



THE UNIVERSITY OF TENNESSEE BOARD OF TRUSTEES

FINANCE AND ADMINISTRATION COMMITTEE	
Friday, February 28, 2025	Russell Duncan Ballroom
8:00 am (CST)/9:00 am (EST)	Boling University Center, UT Martin

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. [Financial Summary](#) Tab 1.1
 - B. [Enterprise Resource Planning Project Update](#)..... Tab 1.2
 - C. [Annual Finance Report on Intercollegiate Athletics Programs](#)..... Tab 1.3
- V. [Revised FY 2024-25 Operating Budget – Action](#)..... Tab 2
- VI. [Proposed FY 2025-26 Tuition Levels, UTHSC – Action](#) Tab 3
- VII. [Increase of Administrative Fee - Consolidated Investment Pool – Action](#)..... Tab 4
- VIII. Capital Projects – Action Tab 5
 - A. [FY 2025-26 State Budget Amendment Request](#) Tab 5.1
 - B. [Master Lease Agreement for 2200 Sutherland Avenue, Knoxville, TN \(UTK\)](#)..... Tab 5.2
- IX. Human Resources Reporting – Information Tab 6
 - A. [Workforce Review](#) Tab 6.1
 - B. [Market and Equity Analysis: Comparable Institutions](#)..... Tab 6.2
- X. [Information Technology Security Overview – Information](#) Tab 7
- XI. [Committee Consent Agenda – Action](#) Tab 8
 - A. [Minutes of the Last Meeting](#)..... Tab 8.1
 - B. [Sale of Transfer of Gift Properties Not Held for Institutional Use](#) Tab 8.2



THE UNIVERSITY OF TENNESSEE BOARD OF TRUSTEES

XII. 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.]

XIII. Closing Remarks and Adjournment

<u>Information Items</u>	Tab 9
A. Report on Capital Projects Approvals	Tab 9.1
B. CY 2024 Report on Endowment Investment Performance	Tab 9.2
C. Composite Financial Index Report for FY 2023-24	Tab 9.3

Appendix

2024 Annual Financial Report



THE UNIVERSITY OF TENNESSEE BOARD OF TRUSTEES

AGENDA ITEM SUMMARY

Meeting Date:	February 28, 2025
Committee:	Finance and Administration
Item:	Report on Financial Performance
Type:	Information
Presenter(s):	David L. Miller, Senior Vice President and Chief Financial Officer Luke Lybrand, Treasurer

Background Information

The attached materials contribute to the body of financials reports periodically provided to the Board of Trustees. The materials include slides summarizing the financial results of the first two quarters of fiscal year 2025 compared to the same time last year. A separate annual report of the Composite Financial Index for each institution and the System is under the Information Items in Tab 9.3.

The slides on the following pages provide revenue and expense data for the total UT System with backup material summarizing campus financial data. For the total UT System, during this period total revenue is 7.9% above the same time last year. Total expenses are 6.4% above the same time last year. Revenue is up due to growth in enrollment and research activity, and positive investment performance. Expenses grew to meet the service demands of historic student enrollment and with inflationary pressure.

DASH officially went live on January 6, 2025, replacing IRIS systemwide and includes finance, human capital management, enterprise performance management, and facilities maintenance. The presentation and discussion will provide an update of activity through the new system and estimated hours of savings per month by module for some of the process improvements that streamline operations.



Financial Summary Q2 2025

**“Growing from Our
Historic Roots”**



THE UNIVERSITY OF
TENNESSEE
SYSTEM

Positive Financial Performance Continues

- Financial trends from fiscal 2024 continued
- Increased revenue led by growth in student enrollment, grants and contracts, and investment income
- Growth in revenue tempered by increased costs associated with inflation and higher service levels to meet needs of record student body
- Balance sheet remains healthy

Healthy Net Income

All \$ presented in thousands

For the Six Months Ended December 31, 2024 and 2023

	December 31, 2024	December 31, 2023	Variance (\$thousands)	Variance (%)
REVENUES				
Gross Tuition & Fees	1,075,188	967,606	107,582	11.1%
Grants, Contracts and Fed Approp.	423,223	379,015	44,208	11.7%
Auxiliaries	252,948	244,842	8,106	3.3%
State & Local Appropriations	505,571	480,587	24,984	5.2%
Investment Income	90,840	36,370	54,469	149.8%
All Other Revenues	81,009	142,441	(61,432)	-43.1%
Total Revenues	2,428,778	2,250,862	177,917	7.9%
EXPENSES				
Salaries & Benefits	849,742	786,615	63,126	8.0%
Utilities, Supplies & Other	441,047	435,636	5,411	1.2%
Scholarships and Fellowships	268,802	240,276	28,527	11.9%
All Other Expenses	253,875	241,189	12,686	5.3%
Total Expenses	1,813,466	1,703,716	109,750	6.4%

Tuition and fee driven by UTK \$91M

Inc. driven by non-govt. grants +\$18M and federal grants +\$15.5M

In-line with positive endowment returns

2.7% inc. staffing to serve a 5.8% inc. students, and supported by 3% state pay plan

In-line with enrollment trends

Financially Sound Balance Sheet

All \$ presented in thousands

For the periods ending December 31, 2024 and 2023

	December 31, 2024	December 31, 2023	Variance (\$thousands)	Variance (%)
ASSETS & DEFERRED OUTFLOWS				
Cash & Cash Equivalents	1,819,402	1,762,832	56,570	3.2%
Investments	1,634,918	1,420,502	214,416	15.1%
Capital Assets Net of Depreciation	3,368,251	3,169,068	199,183	6.3%
Receivables	750,947	741,195	9,751	1.3%
Deferred Outflows of Resources	231,478	235,623	(4,145)	-1.8%
All Other Assets	119,628	111,605	8,022	7.2%
Total Assets	7,924,624	7,440,826	483,798	6.5%
LIABILITIES				
Bonds, Notes, Credit Facility, & Leases	1,236,988	1,181,314	55,674	4.7%
Pension & OPEB	193,861	259,350	(65,489)	-25.3%
Deferred Inflows of Resources	146,432	139,362	7,071	5.1%
Act Payable & Accrued Liab.	210,685	216,461	(5,776)	-2.7%
Deposits held in Custody for others	567,033	461,921	105,111	22.8%
Unearned Rev. & all Other Liabilities	20,051	33,133	(13,082)	-39.5%
Total Liabilities	2,375,050	2,291,541	83,509	3.6%

Positive endowment returns and new gifts

Construction in progress driven by Neyland \$91.7M & Golf Team Facility \$3.9M (gift funded)

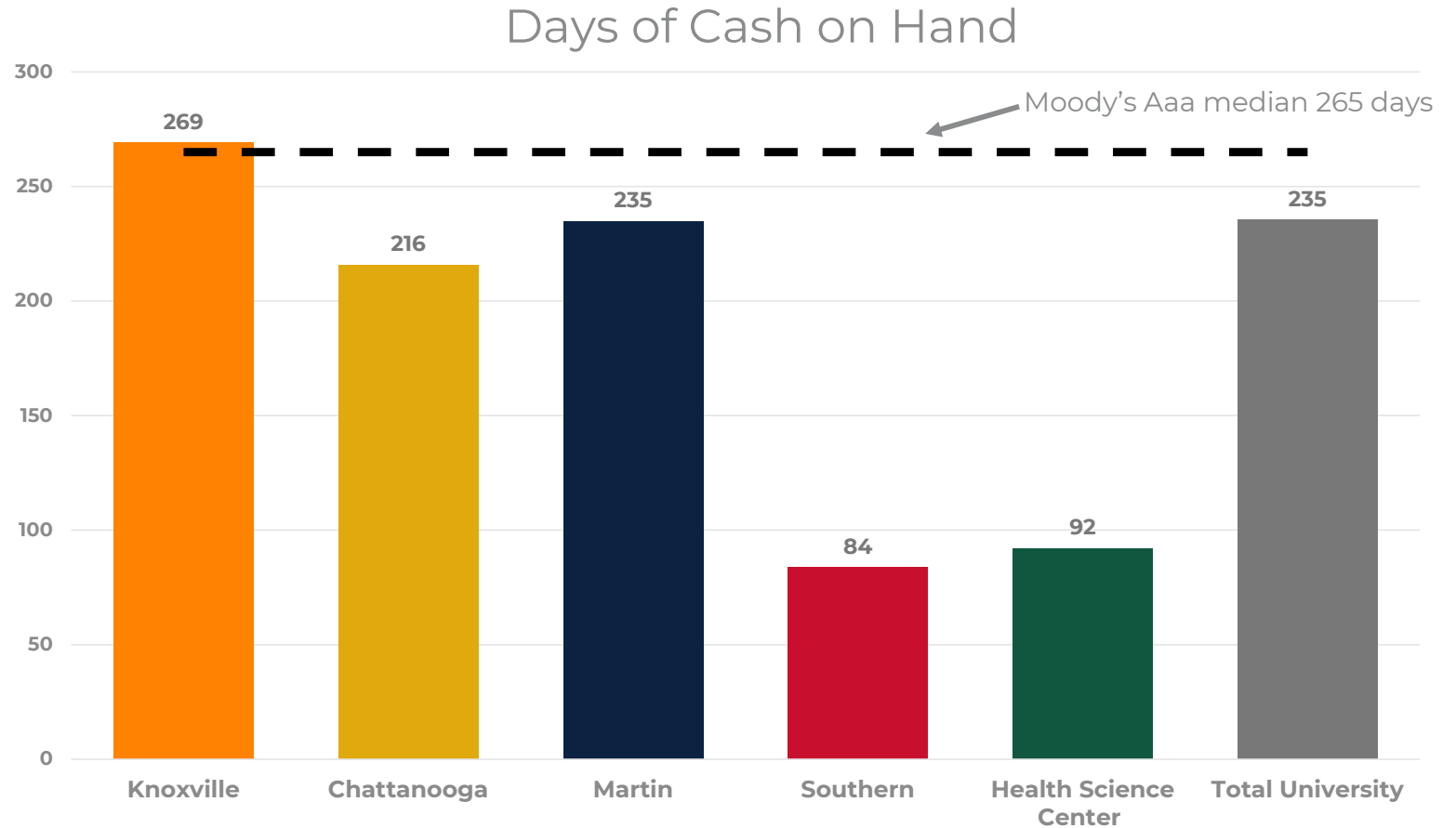
Debt inc. with Neyland \$99M & Lindsey Nelson \$7M – offset by \$55M of repayment

Increased endowments and gifts held on behalf of UT Foundation

Liquidity In-Line with Aaa Rated Universities

Key notes

- UTK above median
- Total University, UTM, & UTC in healthy positions
- UTHSC and UT Southern are stable



Positive Financial Performance Continues

All \$ presented in thousands For the Six Months Ended December 31, 2024 and 2023

	December 31, 2024	December 31, 2023	Variance (\$thousands)	Variance (%)
REVENUES	2,428,778	2,250,862	177,917	7.9%
EXPENSES	1,813,466	1,703,716	109,750	6.4%

Back up materials



THE UNIVERSITY OF
TENNESSEE
SYSTEM

UTK Income Statement

All \$ presented in thousands	For the Six Months Ended December 31, 2024 and 2023			
	December 31, 2024	December 31, 2023	Variance (\$thousands)	Variance (%)
REVENUES				
Gross Tuition & Fees	786,532	695,357	91,175	13.1%
Grants, Contracts and Fed Approp.	216,588	191,114	25,474	13.3%
Auxiliaries	199,676	194,296	5,380	2.8%
State & Local Appropriations	276,244	276,176	67	0.0%
Investment Income	29,679	10,459	19,220	183.8%
All Other Revenues	6,295	57,248	(50,954)	-89.0%
Total Revenues	1,515,014	1,424,651	90,362	6.3%
EXPENSES				
Salaries & Benefits	490,796	443,016	47,780	10.8%
Utilities, Supplies & Other	251,667	265,884	(14,216)	-5.3%
Scholarships and Fellowships	181,586	162,104	19,482	12.0%
All Other Expenses	91,606	98,730	(7,124)	-7.2%
Total Expenses	1,015,656	969,734	45,921	4.7%

UTK Balance Sheet

All \$ presented in thousands	For the periods ending December 31, 2024 and 2023			
	December 31, 2024	December 31, 2023	Variance (\$thousands)	Variance (%)
ASSETS & DEFERRED OUTFLOWS				
Cash & Cash Equivalents	1,216,251	1,180,692	35,560	3.0%
Investments	657,872	624,253	33,618	5.4%
Capital Assets Net of Depreciation	2,349,264	2,179,724	169,541	7.8%
Receivables	488,962	471,246	17,716	3.8%
Deferred Outflows of Resources	119,356	121,899	(2,543)	-2.1%
All Other Assets	71,561	66,968	4,594	6.9%
Total Assets	4,903,267	4,644,781	258,485	5.6%
LIABILITIES				
Bonds, Notes, Credit Facility, & Leases	955,578	877,636	77,942	8.9%
Pension & OPEB	77,685	112,402	(34,717)	-30.9%
Deferred Inflows of Resources	83,194	72,828	10,366	14.2%
Act Payable & Accrued Liab.	16,880	33,414	(16,533)	-49.5%
Deposits held in Custody for others	0	0	0	N/A
Unearned Rev. & all Other Liabilities	20,141	25,941	(5,800)	0.0%
Total Liabilities	1,153,479	1,122,222	31,258	2.8%

UTC Income Statement

All \$ presented in thousands

For the Six Months Ended December 31, 2024 and 2023

	December 31, 2024	December 31, 2023	Variance (\$thousands)	Variance (%)
REVENUES				
Gross Tuition & Fees	134,351	123,514	10,837	8.8%
Grants, Contracts and Fed Approp.	36,477	32,388	4,089	12.6%
Auxiliaries	34,579	32,787	1,792	5.5%
State & Local Appropriations	46,378	40,818	5,561	13.6%
Investment Income	6,873	5,135	1,738	33.9%
All Other Revenues	16,235	18,006	(1,771)	-9.8%
Total Revenues	274,893	252,647	22,246	8.8%
EXPENSES				
Salaries & Benefits	75,044	69,390	5,653	8.1%
Utilities, Supplies & Other	32,865	37,090	(4,226)	-11.4%
Scholarships and Fellowships	45,286	40,197	5,088	12.7%
All Other Expenses	10,696	10,881	(185)	-1.7%
Total Expenses	163,890	157,559	6,331	4.0%

UTC Balance Sheet

All \$ presented in thousands	For the periods ending December 31, 2024 and 2023			
	December 31, 2024	December 31, 2023	Variance (\$thousands)	Variance (%)
ASSETS & DEFERRED OUTFLOWS				
Cash & Cash Equivalents	136,200	129,283	6,917	5.4%
Investments	26,465	25,079	1,386	5.5%
Capital Assets Net of Depreciation	388,717	383,475	5,242	1.4%
Receivables	91,817	90,015	1,802	2.0%
Deferred Outflows of Resources	18,867	18,581	286	1.5%
All Other Assets	4,450	4,315	136	3.1%
Total Assets	666,516	650,748	15,768	2.4%
LIABILITIES				
Bonds, Notes, Credit Facility, & Leases	135,282	136,539	(1,257)	-0.9%
Pension & OPEB	15,506	21,411	(5,904)	-27.6%
Deferred Inflows of Resources	9,715	7,157	2,558	35.7%
Act Payable & Accrued Liab.	2,440	3,131	(690)	-22.1%
Deposits held in Custody for others	0	0	0	N/A
Unearned Rev. & all Other Liabilities	(39)	1,276	(1,315)	-103.1%
Total Liabilities	162,905	169,512	(6,607)	-3.9%

UTM Income Statement

All \$ presented in thousands	For the Six Months Ended December 31, 2024 and 2023			
	December 31, 2024	December 31, 2023	Variance (\$thousands)	Variance (%)
REVENUES				
Gross Tuition & Fees	64,335	60,130	4,205	7.0%
Grants, Contracts and Fed Approp.	20,945	18,180	2,765	15.2%
Auxiliaries	15,413	14,493	920	6.3%
State & Local Appropriations	29,554	28,086	1,468	5.2%
Investment Income	1,774	681	1,093	160.6%
All Other Revenues	(180)	3,455	(3,635)	-105.2%
Total Revenues	131,840	125,025	6,815	5.5%
EXPENSES				
Salaries & Benefits	37,173	34,892	2,281	6.5%
Utilities, Supplies & Other	18,303	18,183	120	0.7%
Scholarships and Fellowships	28,060	25,562	2,498	9.8%
All Other Expenses	9,312	8,629	684	7.9%
Total Expenses	92,849	87,265	5,583	6.4%

UTM Balance Sheet

All \$ presented in thousands	For the periods ending December 31, 2024 and 2023			
	December 31, 2024	December 31, 2023	Variance (\$thousands)	Variance (%)
ASSETS & DEFERRED OUTFLOWS				
Cash & Cash Equivalents	83,012	83,675	(663)	-0.8%
Investments	42,312	44,527	(2,215)	-5.0%
Capital Assets Net of Depreciation	185,870	186,706	(836)	-0.4%
Receivables	34,976	35,591	(615)	-1.7%
Deferred Outflows of Resources	13,294	13,781	(487)	-3.5%
All Other Assets	7,468	7,238	230	3.2%
Total Assets	366,932	371,518	(4,587)	-1.2%
LIABILITIES				
Bonds, Notes, Credit Facility, & Leases	52,345	56,451	(4,106)	-7.3%
Pension & OPEB	11,532	15,099	(3,567)	-23.6%
Deferred Inflows of Resources	6,744	5,334	1,410	26.4%
Act Payable & Accrued Liab.	1,538	2,747	(1,209)	-44.0%
Deposits held in Custody for others	0	0	0	N/A
Unearned Rev. & all Other Liabilities	38	439	(401)	-91.4%
Total Liabilities	72,196	80,070	(7,874)	-9.8%

UTS Income Statement

All \$ presented in thousands	For the Six Months Ended December 31, 2024 and 2023			
	December 31, 2024	December 31, 2023	Variance (\$thousands)	Variance (%)
REVENUES				
Gross Tuition & Fees	5,294	4,837	457	9.4%
Grants, Contracts and Fed Approp.	3,137	2,837	299	10.5%
Auxiliaries	1,512	1,372	140	10.2%
State & Local Appropriations	3,282	3,032	251	8.3%
Investment Income	14	3	11	368.8%
All Other Revenues	605	265	341	128.8%
Total Revenues	13,844	12,345	1,499	12.1%
EXPENSES				
Salaries & Benefits	5,281	5,164	117	2.3%
Utilities, Supplies & Other	4,728	4,114	614	14.9%
Scholarships and Fellowships	4,512	4,034	479	11.9%
All Other Expenses	1,259	7,821	(6,562)	-83.9%
Total Expenses	15,781	21,133	(5,352)	-25.3%

UTS Balance Sheet

All \$ presented in thousands	For the periods ending December 31, 2024 and 2023			
	December 31, 2024	December 31, 2023	Variance (\$thousands)	Variance (%)
ASSETS & DEFERRED OUTFLOWS				
Cash & Cash Equivalents	3,709	1,502	2,207	146.9%
Investments	373	259	114	44.0%
Capital Assets Net of Depreciation	12,715	13,911	(1,196)	-8.6%
Receivables	315	146	169	116.1%
Deferred Outflows of Resources	332	207	125	60.1%
All Other Assets	423	192	231	120.3%
Total Assets	17,868	16,218	1,650	10.2%
LIABILITIES				
Bonds, Notes, Credit Facility, & Leases	30	6,975	(6,944)	-99.6%
Pension & OPEB	(477)	(92)	(385)	420.8%
Deferred Inflows of Resources	135	(100)	235	-235.8%
Act Payable & Accrued Liab.	121	188	(67)	-35.6%
Deposits held in Custody for others	0	0	0	N/A
Unearned Rev. & all Other Liabilities	79	66	13	19.7%
Total Liabilities	(111)	7,037	(7,149)	-101.6%

UTHSC Income Statement

All \$ presented in thousands

For the Six Months Ended December 31, 2024 and 2023

	December 31, 2024	December 31, 2023	Variance (\$thousands)	Variance (%)
REVENUES				
Gross Tuition & Fees	84,676	83,768	908	1.1%
Grants, Contracts and Fed Approp.	146,899	136,642	10,257	7.5%
Auxiliaries	1,769	1,895	(126)	-6.7%
State & Local Appropriations	124,702	109,086	15,616	14.3%
Investment Income	8,420	2,837	5,582	196.7%
All Other Revenues	3,410	20,704	(17,294)	-83.5%
Total Revenues	369,875	354,932	14,943	4.2%
EXPENSES				
Salaries & Benefits	209,720	204,643	5,078	2.5%
Utilities, Supplies & Other	77,192	70,966	6,226	8.8%
Scholarships and Fellowships	9,299	8,311	988	11.9%
All Other Expenses	15,371	16,229	(857)	-5.3%
Total Expenses	311,583	300,148	11,435	3.8%

UTHSC Balance Sheet

All \$ presented in thousands	For the periods ending December 31, 2024 and 2023			
	December 31, 2024	December 31, 2023	Variance (\$thousands)	Variance (%)
ASSETS & DEFERRED OUTFLOWS				
Cash & Cash Equivalents	163,670	160,580	3,091	1.9%
Investments	244,031	220,377	23,655	10.7%
Capital Assets Net of Depreciation	335,119	336,013	(894)	-0.3%
Receivables	79,194	86,186	(6,992)	-8.1%
Deferred Outflows of Resources	52,794	52,956	(162)	-0.3%
All Other Assets	11,416	14,229	(2,813)	-19.8%
Total Assets	886,225	870,341	15,884	1.8%
LIABILITIES				
Bonds, Notes, Credit Facility, & Leases	85,232	93,698	(8,467)	-9.0%
Pension & OPEB	42,850	58,442	(15,592)	-26.7%
Deferred Inflows of Resources	26,533	19,635	6,899	35.1%
Act Payable & Accrued Liab.	8,736	10,791	(2,055)	-19.0%
Deposits held in Custody for others	0	0	0	N/A
Unearned Rev. & all Other Liabilities	(1,268)	2,739	(4,007)	-146.3%
Total Liabilities	162,082	185,305	(23,223)	-12.5%



University of Tennessee



Board of Trustees

February 2025



UT Dash board 2.12.25

System-Level Transactions

23,074

Unique UT users signed in to date

89,346

System transactions created to date

420

TDX tickets currently opened

1,370

TDX tickets resolved to date

4,319

In Process Approvals as of February 12th

Finance Transactions

11,062

Requisitions submitted for \$113,528,314 to date

10,160

Purchase Orders sent for \$130,685,626 to date

28,232

AP Invoices entered for \$209,052,552 to date

952

GL Journal Entries entered for \$26,342,849 to date

11,212

Work Orders created to date

HR Transactions

697

New Hires entered in the system to date

1,225

Terminations entered in the system to date

10,772

HR transactions created by employees to date

5,000+

Applications entered in ORC to date

1,163

Open Requisitions entered in ORC to date

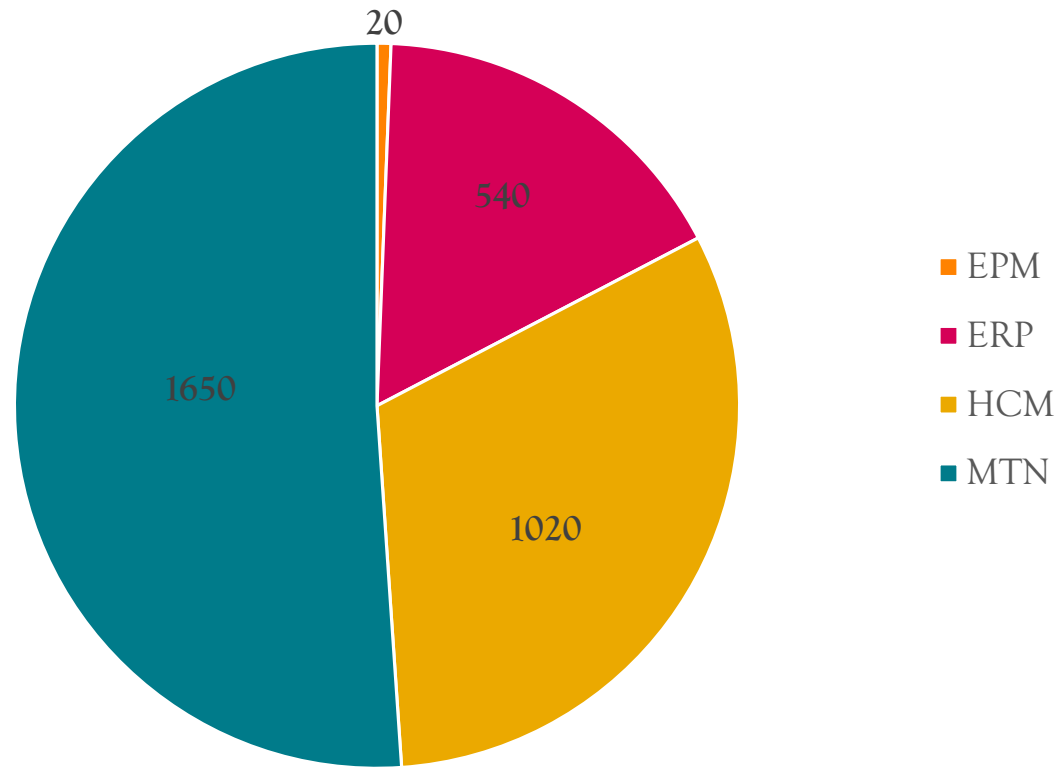
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Payrolls Completed



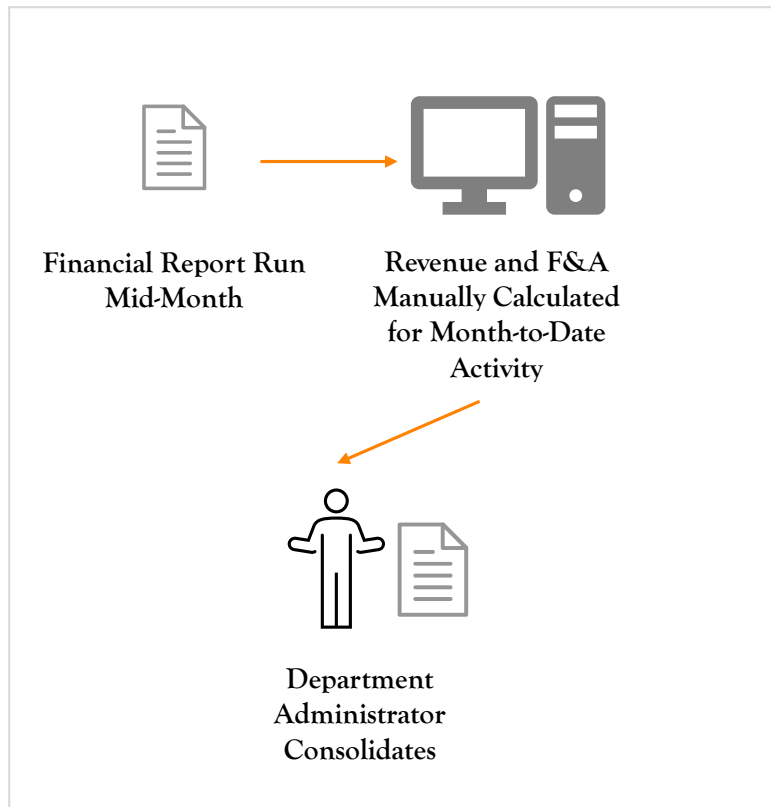
DASH ROI Summary

Estimated Hours saved by DASH application per month

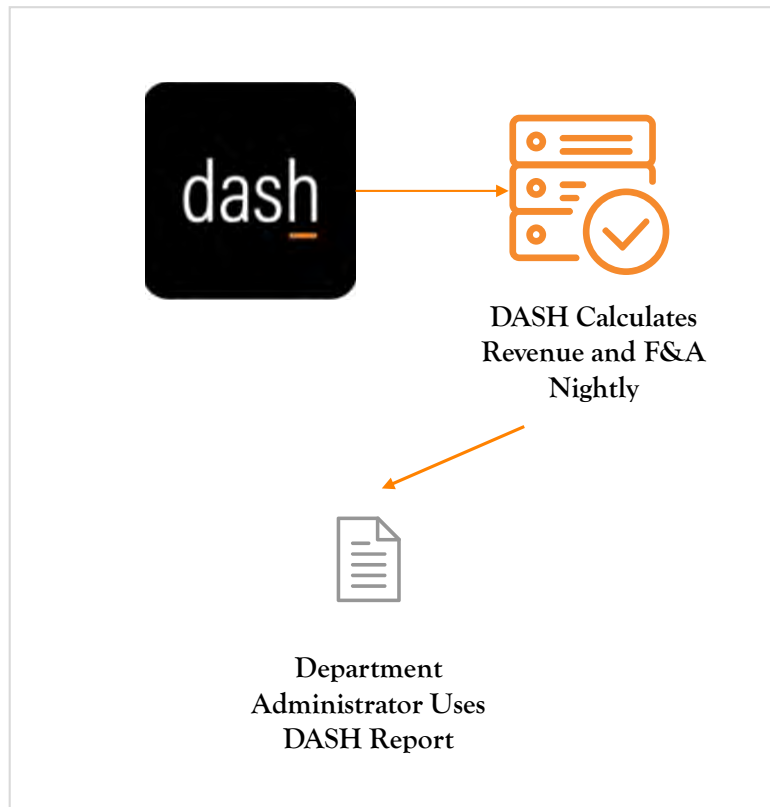


Sponsored Programs

IRIS



DASH

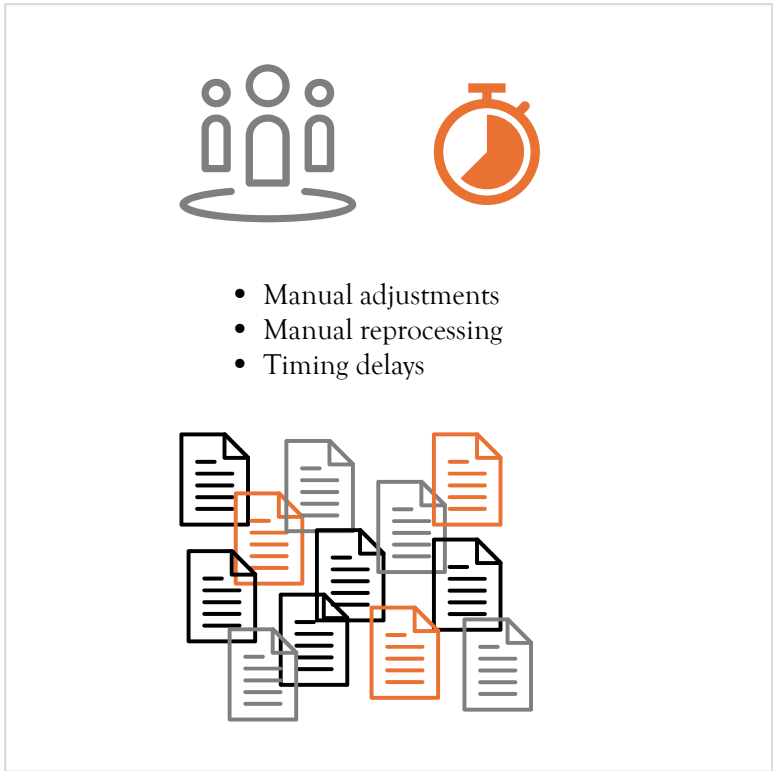


≈500 hours saved monthly



Labor Distribution Workflow

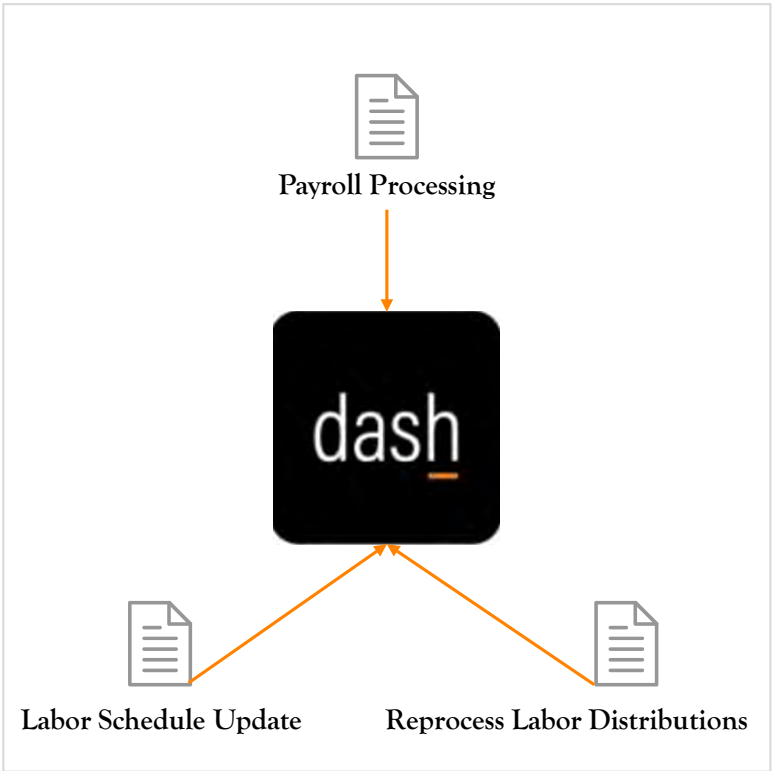
IRIS



The IRIS section features an icon of three people and a stopwatch. Below these are three bullet points: 'Manual adjustments', 'Manual reprocessing', and 'Timing delays'. At the bottom, there is a cluster of document icons, with one highlighted in orange.

