718)	(3.6) %
Non-Mandatory Transfers	43,790,632	(7,629,732)	(8,082,016)	(452,284)	(5.9) %
<b>Total Expenditures &amp; Transfers</b>	<b>\$ 334,446,776</b>	<b>\$ 307,141,799</b>	<b>\$ 312,076,448</b>	<b>\$ 4,934,649</b>	<b>1.6 %</b>
<b>Fund Balance Addition/(Reduction)</b>	<b>\$ (9,816,638)</b>				
<b>TOTALS</b>					
<b>Revenues</b>	\$ 1,528,228,741	\$ 1,534,211,290	\$ 1,548,701,254	\$ 14,489,964	0.9 %
<b>Expenditures and Transfers</b>					
Expenditures	\$ 1,313,631,845	\$ 1,461,127,193	\$ 1,489,946,604	\$ 28,819,411	2.0 %
Mandatory Transfers	46,818,486	57,598,147	56,082,429	(1,515,718)	(2.6) %
Non-Mandatory Transfers	180,912,199	15,485,950	2,672,221	(12,813,729)	(82.7) %
<b>Total Expenditures &amp; Transfers</b>	<b>\$ 1,541,362,530</b>	<b>\$ 1,534,211,290</b>	<b>\$ 1,548,701,254</b>	<b>\$ 14,489,964</b>	<b>0.9 %</b>
<b>Fund Balance Addition/(Reduction)</b>	<b>\$ (13,133,789)</b>				

Includes UTK Campus, Space Institute, AgResearch, Extension, and College of Veterinary Medicine

## Martin

### FY 2023-24 Revised Budget

Unrestricted Current Funds Revenues, Expenditures, and Transfers

	FY 2022-23 Actual	FY 2023-24 Original	FY 2023-24 Revised	Change	
				Original to Revised Amount	%
<b>EDUCATIONAL AND GENERAL</b>					
<b>Revenues</b>					
Tuition & Fees	\$ 62,846,463	\$ 66,633,594	\$ 67,003,267	\$ 369,673	0.6 %
State Appropriations	42,641,597	46,131,497	46,994,297	862,800	1.9 %
Grants & Contracts	439,103	187,000	187,000		
Sales & Service	5,140,897	3,738,830	4,397,011	658,181	17.6 %
Other Sources	718,086	591,541	603,541	12,000	2.0 %
<b>Total Revenues</b>	<b>\$ 111,786,146</b>	<b>\$ 117,282,462</b>	<b>\$ 119,185,116</b>	<b>\$ 1,902,654</b>	<b>1.6 %</b>
<b>Expenditures and Transfers</b>					
Instruction	\$ 45,313,857	\$ 49,424,793	\$ 50,889,673	\$ 1,464,880	3.0 %
Research	34,746	86,257	93,004	6,747	7.8 %
Public Service	744,004	864,507	1,017,033	152,526	17.6 %
Academic Support	10,595,939	11,327,226	13,338,539	2,011,313	17.8 %
Student Services	16,471,430	15,137,201	16,301,042	1,163,841	7.7 %
Institutional Support	8,626,956	9,720,038	9,859,358	139,320	1.4 %
Operation & Maintenance of Plant	10,991,325	12,715,393	13,331,096	615,703	4.8 %
Scholarships & Fellowships	14,306,853	14,761,010	15,086,186	325,176	2.2 %
<b>Subtotal Expenditures</b>	<b>\$ 107,085,111</b>	<b>\$ 114,036,425</b>	<b>\$ 119,915,931</b>	<b>\$ 5,879,506</b>	<b>5.2 %</b>
Mandatory Transfers	547,909	101,392	101,392		
Non-Mandatory Transfers	4,830,876	3,144,645	(832,207)	(3,976,852)	(126.5) %
<b>Total Expenditures &amp; Transfers</b>	<b>\$ 112,463,896</b>	<b>\$ 117,282,462</b>	<b>\$ 119,185,116</b>	<b>\$ 1,902,654</b>	<b>1.6 %</b>
<b>Fund Balance Addition/(Reduction)</b>	<b>\$ (677,750)</b>				
<b>AUXILIARIES</b>					
<b>Revenues</b>	\$ 10,779,475	\$ 10,480,412	\$ 10,900,412	420,000	4.00 %
<b>Expenditures and Transfers</b>					
Expenditures	\$ 7,275,739	\$ 6,996,018	\$ 7,424,456	428,438	6.1 %
Mandatory Transfers	2,436,488	2,449,763	2,450,096	333	- %
Non-Mandatory Transfers	1,038,465	1,034,631	1,025,860	(8,771)	(0.8) %
<b>Total Expenditures &amp; Transfers</b>	<b>\$ 10,750,692</b>	<b>\$ 10,480,412</b>	<b>\$ 10,900,412</b>	<b>420,000</b>	<b>4.0 %</b>
<b>Fund Balance Addition/(Reduction)</b>	<b>\$ 28,783</b>				
<b>TOTALS</b>					
<b>Revenues</b>	\$ 122,565,621	\$ 127,762,874	\$ 130,085,528	\$ 2,322,654	1.8 %
<b>Expenditures and Transfers</b>					
Expenditures	114,360,849	121,032,443	127,340,387	6,307,944	5.2 %
Mandatory Transfers	2,984,397	2,551,155	2,551,488	333	- %
Non-Mandatory Transfers	5,869,341	4,179,276	193,653	(3,985,623)	(95.4) %
<b>Total Expenditures &amp; Transfers</b>	<b>\$ 123,214,587</b>	<b>\$ 127,762,874</b>	<b>\$ 130,085,528</b>	<b>\$ 2,322,654</b>	<b>1.8 %</b>
<b>Fund Balance Addition/(Reduction)</b>	<b>\$ (648,966)</b>				

**Southern**  
**FY 2023-24 Revised Budget**  
 Unrestricted Current Funds Revenues, Expenditures, and Transfers

	FY 2022-23 Actual	FY 2023-24 Original	FY 2023-24 Revised	Change Original to Revised	
				Amount	%
<b>EDUCATIONAL AND GENERAL</b>					
<b>Revenues</b>					
Tuition & Fees	\$ 8,930,578	\$ 9,521,821	\$ 9,521,821		
State Appropriations	5,761,900	5,981,100	6,104,300	123,200	2.1 %
Grants & Contracts	13,645	1,600	1,600		
Sales & Service	229,228	66,500	84,538	18,038	27.1 %
Other Sources	149,283	515,000	515,000		
Total Revenues	<u>\$ 15,084,634</u>	<u>\$ 16,086,021</u>	<u>\$ 16,227,259</u>	<u>\$ 141,238</u>	<u>0.9 %</u>
<b>Expenditures and Transfers</b>					
Instruction	\$ 5,155,577	\$ 4,485,593	\$ 4,623,191	\$ 137,598	3.1 %
Research					
Public Service	13,013	85,358	59,309	(26,049)	(30.5) %
Academic Support	1,860,999	2,279,164	2,314,859	35,695	1.6 %
Student Services	4,636,004	4,936,010	5,205,646	269,636	5.5 %
Institutional Support	2,091,198	2,708,435	2,446,109	(262,326)	(9.7) %
Operation & Maintenance of Plant	1,677,583	2,218,628	2,204,561	(14,067)	(0.6) %
Scholarships & Fellowships	3,344,355	3,033,000	3,033,000		
Subtotal Expenditures	<u>\$ 18,778,727</u>	<u>\$ 19,746,188</u>	<u>\$ 19,886,675</u>	<u>\$ 140,487</u>	<u>0.7 %</u>
Mandatory Transfers					
Non-Mandatory Transfers	(3,728,362)	(3,850,000)	(3,850,000)		
Total Expenditures & Transfers	<u>\$ 15,050,365</u>	<u>\$ 15,896,188</u>	<u>\$ 16,036,675</u>	<u>\$ 140,487</u>	<u>0.9 %</u>
<b>Fund Balance Addition/(Reduction)</b>	<u>\$ 34,269</u>	<u>\$ 189,833</u>	<u>\$ 190,584</u>		
<b>AUXILIARIES</b>					
<b>Revenues</b>	\$ 2,824,359	\$ 2,797,000	\$ 2,497,000	\$ (300,000)	(10.70)
<b>Expenditures and Transfers</b>					
Expenditures	1,856,496	1,758,667	1,759,417	750	%
Mandatory Transfers	382,725	408,000	408,000		
Non-Mandatory Transfers	571,233	612,000	327,000	(285,000)	(46.6) %
Total Expenditures & Transfers	<u>\$ 2,810,454</u>	<u>\$ 2,778,667</u>	<u>\$ 2,494,417</u>	<u>\$ (284,250)</u>	<u>(10.2) %</u>
<b>Fund Balance Addition/(Reduction)</b>	<u>\$ 13,904</u>	<u>\$ 18,333</u>	<u>\$ 2,583</u>		
<b>TOTALS</b>					
<b>Revenues</b>	\$ 17,908,993	\$ 18,883,021	\$ 18,724,259	\$ (158,762)	(0.8) %
<b>Expenditures and Transfers</b>					
Expenditures	\$ 20,635,223	\$ 21,504,855	\$ 21,646,092	\$ 141,237	0.7 %
Mandatory Transfers	382,725	408,000	408,000		
Non-Mandatory Transfers	(3,157,129)	(3,238,000)	(3,523,000)	(285,000)	(8.8) %
Total Expenditures & Transfers	<u>\$ 17,860,819</u>	<u>\$ 18,674,855</u>	<u>\$ 18,531,092</u>	<u>\$ (143,763)</u>	<u>(0.8) %</u>
<b>Fund Balance Addition/(Reduction)</b>	<u>\$ 48,174</u>	<u>\$ 208,166</u>	<u>\$ 193,167</u>		

## Health Science Center FY 2023-24 Revised Budget

### Unrestricted Current Funds Revenues, Expenditures, and Transfers

	FY 2022-23 Actual	FY 2023-24 Original	FY 2023-24 Revised	Change	
				Original to Revised Amount	%
<b>EDUCATIONAL AND GENERAL</b>					
<b>Revenues</b>					
Tuition & Fees	\$ 88,337,761	\$ 89,935,735	\$ 89,935,735		
State Appropriations	193,083,624	214,318,924	217,690,324	\$ 3,371,400	1.6 %
Grants & Contracts	25,605,123	25,528,481	25,819,549	291,068	1.1 %
Sales & Service	19,435,605	20,823,342	21,169,400	346,058	1.7 %
Other Sources	1,104,416	1,089,920	1,129,920	40,000	3.7 %
<b>Total Revenues</b>	<b>\$ 327,566,529</b>	<b>\$ 351,696,402</b>	<b>\$ 355,744,928</b>	<b>\$ 4,048,526</b>	<b>1.2 %</b>
<b>Expenditures and Transfers</b>					
Instruction	\$ 119,671,392	\$ 148,436,318	\$ 155,052,362	\$ 6,616,044	4.5 %
Research	28,130,373	13,950,147	40,716,750	26,766,603	191.9 %
Public Service	349,953	624,191	1,054,038	429,847	68.9 %
Academic Support	65,524,288	64,968,578	71,898,582	6,930,004	10.7 %
Student Services	7,009,912	7,775,140	8,025,451	250,311	3.2 %
Institutional Support	40,095,878	42,957,877	39,207,604	(3,750,273)	(8.7) %
Operation & Maintenance of Plant	38,095,536	53,070,415	53,729,418	659,003	1.2 %
Scholarships & Fellowships	5,960,952	7,167,331	7,620,858	453,527	6.3 %
<b>Subtotal Expenditures</b>	<b>\$ 304,838,284</b>	<b>\$ 338,949,997</b>	<b>\$ 377,305,063</b>	<b>\$ 38,355,066</b>	<b>11.3 %</b>
Mandatory Transfers	6,148,004	7,295,789	7,295,789		
Non-Mandatory Transfers	16,875,642	5,450,616	(28,815,194)	(34,265,810)	(628.7) %
<b>Total Expenditures &amp; Transfers</b>	<b>\$ 327,861,930</b>	<b>\$ 351,696,402</b>	<b>\$ 355,785,658</b>	<b>\$ 4,089,256</b>	<b>1.2 %</b>
<b>Fund Balance Addition/(Reduction)</b>	<b>\$ (295,400)</b>	<b>\$ -</b>	<b>\$ (40,730)</b>		
<b>AUXILIARIES</b>					
<b>Revenues</b>	\$ 3,392,883	\$ 4,109,816	\$ 4,125,312	\$ 15,496	0.4 %
<b>Expenditures and Transfers</b>					
Expenditures	3,559,351	3,846,343	3,861,839	\$ 15,496	0.4 %
Mandatory Transfers	200,068	370,500	370,500		
Non-Mandatory Transfers	(363,942)	(107,027)	(107,027)		
<b>Total Expenditures &amp; Transfers</b>	<b>\$ 3,395,477</b>	<b>\$ 4,109,816</b>	<b>\$ 4,125,312</b>	<b>\$ 15,496</b>	<b>0.4 %</b>
<b>Fund Balance Addition/(Reduction)</b>	<b>\$ (2,594)</b>	<b>\$ -</b>	<b>\$ -</b>		
<b>TOTALS</b>					
<b>Revenues</b>	\$ 330,959,412	\$ 355,806,218	\$ 359,870,240	\$ 4,064,022	1.1 %
<b>Expenditures and Transfers</b>					
Expenditures	\$ 308,397,634	\$ 342,796,340	\$ 381,166,902	\$ 38,370,562	11.2 %
Mandatory Transfers	6,348,072	7,666,289	7,666,289		
Non-Mandatory Transfers	16,511,700	5,343,589	(28,922,221)	(34,265,810)	(641.3) %
<b>Total Expenditures &amp; Transfers</b>	<b>\$ 331,257,406</b>	<b>\$ 355,806,218</b>	<b>\$ 359,910,970</b>	<b>\$ 4,104,752</b>	<b>1.2 %</b>
<b>Fund Balance Addition/(Reduction)</b>	<b>\$ (297,994)</b>	<b>\$ -</b>	<b>\$ (40,730)</b>		



**Institute for Public Service Total**  
**FY 2023-24 Revised Budget**  
 Unrestricted Current Funds Revenues, Expenditures, and Transfers

	FY 2022-23 Actual	FY 2023-24 Original	FY 2023-24 Revised	Change Original to Revised	
				Amount	%
<b>EDUCATIONAL AND GENERAL</b>					
<b>Revenues</b>					
Tuition & Fees					
State Appropriations	\$ 15,927,987	\$ 16,494,087	\$ 16,745,187	\$ 251,100	1.5 %
Grants & Contracts	944,832	1,070,045	1,032,478	(37,567)	(3.5) %
Sales & Service					
Other Sources	14,210,389	14,406,755	14,414,505	7,750	0.1 %
Total Revenues	<u>\$ 31,083,207</u>	<u>\$ 31,970,887</u>	<u>\$ 32,192,170</u>	<u>\$ 221,283</u>	<u>0.7 %</u>
<b>Expenditures and Transfers</b>					
Instruction					
Research					
Public Service	\$ 25,979,218	\$ 29,150,045	\$ 29,176,665	\$ 26,620	0.1 %
Academic Support	282,710	336,021	336,696	675	0.2 %
Student Services					
Institutional Support	637,114	743,996	769,298	25,302	3.4 %
Operation & Maintenance of Plant					
Scholarships & Fellowships					
Subtotal Expenditures	<u>\$ 26,899,042</u>	<u>\$ 30,230,062</u>	<u>\$ 30,282,659</u>	<u>\$ 52,597</u>	<u>0.2 %</u>
Mandatory Transfers					
Non-Mandatory Transfers	3,945,116	1,761,182	2,086,744	325,562	18.5 %
Total Expenditures & Transfers	<u>\$ 30,844,158</u>	<u>\$ 31,991,244</u>	<u>\$ 32,369,403</u>	<u>\$ 378,159</u>	<u>1.2 %</u>
<b>Fund Balance Addition/(Reduction)</b>	<u>\$ 239,049</u>	<u>\$ (20,357)</u>	<u>\$ (177,233)</u>		

# System Administration

## FY 2023-24 Revised Budget

### Unrestricted Current Funds Revenues, Expenditures, and Transfers

	FY 2022-23 Actual	FY 2023-24 Original	FY 2023-24 Revised	Change	
				Original to Revised Amount	%
<b>EDUCATIONAL AND GENERAL</b>					
<b>Revenues</b>					
Tuition & Fees					
State Appropriations	\$ 78,130,617	\$ 6,171,817	\$ 6,433,517	\$ 261,700	4.2 %
Grants & Contracts	50,061,995				
Sales & Service					
Other Sources	48,928,409	38,528,162	55,740,535	17,212,373	44.7 %
<b>Total Revenues</b>	<b>\$ 177,121,021</b>	<b>\$ 44,699,979</b>	<b>\$ 62,174,052</b>	<b>\$ 17,474,073</b>	<b>39.1 %</b>
<b>Expenditures and Transfers</b>					
Instruction					
Research					
Public Service					
Academic Support					
Student Services					
Institutional Support	\$ 64,597,598	\$ 72,127,608	\$ 98,781,123	\$ 26,653,515	37.0 %
Operation & Maintenance of Plant	1,403,585	1,540,000	1,540,000		
Scholarships & Fellowships					
<b>Subtotal Expenditures</b>	<b>\$ 66,001,183</b>	<b>\$ 73,667,608</b>	<b>\$ 100,321,123</b>	<b>\$ 26,653,515</b>	<b>36.2 %</b>
Mandatory Transfers	116,601	118,543	118,543		
Non-Mandatory Transfers	108,331,346	(27,485,322)	(30,523,588)	(3,038,266)	(11.1) %
<b>Total Expenditures &amp; Transfers</b>	<b>\$ 174,449,130</b>	<b>\$ 46,300,829</b>	<b>\$ 69,916,078</b>	<b>\$ 23,615,249</b>	<b>51.0 %</b>
<b>Fund Balance Addition/(Reduction)</b>	<b>\$ 2,671,892</b>	<b>\$ (1,600,850)</b>	<b>\$ (7,742,026)</b>		

# FY 2023-24 Revised Budget

March 1, 2024

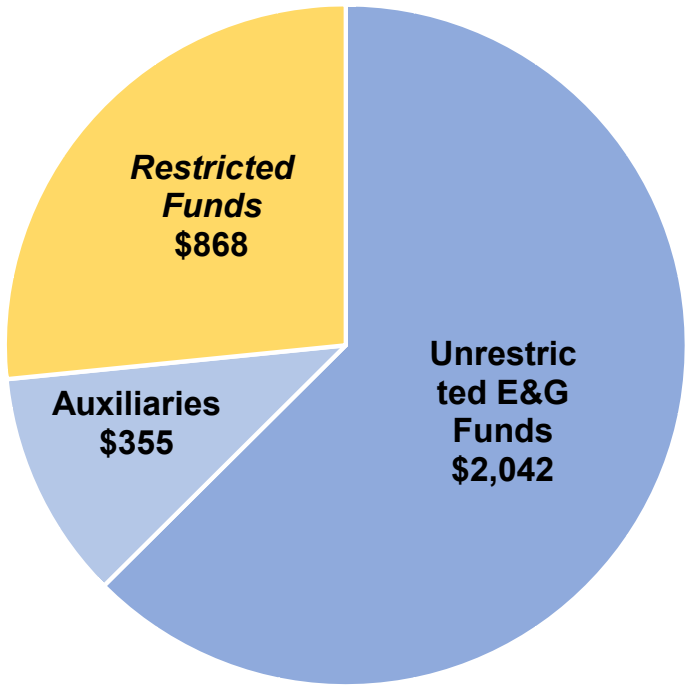


## Highlights

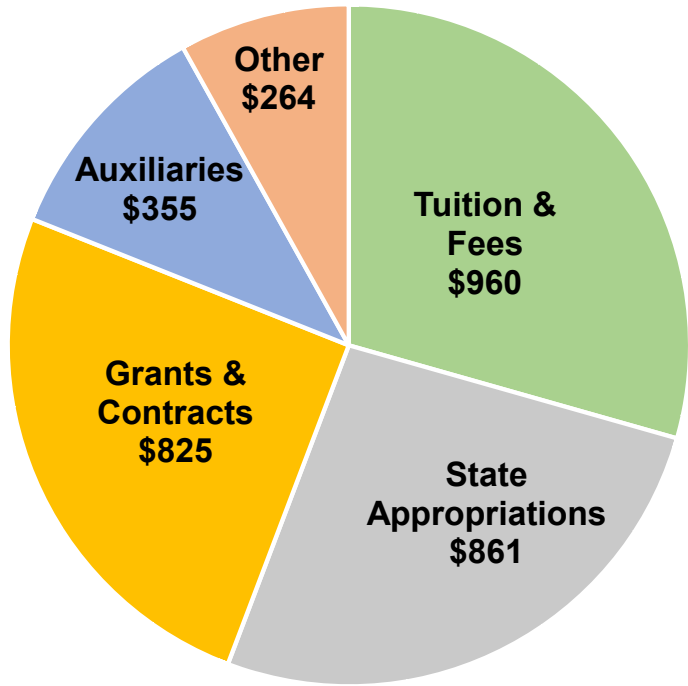
- **Additional state funding: \$14 million for staff benefits**
  - Health, Dental, Life, Disability, Retirement, 401k Match
  - Zero-sum increase to revenue & expense budgets
- **Projected interest growth set aside for SIS implementation**
- **Minor revisions and technical adjustments**

# 2023-24 Revised Operating Budget: \$3.3 billion

*\$-millions*



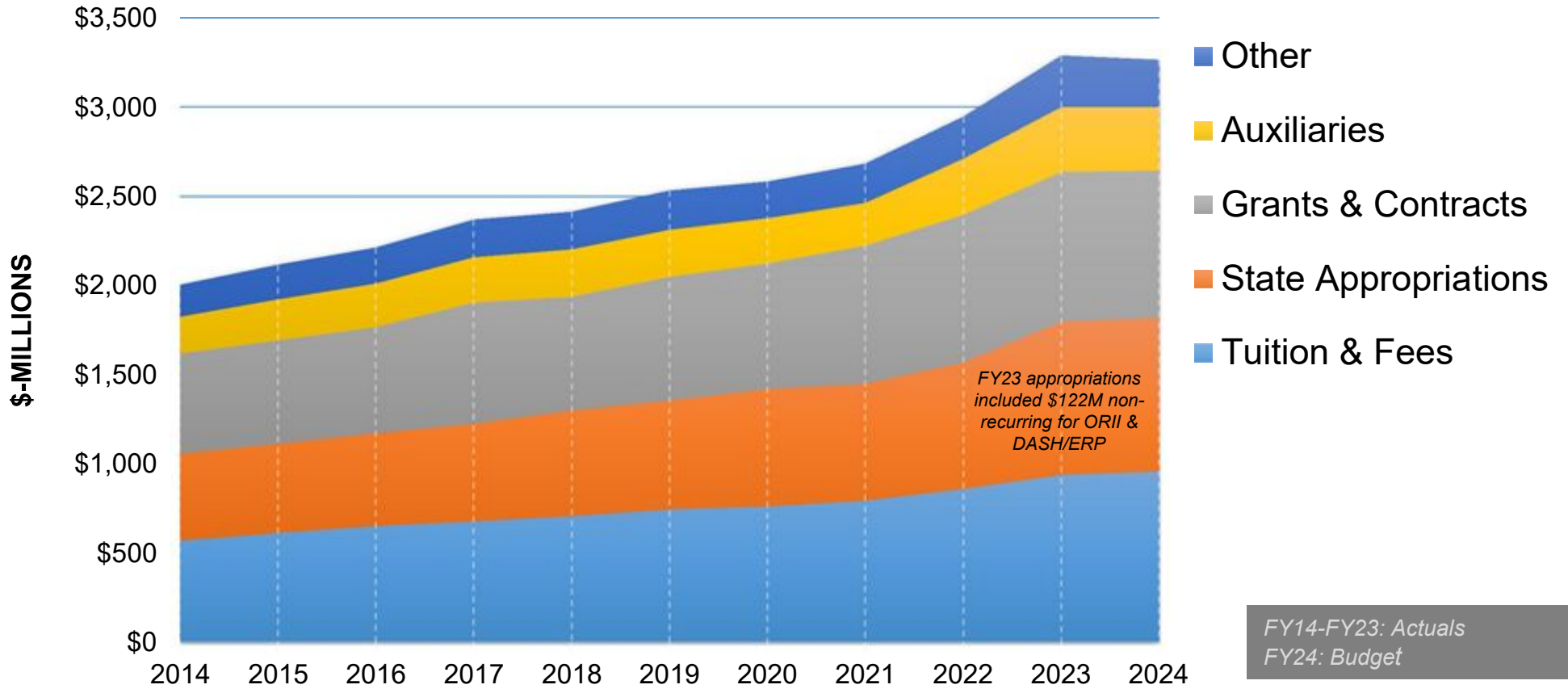
Type of Fund



Source of Revenue

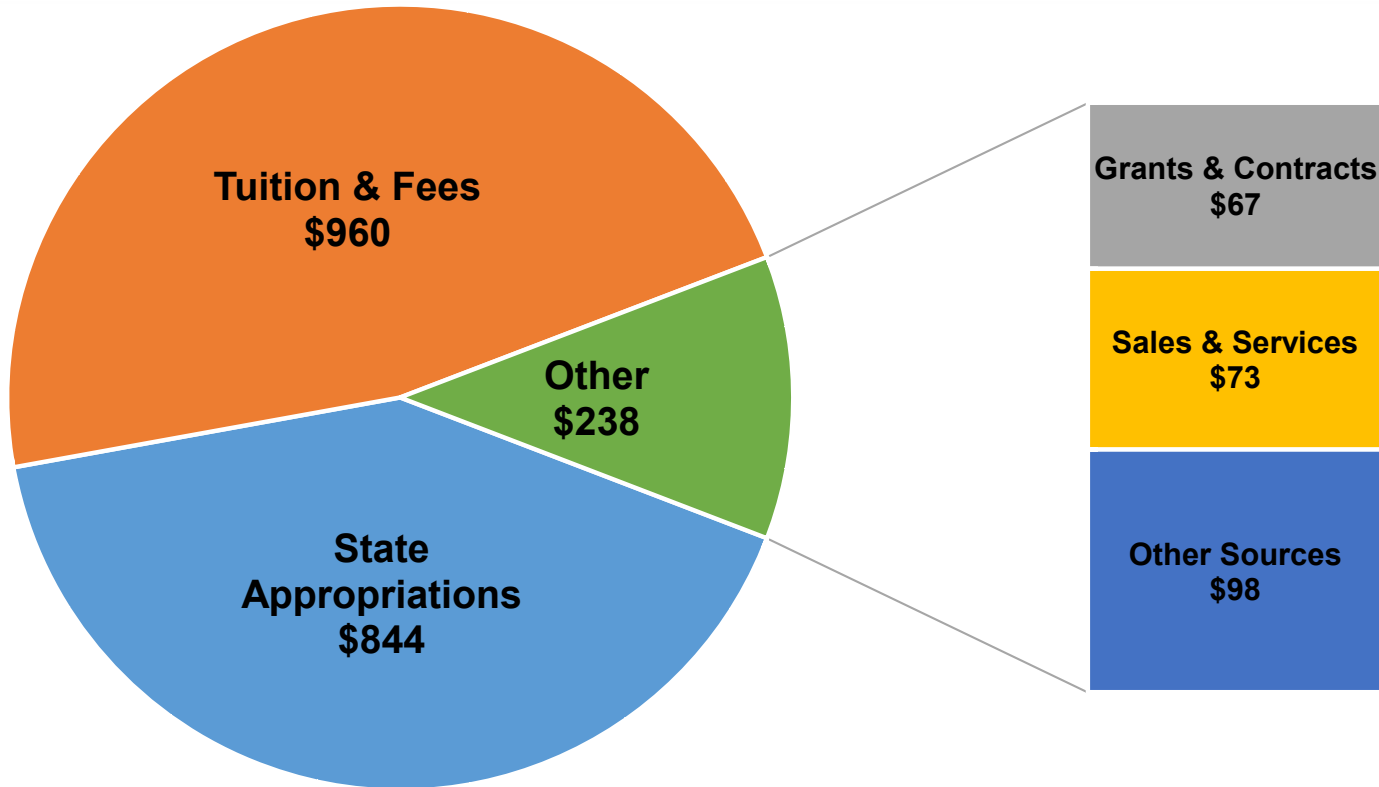
# Revenue Trends

## Current Operating Funds



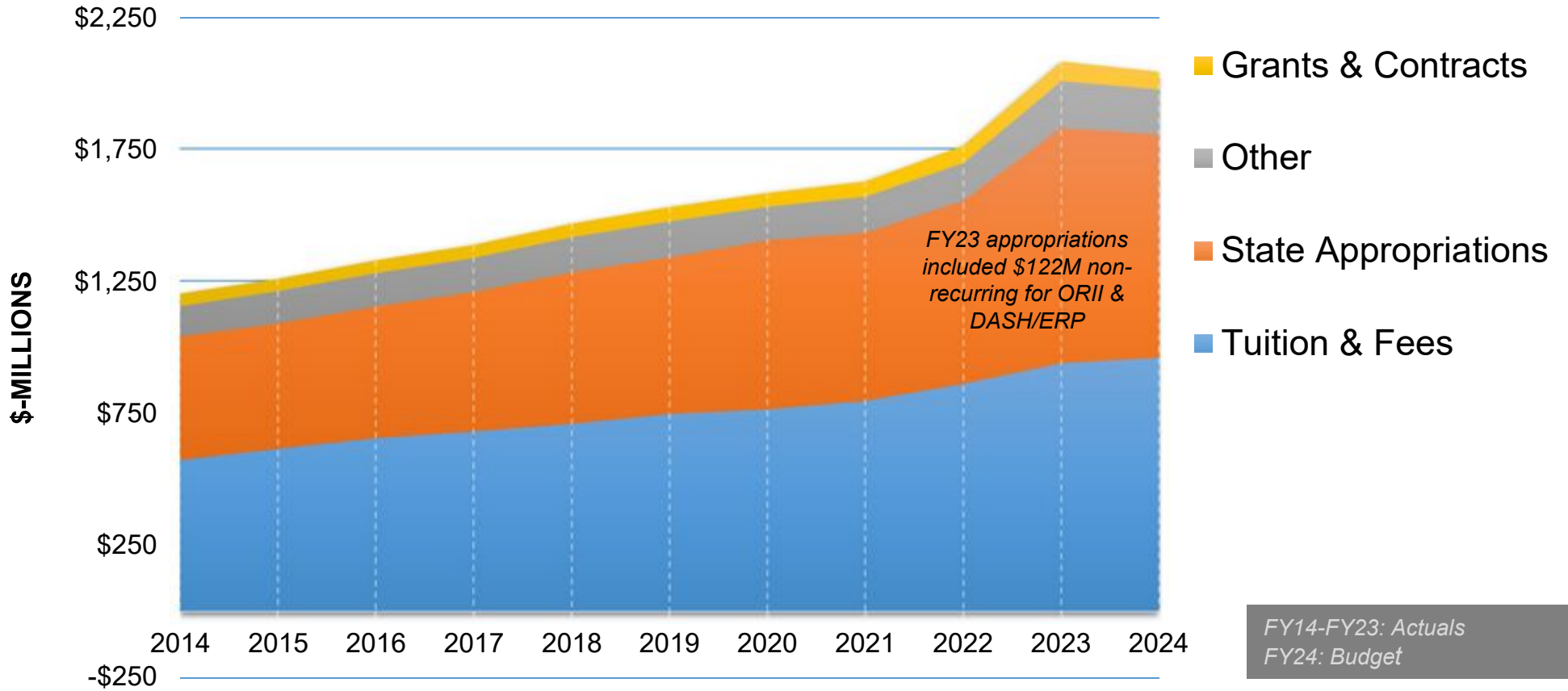
# 2023-24 Unrestricted E&G Revenue Budget: \$2.0 billion

*\$-millions*



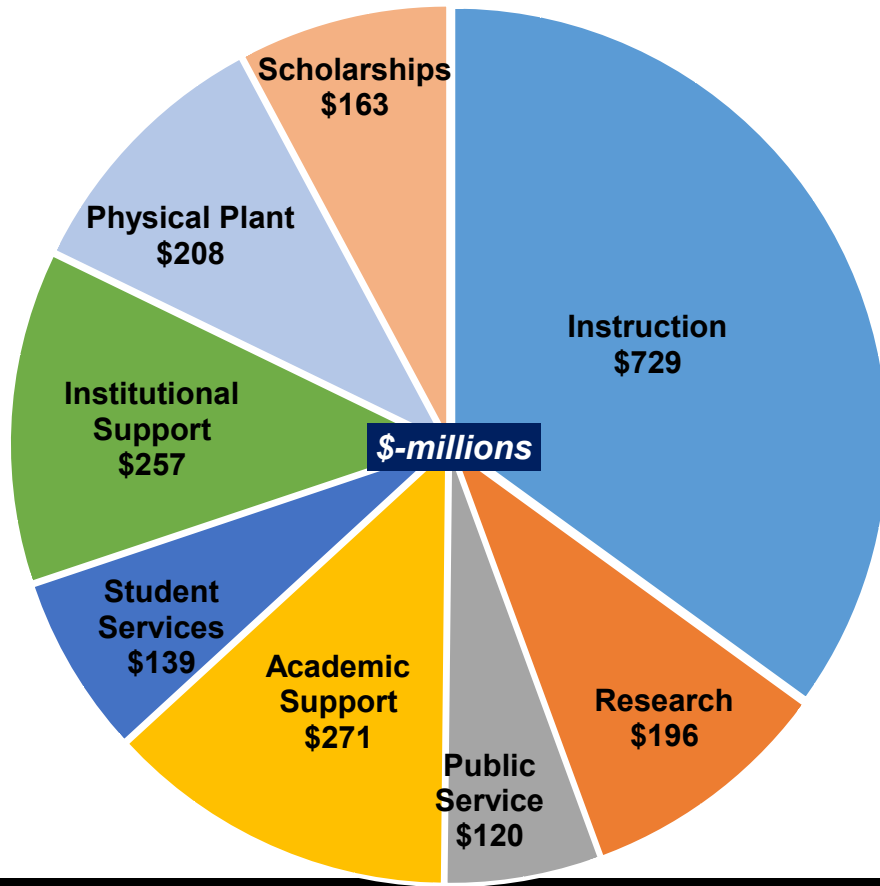
# Revenue Trends

## Unrestricted E&G Funds



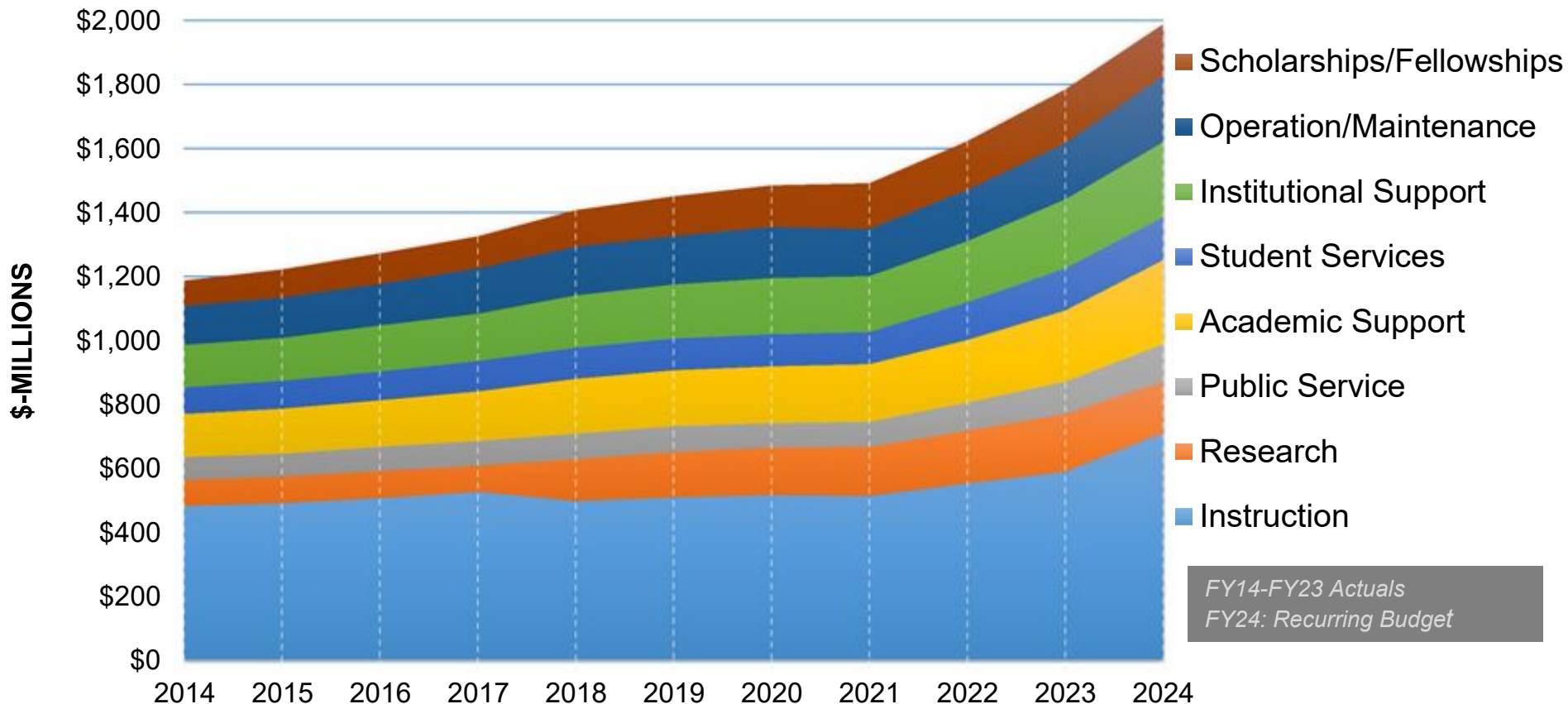


# 2023-24 Unrestricted E&G Expenditure Budget: \$2.0 billion

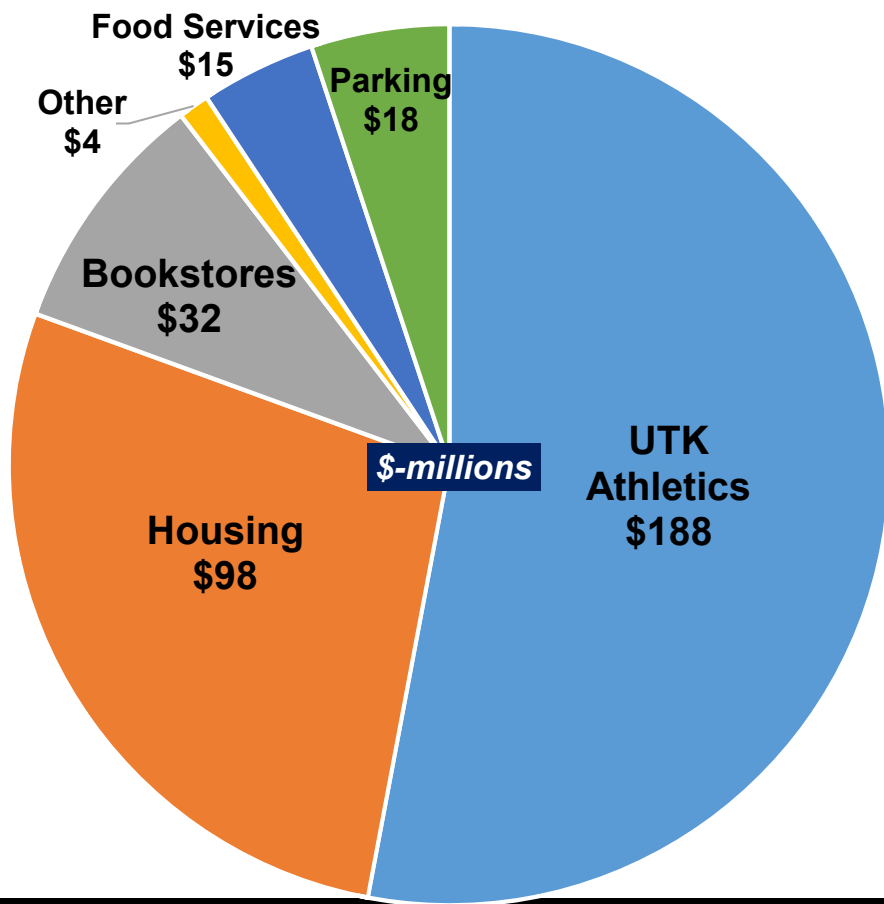


CHANGE in Recurring Expenses from July 1	\$-millions	%
Instruction	\$ 11.6	1.7%
Research	3.6	2.3%
Public Service	7.0	6.3%
Academic Support	(13.5)	(4.9%)
Student Services	1.7	1.3%
Institutional Support	3.8	1.7%
Operations/Maintenance	0.7	0.4%
Scholarships/Fellowships	0.3	0.2%
<b>TOTAL</b>	<b>\$ 15.2</b>	<b>0.8%</b>

## Expenditure Trends Unrestricted E&G Funds



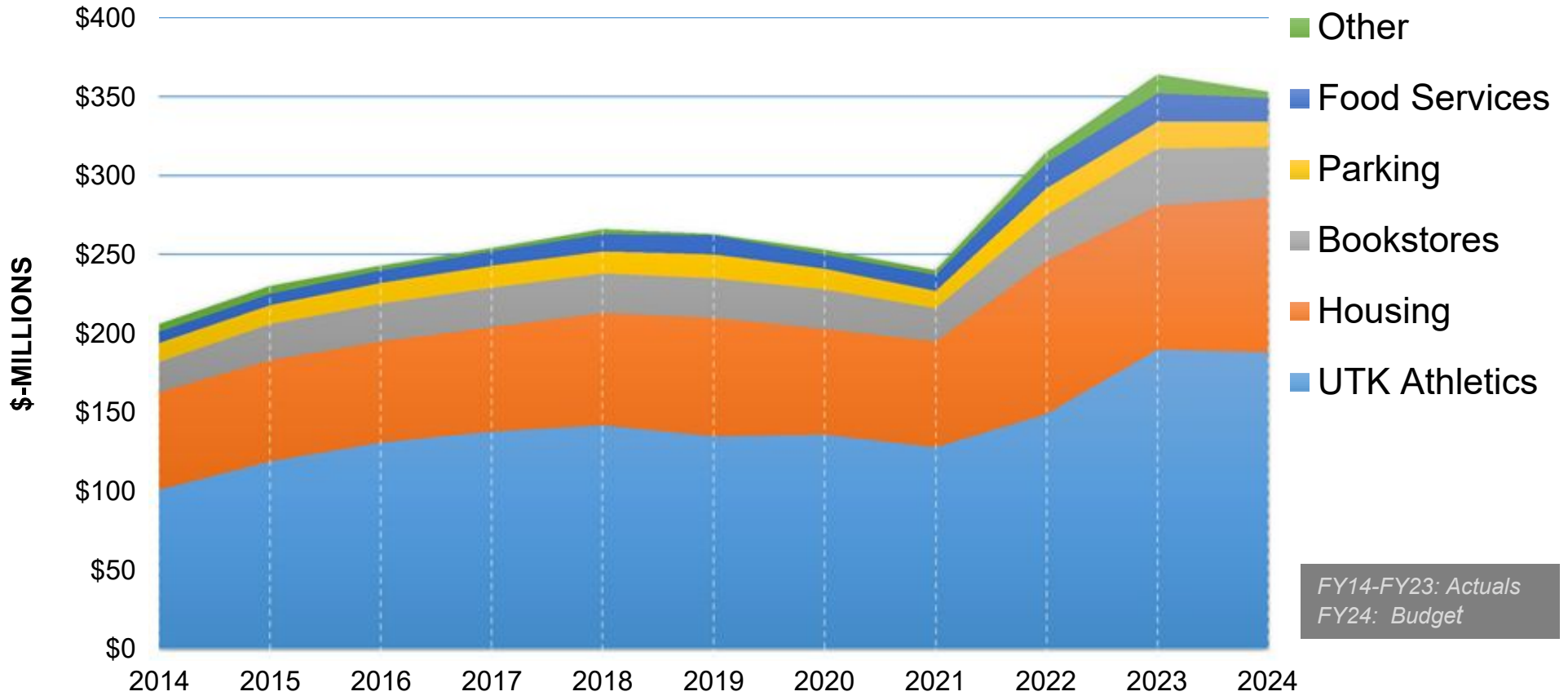
## 2023-24 Auxiliary Revenue: \$355 million



CHANGE from July 1	\$-millions	%
UTK Athletics	\$ 3.5	1.9%
Housing	1.8	1.8%
Bookstores	-	-
Parking	(0.04)	(0.2%)
Food Services	(0.2)	(1.1%)
Other	1.7	49.1%
<b>TOTAL</b>	<b>\$ 5.1</b>	<b>1.5%</b>

# Revenue Trends

## Auxiliaries





# THE UNIVERSITY OF TENNESSEE

## BOARD OF TRUSTEES

3.1

### UT Major Capital Projects Budget Review – February 2024

The following report on UT capital projects is comprised of systemwide projects that are either in design or construction, with a budget of \$20,000,000 or greater.

#### UT Chattanooga Major Projects

##### UTC Health Science Building

Original Estimate: \$60.8m

Current Budget: \$80.1m

Delta: \$19.3m, 32%

Board Actions: January 2024, October 2021, June 2021

- \$8.5m cost escalation/inflation beyond what the project budget originally estimated
- \$4m of design enhancements to the exterior of the building
- \$6.8m additional infrastructure and systems needs identified during the design process. This includes items such as:
  - \$2.4m estimated for additional site work and deep foundations
  - \$1.8m estimated for structural systems that were more complex than budgeted in the program
  - \$1.5m estimated for mechanical systems that were more complex than budgeted in the program

##### UTC 540 McCallie Renovation

Original Estimate: \$40m

Current Budget: \$40m

Delta: no change

Board Actions: October 2021, June 2021

- Project is in design development, with bidding underway for early release packages, and is on budget.

##### UTC University Center Renovations

Original Estimate: \$33m

Current Budget: \$38m

Delta: \$5m, 15%

Board Actions: September 2023, June 2019

- \$4.6m of cost escalation/inflation beyond what the project budget originally estimated
- \$400k of additional furniture needs

**UTC Football Athletic Training Facility**

Original Estimate: \$18.5m

Current Budget: \$35.4m

Delta: \$16.9m, 91%

Board Actions: October 2015, October 2013

- The original project, dating to 2013, was to construct a new building across the street from McKenzie Arena to meet the athletic training needs of athletic programs.
- In 2021 the decision was made to perform a 37,000sf addition and 26,000sf renovation to the existing McKenzie arena instead of constructing a new building across the street.
- This new approach to the project addresses deferred maintenance needs within McKenzie, enhances the exterior of the building, and meets athletic needs in a more long-range efficient manner.
- Project bid occurred during the height of market escalation increases due to Covid-19.

**UTC New Student Housing**

Original Estimate: \$98m

Current Budget: \$114.2m

Delta: \$16.2m, 17%

Board Action: **Proposed Update** March 2024, February 2022

- Completion of a program and financial plan for the project, and the costs of inflation, have resulted in this budget increase.

**UT Health Science Center Major Capital Projects****UTHSC Nash Vivarium Basement Renovation**

Original Estimate: \$22.7m

Current Budget: \$22.7m

Delta: no change

Board Actions: October 2021, June 2021

- Project is in schematic design and is on budget.

**UTHSC Cancer Research & Holiday Inn Demolition**

Original Estimate: \$19.4m

Current Budget: \$19.4m

Delta: no change

Board Actions: October 2021, June 2021

- This project includes the demolition of the old Holiday Inn property (original estimate \$12.3m construction cost) and a buildout of the 4<sup>th</sup> floor shell space of the Cancer Research Building (original estimate \$3.1m construction cost).
- The Holiday Inn demolition portion of the project is in design with abatement work planned to begin in June 2024. This portion of the project is currently \$3.6m over budget. Once bidding takes place the remaining funds available for buildout work in the Cancer Research Building will be determined.

## UT Knoxville Major Capital Projects

### UTK Neyland Stadium South Renovation

Original Estimate: \$106m

Current Budget: \$337m

Delta: \$231m, 218%

Board Actions: June 2023, June 2022, November 2017, October 2016

- This project, dating to 2016, was established as the first phase of \$340m of renovation to Neyland Stadium.
- Over the course of several successive athletics administrations, the project has grown to include additional fan amenities, infrastructure updates such as stadium wide Wi-Fi, and premium spaces.

### UTK College of Business

Original Estimate: \$100m

Current Budget: \$227m

Delta: \$127m, 127%

Board Actions: October 2022, October 2021, June 2021

- This project was initially submitted to THEC under a one-time opportunity to request a project where initial programming and estimating had not yet taken place.
- Upon subsequent completion of the project planning and budgeting phase, a budget of \$227m was set.
- The project is currently completing schematic design and with an actively managed budget remains on track.

### UTK Nursing

Original Estimate: \$62.7m

Current Budget: \$108.2m

Delta: \$43.2m, 72%

Board Actions: June 2020

- This project was initially approved in 2021-SBC as a renovation and addition to the College of Nursing building.
- During the design process it was determined that due to existing conditions in the building it would be more expensive to renovate the building than originally planned, and that in order to meet the needs of the program it was best to demolish the existing building and build a new facility on the same site.
- Due to the rapid growth of the Nursing program, the building was enlarged by an additional 14,000sf, adding approximately \$10m in costs.
- \$7m cost escalation/inflation beyond what the project budget originally estimated.
- \$10.5m additional infrastructure and systems needs identified during the design process. This includes items such deeper than expected foundation systems and more complex structural, mechanical, and electrical building systems.
- \$4m was added to the project to enhance the Simulation Capture systems needed to support a cutting-edge education in nursing.

**UTK Melrose Hall Replacement**

Original Estimate: \$60m

Current Budget: \$108m

Delta: \$48m, 80%

Board Actions: February 2022, June 2021

- This project was originally disclosed in 2021 as a campus funded project in the annual budget process before programming and estimating was completed.
- Planning efforts were completed before the project was brought forward to the State Building Commission in 2023 as the current \$108m project.

**UTK-UTIA Energy & Environmental Science Research Building**

Original Estimate: \$72.8m

Current Budget: \$102.3m

Delta: \$29.5m, 41%

Board Actions: June 2018, November 2017, October 2011

- Increase to \$84m was based upon programmatic updates discovered since project approval in 2013 and to add funding for the surge building needed while the new building is being constructed.
- Increase to \$95m due escalation factors and programmatic changes in teaching environments in 2019.
- Increase to \$101m based upon CMGC estimate for increases in steel costs along with mechanical labor and material increases in 2020.
- Increase to \$102.3m increase for added dining component scope in 2023.

**UTK Lindsey Nelson Stadium**

Original Estimate: \$56.8m

Current Budget: \$95.8m

Delta: \$39m, 69%

Board Actions: June 2023, February 2022

- Initial SBC approval of \$68.9m, which increased the original budget, was based upon completing the project program.
- Increase to \$95.8m for increased amenities in seating and concessions and relocation of unforeseen site utilities.

**UTK Haslam Field Expansion**

Original Estimate: \$5m

Current Budget: \$45m

Delta: \$40m, 800%

Board Actions: June 2016

- The original project, dating to 2016, was to renovate the existing outdoor football practice field.
- Over the course of several successive athletics administrations, the project has grown to include an addition to the building and renovation of the existing building with a focus on athlete support spaces.
- This new approach to the project addresses the needs of student athletes and helps keep our programs competitive in the SEC.



**UTK Carousel Theater**

Original Estimate: \$15m

Current Budget: \$25.1m

Delta: \$10.1m, 67%

Board Actions: June 2019, March 2019

- Increased to \$19m for market conditions and to cover theatrical equipment and lighting that was not included in the original budget.
- Increased to \$25.1m for continued market escalation.

**UTM Major Capital Projects**

**UTM TEST Hub**

Original Estimate: \$19.2m

Current Budget: \$19.2m

Delta: no change

Board Actions: October 2021, June 2021

- Project is starting the design development stage and is on budget.



# THE UNIVERSITY OF TENNESSEE BOARD OF TRUSTEES

3.2

## AGENDA ITEM SUMMARY

Meeting Date:	March 1, 2024
Committee:	Finance and Administration
Item:	<b><u>New Student Housing (UTC)</u></b>
Type:	Action
Presenter(s):	David L. Miller, Senior Vice President and Chief Financial Officer Austin Oakes, Assistant Vice President, Capital Projects

### **Background Information**

In the February 2022 meeting, the Board of Trustees approved the disclosure of the University of Tennessee at Chattanooga (UTC) Residence Hall project (the "Project") as part of a schedule of revenue/institutionally funded capital projects for the amended FY 2022-23 capital budget. The approved budget for the Project was in the amount of \$98,000,000, to be financed with \$95 million in Tennessee State School Bond Authority (TSSBA) bonds and \$3 million in Auxiliary funds.

Since the initial disclosure, program planning for the Project has been completed. The Chancellor of the University of Tennessee at Chattanooga is requesting an increase in the Project budget to account for the program planning, along with cost escalation impacts. The University Administration is requesting the Board's approval to increase the budget by \$16,200,000, resulting in an aggregate Project cost of \$114,200,000.

The University Administration is also seeking to adjust the financing plan for the Project as follows:

- increase TSSBA bond funds by \$14,200,000 to an aggregate amount of \$109,200,000; and
- increase Plant Funds (Auxiliary-Housing) by \$2,000,000 to an aggregate amount of \$5,000,000.

### **Committee Action**

The Committee Chair will call for a motion to recommend adoption of the following resolution by the Board of Trustees.