- Manual adjustments
- Manual reprocessing
- Timing delays

DASH

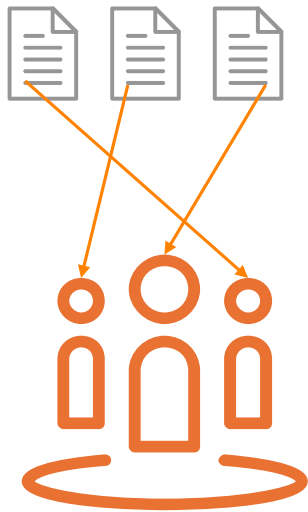


Removal of ad-hoc payroll processing for labor costs



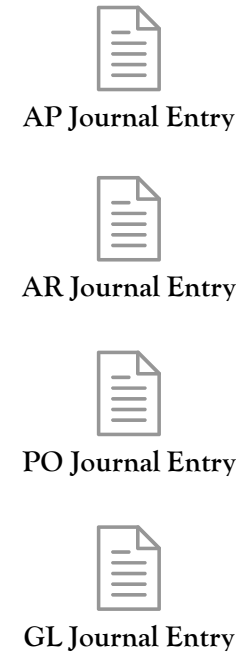
Finance Journal Entry and Workflow

IRIS



- Manual adjustments
- Manual transfers
- Manual corrections

DASH

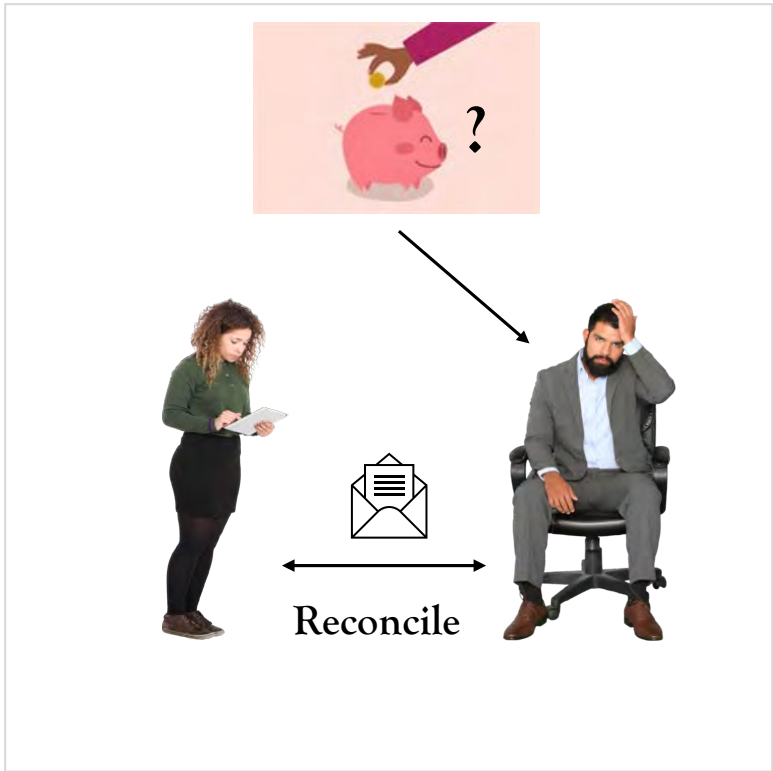


≈40 hours saved monthly



Reconcile Invoice & Deposit

IRIS



DASH



Auto-reconcile matches by DASH application

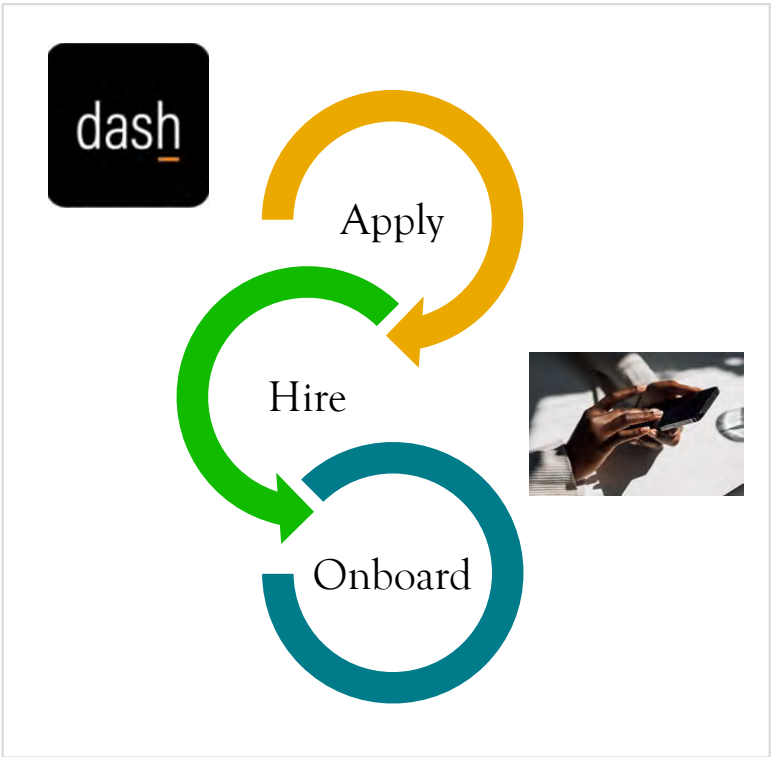


Recruit to Hire

IRIS



DASH

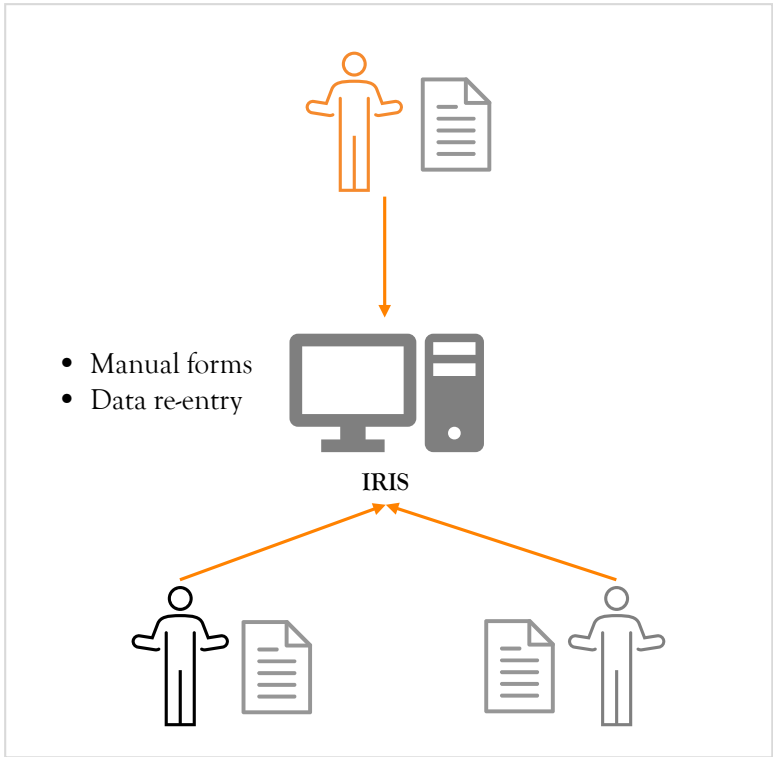


≈990+ hours saved monthly

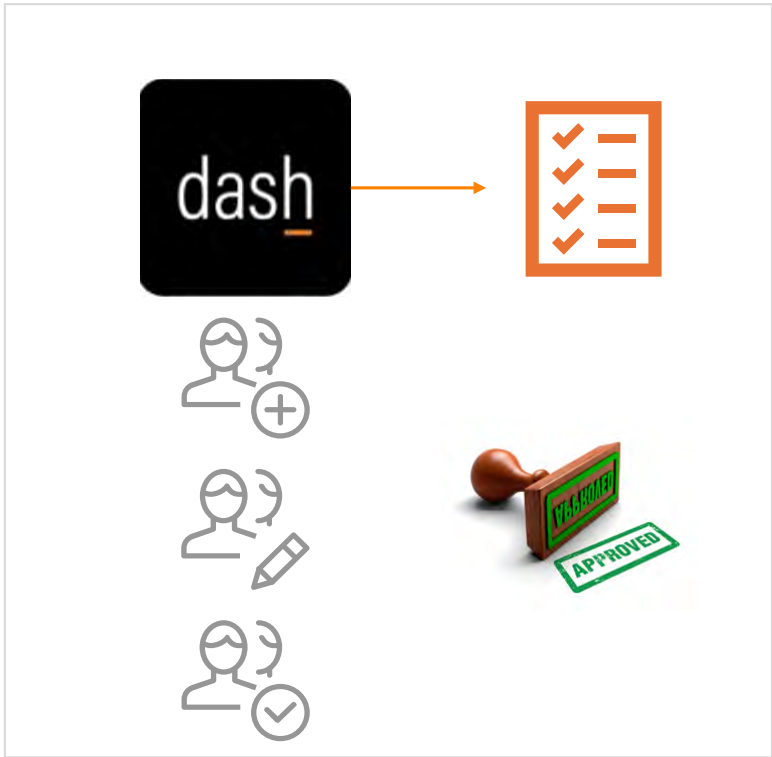


HCM Position Management

IRIS



DASH

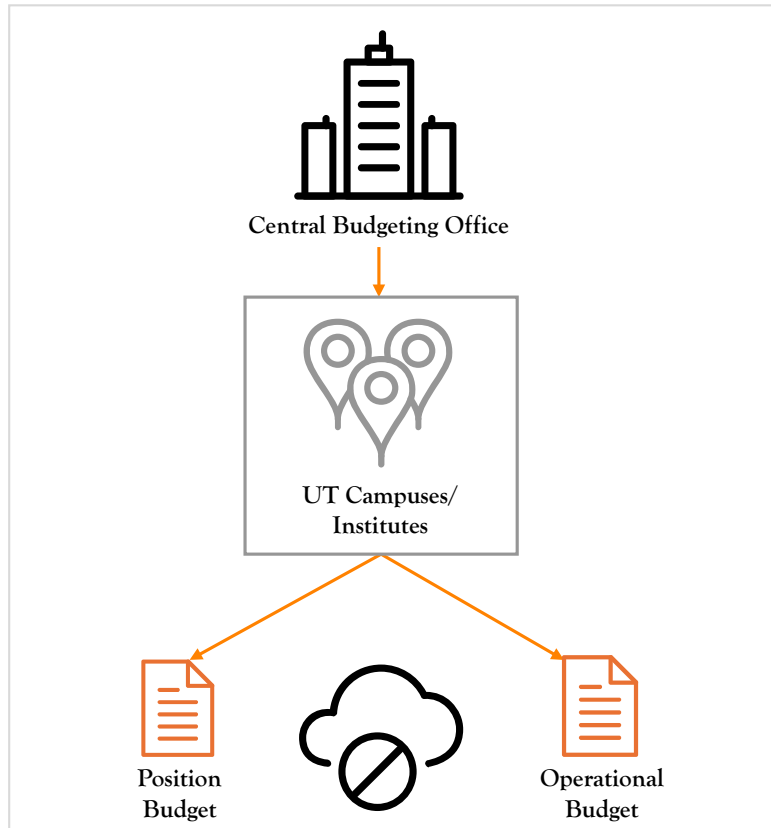


≈30 hours saved monthly

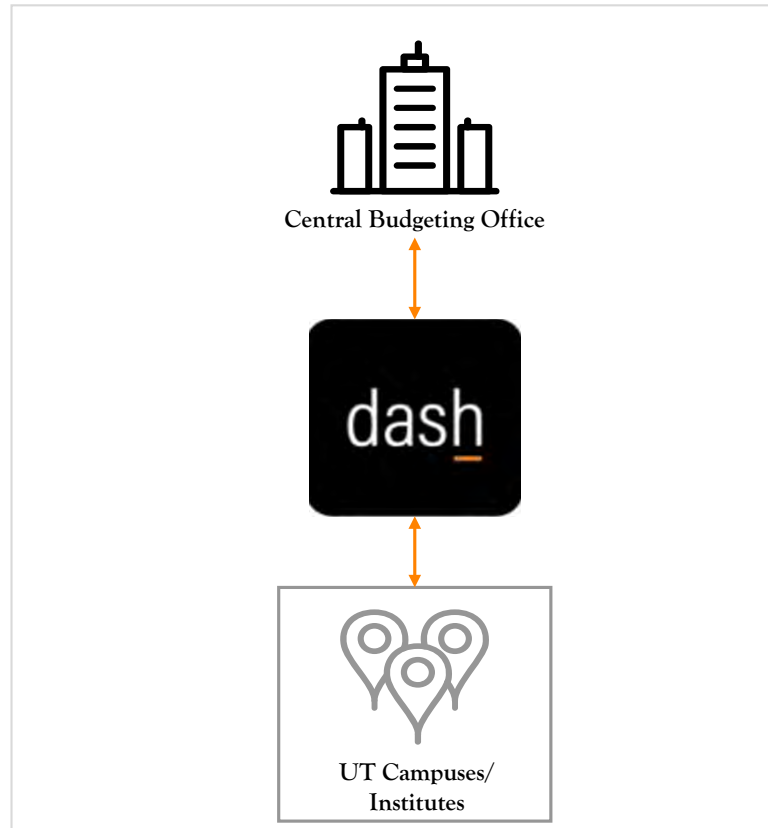


EPM/Budgeting Process and Reporting

IRIS



DASH



≈20+ hours saved monthly



Maintenance Purchase, Resource, and Expense Management

IRIS

Archibus

IRIS

The diagram illustrates the current state of maintenance management. On the left, two computer icons represent the 'Archibus' and 'IRIS' systems. Arrows from both point to a central server rack icon that has a red prohibition sign (a circle with a diagonal slash) over it, indicating inefficiency or a lack of integration. Below this, a collage of images includes a blue surgical mask, a large white question mark, and a stack of colorful papers, symbolizing the complexity and uncertainty of the current process.

DASH

dash

The diagram illustrates the proposed solution. On the left, the 'dash' logo is shown in a black rounded square. An arrow points from the logo to a server rack icon with a red checkmark, signifying a successful and efficient process. Below this, a collage of images includes a worker in a hard hat and safety glasses, a calendar with a red pushpin on the 5th, a map with a red flag, and a hand holding a smartphone displaying an app interface, representing the integration of field resources, scheduling, and mobile technology.

≈1650 hours saved monthly





THE UNIVERSITY OF TENNESSEE BOARD OF TRUSTEES

AGENDA ITEM SUMMARY

Meeting Date:	February 28, 2025
Committee:	Finance and Administration
Item:	<u>Annual Finance Report on Intercollegiate Athletics Programs</u>
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.



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: 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:

Athletic Student Fee			
Fiscal Year	Amount per student	Total Revenue	Increase or (Decrease) from previous fiscal year
2020 – 2021	\$514	\$5,605,320	\$24,091
2021 – 2022	\$514	\$5,433,242	(\$172,078)
2022 – 2023	\$514	\$5,300,661	(\$132,581)
2023 – 2024	\$514	\$5,312,829	\$12,168
2024 - 2025	\$514	\$5,334,663	\$21,834

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

Project	Status	Explanation
Wolford Family Athletic Center\ McKenzie Arena Addition	Completed	This project was completed in 2024 providing enhanced football facilities, basketball locker rooms, team meeting rooms, a new training room and a large multi-purpose room that serves various campus needs. In addition, parts of the Arena were renovated to enhance both student athlete and non-athlete student experiences in the facility.

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

Bonded Project	Debt Outstanding as of 6/30/24	Annual Payment	Maturity
Finley Stadium	\$607,194	\$162,645	FY 2028
Wolford Family Athletic Facility	\$26,114,528	\$1,063,109	FY 2052
Total	\$26,721,722	\$1,225,754	

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

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:**

Athletics remains financially dependent on institutional support and student fees, a reliance expected to persist as travel and operational expenses continue to rise significantly. To manage costs, scheduling football non-conference games within driving distance remains a priority. However, due to a game contract cancellation in 2024, the football team is contracted to travel to Tarleton State in Stephenville, Texas, for the 2025 season, resulting in increased travel expenses. Additionally, football game guarantee revenue has declined due to the Southeastern Conference's expansion and reduced scheduling of FCS games. The ongoing impact of Name, Image, and Likeness (NIL) agreements continues to affect many of our student-athletes, and this is expected to remain a growing challenge moving forward. On a positive note, the Wolford Family Athletic Facility is now fully operational, and McKenzie Arena has returned to full capacity. Hosting multiple arena events annually is a key priority to increase revenue and enhance campus visibility.

Schedule 1

UTC Athletics Department FY 2024 Actuals and FY 2025 Revised Budget		
	2023 - 2024	2024 - 2025
Operating revenues	Actuals	Budget
Ticket sales	\$ 884,766.85	\$ 870,023
Student fees	5,312,829.37	5,334,663
Direct institutional support	11,119,698.85	11,009,356
Indirect Institutional Support--Athletic Facilities Debt Service	57,781.00	-
Guarantees	776,500.00	655,000
Contributions	1,652,313.56	1,800,000
In Kind	266,699.00	-
NCAA distributions	449,469.00	375,000
Conference distributions	26,571.00	-
Program, novelty, parking, and concession sales	100,323.13	20,000
Royalties, licensing, advertisements, and sponsorships	653,660.00	610,000
Sports camp revenues	677,156.22	262,500
Endowment and investment income	131,820.74	200,000
Other	456,274.49	22,500
Subtotal operating revenue	\$ 22,565,863.21	\$ 21,159,042
Operating expenses		
Athletics student aid	\$ 5,705,556.70	\$ 6,236,492
Coaches salaries and benefits	4,968,515.70	4,922,850
Support staff/administrative salaries and benefits	3,904,427.08	3,868,542
Recruiting	420,869.59	287,083
Team travel	1,436,022.49	1,106,893
Sports equipment, uniforms, and supplies	816,914.26	957,233
Game expenses	309,627.89	211,203
Fund raising, marketing, and promotion	1,137,466.13	775,888
Sports camp expenses	348,352.33	262,500
Spirit groups	255,627.27	174,368
Athletic facilities, debt service, leases and rental fees	335,161.76	359,207
Direct overhead and administrative expenses	550,908.45	375,785
Medical expenses and insurance	293,615.58	200,281
Memberships and dues	52,241.96	35,635
Student-Athlete meals (non-travel)	310,469.18	211,777
Other operating expenses	1,720,086.84	1,173,305
Subtotal operating expenses	\$ 22,565,863.21	\$ 21,159,042
Revenue less expenses	\$ -	\$ -

Schedule 2

The Athletics Department has employment agreements with the following four head coaches for men's basketball, women's basketball, men's golf and football:

Coach	Projected Annual Compensation Excluding Performance Bonuses					Contract Dates
	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	
Dan Earl Head Coach Men's Basketball	\$406,000	\$406,000	\$406,000	\$406,000	\$406,000	04/01/2022- 03/31/2027 +1 03/30/2029
Deandra Schirmer Head Coach Women's Basketball	\$166,000	\$176,000	\$176,000	\$176,000	\$176,000	04/01/2024- 04/30/2029
Blaine Woodruff Head Coach Men's Golf	\$125,000	\$135,000	\$135,000	\$135,000	\$135,000	9/1/24- 9/30/29
Russell Wright Head Coach Football	\$316,000	\$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
Total	\$1,013,000	\$1,033,000	\$1,033,000	\$1,033,000	\$1,033,000	



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:

A FY25 deficit, although not currently forecasted, would be funded from the current auxiliary reserve balance or from unrestricted donor dollars.

2. **Unrestricted Fund Balance:** Athletics department's most recent fiscal year-end (FY24) unrestricted fund balances (please attach a report):

Fund Name	Amount
Athletics Fund Balance (A019900002)*	\$14,907,874.14
Athletic Director Strategic Reserve (S010021045)	\$3,515,405.00
Athletics Arena (K010005096)	\$6,579,963.06
Athletics Reserve (K010005038)	\$1,481,682.00
Total	\$26,484,924.20

**In FY25, UTK Athletics transferred \$4,000,000 from the reserve to UTK campus to payback installment one (1) of an internal loan program. An additional \$1,200,000 was transferred from the reserve account to fund ongoing 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
2023 - 2024	-	\$1,000,000.00	-
2022 - 2023	-	\$1,000,000.00	-
2021 - 2022	-	\$1,000,000.00	-
2020 - 2021	-	\$1,000,000.00	-
2019 - 2020	-	\$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>\$105,100,000</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>\$20,100,000 in auxiliary funds and donor gifts</p>
Anderson Training Center / Haslam Field Expansion	Partial completion; several components under construction or design	Renovation and expansion of team spaces including strength & 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	<p>\$45,000,000</p> <p>Funding:</p> <p>\$24,900,000 in auxiliary funds and donor gifts</p>

			\$20,100,000 in 10-year bonds supported by auxiliary revenues and donor contributions
UTK Food City Center AV Systems Upgrade	Partial Completion; several components under design and fabrication	New videoboard, sound system, corner videoboards, and overall improvement of the AV system for FCC	\$7,500,000 Funding: Auxiliary cash on hand
Food City Center South Renovations	Programming	Create a new club/premium amenity, replacing and adding new seating elements, and enhancing the arena's operational functionality.	\$9,500,000 Funding Auxiliary cash on hand
Lee Stadium Improvements	Programming	Renovation and expansion of team spaces and administrative areas	\$8,837,917 Funding: Revenue Advance from UTFI
Neyland Thompson Sports Center Renovations	Partial Completion; several components under design and construction	Renovation of administrative offices	\$1,020,000 Funding: Auxiliary cash and donor gifts 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 6/30/2024	Annual Payment (FY25)	Maturity
UTK Athletic Academic Building (263)	761,838	185,699	2029
UTK Intercollegiate Swimming Facility	1,303,252	687,804	2026
UTK Soccer Stadium Improvements	889,561	464,644	2026
UTK McKenzie Lawson Addition	1,847,339	188,406	2036
UTK Baseball Stadium Renovation & Addition	1,232,457	1,432,311	2029

UTK Neyland Stadium Improvements	11,852,449	337,285	2029
UTK Softball Stadium Improvements	1,657,649	3,243,651	2029
UTK Thompson-Boling Arena Improvements	2,356,809	454,146	2029
UTK McKenzie Lawson Addition	6,337,686	656,019	2029
UTK Baseball Stadium Renovations and Addition	220,654	11,033	2028
UTK Neyland Stadium Improvements (Phase I)	2,095,613	104,781	2028
UTK Softball Stadium Improvements (Phase I)	295,847	14,792	2028
UTK Thompson-Boling Arena Improvements	7,758,817	391,989	2028
UTK Neyland Stadium Improvements	1,765,438	88,272	2029
UTK North End Zone Expansion	1,905,422	957,593	2026
UTK Siler Bean Property	140,656	70,719	2026
UTK Athletic Academic Building (263)	171,706	5,109	2030
UTK Intercollegiate Swimming Facility (2014B Refunding)	11,500,349	406,514	2034
UTK Baseball Stadium Renovation & Addition	418,936	16,481	2030
UTK Neyland Stadium Improvements	4,028,869	158,498	2030
UTK Softball Stadium Improvements	562,855	22,143	2030
UTK Thompson-Boling Arena Improvements	801,124	31,517	2030
UTK McKenzie Lawson Addition	14,244,606	507,893	2036
UTK Neyland Stadium Improvements	5,337,775	711,044	2034
UTK Neyland Stadium South Renovation	81,562,729	0	2052

*Debt service for the Neyland Stadium South Renovation is anticipated to begin 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 1.

7. Future Material Financial Considerations and Trends:

Continued revenue growth from the enhanced and updated ticket pricing model, as well as an increase in revenue due to UT's brand popularity in the 2023-24 fiscal year, led to another revenue record-breaking year in multiple reporting categories. UTK Athletics finished 2023-24 fiscal year slightly over \$234,000,000 in revenue. UTK Athletics invested the revenue lift directly into the student-athletes, team operations, and facility enhancements, to ensure the continued success of the sport programs. UTK Athletics will continue to invest in the student-athletes' to ensure successful programs. UTK Athletics is currently modeling out multiple scenarios for the 2025-26 fiscal year, in response to industry trends, lawsuits, and possible legislation.

UTK Athletics Department FY 2024 Budget and Actuals & FY 2025 Revised Budget

Revenues	2023 - 2024 Budget	2023 - 2024 Actuals	2024 - 2025 Budget
Operating revenues	Total	Total	Total
Ticket sales	\$ 35,133,309	\$ 46,411,884	\$ 44,857,651
Direct state or government support	-	-	-
Student fees	1,000,000	1,000,000	1,000,000
Direct institutional support	-	13,615,318	-
Less-Transfers to Institution	-	(2,166,619)	-
Indirect Institutional Support	-	-	-
Indirect Institutional Support--Athletic Facilities Debt Service	-	-	-
Guarantees	7,202,552	5,941,001	3,885,000
Contributions	56,720,970	72,679,092	61,447,031
In Kind	3,040,975	4,017,196	-
Compensation and benefits provided by a third party	-	-	-
Media rights	37,151,268	38,113,168	41,532,118
NCAA Distributions	2,797,675	3,695,791	4,296,168
Conference distributions (non-media and non-football-bowl)	483,717	639,001	784,660
Conference distributions of football bowl-generated revenue	8,981,289	11,864,483	12,405,577
Program, novelty, parking, and concession sales	7,275,484	9,611,077	13,043,932
Royalties, licensing, advertisements, and sponsorships	21,507,757	21,807,114	19,713,543
Sports camp revenues	1,344,782	1,776,487	1,917,428
Athletics restricted endowment and investments income	2,016,459	2,663,787	2,578,940
Other operating revenue	734,037	959,541	1,224,636
Football bowl revenues	2,200,000	1,430,469	2,310,000
Subtotal operating revenue	\$ 187,590,276	\$ 234,058,790	\$ 210,996,684
Expenses			
Operating expenses			
Athletics student aid	\$ 17,590,037	\$ 22,853,780	\$ 19,826,824
Guarantees	4,903,076	6,370,300	5,526,561
Coaching salaries, benefits, and bonuses paid by the University and related entities	32,012,965	41,592,706	36,083,802
Coaching salaries, benefits, and bonuses paid by a third party	-	-	-
Support staff/administrative salaries, benefits, and bonuses paid by the University and related entities	29,779,949	38,691,470	33,566,831
Support staff/administrative other compensation and benefits paid by a third-party	-	-	-
Severance payments	1,805,535	2,345,833	2,035,130
Recruiting	8,256,573	8,128,826	7,052,173
Team travel	11,793,052	13,373,204	11,601,939
Sports equipment, uniforms, and supplies	4,679,637	6,079,998	5,274,710
Game expenses	6,928,569	9,001,914	9,564,108
Fund raising, marketing, and promotion	4,640,721	6,029,437	5,230,845
Sports camp expenses	1,025,000	565,055	1,457,500
Spirit groups	979,347	747,482	1,182,971
Athletic Facilities, debt service, leases and rental fees	9,084,258	11,802,683	11,148,343
Direct overhead and administrative expenses	21,889,572	28,439,932	27,173,097
Indirect institutional support	-	-	-
Medical expenses and insurance	4,665,443	2,874,767	4,497,396
Memberships and dues	41,184	53,508	46,421
Student-Athlete Meals (non-travel)	6,048,910	7,859,020	8,018,102
Other operating expenses	18,548,010	22,358,561	18,488,285
Football bowl expenses	2,500,000	2,099,918	2,750,000
Football bowl expenses--coaching compensation/bonuses	418,437	543,652	471,646
Subtotal operating expenses	\$ 187,590,276	\$ 231,812,046	\$ 210,996,684
Revenue less expenses	\$ 0	\$ 2,246,744	\$ 0

Coach Compensation									
Contract Party Details								Contract dates	
Coach	Sport	Title	FY2025	FY2026	FY2027	FY2028	FY2029	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	\$ 2,150,000	\$ 2,150,000	\$ 2,150,000	\$ 2,150,000		February 16, 2021	January 31, 2028
Elarbee	Football	Assistant Coach	\$ 900,000	\$ 900,000	\$ 900,000			February 1, 2021	January 31, 2027
Garner	Football	Assistant Coach	\$ 900,000	\$ 900,000	\$ 900,000			February 11, 2021	January 31, 2027
Halzle	Football	Assistant Coach	\$ 850,000	\$ 850,000				January 1, 2021	January 31, 2026
Pope	Football	Assistant Coach	\$ 550,000	\$ 550,000	\$ 550,000			March 7, 2022	January 31, 2027
Inge	Football	Assistant Coach	\$ 720,000	\$ 720,000	\$ 720,000			February 19, 2024	January 31, 2027
Ekeler	Football	Assistant Coach	\$ 575,000					March 2, 2021	January 31, 2025
Martinez	Football	Assistant Coach	\$ 540,000					February 18, 2021	January 31, 2025
Schmidt	Football	Sports Performance	\$ 475,000					February 5, 2021	January 31, 2025
Sims	Football	Assistant Coach	\$ 350,000	\$ 450,000				February 19, 2024	January 31, 2026
Abeln	Football	Assistant Coach	\$ 250,000	\$ 275,000				February 1, 2023	February 28, 2026
Barnes	M. Basketball	Head Coach	\$ 5,800,000	\$ 5,900,000	\$ 6,000,000	\$ 6,000,000	\$ 6,000,000	April 1, 2015	April 15, 2029
Vitello	Baseball	Head Coach	\$ 3,000,000	\$ 3,000,000	\$ 3,000,000	\$ 3,000,000	\$ 3,000,000	July 1, 2019	June 30, 2029
Caldwell	W. Basketball	Head Coach	\$ 750,000	\$ 750,000	\$ 750,000	\$ 750,000	\$ 750,000	April 7, 2024	March 31, 2029
Weekly	Softball	Head Coach	\$ 525,000	\$ 525,000	\$ 525,000	\$ 525,000	\$ 525,000	July 1, 2010	June 30, 2029
Ross	Track and Field	Head Coach	\$ 450,000	\$ 450,000	\$ 450,000			May 23, 2022	June 30, 2027
Rackham	Volleyball	Head Coach	\$ 330,000	\$ 330,000	\$ 330,000	\$ 330,000	\$ 330,000	January 12, 2018	January 31, 2029
Webb	M. Golf	Head Coach	\$ 295,000	\$ 295,000	\$ 295,000	\$ 295,000	\$ 295,000	July 1, 2018	June 30, 2029
Kredich	Swim and Dive	Head Coach	\$ 270,000	\$ 270,000	\$ 270,000	\$ 270,000	\$ 270,000	July 1, 2008	April 30, 2029
Woodruff	M. Tennis	Head Coach	\$ 265,000	\$ 265,000	\$ 265,000	\$ 265,000	\$ 265,000	May 19, 2017	June 30, 2029
Cupini	Rowing	Head Coach	\$ 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		December 1, 2016	June 30, 2028
Cantu	W. Golf	Head Coach	\$ 200,000	\$ 200,000				June 7, 2021	June 30, 2026
Kirt	Soccer	Head Coach	\$ 175,000	\$ 175,000	\$ 175,000			April 29, 2022	December 31, 2026
Duncan	Cross Country	Head Coach	\$ 150,000	\$ 150,000	\$ 150,000			August 5, 2024	June 30, 2027



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: 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:

Athletic Student Fee			
Fiscal Year	Amount per student	Total Revenue	Increase or (Decrease) from previous fiscal year
2023 - 2024	\$ 408.00	\$ 1,567,296.30	\$ (9,649.68)
2022 - 2023	\$ 408.00	\$ 1,576,945.98	\$ (31,747.30)
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
		\$ 1,854,474.27	

\$ (388,206.10)
loss over the past 4 years

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

Project	Status	Notes	Cost and Financing
Student Life Center Football Weightroom	Under Construction	Convert Student Life Center gym to Football Weightroom. Increasing size from 7,100 sq ft to 13,500 sq ft	\$375,000 construction with total funding of \$475,000. Funded through Private donors.

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

Bonded Project	Debt Outstanding as of 6/30/24	Annual Payment	Maturity
Athletic Field Lights & Field House (A56)	\$752,177.70	\$101,392.00	FY32
Football Pressbox (A74)	\$3,116,932.53	\$187,496.00	FY44

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 from FY14-FY24 is \$1.1 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.

The NCAA House Settlement will decrease NCAA/OVC distributions by close to \$300,000 impacting the athletics budget. It is necessary for athletics to continue facility enhancements that will produce revenue. Converting the Elam Center pool area to an indoor turf space is a very important piece for future revenue.

Schedule 1

UT Martin (campus) Athletics Department FY 2024 Actuals and FY 2025 Revised Budget			
	2023 - 2024		2024 - 2025
Revenues	Actuals		Budget
Operating revenues	Total		Total
Ticket sales	\$	148,232.00	\$ 200,000.00
Direct state or government support	\$	-	\$ -
Student fees	\$	1,786,122.30	\$ 1,876,746.00
Direct institutional support	\$	8,596,519.31	\$ 8,253,210.00
Less-Transfers to Institution	\$	-	\$ -
Indirect Institutional Support	\$	-	\$ -
Indirect Institutional Support--Athletic Facilities Debt Service	\$	299,851.71	\$ 300,000.00
Guarantees	\$	832,850.00	\$ 324,430.00
Contributions	\$	1,207,681.97	\$ 1,200,000.00
In Kind	\$	700,500.53	\$ 200,000.00
Compensation and benefits provided by a third party	\$	-	\$ -
Media rights	\$	77,000.00	\$ 60,000.00
NCAA Distributions	\$	1,063,421.96	\$ 450,000.00
Conference distributions	\$	170,900.00	\$ 175,000.00
Program, novelty, parking, and concession sales	\$	136,649.26	\$ 150,000.00
Royalties, licensing, advertisements, and sponsorships	\$	254,371.68	\$ 260,000.00
Sports camp revenues	\$	-	\$ -
Endowment and investment income	\$	187,081.26	\$ 100,000.00
Other	\$	23,276.00	\$ -
Bowl revenues	\$	-	\$ -
Subtotal operating revenue	\$	15,484,457.98	\$ 13,549,386.00
Expenses			
Operating expenses			
Athletics student aid	\$	4,971,939.56	\$ 5,160,389.00
Guarantees	\$	36,162.59	\$ 30,000.00
related entities	\$	2,910,024.95	\$ 2,921,099.22
the University and related entities	\$	2,365,380.40	\$ -
a third-party	\$	-	\$ 2,488,343.78
Severance payments	\$	-	\$ -
Recruiting	\$	231,492.02	\$ 250,000.00
Team travel	\$	1,237,441.39	\$ 1,000,000.00
Sports equipment, uniforms, and supplies	\$	1,394,764.37	\$ 750,000.00
Game expenses	\$	273,493.08	\$ 250,000.00
Fund raising, marketing, and promotion	\$	50,429.21	\$ 50,000.00
Sports camp expenses	\$	-	\$ -
Spirit groups	\$	16,052.60	\$ 15,000.00
Athletic Facilities, debt service, leases and rental fees	\$	299,851.71	\$ 200,000.00
Direct overhead and administrative expenses	\$	169,431.13	\$ 90,000.00
Indirect institutional support	\$	-	\$ -
Medical expenses and insurance	\$	234,494.60	\$ 200,000.00
Memberships and dues	\$	20,370.52	\$ 15,000.00
Student-Athlete Meals (non-travel)	\$	235,215.79	\$ 129,554.00
Other operating expenses	\$	1,037,914.06	\$ -
Bowl Expenses	\$	-	\$ -
Bowl Expenses- Coaching Compensation	\$	-	\$ -
Subtotal operating expenses	\$	15,484,457.98	\$ 13,549,386.00
Revenue less expenses	\$	-	\$ -

Schedule 2

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	\$ 231,737.00	\$ 237,116.00	\$ 237,116.00	\$ 237,116.00	\$ 237,116.00	4/1/2011	6/30/2030
Jeremy Shulman	M. Basketball	Head Coach	\$ 180,000.00	\$ 180,000.00	\$ 180,000.00	\$ 180,000.00	\$ 180,000.00	4/1/2024	3/31/2029
Mike Varga	W. Soccer	Head Coach	\$ 72,000.00	\$ 74,587.00	\$ 74,587.00	\$ 74,587.00	\$ -	7/1/2023	6/30/2027
**Kevin McMillan	W. Basketball	Head Coach	\$ 154,769.00	\$ 162,508.00	\$ 162,508.00	\$ 162,508.00	\$ 162,508.00	N/A	N/A

*Jason Simpson has salary items added to his base salary totaling \$50,000

He gets \$40,000 in 4 installments in the fall for the Radio & Broadcast payments and a \$10,000 retention bonus in 6 installments in the spring

I have added this amount to his base salary and put that total above to show true yearly salary

Base salary FY24 \$181,737

Base salary FY 25-FY28 \$187,116

**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 FY25-FY29 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 any 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 (please attach a report):

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-Master Plan in progress

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: See Schedule 1.