**Resolved:**

**The Board of Trustees hereby approves increasing the project budget to \$114,200,000 to account for scope and cost escalation impacts and to adjust the financing plan for the capital project as set forth in the meeting materials, subject to the University receiving all required state government approvals.**

**Further, the proper officers of the University are hereby authorized to take any and all such action as may be required or which they may deem necessary and appropriate to accomplish the foregoing.**

## The University of Tennessee at Chattanooga Housing Financial Pro Forma On-Campus Beds

Academic School Year	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
<b>Total On-Campus Beds</b>	1899	1945	1934	1934	1934	2718	2718	2718	2718
<b>Academic Year Occupancy</b>	95%	98%	97%	97%	97%	96%	96%	96%	96%
<b>Total Revenues</b>	<b>12,355,128</b>	<b>13,246,027</b>	<b>13,824,294</b>	<b>14,377,266</b>	<b>14,952,357</b>	<b>23,893,605</b>	<b>24,849,349</b>	<b>25,843,323</b>	<b>26,877,056</b>
<b>Total Expenses</b>	<b>6,934,423</b>	<b>7,129,636</b>	<b>7,366,136</b>	<b>7,587,120</b>	<b>7,814,734</b>	<b>9,651,676</b>	<b>9,941,226</b>	<b>10,239,463</b>	<b>10,546,647</b>
<i>OpEx/GSF</i>	\$8.15	\$8.38	\$8.66	\$8.92	\$7.12	\$8.79	\$9.05	\$9.32	\$9.60
<i>OpEx/Bed</i>	\$3,652	\$3,666	\$3,809	\$3,923	\$4,041	\$3,551	\$3,658	\$3,767	\$3,880
<b>Net Operating Income</b>	<b>5,420,705</b>	<b>6,116,391</b>	<b>6,458,158</b>	<b>6,790,146</b>	<b>7,137,623</b>	<b>14,241,929</b>	<b>14,908,123</b>	<b>15,603,860</b>	<b>16,330,409</b>
Existing Debt	4,020,844	4,019,265	4,020,845	4,020,945	3,512,487	3,511,696	3,514,960	3,526,669	3,523,706
New Debt						8,856,790	8,856,790	8,856,790	8,856,790
<b>Total Debt</b>	<b>4,020,844</b>	<b>4,019,265</b>	<b>4,020,845</b>	<b>4,020,945</b>	<b>3,512,487</b>	<b>12,368,486</b>	<b>12,371,750</b>	<b>12,383,459</b>	<b>12,380,496</b>
<b>DCR</b>	<b>1.35</b>	<b>1.52</b>	<b>1.61</b>	<b>1.69</b>	<b>2.03</b>	<b>1.15</b>	<b>1.21</b>	<b>1.26</b>	<b>1.32</b>
<b>Total Surplus Cash Flow</b>	<b>1,399,861</b>	<b>2,097,126</b>	<b>2,437,313</b>	<b>2,769,201</b>	<b>3,625,136</b>	<b>1,873,443</b>	<b>2,536,373</b>	<b>3,220,401</b>	<b>3,949,913</b>
<b>Cumulative Surplus Cash Flow</b>	<b>1,399,861</b>	<b>3,496,987</b>	<b>5,934,300</b>	<b>8,703,501</b>	<b>12,328,637</b>	<b>14,202,081</b>	<b>16,738,454</b>	<b>19,958,855</b>	<b>23,908,768</b>

**Notes:**

*This pro forma does not account for revenue or expenses produced from UC Foundation owned housing. UTC does not receive revenues from UC Foundation owned housing.*

*New "estimated debt service" amount consists of a conservative approach; issuing 30 year bonded debt at an estimated 7.60% rate. The actual annual amount could possibly be less than what is shown on this schedule.*

*2022-23 Revenue & Expense based on actuals*

*2023-24 Revenue based on Fall actuals at 99% occupancy and Spring revenue projected at 97% occupancy. Expense projection based on expected expenses for the remainder of the FY.*

*2024-25 Revenue is based on 97% occupancy for on-campus and a 4% rate increase. Expenses include a 3% operating expense increase.*

*2025-26 Revenue is based on 97% occupancy for on-campus and a 4% rate increase. Expenses include a 3% operating expense increase.*

*2026-27 Revenue is based on 97% occupancy for on-campus and a 4% rate increase. Expenses include a 3% operating expense increase. Debt decreases by \$500K from JO debt retiring.*

*2027-28 Revenue is based on 95% occupancy for on-campus and a 4% rate increase to existing rates and adding new residence hall revenue. Expenses include a 3% operating expense increase and the operating cost for new residence hall.*

*2029-31 Revenue is increase by 4% and expenses increase by 3%*



# UTC New Student Housing Project



# Residence Hall Location



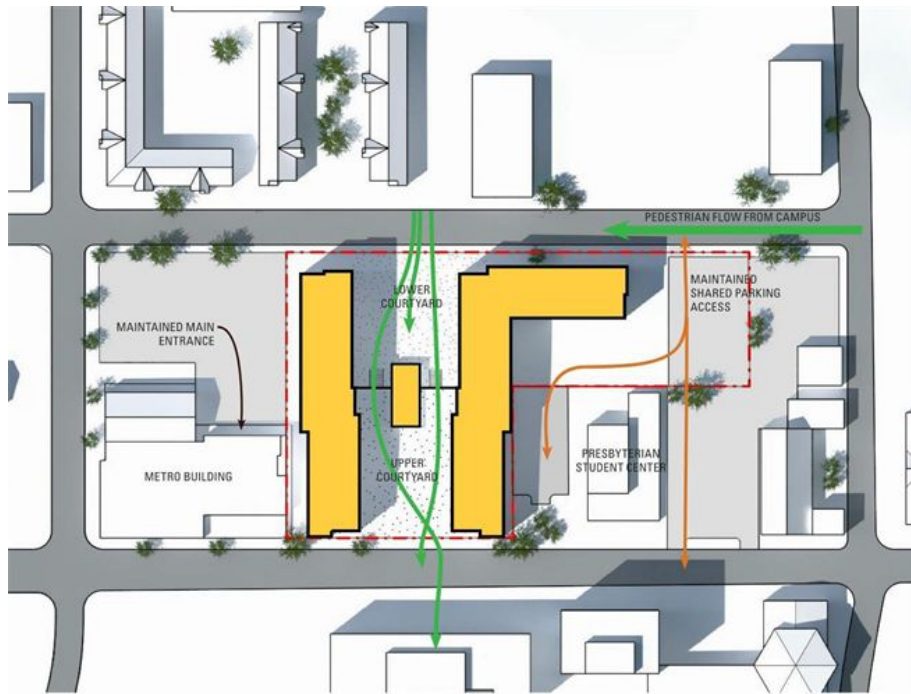
New Student Housing

## UTC – New Student Housing

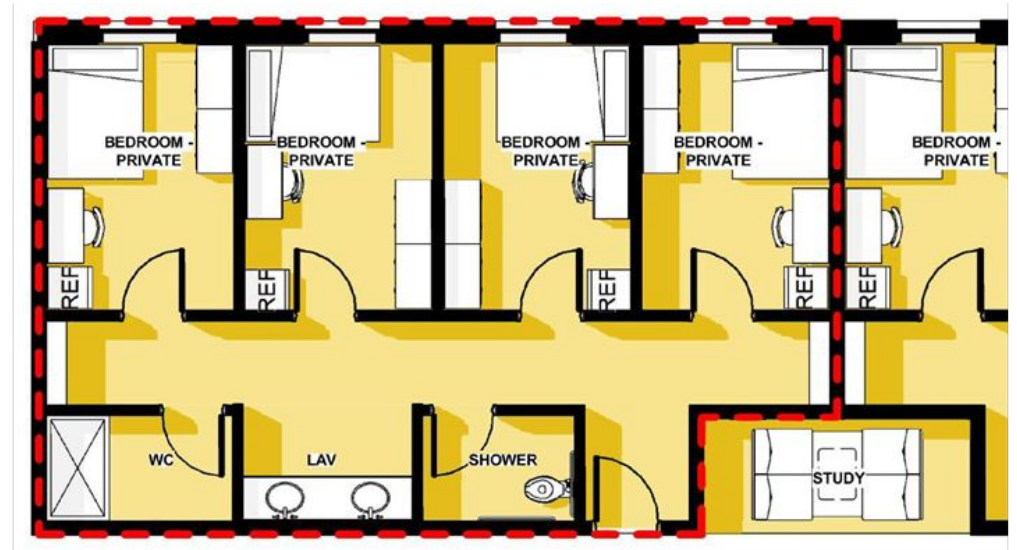


- 784 Beds
- 7 Story Building
- 245,981 GSF
- Opening: Fall 2027

# UTC – New Student Housing



Site Plan



Typical Suite Configuration



# Financial Overview

<b><u>Student Housing Project Cost</u></b>	<b><u>\$114,200,000</u></b>
<b>Total Beds</b>	784
<b>Cost per Bed</b>	\$152,700
<b>Financing</b>	Tax-Exempt Bonds
<b>TSSBA Planning Interest Rate / Term</b>	7.6% / 30 yrs.
<b>Minimum Debt Coverage Ratio</b>	1.0x + State Appropriations Intercept
<b>Projected Initial Cost to Students (2027)</b>	\$5,700/semester



# THE UNIVERSITY OF TENNESSEE BOARD OF TRUSTEES

3.3

## AGENDA ITEM SUMMARY

Meeting Date:	March 1, 2024
Committee:	Finance and Administration
Item:	<b><u>Student Housing P3 Project, Lake Loudoun Site (UTK)</u></b>
Type:	Action
Presenter(s):	David L. Miller, Senior Vice President and Chief Financial Officer Austin Oakes, Assistant Vice President, Capital Projects

### **Background Information**

In 2016, UT Knoxville began executing a strategic enrollment plan that immediately resulted in increased student demand. Between 2017 and 2020, the average annual increase in student demand was 4.6%, which increased to over 11% per year after 2020. As student demand increased, yield rates also increased. Concurrently, investments in student success have improved retention rates. Each of these factors has increased the demand for student housing.

Since 2017, UTK has opened 5 new on-campus residence halls, growing student housing capacity by 1,000 undergraduate beds, and providing an on-campus total of 8,300 beds by 2022. Due to UTK's improvement in the quality of on-campus facilities and the rising costs, as well as higher occupancy rates, in the off-campus market, the demand for on-campus housing has continued to increase significantly.

In response to the demand for student housing, UT engaged a leading national consultant, Brailsford and Dunlavey (B&D), to assist with the development of a Request for Proposal (RFP) to pursue a public-private partnership (P3) for the development of student housing. Following a two-phase RFP process and evaluation of the proposals, the University selected RISE Development, LLC, as the best evaluated proposer. The State Building Commission (SBC) approved this selection in May 2023.

After selecting RISE Development, LLC, a pre-development agreement was negotiated and approved by the SBC in June 2023. Subsequently, the project team has developed the designs and detailed cost estimates, refined operational plans, and negotiated the terms of the legal agreements necessary to support this partnership.



## THE UNIVERSITY OF TENNESSEE BOARD OF TRUSTEES

---

3.3

The first phase of the project was approved at the October 2023 Board meeting, and by the State Building Commission at its December 2023 meeting. The first phase encompasses 2 undergraduate residence hall complexes, one at the intersection of Andy Holt Avenue and 20<sup>th</sup> street and the other between Caledonia and Terrace Avenues, anticipated to include approximately 1950 beds. Both sites are scheduled to be delivered for the start of the Fall 2025 school year.

### Summary of Phase 2 of the Public-Private Partnership (P3) Project

The second phase of the project contemplates a residence hall with approximately 1,020 undergraduate beds at the southeast side of the intersection of Lake Loudoun and Volunteer Boulevards (the "Project"), which is projected to be completed by the fall semester of 2026. This Project will also include a grab and go convenience store for students, which will be funded by the University's contribution of \$1,500,000 to construct the space. This site is designated in the approved 2023 campus master plan for near term housing development.

Similar to the first phase, all the Project costs are to be financed with the proceeds of long-term debt issued for the benefit of Provident Group - UTK Properties, LLC. The University shall not be obligated or liable, either directly or indirectly, for any financial or other obligation of Provident under the bond documents for the Project, including without limitation, the payment of any portion of the principal of, interest on, or redemption premium, if any, of the bonds. The University will not guarantee or otherwise be obligated to financially support Provident's repayment obligations in connection with the Project.

Under the management agreement, the University will operate the housing as part of the overall student housing program. Students will be able to select this facility as a housing choice and will receive the same services and residential life programs as they would in university-owned housing.

More information regarding the Project, including the primary business and legal terms, is set forth in Appendix 1 attached hereto. These terms are anticipated to be substantially the same as those approved previously by the Board for Phase 1, reflected in amendments to the existing documents.

The administration recommends approval of Phase 2 of the Project, consistent with the terms and conditions presented to the Board. Upon such approval, the Senior Vice President and Chief Financial Officer, with the assistance of the Office of General Counsel, will proceed with finalizing the definitive agreements, which will then be submitted to the appropriate state agencies for final approval before being executed by the appropriate University officer(s) and the appropriate state authorities.



# THE UNIVERSITY OF TENNESSEE BOARD OF TRUSTEES

3.3

## Committee Action

The Committee Chair will call for a motion to recommend adoption of the following resolution by the Board of Trustees.

### **Resolved:**

**Subject to receipt of any other required governmental approvals, the Board of Trustees hereby approves:**

- 1) **The second phase of the public-private partnership for the construction of a multi-phase, on-campus student housing development for the University of Tennessee, Knoxville, consisting of approximately 1,020 undergraduate housing student beds (the "Project");**
- 2) **An amendment to the Ground Lease dated January 25, 2024 (the "Amended Ground Lease"), by and between the University and a subsidiary of Provident Resources Group Inc., a Louisiana non-profit organization ("Lessee");**
- 3) **An amendment of the Management Agreement dated January 25, 2024, (the "Amended Management Agreement"), by and between the University and the Lessee, for certain operating and management services for the Project; and**
- 4) **Acquisition and disposal easements, rights-of-way, road closures, and other related actions as may be necessary to facilitate the completion of the Project.**

**Such Project, the Amended Ground Lease, the Amended Management Contract, and ancillary documents shall be substantially consistent with the terms and conditions as presented in the meeting materials, with a copy of Appendix 1 to be attached to this resolution.**

**The Senior Vice President and Chief Financial Officer is authorized to finalize the contemplated amendments, along with any ancillary documents, subject to review by the Office of General Counsel, and to submit such documents to the state agencies for approval as required.**

**Further, the proper officers are hereby authorized to take any and all such actions as may be required or which they may deem necessary or appropriate in order to accomplish the foregoing.**

University of Tennessee, Knoxville

Public-Private Partnership (P3) Project – Student Housing Phase 2

I. Phase 2 - Project Overview	
<p>1. Project</p>	<p>The University has partnered with a non-profit to provide financing and a developer to oversee construction of the first phase of a multi-phase, on-campus student housing development consisting of 1,954 beds, infrastructure, and related improvements (the “Phase 1 Project”). The Phase 1 Project closed on January 25, 2024, and is currently under construction.</p> <p>The University will partner with the same non-profit and developer for a second phase of on-campus student housing development (the “Phase 2 Project”). The Phase 2 Project will consist of approximately 1,020 undergraduate housing student beds. The Phase 2 Project will be completed by the fall semester of 2026.</p> <p>The University will execute an amendment (“Lease Amendment”) to the Ground Lease entered into January 25, 2024 (“Ground Lease”) with a subsidiary of Provident Resources Group, a Louisiana non-profit that focuses on student housing (“Lessee” or “Provident Group – UTK Properties, LLC”) to incorporate the Phase 2 Project housing site into the Ground Lease.</p> <p>The University will execute an amendment (“Management Amendment”) the Facilities and Management Services Agreement dated January 25, 2024 (“Management Agreement”) with Provident Group - UTK Properties, LLC, to incorporate the Phase 2 Project within the scope of certain operating and management services provided by the University. The University will be reimbursed for its services.</p> <p>The Provident Group - UTK Properties, LLC will contract with RISE Volunteers, LLC, wholly-owned by RISE Development, LLC, which specializes in the development of higher education facilities (the “Developer”), to construct the Phase 2 Project. RISE Development, LLC is the same Developer constructing Phase 1, and was selected by the University through a competitive bid process.</p> <p>Provident Group - UTK Properties, LLC will cause bonds to be issued to pay for the new housing and will bear the financial risk. The bonds will be insured by Build America Mutual provided that they achieve an investment grade rating. The initial series of bonds had a successful placement with an investment grade of BBB-.</p> <p>The University will maintain control over student-facing functions, including residence life, marketing, assignments, billing, and collections under the Management Amendment.</p>

University of Tennessee, Knoxville

Public-Private Partnership (P3) Project – Student Housing Phase 2

II. Ground Lease	
1. Lease Amendment	<p>After receiving all required approvals, the Lease Amendment will be entered into between the University and Provident Group - UTK Properties, LLC.</p> <p>The Lease Amendment will incorporate the Phase 2 Project into the terms and conditions of the Ground Lease and thereby obligate Provident Group - UTK Properties, LLC to finance the development of the Phase 2 Project, own the Phase 2 Project, and provide for the design, construction, and management of the Phase 2 Project.</p>
2. Financing	<p>All Project costs are to be financed with the proceeds of long-term debt issued for the benefit of Provident - UTK Properties, LLC.</p> <p>The University shall not be obligated or liable, either directly or indirectly, for any financial or other obligation of Provident Group - UTK Properties, LLC under the bond documents for the Project, including without limitation, the payment of any portion of the principal of, or interest on, the bonds.</p> <p>The University will not guarantee or otherwise be obligated to financially support Provident Group - UTK Properties, LLC’s repayment obligations on the bonds.</p>
3. Ground Lease Rent to the University	<p>The Ground Lease provides that the University is entitled to be paid rent annually in an amount equal to the surplus cash flow from the Project, which will equal the amount of Project revenue remaining after the payment of all expenses, debt service, and reserves related to the Project.</p>
4. Project Savings	<p>Project savings are to be split equally between RISE Volunteers, LLC and Provident - UTK Properties, LLC. Provident will be obligated to spend their portion of the savings, in coordination with the University, to benefit the Project.</p> <p>The Lease Amendment will provide for the use of project savings from the Phase 1 Project to fund improvements related to the Phase 2 Project as determined collaboratively between the University, Provident, and the Developer.</p>
5. Ground Lease Term	<p>The Lease Amendment will lease the Phase 2 Project housing site to Provident Group – UTK Properties, LLC to build and own the Phase 2 Project for a term of 40 years, unless sooner terminated in accordance with the Ground Lease or Lease Amendment. In no event will the term extend beyond the date on which the bonds have been fully repaid, not to exceed 50 years total from the execution of the Lease Amendment.</p> <p>The Lease Amendment will clarify that the term of Provident’s interest in the Ground Lease for the Phase 1 Project will not be extended based on the commencement of Provident’s leasehold interest in the Phase 2 Project.</p>

## University of Tennessee, Knoxville

## Public-Private Partnership (P3) Project – Student Housing Phase 2

6. Ownership of Improvements	<p>Provident Group - UTK Properties, LLC will own the improvements comprising the Project for the duration of the ground lease.</p> <p>At the expiration or earlier termination of the ground lease, the leased property and improvements will revert to the University.</p>
7. Anticipated Related Project Agreements	<p>Provident Group - UTK Properties, LLC will enter into a second development agreement with the Developer regarding the design and construction of the Phase 2 Project.</p> <p>In addition, Provident Group - UTK Properties, LLC will amend the two separate agreements regarding the operation of the Project:</p> <p>(a) the Management Agreement, with the Management Amendment; and</p> <p>(b) the Facilities Operations and Maintenance Agreement with RISE Management LLC, wholly-owned by Developer, to provide facility operations and management services in both the Phase 1 and Phase 2 Projects.</p>
8. Option to Purchase	<p>The Ground Lease provides, and the Lease Amendment will provide, that, after five (5) years, the University or an associated entity the option to purchase one or both Phases of the Project and thereby terminate the Ground Lease interest in one or both Phases of the Project. The purchase price for each phase will be equal to the amount necessary to pay off the long-term debt issued for the benefit of Provident Group - UTK Properties, LLC for that phase, plus the present value of the asset management fee for that phase due to Provident Resources for years remaining through year 10 of the Ground Lease.</p> <p>In order to purchase only a single phase of the Project, the University must provide an Annual Budget that shows the remaining phase continues to meet the minimum requirements of the financing documents.</p>
9. Rental Fees	<p>Student tenants of the Project will be charged rental fees, subject to the University's express approval. However, the rental fees for the Project rooms must not be less than the amount needed for Provident Group - UTK Properties, LLC to pay all operating expenses, reserves, and debt service on the bonds issued for the benefit of Provident Group - UTK Properties, LLC and to comply with the rate covenant included in the financing documents.</p>
10. Operating Expenses	<p>The Lease Amendment will clarify that the total expenses of the Project may include subordinated expenses, to be paid from project cash flows after the payment of debt service. Expenses may be subordinated within the Project's Annual Budget as necessary to achieve a 1.20x debt service coverage ratio.</p>
11. Parking	<p>The Developer has agreed to pay the University for approximately 200 parking spaces at the Lake Loudoun site that will be displaced by the Phase 2 Project.</p>

University of Tennessee, Knoxville

Public-Private Partnership (P3) Project – Student Housing Phase 2

<p>12. Preliminary Construction, Plans and Contracts</p>	<p>Pursuant to the terms of a pre-development agreement and subsequent amendment, both approved by the State Building Commission (“SBC”), between the University and the Developer, the Developer has provided conceptual design, schematic design, design development, and construction document plans for the Phase 2 Project.</p> <p>The University is working with Provident Group – UTK Properties, LLC and the Developer on the preparation, delivery, review, comment, revision and finalization of design and construction documents.</p> <p>The University and Developer are collaboratively working together to manage costs incurred between final State approval of the agreements and the financing closing date. The pre-development agreement, as amended, anticipates the University assuming approximately \$1 million of costs during this period to keep the Phase 2 Project on schedule, which would only be due if the Phase 2 Project closing does not occur.</p>
<p>13. University Review of Final Design and Construction Documents</p>	<p>The University will be entitled to approve the final plans and specifications for the construction of the Project and certain change orders thereto occurring during construction.</p> <p>The Developer must design, obtain permits and approvals, and cause the construction of the Project to the specifications, standards, and quality acceptable to the University and in accordance with all applicable state and local laws, rules, ordinances, and requirements.</p>
<p>14. Failure to Deliver Student Housing Facility on Schedule</p>	<p>If the Project is not delivered on time, temporary housing will be arranged for the contracted students by the Developer. Contracted students will still have an obligation to pay their rental obligations under their housing lease; however, if the delay to move-in is more than two (2) weeks, the University may release the student from the obligation under appropriate circumstances.</p> <p>Temporary housing arrangements will be subject to the reasonable approval of the University and must be in reasonable geographic proximity to the University campus, as reasonably determined by the University. Responsibility for making such arrangements and making upfront payments, regardless of ultimate responsibility to pay, is assigned to the Developer.</p>
<p>15. University Agreements</p>	<p>The University commits to treat the Project as part of its student housing program on an equal basis with its other student housing facilities, including the marketing and promotion of the Project and the provision of services to student residents of the Project in the same manner as its other student housing facilities.</p> <p>The Ground Lease requires the University to conduct market studies before constructing new student housing that adds beds to the University’s current inventory, whether the new housing is built by the University or another</p>



University of Tennessee, Knoxville

Public-Private Partnership (P3) Project – Student Housing Phase 2

	<p>developer in a P3 arrangement with the University. The Ground Lease permits replacement housing that does not exceed 110% of the bed count to be replaced and new housing when the analysis supports demand. The Ground Lease also restricts the University from leasing off campus housing that competes with the Project, unless the University provides an analysis showing projected occupancy for the Project equals or exceeds 95%.</p>
<p>16. Default</p>	<p>The University will have, as a remedy for certain material events of default, the right to terminate the Ground Lease and take possession and occupancy of the Project. The University’s rights upon the occurrence of an event of default will be subject to reasonable notice and cure periods, and default provisions consider that termination of the lease is a last resort option. The bond trustee possesses step-in rights to cure a default and protect the bondholders’ investment in the Project, as well as the right to enter a new Ground Lease with the University on the same terms and conditions in the event of a bankruptcy or insolvency event, or before the Ground Lease finally terminates.</p>
<p>17. Default in Construction</p>	<p>In the event of a default by the Developer in connection with the design and/or construction of the Project or of any party to any design or construction documents related to the Project, subject to the rights of the issuer, the trustee, the bond insurer or others under the bond documents, as their interests may appear, Provident Group - UTK Properties, LLC shall exercise all of the rights and remedies available to the Provident Group - UTK Properties, LLC in each such agreement, including, without limitation, the replacement or substitution of the Developer, the architects or the contractors, in consultation with the University.</p> <p>If an event of default shall occur and be continuing or if Provident Group - UTK Properties, LLC shall default under the Development Agreement or any design or construction documents related to the Project, the University may, subject to the rights of the issuer, the trustee, the bond insurer or others as otherwise provided under the Ground Lease, assert the rights of Provident Group - UTK Properties, LLC under the terms of the Construction Documents or such other design and construction documents, as the case may be.</p>
<p>18. Insurance</p>	<p>Provident Group - UTK Properties, LLC, as an operating expense of the Project, shall maintain insurance, including fire, with coverages acceptable to the University and which meet or exceed minimum requirements of the State of Tennessee in an amount equal to at least one hundred percent (100%) of the replacement cost of the Project.</p>

University of Tennessee, Knoxville

Public-Private Partnership (P3) Project – Student Housing Phase 2

III. Related Project Agreements	
1. Development Agreement	<p>After receiving all required approvals, a second Development Agreement will be entered into by Developer and Provident Group - UTK Properties, LLC. The Development Agreement will require the University’s approval of certain change orders, construction progress payments, and other material aspects of the Project. The agreement will include the University’s participation in regular meetings regarding the progress of the Phase 2 Project and to address any concerns of the University regarding the Phase 2 Project.</p> <p>The terms of the Development Agreement for the Phase 2 Project will reflect those in the Development Agreement executed for the Phase 1 Project except where appropriate due to differences in the two phases.</p>
2. Management Amendment	<p>The Management Amendment will amend the existing Management Agreement with Provident Group - UTK Properties, LLC, to provide certain operating and management services for the Phase 2 Project in the same manner as for Phase 1, and for which the University will be reimbursed from Project revenues as an operating expense to the Project.</p> <p>The management responsibilities to be performed by the University include:</p> <ul style="list-style-type: none"> <li>- Residence life (marketing, assignments, billing, collections, and programming)</li> <li>- Information technology management</li> <li>- Security</li> </ul>
3. Facilities Operations and Maintenance Agreement	<p>Throughout the term of the Ground Lease and Lease Amendment, Provident Group - UTK Properties, LLC will, as an operating expense of the Project, cause the Project to be kept and maintained in first-class condition and shall cause to be made all repairs, replacements, and renewals, foreseen or unforeseen, ordinary, or extraordinary, necessary to put or maintain the Project in such condition, subjected to ordinary wear and tear.</p> <p>Provident Group – UTK Properties, LLC will amend the existing Facilities Operations and Maintenance Agreement to contract RISE Management, LLC to provide facilities-related operating and property management services for the Phase 2 Project in the same manner as for Phase 1.</p> <p>RISE Management, LLC’s responsibilities will include:</p> <ul style="list-style-type: none"> <li>- Custodial services and trash disposal</li> <li>- Facility maintenance</li> <li>- Grounds, landscaping, and maintenance of hardscape within the boundary of the Leased Property</li> </ul> <p>Asset management of the Phase 2 Project will be the responsibility of Provident Group - UTK Properties, LLC in collaboration with RISE Management, LLC.</p>



# UTK Public Private Partnership Housing Initiative – Phase 2



**UT** THE UNIVERSITY OF TENNESSEE SYSTEM

# Residence Hall Locations

Phase 1:  
Andy Holt Ave  
Housing



Phase 1:  
Caledonia Ave  
Housing

Phase 2:  
Lake Loudoun  
Blvd Housing

## Phase 1 Update – Andy Holt & Caledonia

<i><u>Total Campus Core Project Cost</u></i>	<i><u>October Board Approval</u></i> \$240,422,000	<i><u>Financial Close</u></i> \$229,658,635
<i><b>Total Campus Core Beds</b></i>	1,920	1,954
<i><b>Campus Core Project Cost per Bed</b></i>	\$125,220	\$117,533
<i><b>Financing</b></i>	Tax-Exempt Bonds	Tax-Exempt Bonds
<i><b>Debt Rate / Term</b></i>	5.14% / 40 yrs.	5.05% / 40 yrs.
<i><b>Minimum Debt Coverage Ratio</b></i>	1.20x	1.20x

## Phase 2 - Lake Loudoun Site



- 1,020 Beds
- 7 Story Building
- 224,000 GSF
- 1,600 SF C-Store
- Opening: Fall 2026

# Financial Overview – Lake Loudoun

<b><u>Lake Loudoun Project Cost</u></b>	<b>\$142,330,000</b>
<b>Residential Cost</b>	<b>\$140,830,000</b>
<b>Grab &amp; Go Cost (University Capital Contribution)</b>	<b>\$1,500,000</b>
<b>Lake Loudoun Beds</b>	<b><u>1,020</u></b>
<b>Lake Loudoun Cost per Bed</b>	<b>\$138,000</b>
<b>Financing</b>	<b>Tax-Exempt Bonds</b>
<b>Debt Rate / Term</b>	<b>5.14% / 40 yrs.</b>
<b>Minimum Debt Coverage Ratio</b>	<b>1.20x</b>



# THE UNIVERSITY OF TENNESSEE BOARD OF TRUSTEES

3.4

## AGENDA ITEM SUMMARY

Meeting Date: March 1, 2024

Committee: Finance and Administration

Item: **FY 2024-25 State Budget Amendment Request**

Type: Action

Presenter(s): David L. Miller, Senior Vice President and Chief Financial Officer  
Austin Oakes, Assistant Vice President, Capital Projects

### **Background Information**

The administration is presenting additional revenue/institutionally-funded projects for FY 2024-25 as detailed on the attached schedule. Included in the schedule is a brief narrative description of the additional projects totaling \$344,050,000 as part of the meeting materials.

Campuses identified these projects during the last eleven (11) months (past the FY 2024-25 budget submittal date). The list consists of requests fully programmed and ready for design, as well as conceptual projects that will be master planned and programmed during the fiscal year.

Due to the State budget process, these requests must be included in the annual capital budget to seek Tennessee State School Bond Authority and State Building Commission approval for design and construction during FY 2024-25. As such, the administration has prepared the list for inclusion in the FY 2024-25 State of Tennessee Budget Document, as amendments to the Governor's Budget. Legislative approval is required even though no state funds are being requested for these projects.

### **Committee Action**

The Committee Chair will call for a motion to recommend adoption of the following resolution by the Board of Trustees.

[The proposed Resolution appears on the following page.]





# THE UNIVERSITY OF TENNESSEE BOARD OF TRUSTEES

---

3.4

**Resolved:****The Board of Trustees hereby:**

1. Approves Amendment No. 1 to Revenue/Institutionally Funded Projects (FY 2024-25), a copy of which Amendment shall be attached to this resolution after adoption;
2. Authorizes the administration to take such action as necessary to submit the additional revenue/institutionally funded projects for FY 2024-25 to state government and update all lists, schedules or other documents to reflect the changes set forth in the Amendment;
3. Authorizes the administration to enter into contracts for design and construction of the FY 2024-25 projects within available funds;
4. Authorizes the administration to enter into contracts for design and construction associated with revenue/institutionally funded projects subsequently identified before or during FY 2024-25, subject to the President's approval and subject to any subsequently identified projects being reported to the Board of Trustees at its next regularly scheduled meeting; and
5. Approves the granting of any easements, licenses, disposals of utilities, rights of entry, and rights of way necessary for FY 2024-25 revenue/institutionally funded capital projects.

The proper officers of the University be and hereby are authorized to make any and all such actions as may be required or which they may deem necessary or appropriate in order to accomplish the foregoing.