7. Future Material Financial Considerations and Trends:

For the 25-26 fiscal year, there are several financial considerations for the budget.

First, the signage for rebranding the East Campus will be approximately \$65,000.

Second and more costly, is the need for a post season budget for our athletic teams. We were fortunate to receive a donation to pay for all National Championship play last year which was approximately \$58,000. For FY25, we are using those donated funds to pay for all post season play which includes conference post season play as well as National which is expected to be approximately \$150,000. In FY25, these expenses will deplete the donated funds, and it will be necessary to have a budget for post season play in FY26.

Finally, an operating budget for our East Campus facilities needs to be incorporated into our athletic operating budget. An estimated \$20,000 would allow for the maintenance of our four athletic fields and indoor facility.

UT Southern Athletics Department FY 2024_ Actuals and FY 2025_ Revised Budget

Revenues	2023- 2024	2024- 2025
Operating revenues	Actuals	Budget
	Total	Total
Ticket sales	\$ 24,637.00	\$ 5,000.00
Direct state or government support	\$ -	\$ -
Student fees	\$ -	\$ -
Direct institutional support	\$ 4,174,388.00	\$ 4,230,952.00
Less-Transfers to Institution	\$ -	\$ -
Indirect Institutional Support	\$ -	\$ -
Indirect Institutional Support--Athletic Facilities Debt Service	\$ -	\$ -
Guarantees	\$ 5,500.00	\$ 7,200.00
Contributions	\$ 358,315.00	\$ 50,000.00
In Kind	\$ -	\$ -
Compensation and benefits provided by a third party	\$ -	\$ -
Media rights	\$ -	\$ -
NCAA Distributions	\$ -	\$ -
Conference distributions	\$ -	\$ -
Program, novelty, parking, and concession sales	\$ -	\$ -
Royalties, licensing, advertisements, and sponsorships	\$ 5,000.00	\$ -
Sports camp revenues	\$ 13,425.00	\$ 15,000.00
Endowment and investment income	\$ -	\$ -
Other	\$ 83,575.00	\$ 182,205.00
Bowl revenues	\$ -	\$ -
Subtotal operating revenue	\$ 4,664,840.00	\$ 4,490,357.00
Expenses		
Operating expenses		
Athletics student aid	\$ 1,629,418.00	\$ 1,516,800.00
Guarantees	\$ -	\$ -
Coaching salaries, benefits, and bonuses paid by the University and related entities	\$ 1,201,349.96	\$ 1,210,799.36
Support staff/administrative salaries, benefits, and bonuses paid by the University and related entities	\$ 587,969.19	\$ 731,802.88
Support staff/administrative other compensation and benefits paid by a third-party	\$ -	\$ -
Severance payments	\$ -	\$ -
Recruiting	\$ 1,291.87	\$ -
Team travel	\$ 294,333.26	\$ 300,000.00
Sports equipment, uniforms, and supplies	\$ 192,472.86	\$ 253,002.00
Game expenses	\$ 15,000.00	\$ 15,000.00
Fund raising, marketing, and promotion	\$ -	\$ -
Sports camp expenses	\$ 2,685.00	\$ -
Spirit groups	\$ 35,583.75	\$ 23,000.00
Athletic Facilities, debt service, leases and rental fees	\$ -	\$ -
Direct overhead and administrative expenses	\$ -	\$ -
Indirect institutional support	\$ -	\$ -
Medical expenses and insurance	\$ -	\$ -
Memberships and dues	\$ 74,619.00	\$ 80,500.00
Student-Athlete Meals (non-travel)	\$ 4,241.32	\$ -
Other operating expenses	\$ 625,875.79	\$ 359,452.76
Bowl Expenses	\$ -	\$ -
Bowl Expenses- Coaching Compensation	\$ -	\$ -
Subtotal operating expenses	\$ 4,664,840.00	\$ 4,490,357.00
Revenue less expenses	\$ -	\$ -

Coach Compensation									
Contract Party Details			Fiscal Year Breakdown					Contract dates	
Coach	Sport	Title	FY 26	FY 27	FY 28	FY 29	FY30	Start date	End date
Will Austin	Womens Soccer	Head Coach	\$70,684	\$72,804	\$74,988	\$77,238	\$79,555	NA	NA
Eli Chrsitman	Shooting	Head Coach	\$20,227	\$20,834	\$21,459	\$22,103	\$22,766	NA	NA
Bret Boylan	Mens Soccer	Head Coach	\$47,380	\$48,801	\$50,265	\$51,773	\$53,327	NA	NA
John Dochety	Golf	Head Coach	\$41,200	\$42,436	\$43,709	\$45,020	\$46,371	NA	NA
Ross James	Womens Basketball	Head Coach	\$56,650	\$58,350	\$60,100	\$61,903	\$63,760	NA	NA
Mitch Hill	Baseball	Head Coach	\$54,127	\$55,750	\$57,423	\$59,145	\$60,920	NA	NA
Andy Sharpe	Mens Basketball	Head Coach	\$66,950	\$68,959	\$71,027	\$73,158	\$75,353	NA	NA
Keye Matthews	Cheer	Head Coach	\$42,745	\$44,027	\$45,348	\$46,709	\$48,110	NA	NA
Bill Riddle	Tennis	Head Coach	\$41,200	\$42,436	\$43,709	\$45,020	\$46,371	NA	NA
Justin Watson	Cross Country & T	Head Coach	\$51,861	\$53,416	\$55,019	\$56,669	\$58,369	NA	NA
Janay Yancey	Womens Volleyba	Head Coach	\$47,380	\$48,801	\$50,265	\$51,773	\$53,327	NA	NA
Trevor Trimpe	Swimming	Head Coach	\$47,895	\$49,332	\$50,812	\$52,336	\$53,906	NA	NA
Murphy Davis	Softball	Head Coach	\$46,350	\$47,741	\$49,173	\$50,648	\$52,167	NA	NA
Vacant	Softball	Asst. Coach	\$36,360	\$36,724	\$37,091	\$37,462	\$38,586	NA	NA
Zach Crownover	Womens Soccer	Asst. Coach	\$36,663	\$37,030	\$37,400	\$37,774	\$38,907	NA	NA
Cameron Breese	Mens Soccer	Asst. Coach	\$35,924	\$36,283	\$36,646	\$37,012	\$38,123	NA	NA
Jacob Chaney	Baseball	Asst. Coach	\$36,663	\$37,030	\$37,400	\$37,774	\$38,907	NA	NA
Janzen Powell	Baseball	Asst. Coach	\$36,663	\$37,030	\$37,400	\$37,774	\$38,907	NA	NA
Cole Morris	Mens Basketball	Asst. Coach	\$36,663	\$37,030	\$37,400	\$37,774	\$38,907	NA	NA
Rebecca Camacho	Womens Volleyba	Asst. Coach	\$35,924	\$36,283	\$36,646	\$37,012	\$38,123	NA	NA
Maria Zimdars	Womens Basketba	Asst. Coach	\$36,663	\$37,030	\$37,400	\$37,774	\$38,907	NA	NA
Dillon Dawson	Cross Country & T	Asst. Coach	\$35,924	\$36,283	\$36,646	\$37,012	\$38,123	NA	NA
UT Southern Athletic employees do not have contracts.									

went PT - 50% effort Fall 24

FY 2024-25 Revised Operating Budget



THE UNIVERSITY OF
TENNESSEE
SYSTEM



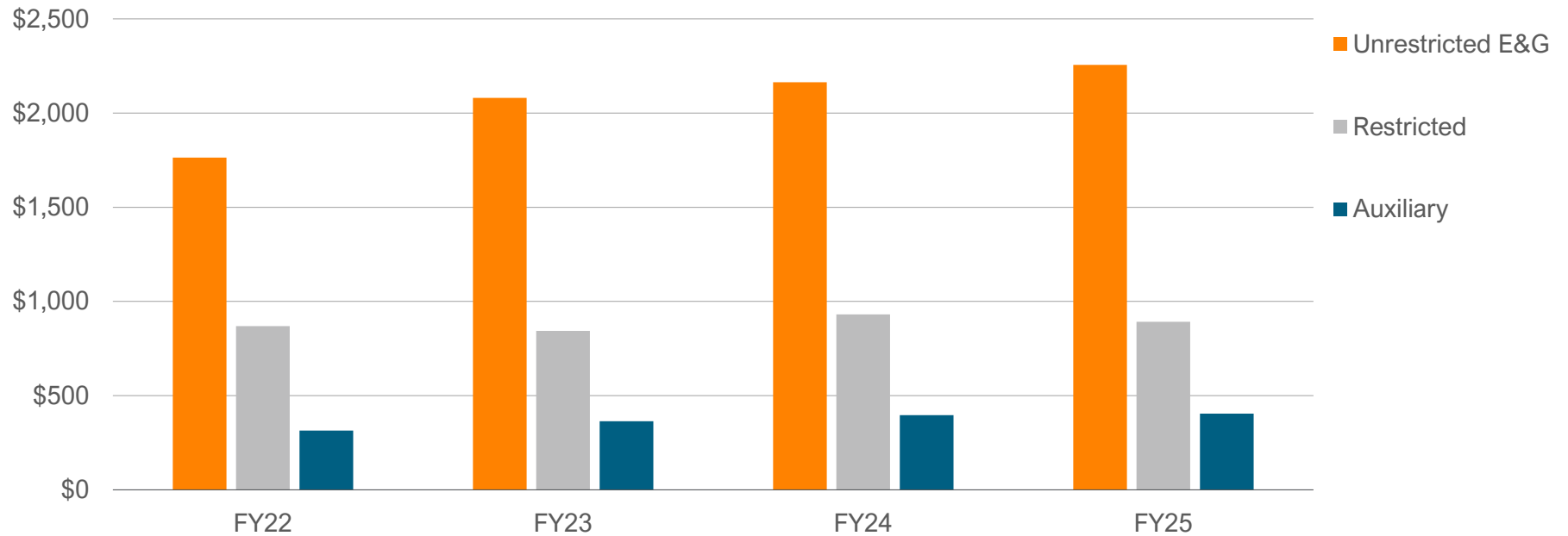
FY25 Revised Budget

- Budgeted revenues & expenses as of October 31, 2024
- Part of the state's annual budget development process
- Essentially unchanged from June 2024
- \$3.55 billion
- 16,228 budgeted positions
- Balanced and within available resources
- Detailed document and schedules available in Board materials

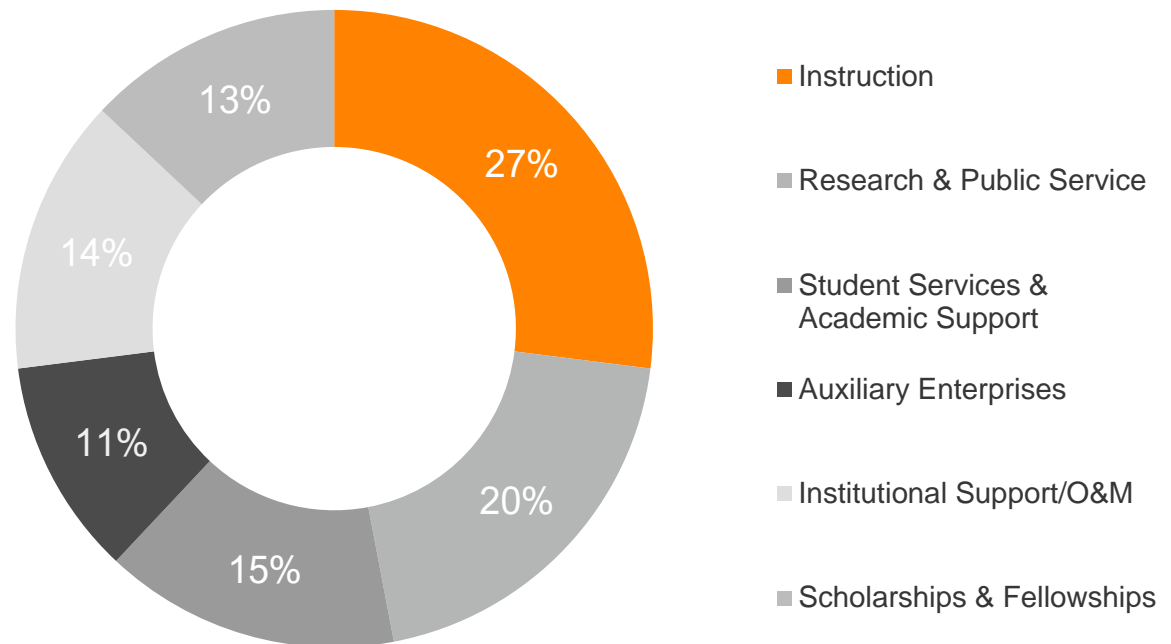
FY25 Operating Revenues: \$3.55 billion

\$-millions	Unrestricted Educational & General (E&G)	Unrestricted Auxiliary Enterprises	Restricted Funds	TOTAL
Tuition & Fees	\$1,108			\$1,108
State Appropriations	880		17	897
Grants & Contracts	76		773	849
Other	192	405	102	699
TOTAL	\$2,256	\$405	\$892	\$3,553

Operating Revenues by Fund Group



Use of Funds by Functional Area



FY26 State Appropriations Preview

- \$44.1 million increase in recurring appropriations (5.0%)
- 1.9% of unrestricted E&G funding; 1.2% of total operating revenues
- Partial funding for faculty & staff salary increases: \$10.8 million
- Formula funding for UTK, UTC, UTM: \$20.7 million
- General operating funds for UTS, HSC, and Vet Med: \$1.1 million
- UTK American Civics: \$1.4 million; IPS Local Planning: \$2.0 million
- Health insurance premiums: \$8.1 million
- Capital improvements: \$327 million



THE UNIVERSITY OF TENNESSEE BOARD OF TRUSTEES

AGENDA ITEM SUMMARY

Meeting Date: February 28, 2025

Committee: Finance and Administration

Item: **Revised FY 2024-25 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 \$2,256,406,950, a decrease of 0.04% over the original budget, and the revised Unrestricted Auxiliary Operating Budget is \$405,201,418, a decrease of 0.03% from the original budget.

Unit	Unrestricted E&G	Unrestricted Auxiliary	Restricted	Total
Chattanooga	\$227,313,158	\$26,234,381	\$79,785,511	\$333,333,050
Health Science Center	366,224,813	4,151,808	322,091,494	692,468,115
Institute for Public Service	33,417,970		11,019,515	44,437,485
Knoxville	1,412,849,901	360,323,034	421,840,842	2,195,013,777
Martin	123,012,610	11,605,195	41,525,777	176,143,582
Southern	17,387,786	2,887,000	6,824,003	27,098,789
System Administration	76,200,712		8,700,000	84,900,712
Total	\$2,256,406,950	\$405,201,418	\$891,787,142	\$3,553,395,510

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 ___-2025*
Resolution to Approve the
FY 2024-25 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 2024-25 operating budget on June 25, 2024; 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 25, 2024; and

WHEREAS, the 2024-25 Revised Operating Budget includes adjustments allocating revisions to budgeted revenues and carry forward of unexpended non-recurring funds from 2023-24; and

WHEREAS, further adjustments may be required if material changes in revenues or expenditures arise during the remainder of FY 2024-25; and

WHEREAS, the FY 2024-25 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 2024-25 Revised Unrestricted, Educational and General Operating Budget in the amount of \$2,256,406,950 and the Revised Unrestricted Auxiliary Operating Budget in the amount of \$405,201,418 are approved. A copy of the Revised Budget Document for FY 2024-25 is attached hereto.



THE UNIVERSITY OF TENNESSEE BOARD OF TRUSTEES

2. If material changes in revenues or expenditures arise during the remainder of FY 2024-25, 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, 2025 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 2025-26.

(*) Number will be inserted after adoption.

THE UNIVERSITY OF TENNESSEE

Revised Operating Budget Fiscal Year 2024-25



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 2024-25 Revised Operating Budget

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Message from the Chief Financial Officer

State policy requires the university to develop a revised operating budget each fall reflecting operating plans and financial projections as of October 31. This budget is reported to the Tennessee Higher Education Commission (THEC) and Department of Finance and Administration (F&A) to be used as a baseline to develop state appropriations for the following fiscal year. This document is a summary and analysis of the budget details provided to THEC and F&A last fall per state guidelines.

The revised budget 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.

There are no material changes to the FY25 operating budget. Total operating revenues are \$3.55 billion, up 0.5% from the original budget adopted in June. Revenues for basic educational and general operations (unrestricted E&G) are set at \$2.26 billion, revenues from auxiliary enterprises (housing, dining, parking, bookstores,

and UTK athletics) are \$405 million, and projected revenues from restricted grants, contracts, gifts, and endowments are \$892 million.

Unrestricted E&G revenue budgets are essentially unchanged (down 0.04%). The same is true for Auxiliary enterprise revenue budgets (down 0.03%). Restricted grants, contracts, gifts, and endowments will fund 54% of student financial aid, 52% of UT research activity, and 48% of UT's service to Tennessee citizens, communities, and businesses. Expectations for these restricted revenues were adjusted upwards by 2.0%.

The following document includes further information on the university's plans and expectations for FY 2024-25. 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 2024-25 Revised Operating Budget

Overview

There are no material changes in budgeted operating revenues. Current fund revenues for the University of Tennessee (UT) Fiscal Year 2024-25 (FY25) revised operating budget are nearly \$3.6 billion, up 0.5% from the original budget adopted in June 2024. This includes \$2.7 billion in unrestricted educational and general (E&G) and auxiliary enterprise revenues and \$892 million of revenues from restricted funds.

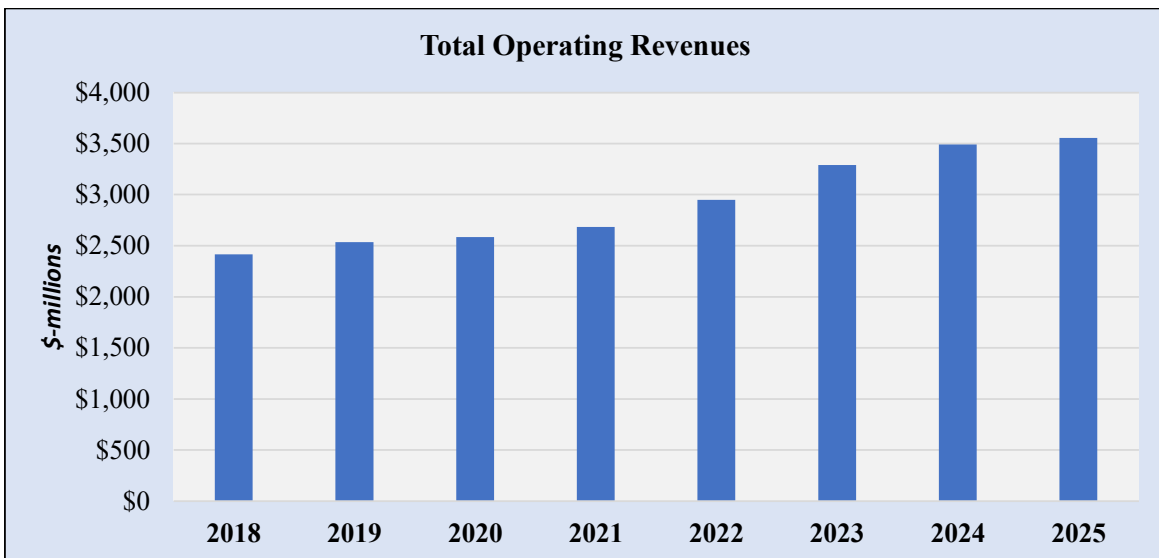
FY25 Operating Revenues by Fund Group

Fund Group	Original	Revised	\$-change	%
Unrestricted E&G	\$2,257,422,650	\$2,256,406,950	(\$1,015,700)	(0.04%)
Unrestricted Auxiliaries	405,341,091	405,201,418	(139,673)	(0.03%)
Subtotal: Unrestricted	\$2,662,763,741	\$2,661,608,368	(\$1,155,373)	(0.04%)
Restricted Funds	874,103,139	891,787,142	17,684,003	2.0%
Total Revenues	\$3,536,866,880	\$3,553,395,510	\$16,528,630	0.5%

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 2024-25 Revised Operating Budget

FY25 Operating Revenue

By Unit and Source	Unrestricted E&G	Unrestricted Auxiliaries	Restricted Funds	Total Revenues
Knoxville	\$1,412,849,901	\$360,323,034	\$421,840,842	\$2,195,013,777
Health Science Center	366,224,813	4,151,808	322,091,494	692,468,115
Chattanooga	227,313,158	26,234,381	79,785,511	333,333,050
Martin	123,012,610	11,605,195	41,525,777	176,143,582
Public Service	33,417,970		11,019,515	44,437,485
Southern	17,387,786	2,887,000	6,824,003	27,098,789
System Administration	76,200,712		8,700,000	84,900,712
Total Revenues	\$2,256,406,950	\$405,201,418	\$891,787,142	\$3,553,395,510
Tuition & Fees	\$1,107,660,289			\$1,107,660,289
State Appropriations	879,617,652		17,501,033	897,118,685
Grants & Contracts	75,661,206		772,892,230	848,553,436
Sales & Services	75,799,093			75,799,093
Other	117,668,710	405,201,418	101,393,879	624,264,007
Total Revenues	\$2,256,406,950	\$405,201,418	\$891,787,142	\$3,553,395,510

Nearly a third of UT's FY25 operating revenues come from student tuition and fees. State appropriations and grants and contracts each account for around a quarter of total operating revenues. Most state appropriations are unrestricted (i.e., available to be allocated to general operations), while most grant and contract revenues are restricted (i.e., contractually dedicated to specific projects and unavailable to fund general operations). Revenue from self-supporting auxiliary enterprises makes up 11% of FY25 operating revenues.

Operating Revenue Changes by Major Unit

By Unit	Original	Revised	\$-change	%
Knoxville	\$2,168,051,698	\$2,195,013,777	\$26,962,079	1.2%
Health Science Center	696,445,403	692,468,115	(3,977,288)	(0.6%)
Chattanooga	338,695,597	333,333,050	(5,362,547)	(1.6%)
Martin	174,046,637	176,143,582	2,096,945	1.2%
Public Service	44,665,102	44,437,485	(227,617)	(0.5%)
Southern	26,726,089	27,098,789	372,700	1.4%
System Administration	88,236,354	84,900,712	(3,335,642)	(3.8%)
Total Revenues	\$3,536,866,880	\$3,553,395,510	\$16,528,630	0.5%

University of Tennessee FY 2024-25 Revised Operating Budget

Current Operating Expenses

The FY25 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 (27%), research (13%), scholarships & fellowship (13%), academic support (11%), and auxiliary operations (11%).

FY25 Operating Expenditures and Transfers

By Functional Area	Unrestricted	Restricted	Total	% of total
Instruction	\$745,213,776	\$201,584,856	\$946,798,632	26.6%
Research	222,143,034	238,031,811	460,174,845	12.9%
Public Service	132,859,416	121,490,910	254,350,326	7.2%
Academic Support	304,555,026	67,944,261	372,499,287	10.5%
Student Services	148,527,503	4,051,587	152,579,090	4.3%
Institutional Support	256,112,341	10,259,681	266,372,022	7.5%
Operation & Maintenance	212,589,414	406,149	212,995,563	6.0%
Scholarships & Fellowships	211,368,927	247,757,887	459,126,814	12.9%
Auxiliary Operations	377,026,573	260,000	377,286,573	10.6%
Total Expenses	\$2,610,396,010	\$891,787,142	\$3,502,183,152	98.5%
Transfers for Debt Service	78,234,585		78,234,585	2.2%
Non-Mandatory Transfers	(24,183,063)		(24,183,063)	(0.7%)
Expenses & Transfers	\$2,664,447,532	\$891,787,142	\$3,556,234,674	100%

Mandatory Transfers are allocations from current operations to UT's retirement of debt fund required to fulfill debt obligations. Nearly 63% of the \$78 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 \$24 million out of long-term reserves into the current operating budget to help fund non-recurring operating expenditures.

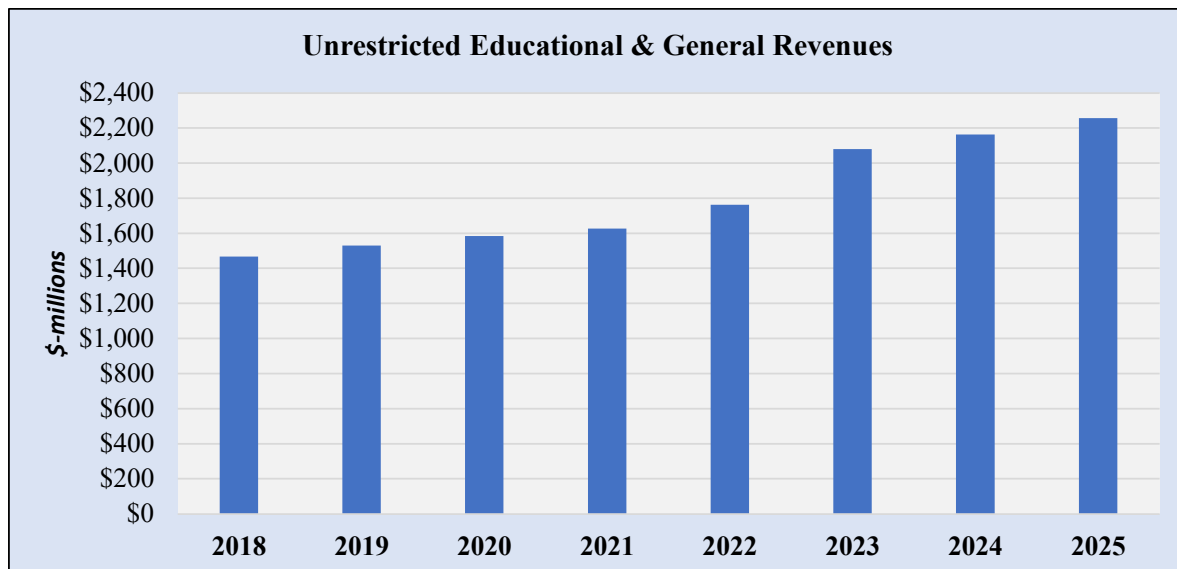
University of Tennessee FY 2024-25 Revised Operating Budget

Unrestricted Educational and General (E&G) Revenues

There are no material changes to revenue budgets for core E&G operations. UT Martin increased student fee revenues to reflect higher than expected enrollments. Health Science Center revenues were adjusted due to small declines in some fee-for-service revenues and zero-sum reductions in state funding (further explained in the State Appropriations section).

Unrestricted E&G Revenues

By Unit and Source	Original	Revised	\$-change	%
Knoxville	\$1,412,482,601	\$1,412,849,901	\$367,300	0.03%
Health Science Center	370,252,181	366,224,813	(4,027,368)	(1.09%)
Chattanooga	226,523,462	227,313,158	789,696	0.35%
Martin	120,915,785	123,012,610	2,096,825	1.73%
Public Service	33,455,306	33,417,970	(37,336)	(0.11%)
Southern	17,406,961	17,387,786	(19,175)	(0.11%)
System Administration	76,386,354	76,200,712	(185,642)	(0.24%)
Total	\$2,257,422,650	\$2,256,406,950	(\$1,015,700)	(0.04%)
Tuition & Fees	\$1,103,252,133	\$1,107,660,289	\$4,408,156	0.40%
State Appropriations	886,941,152	879,617,652	(7,323,500)	(0.8%)
Other Revenues	267,229,365	269,129,009	1,899,644	0.71%
Total	\$2,257,422,650	\$2,256,406,950	(\$1,015,700)	(0.04%)



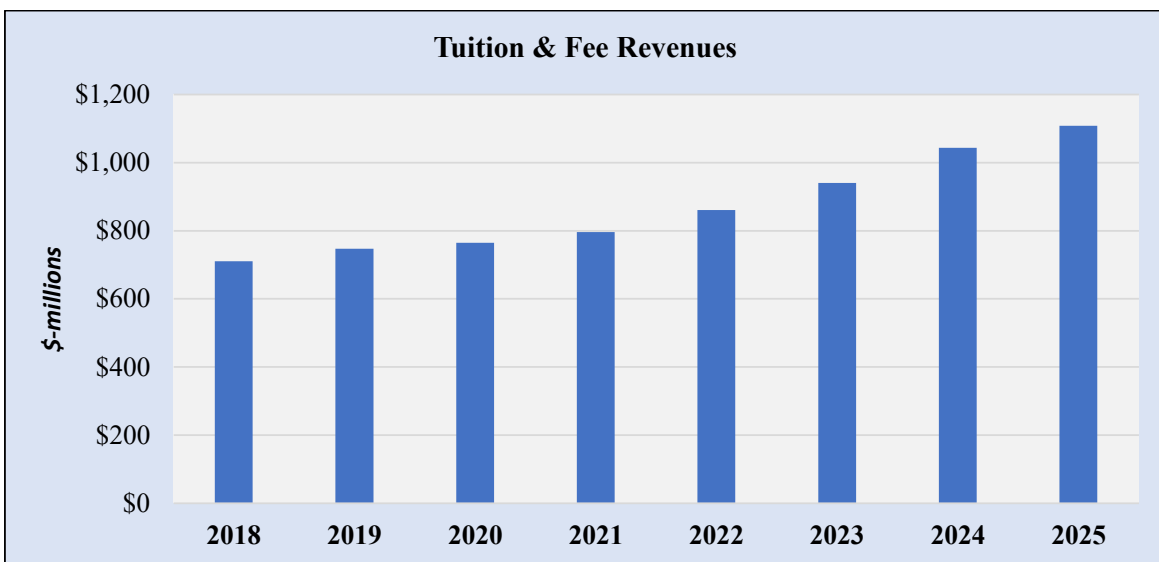
University of Tennessee FY 2024-25 Revised Operating Budget

Unrestricted E&G Revenues – Tuition & Fees

Three campuses made minor adjustments to revenue budgets to reflect the actual fall 2024 enrollments. The net increase of \$4.4 million represents only 0.4% of the tuition and fee revenue budget approved in June 2024. UT Martin increased tuition and fee revenues by 3.7% to reflect higher than expected enrollments.

Tuition & Fee Revenues

By Unit and Fee Type	Original	Revised	\$-change	%
Knoxville	\$795,130,982	\$795,544,550	\$413,568	0.1%
Chattanooga	135,260,073	136,793,219	1,533,146	1.1%
Health Science Center	95,682,476	95,682,476		
Martin	66,602,241	69,063,683	2,461,442	3.7%
Southern	10,576,361	10,576,361		
Total	\$1,103,252,133	\$1,107,660,289	\$4,408,156	0.4%
Maintenance Fee	\$668,834,222	\$671,107,906	\$2,273,684	0.3%
Out-of-State Tuition	221,742,327	221,762,840	20,513	
Programs & Services Fee	112,487,411	112,487,411		
Other Student Fees	93,924,462	96,038,421	2,113,959	2.3%
Non-Credit Courses	6,263,711	6,263,711		
Total	\$1,103,252,133	\$1,107,660,289	\$4,408,156	0.4%



University of Tennessee FY 2024-25 Revised Operating Budget

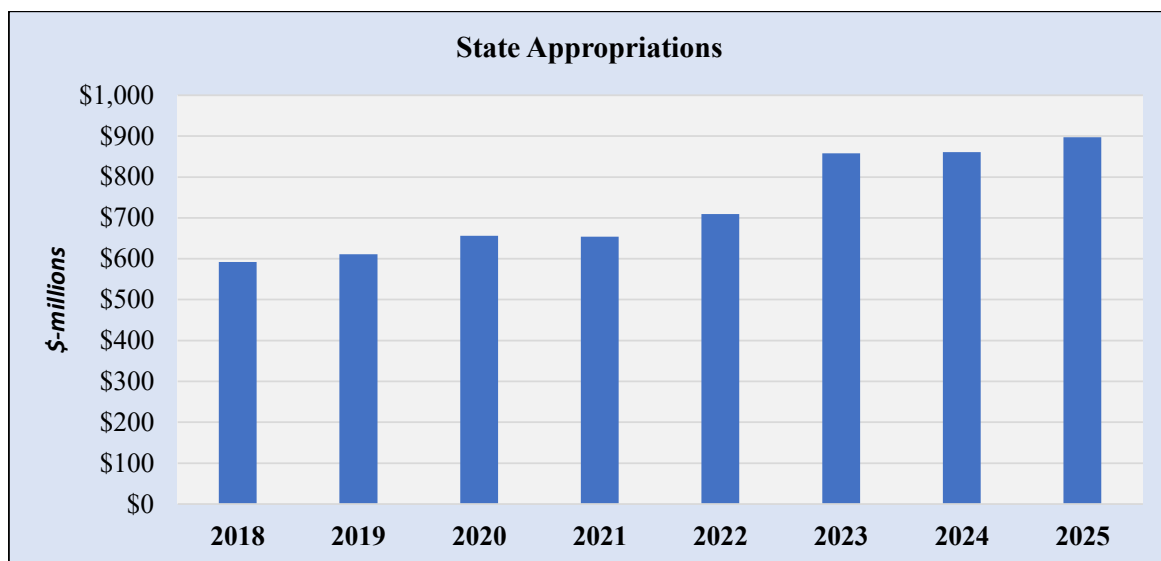
Unrestricted E&G Revenues – State Appropriations

Each year the state adjusts appropriations to offset cost increases or reductions related to state managed employee benefits programs such as health insurance, dental insurance, retirement, and other post-employment benefits (OPEB); the state’s risk management program; and other miscellaneous programs. These are zero-sum adjustments: each change in state funding is matched by an equal and opposite change in university expenditures. Below is a summary of mid-year adjustments to FY25 appropriations.

FY 2024-25 State Appropriations

	Unrestricted	Restricted	Total
FY 2024-25 Adopted	\$ 886,941,152	\$ 17,497,244	\$ 904,438,496
Mid-year adjustments:			
Drop in health insurance costs	(1,828,300)		(1,828,300)
Drop in OPEB liability costs	(6,074,200)		(6,074,200)
Employee retirement benefits	531,400		531,400
Other adjustments	47,600	3,689	51,289
Total Adjustments	(7,323,500)	3,689	(7,319,811)
FY 2024-25 Revised	\$ 879,617,652	\$ 17,501,033	\$ 897,118,685

The overall trend in state funding has been very strong in recent years.



University of Tennessee FY 2024-25 Revised Operating Budget

Unrestricted E&G Expenses

FY25 unrestricted E&G expense budgets total \$2.2 billion. Half is allocated to instruction, research, and public service; 30% is allocated to academic support, student services, scholarships, and fellowships; and 21% is directed to institutional support and operation and maintenance of facilities, grounds, and mechanical systems.

FY25 Unrestricted E&G Expenses

\$-millions	UTK	HSC	UTC	UTM	IPS	UTS	UTSA	Total
Instruction	\$423.1	\$158.5	\$103.1	\$55.4		\$5.1		\$745.2
Research	173.6	42.0	6.4	0.1				222.1
Public Service	94.8	1.2	4.5	1.3	30.9	0.1		132.9
Academic Support	190.2	75.9	24.2	11.6	0.4	2.3		304.6
Student Services	84.0	8.7	33.8	16.8		5.3		148.5
Institutional Support	107.2	41.5	17.2	10.3	0.8	2.9	76.1	256.1
Operations & Maintenance	116.1	56.4	21.5	15.2		1.8	1.7	212.6
Scholarships & Fellowships	164.6	9.3	20.0	14.5		3.0		211.4
TOTAL	\$1,354	\$394	\$231	\$125	\$32	\$20	\$78	\$2,233

The revised expenditure budget is \$56 million above the original budget approved in June 2024. This reflects reserves released to fund 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 FY25. Much of this funding will remain unspent at year end and carry forward to the following fiscal year.

University of Tennessee FY 2024-25 Revised Operating Budget

Unrestricted E&G Expenses (continued)

Recurring expense budgets are essentially unchanged (down 0.2% or \$5.2 million). Most of this is due to a net reduction in the costs of state-managed benefit programs (insurance, retirement, post-employment benefits). State funding was reduced along with these costs, resulting in no net fiscal impact (explained further in the State Appropriations section).

Recurring Unrestricted E&G Expenses

By Unit/Function/Type	Original	Revised	\$-change	%
Knoxville	\$1,317,374,602	\$1,314,707,569	(\$2,667,033)	(0.2%)
Health Science Center	357,738,736	353,824,060	(3,914,676)	(1.1%)
Chattanooga	218,834,551	218,025,345	(809,206)	(0.4%)
Martin	117,048,844	119,655,222	2,606,378	2.2%
System Administration	76,224,327	76,084,377	(139,950)	(0.2%)
Public Service	32,102,998	31,970,719	(132,279)	(0.4%)
Southern	20,292,488	20,196,926	(95,562)	(0.5%)
Total	\$2,139,616,546	\$2,134,464,218	(\$5,152,328)	(0.2%)
Instruction	\$728,736,249	\$724,042,650	(\$4,693,599)	(0.6%)
Research	158,561,958	160,724,479	2,162,521	1.4%
Public Service	128,785,146	129,728,824	943,678	0.7%
Academic Support	299,561,582	298,695,708	(865,874)	(0.3%)
Student Services	146,671,086	145,935,270	(735,816)	(0.5%)
Institutional Support	259,285,523	256,588,703	(2,696,820)	(1.0%)
Operation & Maintenance	210,577,262	210,858,418	281,156	0.1%
Scholarships & Fellowships	207,437,740	207,890,166	452,426	0.2%
Total	\$2,139,616,546	\$2,134,464,218	(\$5,152,328)	(0.2%)
Salaries & Benefits	\$1,460,160,374	\$1,460,065,999	(\$94,375)	0.01%
Operating & Equipment	472,018,432	466,508,053	(5,510,379)	(1.2%)
Scholarships & Fellowships	207,437,740	207,890,166	452,426	0.2%
Total	\$2,139,616,546	\$2,134,464,218	(\$5,152,328)	(0.2%)

University of Tennessee FY 2024-25 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. There were no material changes to auxiliary budgets.

FY25 Auxiliary Revenues by Campus and Enterprise

\$-thousands	UTK	UTC	UTM	UTS	HSC	Total
UTK Athletics	\$211,459					\$211,459
Housing	71,032	20,304	9,439	1,816		102,592
Bookstores	37,500	500	310	100	1,514	39,925
Parking	14,677	3,761	452		1,426	20,315
Food Services	14,844	1,300	978	971	1,132	19,225
Other	10,811	369	426		79	11,685
Total	\$360,323	\$26,234	\$11,605	\$2,887	\$4,152	\$405,201

Changes to Auxiliary Enterprise Revenues

Campus/Institute	Original	Revised	\$-change	%
Knoxville	\$360,489,203	\$360,323,034	(\$166,169)	(0.04%)
Chattanooga	26,234,381	26,234,381		
Martin	11,605,195	11,605,195		
Health Science Center	4,125,312	4,151,808	26,496	0.6%
UT Southern	2,887,000	2,887,000		
Total	\$405,341,091	\$405,201,418	(\$139,673)	(0.03%)
Athletics	\$211,459,345	\$211,459,345		
Housing	102,757,921	102,591,752	(\$166,169)	(0.2%)
Bookstores	39,924,591	39,924,591		
Parking	20,315,401	20,315,401		
Food Services	19,198,975	19,225,471	26,496	0.1%
Other	11,684,858	11,684,858		
Total	\$405,341,091	\$405,201,418	(\$139,673)	(0.03%)

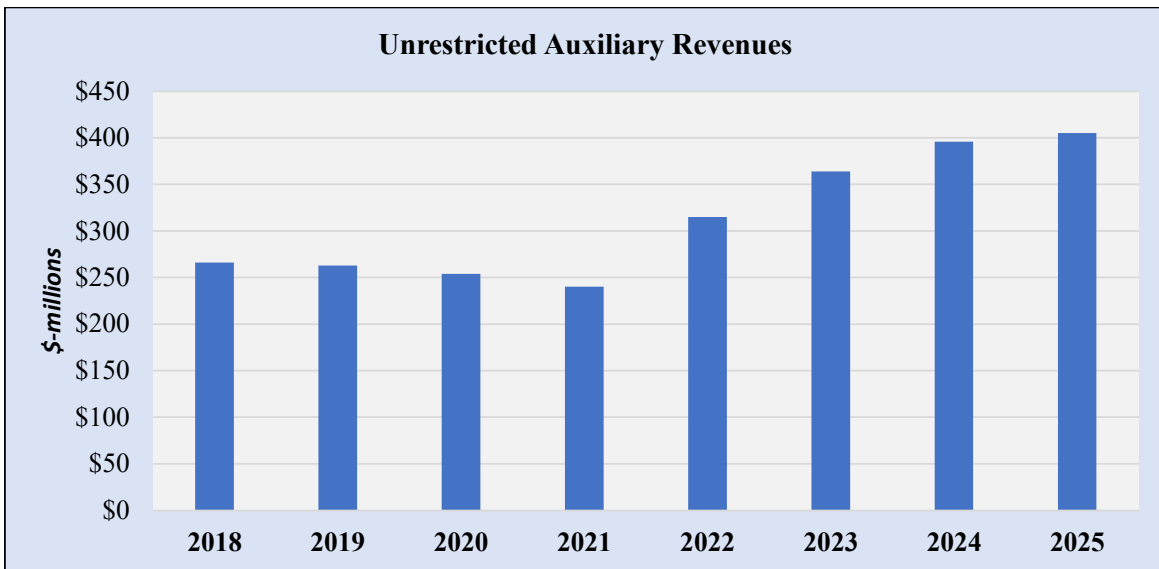
University of Tennessee FY 2024-25 Revised Operating Budget

Auxiliary Enterprises (continued)

Changes to Auxiliary Enterprise Expenses & Transfers

Campus/Institute	Original	Revised	\$-change	%
Salaries & Benefits	\$139,893,793	\$143,210,882	\$3,317,089	2.4%
Operating & Equipment	234,789,813	233,815,691	(974,122)	(0.4%)
Total Expenses	\$374,683,606	\$377,026,573	\$2,342,967	0.6%
Mandatory Transfers	49,896,030	49,251,414	(644,616)	(1.3%)
Other Transfers	(19,241,209)	(21,096,395)	(1,855,186)	(9.6%)
Total Expenses & Transfers	\$405,338,427	\$405,181,592	(\$156,835)	0.04%

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 rebounded from a significant decline experienced during the pandemic in FY20 and FY21 and show a normal growth pattern in recent years.



University of Tennessee FY 2024-25 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 \$150 million as of June 30, including \$126 million for E&G operations and \$24 million for auxiliaries.

Unrestricted Current Fund Net Assets Budgeted for June 30, 2025

Fund Balances	E&G	Auxiliary	Total
Beginning Balances	\$128,891,547	\$24,301,662	\$153,193,209
Revenue	2,256,406,950	405,201,418	2,661,608,368
Total Available Funding	\$2,385,298,497	\$429,503,080	\$2,814,801,577
Expenses & Transfers	2,259,265,940	405,181,592	2,664,447,532
Ending Balances	\$126,032,557	\$24,321,488	\$150,354,045
Net Asset Allocations:			
Working Capital	\$25,983,771	\$11,178,405	\$37,162,176
Revolving Funds	6,172,780	2,167,658	8,340,438
Encumbrances	5,869,115		5,869,115
Reappropriations	4,017,000	100,000	4,117,000
Unallocated Reserve	\$83,989,891	\$10,875,425	\$94,865,316
<i>% of Expense & Transfers</i>	<i>3.72%</i>	<i>2.68%</i>	<i>3.56%</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.).

Encumbrance is carried over for commitments to 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 2024-25 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 (54%) and research (52%) 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 FY2024-25.

Restricted Operating Revenues & Expenses

\$-millions	Knoxville	Health Science Center	Chattanooga	Martin	Public Service	Southern	System Admin.	Total
Federal Grants & Contracts	\$173.3	\$51.7	\$25.8	\$15.4	\$5.7	\$2.5	\$0.6	\$275.1
State Grants & Contracts	135.2	21.0	36.3	21.0	3.9	3.5	7.5	228.4
Other Grants & Contracts	45.6	221.7	1.4	0.1	0.4			269.3
Gifts & Endowments	54.7	24.4	15.3	4.7	1.0	0.8	0.6	101.4
Other	13.0	3.3	0.9	0.3				17.5
Revenues	\$421.8	\$322.1	\$79.8	\$41.5	\$11.0	\$6.8	\$8.7	\$891.8
Scholarships/ Fellowships	\$143.5	\$6.9	\$59.2	\$33.0		\$5.1		\$247.8
Instruction	19.5	165.5	6.2	2.2		0.8	\$7.5	201.6
Research	161.6	71.1	5.2	0.1				238.0
Public Service	81.5	22.6	3.1	2.4	\$11.0	0.3	0.6	121.5
Other	15.8	55.9	6.2	3.8		0.7	0.5	82.9
Expenses	\$421.8	\$322.1	\$79.8	\$41.5	\$11.0	\$6.8	\$8.7	\$891.8

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Unrestricted E&G Funds

Current Fund Revenues (\$ Millions)

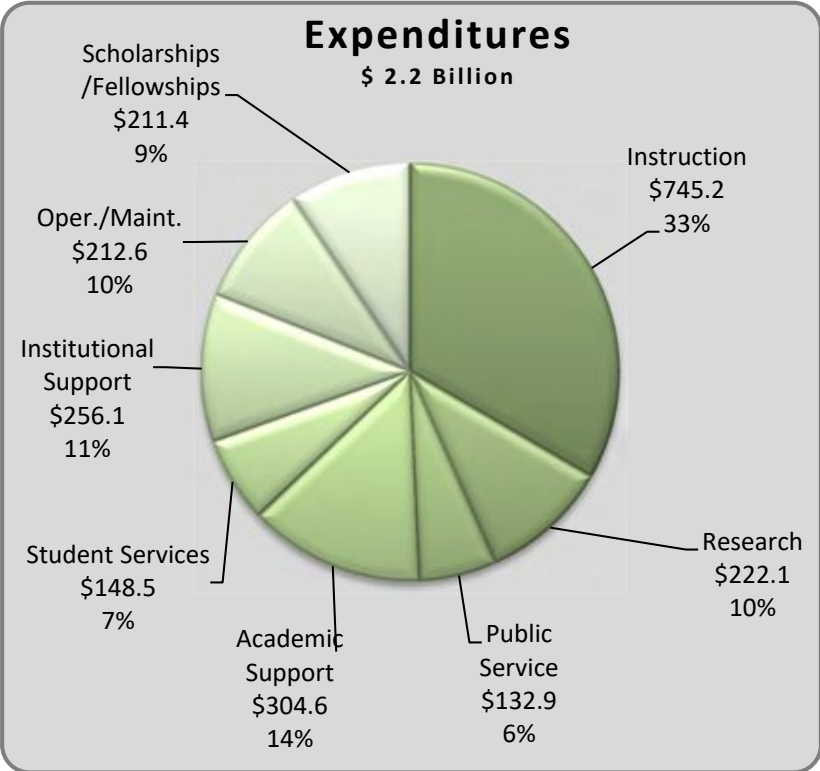
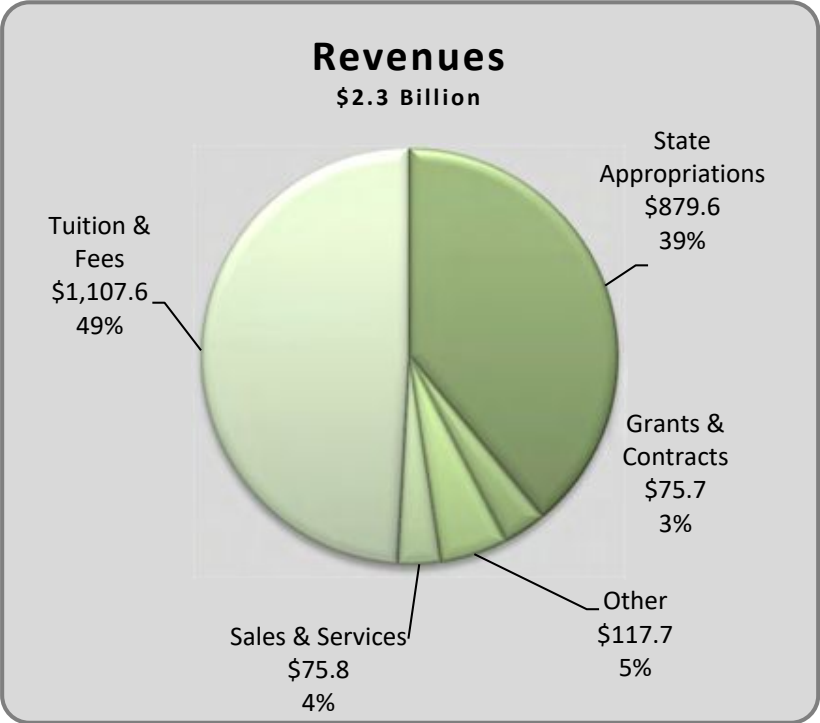
Chattanooga	\$ 227.3
Knoxville	1,412.9
Martin	123.0
Southern	17.4
Health Science Center	366.2
Ins. For Public Service	33.4
System Administration	<u>76.2</u>
TOTAL	\$2,256.4

Fall 2024 FTE Enrollment

Chattanooga	10,635
Knoxville	35,963
Martin	5,538
Southern	868
Health Science Center	<u>3,012</u>
TOTAL	56,016

FTE Positions (Unrestricted E&G) October 31, 2024

Faculty	3,903
Administrative	1,043
Professional	3,137
Cler/Tech/Maint	<u>4,041</u>
TOTAL	12,124

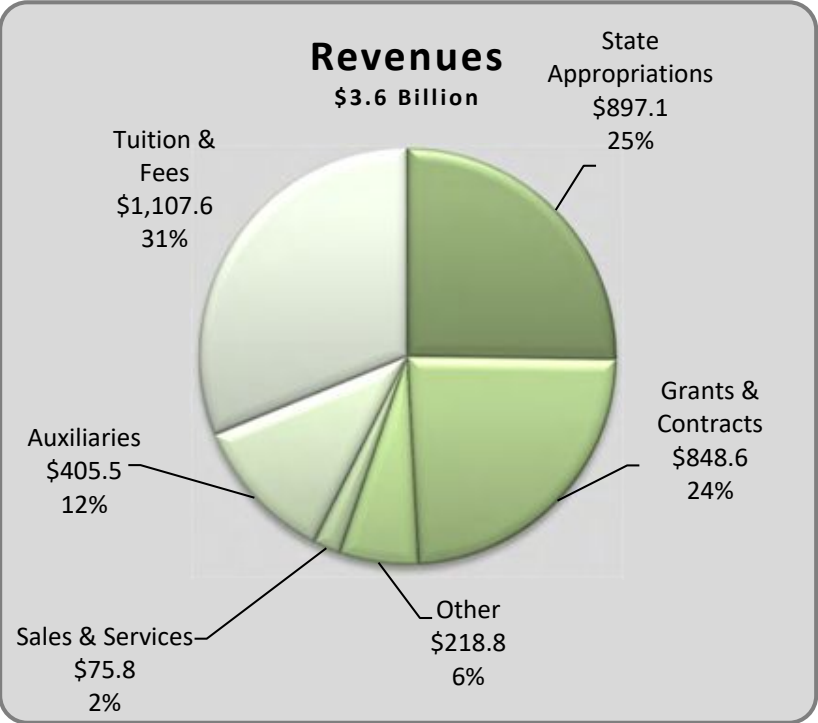


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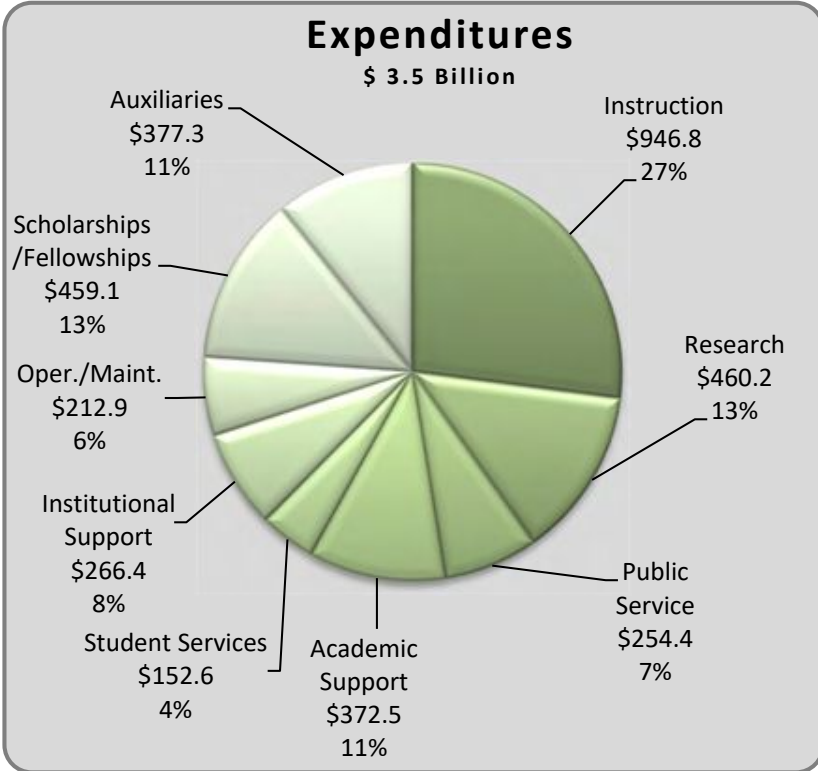
FY 2024-25 Revised Budget

Unrestricted and Restricted Current Funds

Unrestricted & Restricted Revenues (\$ Millions)	
Chattanooga	\$ 333.3
Knoxville	2,195.1
Martin	176.1
Southern	27.1
Health Science Center	692.5
Ins. For Public Service	44.4
System Administration	<u>84.9</u>
TOTAL	\$3,553.4



Fall 2024 Headcount Enrollment	
Chattanooga	11,775
Knoxville	38,728
Martin	7,499
Southern	1,046
Health Science Center	<u>3,101</u>
TOTAL	62,149



FTE Positions (Unrestricted and Restricted)	
October 31, 2024	
Faculty	4,848
Administrative	1,221
Professional	4,498
Cler/Tech/Maint	<u>5,661</u>
TOTAL	16,228

University of Tennessee System
FY 2024-25 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
EDUCATIONAL AND GENERAL								
Revenues								
Tuition & Fees	\$ 1,107,660,289	\$ 136,793,219	\$ 795,544,550	\$ 69,063,683	\$ 10,576,361	\$ 95,682,476		
State Appropriations	879,617,652	83,435,305	492,758,422	48,863,397	6,322,600	224,418,824	\$ 17,257,087	\$ 6,562,017
Grants & Contracts	75,661,206	1,479,400	47,144,925	287,000	1,600	25,374,557	1,273,724	100,000
Sales & Service	75,799,093	5,347,434	46,403,818	4,194,989	114,225	19,738,627		
Other Sources	117,668,710	257,800	30,998,186	603,541	373,000	1,010,329	14,887,159	69,538,695
Total Revenues	\$ 2,256,406,950	\$ 227,313,158	\$ 1,412,849,901	\$ 123,012,610	\$ 17,387,786	\$ 366,224,813	\$ 33,417,970	\$ 76,200,712
Expenditures and Transfers								
Instruction	\$ 745,213,776	\$ 103,071,949	\$ 423,056,206	\$ 55,438,532	\$ 5,101,252	\$ 158,545,837		
Research	222,143,034	6,399,133	173,616,140	104,144	-	42,023,617		
Public Service	132,859,416	4,492,512	94,846,792	1,303,947	57,197	1,226,999	\$ 30,931,969	
Academic Support	304,555,026	24,180,597	190,226,251	11,566,987	2,325,094	75,877,505	378,592	
Student Services	148,527,503	33,769,413	83,975,740	16,773,056	5,261,261	8,748,033		
Institutional Support	256,112,341	17,243,125	107,187,895	10,317,369	2,941,529	41,514,619	765,981	\$ 76,141,823
Op/Maint Physical Plant	212,589,414	21,451,673	116,121,672	15,170,574	1,766,198	56,426,684		1,652,613
Scholarships & Fellowships	211,368,927	20,008,190	164,563,461	14,501,532	3,043,294	9,252,450		
Subtotal Expenditures	\$ 2,233,369,437	\$ 230,616,592	\$ 1,353,594,157	\$ 125,176,141	\$ 20,495,825	\$ 393,615,744	\$ 32,076,542	\$ 77,794,436
Mandatory Transfers	28,983,171	5,143,716	16,831,334	101,392	-	6,788,729		118,000
Non Mandatory Transfers	(3,086,668)	(8,447,150)	42,424,410	(2,264,923)	(3,453,049)	(34,179,660)	1,591,823	1,241,881
Total Expenditures & Transfers	\$ 2,259,265,940	\$ 227,313,158	\$ 1,412,849,901	\$ 123,012,610	\$ 17,042,776	\$ 366,224,813	\$ 33,668,365	\$ 79,154,317
Fund Balance Addition/(Reduction)	\$ (2,858,990)				\$ 345,010		\$ (250,395)	\$ (2,953,605)
AUXILIARIES								
Revenues	\$ 405,201,418	\$ 26,234,381	\$ 360,323,034	\$ 11,605,195	\$ 2,887,000	\$ 4,151,808		
Expenditures and Transfers								
Expenditures	\$ 377,026,573	\$ 18,985,765	\$ 343,592,984	\$ 8,135,104	\$ 2,424,385	\$ 3,888,335		
Mandatory Transfers	49,251,414	5,493,430	40,535,257	2,444,227	408,000	370,500		
Non-Mandatory Transfers	(21,096,395)	1,755,186	(23,805,207)	1,025,864	34,789	(107,027)		
Total Expenditures & Transfers	\$ 405,181,592	\$ 26,234,381	\$ 360,323,034	\$ 11,605,195	\$ 2,867,174	\$ 4,151,808		
Fund Balance Addition/(Reduction)	\$ 19,826				\$ 19,826			
TOTALS								
Revenues	\$ 2,661,608,368	\$ 253,547,539	\$ 1,773,172,935	\$ 134,617,805	\$ 20,274,786	\$ 370,376,621	\$ 33,417,970	\$ 76,200,712
Expenditures and Transfers								
Expenditures	\$ 2,610,396,010	\$ 249,602,357	\$ 1,697,187,141	\$ 133,311,245	\$ 22,920,210	\$ 397,504,079	\$ 32,076,542	\$ 77,794,436
Mandatory Transfers	78,234,585	10,637,146	57,366,591	2,545,619	408,000	7,159,229	-	118,000
Non-Mandatory Transfers	(24,183,063)	(6,691,964)	18,619,203	(1,239,059)	(3,418,260)	(34,286,687)	1,591,823	1,241,881
Total Expenditures & Transfers	\$ 2,664,447,532	\$ 253,547,539	\$ 1,773,172,935	\$ 134,617,805	\$ 19,909,950	\$ 370,376,621	\$ 33,668,365	\$ 79,154,317
Fund Balance Addition/(Reduction)	\$ (2,839,164)				\$ 364,836		\$ (250,395)	\$ (2,953,605)

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

University of Tennessee System
FY 2024-25 Revised Budget Summary by Unit
Unrestricted and Restricted Current Funds, Revenues, Expenditures, and Transfers

	Total System	Chattanooga	Knoxville	Martin	UT Southern	Health Science Center	Public Service Units	System Administration
EDUCATIONAL AND GENERAL								
Revenues								
Tuition & Fees	\$ 1,107,660,289	\$ 136,793,219	\$ 795,544,550	\$ 69,063,683	\$ 10,576,361	\$ 95,682,476		
State Appropriations	897,118,685	84,334,736	505,723,969	49,209,174	6,322,600	227,709,102	\$ 17,257,087	\$ 6,562,017
Grants & Contracts	848,553,436	65,064,409	401,289,925	36,817,000	6,065,823	319,778,939	11,337,340	8,200,000
Sales & Service	75,799,093	5,347,434	46,403,818	4,194,989	114,225	19,738,627		
Other Sources	218,802,589	15,558,871	85,468,481	5,253,541	1,132,780	25,407,163	15,843,058	70,138,695
Total Revenues	\$ 3,147,934,092	\$ 307,098,669	\$ 1,834,430,743	\$ 164,538,387	\$ 24,211,789	\$ 688,316,307	\$ 44,437,485	\$ 84,900,712
Expenditures and Transfers								
Instruction	\$ 946,798,632	\$ 109,252,100	\$ 442,514,840	\$ 57,588,652	\$ 5,851,252	\$ 324,091,788		\$ 7,500,000
Research	460,174,845	11,575,813	335,188,291	249,144	-	113,121,597		40,000
Public Service	254,350,326	7,552,336	176,383,341	3,742,947	332,977	23,820,641	\$ 41,918,084	600,000
Academic Support	372,499,287	27,291,789	203,465,251	12,366,987	2,763,267	126,214,001	397,992	
Student Services	152,579,090	36,183,840	84,827,740	17,348,056	5,461,461	8,757,993		
Institutional Support	266,372,022	17,912,861	108,289,895	12,685,544	2,967,329	47,082,589	771,981	\$ 76,661,823
Op/Maint Physical Plant	212,995,563	21,456,222	116,478,272	15,205,574	1,776,198	56,426,684		1,652,613
Scholarships & Fellowships	459,126,814	79,177,142	308,027,369	47,515,014	8,167,344	16,191,945	8,000	40,000
Subtotal Expenditures	\$ 3,124,896,579	\$ 310,402,103	\$ 1,775,174,999	\$ 166,701,918	\$ 27,319,828	\$ 715,707,238	\$ 43,096,057	\$ 86,494,436
Mandatory Transfers	28,983,171	5,143,716	16,831,334	101,392		6,788,729		118,000
Non-Mandatory Transfers	(3,086,668)	(8,447,150)	42,424,410	(2,264,923)	(3,453,049)	(34,179,660)	1,591,823	1,241,881
Total Expenditures & Transfers	\$ 3,150,793,082	\$ 307,098,669	\$ 1,834,430,743	\$ 164,538,387	\$ 23,866,779	\$ 688,316,307	\$ 44,687,880	\$ 87,854,317
Fund Balance Addition/(Reduction)	\$ (2,858,990)	\$ -	\$ -	\$ -	\$ 345,010	\$ -	\$ (250,395)	\$ (2,953,605)
AUXILIARIES								
Revenues								
	\$ 405,461,418	\$ 26,234,381	\$ 360,583,034	\$ 11,605,195	\$ 2,887,000	\$ 4,151,808		
Expenditures and Transfers								
Expenditures	\$ 377,286,573	\$ 18,985,765	\$ 343,852,984	\$ 8,135,104	\$ 2,424,385	\$ 3,888,335		
Mandatory Transfers	49,251,414	5,493,430	40,535,257	2,444,227	408,000	370,500		
Non-Mandatory Transfers	(21,096,395)	1,755,186	(23,805,207)	1,025,864	34,789	(107,027)		
Total Expenditures & Transfers	\$ 405,441,592	\$ 26,234,381	\$ 360,583,034	\$ 11,605,195	\$ 2,867,174	\$ 4,151,808		
Fund Balance Addition/(Reduction)	\$ 19,826				\$ 19,826			
TOTALS								
Revenues								
	\$ 3,553,395,510	\$ 333,333,050	\$ 2,195,013,777	\$ 176,143,582	\$ 27,098,789	\$ 692,468,115	\$ 44,437,485	\$ 84,900,712
Expenditures and Transfers								
Expenditures	\$ 3,502,183,152	\$ 329,387,868	\$ 2,119,027,983	\$ 174,837,022	\$ 29,744,213	\$ 719,595,573	\$ 43,096,057	\$ 86,494,436
Mandatory Transfers	78,234,585	10,637,146	57,366,591	2,545,619	408,000	7,159,229	-	118,000
Non-Mandatory Transfers	(24,183,063)	(6,691,964)	18,619,203	(1,239,059)	(3,418,260)	(34,286,687)	1,591,823	1,241,881
Total Expenditures & Transfers	\$ 3,556,234,674	\$ 333,333,050	\$ 2,195,013,777	\$ 176,143,582	\$ 26,733,953	\$ 692,468,115	\$ 44,687,880	\$ 87,854,317
Fund Balance Addition/(Reduction)	\$ (2,839,164)	\$ -	\$ -	\$ -	\$ 364,836	\$ -	\$ (250,395)	\$ (2,953,605)

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

University of Tennessee System
FY 2024-25 Revised Budget
Five Year History
Current Funds Revenues, Expenditures and Transfers - Unrestricted

	FY 2020-21 Actual	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Actual	FY 2024-25 Revised	Change	
						FY 2021 to FY 2025 Amount	%
EDUCATIONAL AND GENERAL							
Revenues							
Tuition & Fees	\$ 796,442,074	\$ 860,945,260	\$ 940,423,500	\$ 1,043,174,157	\$ 1,107,660,289	\$ 311,218,215	39.1 %
State Appropriations	637,749,852	692,872,652	841,139,752	843,593,672	879,617,652	241,867,800	38.0 %
Grants & Contracts	58,474,905	65,896,545	124,293,297	79,019,609	75,661,206	17,186,301	29.4 %
Sales & Service	63,844,595	73,281,000	77,374,205	80,810,886	75,799,093	11,954,498	18.7 %
Other Sources	70,724,613	70,005,617	97,518,580	116,771,646	117,668,710	46,944,097	66.4 %
Total Revenues	\$ 1,627,236,038	\$ 1,763,001,073	\$ 2,080,749,333	\$ 2,163,369,970	\$ 2,256,406,950	\$ 629,170,912	38.7 %
Expenditures and Transfers							
Instruction	\$ 515,072,267	\$ 553,644,179	\$ 591,148,542	\$ 641,736,235	\$ 745,213,776	\$ 230,141,509	44.7 %
Research	152,948,873	165,037,772	179,856,283	196,487,867	222,143,034	69,194,161	45.2 %
Public Service	78,506,063	87,759,408	100,889,598	114,518,262	132,859,416	54,353,353	69.2 %
Academic Support	180,342,080	196,364,494	223,405,359	252,450,181	304,555,026	124,212,946	68.9 %
Student Services	99,523,809	117,311,075	131,197,558	148,599,754	148,527,503	49,003,694	49.2 %
Institutional Support	175,004,979	191,232,321	215,949,008	248,711,653	256,112,341	81,107,362	46.3 %
Operation & Maintenance of Plant	146,589,495	159,279,408	174,750,505	195,658,322	212,589,414	65,999,919	45.0 %
Scholarships & Fellowships	142,839,827	153,464,168	168,266,284	188,182,711	211,368,927	68,529,100	48.0 %
Subtotal Expenditures	\$ 1,490,827,395	\$ 1,624,092,826	\$ 1,785,463,135	\$ 1,986,344,984	\$ 2,233,369,437	\$ 742,542,042	49.8 %
Mandatory Transfers	13,034,781	14,225,791	16,273,019	20,762,984	28,983,171	15,948,390	122.4 %
Non-Mandatory Transfers	107,678,171	136,326,936	279,814,313	144,648,511	(3,086,668)	(110,764,839)	(102.9) %
Total Expenditures & Transfers	\$ 1,611,540,347	\$ 1,774,645,553	\$ 2,081,550,467	\$ 2,151,756,479	\$ 2,259,265,940	\$ 647,725,593	40.2 %
Fund Balance Addition/(Reduction)	\$ 15,695,691	\$ (11,644,480)	\$ (801,135)	\$ 11,613,491	\$ (2,858,990)		
AUXILIARIES							
Revenues	\$ 240,192,478	\$ 314,780,102	\$ 364,219,976	\$ 395,703,792	\$ 405,201,418	\$ 165,008,940	68.7 %
Expenditures and Transfers							
Expenditures	\$ 189,764,399	\$ 234,337,332	\$ 276,973,612	\$ 332,976,713	\$ 377,026,573	\$ 187,262,174	98.7 %
Mandatory Transfers	45,342,299	43,128,960	48,888,685	49,542,642	49,251,414	3,909,115	8.6 %
Non-Mandatory Transfers	4,006,341	24,511,501	47,736,364	12,364,982	(21,096,395)	(25,102,736)	(626.6) %
Total Expenditures & Transfers	\$ 239,113,039	\$ 301,977,793	\$ 373,598,661	\$ 394,884,337	\$ 405,181,592	\$ 166,068,553	69.5 %
Fund Balance Addition/(Reduction)	\$ 1,079,439	\$ 12,802,308	\$ (9,378,685)	\$ 819,455	\$ 19,826		
TOTALS							
Revenues	\$ 1,867,428,516	\$ 2,077,781,175	\$ 2,444,969,309	\$ 2,559,073,762	\$ 2,661,608,368	\$ 794,179,852	42.5 %
Expenditures and Transfers							
Expenditures	\$ 1,680,591,794	\$ 1,858,430,159	\$ 2,062,436,748	\$ 2,319,321,697	\$ 2,610,396,010	\$ 929,804,216	55.3 %
Mandatory Transfers	58,377,080	57,354,751	65,161,704	70,305,626	78,234,585	19,857,505	34.0 %
Non-Mandatory Transfers	111,684,512	160,838,437	327,550,677	157,013,493	(24,183,063)	(135,867,575)	(121.7) %
Total Expenditures & Transfers	\$ 1,850,653,386	\$ 2,076,623,347	\$ 2,455,149,129	\$ 2,546,640,816	\$ 2,664,447,532	\$ 813,794,146	44.0 %
Fund Balance Addition/(Reduction)	\$ 16,775,131	\$ 1,157,828	\$ (10,179,819)	\$ 12,432,946	\$ (2,839,164)		