**Amendment No. 1 to Revenue/Institutionally Funded Projects (FY2024-25)**

	SPA	Project	Project Description	Project Cost	Funding Source						
					TSSBA	Gifts	Auxiliary	Gift In Place	Grant	Plant Funds	Other
1	UTK	Baker Center Renovations	Renovations of the Baker Center to accommodate the Institute of American Civics. Multiple spaces will be reconfigured into different uses and will include all related work.	\$ 5,000,000						\$ 5,000,000	
2	UTK	Childcare Facility	Construction of a new childcare facility serving UT staff, faculty, students, and public. Includes all related work.	\$ 16,600,000	\$ 16,600,000						
3	UTK	Fleet Management Relocation	Relocate and construct a new Fleet Management operations center. Project will also demolish the current facilities and includes all related work.	\$ 30,000,000	\$ 30,000,000						
4	UTK	Lake Loudoun Residence Hall	Construct a new residence hall with approximately 1,000 beds, including food services and amenities. Includes all related work.	\$ 160,000,000	\$ 144,000,000		\$ 16,000,000				
5	UTK	Stokely Dining Hall Renovation	Renovation of the Stokely Dining Hall, providing approximately 200 additional seats of dining. Includes all related work.	\$ 8,550,000	\$ 8,550,000						
6	UTK	Stokely Management Center HVAC Upgrades	Upgrades and replacement of various mechanical systems serving Stokely Management Center, Haslam Business, and the Student Union to enable control of system from one plant. Includes all related work.	\$ 8,900,000						\$ 8,900,000	
7	UTK	Student Union Renovations	Renovation of the Student Union including spaces for student life space, dining services, offices, and meeting areas. Includes all related work.	\$ 30,000,000	\$ 24,000,000		\$ 6,000,000				
8	UTK	Thompson Boling Arena Improvements	Renovation of the arena and surrounding site including improvements to building exterior, interior areas and amenities, along with building system upgrades. Includes all related work.	\$ 85,000,000	\$ 76,500,000	\$ 3,500,000	\$ 5,000,000				
<b>Subtotal</b>				<b>\$ 344,050,000</b>	<b>\$ 299,650,000</b>	<b>\$ 3,500,000</b>	<b>\$ 27,000,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 13,900,000</b>	<b>\$ -</b>



# THE UNIVERSITY OF TENNESSEE BOARD OF TRUSTEES

## AGENDA ITEM SUMMARY

Meeting Date:	March 1, 2024
Committee:	Finance and Administration
Item:	<b><u>Annual Finance Report on Intercollegiate Athletics Programs</u></b>
Type:	Information
Presenter(s):	David L. Miller, Senior Vice President and Chief Financial Officer

### **Background Information**

The Board policy on Oversight of Intercollegiate Athletics outlines three major annual reports to be provided by the athletics departments through the Chancellors to the appropriate Board committees. Oral presentations are required to be provided to the appropriate Board committees by the System staff.

The following reports fulfill the requirement that annually at the Winter Meeting of the Board, each campus with an intercollegiate athletics program must provide a written report to the Finance and Administration Committee, through the Senior Vice President and Chief Financial Officer, to ensure that the Board receives information sufficient to understand and monitor financial performance. The policy outlines specific information to be included in the reports.

1. Information on the current annual operating budget and most recent annual operating budget performance for intercollegiate athletics, including without limitations:
  - a. Amounts and sources of generated revenue (e.g., ticket sales, donor contributions, NCAA/conference distributions, corporate sponsorships, licensing, etc.) and institutional funding (institutional or government support, student fees);
  - b. Amounts and uses of funds by expenditure type (e.g., salaries and benefits, scholarships, facilities, debt service, team travel, etc.); and
  - c. A description of how deficits, if anticipated or otherwise will be handled by the institution.
2. Athletics departments' most recent fiscal year-end unrestricted fund balances;
3. The amount of the athletics fee, or any similarly termed student fee designated for athletics, at the institution, if applicable, for the most recent five fiscal years;



## THE UNIVERSITY OF TENNESSEE BOARD OF TRUSTEES

---

4. The capital master plan for athletics facilities and any associated financing activities;
5. Total debt outstanding and annual debt service requirements on athletics facilities;
6. Projected amount of annual compensation, excluding performance bonuses for the next five years of all coaches with whom the University has employment agreements, and the length of the term of the employment agreements; and
7. Future material financial considerations and trends.

The individual reports follow this summary and have been standardized for consistency in presentation.



**Annual Report to the Finance and Administration Committee**

1. **Budget Details:** Information on the current annual operating budget and most recent annual operating budget performance for intercollegiate athletics, including without limitation:
  - a. Amounts and sources of generated revenue: see attached Schedule 1.
  - b. Amounts and uses of funds by expenditure type: see attached Schedule 1.
  - c. A description of how deficits, if anticipated or otherwise, will be handled by the institution:

Not applicable

2. **Unrestricted Fund Balance:** The Athletics Department does not have an unrestricted fund balance. All unrestricted revenue realized by the department has been expended.
3. **Athletics Fee:** The amount of the athletics fee, or any similarly termed student fee designated for athletics, at the institution, if applicable, for the most recent five fiscal years:

The University assesses students an Athletics Fee in the amount of \$514 annually. In FY 2024, the fee is expected to generate \$5.33 million. The fee makes up approximately 24% of the revenue generated by the Athletics Department.

Athletics Fee	Actuals				Budget
	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Annual Fee Amount	\$514	\$514	\$514	\$514	\$514
Revenue Collected	\$5,581,229	\$5,605,320	\$5,433,242	\$5,300,661	\$5,334,663

4. **Capital Master Plan:** The capital master plan for athletics facilities and any associated financing activities:

The University of Tennessee Board of Trustees and the Tennessee Higher Education Commission approved a new master plan in 2023. The new master plan includes continued work on McKenzie Arena, Maclellan Gymnasium and Natatorium remodel and Engel Stadium renovation. Athletic spaces that were addressed as part of the capital master plan approved in 2012 are as follows:

Project	Status	Explanation
Football Practice Facility	Completed	The existing football practice field was completely renovated in 2019 with new turf and equipment.
Tennis Facility	Completed	A new tennis facility was completed in 2018 adjacent to McKenzie Arena with six courts, locker rooms, and office space.

Intramural/Soccer Facility	Completed	The Engel Intramural Complex was completed in 2018 providing a new field for women's soccer and a new court for women's beach volleyball.
Volleyball/Wrestling Gym	Completed	A new scoreboard installation with wall reinforcement was completed in 2022. A new gym floor was installed in 2023.
Wolford Family Athletic Center\ McKenzie Arena Addition	In Progress	With an expected completion in 2024, this project will create enhanced football facilities, basketball locker rooms, team meeting rooms, and a new training room. In addition, parts of the Arena will be renovated to enhance both student athlete and non-athlete student experiences in the facility. The facility includes a large multi-purpose room that can serve various campus needs.

5. **Debt Outstanding:** Total debt outstanding and annual debt service requirements on athletic facilities:

The Athletics Department has the following one project with outstanding debt:

Bonded Project	Debt Outstanding as of 6/30/23	Annual Payment	Maturity
Finley Stadium	\$746,559	\$162,433	FY 2028
<b>Total</b>	<b>\$746,559</b>	<b>\$162,433</b>	

There is a recurring expense budget dedicated to paying the annual debt service obligation for this project.

6. **Coaches Compensation:** Projected amount of annual compensation, excluding performance bonuses, for the next five years of all coaches with whom the University has employment agreements, and the length of the term of the employment agreements: See Schedule 2.

7. **Future Material Financial Considerations & Trends:** Athletics continues to be financially reliant on institutional support and student fees and anticipates this will continue as travel and operating expenses continue to increase substantially. When scheduling football non-conference games, it is a priority to schedule within driving distance to manage costs. Due to a game contract cancellation in 2024, we have contracted with Portland State for the 2024 and 2025 seasons, as they were the only option in the FCS. As a result of this contract, travel to Portland, Oregon will result in increased travel costs. The Wolford Family Athletic Center construction surrounding McKenzie Arena is in progress with the expected completion date of 2024. During the construction, Athletics anticipates continued interruptions of events being held in the arena and potentially fundraising support. We have experienced the ramifications of NIL with some of our top student-athletes, and it is anticipated that this will continue to be a growing concern.

**Schedule 1: Budget Details****ATHLETICS DEPARTMENT FY 2023 ACTUALS & FY 2024 REVISED BUDGET****4.1**

<b>UTC Athletics Department FY 2023 Actuals &amp; FY 2024 Revised Budget</b>		
	<b>2022 - 2023</b>	<b>2023 - 2024</b>
<b>Operating revenues</b>	<b>Actuals</b>	<b>Revised Budget</b>
Ticket sales	\$ 859,315	\$ 960,023
Student fees	5,300,661	5,334,663
Direct institutional support	10,369,942	10,304,725
Guarantees	716,000	565,000
Contributions	2,225,050	1,800,000
In Kind	249,870	-
NCAA Distributions	494,197	375,000
Conference distributions (non-media and non-football-bowl)	28,570	-
Program, novelty, parking, and concession sales	105,561	20,000
Royalties, licensing, advertisements, and sponsorships	753,640	610,000
Sports camp revenues	546,131	262,500
Athletics restricted endowment and investments income	268,640	200,000
Other operating revenue	116,261	22,500
<b>Subtotal operating revenue</b>	<b>\$ 22,033,838</b>	<b>\$ 20,454,411</b>
<b>Operating expenses</b>		
Athletics student aid	\$ 6,165,712	\$ 6,081,894
Guarantees	6,216	-
Coaching salaries and benefits	4,554,678	4,610,858
Support staff/administrative salaries and benefits	3,444,957	3,487,449
Severance payments	72,822	-
Recruiting	483,262	317,563
Team travel	1,341,349	1,403,235
Sports equipment, uniforms, and supplies	1,255,551	1,225,052
Game expenses	272,214	178,878
Fund raising, marketing, and promotion	908,767	597,172
Sports camp expenses	302,418	262,500
Spirit groups	285,710	187,747
Athletic Facilities, debt service, leases and rental fees	277,381	352,274
Direct overhead and administrative expenses	450,754	296,201
Memberships and dues	40,404	26,550
Student-Athlete Meals (non-travel)	228,394	150,083
Other operating expenses	1,943,250	1,276,955
<b>Subtotal operating expenses</b>	<b>\$ 22,033,838</b>	<b>\$ 20,454,411</b>
<b>Revenue less expenses</b>	<b>\$ -</b>	<b>\$ -</b>

**Schedule 2: Coach Compensation**

Coach	Projected Annual Compensation Excluding Performance Bonuses					Contract Dates
	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	
Dan Earl Head Coach Men’s BB	\$356,000	\$356,000	\$356,000	\$356,000	\$356,000	04/01/2022- 03/31/2027
Russell Wright Head Coach Football	\$307,250	\$316,000	\$316,000	\$316,000	\$316,000	12/19/2018- 12/31/2023 +1 12/31/2024 +1 12/31/2025 +1 01/31/2029
Shawn Poppie Head Coach Women’s BB	\$176,000	\$176,000	\$176,000	\$176,000	\$176,000	04/01/2022- 03/31/2027 +1 03/31/2028
<b>Total</b>	<b>\$839,250</b>	<b>\$848,000</b>	<b>\$848,000</b>	<b>\$848,000</b>	<b>\$848,000</b>	





**Annual Report to the Finance and Administration Committee**

1. **Budget Details:** Information on the current annual operating budget and most recent annual operating budget performance for intercollegiate athletics, including without limitation:
  - a. Amounts and sources of generated revenue: see attached Schedule 1.
  - b. Amounts and uses of funds by expenditure type: see attached Schedule 1.
  - c. A description of how deficits, if anticipated or otherwise, will be handled by the institution: Not applicable
  
2. **Unrestricted Fund Balance:** Athletics department’s most recent fiscal year-end unrestricted fund balances:

Account Name/Fund Balance Name	Amount (\$)
Athletics Fund Balance (A019900002)*	15,136,650.34
Athletic Directors Strategic Reserve (S010021045)	3,515,405.58
<b>TOTAL</b>	<b>\$18,652,056.92</b>

*\*In FY24, \$7,175,000 from the reserve was transferred to fund prior commitments to UTK Athletics capital projects.*

3. **Athletics Fee:** The amount of the athletics fee, or any similarly termed student fee designated for athletics, at the institution, if applicable, for the most recent five fiscal years:

Athletic Student Fee			
Fiscal Year	Amount per student	Total Revenue	Increase or (Decrease) from previous fiscal year
2022 - 2023	\$ -	\$ 1,000,000.00	\$ -
2021 - 2022	\$ -	\$1,000,000.00	\$ -
2020- 2021	\$ -	\$1,000,000.00	\$ -
2019 - 2020	\$ -	\$1,000,000.00	\$ -
2018 - 2019	\$ -	\$1,000,000.00	\$ -

4. **Capital Master Plan:** The capital master plan for athletics facilities and any associated financing activities:



Project	Status	Notes	Cost and Financing
Neyland Stadium Renovations	Partial completion; several components under construction or design	Expansion of south concourse 1, addition of loading dock and kitchen, construction of new southwest entry gate and plaza, renovation and addition of premium areas, buildout of new concessions and restrooms, installation of stadium Wi-Fi system, placement of brick cladding	<p>\$337,000,000</p> <p>Funding:</p> <p>\$200,200,000 in 30-year bonds supported by auxiliary revenues and donor contributions</p> <p>\$79,100,000 in 10-year bonds supported by capital gifts</p> <p>\$57,700,000 in auxiliary funds and donor gifts</p>
Lindsey Nelson Stadium Renovations	Construction; several components under design	Expansion of main concourse and permanent seating, addition of premium club seating and suites, renovation to field level club, buildout of new concessions and restrooms, renovation, and expansion of administrative areas	<p>\$95,800,000</p> <p>Funding:</p> <p>\$72,500,000 in 30-year bonds supported by auxiliary revenues and donor contributions</p> <p>\$12,500,000 in 10-year bonds supported by capital gifts</p> <p>\$10,800,000 in auxiliary funds and donor gifts</p>
Anderson Training Center	Partial completion;	Renovation and expansion of team spaces including strength &	\$45,000,000



/ Haslam Field Expansion	several components under construction or design	conditioning, nutrition, locker room, player recovery and lounge; remodeling of main entrances and addition of elevator; improvements to recruiting areas; rebuilding of south field / playing surface	Funding: \$24,900,000 in auxiliary funds and donor gifts  \$20,100,000 in 10-year bonds supported by auxiliary revenues and donor contributions
Athletic Facilities Upgrades	Completed; several upgrades under construction	General facility improvements including tennis indoor lighting, softball stadium seating, baseball team spaces, soccer player lockers, and other misc. facility projects	\$5,600,000  Funding:  Auxiliary cash and donor gifts on hand
Lee Softball Stadium Improvements	Programming	Renovation and expansion of team spaces and administrative areas	\$4,715,000  Funding:  Auxiliary cash and donor gifts on hand
Golf Performance Center	Completed	Construction of new state of the art strength and conditioning facility for men's and women's golf programs	\$3,600,000  Funding:  Donor gift-in-place
Neyland Thompson Sports Center Renovations	Programming	Renovation of administrative offices	\$1,020,000  Funding:  Auxiliary cash on hand
Neyland Entertainment P3 Development	Developer solicitation / RFP process	Construction of a hotel and entertainment district	TBD



5. **Debt Outstanding:** Total debt outstanding and annual debt service requirements on athletic facilities:

Bonded Project	Debt Outstanding as of 6/30/2023	Annual Payment (FY24)	Maturity
UTK Siler Bean Property	210,619	70,719	2026
UTK Athletic Academic Building (263)	1,051,970	148,045	2030
UTK Softball Stadium Improvements	1,123,231	375,680	2030
UTK Soccer Stadium Improvements	1,292,093	457,073	2026
UTK Softball Stadium Improvements	1,657,649	375,680	2029
UTK Baseball Stadium Renovation & Addition	2,069,368	280,018	2030
UTK North End Zone Expansion	2,851,572	956,388	2026
UTK Thompson-Boling Arena Improvements	11,343,921	953,399	2030
UTK Intercollegiate Swimming Facility	13,645,166	1,089,234	2034
UTK McKenzie Lawson Addition	23,930,151	2,128,610	2036
UTK Neyland Stadium Improvements	62,376,293	3,468,067	2034
UTK Neyland Stadium South Renovation*	90,625,256	0	2052

*\*Debt service for the Neyland Stadium South Renovation begins in FY27.*

6. **Coach Compensation:** Projected amount of annual compensation, excluding performance bonuses, for the next five years of all coaches with whom the University has employment agreements, and the length of the term of the employment agreements: [See Schedule 2.](#)
7. **Future Material Financial Considerations and Trends:** Due in large part to the new ticket pricing structure and methodology, UTK Athletics surpassed \$200,000,000 in revenue for FY23 as reported on the NCAA Agreed Upon Procedures and finished the year slightly over an \$11,000,000 surplus. UTK Athletics committed \$8,400,000 of the surplus to fund ongoing and new capital projects across multiple facilities. The current projections show UTK Athletics exceeding \$200,000,000 in revenue for FY24, with expenditures forecasted to come in slightly under \$200,000,000. Future revenue opportunities include but are not limited to the expansion of conference membership and continued sales of new corporate sponsorship categories will further grow advertising revenue. UTK Athletics will continue to invest across all teams and facilities.

**Schedule 1: Budget Details**

**UTK Athletics Department FY 2023 Budget and Actuals & FY 2024 Revised Budget**

Revenues	2022 - 2023 Budget	2022 - 2023 Actuals	2023 - 2024 Budget
Operating revenues	Total	Total	Total
Ticket sales	\$ 37,173,360	\$ 39,753,883	\$ 42,041,814
Direct state or government support	-	-	-
Student fees	1,000,000	1,000,000	1,000,000
Direct institutional support	-	-	-
Less-Transfers to Institution	-	(974,844)	-
Indirect Institutional Support	-	-	-
Indirect Institutional Support--Athletic Facilities Debt Service	-	596,445	-
Guarantees	400,000	553,321	3,700,000
Contributions	46,586,156	62,275,182	53,673,726
In Kind	-	2,472,867	-
Compensation and benefits provided by a third party	-	-	-
Media rights	39,690,893	37,816,107	39,055,000
NCAA Distributions	3,050,000	3,675,445	3,050,000
Conference distributions (non-media and non-football-bowl)	1,133,309	1,133,309	1,400,000
Conference distributions of football bowl-generated revenue	10,245,876	10,280,481	10,656,333
Program, novelty, parking, and concession sales	6,830,000	12,283,276	11,625,000
Royalties, licensing, advertisements, and sponsorships	8,507,500	23,914,209	9,145,833
Sports camp revenues	1,107,000	1,387,079	1,325,000
Athletics restricted endowment and investments income	2,152,500	2,449,721	2,200,000
Other operating revenue	6,193,298	1,486,367	5,787,501
Football bowl revenues	1,600,000	1,994,457	2,200,000
<b>Subtotal operating revenue</b>	<b>\$ 165,669,892</b>	<b>\$ 202,097,305</b>	<b>\$ 186,860,207</b>
<b>Expenses</b>			
<b>Operating expenses</b>			
Athletics student aid	\$ 20,098,067	\$ 21,015,249	\$ 21,564,733
Guarantees	3,910,650	3,788,850	6,524,500
Coaching salaries, benefits, and bonuses paid by the University and related entities	32,292,777	34,916,883	37,336,299
Coaching salaries, benefits, and bonuses paid by a third party	-	-	-
Support staff/administrative salaries, benefits, and bonuses paid by the University and related entities	34,364,001	36,040,365	39,569,804
Support staff/administrative other compensation and benefits paid by a third-party	-	-	-
Severance payments	-	-	-
Recruiting	3,399,699	4,295,816	4,043,000
Team travel	7,294,142	13,705,718	9,030,483
Sports equipment, uniforms, and supplies	6,492,263	5,269,789	6,993,949
Game expenses	6,992,948	8,155,752	7,952,170
Fund raising, marketing, and promotion	5,433,010	5,326,961	5,931,057
Sports camp expenses	1,080,000	1,429,731	1,325,000
Spirit groups	-	730,239	503,420
Athletic Facilities, debt service, leases and rental fees	11,134,652	11,731,095	9,920,502
Direct overhead and administrative expenses	12,700,889	22,485,615	15,052,889
Indirect institutional support	-	-	-
Medical expenses and insurance	2,011,450	2,219,993	2,244,500
Memberships and dues	100,000	53,508	-
Student-Athlete Meals (non-travel)	5,000,000	6,241,524	6,000,000
Other operating expenses	7,742,985	10,236,771	5,979,115
Football bowl expenses	1,600,000	2,415,268	2,500,000
Football bowl expenses--coaching compensation/bonuses	1,000,000	973,391	1,000,000
<b>Subtotal operating expenses</b>	<b>\$ 162,647,533</b>	<b>\$ 191,032,518</b>	<b>\$ 183,471,421</b>
<b>Revenue less expenses</b>	<b>\$ 3,022,359</b>	<b>\$ 11,064,787</b>	<b>\$ 3,388,786</b>

**Schedule 2: Coach Compensation**

Contract Party Details			Fiscal Year Breakdown					Contract dates	
Coach	Sport	Title	FY2024	FY2025	FY2026	FY2027	FY2028	Start date	End date
Heupel	Football	Head Coach	\$ 9,000,000	\$ 9,000,000	\$ 9,000,000	\$ 9,000,000	\$ 9,000,000	January 27, 2021	January 31, 2029
Banks	Football	Assistant Coach	\$ 1,500,000	\$ 1,500,000				February 16, 2021	January 31, 2025
Elarbee	Football	Assistant Coach	\$ 900,000	\$ 900,000	\$ 900,000			February 1, 2021	January 31, 2026
Halzle	Football	Assistant Coach	\$ 850,000	\$ 850,000	\$ 850,000			January 1, 2021	January 31, 2026
Garner	Football	Assistant Coach	\$ 785,000	\$ 785,000				February 11, 2021	January 31, 2025
Jean-Mary	Football	Assistant Coach	\$ 665,000	\$ 665,000				February 22, 2021	January 31, 2025
Ekeler	Football	Assistant Coach	\$ 575,000	\$ 575,000				March 2, 2021	January 31, 2025
Martinez	Football	Assistant Coach	\$ 540,000	\$ 540,000				February 18, 2021	January 31, 2025
Mack	Football	Assistant Coach	\$ 500,000	\$ 500,000				February 11, 2021	January 31, 2025
Schmidt	Football	Sports Performance	\$ 475,000	\$ 475,000				February 5, 2021	January 31, 2025
Pope	Football	Assistant Coach	\$ 375,000	\$ 375,000				March 7, 2022	January 31, 2025
Abeln	Football	Assistant Coach	\$ 243,750	\$ 250,000	\$ 250,000			February 1, 2023	February 28, 2026
Barnes	M. Basketball	Head Coach	\$ 5,700,000	\$ 5,800,000	\$ 5,900,000	\$ 6,000,000	\$ 6,000,000	April 1, 2015	April 15, 2028
Vitello	Baseball	Head Coach	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000			July 1, 2019	June 30, 2026
Harper	W. Basketball	Head Coach	\$ 1,100,000	\$ 1,100,000	\$ 1,100,000	\$ 1,100,000	\$ 1,100,000	April 15, 2019	April 14, 2028
Weekly, K	Softball	Head Coach	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	July 1, 2010	June 30, 2028
Ross	Track and Field	Head Coach	\$ 450,000	\$ 450,000	\$ 450,000	\$ 450,000		May 23, 2022	June 30, 2027
Woodruff	M. Tennis	Head Coach	\$ 265,000	\$ 265,000	\$ 265,000	\$ 265,000	\$ 265,000	May 19, 2017	June 30, 2028
Kredich	Swim and Dive	Head Coach	\$ 260,000	\$ 260,000	\$ 260,000	\$ 260,000	\$ 260,000	July 1, 2008	April 30, 2028
Webb	M. Golf	Head Coach	\$ 240,000	\$ 240,000	\$ 240,000			July 1, 2018	June 30, 2026
Carlson	Cross Country	Head Coach	\$ 235,000	\$ 235,000	\$ 235,000	\$ 235,000	\$ 235,000	May 23, 2022	June 30, 2028
Rackham	Volleyball	Head Coach	\$ 215,000	\$ 330,000	\$ 330,000	\$ 330,000	\$ 330,000	January 12, 2018	January 31, 2029
Cupini	Rowing	Head Coach	\$ 215,000	\$ 215,000	\$ 215,000	\$ 215,000	\$ 215,000	June 8, 2023	May 31, 2028
Ojeda	W. Tennis	Head Coach	\$ 210,000	\$ 210,000	\$ 210,000	\$ 210,000	\$ 210,000	December 1, 2016	June 30, 2028
Cantu	W. Golf	Head Coach	\$ 200,000	\$ 200,000	\$ 200,000			June 7, 2021	June 30, 2026
Kirt	Soccer	Head Coach	\$ 175,000	\$ 175,000	\$ 175,000	\$ 175,000		April 29, 2022	December 31, 2026



### Annual Report to the Finance and Administration Committee

1. **Budget Details:** Information on the current annual operating budget and most recent annual operating budget performance for intercollegiate athletics, including without limitation:
  - a. Amounts and sources of generated revenue: see attached Schedule 1.
  - b. Amounts and uses of funds by expenditure type: see attached Schedule 1.
  - c. A description of how deficits, if anticipated or otherwise, will be handled by the institution:

During the 2023 fiscal year, the University allocated funds to the UTM Athletic Department to facilitate enhancements of existing facilities and to construct new facilities. As noted in Schedule 1, UTM's Athletic Department has a deficit, so the scope of the capital projects was temporarily reduced, and a portion of the funds were re-allocated to eliminate the deficit. UTM's Athletic Department's intention is to pursue the capital projects in the future when funding is ascertained through external sources.

2. **Unrestricted Fund Balance:** Athletics department's most recent fiscal year-end unrestricted fund balances:

UT Martin Athletics Unrestricted Fund Balances as of 06/30/2023				
Year	P	Fund Name	Account Number	Fund Balance
2023	13	Men's Cross Country Gift Fund	R050916019	481.75
2023	13	Victory with Honor Fund	R058501001	15,412.61
2023	13	Golf Center Gift Fund	R058501002	821.03
2023	13	NCAA Student Assistance Fund	R058501004	401,894.23
2023	13	ATHLETIC TRAINING ROOM GIFT FUND	R058501005	0.98
2023	13	Skyhawk Athletics Funding Enhancements*	R058501006	572,000.00
2023	13	Athletic Weight Room Gift Fund	R058501008	312.51
2023	13	Baseball/Softball Facility Improvements	R058501010	170.00
2023	13	Driver/Goad Family Golf Scholarship Fund	R058501012	763.05
2023	13	Wilbur & Peggy Edmistor Scholarship Fund	R058501013	2,716.41
2023	13	Kathleen/Tom Elam Athletic Scholarship Fund	R058501014	120,293.76
2023	13	Ron Lewellen Men's Athletic Scholarship Fund	R058501015	3,943.03

<b>UT Martin Athletics Unrestricted Fund Balances as of 06/30/2023</b>				
<b>Year</b>	<b>P</b>	<b>Fund Name</b>	<b>Account Number</b>	<b>Fund Balance</b>
2023	13	Rhodes Golf Center Enhancement Fund	R058501016	266.02
2023	13	Wilcox Family Rodeo Scholarship	R058501017	11,220.00
2023	13	UTF Key/Amy Chu Football Scholarship Fund	R058501018	4,055.03
2023	13	UTF Bruce Hill Memorial Fund	R058501019	1,735.92
2023	13	UTF Giles/Gearin W. Athletics Scholarship Fund	R058501020	6,150.57
2023	13	UTF Mr/Mrs George Fain Football Scholarship Fund	R058501021	1,098.11
2023	13	UTF Pat Head Summitt Excel W. Bball Fund	R058501022	20,931.53
2023	13	NCAA Athletics Academic Success	R058501023	278,636.01
2023	13	UTF Romeo J Duncan Football School Fund	R058501024	3,536.62
2023	13	Phil and Camille Carr Golf Scholarship Fund	R058501028	1,934.93
2023	13	Bob Carroll FB Building Renovation**	R058501037	463,305.80
2023	13	UTM Softball Scoreboard Fund	R058501039	1,344.00
2023	13	JC Henson Scholarship Fund	R058502002	2,296.25
2023	13	Grover Page Golf Fund	R058502003	6,433.49
2023	13	WOMEN'S CROSS-COUNTRY GIFT	R058503002	480.36
2023	13	WOMENS BASKETBALL GIFT FUND	R058504001	510.75
2023	13	WOMENS VOLLEYBALL GIFT FUND	R058504002	3,685.15
2023	13	WOMENS SOFTBALL GIFT FUND	R058504003	104,666.67
2023	13	WOMENS TENNIS GIFT FUND	R058504004	15,282.35
2023	13	BETTIE GILES FIELD ENHANCEMENT GIFT FUND	R058504005	550.00
2023	13	WOMEN'S SOCCER GIFT FUND	R058504006	13,226.01
2023	13	CHEERLEADING GIFT FUND	R058504007	16,111.52
2023	13	UTM FOOTBALL FUND	R058510001	0.47
2023	13	UTM MENS BASKETBALL FUND	R058520001	(187.15)



UT Martin Athletics Unrestricted Fund Balances as of 06/30/2023				
Year	P	Fund Name	Account Number	Fund Balance
2023	13	UTM BASEBALL FUND	R058525001	0.01
2023	13	Baseball Legacy Program Fund	R058525002	700.00
2023	13	Baseball Alumni Team Gift Fund	R058525003	1,261.48
2023	13	Volleyball Enhancement Fund	R058525004	3,259.00
2023	13	Midway Rifle Team Grant	R058525005	23,612.22
2023	13	RIFLE TEAM GIFT FUND	R058530001	32,710.11
2023	13	James C Henson Tennis Fund	R058535002	5,884.28
2023	13	UTM GOLF FUND	R058540001	74,337.34
2023	13	Women's Equestrian Gift Fund	R058579001	51,109.91
2023	13	UTM RODEO TEAM FUND	R059020002	316,912.10
			<b>Total</b>	<b>2,585,866.22</b>

- earmarked for Men’s Basketball locker room/office and Elam Center Renovations.
- \*earmarked for football building/weight room renovations.

3. **Athletics Fee:** The amount of the athletics fee, or any similarly termed student fee designated for athletics, at the institution, if applicable, for the most recent five fiscal years:

Athletic Student Fee			
Fiscal Year	Amount per student	Total Revenue	Increase or (Decrease) from previous fiscal year
2023 - 2024	408.00	1,576,945.98	(208,628.99)
2022 - 2023	408.00	1,785,574.97	176,881.69
2021 - 2022	408.00	1,608,693.28	(306,918.97)
2020 - 2021	408.00	1,915,612.25	(39,890.15)
2019 - 2020	408.00	1,955,502.40	101,028.13

UT Martin last increased its student fee in the 2015-2016 school year. Also, please note that UT Martin charges members of the equestrian team \$3,000 per semester. The fee goes directly towards the costs of the equestrian team.

4. **Capital Master Plan:** The capital master plan for athletics facilities and any associated financing activities:

Project	Status	Notes	Cost and Financing
Baseball Indoor Practice Facility	Under construction	To provide indoor space for player development during preseason winter months where weather poses a significant barrier for scheduling and practicing. The facility will include two batting cages with additional space for pitcher training.	This project is funded through external sources. The bid amount was \$535,000, overall projected cost is \$710,000.
Men's Basketball Locker Room & Team Room	Contractor bidding in process	To improve and enhance the men's basketball locker room and team room space. To better utilize existing space by removing showers and replacing them with a kitchenette and additional locker space. The Women's Basketball locker room was updated three years ago, this construction will provide comparable space for both programs.	Funded through external sources. Total project: \$900,000.
Baseball Field Enhancements	In design	There will be a complete renovation of the field including the addition of a draining and irrigation system, additional sod and dirt will also be laid. To meet new NCAA requirements for fencing, padding, and other items.	Internally funded based on the need to meet NCAA requirements. Projected cost: \$1.4 million.

5. **Debt Outstanding:** Total debt outstanding and annual debt service requirements on athletic facilities:

Bonded Project	Debt Outstanding as of 6/30/23	Annual Payment	Maturity
Athletic Field Lights & Field House	\$1,120,080.88	\$101,392	FY32

6. **Coach Compensation:** Projected amount of annual compensation, excluding performance bonuses, for the next five years of all coaches with whom the University has employment agreements, and the length of the term of the employment agreements: See Schedule 2.

7. **Future Material Financial Considerations and Trends:**

The department has faced a significant reduction in funding due to receiving less in student fees than planned (the cumulative difference between expected and received funds from the student fee over the last six years is \$1.8 million). Even though external sources of funding increased over 200% in this same time span, it has not been enough to cover the deficit created by the decrease in student fees. The amount of student fees in the future will be a consideration for future operating and capital projects.

Due to inflationary pressures, UTM's Athletics Department's operating costs continue to increase. The increased spending is necessary to accommodate the increase in the cost of travel for the athletics programs, specifically transportation, food, and lodging. The standard and quality of the experience for UT Martin student-athletes is becoming more and more difficult to maintain in the face of inflation, especially with the reduction in operating budgets that are taking place each year.

**Schedule 1: Budget Details**

**UT Martin Athletics Department FY 2023 Budget and Actuals & FY 2024 Revised Budget**

Revenues	2022 - 2023		2023- 2024
	Budget	Actuals	Budget
<b>Operating revenues</b>	<b>Total</b>	<b>Total</b>	<b>Total</b>
Ticket sales	\$ 140,000.00	\$ 129,019.00	\$ 140,000.00
Direct state or government support	\$ -	\$ -	\$ -
Student fees	\$ 2,060,000.00	\$ 1,783,188.98	\$ 2,060,000.00
Direct institutional support	\$ 6,788,798.00	\$ 8,083,390.61	\$ 7,403,326.00
Less-Transfers to Institution	\$ -	\$ -	\$ -
Indirect Institutional Support	\$ -	\$ -	\$ -
Indirect Institutional Support--Athletic Facilities Debt Service	\$ 101,391.00	\$ 299,706.57	\$ 101,392.00
Guarantees	\$ 1,120,939.00	\$ 1,277,500.00	\$ 853,910.00
Contributions	\$ 650,000.00	\$ 1,046,271.06	\$ 1,000,000.00
In Kind	\$ 200,000.00	\$ 824,446.25	\$ 200,000.00
Compensation and benefits provided by a third party	\$ -	\$ -	\$ -
Media rights	\$ 60,000.00	\$ 56,763.24	\$ 60,000.00
NCAA Distributions	\$ 840,000.00	\$ 881,472.55	\$ 840,000.00
Conference distributions (non-media and non-football-bowl)	\$ 75,000.00	\$ 348,000.00	\$ 175,000.00
Conference distributions of football bowl-generated revenue	\$ -	\$ -	\$ -
Program, novelty, parking, and concession sales	\$ 150,000.00	\$ 161,138.02	\$ 150,000.00
Royalties, licensing, advertisements, and sponsorships	\$ 260,000.00	\$ 236,894.22	\$ 260,000.00
Sports camp revenues	\$ -	\$ -	\$ -
Athletics restricted endowment and investments income	\$ 100,000.00	\$ 117,139.69	\$ 100,000.00
Other operating revenue	\$ -	\$ 3,300.00	\$ -
Football bowl revenues	\$ -	\$ -	\$ -
<b>Subtotal operating revenue</b>	<b>\$ 12,546,128.00</b>	<b>\$ 15,248,230.19</b>	<b>\$ 13,343,628.00</b>
<b>Expenses</b>			
<b>Operating expenses</b>			
Athletics student aid	\$ 4,952,519.00	\$ 4,870,277.12	\$ 4,984,319.00
Guarantees	\$ 33,000.00	\$ 37,808.72	\$ 36,000.00
Coaching salaries, benefits, and bonuses paid by the University and related entities	\$ 2,838,232.00	\$ 2,676,355.51	\$ 2,589,811.38
Coaching salaries, benefits, and bonuses paid by a third party	\$ -	\$ -	\$ -
Support staff/administrative salaries, benefits, and bonuses paid by the University and related entities	\$ 1,913,155.00	\$ 2,306,845.56	\$ 2,206,135.62
Support staff/administrative other compensation and benefits paid by a third-party	\$ -	\$ -	\$ -
Severance payments	\$ -	\$ -	\$ -
Recruiting	\$ 131,904.00	\$ 264,119.61	\$ 250,000.00
Team travel	\$ 732,318.00	\$ 1,486,612.30	\$ 900,000.00
Sports equipment, uniforms, and supplies	\$ 505,000.00	\$ 1,509,229.97	\$ 750,000.00
Game expenses	\$ 150,000.00	\$ 245,993.23	\$ 250,000.00
Fund raising, marketing, and promotion	\$ 20,000.00	\$ 53,368.62	\$ 50,000.00
Sports camp expenses	\$ -	\$ -	\$ -
Spirit groups	\$ 15,000.00	\$ 46,214.86	\$ 25,000.00
Athletic Facilities, debt service, leases and rental fees	\$ 275,000.00	\$ 299,706.57	\$ 275,000.00
Direct overhead and administrative expenses	\$ 90,000.00	\$ 83,353.72	\$ 90,000.00
Indirect institutional support	\$ -	\$ -	\$ -
Medical expenses and insurance	\$ 220,000.00	\$ 212,937.59	\$ 250,000.00
Memberships and dues	\$ 15,000.00	\$ 18,160.28	\$ 15,000.00
Student-Athlete Meals (non-travel)	\$ 125,000.00	\$ 240,445.20	\$ 250,000.00
Other operating expenses	\$ 530,000.00	\$ 896,801.33	\$ 422,362.00
Football bowl expenses	\$ -	\$ -	\$ -
Football bowl expenses--coaching compensation/bonuses	\$ -	\$ -	\$ -
<b>Subtotal operating expenses</b>	<b>\$ 12,546,128.00</b>	<b>\$ 15,248,230.19</b>	<b>\$ 13,343,628.00</b>
<b>Revenue less expenses</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

"Direct Institutional Support" covers deficit to balance out.

Schedule 2: Coach Compensation

Coach Compensation									
Contract Party Details			Fiscal Year Breakdown					Contract dates	
Coach	Sport	Title	FY24	FY25	FY26	FY27	FY28	Start date	End date
*Jason Simpson	Football	Head Coach	\$ 181,737.00	\$ 196,737.00	\$ 196,737.00	\$ 196,737.00	\$ 196,737.00	1/1/2024	
#Ryan Ridder	Men's Basketball	Head Coach	\$ 209,580.00	\$ 214,580.00	\$ 219,580.00	\$ 229,580.00	\$ 239,580.00	4/15/2023	4/15/2028
^Kevin McMillan	Women's Basketball	Head Coach	\$ 154,769.00	\$ 154,769.00	\$ 154,769.00	\$ 154,769.00	\$ 154,769.00	7/10/2020	
			\$ -	\$ -	\$ -	\$ -	\$ -		
			\$ -	\$ -	\$ -	\$ -	\$ -		

\*Amendment #5 to Jason Simpson's contract (9500135134) went into effect 1/1/24 and the amount listed above for FY 24 reflects that new amount.

# Amendment #1 to Ryan Ridder's contract (9500127473) went into effect 4/15/2023

^Kevin McMillan is on a post-retirement agreement effective 7/10/20 (9500091999). This agreement allows for up to a 5% increase per year at the discretion of the Athletics Director. I have listed the same amount of base pay for the next five years as I won't know what the percent of increase will be each year.



### Annual Report to the Finance and Administration Committee

1. **Budget Details:** Information on the current annual operating budget and most recent annual operating budget performance for intercollegiate athletics, including without limitation:
  - a. Amounts and sources of generated revenue: see attached Schedule 1.
  - b. Amounts and uses of funds by expenditure type: see attached Schedule 1.
  - c. A description of how deficits, if anticipated or otherwise, will be handled by the institution:

Not Applicable

Additional Notes:

The income and expenses related to the operation of the concession stand for sporting events flow through a restricted account and are unbudgeted in E&G. Expenses cannot exceed the funds available in the account. Restricted gifts and game guarantees flow through restricted accounts by sport as well. At year-end, any deficit in a sport is covered by restricted funds that might be available for that specific sport.

2. **Unrestricted Fund Balance:** Athletics department's most recent fiscal year-end unrestricted fund balances:

Not Applicable

3. **Athletics Fee:** The amount of the athletics fee, or any similarly termed student fee designated for athletics, at the institution, if applicable, for the most recent five fiscal years: see Schedule 1.

Not Applicable

4. **Capital Master Plan:** The capital master plan for athletics facilities and any associated financing activities:

Not Applicable

5. **Debt Outstanding:** Total debt outstanding and annual debt service requirements on athletic facilities:

Not Applicable

6. **Coach Compensation:** Projected amount of annual compensation, excluding performance bonuses, for the next five years of all coaches with whom the University has employment agreements, and the length of the term of the employment agreements:

UT Southern does not have formal agreements with any of its coaches.

7. **Future Material Financial Considerations and Trends:**

For the 24-25 academic year, we will have significantly larger needs than typical. We order uniforms in three-year cycles, and this will be the year to order.

Volleyball, Men's/Women's Soccer, Men's/Women's Basketball, Baseball, and Softball will all need a home and away set. Many factors go into the cost of uniforms (number of players, the material involved, etc.) however, we have typically seen that cost is around \$10,000 to \$15,000 per sport. In addition, our teams that do not need two sets will need one new uniform as well. Men's/Women's Cross Country, Men's/Women's Swim, Clay Target, Cheer, Men's/Women's Tennis, Men's/Women's Golf.

Other needs that are atypical of a yearly budget:

The basketball/volleyball court needs to be resurfaced this summer. That cost will be approximately \$38,000.

The governing body of Baseball is mandating all wood or concrete walls to be padded for the 2024-25 season. Bids are coming in, and the cost will be approximately \$100,000 with labor included.

Lastly, all signage on our venues, transportation fleet, offices, etc. will need to be redone. This will take time, however, and is an expense we will need to investigate quickly to get it all done.

**Schedule 1: Budget Details**

<b>UT Southern Athletics Department FY 2023 Budget and Actuals &amp; FY 2024 Revised Budget</b>			
<b>Revenues</b>	<b>2022 - 2023</b>	<b>2022 - 2023</b>	<b>2023- 2024</b>
<b>Operating revenues</b>	<b>Budget</b>	<b>Actuals</b>	<b>Budget</b>
	<b>Total</b>	<b>Total</b>	<b>Total</b>
Ticket sales (gate)	\$ 5,000.00	\$ 15,329.00	\$ 5,000.00
Direct state or government support	\$ -	\$ -	\$ -
Direct institutional support	\$ 4,108,344.00	\$ 4,176,528.00	\$ 4,244,515.00
Less-Transfers to Institution	\$ -	\$ -	\$ -
Indirect Institutional Support	\$ -	\$ -	\$ -
Indirect Institutional Support--Athletic Facilities Debt Service	\$ -	\$ -	\$ -
Guarantees	\$ 7,200.00	\$ 19,250.00	\$ 7,200.00
Contributions	\$ 50,000.00	\$ 80,503.00	\$ 50,000.00
In Kind	\$ -	\$ -	\$ -
Compensation and benefits provided by a third party	\$ -	\$ -	\$ -
Conference distributions (non-media and non-football-bowl)	\$ -	\$ -	\$ -
Program, novelty, parking, and concession sales	\$ -	\$ 7,400.48	\$ 7,500.00
Royalties, licensing, advertisements, and sponsorships	\$ -	\$ 5,000.00	\$ -
Sports camp revenues	\$ 15,558.00	\$ 6,120.00	\$ 15,558.00
Athletics restricted endowment and investments income	\$ -	\$ -	\$ -
Other operating revenue	\$ 181,188.00	\$ 260,383.52	\$ 162,500.00
<b>Subtotal operating revenue</b>	<b>\$ 4,367,290.00</b>	<b>\$ 4,570,514.00</b>	<b>\$ 4,492,273.00</b>
<b>Expenses</b>			
<b>Operating expenses</b>			
Athletics student aid	\$ 1,516,800.00	\$ 1,606,791.00	\$ 1,516,800.00
Guarantees	\$ -	\$ -	\$ -
Coaching salaries, benefits, and bonuses paid by the University and related entities	\$ 1,329,826.00	\$ 1,145,123.30	\$ 1,331,742.72
Support staff/administrative salaries, benefits, and bonuses paid by the University and related entities	\$ 571,861.00	\$ 575,226.70	\$ 637,777.92
Severance payments	\$ -	\$ -	\$ -
Recruiting	\$ -	\$ -	\$ -
Team travel	\$ 193,081.00	\$ 192,918.36	\$ 278,244.80
Sports equipment, uniforms, and supplies	\$ 234,424.00	\$ 197,571.49	\$ 243,613.00
Game expenses	\$ 14,381.20	\$ 14,381.20	\$ 15,000.00
Fund raising, marketing, and promotion	\$ -	\$ -	\$ -
Sports camp expenses	\$ -	\$ 1,224.00	\$ -
Spirit groups	\$ 22,020.00	\$ 22,020.00	\$ 23,030.00
Athletic Facilities, debt service, leases and rental fees	\$ -	\$ -	\$ -
Direct overhead and administrative expenses	\$ -	\$ -	\$ -
Indirect institutional support	\$ -	\$ -	\$ -
Medical expenses and insurance	\$ -	\$ -	\$ -
Memberships and dues	\$ 50,000.00	\$ 47,463.18	\$ 50,000.00
Student-Athlete Meals (non-travel)	\$ -	\$ -	\$ -
Other operating expenses	\$ 434,896.80	\$ 767,794.77	\$ 396,064.56
<b>Subtotal operating expenses</b>	<b>\$ 4,367,290.00</b>	<b>\$ 4,570,514.00</b>	<b>\$ 4,492,273.00</b>
<b>Revenue less expenses</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>





# THE UNIVERSITY OF TENNESSEE BOARD OF TRUSTEES

---

5

Meeting Date: March 1, 2024

Committee: Finance and Administration

Item: **Proposed Nonprofit Foundation, UTK Athletics**

Type: Action

Presenter(s): Chancellor Donde Plowman

## **Background Information**

The landscape of college athletics is rapidly evolving, and college athletics departments must be nimble and in a position to adapt quickly. An overwhelming majority of UTK's SEC peers have foundations or associations that specifically focus on supporting the needs of the athletics department and student-athletes. UTK believes that there may be great benefit to creating a designated nonprofit entity that would be available to support its intercollegiate athletics program moving forward.

## **Authority**

Under the UT Focus Act (*Tennessee Code Annotated* § 49-9-209), the Board is charged with overseeing and monitoring the operation of the intercollegiate athletics programs of the University, including proposed actions reasonably anticipated to have a long-term impact on the operations, reputation, and standing of the intercollegiate athletics programs or the university.

Pursuant to *Tennessee Code Annotated* § 49-7-107 and § 49-9-113, the Board of Trustees is authorized and empowered to take such steps, to enter into such agreements, and to do whatever it deems necessary to the establishment of foundations for the institutions of higher education under its control, subject to certain requirements as set forth by statute.

The Finance and Administration Committee of the Board is responsible for making recommendations to the Board regarding the creation of legal entities and the governance structure of such entities. In the Board's Policy on Related Foundations (BT0016), the Board has acknowledged the advantages and benefits of related foundations in achieving the overall mission of the University and that it is not an anomaly in higher education to have one or more related foundations serving different roles and constituencies within the enterprise.



# THE UNIVERSITY OF TENNESSEE BOARD OF TRUSTEES

5

## Proposed Nonprofit Foundation

The University Administration is requesting authorization to pursue the formation of a nonprofit foundation (the “Entity”), in support UTK’s intercollegiate athletics program and consistent with the mission of the University. The University Administration, with the assistance of the Office of General Counsel and others, proposes taking such actions as may be necessary under state law to formally establish the Entity and apply for exemption under Internal Revenue Code Section 501(c)(3).

Before the Entity becomes operational, the University Administration will seek the Board’s approval regarding the final governance structure, along with any affiliation, service, or other agreements with the University and/or other related foundations of the University as may be necessary.

## Committee Action

The Committee Chair will call for a motion to recommend adoption of the following resolution by the Board of Trustees.

### **Resolved:**

#### **The Board of Trustees hereby approves:**

- 1. The establishment of a nonprofit foundation (the “Entity”) for the benefit of the intercollegiate athletics program at the University of Tennessee, Knoxville (UTK);**
- 2. The President, Senior Vice President and Chief Financial Officer, Treasurer, and Secretary are each authorized, subject to approval by the Chancellor of UTK and review by the Office of General Counsel, to submit such organizational documents as may be necessary to establish the Entity under state law;**
- 3. The President, Senior Vice President and Chief Financial Officer, Treasurer, and Secretary are each authorized, subject to approval by the Chancellor of UTK and review by the Office of General Counsel, to submit such applications and other documents as may be necessary to apply for exemption under Internal Revenue Code Section 501(c)(3); and**
- 4. Solely as may be necessary for purposes of forming the Entity, a board of directors and slate of officers may be identified as determined by the President, all of whom shall be University Officers.**



## THE UNIVERSITY OF TENNESSEE BOARD OF TRUSTEES

---

**Further, the proper officers are hereby authorized to take any and all such actions as may be required or which they may deem necessary or appropriate in order to accomplish the foregoing.**

**The foregoing authority is subject to the University Administration seeking the Board's approval of the final governance and operational structure, along with any affiliation, service or other agreements by and among the University, the new Entity, and any other related foundations of the University, before the Entity becomes funded and operational.**

# Overview of Staff Employee Engagement Survey Results 2023

Dr. Brian K. Dickens, CHRO  
Board of Trustees Meeting  
March 2024



# Why Engagement Surveys?

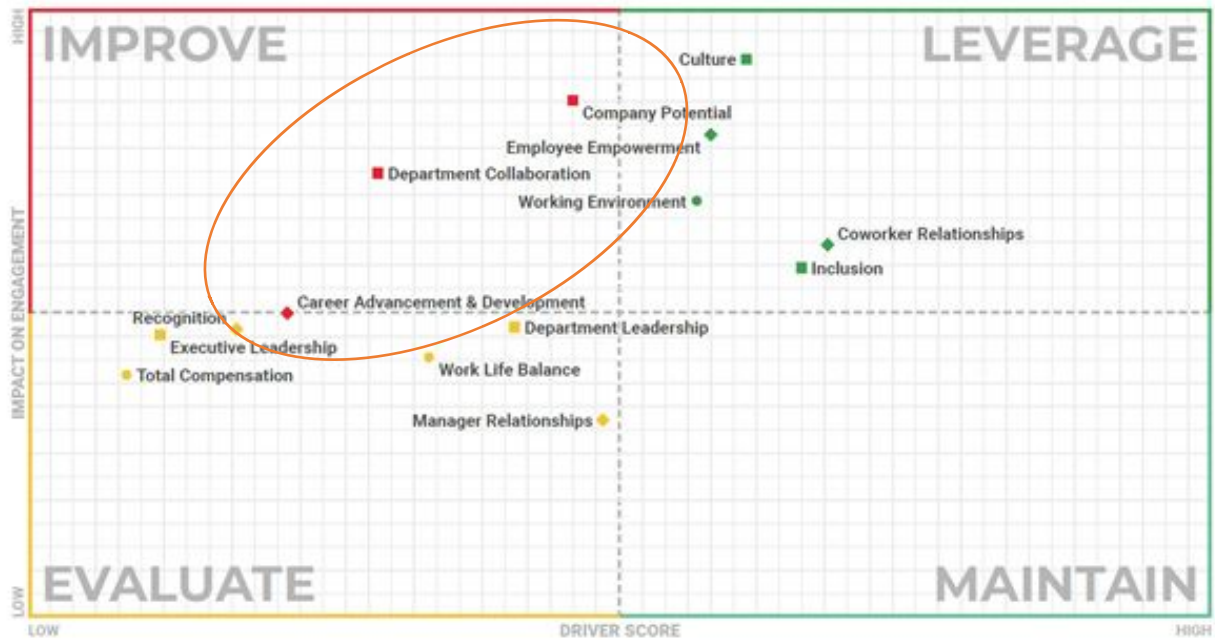
6



## Priority Matrix

University of Tennessee  
 Open Date: Sep 20, 2023  
 Close Date: Oct 19, 2023

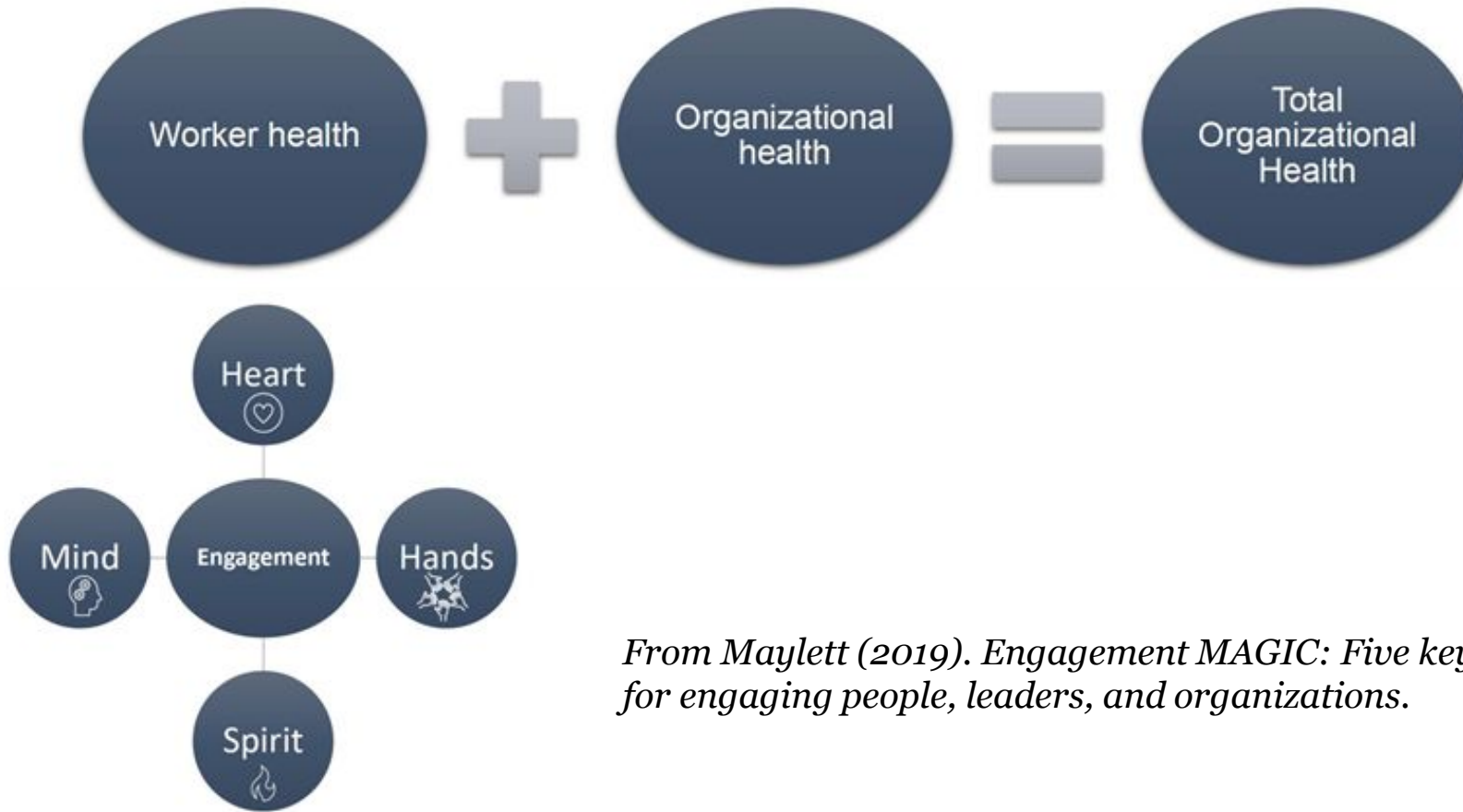
# of employees: 8898  
 # of responses: 4239  
 Response Rate: 48%



### Previous Survey Improve Drivers

- ◆ Career Advancement & Development
- Company Potential
- Department Collaboration
- ◆ Job Driver
- Organizational Driver
- Retention Driver

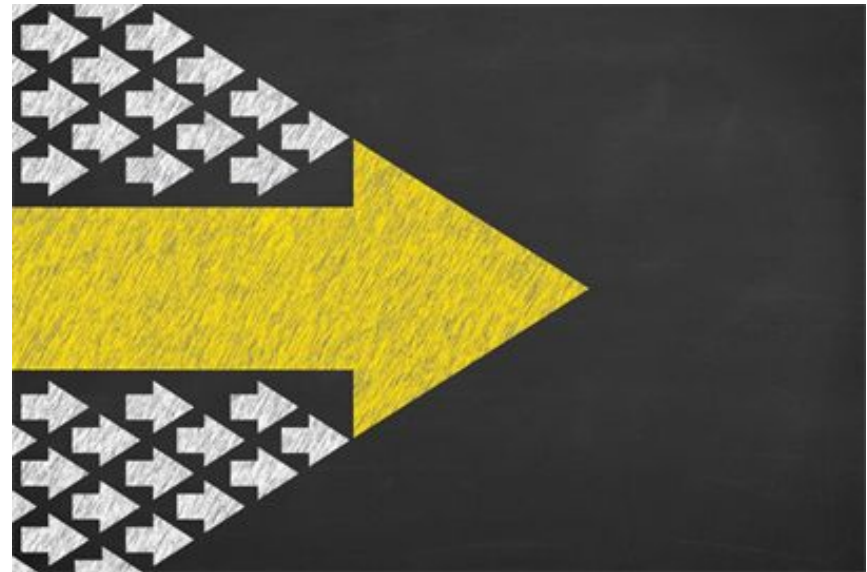
## Priority Driver Improvement Actions – Campus Examples




*From Maylett (2019). Engagement MAGIC: Five keys for engaging people, leaders, and organizations.*