University of Tennessee System

FY 2024-25 Revised Budget

Five Year History

Current Funds Revenues, Expenditures and Transfers - Unrestricted and Restricted

	FY 2020-21 Actual	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Actual	FY 2024-25 Revised	Change FY 2021 to FY 2025 Amount	%
EDUCATIONAL AND GENERAL							
Revenues							
Tuition & Fees	\$ 796,442,074	\$ 860,945,260	\$ 940,423,500	\$ 1,043,174,157	\$ 1,107,660,289	\$ 311,218,215	39.1 %
State Appropriations	654,138,435	709,459,014	858,067,130	860,911,912	897,118,685	242,980,250	37.2 %
Grants & Contracts	773,721,174	824,958,637	839,027,782	853,630,987	848,553,436	74,832,262	9.7 %
Sales & Service	63,844,595	73,281,000	77,374,205	80,810,886	75,799,093	11,954,498	18.7 %
Other Sources	154,302,041	163,094,449	202,636,183	234,155,523	218,802,589	64,500,548	41.8 %
Total Revenues	\$ 2,442,448,319	\$ 2,631,738,359	\$ 2,917,528,799	\$ 3,072,683,467	\$ 3,147,934,092	\$ 705,485,773	28.9 %
Expenditures and Transfers							
Instruction	\$ 734,728,227	\$ 784,840,096	\$ 782,276,664	\$ 853,144,263	\$ 946,798,632	\$ 212,070,405	28.9 %
Research	344,488,230	372,601,387	398,847,523	432,274,469	460,174,845	115,686,615	33.6 %
Public Service	153,667,491	171,584,448	206,179,030	242,165,265	254,350,326	100,682,835	65.5 %
Academic Support	230,667,734	256,471,181	292,130,791	321,839,998	372,499,287	141,831,553	61.5 %
Student Services	102,440,509	121,280,186	135,471,716	152,915,990	152,579,090	50,138,581	48.9 %
Institutional Support	201,528,713	209,220,042	227,987,354	256,505,897	266,372,022	64,843,309	32.2 %
Operation & Maintenance of Plant	147,041,164	159,849,086	175,277,231	196,036,472	212,995,563	65,954,399	44.9 %
Scholarships & Fellowships	358,886,060	400,653,407	391,754,843	422,299,999	459,126,814	100,240,754	27.9 %
Subtotal Expenditures	\$ 2,273,448,127	\$ 2,476,499,832	\$ 2,609,925,151	\$ 2,877,182,353	\$ 3,124,896,579	\$ 851,448,452	37.5 %
Mandatory Transfers	13,034,781	14,225,791	16,273,019	20,762,984	28,983,171	15,948,390	122.4 %
Non-Mandatory Transfers	107,678,171	136,326,936	279,814,313	144,648,511	(3,086,668)	(110,764,839)	(102.9) %
Total Expenditures & Transfers	\$ 2,394,161,079	\$ 2,627,052,559	\$ 2,906,012,483	\$ 3,042,593,848	\$ 3,150,793,082	\$ 756,632,003	31.6 %
Fund Balance Addition/(Reduction)	\$ 48,287,240	\$ 4,685,800	\$ 11,516,316	\$ 30,089,619	\$ (2,858,990)		
AUXILIARIES							
Revenues	\$ 241,926,102	\$ 315,270,491	\$ 371,194,102	\$ 417,044,848	\$ 405,461,418	\$ 163,535,316	67.6 %
Expenditures and Transfers							
Expenditures	\$ 191,245,294	\$ 234,601,692	\$ 278,409,035	\$ 334,594,104	\$ 377,286,573	\$ 186,041,279	97.3 %
Mandatory Transfers	45,342,299	43,128,960	48,888,685	49,542,642	49,251,414	3,909,115	8.6 %
Non-Mandatory Transfers	4,006,341	24,511,501	47,736,364	12,364,982	(21,096,395)	(25,102,736)	(626.6) %
Total Expenditures & Transfers	\$ 240,593,934	\$ 302,242,153	\$ 375,034,084	\$ 396,501,728	\$ 405,441,592	\$ 164,847,658	68.5 %
Fund Balance Addition/(Reduction)	\$ 1,332,168	\$ 13,028,338	\$ (3,839,982)	\$ 20,543,120	\$ 19,826		
TOTALS							
Revenues	\$ 2,684,374,421	\$ 2,947,008,849	\$ 3,288,722,902	\$ 3,489,728,315	\$ 3,553,395,510	\$ 869,021,089	32.4 %
Expenditures and Transfers							
Expenditures	\$ 2,464,693,421	\$ 2,711,101,524	\$ 2,888,334,186	\$ 3,211,776,457	\$ 3,502,183,152	\$ 1,037,489,731	42.1 %
Mandatory Transfers	58,377,080	57,354,751	65,161,704	70,305,626	78,234,585	19,857,505	34.0 %
Non-Mandatory Transfers	111,684,512	160,838,437	327,550,677	157,013,493	(24,183,063)	(135,867,575)	(121.6) %
Total Expenditures & Transfers	\$ 2,634,755,013	\$ 2,929,294,712	\$ 3,281,046,567	\$ 3,439,095,576	\$ 3,556,234,674	\$ 921,479,661	35.0 %
Fund Balance Addition/(Reduction)	\$ 49,619,408	\$ 17,714,138	\$ 7,676,334	\$ 50,632,739	\$ (2,839,164)		

University of Tennessee System

FY 2024-25 Revised Budget

Unrestricted and Restricted Current Funds Revenues, Expenditures and Transfers

	FY 2023-24 Actual			FY 2024-25 Original			FY 2024-25 Revised			Change Original to Revised	
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total	Amount	%
EDUCATION AND GENERAL											
Revenues											
Tuition & Fees	\$ 1,043,174,157		\$ 1,043,174,157	\$ 1,103,252,133		\$ 1,103,252,133	\$ 1,107,660,289		\$ 1,107,660,289	\$ 4,408,156	0.4 %
State Appropriations	843,593,672	\$ 17,318,240	860,911,912	886,941,152	\$ 17,497,344	904,438,496	879,617,652	\$ 17,501,033	897,118,685	(7,319,811)	(0.8) %
Grants & Contracts	79,019,609	774,611,378	853,630,987	74,666,025	749,857,018	824,523,043	75,661,206	772,892,230	848,553,436	24,030,393	2.9 %
Sales & Service	80,810,886		80,810,886	76,673,579		76,673,579	75,799,093		75,799,093	(874,486)	(1.1) %
Other Sources	116,771,646	117,383,878	234,155,523	115,889,761	106,488,777	222,378,538	117,668,710	101,133,879	218,802,589	(3,575,949)	(1.6) %
Total Revenues	\$ 2,163,369,970	\$ 909,313,497	\$ 3,072,683,467	\$ 2,257,422,650	\$ 873,843,139	\$ 3,131,265,789	\$ 2,256,406,950	\$ 891,527,142	\$ 3,147,934,092	\$ 16,668,303	0.5 %
Expenditures and Transfers											
Instruction	\$ 641,736,235	\$ 211,408,028	\$ 853,144,263	736,115,673	\$ 204,135,146	\$ 940,250,819	\$ 745,213,776	\$ 201,584,856	\$ 946,798,632	\$ 6,547,813	0.7 %
Research	196,487,867	235,786,602	432,274,469	160,210,571	228,192,746	388,403,317	222,143,034	238,031,811	460,174,845	71,771,528	18.5 %
Public Service	114,518,262	127,647,003	242,165,265	128,792,546	111,730,222	240,522,768	132,859,416	121,490,910	254,350,326	13,827,558	5.7 %
Academic Support	252,450,181	69,389,817	321,839,998	300,228,399	67,884,882	368,113,281	304,555,026	67,944,261	372,499,287	4,386,006	1.2 %
Student Services	148,599,754	4,316,237	152,915,990	146,671,086	4,094,952	150,766,038	148,527,503	4,051,587	152,579,090	1,813,052	1.2 %
Institutional Support	248,711,653	7,794,244	256,505,897	286,516,206	10,078,234	296,594,440	256,112,341	10,259,681	266,372,022	(30,222,418)	(10.2) %
Operations & Maintenance of Plant	195,658,322	378,150	196,036,472	210,886,936	313,664	211,200,600	212,589,414	406,149	212,995,563	1,794,963	0.8 %
Scholarships & Fellowships	188,182,711	234,117,288	422,299,999	208,396,340	247,413,293	455,809,633	211,368,927	247,757,887	459,126,814	3,317,181	0.7 %
Subtotal Expenditures	\$ 1,986,344,984	\$ 890,837,369	\$ 2,877,182,353	\$ 2,177,817,757	\$ 873,843,139	\$ 3,051,660,896	\$ 2,233,369,437	\$ 891,527,142	\$ 3,124,896,579	\$ 73,235,683	2.4 %
Mandatory Transfers	20,762,984		20,762,984	28,983,171		28,983,171	28,983,171		28,983,171		
Non-Mandatory Transfers	144,567,999		144,567,999	51,557,876		51,557,876	(3,086,668)		(3,086,668)	(54,640,432)	(106.0) %
Total Expenditures & Transfers	\$ 2,151,675,967	\$ 890,837,369	\$ 3,042,513,336	\$ 2,258,358,804	\$ 873,843,139	\$ 3,132,201,943	\$ 2,259,265,940	\$ 891,527,142	\$ 3,150,793,082	\$ 18,595,251	0.6 %
Fund Balance Addition / (Reduction)	\$ 11,694,003	\$ 18,476,128	\$ 30,170,131	\$ (936,154)	\$	\$ (936,154)	\$ (2,858,990)	\$ -	\$ (2,858,990)	\$ (1,926,948)	
AUXILIARIES											
Revenues	\$ 395,703,792	\$ 21,341,056	\$ 417,044,848	\$ 405,341,091	\$ 260,000	\$ 405,601,091	\$ 405,201,418	\$ 260,000	\$ 405,461,418	\$ (139,673)	0.0 %
Expenditures and Transfers											
Expenditures	\$ 332,976,713	\$ 1,617,391	\$ 334,594,104	\$ 374,683,606	\$ 260,000	\$ 374,943,606	\$ 377,026,573	\$ 260,000	\$ 377,286,573	\$ 2,342,967	0.6 %
Mandatory Transfers	49,542,642		49,542,642	49,896,030		49,896,030	49,251,414		49,251,414	(644,616)	(1.3) %
Non-Mandatory Transfers	12,364,982		12,364,982	(19,241,209)		(19,241,209)	(21,096,395)		(21,096,395)	(1,855,186)	(9.6) %
Total Expenditures & Transfers	\$ 394,884,337	\$ 1,617,391	\$ 396,501,728	\$ 405,338,427	\$ 260,000	\$ 405,598,427	\$ 405,181,592	\$ 260,000	\$ 405,441,592	\$ (156,835)	- %
Fund Balance Addition / (Reduction)	\$ 819,455	\$ 19,723,665	\$ 20,543,120	\$ 2,664	\$	\$ 2,664	\$ 19,826	\$ -	\$ 19,826		
TOTALS											
Revenues	\$ 2,559,073,762	\$ 930,654,553	\$ 3,489,728,315	\$ 2,662,763,741	\$ 874,103,139	\$ 3,536,866,880	\$ 2,661,608,368	\$ 891,787,142	\$ 3,553,395,510	\$ 16,528,630	0.5 %
Expenditures and Transfers											
Expenditures	\$ 2,319,321,697	\$ 892,454,760	\$ 3,211,776,457	\$ 2,552,501,363	\$ 874,103,139	\$ 3,426,604,502	\$ 2,610,396,010	\$ 891,787,142	\$ 3,502,183,152	\$ 75,578,650	2.2 %
Mandatory Transfers	70,305,626		70,305,626	78,879,201		78,879,201	78,234,585		78,234,585	(644,616)	(0.8) %
Non-Mandatory Transfers	156,932,981		156,932,981	32,316,667		32,316,667	(24,183,063)		(24,183,063)	(56,499,730)	(174.8) %
Total Expenditures & Transfers	\$ 2,546,560,304	\$ 892,454,760	\$ 3,439,015,064	\$ 2,663,697,231	\$ 874,103,139	\$ 3,537,800,370	\$ 2,664,447,532	\$ 891,787,142	\$ 3,556,234,674	\$ 18,434,304	0.5 %
Fund Balance Addition / (Reduction)	\$ 12,513,458	\$ 38,199,793	\$ 50,713,251	\$ (933,490)	\$	\$ (933,490)	\$ (2,839,164)	\$	\$ (2,839,164)		

University of Tennessee System
FY 2024-25 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
EDUCATIONAL AND GENERAL								
Salaries and Benefits								
Salaries								
Academic	\$ 508,885,881	\$ 58,943,137	\$ 320,406,792	\$ 28,320,666	\$ 3,796,367	\$ 96,987,178	\$ 70,018	\$ 361,723
Non-Academic	570,092,628	54,781,514	334,099,668	29,391,446	4,795,359	91,627,949	16,638,507	38,758,185
Students	13,697,379	941,229	10,472,580	1,363,820	310,800	401,197	5,000	202,753
Total Salaries	\$ 1,092,675,888	\$ 114,665,880	\$ 664,979,040	\$ 59,075,932	\$ 8,902,526	\$ 189,016,324	\$ 16,713,525	\$ 39,322,661
Staff Benefits	365,285,623	42,841,151	217,523,730	23,170,000	2,753,242	60,179,709	5,848,334	12,969,457
Total Salaries and Benefits	\$ 1,457,961,511	\$ 157,507,031	\$ 882,502,770	\$ 82,245,932	\$ 11,655,768	\$ 249,196,033	\$ 22,561,859	\$ 52,292,118
Operating	736,850,804	72,018,322	452,375,667	41,407,679	8,689,165	127,637,470	9,220,183	25,502,318
Equipment and Capital Outlay	38,557,122	1,091,239	18,715,720	1,522,530	150,892	16,782,241	294,500	
Total Expenditures	\$ 2,233,369,437	\$ 230,616,592	\$ 1,353,594,157	\$ 125,176,141	\$ 20,495,825	\$ 393,615,744	\$ 32,076,542	\$ 77,794,436
AUXILIARIES								
Salaries and Benefits								
Salaries								
Academic	\$ 1,462,829	\$ 36,000	\$ 1,426,829					
Non-Academic	99,370,676	5,375,569	90,801,046	1,744,369	89,919	1,359,773		
Students	6,900,077	148,598	6,252,165	499,314				
Total Salaries	\$ 107,733,582	\$ 5,560,167	\$ 98,480,040	\$ 2,243,683	\$ 89,919	\$ 1,359,773		
Staff Benefits	35,477,300	1,283,891	33,327,147	712,534		153,728		
Total Salaries and Benefits	\$ 143,210,882	\$ 6,844,058	\$ 131,807,187	\$ 2,956,217	\$ 89,919	\$ 1,513,501		
Operating	232,532,323	12,057,432	210,766,704	4,998,887	2,334,466	2,374,834		
Equipment and Capital Outlay	1,283,368	84,275	1,019,093	180,000				
Total Expenditures	\$ 377,026,573	\$ 18,985,765	\$ 343,592,984	\$ 8,135,104	\$ 2,424,385	\$ 3,888,335		
TOTALS								
Salaries and Benefits								
Salaries								
Academic	\$ 510,348,710	\$ 58,979,137	\$ 321,833,621	\$ 28,320,666	\$ 3,796,367	\$ 96,987,178	\$ 70,018	\$ 361,723
Non-Academic	669,463,304	60,157,083	424,900,714	31,135,815	4,885,278	92,987,722	16,638,507	38,758,185
Students	20,597,456	1,089,827	16,724,745	1,863,134	310,800	401,197	5,000	202,753
Total Salaries	\$ 1,200,409,470	\$ 120,226,047	\$ 763,459,080	\$ 61,319,615	\$ 8,992,445	\$ 190,376,097	\$ 16,713,525	\$ 39,322,661
Staff Benefits	400,762,923	44,125,042	250,850,877	23,882,534	2,753,242	60,333,437	5,848,334	12,969,457
Total Salaries and Benefits	\$ 1,601,172,393	\$ 164,351,089	\$ 1,014,309,957	\$ 85,202,149	\$ 11,745,687	\$ 250,709,534	\$ 22,561,859	\$ 52,292,118
Operating	969,383,127	84,075,754	663,142,371	46,406,566	11,023,631	130,012,304	9,220,183	25,502,318
Equipment and Capital Outlay	39,840,490	1,175,514	19,734,813	1,702,530	150,892	16,782,241	294,500	
Total Expenditures	\$ 2,610,396,010	\$ 249,602,357	\$ 1,697,187,141	\$ 133,311,245	\$ 22,920,210	\$ 397,504,079	\$ 32,076,542	\$ 77,794,436

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

University of Tennessee System
FY 2024-25 Revised Budget
Natural Classifications
Unrestricted Current Funds Expenditures

	FY 2023-24 Actual	FY 2024-25 Original	FY 2024-25 Revised	Change	
				Original to Revised Amount	%
EDUCATIONAL AND GENERAL					
Salaries and Benefits					
Salaries					
Academic	\$ 468,393,448	\$ 508,639,943	\$ 508,885,881	\$ 245,938	0.10 %
Non-Academic	515,225,117	564,482,156	570,092,628	5,610,472	1.00 %
Students	14,036,224	12,565,033	13,697,379	1,132,346	9.00 %
Total Salaries	\$ 997,654,788	\$ 1,085,687,132	\$ 1,092,675,888	\$ 6,988,756	0.60 %
Staff Benefits	342,571,239	371,743,925	365,285,623	(6,458,302)	(1.70) %
Total Salaries and Benefits	\$ 1,340,226,028	\$ 1,457,431,057	\$ 1,457,961,511	\$ 530,454	- %
Operating	595,684,580	680,227,628	736,850,804	56,623,176	8.30 %
Equipment and Capital Outlay	43,199,151	40,159,072	38,557,122	(1,601,950)	(4.00) %
Total Expenditures	\$ 1,979,109,760	\$ 2,177,817,757	\$ 2,233,369,437	\$ 55,551,680	2.60 %
AUXILIARIES					
Salaries and Benefits					
Salaries					
Academic	\$ 1,267,921	\$ 1,368,422	\$ 1,462,829	\$ 94,407	6.9 %
Non-Academic	94,191,779	95,936,563	99,370,676	3,434,113	3.6 %
Students	7,163,304	6,892,276	6,900,077	7,801	0.1 %
Total Salaries	\$ 102,623,003	\$ 104,197,261	\$ 107,733,582	\$ 3,536,321	3.4 %
Staff Benefits	22,577,332	35,696,532	35,477,300	(219,232)	(0.6) %
Total Salaries and Benefits	\$ 125,200,336	\$ 139,893,793	\$ 143,210,882	\$ 3,317,089	2.4 %
Operating	206,146,279	233,669,379	232,532,323	(1,137,056)	(0.5) %
Equipment and Capital Outlay	668,500	1,120,434	1,283,368	162,934	14.5 %
Total Expenditures	\$ 332,015,115	\$ 374,683,606	\$ 377,026,573	\$ 2,342,967	0.6 %
TOTALS					
Salaries and Benefits					
Salaries					
Academic	\$ 469,661,368	\$ 510,008,365	\$ 510,348,710	\$ 340,345	0.1 %
Non-Academic	609,416,896	660,418,719	669,463,304	9,044,585	1.4 %
Students	21,199,528	19,457,309	20,597,456	1,140,147	5.9 %
Total Salaries	\$ 1,100,277,792	\$ 1,189,884,393	\$ 1,200,409,470	\$ 10,525,077	0.9 %
Staff Benefits	365,148,572	407,440,457	400,762,923	(6,677,534)	(1.6) %
Total Salaries and Benefits	\$ 1,465,426,363	\$ 1,597,324,850	\$ 1,601,172,393	\$ 3,847,543	0.2 %
Operating	801,830,860	913,897,007	969,383,127	55,486,120	6.1 %
Equipment and Capital Outlay	43,867,651	41,279,506	39,840,490	(1,439,016)	(3.5) %
Total Expenditures	\$ 2,311,124,874	\$ 2,552,501,363	\$ 2,610,396,010	\$ 57,894,647	2.3 %

**University of Tennessee System
FY 2024-25 Revised Budget (Recurring)
Natural Classifications
Unrestricted Current Funds Expenditures**

	FY 2023-24 Actual	FY 2024-25 Original	FY 2024-25 Revised	Change	
				Original to Revised Amount	%
EDUCATIONAL AND GENERAL					
Salaries and Benefits					
Salaries					
Academic	\$ 468,393,448	\$ 508,639,943	\$ 509,101,871	\$ 461,928	0.1 %
Non-Academic	515,225,117	567,211,473	569,821,752	2,610,279	0.5 %
Students	14,036,224	12,565,033	12,977,508	412,475	3.3 %
Total Salaries	\$ 997,654,788	\$ 1,088,416,449	\$ 1,091,901,131	\$ 3,484,682	0.3 %
Staff Benefits	342,571,239	371,743,925	368,164,868	(3,579,057)	(1.0) %
Total Salaries and Benefits	\$ 1,340,226,028	\$ 1,460,160,374	\$ 1,460,065,999	\$ (94,375)	- %
Operating	595,684,580	639,297,100	635,654,802	(3,642,298)	(0.6) %
Equipment and Capital Outlay	43,199,151	40,159,072	38,743,417	(1,415,655)	(3.5) %
Total Expenditures	\$ 1,979,109,760	\$ 2,139,616,546	\$ 2,134,464,218	\$ (5,152,328)	(0.2) %
AUXILIARIES					
Salaries and Benefits					
Salaries					
Academic	\$ 1,267,921	\$ 1,368,422	\$ 1,462,829	\$ 94,407	6.9 %
Non-Academic	94,191,779	95,936,563	99,370,676	3,434,113	3.6 %
Students	7,163,304	6,892,276	6,900,077	7,801	0.1 %
Total Salaries	\$ 102,623,003	\$ 104,197,261	\$ 107,733,582	\$ 3,536,321	3.4 %
Staff Benefits	22,577,332	35,696,532	35,477,300	(219,232)	(0.6) %
Total Salaries and Benefits	\$ 125,200,336	\$ 139,893,793	\$ 143,210,882	\$ 3,317,089	2.4 %
Operating	206,146,279	233,074,936	231,937,880	(1,137,056)	(0.5) %
Equipment and Capital Outlay	668,500	1,120,434	1,283,368	162,934	14.5 %
Total Expenditures	\$ 332,015,115	\$ 374,089,163	\$ 376,432,130	\$ 2,342,967	0.6 %
TOTALS					
Salaries and Benefits					
Salaries					
Academic	\$ 469,661,368	\$ 510,008,365	\$ 510,564,700	\$ 556,335	0.1 %
Non-Academic	609,416,896	663,148,036	669,192,428	6,044,392	0.9 %
Students	21,199,528	19,457,309	19,877,585	420,276	2.2 %
Total Salaries	\$ 1,100,277,792	\$ 1,192,613,710	\$ 1,199,634,713	\$ 7,021,003	0.6 %
Staff Benefits	365,148,572	407,440,457	403,642,168	(3,798,289)	(0.9) %
Total Salaries and Benefits	\$ 1,465,426,363	\$ 1,600,054,167	\$ 1,603,276,881	\$ 3,222,714	0.2 %
Operating	801,830,860	872,372,036	867,592,682	(4,779,354)	(0.5) %
Equipment and Capital Outlay	43,867,651	41,279,506	40,026,785	(1,252,721)	(3.0) %
Total Expenditures	\$ 2,311,124,874	\$ 2,513,705,709	\$ 2,510,896,348	\$ (2,809,361)	(0.1) %

**University of Tennessee System
FY 2024-25 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
Total Net Assets - June 30, 2022	\$ 150,940,880	\$ 15,676,347	\$ 92,477,433	\$ 12,110,335	607,780	\$ 11,834,443	\$ 1,900,186	\$ 16,334,359
<i>Percent Unallocated of Expend. & Transfers</i>	<i>3.88%</i>	<i>4.61%</i>	<i>4.45%</i>	<i>4.63%</i>	<i>2.70%</i>	<i>0.43%</i>	<i>3.64%</i>	<i>4.18%</i>
FY 2022-23 Actuals								
Net Assets at Beginning of Year	\$ 150,940,880	\$ 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	\$ 1,528,228,740	\$ 122,565,621	17,908,993	\$ 330,959,412	\$ 31,083,207	\$ 177,121,021
Less: Expenditures and Transfers	(2,455,149,131)	(236,157,380)	(1,541,365,649)	(123,214,588)	(17,860,819)	(331,257,407)	(30,844,158)	(174,449,130)
Carryover Funds To/(From) Net Assets	<u>\$ (10,179,822)</u>	<u>\$ 944,934</u>	<u>\$ (13,136,908)</u>	<u>\$ (648,967)</u>	<u>\$ 48,173</u>	<u>\$ (297,995)</u>	<u>\$ 239,050</u>	<u>\$ 2,671,892</u>
Net Assets Detail:								
ALLOCATED								
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	<u>\$ 57,877,613</u>	<u>\$ 6,371,281</u>	<u>\$ 17,710,416</u>	<u>\$ 5,309,433</u>		<u>\$ 11,400,774</u>	<u>\$ 996,822</u>	<u>\$ 16,088,887</u>
UNALLOCATED	82,883,449	10,250,000	61,630,108	6,151,935	655,954	135,673	1,142,414	2,917,363
Total Net Assets - June 30, 2023	\$ 140,761,062	\$ 16,621,281	\$ 79,340,524	\$ 11,461,368	655,954	\$ 11,536,447	\$ 2,139,236	\$ 19,006,250
<i>Percent Unallocated of Expend. & Transfers</i>	<i>3.38%</i>	<i>4.34%</i>	<i>4.00%</i>	<i>4.99%</i>	<i>3.67%</i>	<i>0.04%</i>	<i>3.70%</i>	<i>4.42%</i>
FY 2023-24 Actuals								
Net Assets at Beginning of Year	\$ 140,761,062	\$ 16,621,281	\$ 79,340,524	\$ 11,461,368	\$ 655,954	\$ 11,536,447	\$ 2,139,236	\$ 19,006,250
Operating Funds								
Revenue	\$ 2,559,073,762	\$ 249,026,658	\$ 1,686,662,566	\$ 134,989,949	\$ 19,959,482	\$ 357,517,445	\$ 31,917,301	\$ 78,980,361
Less: Expenditures and Transfers	(2,546,641,615)	(248,656,802)	(1,673,607,182)	(134,486,338)	(20,502,912)	(352,776,380)	(32,626,886)	(83,985,115)
Carryover Funds To/(From) Net Assets	<u>\$ 12,432,148</u>	<u>\$ 369,856</u>	<u>\$ 13,075,384</u>	<u>\$ 503,612</u>	<u>\$ (543,430)</u>	<u>\$ 4,741,065</u>	<u>\$ (709,586)</u>	<u>\$ (5,004,754)</u>
Net Assets Detail:								
ALLOCATED								
Working Capital	\$ 38,520,452	\$ 5,425,149	\$ 19,664,114	\$ 1,320,354		\$ 9,502,559	\$ 61,822	\$ 2,546,454
Revolving Funds	10,378,833		2,340,438					8,038,395
Encumbrances	6,169,590	1,265,989	4,830,126	63,476				10,000
Reserve for Reappropriations	4,017,000		0	4,017,000				
Total Allocated Net Assets	<u>\$ 59,085,876</u>	<u>\$ 6,691,137</u>	<u>\$ 26,834,678</u>	<u>\$ 5,400,830</u>		<u>\$ 9,502,559</u>	<u>\$ 61,822</u>	<u>\$ 10,594,849</u>
UNALLOCATED	94,107,334	10,300,000	65,581,233	6,564,150	112,524	6,774,953	1,367,828	3,406,647
Total Net Assets - June 30, 2024	\$ 153,193,210	\$ 16,991,138	\$ 92,415,911	\$ 11,964,979	\$ 112,524	\$ 16,277,512	\$ 1,429,651	\$ 14,001,496
<i>Percent Unallocated of Expend. & Transfers</i>	<i>3.70%</i>	<i>4.14%</i>	<i>3.92%</i>	<i>4.88%</i>	<i>0.55%</i>	<i>1.92%</i>	<i>4.19%</i>	<i>4.19%</i>
FY 2024-25 Revised Budget								
Net Assets at Beginning of Year	\$ 153,193,210	\$ 16,991,138	\$ 92,415,911	\$ 11,964,979	\$ 112,524	\$ 16,277,512	\$ 1,429,651	\$ 14,001,496
Operating Funds								
Revenue	\$ 2,661,608,368	\$ 253,547,539	\$ 1,773,172,935	\$ 134,617,805	20,274,786	\$ 370,376,621	\$ 33,417,970	\$76,200,712
Less: Expenditures and Transfers	(2,664,447,532)	(253,547,539)	(1,773,172,935)	(134,617,805)	(19,909,950)	(370,376,621)	(33,668,365)	(79,154,317)
Carryover Funds To/(From) Net Assets	<u>\$ (2,839,164)</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$ 364,836</u>	<u>\$</u>	<u>\$ (250,395)</u>	<u>\$ (2,953,605)</u>
Net Assets Detail:								
ALLOCATED								
Working Capital	\$ 37,162,176	\$ 5,425,149	\$ 19,664,114	\$ 1,320,354		\$8,502,559		\$2,250,000
Revolving Funds	8,340,438		2,340,438					6,000,000
Encumbrances	5,869,115	1,265,989	4,539,650	63,476				
Reserve for Reappropriations	4,117,000			4,117,000				
Total Allocated Net Assets	<u>\$ 55,488,729</u>	<u>\$ 6,691,138</u>	<u>\$ 26,544,202</u>	<u>\$ 5,500,830</u>		<u>\$ 8,502,559</u>	<u>\$</u>	<u>\$ 8,250,000</u>
UNALLOCATED	94,865,318	10,300,000	65,871,709	6,464,149	477,360	7,774,953	1,179,256	2,797,891
Estimated Total Net Assets - June 30, 2025	\$ 150,354,047	\$ 16,991,138	\$ 92,415,911	\$ 11,964,979	477,360	\$ 16,277,512	\$ 1,179,256	\$ 11,047,891
<i>Percent Unallocated of Expend. & Transfers</i>	<i>3.56%</i>	<i>4.06%</i>	<i>3.71%</i>	<i>4.80%</i>	<i>2.40%</i>	<i>2.10%</i>	<i>3.50%</i>	<i>3.60%</i>

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 2024-25 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
Total Net Assets - June 30, 2022	<u>\$ 118,079,187</u>	<u>\$ 13,780,715</u>	<u>\$ 62,712,890</u>	<u>\$ 11,342,158</u>	<u>\$ 510,537</u>	<u>\$ 11,498,344</u>	<u>\$ 1,900,184</u>	<u>\$ 16,334,359</u>
<i>Percent Unallocated of Expend. & Transfers</i>	3.94%	4.59%	4.71%	4.65%	2.62%	0.40%	3.64%	4.18%
FY 2022-23 Actuals								
Net Assets at Beginning of Year	\$ 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	\$ (2,081,550,469)	(213,962,117)	(1,206,918,873)	(112,463,896)	(15,050,365)	(327,861,930)	(30,844,158)	(174,449,130)
Carryover Funds To/(From) Net Assets	\$ (801,136)	\$ 547,074	\$ (3,320,270)	\$ (677,750)	\$ 34,269	\$ (295,401)	\$ 239,050	\$ 2,671,892
Net Assets Detail:								
ALLOCATED								
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)					6,182,892
Encumbrances	6,565,057	1,184,398	4,814,618	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	\$ 49,710,248	\$ 5,077,789	\$ 11,334,523	\$ 5,040,577		\$ 11,171,649	\$ 996,822	\$ 16,088,887
UNALLOCATED								
Total Net Assets - June 30, 2023	\$ 117,278,054	\$ 14,327,790	\$ 59,392,623	\$ 10,664,408	\$ 544,805	\$ 11,202,943	\$ 2,139,234	\$ 19,006,250
<i>Percent Unallocated of Expend. & Transfers</i>	3.25%	4.32%	3.98%	5.00%	3.62%	0.01%	3.70%	4.42%
FY 2023-24 Actuals								
Net Assets at Beginning of Year	\$ 117,278,054	\$ 14,327,790	\$ 59,392,623	\$ 10,664,408	\$ 544,805	\$ 11,202,943	\$ 2,139,234	\$ 19,006,250
Operating Funds								
Revenue	2,163,369,970	224,109,044	1,338,660,602	118,267,530	17,344,679	354,090,453	31,917,301	78,980,361
Less: Expenditures and Transfers	(2,151,756,478)	(223,784,655)	(1,325,996,941)	(118,352,127)	(17,889,484)	(349,121,268)	(32,626,886)	(83,985,115)
Carryover Funds To/(From) Net Assets	11,613,493	324,389	12,663,661	(84,597)	(544,805)	4,969,185	(709,586)	(5,004,754)
Net Assets Detail:								
ALLOCATED								
Working Capital	27,342,047	4,136,190	10,733,835	603,827		9,259,920	61,822	2,546,454
Revolving Funds	8,211,175		172,780					8,038,395
Encumbrances	6,169,590	1,265,989	4,830,126	63,476				10,000
Reserve for Reappropriations	4,017,000			4,017,000				
Total Allocated Net Assets	45,739,812	5,402,179	15,736,740	4,684,303		9,259,920	61,822	10,594,849
UNALLOCATED								
Total Net Assets - June 30, 2024	128,891,547	14,652,179	72,056,284	10,579,811	345,010	16,172,128	1,429,649	14,001,496
<i>Percent Unallocated of Expend. & Transfers</i>	3.86%	4.13%	4.25%	4.98%		1.98%	4.19%	4.19%
FY 2024-25 Revised Budget								
Net Assets at Beginning of Year	\$ 128,891,547	\$ 14,652,179	\$ 72,056,284	\$ 10,579,811	\$ 345,010	\$ 16,172,128	\$ 1,429,649	\$ 14,001,496
Operating Funds								
Revenue	\$ 2,256,406,950	\$ 227,313,158	\$ 1,412,849,901	\$ 123,012,610	17,387,786	\$ 366,224,813	\$ 33,417,970	\$ 76,200,712
Less: Expenditures and Transfers	\$ (2,259,265,940)	(227,313,158)	(1,412,849,901)	(123,012,610)	(17,042,776)	(366,224,813)	(33,668,365)	(79,154,317)
Carryover Funds To/(From) Net Assets	\$ (2,858,990)				\$ 345,010		\$ (250,395)	\$ (2,953,605)
Net Assets Detail:								
ALLOCATED								
Working Capital	\$ 25,983,771	\$ 4,136,190	\$ 10,733,834	\$ 603,827		\$ 8,259,920		\$ 2,250,000
Revolving Funds	6,172,780		172,780					6,000,000
Encumbrances	5,869,115	1,265,989	4,539,650	63,476				
Reserve for Reappropriations	4,017,000			4,017,000				
Total Allocated Net Assets	\$ 42,042,666	\$ 5,402,179	\$ 15,446,264	\$ 4,684,303		\$ 8,259,920		\$ 8,250,000
UNALLOCATED								
Estimated Total Net Assets - June 30, 2025	\$ 126,032,557	\$ 14,652,179	\$ 72,056,284	\$ 10,579,811	\$ 345,010	\$ 16,172,128	\$ 1,179,254	\$ 11,047,891
<i>Percent Unallocated of Expend. & Transfers</i>	3.72%	4.07%	4.01%	4.79%	2.02%	2.16%	3.50%	3.60%