# Targeted Action Plan 2024

1. Change Survey Frequency (Full vs. Pulse)
2. 2024 Pulse Survey (20 questions)
3. Action plan and Redeploy







**Q & A**  
**Thank you!**

**UT** THE UNIVERSITY OF TENNESSEE SYSTEM

# Report on Staff Employee Engagement Survey Results 2023

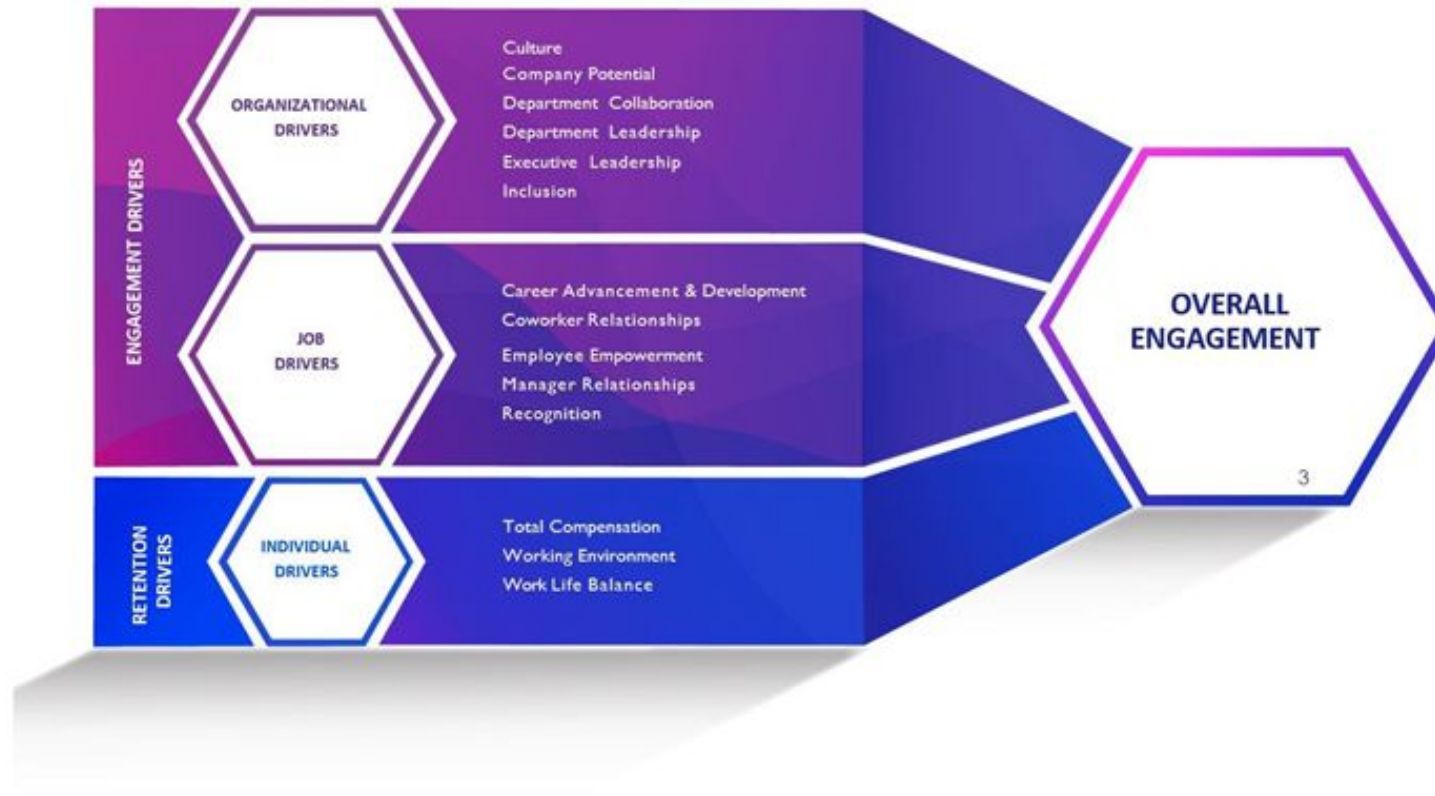
Dr. Brian K. Dickens, CHRO  
Board of Trustees Meeting  
March 2024



### McLean & Company Engagement Model

University of Tennessee  
Open Date: Sep 20, 2023  
Close Date: Oct 19, 2023

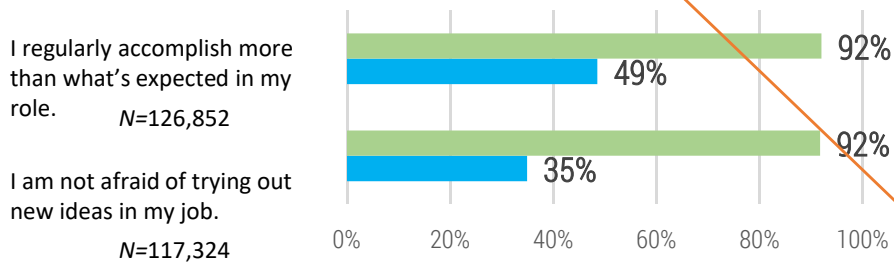
# of employees: 8898  
# of responses: 4239  
Response Rate: 48%



**WHY ENGAGEMENT SURVEYS?**

# Engagement positively impacts organizational outcomes

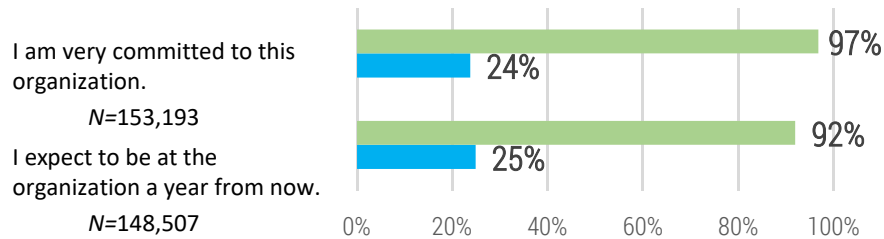
Engagement is related to employee performance:



McLean & Company, Engagement Survey Database, 2022

■ Engaged

Engaged employees are more committed, innovative, and customer focused:



McLean & Company, Engagement Survey Database, 2022

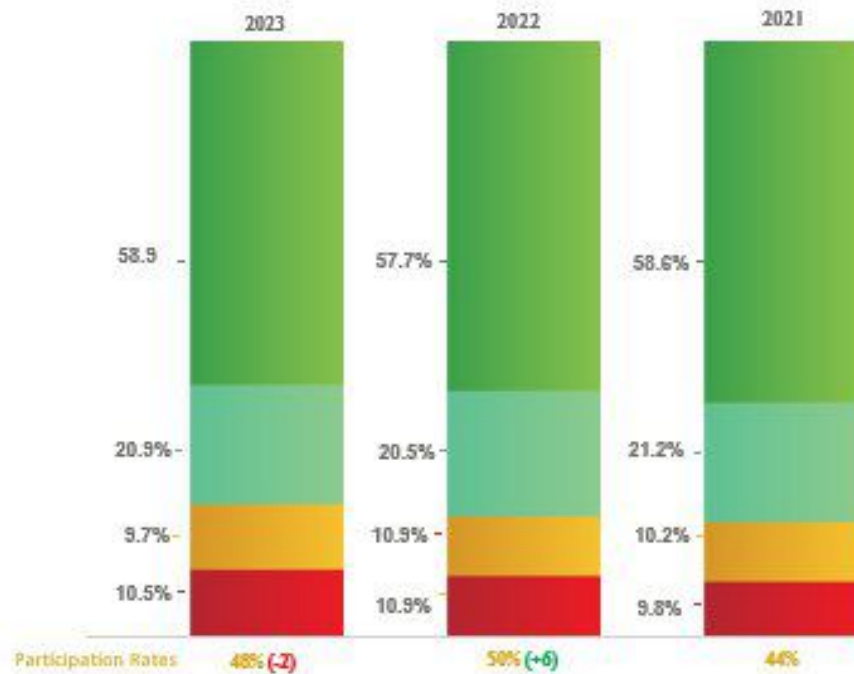
■ Engaged

Compared to organizations with low employee engagement, organizations with high employee engagement experience:

Lower absenteeism	81% difference
Higher employee wellbeing	66% difference
Higher profitability	23% difference
Higher customer engagement	23% difference

Gallup, 2020, N=276

## UT System Three-Year Overall Engagement Results



- ENGAGED**

Engaged employees consistently exceed expectations. They are energized and passionate about their work, leading them to exert discretionary effort to drive organizational performance.
- ALMOST ENGAGED**

Almost engaged employees sometimes exceed expectations and are generally passionate about their work. At times they exert discretionary effort to help achieve organizational goals.
- INDIFFERENT**

Indifferent employees are satisfied, comfortable, and generally able to meet minimum expectations. They see their work as "just a job", prioritizing their needs before organizational goals.
- DISENGAGED**

Disengaged employees usually fail to meet minimum expectations, putting in time rather than effort. They have little interest in their job and the organization and often display negative attitudes.

## UT System Three-Year Overall Experience Score



### EMPLOYEE EXPERIENCE

How likely would you be to recommend University of Tennessee to a qualified friend or a family member as a great place to work?

#### EMPLOYEE EXPERIENCE SCORE (% of Supporters - % of Detractors)



CURRENT SCORE- 2023

**33.0**

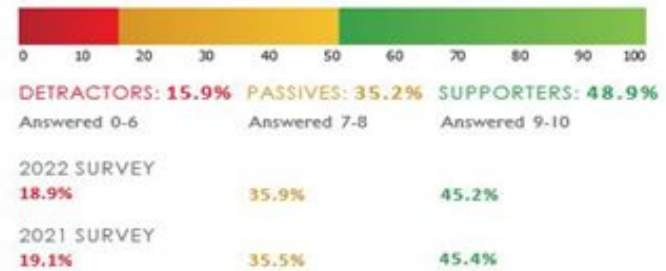
AVERAGE RESPONSE  
**8**

2022 SCORE  
**26.3**

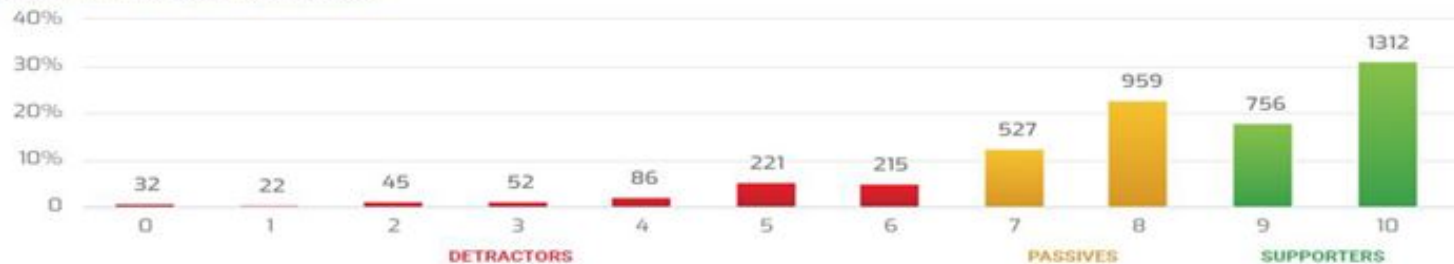
2021 SCORE  
**26.3**

BENCHMARK  
**3.2**

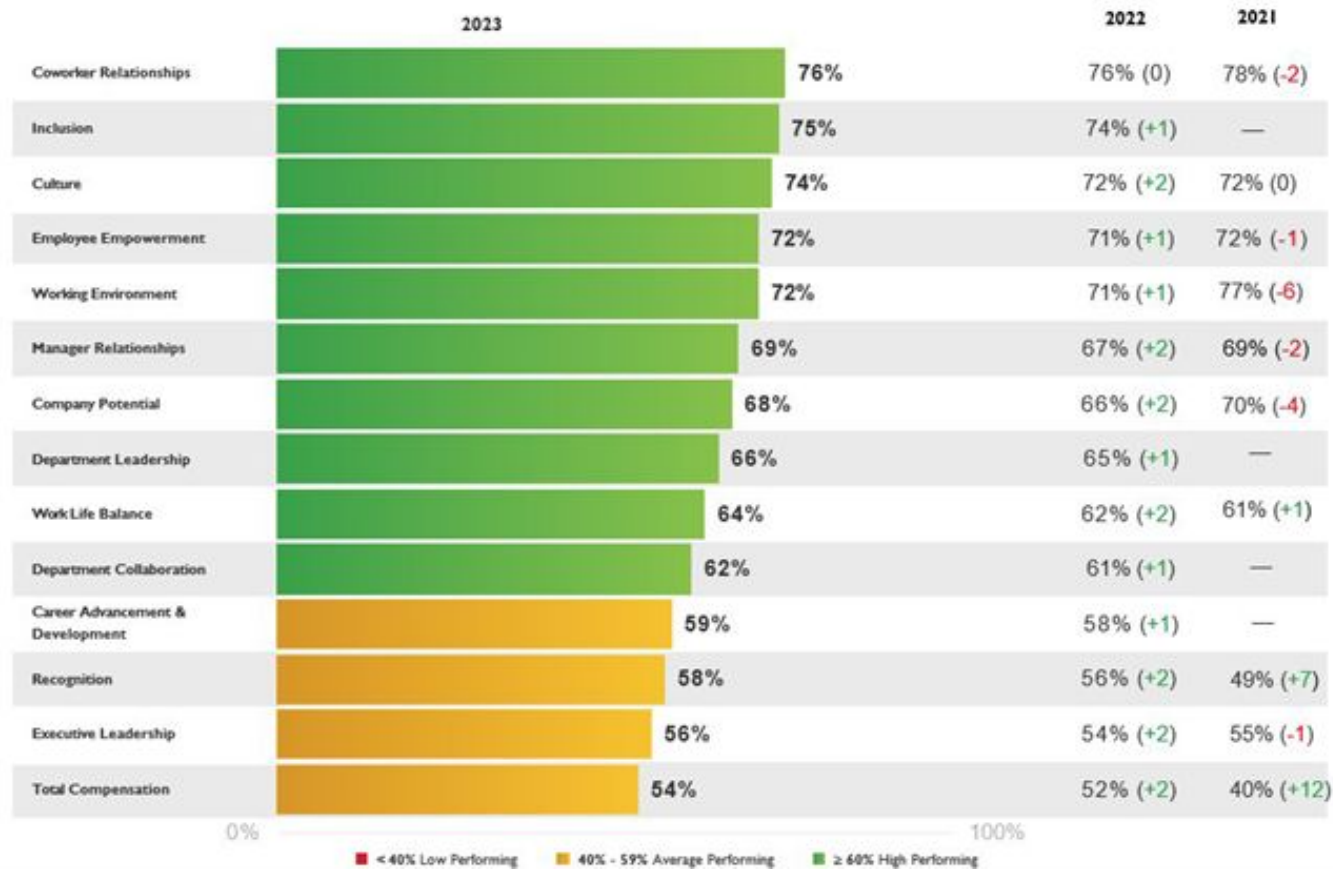
#### SCORE BREAKDOWN



#### RESPONSE DISTRIBUTION



### UT System Three-Year Overall Driver Results



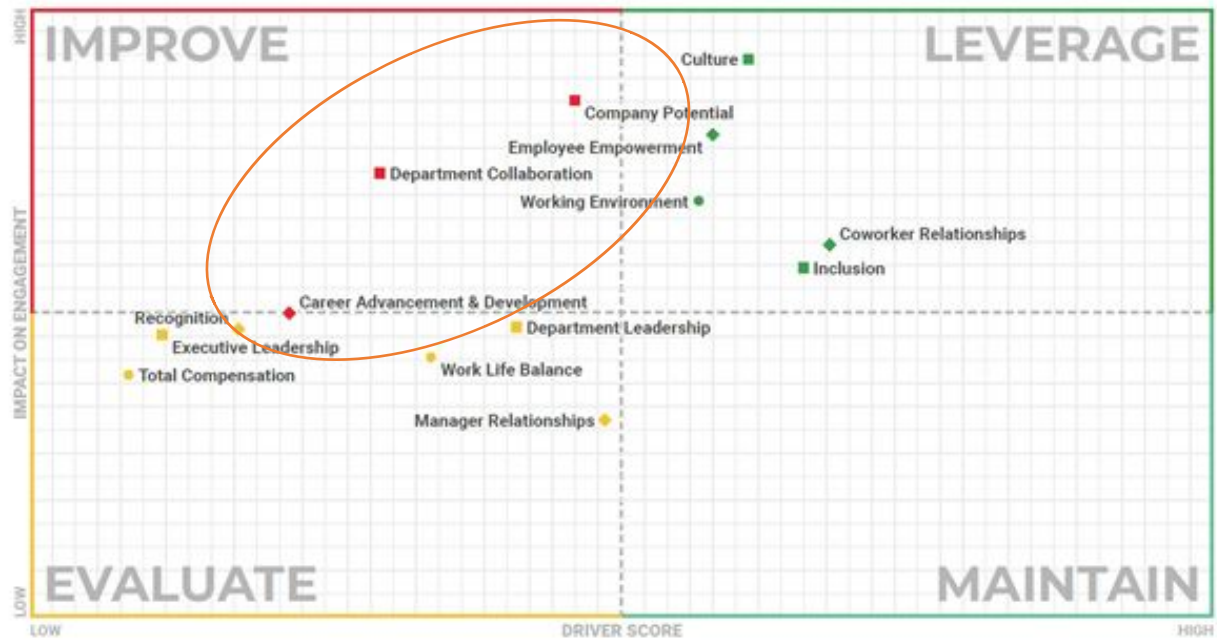
## Priority Matrix

University of Tennessee  
 Open Date: Sep 20, 2023  
 Close Date: Oct 19, 2023

# of employees: 8898  
 # of responses: 4239  
 Response Rate: 48%



6



### Previous Survey Improve Drivers

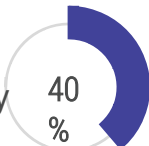
- ◆ Career Advancement & Development
- Company Potential
- Department Collaboration
- ◆ Job Driver
- Organizational Driver
- Retention Driver



## Actions Required

### Lack of action leads to lack of trust

Leader-driven engagement is about **leadership owning action planning and HR facilitating it.**

Yet only  40% of executives consider acting on results to be a high priority (Qualtrics, 2018; N=178).

“The executive leadership team acts on employee feedback” is the fourth lowest-scoring question out of 63 in McLean & Company engagement surveys (N=244,519).

→ This contributes to cynicism and detracts from current and future engagement initiatives.



# Priority Driver Improvement Actions – Campus Examples

## Company (University) Potential

6

### Five Essentials for Workplace Mental Health & Well-Being

Centered on the worker voice and equity, these five Essentials support workplaces as engines of well-being. Each Essential is grounded in two human needs, shared across industries and roles.



### Components

Creating a plan with all workers to enact these components can help reimagine workplaces as engines of well-being.

#### Protection from Harm

- Prioritize workplace physical and psychological safety
- Enable adequate rest
- Normalize and support mental health
- Operationalize DEIA\* norms, policies, and programs

#### Connection & Community

- Create cultures of inclusion and belonging
- Cultivate trusted relationships
- Foster collaboration and teamwork

#### Work-Life Harmony

- Provide more autonomy over how work is done
- Make schedules as flexible and predictable as possible
- Increase access to paid leave
- Respect boundaries between work and non-work time

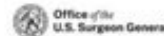
#### Mattering at Work

- Provide a living wage
- Engage workers in workplace decisions
- Build a culture of gratitude and recognition
- Connect individual work with organizational mission

#### Opportunity for Growth

- Offer quality training, education, and mentoring
- Foster clear, equitable pathways for career advancement
- Ensure relevant, reciprocal feedback

\*Diversity, Equity, Inclusion & Accessibility



(Nielsen et al., 2017; 2018)

# Priority Driver Improvement Actions – Campus Examples

## Company (University) Potential

The screenshot shows the website for The University of Tennessee Health Science Center. The header includes the logo, navigation links for 'APPLY' and 'GIVE', a search bar, and a 'MENU' icon. The main navigation menu lists: PERFORMANCE MANAGEMENT, EMPLOYEE CONCERNS, LEAVE MANAGEMENT, EMPLOYEE ENGAGEMENT, WORKERS COMPENSATION, and COVID-19 EMPLOYEE GUIDANCE. The page title is 'Annual Employee Engagement Survey'. The content includes an introductory paragraph about the survey, a 'Survey Results' section with buttons for '2023 Results', '2022 Results', and '2021 Results', a 'Goals for 2024' section with a paragraph and a bulleted list of goals, and a 'What Colleges and Units Accomplished Last Year to Improve:' section with a bulleted list of accomplishments.

**Annual Employee Engagement Survey**

The annual employee engagement survey is completed annually in September/October by all regular full and part time employees. To help our community understand and interpret our past survey results, please review the [Guide to Interpreting Your Overall Engagement Report](#). If you are a manager, please review the [Engagement Action Planning Manager Toolkit](#). The resources are provided by McLean & Company to help you interpret the results and get guidance on how to have action planning discussions.

**Survey Results**

[2023 Results](#) [2022 Results](#) [2021 Results](#)

**Goals for 2024**

Our goals for 2024 have been informed by the [Survey Trends and Insights Report](#). This report from McLean & Company offers insights into the 2023 results, key takeaways, and compares these results against the 2022 to discover trends.

- Communicate survey results and next steps
- Re-brand ERC/ESC as Staff Senate
- Continue current engagement efforts
- Campus leadership and each Dean, VC area employ 1-2 NEW tactics (based on survey feedback) to improve engagement in their area

**What Colleges and Units Accomplished Last Year to Improve:**

- Developed "staff council" in college/unit to empower employees (CoG)
- Provided fun, competitive activities to improve morale (VCR)
- Staff development committee impactful activities (CoN)

## Priority Driver Improvement Actions – Campus Examples

# Career Advancement & Development

6

- 1) **Address challenges around belonging, perceived social support, and opportunities for learning and growth**
  - 1) Career mapping, job crafting, and hi-po development and expanding our understanding of and approach to career development to more of a “career lattice” vs. “career ladder.”
- 2) **Additional Designation of funding and resources for staff professional development**
- 3) **Coach managers on career development conversations and remind employees of all the learning and development resources available.**
- 4) **Expanded career development team and launched pilot Professional Fellows program (Career Development team launched Fall 2022 available learning and development resources**

## Priority Driver Improvement Actions – Campus Examples

6

# Department Collaborations

- **Focus on improving the quality of relationships between leaders/supervisors/managers and their employees**
- **Collaboration Grants, Department Spotlights, Campus Community Gatherings**
- **Staff/Faculty Gatherings/Potluck/Winter Pancake Breakfast**
- **Department and Division Newsletters and Communication Tactics (i.e, “The Filling”) –Used this vehicle to highlight staff and provide accolades; updates, and other items**

# McLean & Company Engagement Drivers

## Organization Drivers

- Culture
- Company Potential
- Department Collaboration
- Department Leadership
- Inclusion

## Job Drivers

- Career Advancement & Development
- Coworker Relationships
- Recognition

## Individual Drivers

- Total Compensation
- Working Environment
- Work Life Balance

Our strategy is to systematically improve Employee Engagement (Total Organizational Health)

1

### Utilize Engagement Survey Data



2

### 2024 Engagement Pulse Survey – 20 Questions (chosen by UT System)

Keep a “pulse” on current trends, while providing a shortened version of the Engagement Survey.

3

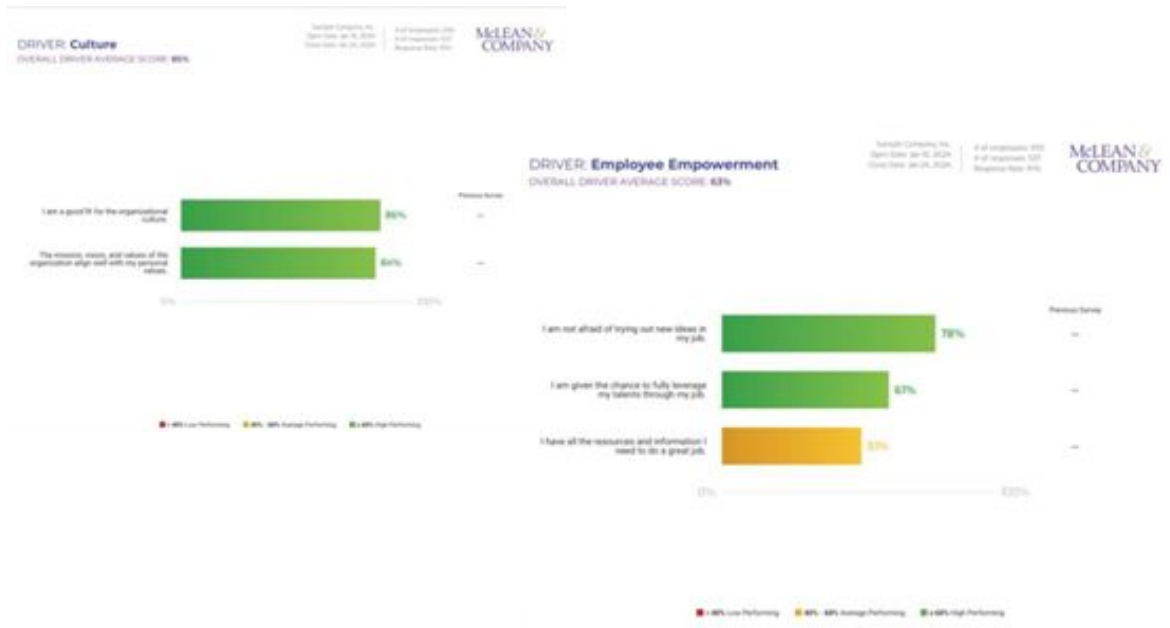
### Action Planning

Work collaboratively with the advisor to action plan around UT System’s data to assist each campus to achieve higher results

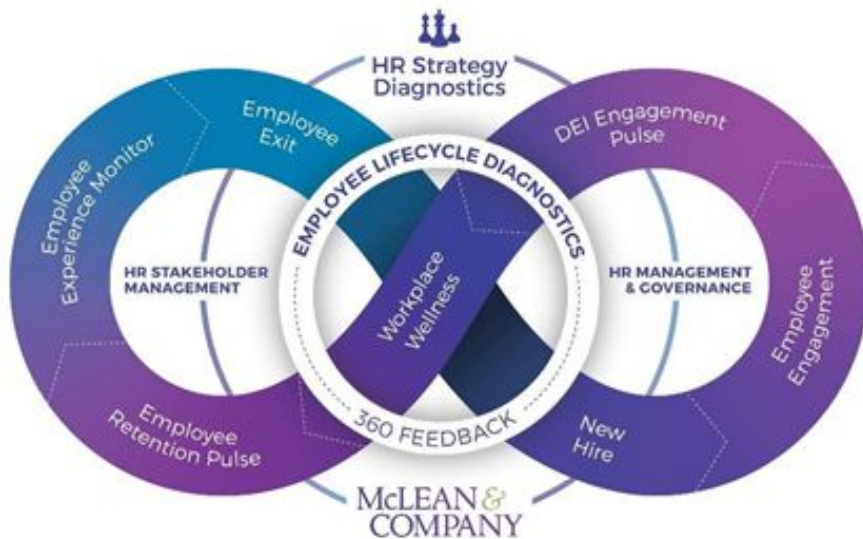
EXAMPLE of Engagement Pulse

# Less Questions, Key Drivers

6



# Utilizing a Data-Driven Strategy to Inform Decision Making



## Full-Service Diagnostic Programs

### Employee Life Cycle Diagnostics

#### New Hire Survey

Ensure recruiting and onboarding programs are effective by surveying new employees.

#### Employee Engagement

Move beyond measuring job satisfaction with a comprehensive view of engagement.

#### Workplace Wellness Survey

Address employee wellbeing and build a healthy working environment.

#### Employee Engagement Pulse

Move beyond measuring job satisfaction with a comprehensive view of engagement.

#### McLean Employee Experience Monitor

Evolve to leader-driven engagement with a real-time dashboard and results.

#### Employee Exit Survey

Understand why people leave the organization to proactively retain top talent.

#### 360 Feedback Survey

Empower employees with a holistic view of their performance to prioritize development.





**Thank you!**



# THE UNIVERSITY OF TENNESSEE BOARD OF TRUSTEES

---

## AGENDA ITEM SUMMARY

Meeting Date: March 1, 2024  
Committee: Finance and Administration  
Item: **Committee Consent Agenda**  
Type: Action  
Presenter: William (Bill) C. Rhodes III, Committee Chair

### **Background Information**

Items on the Committee Consent Agenda are not presented or discussed in the Committee unless a Committee member requests that an item be removed from the Consent Agenda. The Bylaws provide that an item will not be removed from the Consent Agenda solely for the purpose of asking questions for clarification. Those questions should be presented to the Board Secretary or Committee Liaison before the meeting.