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 2024-25 Revised Budget
Current Unrestricted Net Assets by Unit
Auxiliary Funds

	Total System	Chattanooga	Knoxville	Southern	Martin	Health Science Center
Estimated Total Net Assets - June 30, 2022	\$ 32,861,694	\$ 1,895,632	\$ 29,764,541	\$ 97,244	\$ 768,177	\$ 336,100
<i>Percent Unallocated of Expend. & Transfers</i>	3.52%	4.81%	3.39%	3.25%	4.38%	3.02%
FY 2022-23 Actuals						
Net Assets at Beginning of Year	\$ 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)
Net Assets at End of Year	\$ 23,483,009	\$ 2,293,492	\$ 19,947,903	\$ 111,148	\$ 796,960	\$ 333,506
Net Assets Detail:						
ALLOCATED						
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
UNALLOCATED						
Total Allocated Net Assets	15,315,645	1,000,000	13,572,012	111,148	528,105	104,381
Estimated Total Net Assets - June 30, 2023	\$ 23,483,009	\$ 2,293,492	\$ 19,947,903	\$ 111,148	\$ 796,960	\$ 333,506
<i>Percent Unallocated of Expend. & Transfers</i>	4.10%	4.51%	4.06%	3.95%	4.91%	3.07%
FY 2023-24 Actuals						
Net Assets at Beginning of Year	\$ 23,483,009	\$ 2,293,492	\$ 19,947,903	\$ 111,148	\$ 796,960	\$ 333,506
Operating Funds						
Revenue	\$ 395,703,792	\$ 24,917,614	\$ 348,021,964	\$ 2,614,803	\$ 16,722,419	\$ 3,426,992
Less: Expenditures and Transfers	(394,885,137)	(24,872,147)	(347,610,241)	(2,613,428)	(16,134,210)	(3,655,111)
Carryover Funds To/(From) Net Assets	\$ 818,655	\$ 45,467	\$ 411,723	\$ 1,375	\$ 588,209	\$ (228,120)
Net Assets at End of Year	\$ 24,301,664	\$ 2,338,959	\$ 20,359,627	\$ 112,524	\$ 1,385,169	\$ 105,386
Net Assets Detail:						
ALLOCATED						
Working Capital	\$ 11,178,405	\$ 1,288,959	\$ 8,930,280		\$ 716,527	\$ 242,639
Revolving Funds	2,167,658		2,167,658			
Encumbrances						
Reappropriations						
Total Allocated Net Assets	\$ 13,346,063	\$ 1,288,959	\$ 11,097,938		\$ 716,527	\$ 242,639
UNALLOCATED						
Total Allocated Net Assets	10,955,601	1,050,000	9,261,689	112,524	668,642	(137,253)
Estimated Total Net Assets - June 30, 2024	\$ 24,301,664	\$ 2,338,959	\$ 20,359,627	\$ 112,524	\$ 1,385,169	\$ 105,386
<i>Percent Unallocated of Expend. & Transfers</i>	2.77%	4.22%	2.66%	4.31%	4.14%	-3.76%
FY 2024-25 Revised Budget						
Net Assets at Beginning of Year	\$ 24,301,664	\$ 2,338,959	\$ 20,359,627	\$ 112,524	\$ 1,385,169	\$ 105,386
Operating Funds						
Revenue	\$ 405,201,418	\$ 26,234,381	\$ 360,323,034	\$ 2,887,000	\$ 11,605,195	\$ 4,151,808
Less: Expenditures and Transfers	(405,181,592)	(26,234,381)	(360,323,034)	(2,867,174)	(11,605,195)	(4,151,808)
Carryover Funds To/(From) Net Assets	\$ 19,826	\$	\$	\$ 19,826	\$	\$
Net Assets at End of Year	\$ 24,321,490	\$ 2,338,959	\$ 20,359,627	\$ 132,350	\$ 1,385,169	\$ 105,386
Net Assets Detail:						
ALLOCATED						
Working Capital	\$ 11,178,405	\$ 1,288,959	\$ 8,930,280		\$ 716,527	\$ 242,639
Revolving Funds	2,167,658		2,167,658			
Encumbrances						
Reappropriations	100,000				100,000	
Total Allocated Net Assets	\$ 13,446,063	\$ 1,288,959	\$ 11,097,938		\$ 816,527	\$ 242,639
UNALLOCATED						
Total Allocated Net Assets	10,875,427	1,050,000	9,261,689	132,350	568,642	(137,253)
Estimated Total Net Assets - June 30, 2025	\$ 24,321,490	\$ 2,338,959	\$ 20,359,627	\$ 132,350	\$ 1,385,169	\$ 105,386
<i>Percent Unallocated of Expend. & Transfers</i>	2.68%	4.00%	2.57%	4.62%	4.90%	-3.31%

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

University of Tennessee System
FY 2024-25 Revised Budget
State Appropriations Summary
Unrestricted Current Educational and General Funds

	FY 2023-24 Actual	FY 2024-25 Original	FY 2024-25 Revised	Change		
				Original to Revised Amount	%	
STATE APPROPRIATIONS						
Chattanooga	\$ 80,054,305	\$ 84,311,105	\$ 83,435,305	\$ (875,800)	(1.0) %	
Knoxville						
<i>Knoxville Campus</i>	\$ 341,454,855	\$ 363,375,155	\$ 360,790,655	\$ (2,584,500)	(0.7) %	
<i>Space Institute</i>	10,841,803	11,149,403	11,102,903	(46,500)	(0.4) %	
<i>AgResearch</i>	36,307,688	37,482,488	37,220,288	(262,200)	(0.7) %	
<i>Extension</i>	47,959,017	49,838,517	49,325,317	(513,200)	(1.0) %	
<i>College of Veterinary Medicine</i>	32,987,059	34,581,759	34,319,259	(262,500)	(0.8) %	
Subtotal Knoxville	\$ 469,550,422	\$ 496,427,322	\$ 492,758,422	(3,668,900)	1.8 %	
Martin	46,996,997	49,362,897	48,863,397	(499,500)	(1.0) %	
Southern	6,122,500	6,384,500	6,322,600	(61,900)	(1.0) %	
Health Science Center	217,688,644	226,328,724	224,418,824	(1,909,900)	(0.8) %	
Institute for Public Service						
<i>IPS Administration</i>	\$ 6,962,585	\$ 7,162,685	\$ 7,113,485	\$ (49,200)	(0.7) %	
<i>Municipal Technical Advisory Service</i>	4,639,251	4,841,051	4,806,851	(34,200)	(0.7) %	
<i>County Technical Assistance Service</i>	4,140,051	4,298,651	4,277,251	(21,400)	(0.5) %	
<i>Tennessee Language Center</i>	1,005,400	1,070,000	1,059,500	(10,500)	(1.0) %	
Subtotal Institute for Public Service	\$ 16,747,287	\$ 17,372,387	\$ 17,257,087	(115,300)	(0.7) %	
System Administration	6,433,517	6,754,217	6,562,017	(192,200)	(2.8) %	
Total State Appropriations	\$ 843,593,672	\$ 886,941,152	\$ 879,617,652	(7,323,500)	(0.8) %	

University of Tennessee System
FY 2024-25 Revised Budget
State Appropriations Five Year History
Unrestricted Current Educational and General Funds

	FY 2020-21 Actual	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Actual	FY 2024-25 Revised	Change	
						FY 2020-21 Amount	TO FY 2024-25 %
STATE APPROPRIATIONS							
Chattanooga	\$ 60,975,006	\$ 64,737,706	\$ 74,268,205	\$ 80,054,305	\$ 83,435,305	\$ 22,460,299	36.8 %
Knoxville							
<i>Knoxville Campus</i>	\$ 252,727,556	\$ 268,413,955	\$ 312,141,655	\$ 341,454,855	\$ 360,790,655	\$ 108,063,099	42.8 %
<i>Space Institute</i>	9,471,203	9,756,703	10,250,303	10,841,803	11,102,903	1,631,700	17.2 %
<i>AgResearch</i>	31,563,388	32,602,388	34,286,088	36,307,688	37,220,288	5,656,900	17.9 %
<i>Extension</i>	38,919,517	42,391,515	44,897,517	47,959,017	49,325,317	10,405,800	26.7 %
<i>College of Veterinary Medicine</i>	22,951,258	24,454,559	29,750,259	32,987,059	34,319,259	11,368,001	49.5 %
Subtotal Knoxville	\$ 355,632,922	\$ 377,619,120	\$ 431,325,822	469,550,422	492,758,422	137,125,500	38.6 %
Martin	\$ 35,718,897	\$ 37,389,697	\$ 42,641,597	\$ 46,996,997	\$ 48,863,397	\$ 13,144,500	36.8 %
UT Southern	\$ -	\$ 6,230,000	\$ 5,761,900	\$ 6,122,500	\$ 6,322,600	\$ 6,322,600	NA
Health Science Center	165,262,724	177,539,024	193,083,624	217,688,644	224,418,824	59,156,100	35.8 %
Institute for Public Service							
<i>Institute for Public Service</i>	\$ 6,178,685	\$ 6,832,285	\$ 7,097,285	\$ 6,962,585	\$ 7,113,485	\$ 934,800	15.1 %
<i>Municipal Technical Advisory Service</i>	3,789,751	3,972,451	4,278,451	4,639,251	4,806,851	1,017,100	26.8 %
<i>County Technical Assistance Service</i>	3,263,250	3,397,852	3,654,051	4,140,051	4,277,251	1,014,001	31.1 %
<i>Tennessee Language Center</i>	748,000	806,100	898,200	1,005,400	1,059,500	311,500	41.6 %
Subtotal Institute for Public Service	13,979,686	15,008,688	15,927,987	16,747,287	17,257,087	3,277,401	23.4 %
System Administration	\$ 6,180,617	\$ 14,348,417	\$ 78,130,617	\$ 6,433,517	\$ 6,562,017	\$ 381,400	6.2 %
Total State Appropriations	\$ 637,749,852	\$ 692,872,652	\$ 841,139,752	\$ 843,593,672	\$ 879,617,652	\$ 241,867,800	38.0 %

University of Tennessee System

FY 2024-25 Revised Budget

Auxiliary Enterprises

Unrestricted Auxiliary Current Funds Revenues, Expenditures and Transfers

	FY 2023-24 Actual	FY 2024-25 Original	FY 2024-25 Revised	Original to Revised	
				Amount	%
HOUSING					
Revenues	\$ 96,674,963	\$ 102,757,921	\$ 102,591,752	\$ (166,169)	(0.20) %
Expenditures and Transfers					
Expenditures	\$ 62,806,902	\$ 73,133,760	\$ 72,671,751	\$ (462,009)	(0.60) %
Mandatory Transfers	23,970,734	24,742,516	\$ 24,742,516		
Non-Mandatory Transfers	9,778,858	4,360,981	\$ 4,639,659	\$ 278,678	6.40 %
Total Expenditures and Transfers	\$ 96,556,494	\$ 102,237,257	\$ 102,053,926	\$ (183,331)	(0.20) %
Fund Balance Addition/(Reduction)	\$ 118,470	\$ 520,664	\$ 537,826		
FOOD SERVICE					
Revenues	\$ 23,865,686	\$ 19,198,975	\$ 19,225,471	\$ 26,496	0.10 %
Expenditures and Transfers					
Expenditures	\$ 13,198,737	\$ 13,020,615	\$ 13,046,811	\$ 26,196	0.20 %
Mandatory Transfers	6,935,394	6,306,991	6306991		
Non-Mandatory Transfers	5,255,313	496,396	496,396		
Total Expenditures and Transfers	\$ 25,389,444	\$ 19,824,002	\$ 19,850,198	\$ 26,196	0.10 %
Fund Balance Addition/(Reduction)	\$ (1,523,758)	\$ (625,027)	\$ (624,727)		
BOOKSTORES					
Revenues	\$ 41,037,956	\$ 39,924,591	\$ 39,924,591		
Expenditures and Transfers					
Expenditures	\$ 35,273,259	\$ 39,169,112	\$ 39,235,932	\$ 66,820	0.20 %
Mandatory Transfers	-	109,418	109,418		
Non-Mandatory Transfers	4,668,286	646,061	579,241	(66,820)	(10.30) %
Total Expenditures and Transfers	\$ 39,941,545	\$ 39,924,591	\$ 39,924,591	\$ -	- %
Fund Balance Addition/(Reduction)	\$ 1,096,411				
PARKING					
Revenues	\$ 17,898,412	\$ 20,315,401	\$ 20,315,401		
Expenditures and Transfers					
Expenditures	\$ 9,990,949	\$ 13,398,368	\$ 14,078,956	\$ 680,588	5.10 %
Mandatory Transfers	5,723,655	6,193,775	5,549,159	(644,616)	(10.40) %
Non-Mandatory Transfers	1,829,393	616,231	580,559	(35,672)	(5.80) %
Total Expenditures and Transfers	\$ 17,543,997	\$ 20,208,374	\$ 20,208,674	\$ 300	- %
Fund Balance Addition/(Reduction)	\$ 354,415	\$ 107,027	\$ 106,727		
ATHLETICS					
Revenues	\$ 204,583,335	\$ 211,721,845	\$ 211,721,845		
Expenditures and Transfers					
Expenditures	\$ 202,313,967	\$ 224,741,592	\$ 226,772,964	\$ 2,031,372	0.90 %
Mandatory Transfers	11,802,683	11,975,308	11,975,308		
Non-Mandatory Transfers	(11,251,248)	(24,995,055)	(27,026,427)	(2,031,372)	(8.10) %
Total Expenditures and Transfers	\$ 202,865,402	\$ 211,721,845	\$ 211,721,845		
Fund Balance Addition/(Reduction)	\$ 1,717,933				
OTHER					
Revenues	\$ 11,643,441	\$ 11,422,358	\$ 11,422,358		
Expenditures and Transfers					
Expenditures	\$ 9,392,900	\$ 11,220,159	\$ 11,220,159		
Mandatory Transfers	1,110,176	568,022	568,022		
Non-Mandatory Transfers	2,084,380	(365,823)	(365,823)		
Total Expenditures and Transfers	\$ 12,587,456	\$ 11,422,358	\$ 11,422,358		
Fund Balance Addition/(Reduction)	\$ (944,016)	\$ -	\$ -		
TOTAL					
Revenues	\$ 395,703,792	\$ 405,341,091	\$ 405,201,418	\$ (139,673)	0.0% %
Expenditures and Transfers					
Expenditures	\$ 332,976,713	\$ 374,683,606	\$ 377,026,573	\$ 2,342,967	60.0% %
Mandatory Transfers	49,542,642	49,896,030	49,251,414	(644,616)	(1.30) %
Non-Mandatory Transfers	12,364,982	(19,241,209)	(21,096,395)	(1,855,186)	(9.60) %
Total Expenditures and Transfers	\$ 394,884,337	\$ 405,338,427	\$ 405,181,592	\$ (156,835)	0.00 %
Fund Balance Addition/(Reduction)	\$ 819,455	\$ 2,664	\$ 19,826		

University of Tennessee System
FY 2024-25 Revised Budget
Athletics (Page 1 of 2)
Unrestricted and Restricted Current Funds

	FY 2023-24 Actual	FY 2024-25 Original	FY 2024-25 Revised	Change Original to Revised	
				Amount	%
TOTAL ATHLETICS					
Revenues					
General Funds	\$ 24,558,118	\$ 22,271,688	\$ 23,201,508	\$ 929,820	4.20 %
Student Fees for Athletics	8,098,951	2,670,746	2,876,746	206,000	7.70 %
Ticket Sales	45,244,171	48,578,278	48,578,278		
Gifts	88,818,845	65,910,320	65,910,320		
Other	102,146,553	111,456,573	111,351,278	(105,295)	0.10 %
Total Revenues	<u>\$ 268,866,638</u>	<u>\$ 250,887,605</u>	<u>\$ 251,918,130</u>	<u>\$ 1,030,525</u>	<u>0.40 %</u>
Expenditures and Transfers					
Salaries and Benefits	\$ 100,408,246	\$ 110,056,747	\$ 112,707,069	\$ 2,650,322	2.40 %
Travel	22,388,357	25,339,007	25,505,464	166,457	0.70 %
Student Aid	34,329,699	38,290,506	38,299,077	8,571	- %
Other Operating	88,484,561	88,949,700	89,186,247	236,547	0.30 %
Subtotal Expenditures	\$ 245,610,863	\$ 262,635,960	\$ 265,697,857	\$ 3,061,897	1.20 %
Debt Service Transfers	12,066,720	12,246,700	12,246,700		
Other Transfers	(10,251,248)	(23,995,055)	(26,026,427)	(2,031,372)	8.50 %
Total Expenditures and Transfers	<u>\$ 247,426,335</u>	<u>\$ 250,887,605</u>	<u>\$ 251,918,130</u>	<u>\$ 1,030,525</u>	<u>0.40 %</u>
Fund Balance Addition / (Reduction)	\$ 21,440,303				
KNOXVILLE					
Revenues					
General Funds					
Student Fees for Athletics	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000		
Ticket Sales	44,185,379	43,038,615	43,038,615		
Gifts	84,777,477	64,005,320	64,005,320		
Other	96,279,916	104,675,410	104,675,410		
Total Revenues	<u>\$ 226,242,772</u>	<u>\$ 212,719,345</u>	<u>\$ 212,719,345</u>		
Expenditures and Transfers					
Salaries and Benefits	\$ 83,195,724	\$ 94,532,260	\$ 96,563,632	\$ 2,031,372	2.1 %
Travel	18,858,639	22,904,959	22,904,959		
Student Aid	22,279,577	25,385,396	25,385,396		
Other Operating	78,917,094	81,916,477	81,916,477		
Subtotal Expenditures	\$ 203,251,034	\$ 224,739,092	\$ 226,770,464	\$ 2,031,372	0.9 %
Debt Service Transfers	11,802,683	11,975,308	11,975,308		
Other Transfers	(10,251,248)	(23,995,055)	(26,026,427)	(2,031,372)	8.5 %
Total Expenditures and Transfers	<u>\$ 204,802,469</u>	<u>\$ 212,719,345</u>	<u>\$ 212,719,345</u>		
Fund Balance Addition / (Reduction)	\$ 21,440,303				
CHATTANOOGA					
Revenues					
General Funds	\$ 11,603,019	\$ 10,288,670	\$ 11,009,356	\$ 720,686	7.0 %
Student Fees for Athletics	5,312,829				
Ticket Sales	886,767	5,334,663	5,334,663		
Gifts	2,298,074	655,000	655,000		
Other	3,071,285	4,160,023	4,160,023		
Total Revenues	<u>\$ 23,171,974</u>	<u>\$ 20,438,356</u>	<u>\$ 21,159,042</u>	<u>\$ 720,686</u>	<u>3.5 %</u>
Expenditures and Transfers					
Salaries and Benefits	\$ 10,027,611	\$ 8,398,307	\$ 8,791,392	\$ 393,085	4.7 %
Travel	1,775,439	1,370,286	1,506,893	\$ 136,607	10.0 %
Student Aid	5,524,458	6,236,492	6,236,492		
Other Operating	5,681,821	4,263,271	4,454,265	190,994	4.5 %
Subtotal Expenditures	\$ 23,009,329	\$ 20,268,356	\$ 20,989,042	\$ 720,686	3.6 %
Debt Service Transfers	162,645	170,000	170,000		
Other Transfers					
Total Expenditures and Transfers	<u>\$ 23,171,974</u>	<u>\$ 20,438,356</u>	<u>\$ 21,159,042</u>	<u>\$ 720,686</u>	<u>3.5 %</u>
Fund Balance Addition / (Reduction)					

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 2024-25 Revised Budget
Athletics (Page 2 of 2)
Unrestricted and Restricted Current Funds

	FY 2023-24 Actual	FY 2024-25 Original	FY 2024-25 Revised	Change Original to Revised	
				Amount	%
MARTIN					
Revenues					
General Funds	\$ 8,780,711	\$ 7,779,770	\$ 7,961,200	\$ 181,430	2.3 %
Student Fees for Athletics	1,786,122	1,670,746	1,876,746	206,000	12.3 %
Ticket Sales	147,388	200,000	200,000		%
Gifts	1,384,979	1,200,000	1,200,000		%
Other	2,687,852	2,428,940	2,311,440	(117,500)	(4.8) %
Total Revenues	<u>\$ 14,787,052</u>	<u>\$ 13,279,456</u>	<u>\$ 13,549,386</u>	<u>\$ 269,930</u>	<u>2.0 %</u>
Expenditures and Transfers					
Salaries and Benefits	\$ 5,395,592	\$ 5,189,082	\$ 5,409,443	\$ 220,361	4.2 %
Travel	1,407,451	761,322	784,822	23,500	3.1 %
Student Aid	4,896,246	5,151,818	5,160,389	8,571	0.2 %
Other Operating	2,986,371	2,075,842	2,093,340	17,498	0.8 %
Subtotal Expenditures	\$ 14,685,660	\$ 13,178,064	\$ 13,447,994	\$ 269,930	2.0 %
Debt Service Transfers	101,392	101,392	101,392		
Other Transfers					
Total Expenditures and Transfers	<u>\$ 14,787,052</u>	<u>\$ 13,279,456</u>	<u>\$ 13,549,386</u>	<u>\$ 269,930</u>	<u>2.0 %</u>
Fund Balance Addition / (Reduction)					
SOUTHERN					
Revenues					
General Funds	\$ 4,174,388	\$ 4,203,248	\$ 4,230,952	\$ 27,704	0.7 %
Student Fees for Athletics					%
Ticket Sales	24,637	5,000	5,000		%
Gifts	358,315	50,000	50,000		%
Other	107,500	192,200	204,405	12,205	6.4 %
Total Revenues	<u>\$ 4,664,840</u>	<u>\$ 4,450,448</u>	<u>\$ 4,490,357</u>	<u>\$ 39,909</u>	<u>0.9 %</u>
Expenditures and Transfers					
Salaries and Benefits	\$ 1,789,319	\$ 1,937,098	\$ 1,942,602	\$ 5,504	0.3 %
Travel	346,828	302,440	308,790	6,350	2.1 %
Student Aid	1,629,418	1,516,800	1,516,800		%
Other Operating	899,275	694,110	722,165	28,055	4.0 %
Subtotal Expenditures	\$ 4,664,840	\$ 4,450,448	\$ 4,490,357	\$ 39,909	0.9 %
Debt Service Transfers					
Other Transfers					
Total Expenditures and Transfers	<u>\$ 4,664,840</u>	<u>\$ 4,450,448</u>	<u>\$ 4,490,357</u>	<u>\$ 39,909</u>	<u>0.9 %</u>
Fund Balance Addition / (Reduction)					

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 2024-25 Revised Budget Positions

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

IRIS REVISED BUDGET 10/31/2024					
Budget Unit	Faculty	Administrative	Professional	Cler/Tech/Maint	Total
Unrestricted E&G					
Chattanooga	564	191	349	320	1,424
Knoxville					
Knoxville Campus	2,032	462	1,436	1,692	5,621
Space Institute	15	11	24	40	90
Agricultural Experiment Station	98	18	83	117	317
UT Extension	57	22	330	276	685
Veterinary Medicine	116	14	45	277	452
Sub-total Knoxville	2,318	527	1,918	2,402	7,165
Martin	329	74	152	287	842
Health Science Center	640	135	349	904	2,028
UT Southern	52	18	43	39	151
Public Service Units					
Institute for Public Service	-	6	26	12	43
MTAS	-	1	46	10	58
CTAS	-	1	36	4	41
TLC (Tennessee Language Center)	-	1	13	3	18
Sub-total Public Service Units	9	121	29	160	160
System Administration	-	89	205	60	354
Total Unrestricted E&G	3,903	1,043	3,137	4,041	12,124
Auxiliary					
Chattanooga		18	15	57	90
Knoxville					
Knoxville Campus		87	275	442	803
Space Institute				4	4
Sub-total Knoxville		87	275	445	806
Martin		3	10	26	39
Health Science Center			5	25	30
UT Southern			1	1	2
Total Auxiliaries		107	305	554	966
Restricted E&G					
Chattanooga	23	11	33	45	112
Knoxville					
Knoxville Campus	86	19	320	106	531
Space Institute	2	-	11	1	14
Agricultural Experiment Station	5	1	10	8	24
UT Extension	7	1	208	272	488
Veterinary Medicine	1	-	1	2	4
Sub-total Knoxville	101	21	550	389	1,061
Martin	2	2	26	10	40
Health Science Center	815	35	401	613	1,864
UT Southern	4	-	3	-	7
Public Service Units					
Institute for Public Service	-	-	30	4	34
MTAS	-	-	4	-	4
CTAS	-	-	-	1	1
TLC	-	-	2	-	2
Sub-total Public Service Units	36	5	41	41	41
UWA	-	2	6	4	12
Total Restricted E&G	945	71	1,055	1,066	3,137
TOTAL UNIVERSITY POSITIONS	4,848	1,221	4,498	5,661	16,228
	29.9%	7.5%	27.7%	34.9%	100.0%

University of Tennessee System
FY 2024-25 Revised Budget (Recurring Budget)
 Unrestricted Current Funds Revenues, Expenditures, and Transfers

	FY 2023-24 Actual	FY 2024-25 Original	FY 2024-25 Revised	Change Original to Revised	
				Amount	%
EDUCATIONAL AND GENERAL					
Revenues					
Tuition & Fees	\$ 1,043,174,157	\$ 1,102,340,633	\$ 1,105,471,565	\$ 3,130,932	0.3 %
State Appropriations	843,593,672	886,075,152	878,971,552	(7,103,600)	(0.8) %
Grants & Contracts	79,019,609	74,566,025	73,741,489	(824,536)	(1.1) %
Sales & Service	80,810,886	76,673,579	75,722,128	(951,451)	(1.2) %
Other Sources	116,771,646	79,889,761	79,392,845	(496,916)	(0.6) %
Total Revenues	<u>\$ 2,163,369,970</u>	<u>\$ 2,219,545,150</u>	<u>\$ 2,213,299,579</u>	<u>\$ (6,245,571)</u>	<u>(0.3) %</u>
Expenditures and Transfers					
Instruction	\$ 641,736,235	\$ 728,736,249	\$ 724,042,650	\$ (4,693,599)	(0.6) %
Research	196,487,867	158,561,958	160,724,479	2,162,521	1.4 %
Public Service	114,518,262	128,785,146	129,728,824	943,678	0.7 %
Academic Support	252,450,181	299,561,582	298,695,708	(865,874)	(0.3) %
Student Services	148,599,754	146,671,086	145,935,270	(735,816)	(0.5) %
Institutional Support	248,711,653	259,285,523	256,588,703	(2,696,820)	(1.0) %
Operation & Maintenance of Plant	195,658,322	210,577,262	210,858,418	281,156	0.1 %
Scholarships & Fellowships	188,182,711	207,437,740	207,890,166	452,426	0.2 %
Subtotal Expenditures	<u>\$ 1,986,344,984</u>	<u>\$ 2,139,616,546</u>	<u>\$ 2,134,464,218</u>	<u>\$ (5,152,328)</u>	<u>(0.2) %</u>
Mandatory Transfers	20,762,984	28,983,171	28,983,171	-	
Non-Mandatory Transfers	144,648,511	52,657,787	50,790,180	(1,867,607)	(3.5) %
Total Expenditures & Transfers	<u>\$ 2,151,756,479</u>	<u>\$ 2,221,257,504</u>	<u>\$ 2,214,237,569</u>	<u>\$ (7,019,823)</u>	<u>(0.3) %</u>
Fund Balance Addition/(Reduction)	\$ 11,613,491	\$ (1,712,354)	\$ (937,990)		
AUXILIARIES					
Revenues	\$ 395,703,792	\$ 405,341,091	\$ 405,201,418	\$ (139,673)	- %
Expenditures and Transfers					
Expenditures	332,976,713	374,089,163	376,432,130	2,342,967	0.6 %
Mandatory Transfers	49,542,642	49,896,030	49,251,414	(644,616)	(1.3) %
Non-Mandatory Transfers	12,364,982	(19,480,322)	(21,301,184)	(1,820,862)	(9.3) %
Total Expenditures & Transfers	<u>\$ 394,884,337</u>	<u>\$ 404,504,871</u>	<u>\$ 404,382,360</u>	<u>\$ (122,511)</u>	<u>- %</u>
Fund Balance Addition/(Reduction)	\$ 819,455	\$ 836,220	\$ 819,058		
TOTALS					
Revenues	\$ 2,559,073,762	\$ 2,624,886,241	\$ 2,618,500,997	\$ (6,195,332)	(0.2) %
Expenditures and Transfers					
Expenditures	\$ 2,319,321,697	\$ 2,513,705,709	\$ 2,510,896,348	\$ (2,809,361)	(0.1) %
Mandatory Transfers	70,305,626	78,879,201	78,234,585	(644,616)	(0.8) %
Non-Mandatory Transfers	157,013,493	33,177,465	29,488,996	(3,688,357)	(11.1) %
Total Expenditures & Transfers	<u>\$ 2,546,640,816</u>	<u>\$ 2,625,762,375</u>	<u>\$ 2,618,619,929</u>	<u>\$ (7,142,334)</u>	<u>(0.3) %</u>
Fund Balance Addition/(Reduction)	\$ 12,432,946	\$ (876,134)	\$ (118,932)		

University of Tennessee System
FY 2024-25 Revised Budget
 Unrestricted Current Funds Revenues, Expenditures, and Transfers

	FY 2023-24 Actual	FY 2024-25 Original	FY 2024-25 Revised	Change Original to Revised	
				Amount	%
EDUCATIONAL AND GENERAL					
Revenues					
Tuition & Fees	\$ 1,043,174,157	\$ 1,103,252,133	\$ 1,107,660,289	\$ 4,408,156	0.4 %
State Appropriations	843,593,672	886,941,152	879,617,652	(7,323,500)	(0.8) %
Grants & Contracts	79,019,609	74,666,025	75,661,206	995,181	1.3 %
Sales & Service	80,810,886	76,673,579	75,799,093	(874,486)	(1.1) %
Other Sources	116,771,646	115,889,761	117,668,710	1,778,949	1.5 %
Total Revenues	\$ 2,163,369,970	\$ 2,257,422,650	\$ 2,256,406,950	\$ (1,015,700)	
Expenditures and Transfers					
Instruction	\$ 641,736,235	\$ 736,115,673	\$ 745,213,776	\$ 9,098,103	1.2 %
Research	196,487,867	160,210,571	222,143,034	61,932,463	38.7 %
Public Service	114,518,262	128,792,546	132,859,416	4,066,870	3.2 %
Academic Support	252,450,181	300,228,399	304,555,026	4,326,627	1.4 %
Student Services	148,599,754	146,671,086	148,527,503	1,856,417	1.3 %
Institutional Support	248,711,653	286,516,206	256,112,341	(30,403,865)	(10.6) %
Operation & Maintenance of Plant	195,658,322	210,886,936	212,589,414	1,702,478	0.8 %
Scholarships & Fellowships	188,182,711	208,396,340	211,368,927	2,972,587	1.4 %
Subtotal Expenditures	\$ 1,986,344,985	\$ 2,177,817,757	\$ 2,233,369,437	\$ 55,551,680	2.6 %
Mandatory Transfers	20,762,984	28,983,171	28,983,171	-	- %
Non-Mandatory Transfers	144,648,511	51,557,876	(3,086,668)	(54,644,544)	(106.0) %
Total Expenditures & Transfers	\$ 2,151,756,480	\$ 2,258,358,804	\$ 2,259,265,940	\$ 907,136	
Fund Balance Addition/(Reduction)	\$ 11,613,490	\$ (936,154)	\$ (2,858,990)		
AUXILIARIES					
Revenues	\$ 395,703,792	\$ 405,341,091	\$ 405,201,418	\$ (139,673)	- %
Expenditures and Transfers					
Expenditures	332,976,713	374,683,606	377,026,573	2,342,967	0.6 %
Mandatory Transfers	49,542,642	49,896,030	49,251,414	(644,616)	(1.3) %
Non-Mandatory Transfers	12,364,982	(19,241,209)	(21,096,395)	(1,855,186)	(9.6) %
Total Expenditures & Transfers	\$ 394,884,337	\$ 405,338,427	\$ 405,181,592	\$ (156,835)	- %
Fund Balance Addition/(Reduction)	\$ 819,455	\$ 2,664	\$ 19,826		
TOTALS					
Revenues	\$ 2,559,073,762	\$ 2,662,763,741	\$ 2,661,608,368	\$ (1,155,373)	- %
Expenditures and Transfers					
Expenditures	\$ 2,319,321,698	\$ 2,552,501,363	\$ 2,610,396,010	\$ 57,894,647	2.3 %
Mandatory Transfers	70,305,626	78,879,201	78,234,585	(644,616)	(0.8) %
Non-Mandatory Transfers	157,013,493	32,316,667	(24,183,063)	(56,499,730)	(174.8) %
Total Expenditures & Transfers	\$ 2,546,640,817	\$ 2,663,697,231	\$ 2,664,447,532	\$ 750,301	- %
Fund Balance Addition/(Reduction)	\$ 12,432,945	\$ (933,490)	\$ (2,839,164)		