### **Committee Action**

If there are no requests to remove items on the Consent Agenda, the Committee Chair will call for motion that:

1. The reading of the minutes of the October 13, 2023, meeting of the Committee be omitted and that the minutes be approved as presented in the meeting materials.
2. The action items set forth on the Consent Agenda be recommended for adoption by the Board of Trustees.

If the motion passes, the items requiring Board approval will go forward to the Consent Agenda of the full Board meeting, unless otherwise required to be acted upon individually by the Board.



# THE UNIVERSITY OF TENNESSEE BOARD OF TRUSTEES

---

## MINUTES OF THE FINANCE AND ADMINISTRATION COMMITTEE October 13, 2023

The Finance and Administration Committee of The University of Tennessee Board of Trustees met at 9:00 a.m. (ET) on Friday, October 13, 2023. The meeting was held in the Pilot Company Ballroom of the Student Union located at the University of Tennessee, Knoxville, in Knoxville, Tennessee.

Committee Members Present: William (Bill) C. Rhodes III, Committee Chair; John C. Compton, Board Chair; Christopher L. Patterson; and David N. Watson.

Others in Attendance:

Trustees: Bradford D. Box; Decosta E. Jenkins; Charles Hatcher, Commissioner, Tennessee Department of Agriculture; Shanea A. McKinney; Donald J. Smith; and T. Lang Wiseman.

University Administration: President Randy Boyd; David L. Miller, Senior Vice President and Chief Financial Officer; Cynthia C. Moore, Board Secretary and Special Counsel; Chancellor Steve Angle (UT Chattanooga); Chancellor Peter Buckley (UT Health Science Center); Chancellor Yancy E. Freeman (UT Martin); Interim Chancellor Linda Martin (UT Southern); Chancellor Donde Plowman (UT Knoxville); and other members of the UT senior leadership and administrative staff.

Ms. Moore announced the presence of a quorum. The meeting was webcast for the convenience of the University community, the general public, and the media.

---

### Opening Remarks of the Committee Chair and Requests to Address the Board

Committee Chair Rhodes opened the meeting by announcing that no requests to address the Board were assigned to be heard by the Committee.

### Report on Financial Performance

2023 Fiscal Year-end Financial Summary

Luke Lybrand, Treasurer, presented the 2023 Fiscal Year-end Financial Summary (Tab 1.1). Mr. Lybrand began his remarks by advising the Trustees that the state is in the process of auditing the University's financials; therefore, the information presented in the materials (Tab 1.1) represents the unaudited results. Mr. Lybrand stated that the University's overall financial performance for FY 2023 was positive, with tuition, student fees, and auxiliary revenues continuing to improve in line with the increase in student growth across the UT System.

In comparing the preliminary results of the FY 2023 Income Statement to those of FY 2022, Mr. Lybrand noted that total revenues for the UT System increased by approximately \$400 million, with expenses rising by approximately \$292 million. Mr. Lybrand pointed out that an attributional analysis for Fiscal Years 2021 and 2022, combined with the most recent data for FY 2023, shows that the University has seen an upward trend in net tuition and fees, with UT Knoxville driving much of that growth. He also noted that investment income performed much better in FY 2023 than FY 2022, which was driven by the Federal Reserve increasing interest rates in an attempt to curb inflation.

Mr. Lybrand stated that, as with revenues, expenses increased in line with the growth in student enrollment and in-person services. Additionally, salaries and benefits increased by \$187 million in FY 2023, which reflects the state's 4% pay plan. Other major increases included \$104 million in utilities, supplies, maintenance and repairs, travel, and legal/professional fees. Responding to a question raised by Committee Chair Rhodes, Mr. Lybrand confirmed that the rise in both revenue and expenses indicates that the University is returning to pre-pandemic activity.

Mr. Lybrand presented a condensed version of the FY 2023 Balance Sheet, comparing FY 2023 to FY 2022. Over that time, the University's total assets increased by approximately \$309 million, while total liabilities decreased by \$41 million. He provided additional insights on the changes reflected on the balance sheet associated with net pension assets and liabilities.

Mr. Lybrand explained that the University consolidates its operating deposits into a cash management investment pool in order to optimize liquidity and investment earnings. The key investment objectives of this pool are preserving capital and maintaining sufficient liquidity. Approximately \$5 million of the pool is held in bank deposits, with the majority of the assets invested in fixed rate treasuries and agencies that are held to maturity and are not subject to floating federal fund rates. He explained that the University is prohibited from investing in risk-based instruments. The University utilizes a laddered investment approach that employs staggered maturity dates so that each portion of the portfolio matures at regular intervals, which has allowed the University to capture higher yields.

Mr. Lybrand presented a liquidity analysis by campus and reminded the Committee that the Moody's Aaa median is 236 days, and the University is well above that metric at 251, with UT Knoxville's median at 299, followed by UT Martin with a 250 median. The University's three remaining campuses have improved their standing since the last meeting but remain below the Moody's benchmark.

Mr. Lybrand concluded his presentation by noting that the University continues to have a positive financial performance due to student enrollment growth and strong financial support from the State.

Fiscal Year 2023 Year-end Fund Balances

David L. Miller, Senior Vice President and Chief Financial Officer, provided a review of the FY 2023 Year-end Fund Balances. With respect to annual operating funds, the aggregate year-end cash fund balances totaled approximately \$140.8 million, with more than \$67 million in unallocated Education and General (E&G) reserves. Additionally, the University is permitted to carry forward certain from year-to-year as accrued fund balances. At the conclusion of FY 2023, \$1.35 billion was carried forward, with approximately \$835 million and \$405 million earmarked for renewal/replacement projects and plant funds, respectively. Mr. Miller advised that a detailed report on the FY 2023 Unrestricted Fund Balances was included with the information items in the meeting materials (Tab 7.6). In response to a question raised by Committee Chair Rhodes, Mr. Miller stated that the renewal/replacement fund is used for projects that may not rise to the level of receiving state funding. Board Chair John Compton requested that a five-year summary of total year-end carry forward balances for all funds be provided to the Board.

Enterprise Resource Planning Project Update

Mr. Miller provided an update on the transition to the ERP system, more commonly referred to as "DASH" (Dynamic Administrative Systems for Higher Ed) (Tab 1.2). Mr. Miller advised the Committee members that the project continues to remain on budget and on track to go live in July 2024. Mr. Miller stated that as the project moves forward, the University will see tangible results such as better management reporting, improved audit functionality, and faster performance.

**FY 2024-25 Operating Budget Appropriations Request for Specialized Units**

Ron Loewen, Associate Vice President, Budget, Analysis and Planning, explained that the Tennessee Higher Education Commission coordinates appropriation requests for specialized units, which includes the UT Health Science Center (UTHSC); UT Institute for Agriculture (UTIA); UT Space Institute; UT Institute for Public Service; and UT System Administration. Mr. Loewen reviewed the three priorities identified, totaling approximately \$6 million funding requests: (i) \$1.5 million (non-recurring) to support and accelerate development of the joint nursing program between the UTHSC and UT Southern; (ii) \$1.5 million (non-recurring) for renewal and replacement of medical simulation equipment at the UTHSC; and (iii) \$3 million (recurring) to expand and enhance the UTIA programs and precision livestock farming. Mr. Loewen advised the Committee members that the Operating Budget Appropriations Request does provide President Boyd and Mr. Miller with discretion to add other items to the list prior to the conclusion of the next General Assembly session.

Upon motion duly made and seconded, the Committee approved a recommendation that the Board of Trustees adopt the Resolution approving the FY 2024-25 Operating Budget Appropriations Request for Specialized Units (as presented under Tab 2).

### **Annual UT System Workforce Review**

Dr. Brian Dickens, Chief Human Resources Officer, provided an update to the Board on the UT System workforce (Tab 3). He began his presentation by sharing top concerns identified by the Society for Human Resource Management: (i) wage inflation; (ii) skills shortages and the gap in talent replenishment; and (iii) employee activism that may lead to incivility in the workplace. Dr. Dickens also shared the results of a survey of chief human resource officers conducted by the Human Capital Development Lab at Johns Hopkins University that identified concerns such as: (i) rising labor, benefits, and healthcare costs; and (ii) the cost of the human resource functions.

Dr. Dickens' presentation included a review of the University's workforce trends from 2020 to 2023, staffing levels, retirement eligibility, and minority and gender representation. He noted that as student enrollment grows, so does the University's workforce, which now numbers 13,435 full-time faculty and staff members, 5,591 temporary employees, and 13,853 student employees. Dr. Dickens also pointed out that the University's workforce is becoming more diverse, and the number of employees who are eligible for retirement has decreased, with more than 85% of the workforce having between less than one year to 19 years of service. The Office of Human Resources has also made strides in lowering the time it takes to fill a position, from posting the application to actually hiring a new employee.

Dr. Dickens concluded his presentation by announcing that for the second consecutive year, the University has earned certification as a Great Place to Work.™ Significantly, both the number of survey participants rose, as well as the number of individuals responding that the University was a great place to work.

### **Public Private Partnership (P3) - Student Housing (UTK)**

Austin Oakes, Assistant Vice President for Capital Projects, provided an overview of the framework for the proposed public-private partnership (P3) to construct new student housing facilities on the Knoxville Campus. Mr. Oakes noted that, if approved, the P3 would be the first of its kind for public higher education in the State of Tennessee.

Approximately a year ago, after receiving approval from the State Building Commission (SBC), the University issued a request for proposal for the project. The University selected RISE Development, LLC, as the best evaluated proposer, and the SBC approved the selection in May 2023.

Mr. Oakes provided an overview of Phase 1 of the P3 project, which will include facilities to be built at Andy Holt Avenue and Caledonia Avenue. The facilities are scheduled to open in the Fall of 2025. The cost of construction will be financed through tax-exempt and/or taxable bonds. Neither the University nor the state will assume any financial liability associated with the issuance of the bonds.

Mr. Oakes advised that there are plans underway for Phase 2, to be built at Lake Loudoun Boulevard, which will be brought forward for approval by the Board at a later date. Committee Chair Rhodes stated that, if needed, a special meeting could be called to approve that agreement.

Committee Chair Rhodes explained that the P3 is a ground lease that will revert back to the University in 40 years. He congratulated Mr. Miller, Mr. Oakes, and the team for bringing forward a well-designed financing structure. President Randy Boyd echoed those comments.

Upon motion duly made and seconded, the Committee approved a recommendation that the Board of Trustees adopt the Resolution approving public-private partnership for the construction of a multi-phase, on-campus student housing development for the University of Tennessee, Knoxville (as presented under Tab 4).

### **Updated Board Policies**

Committee Chair Rhodes referred the Committee members to Agenda Item Summary pertaining to the Board's Statement of Treasury Policy (BT0024) and Investment Policies and Procedures (BT0025) as set forth in the meeting materials (Tab 5). As described in the meeting materials, it was determined that both policies needed to be revised to improve readability, remove redundancies, eliminate unnecessary historical references, and ensure that the policies reflect the University's current treasury and investment practices.

Upon motion duly made and seconded, the Committee approved a recommendation that the Board of Trustees adopt the Resolutions pertaining to the restated Statement of Treasury Policy (BT0024) and the restated Statement of Investment Policy (BT0025) (as set forth in Tabs 5.1-5.2 of the meeting materials).

### **Consent Agenda**

Committee Chair Rhodes asked if there were any requests to remove items from the agenda. There being none, upon motion duly made and seconded, the Committee approved: (i) the Resolution to adopt the minutes of the last meeting of the Committee; and (ii) the Resolutions pertaining to the other action items included on the Consent Agenda (a complete list of the approved items appears at the end of these minutes).

### **Closing Remarks and Adjournment**

Committee Chair Rhodes called the attention of the Committee members to the documents included as Information Items (Tabs 7.1 through 7.6, a complete list of which appears at the end of these minutes).

In closing, Committee Chair Rhodes stated that with respect to the endowment investment returns, it is important to remember that one should not focus on the short-term returns only.

He pointed out that since the University repositioned its assets with Cambridge Associates, the endowment has seen positive progress over the past three to five years.

With no further business to come before the Committee, the meeting was adjourned.

Respectfully Submitted,

/s/ Cynthia C. Moore  
Cynthia C. Moore  
Secretary and Special Counsel

7.1

Approved Consent Agenda Items

- Minutes of the Last Meeting (June 30, 2023)
- Report on Uses of FY 2023 Tuition and Fee Revenue
- Acquisition Easements at Clyde Austin in Greeneville, TN (UTIA)
- Disposal Easement to Greeneville Energy Authority (UTIA)
- Proposed Building Naming (UTC)

Information Items

- Report on Use of Differential Tuition Funds (UTC)
- Report on Use of Differential Tuition Funds (UTK)
- FY 2023 Annual Flight Operations Report
- Report of Capital Projects Approvals for FY 2023-24
- FY 2023 Report on Endowment Investment Performance
- Report on FY 2023 Unrestricted Fund Balances





# THE UNIVERSITY OF TENNESSEE BOARD OF TRUSTEES

## AGENDA ITEM SUMMARY

Meeting Date: March 1, 2024  
Committee: Finance and Administration  
Item: **Proposed Building Naming, UT Martin**  
Type: Action

7.2

### **Background Information**

Pursuant to the UT Board of Trustees Policy on Naming of Facilities and Other Assets (BT0017), the Board of Trustees has reserved to itself the naming of other assets of the University, including colleges, schools, and programs.

The University of Tennessee at Martin (UTM) seeks approval to name the newly renovated ROTC Building in honor of retired Lt. General Dennis D. Cavin, an esteemed veteran, donor and alumnus of UTM. More information on the proposed naming is attached hereto. This proposal has been approved by Chancellor Yancy Freeman and President Randy Boyd.

**Resolved:**

**The Board of Trustees hereby approves the naming of the renovated ROTC Building at UT Martin as the “Dennis D. Cavin ROTC Center” in honor of Lt. General Cavin’s generous and numerous contributions to the military, the nation, and the UT Martin campus.**

**The proper officers of the University are authorized to take such actions as may be deemed appropriate and necessary to effectuate the approved name change as contemplated herein.**



Office of the Chancellor  
325 Administration Building  
554 University Street  
Martin, TN 38238  
office: (731) 881-7500  
fax: (731) 881-7019

December 11, 2023

7.2

President Randy Boyd  
University of Tennessee  
UT Tower #1288  
505 Summer Place  
Knoxville, TN 37902

Dear President Boyd:

In accordance with the UT Board of Trustees' Policy on Naming of Facilities and Other Assets and the Board-approved Guidelines for Naming Opportunities and Endowments, the University of Tennessee at Martin seeks approval to name the newly renovated ROTC Building, located on Moody Street of the UT Martin campus in honor of esteemed veteran, donor and alumnus, retired Lt. General Dennis D. Cavin.

Lt. General Cavin was active in ROTC and the Alpha Gamma Rho fraternity. Receiving his commission as a second lieutenant in the U.S. Army in 1970, he advanced through the grades to Lt. General as a career Air Defense Artillery Officer and served in many other leadership roles, receiving many honors, as attested in the attached naming proposal. He was honored on campus in 1999, receiving the UT Martin Outstanding Alumni Award, and was honored in 2012 in the creation of the Three-Star Scholarship, which was endowed in 2022. We enthusiastically agree that the naming of the ROTC Building is an appropriate recognition of Lt. General Cavin's generous and numerous contributions to the military, our nation, and the UT Martin campus.

In grateful recognition of his generous support, we request approval from the UT Board of Trustees to name the renovated ROTC Building the "Dennis D. Cavin ROTC Center." Thank you for considering this fitting endorsement of Lt. General Cavin's generosity, advocacy, and leadership. Please let me know if you have questions or need further information.

Sincerely,

A handwritten signature in black ink, appearing to read 'Yancy E. Freeman, Sr.', written over a horizontal line.

Dr. Yancy E. Freeman, Sr.  
Chancellor

js

## PROPOSED NAMING OF THE ROTC BUILDING THE UNIVERSITY OF TENNESSEE AT MARTIN

The University of Tennessee at Martin proposes that the building currently referred to as the ROTC Building be named the "Dennis D. Cavin ROTC Center" in honor of esteemed alumnus retired Lt. General Dennis Cavin.


Dennis D. Cavin graduated from UT Martin in 1969 with a B.S. in Agriculture, where he was active in ROTC and the Alpha Gamma Rho fraternity. While at UT Martin, he also met his future wife, Mary Brann. The two were married on August 31, 1968, and began a nearly 53-year journey of dedicated love and caring before she passed away July 16, 2021.

Cavin received his commission as a second lieutenant in the U.S. Army in 1970 and advanced through the grades to Lt. General as a career Air Defense Artillery Officer. He served as Deputy Commanding General and Commanding General of the U.S. Army Air Defense Artillery Center at Ft. Bliss, Texas. His other assignments were Chief, Air Defense Division, Force Development Branch; office of the Deputy Chief of Staff for Operation and Plans, U.S. Army in Washington DC; and beginning in 1998, Deputy Commanding General of the USAF Defense Artillery Center in Fort Bliss, Texas.

Cavin's honors include the Decorated Defense Superior Service Medal, the Legion of Merit with three oak leaf clusters, and the Meritorious Service Medal with oak cluster. He currently runs the Fallen Soldiers March, a non-profit organization that inspires patriotism, provides service dogs, and advocates for veterans.

Cavin was honored with the UT Martin Outstanding Alumni Award in 1999. He, along with the only two other three-star generals (John "Glad" Castellaw and Robert C. Hinson), was honored with the 2012 creation of the Three-Star Scholarship, which was endowed in 2022. He has also been a generous donor with gifts to UT Martin totaling more than \$ 100,000.

The University of Tennessee at Martin believes the naming of the ROTC Building is a fitting way to honor this esteemed veteran, alumnus and donor. The naming of the "Dennis D. Cavin ROTC Center" meets the requirements stipulated in the "Policy on the Naming of Facilities and Other Assets of the University of Tennessee" as adopted by the UT Board of Trustees on June 24, 2022.

  
\_\_\_\_\_  
Dr. Yarey Freeman  
Chancellor

  
\_\_\_\_\_  
Date



# THE UNIVERSITY OF TENNESSEE BOARD OF TRUSTEES

## AGENDA ITEM SUMMARY

Meeting Date: March 1, 2024

Committee: Finance and Administration

Item: **Acquisition of Property by Gift for Institutional Use (UTM)**

Type: Action

7.3

### **Background Information**

The University of Tennessee at Martin proposes to acquire the property located at 518 Chicken Road, Dresden, TN. The parcel includes approximately 56.2 acres along with a 1,648 square foot single-family residence constructed in 1978. The stipulations of the gift are that the real estate be retained for institutional use; no clear-cutting of the timber; and the property be used as a classroom laboratory, or open to the public as a nature park.

The acquisition presents a strategic opportunity to provide several unique avenues for the University to create extended learning experiences for students. Initially, the property could serve as an outdoor laboratory for many Agriculture and Applied Sciences classes.

The administration requests approval to accept this property via gift for institutional use. The University also seeks authorization to revise the UT Martin Master Plan to include this property. Upon approval by the Board, the administration will seek all required state government approvals.

### **Resolved:**

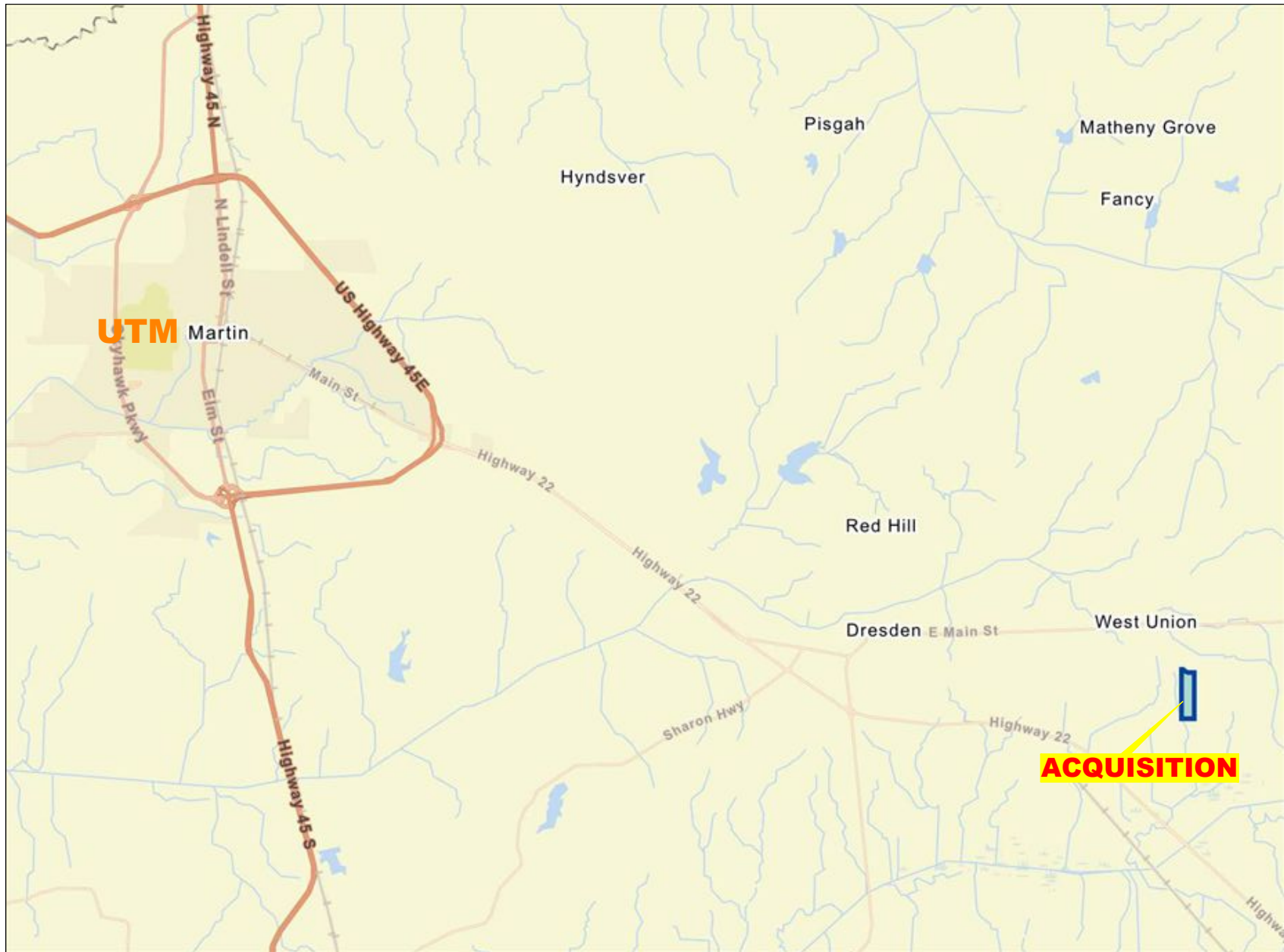
#### **The Board of Trustees hereby approves:**

1. The acquisition by gift of certain real property, consisting of 56.2 +/- acres located at 518 Chicken Road in Dresden, Tennessee, for institutional use for the benefit of the University of Tennessee at Martin (UT Martin); and
2. The amendment of the UT Martin Master Plan to include the real property located at 518 Chicken Road in Dresden, Tennessee.

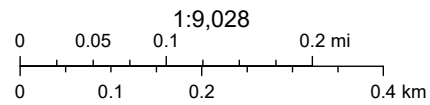
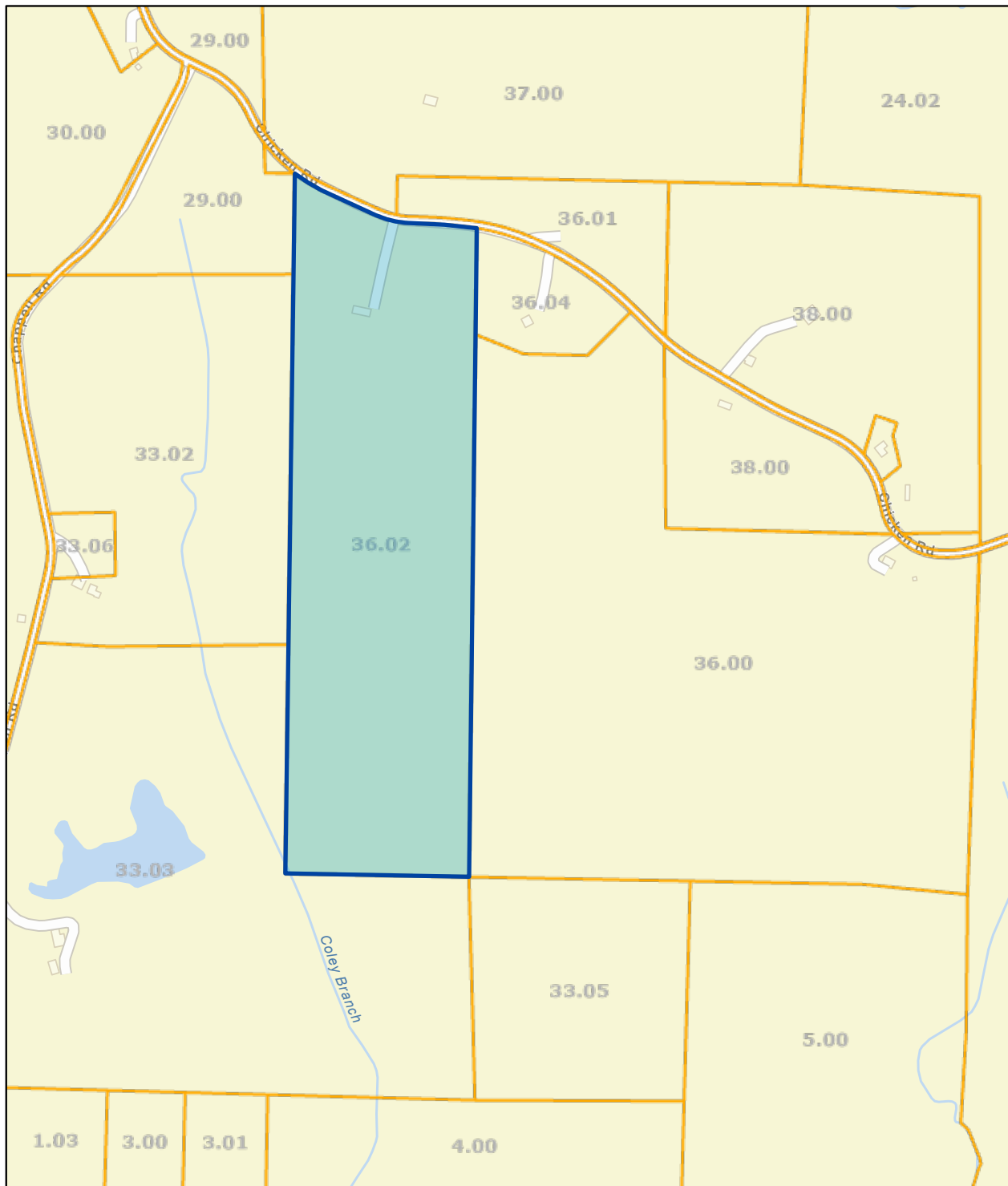
**Further, the proper officers of the University are hereby authorized to take any and all such action as may be required or which they may deem necessary and appropriate to accomplish the foregoing.**

Exhibit A - UTM Gift Acquisition - 518 Chicken Road, Dresden TN

7.3



7.3



County: Weakley  
Owner: KRUZICH PAMELA G  
Address: CHICKEN RD 518  
Parcel Number: 103 036.02  
Deeded Acreage: 56.25



# THE UNIVERSITY OF TENNESSEE BOARD OF TRUSTEES

---

## AGENDA ITEM SUMMARY

Meeting Date: March 1, 2024

Committee: Finance and Administration

Item: **Utility Easement to Ben Lomand Communications, LLC (UTSI)**

Type: Action

7.4

### **Background Information**

The University proposes to grant a permanent utility easement to Ben Lomand Communications, LLC containing up to 1.2 +/- acres. The easement is located along B.H. Goethert Parkway. The easement is to be granted without consideration since it is mutually beneficial to both parties.

The easement is related to and required for supplying fiber optic to the Main Academic Building at the UT Space Institute and will allow the University and their contractors to enter upon, construct, operate, repair, and maintain utilities within the defined area.

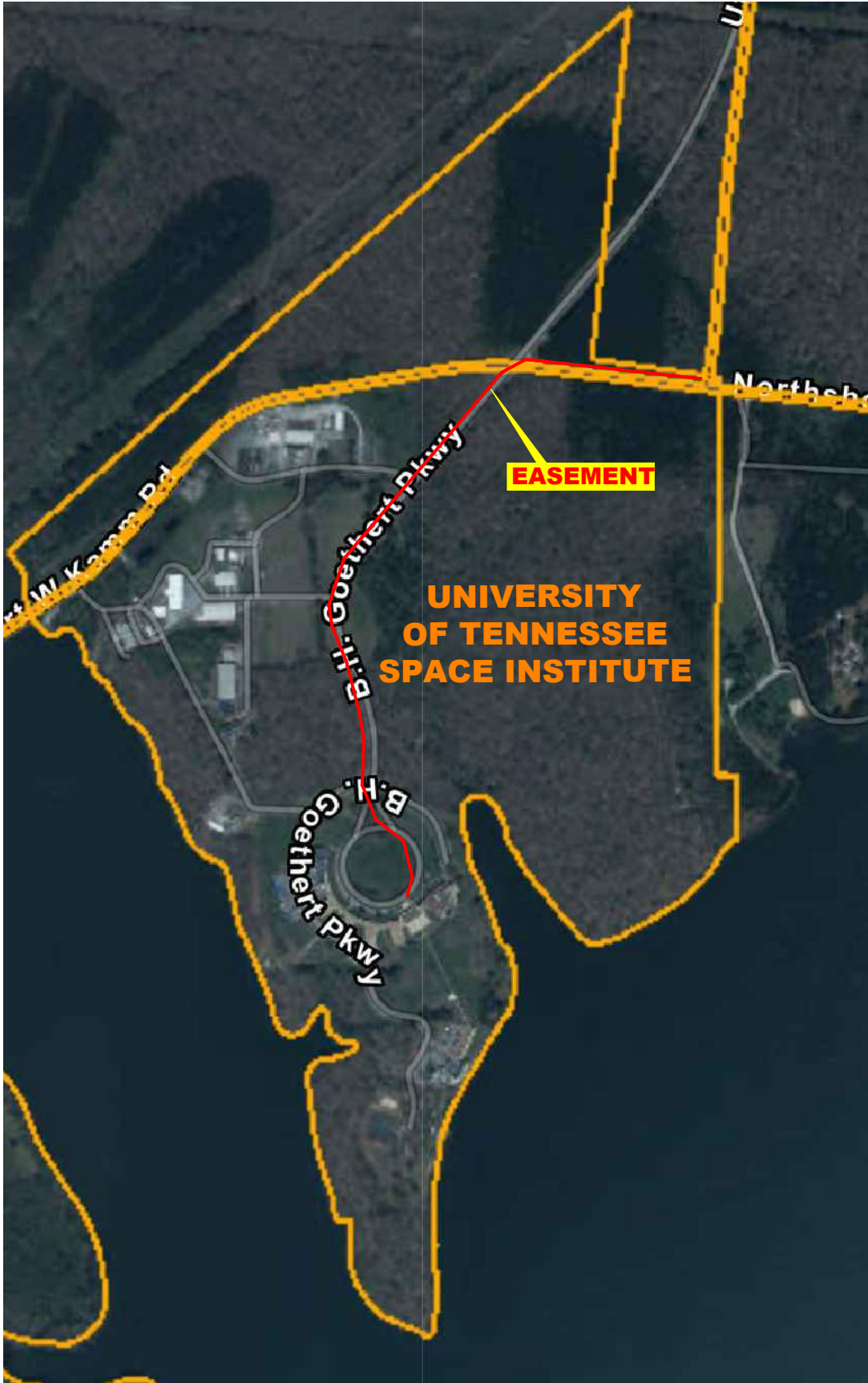
The University reserves the right to relocate the easement at the expense of the University.

Upon approval by the Board of Trustees, the University will seek all required State approvals.

**Resolved:**

**The Board of Trustees hereby approves the granting of a permanent utility easement to Ben Lomand Communications, LLC, containing up to 1.2 +/- acres located along B.H. Goethert Parkway, without consideration and reserving the right to relocate the easement at the expense of the University.**

**Further, the proper officers of the University are hereby authorized to take any and all such action as may be required or which they may deem necessary and appropriate to accomplish the foregoing.**





**INDEX OF INFORMATION ITEMS**

- A. Report of Capital Projects Approvals for FY 2023-24
- B. Endowment Investment Report
- C. Composite Financial Index



# THE UNIVERSITY OF TENNESSEE BOARD OF TRUSTEES

---

## AGENDA ITEM SUMMARY

Meeting Date: March 1, 2024

Committee: Finance and Administration

Item: **Report of Capital Projects Approvals for FY 2023-24**

Type: Action

8.1

### **Background Information**

In accordance with Board policy, and subject to state approvals as may otherwise be applicable, the authority to approve or act on certain types of transactions and projects is delegated to the President. The Administration is responsible for preparing periodic reports for the Finance and Administration Committee with respect to these projects and transactions.

### **Reporting**

Project(s) approved under this authorization with details in attached documentation.

### **UT Approved Projects:**

1. UTIA Clyde York 4-H Center Roof Replacement - \$700,000
2. UTIA McCord Hall Lab Upgrades - \$1,600,000
3. UTK 11<sup>th</sup> Street Pedestrian Bridge Repair - \$460,000
4. UTK Basler Boathouse River Dredging - \$1,170,000 (Current Funding 151,000)
5. UTK Communications Building Upgrades - \$404,000
6. UTK Communications Video Room Upgrades - \$1,450,000
7. UTK Hodges Library Census Office - \$246,000
8. UTK Music Chiller Plant Chiller Replacement - \$514,000
9. UTK White Ave Garage Structural Repairs - \$450,000
10. UTM Student Life Building Weight Room - \$375,000

### **UT Approved, with Additional SBC Approval**

1. UTIA Ridley 4-H Center Office Demolition - \$33,000
2. UTK Art & Architecture HVAC Upgrades - \$1,536,000
3. UTK Panhellenic Demolition - \$1,050,000
4. UTM Pryor Conner Buildings - \$12,000

## UT Approved - Revenue/Institutionally Funded Projects (FY2023-24)

SPA	Project	Project Description**	Project Cost	Gifts	Auxiliary	Plant Funds	Other	
1	UTIA	Clyde York 4-H Center Roof Replacement	Replacement of existing shingle roof with metal roofing for buildings at the Clyde York 4-H Center. Also includes fascia, soffits, and all related work.	\$ 700,000		\$ 700,000		
2	UTIA	McCord Hall Lab Upgrades	Installation of pre-manufactured growth rooms in the existing lab including equipment and all related work.	\$ 1,600,000		\$ 650,000	\$ 950,000	
3	UTK	11 <sup>th</sup> Street Pedestrian Bridge Repair	Repair deteriorated metal and concrete on the 11th Street Pedestrian Bridge. Includes all related work.	\$ 460,000		\$ 460,000		
4	UTK	Basler Boathouse River Dredging	Dredge accumulated sediment deposited in the Tennessee River near the confluence of Second Creek and the Basler Boathouse. Includes permitting, contaminate disposal, and all related work. Current funding is \$151,000.	\$ 1,170,000		\$ 1,170,000		
5	UTK	Communications Building Upgrades	Upgrade the 3rd floor lobby and east patio including finishes, signage, network equipment, and all related work.	\$ 404,000		\$ 404,000		
6	UTK	Communications Video Room Upgrades	Upgrades the Communications Building video production control room. Work includes installation of new equipment and will include changes in mechanical, electrical, building finishes and will include all related work to complete the project.	\$ 1,450,000		\$ 630,000	\$ 820,000	
7	UTK	Hodges Library Census Office	Upgrades space in Hodges Library for the US Census Bureau. Includes changes in suite layout; upgrades building systems effected by these modifications and covers all related work.	\$ 246,000		\$ 246,000		
8	UTK	Music Chiller Plant Chiller Replacement	Replacement of the currently inoperable McQuay 800 ton chiller at the Music Chilled Water Plant.	\$ 514,000		\$ 514,000		
9	UTK	White Ave Garage Structural Repairs	Repair the G12 Parking garage on White Ave. Work covers remediation of structural and building envelope issues throughout the garage, and includes all related work to complete the project.	\$ 450,000		\$ 450,000		
10	UTM	Student Life Building Weight Room	Modifications in the gymnasium which include removal of existing bleachers and installation of new flooring and weightlifting equipment.	\$ 375,000	\$ 375,000			
<b>Total</b>			<b>\$ 7,369,000</b>	<b>\$ 375,000</b>	<b>\$ 2,250,000</b>	<b>\$ 3,794,000</b>	<b>\$ 950,000</b>	

8.1

## UT Approved, with Additional SBC Approval - Revenue/Institutionally Funded Projects (FY2023-2

### UT Approved - Revenue/Institutionally Funded Projects (FY2023-24)

	SPA	Project	Project Description**	Project Cost	Gifts	Auxiliary	Plant Funds	Other
1	UTIA	Ridley 4-H Center Office Demolition	Demolition of the Ridley 4-H Center Leader's Office including all related work.	\$ 33,000			\$ 33,000	
2	UTK	Art & Architecture HVAC Upgrades	Upgrades the HVAC systems in the Art & Architecture Building. Includes all related work.	\$ 1,536,000			\$ 1,536,000	
3	UTK	Panhellenic Demolition	Demolition of the Panhellenic Building including all related work.	\$ 1,050,000			\$ 1,050,000	
4	UTM	Pryor Conner Buildings	Renames the University Village Ph I & Ph II to Jessie Lou Arnold Pryor Place, and Harold Conner, Sr. Community. Includes building signage and installation of permanent exterior standalone structures with memorial plaques in honor of Jessie Lou Arnold Pryor, and Harold Conner, Sr.	\$ 12,000		\$ 12,000		
<b>Total</b>				<b>\$ 2,631,000</b>	<b>\$ -</b>	<b>\$ 12,000</b>	<b>\$ 2,619,000</b>	<b>\$ -</b>
<b>GRAND TOTAL</b>				<b>\$ 10,000,000</b>	<b>\$ 375,000</b>	<b>\$ 2,262,000</b>	<b>\$ 6,413,000</b>	<b>\$ 950,000</b>

8.1







# THE UNIVERSITY OF TENNESSEE BOARD OF TRUSTEES

---

## AGENDA ITEM SUMMARY

Meeting Date: March 1, 2024

Committee: Finance and Administration

Item: **Endowment Investment Report**

Type: Information

8.2

### **Background Information**

Investment of University funds is under the jurisdiction of the Finance and Administration Committee of the Board of Trustees, which makes recommendations to the Board on matters requiring Board action. Prior to each regularly scheduled Board meeting, the Finance and Administration Committee receives for review an investment report provided by the Treasurer and recommends to the Board any actions deemed necessary. At each regularly scheduled Board meeting, the Committee reports its findings and recommendations, if any, to the Board for such actions as the Board deems appropriate.

The Endowment Investment Report for the quarter ended December 31, 2023, is included in the meeting materials.

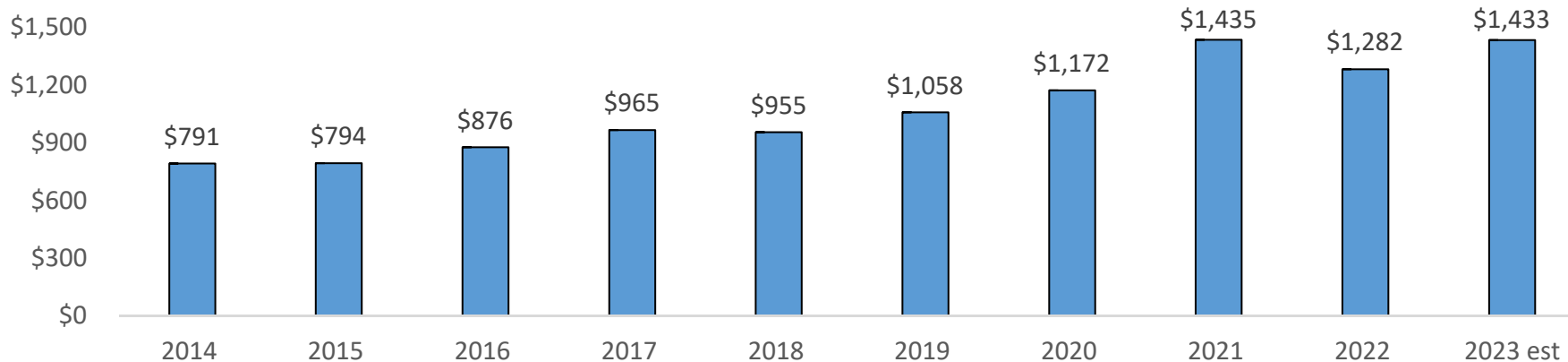
The following table and accompanying appendix provide a summary of endowment distributions by support and business areas. Monies are distributed quarterly as cash transfers to the benefitting unit or department to be used according to their designated purpose. The amounts provided include only those from endowments invested in the Consolidated Investment Pool.

## Investment Summary as of December 31, 2023

- Consolidated Investment Pool (CIP) Cash-flow Activity for 12-month Period:
  - \$71 million in New Gifts
  - \$60 million in Spending Plan Distributions
  - \$13 million in Administrative Support
  
- Consolidated Investment Pool (CIP)\* and Benchmark 1-year Returns:
  - Underperformed the Broad Market B-mark (60/40 stock & bond/cash mix): +12.2% vs +15.1%
  - Underperformed the Actual Allocated B-mark (Multi-asset benchmark): +12.2% vs +13.2%
  - Outperformed CPI+5.5% (Inflation + Spend): +12.2% vs. +8.9%

\*CIP returns are estimates. Most private-investment returns (roughly 34% of the portfolio) are held at 0% return for the most recent quarter due to lagged reporting.

CIP Market Value at Calendar Year-end





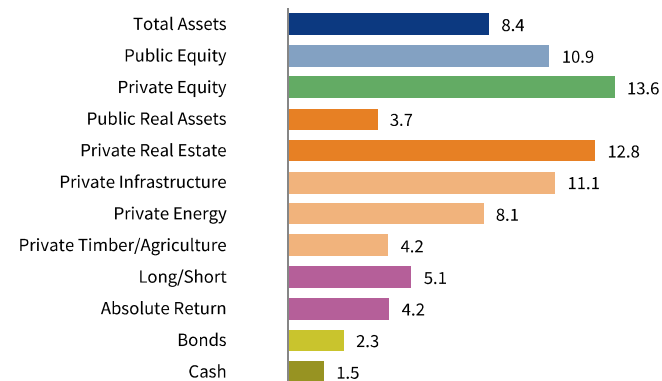
# University of Tennessee Performance Dashboard

| As of December 31, 2023

Preliminary CIP Performance (%)

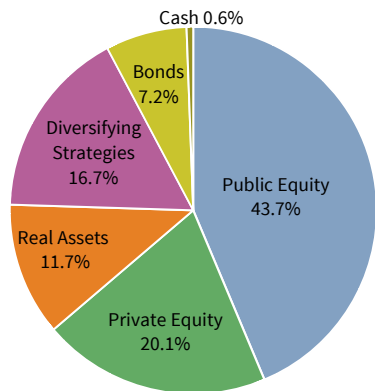
	Cumulative Trailing 1-Year	Annualized Trailing 3-Year	Annualized Trailing 5-Year	Annualized Trailing 10-Year	Annualized Since Inception
<b>CIP</b>	<b>12.2</b>	<b>6.1</b>	<b>8.4</b>	<b>5.9</b>	<b>7.9</b>
Global Market Benchmark	15.1	1.2	6.9	5.2	6.9
<i>Value Add</i>	-2.9	5.0	1.4	0.7	1.1
Actual Allocation Benchmark	13.2	5.4	8.6	5.7	7.9
<i>Value Add</i>	-1.0	0.7	-0.3	0.3	0.1
CPI + 5.5%	8.9	11.1	9.6	8.2	8.0
<i>Value Add</i>	3.3	-5.0	-1.2	-2.3	-0.1

Trailing 5Y Performance by CIP Asset Class (%)



8.2

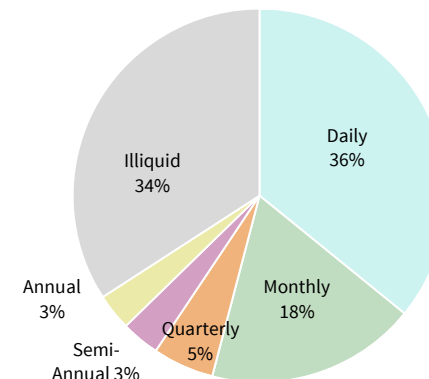
Actual and Long-Term Target Allocation



Public Equity  
Private Equity  
Real Assets  
Diversifying Strategies  
Bonds  
Cash

	Actual Allocation	Long-Term Target Allocation
Public Equity	43.7%	42%
Private Equity	20.1%	25%
Real Assets	11.7%	7%
Diversifying Strategies	16.7%	18%
Bonds	7.2%	8%
Cash	0.6%	

Portfolio Liquidity



## Index & Benchmark Summary:

**Broad Market Benchmark:** 60.0% MSCI ACWI IMI Index  
 + 39.0% Bloomberg Barclays Global Aggregate Bond Index  
 + 1.0% U.S. 91-Day Treasury Bills

This benchmark is intended to assess the overall asset allocation and risk profile of the portfolio. The **Bloomberg Barclays Global Aggregate Bond Index** consists of a wide range of global investment grade bonds, including sovereigns, corporate bonds, and various asset-backed securities. **MSCI ACWI IMI Index** includes large, mid, and small-cap stock market exposure across both Developed and Emerging Markets.

8.2

### Actual Allocated Benchmark:

This benchmark is comprised indices representing the various asset classes in which the CIP invests. These include equity, real estate, natural resources, bonds, and cash. The weightings of the underlying indices are dynamic and rebalanced periodically to align with those of the CIP at the beginning of a measurement period.

### CPI + 5.5%:

This is the 1-year inflation-measuring Consumer Price Index + 5.5%.

## Cambridge Associates (CA) Notes:

Performance is preliminary as of December 31, 2023. Totals may not sum due to rounding. 95% of Private investment performance is as of September 30, 2023. Private investment market values have been updated with capital calls and distributions through the current month. A 0% return is assumed for all private investments for the current quarter. Returns provided by FEG through October 31, 2018.

Please note that CA uses CPI – All Urban Consumers as a measure of inflation. The primary data source for information is the investment manager and/or fund administrator, therefore data may not match custodial or other client records due to differences in data sourcing, methodology, valuation practices, etc. Estimated values may include prior quarter end data adjusted by a proxy benchmark or by subsequent cash flows. CA makes no representations that data reported by unaffiliated parties is accurate.



# THE UNIVERSITY OF TENNESSEE BOARD OF TRUSTEES

---

## AGENDA ITEM SUMMARY

Meeting Date:	March 1, 2024
Committee:	Finance and Administration
Item:	<b><u>Composite Financial Index Report for FY 2022-2023</u></b>
Type:	Information

8.3

### **Background Information**

The Composite Financial Index (CFI) developed by Prager, Sealy & Co., and KPMG, utilizes four strategic ratios which are weighted and combined to form a single-digit score. The CFI provides an overall picture of an institution's financial health and can also be used in shorter term planning and budgeting.

The CFI facilitates comparison to peers using easy measures for stakeholders. The industry standard for the appropriate zone for each ratio is recommended in Strategic Financial Analysis for Higher Education: Identifying, Measuring & Reporting Financial Risks (Seventh Edition), by KPMG LLP; Prager, Sealy & Co., LLC; Attain LLC.

### **Analysis for Fiscal Year 2022-23**

To allow monitoring trends in these ratios, each annual report includes three years of CFI analysis. This report provides summary graphs of fiscal years 2021, 2022, and 2023 for comparison, and a full report for FY 2023. This report provides each of the four ratios and the weighted CFI for UT Chattanooga, UT Knoxville, UT Martin, UT Southern, UT Health Science Center, and the UT System as a whole. Benchmarks and watch indicators are also provided. The CFI was developed for academic campuses therefore the measures do not translate well to System Administration and the Institute for Public Service. However, those units are included in the total University metrics.

- Two of the ratios are each weighted at 35% comprising 70% of the CFI (primary reserve and viability). Both depend heavily on unrestricted net assets.
- UT's overall CFI reflects a financially healthy institution with four of five campuses in the "benchmark" zone.
- Four of five campuses and the University as a whole have healthy CFI scores ranging from 2.57 to 5.04.
- UTC and UTHSC are below the benchmark in the viability ratio but are not in the watch zone.

- UT Southern has a negative CFI due to negative net operating revenue and negative return on net assets. UT Southern continues to transition from a private to public institution. UTS is building recurring revenue through enrollment growth. FY24 will reflect payments from the Methodist foundation that were not received in FY23.

### **Background Information about the Composite Financial Index**

The four ratios are the primary reserve, net operating revenue, return on net assets, and viability.

#### **Primary Reserve Ratio**

The primary reserve ratio measures the financial strength and sufficiency of resources of the institution by comparing expendable net assets to total expenses.

$$\frac{\text{Expendable Net Assets}}{\text{Total Expenses}}$$

Expendable net assets represent those funds an institution can access quickly and spend to satisfy its obligations. This ratio indicates how long an institution could function by using expendable assets without additional operating revenue which provides a measure of financial strength and flexibility. It is recommended this ratio be 40%. However, a lower ratio of approximately 25% for public institutions is acceptable.

#### **Net Operating Revenue Ratio**

The net operating revenues ratio indicates whether total operating activities resulted in a surplus or deficit.

$$\frac{\text{Operating Surplus or Deficit}}{\text{Operating Revenues}}$$

This ratio is an indicator of whether an institution is living within available resources. A surplus or deficit impacts the funds an institution adds to, or subtracts from, net assets. This activity also affects the other ratios. Large surpluses may indicate strong financial performance but may indicate under-spending on investments. An operating loss for the year results in a negative ratio and may be unimportant if the institution is financially strong. Like the return on net assets ratio, volatility should be measured over a two to three-year average. A recommended zone is 2% to 4% over the long term.

#### **Return on Net Assets Ratio**

The return on net assets ratio indicates an institution's financial strength compared to previous years by measuring total economic return.

$$\frac{\text{Change in Net Assets}}{\text{Beginning Total Net Assets}}$$

The ratio may reasonably be volatile from year-to-year due to several factors. The ratio may temporarily decline if it reflects a strategy to better fulfill the institution's mission. However, an increasing trend may be the result of planned savings for future planned expansion; therefore, better applied over an extended period. The recommendation is the zone be 3% above the consumer price index (CPI) over the long term; the metric for triggering a watch is the CPI.

### **Viability Ratio**

The viability ratio is fundamental to measuring financial health because it reveals the capacity to repay total debt through available funds.

$$\frac{\text{Expendable Net Assets}}{\text{Long-term Debt}}$$

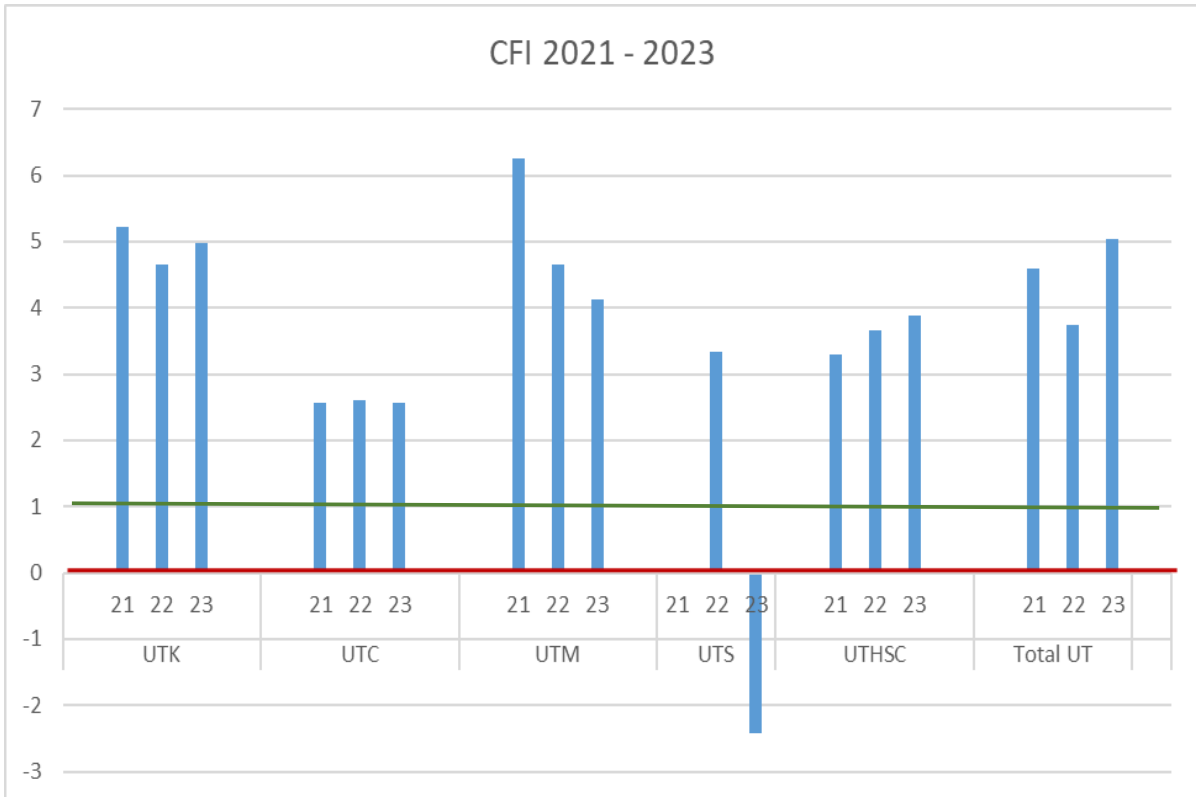
A ratio of 1:1 or greater indicates that an institution has sufficient expendable net assets to satisfy debt obligations, however this is insufficient for long-term strategic management. There is no absolute threshold that will indicate whether the institution is financially viable. As the viability ratio falls below 1:1, the institution's ability to respond to adverse conditions from internal resources diminishes, as does its ability to attract capital from external sources and its flexibility to fund new objectives. The recommendation is the ratio be at least 1.25:1.

### Composite Financial Index Fiscal Year 2022-23

		Knoxville 2023	Chattanooga 2023	Martin 2023	Southern 2023	Health Science Ctr 2023	Total University * 2023	Benchmark	Watch
<b>1</b>	<b>PRIMARY RESERVE</b> Weight 35%								
	Total expendable net assets	1,287,456,102	96,651,727	82,957,410	3,224,684	217,042,697	1,859,597,103		
	Total expenses	1,602,359,213	241,202,804	125,693,361	20,302,137	635,470,122	2,760,919,268		
	RATIO =	0.80	0.40	0.66	0.16	0.34	0.67	0.40	0.13
<b>2</b>	<b>NET OPERATING REVENUE</b> Weight 10%								
	Operating surplus or deficit	159,506,408	12,617,573	6,616,325	(2,763,917)	19,619,495	314,598,040		
	Total revenues	1,761,865,621.06	253,820,377.72	132,309,685.65	17,538,220.54	655,089,617.64	3,075,517,307.81		
	RATIO =	0.09	0.05	0.05	-0.16	0.03	0.10	.02 to .04	0.00
<b>3</b>	<b>RETURN ON NET ASSETS</b> Weight 20%								
	Change in net assets	230,881,915	16,280,917	15,932,346	(2,761,533)	37,446,057	419,394,890		
	Total net assets (beginning of year)	2,790,777,347	362,998,043	234,737,009	13,673,565	585,493,614	4,119,377,621	CPI + 3%	CPI
	RATIO =	0.08	0.04	0.07	-0.20	0.06	0.10	0.062	0.032
<b>4</b>	<b>VIABILITY</b> Weight 35%								
	Expendable net assets	1,287,456,102	96,651,727	82,957,410	3,224,684	217,042,697	1,859,597,103		
	Long-term debt	804,245,943	118,524,730	52,696,470	6,956,769	86,272,301	1,065,948,499		
	RATIO =	1.60	0.82	1.57	0.46	2.52	1.74	1.25X	0.40X
		Knoxville 2023	Chattanooga 2023	Martin 2023	Southern 2023	Health Science Ctr 2023	Total University * 2023		
	<b>STRENGTHS AND WEIGHTS WORKSHEET</b>	<b>CFI SCORE</b>	<b>CFI SCORE</b>	<b>CFI SCORE</b>	<b>CFI SCORE</b>	<b>CFI SCORE</b>	<b>CFI SCORE</b>	*Includes System Administration and IPS	
	Primary Reserve	2.11	1.05	1.74	0.42	0.90	1.77		
	Net Operating Revenue	0.70	0.38	0.38	-1.21	0.23	0.79		
	Return on Net Assets	0.83	0.45	0.68	-2.02	0.64	1.02		
	Viability	1.34	0.68	1.32	0.39	2.11	1.46		
	<b>CFI SCORE</b>	<b>4.98</b>	<b>2.57</b>	<b>4.12</b>	<b>-2.42</b>	<b>3.88</b>	<b>5.04</b>	1 to 3	< 1

8.3

The following graphs show the total Composite Financial Index and the four ratios over a three-year period. The graph below illustrates the total CFI.



8.3