Chattanooga

FY 2024-25 Revised Budget

Unrestricted Current Funds Revenues, Expenditures, and Transfers

	FY 2023-24 Actual	FY 2024-25 Original	FY 2024-25 Revised	Change Original to Revised	
				Amount	%
EDUCATIONAL AND GENERAL					
Revenues					
Tuition & Fees	\$ 135,835,624	\$ 135,260,073	\$ 136,793,219	\$ 1,533,146	1.1 %
State Appropriations	80,054,305	84,311,105	83,435,305	(875,800)	(1.0) %
Grants & Contracts	1,536,240	1,479,400	1,479,400		
Sales & Service	6,294,978	5,215,084	5,347,434	132,350	2.5 %
Other Sources	387,898	257,800	257,800		
Total Revenues	<u>\$ 224,109,044</u>	<u>\$ 226,523,462</u>	<u>\$ 227,313,158</u>	<u>\$ 789,696</u>	<u>0.3 %</u>
Expenditures and Transfers					
Instruction	\$ 86,995,254	\$ 102,936,507	\$ 103,071,949	\$ 135,442	0.1 %
Research	5,990,010	7,271,517	6,399,133	(872,384)	(12.0) %
Public Service	2,943,864	3,175,306	4,492,512	1,317,206	41.5 %
Academic Support	22,688,736	22,018,899	24,180,597	2,161,698	9.8 %
Student Services	34,459,616	33,229,534	33,769,413	539,879	1.6 %
Institutional Support	18,441,329	17,284,012	17,243,125	(40,887)	(0.2) %
Operation & Maintenance of Plant	20,395,601	22,781,840	21,451,673	(1,330,167)	(5.8) %
Scholarships & Fellowships	18,219,590	20,001,790	20,008,190	6,400	-
Subtotal Expenditures	<u>\$ 210,134,000</u>	<u>\$ 228,699,405</u>	<u>\$ 230,616,592</u>	<u>\$ 1,917,187</u>	<u>0.8 %</u>
Mandatory Transfers	3,519,651	5,143,716	5,143,716		
Non-Mandatory Transfers	10,131,004	(7,319,659)	(8,447,150)	(1,127,491)	(15.4) %
Total Expenditures & Transfers	<u>\$ 223,784,655</u>	<u>\$ 226,523,462</u>	<u>\$ 227,313,158</u>	<u>\$ 789,696</u>	<u>0.3 %</u>
Fund Balance Addition/(Reduction)	<u>\$ 324,389</u>				
AUXILIARIES					
Revenues	\$ 24,917,614	\$ 26,234,381	\$ 26,234,381		
Expenditures and Transfers					
Expenditures	15,638,816	18,985,765	18,985,765		
Mandatory Transfers	5,152,466	5,493,430	5,493,430		
Non-Mandatory Transfers	4,080,865	1,755,186	1,755,186		
Total Expenditures & Transfers	<u>\$ 24,872,147</u>	<u>\$ 26,234,381</u>	<u>\$ 26,234,381</u>		
Fund Balance Addition/(Reduction)	<u>\$ 45,467</u>				
TOTALS					
Revenues	\$ 249,026,658	\$ 252,757,843	\$ 253,547,539	\$ 789,696	0.3 %
Expenditures and Transfers					
Expenditures	\$ 225,772,817	\$ 247,685,170	\$ 249,602,357	\$ 1,917,187	0.8 %
Mandatory Transfers	8,672,117	10,637,146	10,637,146	-	-
Non-Mandatory Transfers	14,211,869	(5,564,473)	(6,691,964)	(1,127,491)	(20.3) %
Total Expenditures & Transfers	<u>\$ 248,656,803</u>	<u>\$ 252,757,843</u>	<u>\$ 253,547,539</u>	<u>\$ 789,696</u>	<u>0.3 %</u>
Fund Balance Addition/(Reduction)	<u>\$ 369,856</u>				

Knoxville
FY 2024-25 Revised Budget
 Unrestricted Current Funds Revenues, Expenditures, and Transfers

	FY 2023-24 Actual	FY 2024-25 Original	FY 2024-25 Revised	Change	
				Original to Revised Amount	%
EDUCATIONAL AND GENERAL					
Revenues					
Tuition & Fees	\$ 740,167,236	\$ 795,130,982	\$ 795,544,550	\$ 413,568	0.1 %
State Appropriations	469,550,422	496,427,322	492,758,422	(3,668,900)	(0.7) %
Grants & Contracts	51,968,517	45,325,208	47,144,925	1,819,717	4.0 %
Sales & Service	50,000,799	46,361,595	46,403,818	42,223	0.1 %
Other Sources	26,973,628	29,237,494	30,998,186	1,760,692	6.0 %
Total Revenues	\$ 1,338,660,602	\$ 1,412,482,601	\$ 1,412,849,901	\$ 367,300	- %
Expenditures and Transfers					
Instruction	\$ 373,803,797	\$ 422,770,744	\$ 423,056,206	\$ 285,462	0.1 %
Research	162,811,736	138,438,214	173,616,140	35,177,926	25.4 %
Public Service	82,195,451	93,312,249	94,846,792	1,534,543	1.6 %
Academic Support	145,565,768	196,274,652	190,226,251	(6,048,401)	(3.1) %
Student Services	84,127,663	83,472,038	83,975,740	503,702	0.6 %
Institutional Support	97,370,676	107,347,419	107,187,895	(159,524)	(0.1) %
Operation & Maintenance of Plant	120,000,451	112,722,185	116,121,672	3,399,487	3.0 %
Scholarships & Fellowships	145,699,724	163,560,001	164,563,461	1,003,460	0.6 %
Subtotal Expenditures	\$ 1,211,575,265	\$ 1,317,897,502	\$ 1,353,594,157	\$ 35,696,655	2.7 %
Mandatory Transfers	10,969,134	16,831,334	16,831,334		
Non-Mandatory Transfers	103,452,542	77,753,765	42,424,410	(35,329,355)	(45.4) %
Total Expenditures & Transfers	\$ 1,325,996,941	\$ 1,412,482,601	\$ 1,412,849,901	\$ (35,329,355)	- %
Fund Balance Addition/(Reduction)	\$ 12,663,661				
AUXILIARIES					
Revenues	\$ 348,021,964	\$ 360,489,203	\$ 360,323,034	\$ (166,169)	- %
Expenditures and Transfers					
Expenditures	299,732,462	341,293,675	343,592,984	2,299,309	0.7 %
Mandatory Transfers	41,664,440	41,179,873	40,535,257	(644,616)	(1.6) %
Non-Mandatory Transfers	6,212,538	(21,984,345)	(23,805,207)	(1,820,862)	(8.3) %
Total Expenditures & Transfers	\$ 347,609,440	\$ 360,489,203	\$ 360,323,034	\$ (166,169)	- %
Fund Balance Addition/(Reduction)	\$ 412,523				
TOTALS					
Revenues	\$ 1,686,682,566	\$ 1,772,971,804	\$ 1,773,172,935	\$ 201,131	- %
Expenditures and Transfers					
Expenditures	\$ 1,511,307,727	\$ 1,659,191,177	\$ 1,697,187,141	\$ 37,995,964	2.3 %
Mandatory Transfers	52,633,574	58,011,207	57,366,591	(644,616)	(1.1) %
Non-Mandatory Transfers	109,665,080	55,769,420	18,619,203	(37,150,217)	(66.6) %
Total Expenditures & Transfers	\$ 1,673,606,381	\$ 1,772,971,804	\$ 1,773,172,935	\$ 201,131	- %
Fund Balance Addition/(Reduction)	\$ 13,076,185				

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

Martin
FY 2024-25 Revised Budget
 Unrestricted Current Funds Revenues, Expenditures, and Transfers

	FY 2023-24 Actual	FY 2024-25 Original	FY 2024-25 Revised	Change	
				Original to Revised Amount	%
EDUCATIONAL AND GENERAL					
Revenues					
Tuition & Fees	\$ 65,661,948	\$ 66,602,241	\$ 69,063,683	\$ 2,461,442	3.7 %
State Appropriations	46,996,997	49,362,897	48,863,397	(499,500)	(1.0) %
Grants & Contracts	379,269	187,000	287,000	100,000	53.5 %
Sales & Service	4,588,360	4,160,106	4,194,989	34,883	0.8 %
Other Sources	640,956	603,541	603,541		
Total Revenues	<u>\$ 118,267,530</u>	<u>\$ 120,915,785</u>	<u>\$ 123,012,610</u>	<u>\$ 2,096,825</u>	<u>1.7 %</u>
Expenditures and Transfers					
Instruction	\$ 47,651,670	\$ 50,736,854	\$ 55,438,532	\$ 4,701,678	9.3 %
Research	61,701	91,052	104,144	13,092	14.4 %
Public Service	838,533	876,812	1,303,947	427,135	48.7 %
Academic Support	11,150,521	11,499,497	11,566,987	67,490	0.6 %
Student Services	17,330,053	16,200,758	16,773,056	572,298	3.5 %
Institutional Support	9,430,494	9,979,657	10,317,369	337,712	3.4 %
Operation & Maintenance of Plant	12,821,846	14,776,905	15,170,574	393,669	2.7 %
Scholarships & Fellowships	15,187,093	13,149,009	14,501,532	1,352,523	10.3 %
Subtotal Expenditures	<u>\$ 114,471,910</u>	<u>\$ 117,310,544</u>	<u>\$ 125,176,141</u>	<u>\$ 7,865,597</u>	<u>6.7 %</u>
Mandatory Transfers	101,392	101,392	101,392		
Non-Mandatory Transfers	3,778,826	3,503,849	(2,264,923)	(5,768,772)	(164.6) %
Total Expenditures & Transfers	<u>\$ 118,352,128</u>	<u>\$ 120,915,785</u>	<u>\$ 123,012,610</u>	<u>\$ 2,096,825</u>	<u>1.7 %</u>
Fund Balance Addition/(Reduction)	\$ (84,598)				
AUXILIARIES					
Revenues	\$ 16,722,419	\$ 11,605,195	\$ 11,605,195		
Expenditures and Transfers					
Expenditures	\$ 12,157,494	\$ 8,135,104	\$ 8,135,104		
Mandatory Transfers	2,450,096	2,444,227	2,444,227		
Non-Mandatory Transfers	1,526,620	1,025,864	1,025,864		
Total Expenditures & Transfers	<u>\$ 16,134,210</u>	<u>\$ 11,605,195</u>	<u>\$ 11,605,195</u>		
Fund Balance Addition/(Reduction)	\$ 588,210				
TOTALS					
Revenues	\$ 134,989,949	\$ 132,520,980	\$ 134,617,805	\$ 2,096,825	1.6 %
Expenditures and Transfers					
Expenditures	126,629,404	125,445,648	133,311,245	7,865,597	6.3 %
Mandatory Transfers	2,551,488	2,545,619	2,545,619		
Non-Mandatory Transfers	5,305,446	4,529,713	(1,239,059)	(5,768,772)	(127.4) %
Total Expenditures & Transfers	<u>\$ 134,486,338</u>	<u>\$ 132,520,980</u>	<u>\$ 134,617,805</u>	<u>\$ 2,096,825</u>	<u>1.6 %</u>
Fund Balance Addition/(Reduction)	\$ 503,612				

Southern
FY 2024-25 Revised Budget
 Unrestricted Current Funds Revenues, Expenditures, and Transfers

	FY 2023-24 Actual	FY 2024-25 Original	FY 2024-25 Revised	Change	
				Original to Revised Amount	%
EDUCATIONAL AND GENERAL					
Revenues					
Tuition & Fees	\$ 9,812,052	\$ 10,576,361	\$ 10,576,361		
State Appropriations	6,122,500	6,384,500	6,322,600	\$ (61,900)	(1.0) %
Grants & Contracts	56,575	1,600	1,600		
Sales & Service	249,183	71,500	114,225	42,725	59.8 %
Other Sources	1,104,370	373,000	373,000		
Total Revenues	\$ 17,344,679	\$ 17,406,961	\$ 17,387,786	\$ (19,175)	(0.1) %
Expenditures and Transfers					
Instruction	\$ 5,490,874	\$ 4,672,457	\$ 5,101,252	\$ 428,795	9.2 %
Research					
Public Service	26,571	57,602	57,197	(405)	(0.7) %
Academic Support	1,927,244	2,339,384	2,325,094	(14,290)	(0.6) %
Student Services	4,627,720	5,346,017	5,261,261	(84,756)	(1.6) %
Institutional Support	2,379,739	3,345,310	2,941,529	(403,781)	(12.1) %
Operation & Maintenance of Plant	1,936,614	1,816,298	1,766,198	(50,100)	(2.8) %
Scholarships & Fellowships	2,851,063	3,025,094	3,043,294	18,200	0.6 %
Subtotal Expenditures	\$ 19,239,824	\$ 20,602,162	\$ 20,495,825	\$ (106,337)	(0.5) %
Mandatory Transfers					
Non-Mandatory Transfers	(1,350,340)	(2,943,049)	(3,453,049)	(510,000)	(17.3) %
Total Expenditures & Transfers	\$ 17,889,484	\$ 17,659,113	\$ 17,042,776	\$ (616,337)	(3.5) %
Fund Balance Addition/(Reduction)	\$ (544,805)	\$ (252,152)	\$ 345,010		
AUXILIARIES					
Revenues	\$ 2,614,803	\$ 2,887,000	\$ 2,887,000		
Expenditures and Transfers					
Expenditures	1,970,834	2,407,223	2,424,385	17,162	0.7 %
Mandatory Transfers	75,313	408,000	408,000		
Non-Mandatory Transfers	567,280	69,113	34,789	(34,324)	(49.7) %
Total Expenditures & Transfers	\$ 2,613,427	\$ 2,884,336	\$ 2,867,174	\$ (17,162)	(0.6) %
Fund Balance Addition/(Reduction)	\$ 1,376	\$ 2,664	\$ 19,826		
TOTALS					
Revenues	\$ 19,959,482	\$ 20,293,961	\$ 20,274,786	\$ (19,175)	(0.1) %
Expenditures and Transfers					
Expenditures	\$ 21,210,659	\$ 23,009,385	\$ 22,920,210	\$ (89,175)	(0.4) %
Mandatory Transfers	75,313	408,000	408,000		
Non-Mandatory Transfers	(783,060)	(2,873,936)	(3,418,260)	(544,324)	(18.9) %
Total Expenditures & Transfers	\$ 20,502,912	\$ 20,543,449	\$ 19,909,950	\$ (633,499)	(3.1) %
Fund Balance Addition/(Reduction)	\$ (543,430)	\$ (249,488)	\$ 364,836		

Health Science Center FY 2024-25 Revised Budget

Unrestricted Current Funds Revenues, Expenditures, and Transfers

	FY 2023-24 Actual	FY 2024-25 Original	FY 2024-25 Revised	Change	
				Original to Revised Amount	%
EDUCATIONAL AND GENERAL					
Revenues					
Tuition & Fees	\$ 91,697,297	\$ 95,682,476	\$ 95,682,476		
State Appropriations	217,688,644	226,328,724	224,418,824	(1,909,900)	(0.8) %
Grants & Contracts	24,038,560	26,365,757	25,374,557	(991,200)	(3.8) %
Sales & Service	19,677,567	20,865,294	19,738,627	(1,126,667)	(5.4) %
Other Sources	988,385	1,009,930	1,010,329	399	- %
Total Revenues	\$ 354,090,453	\$ 370,252,181	\$ 366,224,813	\$ (4,027,368)	(1.1) %
Expenditures and Transfers					
Instruction	\$ 127,794,641	\$ 154,999,111	\$ 158,545,837	\$ 3,546,726	2.3 %
Research	27,624,420	14,409,788	42,023,617	27,613,829	191.6 %
Public Service	145,160	402,151	1,226,999	824,848	205.1 %
Academic Support	70,856,691	67,724,166	75,877,505	8,153,339	12.0 %
Student Services	8,054,702	8,422,739	8,748,033	325,294	3.9 %
Institutional Support	40,621,129	45,987,240	41,514,619	(4,472,621)	(9.7) %
Operation & Maintenance of Plant	38,958,240	57,137,095	56,426,684	(710,411)	(1.2) %
Scholarships & Fellowships	6,225,241	8,660,446	9,252,450	592,004	6.8 %
Subtotal Expenditures	\$ 320,280,225	\$ 357,742,736	\$ 393,615,744	\$ 35,873,008	10.0 %
Mandatory Transfers	6,054,265	6,788,729	6,788,729		
Non-Mandatory Transfers	22,786,779	5,720,716	(34,179,660)	(39,896,376)	(697.4) %
Total Expenditures & Transfers	\$ 349,121,269	\$ 370,252,181	\$ 366,224,813	\$ (4,023,368)	(1.1) %
Fund Balance Addition/(Reduction)	\$ 4,969,184				
AUXILIARIES					
Revenues	\$ 3,426,992	\$ 4,125,312	\$ 4,151,808	\$ 26,496	0.6
Expenditures and Transfers					
Expenditures	3,477,106	3,861,839	3,888,335	\$ 26,496	0.7
Mandatory Transfers	200,327	370,500	370,500		
Non-Mandatory Transfers	(22,321)	(107,027)	(107,027)		
Total Expenditures & Transfers	\$ 3,655,112	\$ 4,125,312	\$ 4,151,808	\$ 26,496	0.6
Fund Balance Addition/(Reduction)	\$ (228,120)				
TOTALS					
Revenues	\$ 357,517,445	\$ 374,377,493	\$ 370,376,621	\$ (4,000,872)	(1.1) %
Expenditures and Transfers					
Expenditures	\$ 323,757,330	\$ 361,604,575	\$ 397,504,079	\$ 35,899,504	9.9 %
Mandatory Transfers	6,254,592	7,159,229	7,159,229		
Non-Mandatory Transfers	22,764,458	5,613,689	(34,286,687)	(39,896,376)	(710.7) %
Total Expenditures & Transfers	\$ 352,776,380	\$ 374,377,493	\$ 370,376,621	\$ (3,996,872)	(1.1) %
Fund Balance Addition/(Reduction)	\$ 4,741,064				

Institute for Public Service FY 2024-25 Revised Budget

Unrestricted Current Funds Revenues, Expenditures, and Transfers

	FY 2023-24 Actual	FY 2024-25 Original	FY 2024-25 Revised	Change	
				Original to Revised Amount	%
EDUCATIONAL AND GENERAL					
Revenues					
Tuition & Fees					
State Appropriations	\$ 16,747,287	\$ 17,372,387	\$ 17,257,087	\$ (115,300)	(0.7) %
Grants & Contracts	858,579	1,207,060	1,273,724	66,664	5.5 %
Sales & Service					
Other Sources	14,311,435	14,875,859	14,887,159	11,300	0.1 %
Total Revenues	<u>\$ 31,917,301</u>	<u>\$ 33,455,306</u>	<u>\$ 33,417,970</u>	<u>\$ (37,336)</u>	<u>(0.1) %</u>
Expenditures and Transfers					
Instruction					
Research					
Public Service	\$ 28,368,683	\$ 30,968,426	\$ 30,931,969	\$ (36,457)	(0.1) %
Academic Support	261,221	371,801	378,592	6,791	1.8 %
Student Services					
Institutional Support	690,766	770,171	765,981	(4,190)	(0.5) %
Operation & Maintenance of Plant					
Scholarships & Fellowships					
Subtotal Expenditures	<u>\$ 29,320,670</u>	<u>\$ 32,110,398</u>	<u>\$ 32,076,542</u>	<u>\$ (33,856)</u>	<u>(0.1) %</u>
Mandatory Transfers					
Non-Mandatory Transfers	3,306,217	1,337,489	1,591,823	254,334	19.0 %
Total Expenditures & Transfers	<u>\$ 32,626,887</u>	<u>\$ 33,447,887</u>	<u>\$ 33,668,365</u>	<u>\$ 220,478</u>	<u>0.7 %</u>
Fund Balance Addition/(Reduction)	<u>\$ (709,586)</u>	<u>\$ 7,419</u>	<u>\$ (250,395)</u>		

Includes Municipal Technical Advisory Service, County Technical Advisory Service, Institute for Public Service, and Tennessee Language Center.

System Administration

FY 2024-25 Revised Budget

Unrestricted Current Funds Revenues, Expenditures, and Transfers

	FY 2023-24 Actual	FY 2024-25 Original	FY 2024-25 Revised	Change Original to Revised	
				Amount	%
EDUCATIONAL AND GENERAL					
Revenues					
Tuition & Fees					
State Appropriations	\$ 6,433,517	\$ 6,754,217	\$ 6,562,017	\$ (192,200)	(2.8) %
Grants & Contracts	181,869	100,000	100,000		
Sales & Service					
Other Sources	72,364,974	69,532,137	69,538,695	6,558	- %
Total Revenues	<u>\$ 78,980,361</u>	<u>\$ 76,386,354</u>	<u>\$ 76,200,712</u>	<u>\$ (185,642)</u>	<u>- %</u>
Expenditures and Transfers					
Instruction					
Research					
Public Service					
Academic Support					
Student Services					
Institutional Support	\$ 79,777,520	\$ 101,802,397	\$ 76,141,823	\$ (25,660,574)	(25.2) %
Operation & Maintenance of Plant	1,545,570	1,652,613	1,652,613		
Scholarships & Fellowships					
Subtotal Expenditures	<u>\$ 81,323,090</u>	<u>\$ 103,455,010</u>	<u>\$ 77,794,436</u>	<u>\$ (25,660,574)</u>	<u>(24.8) %</u>
Mandatory Transfers	118,542	118,000	118,000		
Non-Mandatory Transfers	2,543,483	(26,495,235)	1,241,881	27,737,116	104.7 %
Total Expenditures & Transfers	<u>\$ 83,985,115</u>	<u>\$ 77,077,775</u>	<u>\$ 79,154,317</u>	<u>\$ 2,076,542</u>	<u>2.7 %</u>
Fund Balance Addition/(Reduction)	<u>\$ (5,004,755)</u>	<u>\$ (691,421)</u>	<u>\$ (2,953,605)</u>		

University of Tennessee FY 2024-25 Revised Budget

Appendix: Accounting and Budget Terminology

Current Funds

Current funds are available to the university for use in achieving any of its authorized institutional purposes. They include revenues generated by or appropriated for current operations as well as carryovers from previous years set aside for current operations. These funds may be either unrestricted or restricted:

- **Unrestricted** – funds which the university retains full control of their use, or
- **Restricted** – funds which are externally restricted and may be used only in accordance with the purposes established by the provider

Current Fund Categories

There are two categories of current funds used by UT:

- **Educational and General** – consists of all core functions of the university necessary to support the teaching, research, and public service missions of the university
- **Auxiliary Enterprises** – self-supporting enterprises which furnish services to students, faculty, and staff. Examples include housing, bookstores, food service, and UT Knoxville Men's Athletics.

Current Fund Revenue Sources

- **Tuition and Fees** – funds collected from students for educational purposes
- **Appropriations** – primarily funding received from the State of Tennessee to support current operations of the university. Appropriations may also be received from the federal government and from local (city and county) governments.
- **Grants and Contracts** – funds received from governmental (federal, state, local) or non-governmental (private organizations or individuals) entities resulting from grants or contracts entered to furnish goods or services.
- **Sales and Services of Educational Activities** – revenues from the sale of goods or services related to educational activities. Examples include the sale of literary publications, testing services, the sale of agricultural products, theater revenues, clinical services, and band and sports camps.
- **Other Revenues** – revenues not included in the above classifications. Includes gifts from private organizations or individuals' investment income, income from endowments (funds which principal must be maintained inviolate but which interest income may be expended) not dedicated to a specific expenditure, miscellaneous rentals and sales, and conference revenues.

Accounting and Budget Terminology (continued)

University of Tennessee FY 2024-25 Revised Budget

Functional Area Expenditure Categories

- **Instruction** – expenses for activities that are part of an institution’s instruction program. Expenses for credit and noncredit courses; academic, vocational, and technical instruction; and regular, special, and extension sessions should be included.
- **Research** – expenses for activities specifically organized to produce research, whether commissioned by an agency external to the institution or separately budgeted by an organizational unit within the institution.
- **Public Service** – expenses for activities established primarily to provide non instructional services beneficial to individuals and groups external to the institution. Such activities include community service programs and cooperative extension services.
- **Academic Support** – expenses to provide support for the university’s primary mission of instruction, research, and public service; includes libraries, academic computing support, museums, and academic administration.
- **Student Services** – expenses incurred for offices of admissions and the registrar and activities with the primary purpose of contributing to students’ emotional and physical well-being and intellectual, cultural, and social development outside the context of the formal instruction program. It includes expenses for student activities, cultural events, student newspapers, intramural athletics, student organizations, intercollegiate athletics (if the program is not operated as an auxiliary enterprise), counseling and career guidance (excluding informal academic counseling by the faculty), student aid administration, and student health service (if not operated as an auxiliary enterprise).
- **Institutional Support** – expenses related to executive management, fiscal operations, legal services, personnel services, administrative computing, and contractual payments to the UT Foundation, Inc. for the provision of alumni and development programs.
- **Operation and Maintenance of Physical Plant** – expenses for the operation and maintenance of buildings and grounds, utilities, custodial services, and campus security.
- **Scholarships and Fellowships** – expenses for aid to students in the form of monetary grants resulting from selection by the institution or from an entitlement program.

Transfers

- **Mandatory** – transfers from current funds to another fund group arising from a legal binding agreement, primarily the retirement of debt obligations for buildings.
- **Non-mandatory** – transfers from current funds to another fund group made at the discretion of the university. Examples include the setting aside of funds for the renewal or replacement of equipment, funding institutional match requirements for construction projects, and building long term reserves for future contingencies.

Accounting and Budget Terminology (continued)

University of Tennessee FY 2024-25 Revised Budget

Natural Classification Expenditure Categories

Expenditure categories reflecting type of good or service: salaries, fringe benefits, non-personnel operating expense, equipment, scholarships, fellowships, utilities, supplies, and contractual services.

Unrestricted Net Assets

Funds designated or reserved for specific purposes such as working capital, revolving funds, encumbrances, and reappropriations. A portion of these funds are maintained as unallocated funds at a level that falls within a certain percent range of total expenditures and transfers.

- **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** – 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** – funds 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** – 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 expenditures. The unallocated reserve for E&G operations is limited to 2% to 5% of total expenditures and transfers; the auxiliary target range is 3% to 5% of expenditures and transfers.

***The University of Tennessee
FY 2024-25 Revised Budget Document***

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System Budget Analysis and Planning Office

Ron Loewen, Associate Vice President
Jennifer Easley, Budget Director & Chief Business Officer
John Bodin-Henderson, Senior Budget Analyst
Ruth Dray, Financial Analyst II
Stephanie Jinkins, Business Manager

We gratefully acknowledge the effort and cooperation of the campus and unit budget staff and the IRIS staff who contribute to the preparation of the University budget.

Knoxville, Space Institute, and Institute of Agriculture

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Kim McCulloch, Associate Vice Chancellor Finance and Administration
James Price, Assistant Vice Chancellor – Financial Services
Keith Thomas, Assistant Vice Chancellor – Budget, Planning & Analysis
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Matt Ward, Budget and HR Coordinator
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Teresa Winters, Financial Co-team Leader



THE UNIVERSITY OF TENNESSEE BOARD OF TRUSTEES

3

AGENDA ITEM SUMMARY

Meeting Date: February 28, 2025

Committee: Finance and Administration

Item: **Proposed FY 2025-26 Tuition Levels, UTHSC**

Type: Action

Presenter: David Miller, Senior Vice President and Chief Financial Officer

Background Information

As standard with its regular practice, the UT Health Science Center (UTHSC) is presenting its proposed FY 2025-26 tuition levels at this meeting. Although the academic year for the other campuses begins in the fall, UTHSC's academic year begins on July 1, 2025. As such, waiting until the June meeting of the Committee and the Board for tuition approval creates a challenge for the campus, which needs to have financial plans in place for UTHSC students before the academic year begins.

The proposed change includes increases to the maintenance fee (tuition) between \$167 and \$313 based upon the individual program as outlined in the table above. There are also increases in mandatory fees of \$49, which is comprised of a \$24 increase in the Student Activities Fee and a \$25 increase in the Campus Recreation Fee. These increases are needed to provide revenue to cover growth in the costs of providing learning infrastructure and to maintain the quality and effectiveness of these programs in the future. In our ongoing efforts to keep tuition and fees low and assure access and affordability, the UT Health Science Center has had very limited tuition increases over the past several years and no changes in mandatory fees over a period of several years.

In keeping with our commitment to the State of Tennessee to share the cost of annual operating increases, the first 1% tuition increase will be used to fund our (40%) share of annual operating increases. This amount will be calculated against the funding provided for such purposes by the State as part of the recommended formula. The current formula proposal calls for the University to match at a 60/40 distribution annual operating cost increases at the UT Health Science Center.

The increases in the Student Activities Fee will be directly used to cover the cost of existing and new student activity offerings. The Campus Recreation Fee will be used to maintain, replace and renew recreation and fitness equipment.



THE UNIVERSITY OF TENNESSEE BOARD OF TRUSTEES

Proposed Tuition & Mandatory Fees	2024-25	2025-26	Change	
In-State Bachelor of Science Dental Hygiene	\$10,432	\$10,745	\$313	3.0%
In-State Bachelor of Science Nursing (traditional)	\$8,847	\$9,023	\$176	2.0%
In-State Bachelor of Science Nursing (accelerated)	\$13,271	\$13,535	\$264	2.0%
In-State Bachelor Medical Technology	\$8,345	\$8,512	\$167	2.0%
Mandatory Fee	\$1,290	\$1,339	\$49	3.8%
***Combined Tuition and Mandatory Fee Increase, Dental Hygiene	\$11,722	\$12,084	\$362	3.1%

*** The Undergraduate program, Dental Hygiene is used to demonstrate the total increase in tuition and mandatory fee impact.

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 the FY 2025-26 tuition rates for the UT Health Science Center as presented in the meeting materials, which shall be attached to this resolution following adoption.



THE UNIVERSITY OF
TENNESSEE
HEALTH SCIENCE CENTER.

AY 25-26 Tuition and Mandatory Fees Proposal

Board of Trustees

Raaj Kurapati, Executive Vice Chancellor and COO

Tuition Recommendation – Multiple considerations

- UT Board of Trustees expectations of peer comparisons and concern to minimize student impact
- Overall student support and satisfaction data (investments needed based on student survey responses)
- Cost of living and economic trends, including the commitment to share the burden as part of the proposed formula for funding operating costs increases.
- Prior and anticipated legislative support
- Overall budget management and financial trajectory at UT Health Science Center, including anticipated investments in facilities and related financial commitments
- Change management at UT Health Science Center

Tuition Proposal Methodology

Shifted our tuition strategy to a program-by-program tuition evaluation/approach vs the across-the-board increases

- Evaluated each college/program with peers and competitors based on quantitative AND qualitative factors, including:
 - Current tuition rates as compared to Tennessee and national peers
 - Program rankings as compared to Tennessee and national peers
 - An analysis of aspirational peers' rankings tuition rates/structures
- Utilized THEC's proposed planning range (0-4%) to evaluate each program against peers/competitors (Tennessee and National) AY24-25 tuition rates
- Met with Deans of each college to evaluate and determine whether a rate increase is appropriate and, if so, the specific rate increase for each specific program within the college, further differentiated between in-state and out-of-state
- Established an international student tuition rate equivalent to at least 200% of in-state rate or up to 250% of in-state rate

Tuition Proposal, Continued...

The tuition proposal outlined further in this document was reviewed by the Planning and Budget Council and unanimously approved on January 22, 2025.

Use of Funds:

- In keeping with our commitment to the State of Tennessee to share the cost of annual operating increases, the first 1% of tuition increase will be used to fund our (40%) share of annual operating increases. This amount will be calculated against the funding provided for such purposes by the State as part of the recommended formula. The current formula proposal calls for the University to match at a 60/40 (UTHSC) distribution annual operating cost increases at the Health Science Center.
- Net revenue realized after the operating cost increase commitment has been met will be held to fund institutional priorities, including current and future debt service commitments, that will be vetted through the annual budget process overseen by the Planning and Budget Council (PBC).
- Decisions on any budget allocations approved by the PBC will be incorporated into the FY26 budget which will be presented to the Advisory Board in May 2025.

Tuition Strategy Approach

Proposed International Rates

- International rates are strategically set on a factor of the in-state rates. The base international tuition rate is set at minimum of 200% of the In-State rate, with the option to increase it to up to 250% of the In-State rate for select programs.

Bachelor of Audiology & Speech Pathology

- This is a joint degree with UT Knoxville (UTK). UT Health Science Center teaches the fourth year of the Bachelor's program and charges the UTK tuition rate.

Undergraduate, Graduate, and Professional Programs Tuition Evaluation

- Each of these were evaluated per program against peers.

Example: Nursing Undergraduate Comparison with Board Approved Peers

		Board approved Peers - '24/25																					
Rank		39		Rank		74 tie		Rank		74 tie		Rank		19		Rank		74 tie		Rank		74 tie	
UTHSC Proposed				Oklahoma		UT- HSC - San Antonio		Texas Tech		Nebraska		Arkansas		LSU									
	In-State	Out-of-State		In-State	Out-of-State	In-State	Out-of-State	In-State	Out-of-State	In-State	Out-of-State	In-State	Out-of-State	In-State	Out-of-State	In-State	Out-of-State	In-State	Out-of-State	In-State	Out-of-State	In-State	Out-of-State
BSN Accelerated	\$ 13,535	\$ 38,198		\$ 8,962	\$ 37,745	\$ 14,240	\$ 45,012	\$ 13,346	\$ 37,946	\$ 15,264	\$ 41,076	\$ 13,320	\$ 23,220	\$ 8,495	\$ 18,668								
BSN Traditional	\$ 9,023	\$ 25,465		\$ 5,540	\$ 23,328	\$ 10,033	\$ 31,713	\$ 6,674	\$ 18,973	\$ 10,176	\$ 27,384	\$ 8,016	\$ 15,480	\$ 7,020	\$ 15,495								
	2% Increase	0% Increase																					
BSN Accelerated	Median - Board Approved Peers			\$ 13,333	\$ 37,846																		
BSN Traditional	Median - Board Approved Peers			\$ 7,518	\$ 21,151																		

Example: Nursing Undergraduate Comparison with Direct Competitors

	UTHSC Proposed		Direct Competitors '24/25												
	In-State	Out-of-State	Memphis		ETSU		UT - Knoxville		UT- Chattanooga		UT - Martin		UAB		
			In-State	Out-of-State	In-State	Out-of-State	In-State	Out-of-State	In-State	Out-of-Std	In-State	Out-of-State	In-State	Out-of-State	
BSN Accelerated	\$ 13,535	\$ 38,198	\$ 9,233	\$ 29,648	\$ 11,988	\$ 16,848	\$ 17,340	\$ 46,056							
BSN Traditional	\$ 9,023	\$ 25,465	\$ 8,856	\$ 16,890	\$ 7,992	\$ 11,232	\$ 11,560	\$ 30,704	\$ 8,458	\$ 16,522	\$ 8,802	\$ 14,842	\$ 10,680	\$ 26,592	
	2% Increase	0% Increase													
			In-State	Out-of-State											
BSN Accelerated		Median of Comp.	\$ 11,988	\$ 29,648											
BSN Traditional		Median of Comp.	\$ 8,829	\$ 16,706											

Example: Pharmacy Comparison with Board Approved Peers

		<i>Board Approved Peers - '24/25 Tuition Rates</i>													
		Rank	19 - tie	Rank	31 - tie	Rank	NA	Rank	44	Rank	19 - tie	Rank	31 - tie	Rank	NA
		UTHSC Proposed '25/26		Oklahoma		UT- HSC - San Antonio		Texas Tech		Nebraska		Arkansas		LSU	
		In-State	Out-of-State	In-State	Out-of-State	In-State	Out-of-State	In-State	Out-of-State	In-State	Out-of-State	In-State	Out-of-State	In-State	Out-of-State
Pharm D		\$ 24,299	\$ 29,734	\$ 17,040	\$ 37,436	NA	NA	\$ 15,346	\$ 31,528	\$ 27,792	\$ 27,792	\$ 20,856	\$ 41,712	NA	NA
		4% increase	4% Increase												
Pharm D	Median - Board Approved Peers	\$ 18,948	\$ 32,614												

Example: Pharmacy Comparison with Competitors in Tennessee

		<i>Direct Competition '24/25</i>											
		Rank	19 - tie	Rank 86		Rank 69		Rank 95		Rank 136		Rank 99	
		UTHSC Proposed ' 25/26		Belmont		ETSU		Libscomp		South College		Union	
		In-State	Out-of-State	In-State	Out-of-State	In-State	Out-of-State	In-State	Out-of-State	In-State	Out-of-State	In-State	Out-of-State
Pharm D		\$ 24,299	\$ 29,734	\$ 42,720	\$ 42,720	\$ 27,000	\$ 33,000	\$ 39,938	\$ 39,938	\$ 47,900	\$ 47,900	\$ 41,184	\$ 41,184
		4% increase	4% Increase										
Pharm D	Median - In-state Competition			\$ 41,184	\$ 41,184								

Tuition Change Summary In-State

	FY 2024-25	FY 2025-26	CHANGE	
			Amount	Percent
IN-STATE				
Graduate Health Sciences				
All GH programs except Pharmacology	\$11,379	\$11,834	\$455	4%
MS Pharmacology	\$17,454	\$17,803	\$349	2%
Medicine				
Doctor of Medicine	\$36,101	\$36,823	\$722	2%
Physician Assistant	\$23,943	\$24,421	\$478	2%
Dentistry				
General DDS	\$31,738	\$32,690	\$952	3%
Dental Hygiene Bachelor of Science	\$10,432	\$10,745	\$313	3%
Pharmacy				
	\$23,364	\$24,299	\$935	4%
Nursing				
Bachelors -- Traditional	\$8,847	\$9,023	\$176	2%
Bachelors -- Accelerated	\$13,271	\$13,535	\$264	2%
Graduate -- DNP - CRNA	\$19,528	\$19,723	\$195	1%
Graduate -- DNP	\$12,206	\$12,206	\$ -	0%
Health Professions				
Bachelor of Science				
Medical Laboratory Science	\$8,345	\$8,512	\$167	2%
Audiology & Speech Pathology *	----	----	----	----
Masters in Cytopathology Practice	\$10,339	\$10,546	\$207	2%
DPT / MOT / MHSPA	\$14,429	\$14,718	\$289	2%
Dr. Audiology / MS Speech Path	\$19,656	\$20,049	\$393	2%
MS Clin Lab Sciences	\$10,516	\$10,726	\$210	2%

Tuition Change Summary Out-of-State

	FY 2024-25	FY 2025-26	CHANGE	
			Amount	Percent
OUT-OF-STATE				
Graduate Health Sciences				
All GH programs except Pharmacology	\$17,277	\$17,968	\$691	4%
MS Pharmacology	\$26,258	\$27,308	\$1,050	4%
Medicine				
Doctor of Medicine	\$54,152	\$56,318	\$2,166	4%
Physician Assistant	\$40,693	\$42,322	\$1,629	4%
Dentistry				
General DDS	\$72,221	\$74,388	\$2,167	3%
Dental Hygiene Bachelor of Science	\$20,864	\$21,490	\$626	3%
Pharmacy				
	\$28,590	\$29,734	\$1,144	4%
Nursing				
Bachelors -- Traditional	\$25,715	\$25,715	\$-	0%
Bachelors -- Accelerated	\$38,571	\$38,571	\$-	0%
Graduate -- DNP - CRNA	\$45,474	\$45,474	\$-	0%
Graduate -- DNP	\$13,150	\$13,282	\$132	1%
Health Professions				
Bachelor of Science				
Medical Laboratory Science	\$12,533	\$13,034	\$501	4%
Audiology & Speech Pathology *	----	----	----	----
Masters in Cytopathology Practice	\$15,040	\$15,642	\$602	4%
DPT / MOT / MHSPA	\$33,208	\$34,536	\$1,328	4%
Dr. Audiology / MS Speech Path	\$45,323	\$47,136	\$1,813	4%
MS Clin Lab Sciences	\$15,040	\$15,642	\$602	4%

Tuition Change Summary

International

	FY 2024-25	FY 2025-26	CHANGE	
			Amount	Percent
INTERNATIONAL				
Graduate Health Sciences				
All GH Sciences except Pharmacology		\$23,668	\$23,668	NEW
MS Pharmacology		\$35,606	\$35,606	NEW
Medicine				
Physician Assistant		\$48,842	\$48,842	NEW
Dentistry				
General DDS		\$81,725	\$81,725	NEW
Dental Hygiene Bachelor of Science		\$21,490	\$21,490	NEW
Pharmacy				
		\$48,597	\$48,597	NEW
Nursing				
Bachelors -- Traditional		\$25,715	\$25,715	NEW
Bachelors -- Accelerated		\$38,571	\$38,571	NEW
Graduate -- DNP - CRNA		\$49,308	\$49,308	NEW
Graduate -- DNP		\$24,412	\$24,412	NEW
Health Professions				
<u>Bachelor of Science</u>				
Medical Laboratory Science		\$17,024	\$17,024	NEW
Audiology & Speech Pathology *		----	----	----
Masters in Cytopathology Practice		\$21,092	\$21,092	NEW
DPT / MOT / MHSPA		\$36,794	\$36,794	NEW
Dr. Audiology / MS Speech Path		\$50,123	\$50,123	NEW
MS Clin Lab Sciences		\$21,092	\$21,092	NEW

Mandatory Fee Adjustments

Student Activities Fee

- The Student Activity Fee provides funding for student social activities to support belonging, wellness, and a sense of connection to UTHSC. This fee has not been increased or adjusted since at least 2010.
- Additional funding is necessary to offer students in-demand activities and to align with practices at peer-institutions.
- Costs of operating current, ongoing student activities have increased since the last Student Activities Fee Increase
- We are proposing a \$24 fee increase per student, which will be used solely for funding current and new student activities.

Mandatory Fee Adjustments

Campus Recreation Fee

- The Campus Recreation fee provided fund to cover costs associated with maintenance and improvement of Campus Recreation facilities, including the weight and cardio room, gym, and athletic fields. This fee also covers costs associated with fitness activities. This fee has not been increased or adjusted since 2010.
- The costs associated with operating Campus Recreation have increased substantially over the last 10 years. Equipment replacement is necessary to ensure equipment is safe and usable. This fee adjustment will assist with aligning equipment replacement costs with fee revenue.
- We are proposing a \$25 fee increase per student, which will be used solely for funding recreational equipment replacements and upgrades.

Tuition and Mandatory Fee Adjustments

Proposed Tuition & Mandatory Fees	2024-25	2025-26	Change	
In-State Bachelor of Science Dental Hygiene	\$10,432	\$10,745	\$313	3.0%
In-State Bachelor of Science Nursing (traditional)	\$8,847	\$9,023	\$176	2.0%
In-State Bachelor of Science Nursing (accelerated)	\$13,271	\$13,535	\$264	2.0%
In-State Bachelor Medical Technology	\$8,345	\$8,512	\$167	2.0%
Mandatory Fee	\$1,290	\$1,339	\$49	3.8%
*** Combined Tuition and Mandatory Fee Increase, Dental Hygiene	\$11,722	\$12,084	\$362	\$3.1%

*** The Undergraduate program, Dental Hygiene is used to demonstrate the total increase in tuition and mandatory fee impact.

FY 2025-26 UNIVERSITY OF TENNESSEE HEALTH SCIENCE CENTER TUITION AND FEE PROPOSAL

PUBLIC COMMENTS

In preparation for the Winter Meeting of the Board – and in accordance with Tennessee Code Annotated §49-7-1603 – the University requested feedback from the public on the proposed increases to in-state, undergraduate tuition and mandatory fees. The public was invited to submit comments during a 15-day period from February 7 through February 21, 2025. Comments could be submitted online, by email, or by phone.

During that period, a total of 4 unique individuals submitted online comments.

Constituencies Represented*	
Alumni	2
Faculty/ Staff	1
Parent	
Student (Undergraduate/Graduate)	
Other	1
Total	4

() Respondents self-selected their constituency status. Certain respondents may fall within more than one classification (e.g., faculty/alumni, parent/staff, etc.). For the purposes of this report, respondents have been shown in one category only.*

The actual comments appear below. The comments were recorded chronologically. Please note that the comments appear verbatim and have not been corrected for spelling or grammatical errors.

UNIVERSITY OF TENNESSEE HEALTH SCIENCE CENTER

#1	Tennessee Resident	Faculty	<i>Submitted: 2/7/2025 9:14 AM</i>
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In a state which is already facing a severe nursing shortage, increasing the cost to get a nursing degree might prove disastrous. Instead of increasing tuition fees, we should be cutting down on unnecessary bureaucracy and spending (like changes in computer systems that have worked terribly)

#2	Tennessee Resident	Alumni	<i>Submitted: 2/7/2025 9:47 AM</i>
----	--------------------	--------	------------------------------------

Tennessee is already a low income state. Increasing tuition and fees makes seeking higher education near impossible for low income families and students. Students have already been forced to pay hundreds more for parking passes. By increasing tuition and fees, UT is preventing those of lower income from attending their university. This will lead to only wealthy people being able to afford to attend, further pushing the wealth and education gap. If UT does decide to increase tuition and fees, they are doing so out of pure greed. UT should be ashamed.

#3	Tennessee Resident	Alumni	<i>Submitted: 2/7/2025 10:55 AM</i>
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With all of the funding impacts from the new administration, so many students will be impacted by this choice. I don't think now is the best time to increase tuition when so many student might not be able to afford to go anymore because of the federal funding impacts.

#4	Non-Tennessee Resident	Other (Student)	<i>Submitted: 2/11/2025 1:29 PM</i>
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I am amazed with the processes of this project



THE UNIVERSITY OF TENNESSEE BOARD OF TRUSTEES

AGENDA ITEM SUMMARY

Meeting Date:	February 28, 2025
Committee:	Finance and Administration
Item:	Increase of Administrative Fee - Consolidated Investment Pool
Type:	Action
Presenter(s):	David L. Miller, Senior Vice President and Chief Financial Officer; Kerry Witcher, Vice President for Development and Alumni Affairs; President and CEO of the UT Foundation, Inc.

Background Information

In 2011, the UT Foundation, Inc. (UTFI) formed under its current structure. Since 2011, UTFI has made only one change to its funding model. In 2020, UTFI implemented a gift assessment fee, which brought UTFI in line with industry peers. UTFI leadership has evaluated its current funding model and believes that a modification to the administrative fee assessed against the consolidated investment pool (CIP) will enable UTFI to maximize fundraising opportunities.

In 2024, UTFI engaged Marts and Lundy, a globally recognized professional services firm. Marts and Lundy conducted a thorough review of UTFI's readiness of the advancement divisions at UT Knoxville and UT Health Science Center (the other campuses opted not to participate in the study). Part of their review involved benchmarking against peers. UTK and UTHSC were 36% and 21%, respectively, below cohort averages in advancement resources and well below peers regarding fundraising staff.

A summary of UTFI's FY25 budget revenue sources, by percentage of total budget, is outlined below:

Direct university support	35%
Endowment Administrative fee (100 basis points)	23%
Investment earnings	14%
Gift assessment	3%
Other revenue	25%



THE UNIVERSITY OF TENNESSEE BOARD OF TRUSTEES

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Currently, the administrative fee charged to the consolidated investment pool (CIP) equals one percent (1%) of the CIP's three-year rolling average market value at calendar year-end. UTFI seeks the Board's approval to increase the administrative fee from 1% to 1.25%. Benchmarking information is attached to this summary.

Based on FY25 values, a 25 basis-points increase would yield approximately \$3.5 million of budget revenue. This increase will allow UTFI to hire more fundraisers and administrative support staff. Annually, UTFI's new endowment fundraising ranges from \$60 - \$70 million. Based on Marts and Lundy's findings, UTFI anticipates being able to increase endowment giving by \$20 - \$30 million each year, bringing the projected total annual endowment revenue to \$90 million.

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 administrative fee assessed against the University's consolidated investment pool (CIP) from 1% to 1.25%.

Further, the Board Secretary is authorized to amend the Board's Statement of Investment Policy to reflect the approved administrative fee increase. Additionally, the Board Chair and proper University officers are authorized to amend the affiliation agreement with The University of Tennessee Foundation, Inc., as may be necessary to reflect the change in the administrative fee.

Summary of SEC Institutions

Tables 1 & 2

- UT is currently below the average “Fee” level of the SEC institutions, excluding those without a fee (1.0% vs 1.10%) and above the average spend level (4.50% vs 4.27%) **Table 1**
- Moving the “Fee” from 1.0% to 1.25% will create a combined “Total” of 5.75%, below Texas A&M. **Table 2**
- The last changes to the “Fee” and “Spend” rates occurred in February 2011. The “Spend” rate was lowered to 4.5% from 5.0% to accommodate an increase in the “Fee” rate from .5% to 1.0%.
- Annual “Spend” is calculated on seven-year rolling average. Transition to the seven-year average completed in FY 2019.

Institution	Fee	Spend	Total
Mississippi State	1.50%	4.00%	5.50%
Florida	1.35%	4.00%	5.35%
LSU	1.25%	4.00%	5.25%
Missouri	1.25%	4.00%	5.25%
South Carolina	1.25%	4.00%	5.25%
Texas A&M	1.25%	5.00%	6.25%
Texas-Austin	1.15%	4.55%	5.70%
Auburn	1.00%	4.00%	5.00%
Georgia	1.00%	4.00%	5.00%
Oklahoma	1.00%	4.50%	5.50%
Tennessee	1.00%	4.50%	5.50%
Kentucky	0.95%	4.40%	5.35%
Mississippi	0.80%	4.20%	5.00%
Arkansas	0.60%	4.40%	5.00%
Alabama	0.00%	4.50%	4.50%
Avg	1.10%	4.27%	5.29%

Return on Investment

- Increased fee will enable employment of additional gift officers to cultivate and solicit 156,000 households with major giving potential unassigned to fundraisers.
- Additional gift officers will propel overall endowment growth by increasing annual endowment giving from \$65 million to \$90 million or more on average. UTs endowment value ranks 11th among SEC public institutions.

Financial Considerations

- Seven-year rolling average “spend” calculation duration and low dependency of UTs budget on distributions enables an asset allocation to satisfy investment objectives and target return benchmarks.
- UT’s “effective distribution rate” (that is, the actual dollar-payout divided by market value) averages 4.30%, so the .25% increase would be partially offset by this. This is true of all institutions utilizing a backward-looking moving average.

Institution	Fee	Spend	Total
Texas A&M	1.25%	5.00%	6.25%
Tennessee	1.25%	4.50%	5.75%
Texas-Austin	1.15%	4.55%	5.70%
Mississippi State	1.50%	4.00%	5.50%
Oklahoma	1.00%	4.50%	5.50%
Florida	1.35%	4.00%	5.35%
Kentucky	0.95%	4.40%	5.35%
LSU	1.25%	4.00%	5.25%
Missouri	1.25%	4.00%	5.25%
South Carolina	1.25%	4.00%	5.25%
Auburn	1.00%	4.00%	5.00%
Georgia	1.00%	4.00%	5.00%
Mississippi	0.80%	4.20%	5.00%
Arkansas	0.60%	4.40%	5.00%
Alabama	0.00%	4.50%	4.50%
Avg	1.11%	4.27%	5.31%

\$ Breakdown of 1.0% Assessment by Fiscal Year:

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Gross 1.0% Assessment (\$)	\$9,769,431	\$10,831,030	\$11,224,277	\$12,264,762	\$12,976,715	\$13,955,944
Total Direct Univ. Investment Expenses	\$1,200,000	\$1,235,000	\$1,245,000	\$1,340,000	\$1,429,999	\$1,632,622
Net Support Distributed to UTFI:	\$8,569,431	\$9,596,030	\$9,979,277	\$10,924,762	\$11,546,716	\$12,323,322
YoY % Growth:	-	11.98%	3.99%	9.47%	5.69%	6.73%

Bps Breakdown of 1.0% Assessment by Fiscal Year:

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Gross 1.0% bps Assessment (bps)	100 bps	100 bps	100 bps	100 bps	100 bps	100 bps
Total Direct Univ. Investment Expenses	12.3 bps	11.4 bps	11.1 bps	10.9 bps	11.0 bps	11.7 bps
Net Support Distributed to UTFI:	87.7 bps	88.6 bps	88.9 bps	89.1 bps	89.0 bps	88.3 bps

Notes:

> UTFI switched to a rolling-average calculation in FY '22.



THE UNIVERSITY OF TENNESSEE BOARD OF TRUSTEES

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AGENDA ITEM SUMMARY

Meeting Date: February 28, 2025

Committee: Finance and Administration

Item: **FY 2025-26 State Budget Amendment Request**

Type: Action

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

Background Information

The administration is presenting additional revenue/institutionally-funded projects for FY 2025-26 as detailed on the attached schedule. Included in the schedule is a brief narrative description of the additional projects totaling \$304,044,000 as part of the meeting materials.

Campuses identified these projects during the last eleven (11) months (past the FY 2025-26 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 2025-26. As such, the administration has prepared the list for inclusion in the FY 2025-26 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.

{Resolution appears on the following page.}



THE UNIVERSITY OF TENNESSEE BOARD OF TRUSTEES

Resolved:

The Board of Trustees hereby:

1. Approves Amendment No. 1 to Revenue/Institutionally Funded Projects (FY 2025-26), 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 2025-26 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 2025-26 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 2025-26, 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 2025-26 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 to Revenue/Institutionally Funded Projects (FY2025-26)

	SPA	Project	Project Description	Project Cost	Funding Source							
					TSSBA	Gifts	Auxiliary	Gift In Place	Grant	Plant Funds	Other	
1	UTK	Parking Garage #2	Build a multi-story parking garage to hold up to 1,200 parked cars. The project includes demolishing 316,600 square feet of the existing parking garage and stabilizing the remaining portions.	\$ 79,044,000	\$ 79,044,000							
2	UTK	Parking Garage #3	Build a multi-story parking garage to hold up to 4,000 parked cars at the southeastern side of campus.	\$ 225,000,000	\$ 225,000,000							
Totals				\$ 304,044,000	\$ 304,044,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -



THE UNIVERSITY OF TENNESSEE BOARD OF TRUSTEES

5

AGENDA ITEM SUMMARY

Meeting Date: February 28, 2025

Committee: Finance and Administration

Item: Master Lease – 2200 Sutherland Avenue, Knoxville, TN (UTK)

Type: Action

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

Background Information

The University proposes to enter into a master lease with TUFF 2000 Sutherland Avenue, LLC (the “Landlord”), for the benefit of the UT Knoxville campus, for real property located at 2200 Sutherland Avenue, Knoxville TN (commonly known as Cherokee Mills). The real property consists of a building with 192,117 rentable square feet (the “Building”) and approximately 9.40 acres of land (the “Land”). The Building and Land are collectively referred to herein as the “Property.”

UT Knoxville currently occupies 53,285 square feet of the Building. The master lease will replace existing University leases and will require the University to lease the remaining 138,832 square feet as existing third-party leases terminate. The complex is 1.6 miles from the main UT Knoxville campus and lies within the boundary of the current Master Plan. This space will house functions that are expected to be disrupted due to construction on the UT Knoxville campus and growing operational needs. In the longer term, this additional space may meet a multitude of needs including administrative space and a new childcare center.

The proposed master lease provides for an initial ten-year term, with two 10-year renewal options. The aggregate rental expense for the initial term is anticipated to be approximately \$41,400,000, and the aggregate rental expense for a full 30 years is anticipated to be approximately \$194,100,000. Should the University exercise both renewal terms, the University has the option to acquire the Property in fee simple from the Landlord for the purchase price of \$1.00 at the conclusion of the final renewal term. The University also has a right of first refusal and an early purchase option to acquire the Property. More information regarding the proposed lease, including the primary business and legal terms, is set forth in Appendix 1 attached hereto.

Committee Action

The Committee Chair will call for a motion to recommend the 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 the University entering into a master lease with TUFF 2200 Sutherland Avenue, LLC (“Landlord”), for the benefit of its UT Knoxville campus, consistent with the key lease terms presented in the meeting materials. A copy of Appendix 1 shall be attached to this resolution.

The Senior Vice President and Chief Financial Officer is hereby authorized to: (i) finalize the lease agreement and 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; and (ii) enter into negotiations to seek to acquire the Property as soon as practicable.

Further, the proper officers of the University 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.

Appendix 1**Master Lease – 2200 Sutherland Avenue, Knoxville, TN**

I. Overview	
1. Master Lease	<p>The University proposes to enter into a master lease with TUFF 2000 Sutherland Avenue, LLC (the “Landlord”), for the benefit of the UT Knoxville campus, for real property located at 2200 Sutherland Avenue, Knoxville TN (commonly known as Cherokee Mills).</p> <p>The University desires to ultimately occupy the entire Building for educational, operational, research, and technology uses.</p>
II. Master Lease Terms	
1. Landlord	TUFF 2000 Sutherland Avenue, LLC, an affiliated entity of The University Financing Foundation, Inc. (TUFF). TUFF is a developer of educational and research facilities focused on higher education.
2. Property	The real property consists of a building with 192,117 rentable square feet (the “Building”) and approximately 9.40 acres of land (the “Land”). A map is attached hereto.
3. Leased Premises	The University currently occupies 53,285 square feet of space. Under the Master Lease, the University will lease the remaining 138,832 square feet of the Building as third-party leases terminate.
4. Initial Term	Initial term of 10 years, commencing upon receipt of final state approvals (“Initial Term”).
5. Renewal Terms	Two, 10-year renewal options. If both renewal terms are exercised, the lease term will be for a maximum of thirty (30) years.
6. Base Rent	<p>The University will pay a base rent rate of \$8.25/square foot (“Base Rent”), with a fixed annual increase of two and one-half percent (2.5%) during the term of the lease.</p> <p>If the University fully occupies the Building beginning in Year 1, the Base Rent would equal approximately \$17,756,971 during the Initial Term. Should the University exercise both Renewal Terms, the aggregate Base Rent would be approximately \$69,584,259 over the entire 30-year lease term.</p>
7. Additional Rent	<p>In addition to the Base Rent to be paid, the University shall pay its proportionate share of operating expenses (including utilities, maintenance expenses, real estate taxes, insurance, etc.). The estimated Additional Rent for the first year of the lease term is \$9.75/square foot. The Additional Rent is subject to an annual escalation cap of five percent (5%), except for third party charges that are outside the control of the Landlord (e.g., utility costs and taxes). Each year the Additional Rent shall be subject to review and adjustment to reflect actual costs.</p> <p>If the University fully occupies the Building beginning in Year 1, the Additional Rent (assuming a full 5% annual escalation increase) would equal approximately \$23,560,163 over the Initial Term. Should the University exercise both Renewal Terms, the aggregate Additional Rent would be approximately \$124,449,313 over the entire 30-year lease term.</p>

Appendix 1**Master Lease – 2200 Sutherland Avenue, Knoxville, TN**

8. Rent Adjustment	In the event the Landlord qualifies for tax-exempt refinancing during the term of the lease or otherwise qualifies for financing that reduces the interest rate on Landlord's financing for the Property by 100 basis points or more, Landlord shall use commercially reasonable best efforts to refinance the indebtedness secured by the Property. If the Landlord refinances the indebtedness secured by the Property at any time during the term and such refinancing results in debt service savings, Landlord shall reduce the Rent due from the University in accordance with the debt service savings. Any such reduction in the Rent shall be documented in an amendment to the lease.
9. End of Term Acquisition Option	In the event the University exercises both Renewal Terms, the University shall have the option to acquire the Property in fee simple from the Landlord for the purchase price of \$1.00 at the conclusion of the final Renewal Term.
10. Right of First Refusal	From and after the commencement date and continuing until there are less than two (2) lease years remaining in the term, as the same may be extended, if Landlord shall receive a bona fide written letter of intent or contract from a third party to purchase the Property, which it desires to accept (an "Offer"), then Landlord shall promptly notify the University of such Offer, which notice shall include a true, correct and complete copy of the Offer, including, without limitation, the purchase price to be paid and the manner of payment for the purchase of the Property. The University shall have the right, to be exercised in writing within thirty (30) days after receipt of the notice of the Offer, to elect to purchase the Property upon the same terms and conditions contained in the Offer, in which event University and Landlord shall thereafter promptly enter into a purchase and sale agreement for the Property in accordance with the terms of the Offer.
11. Early Purchase Option	<p>At any time after the University occupies seventy-five percent (75%) or more of the total rentable square footage of the Building (including any square footage occupied by a third party for the University's benefit), provided that University is not in default, the University shall have the option to acquire the Property in fee simple from the Landlord for the purchase price equal to the sum of the following:</p> <ul style="list-style-type: none"> (i) the remaining Base Rent due under the lease through the end of both Renewal Terms (30 years from the commencement date) discounted by five and three-quarters percent (5.75%). For the purposes of calculating the Base Rent, the fixed annual increase shall only apply to the portion of Base Rent related to debt service and no annual increase percentage shall be applied to any portion of Base Rent related to Landlord fees, overhead, or other costs unrelated to debt service); (ii) all termination costs related to Landlord's indebtedness secured by the Property; and (iii) any unamortized capital costs up to a maximum of \$500,000.
12. Build Out/Tenant Improvement Allowance	The University will self-fund buildouts and improvements. In exchange, the University is not required to seek the Landlord's approval authority over all non-structural improvements, and the University will utilize its own designers and contractors to perform any such improvements.

Appendix 1

Master Lease – 2200 Sutherland Avenue, Knoxville, TN

5

<p>13. Roof-related Expenses</p>	<p>Based on a roof analysis that was completed, an investment of approximately \$621,000 in repairs has been recommended to extend the life of the roof over the Initial Term. A full replacement of the roof is estimated to be approximately \$3,300,000, which is not recommended at this time given the estimated remaining life.</p> <p>The more immediate repairs will be completed by the Landlord during the first five (5) years of the Initial Term, at Landlord’s expense. After the end of the fifth year of the Initial Term and continuing through the end of the term, expenses associated with the repair or replacement of the roof of the Building shall be included as operating expenses (reflected in Additional Rent), provided that prior to making any such repairs or replacing the roof, Landlord shall discuss with the University the scope of the work to be completed.</p>
<p>14. Parking</p>	<p>Landlord will designate specific parking on the surface lot adjacent to the Building for the sole benefit of the University. The University will, additionally, be permitted to use parking in the common area with the other tenants of the Building until such time as the University occupies the entire Building. The University reserves the right to enforce its parking rules and regulations associated with its faculty, staff, students, and visitors in the designated parking areas.</p>
<p>15. Insurance</p>	<p>Landlord 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 Building.</p>







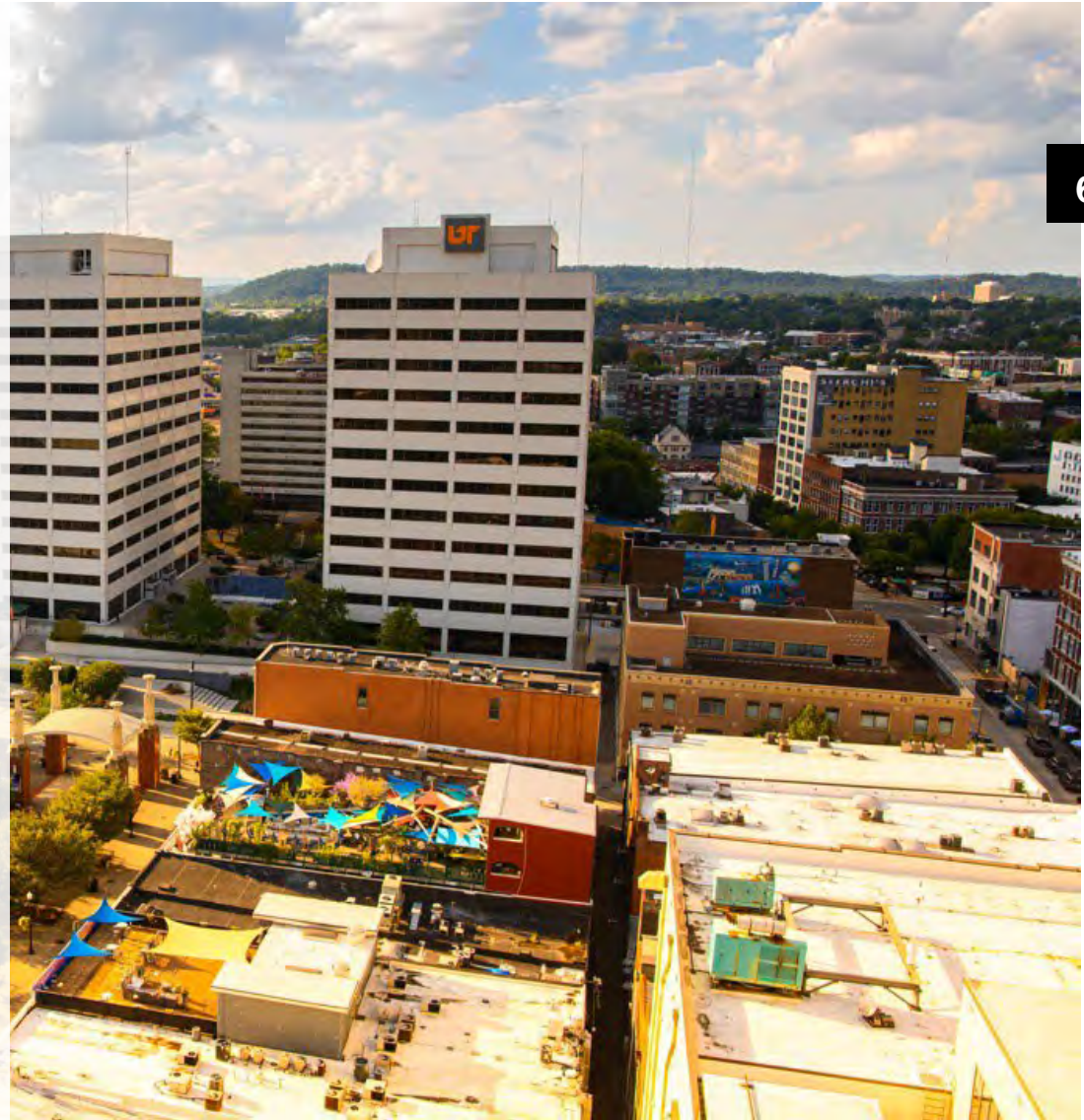




UT System Workforce Report

February 2025

Dr. Brian K. Dickens
Chief Human Resource Officer



Workforce Hot Topics & Trends 2025



**Adapting to
New Demands**



**Human
Leadership in a
Complex Digital
World**



**AI
Transformation
in HR**



**Navigating
Multiple
Threats to
Wellbeing**



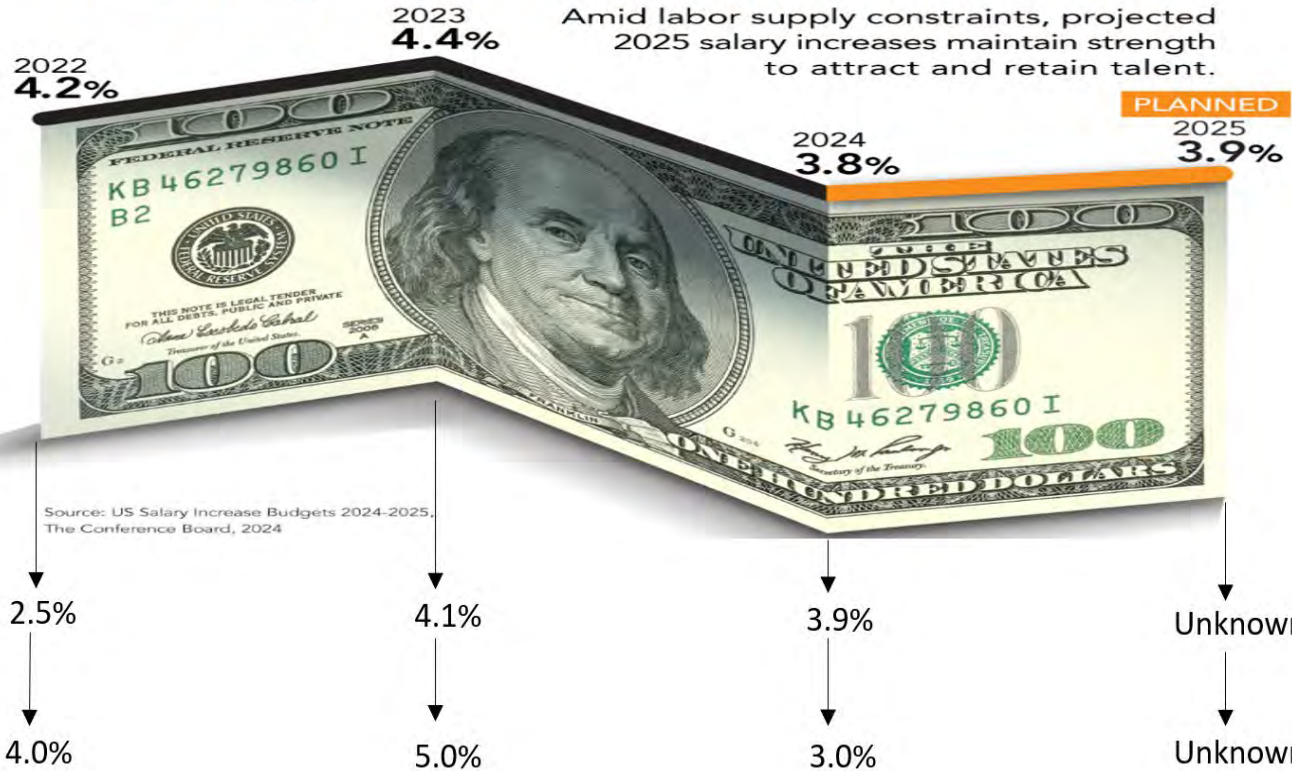
**Promoting
Civility in the
Workplace**

Source: HR TRENDS 2025 PREVIEW | M C L E A N & C O M P A N Y & SHRM Insights Reports

Wage Inflation & Salary Trends

US Salary Increase Budgets 2024-2025

Amid labor supply constraints, projected 2025 salary increases maintain strength to attract and retain talent.



Compensation

Increase in Average Salaries Between 2020 and 2024

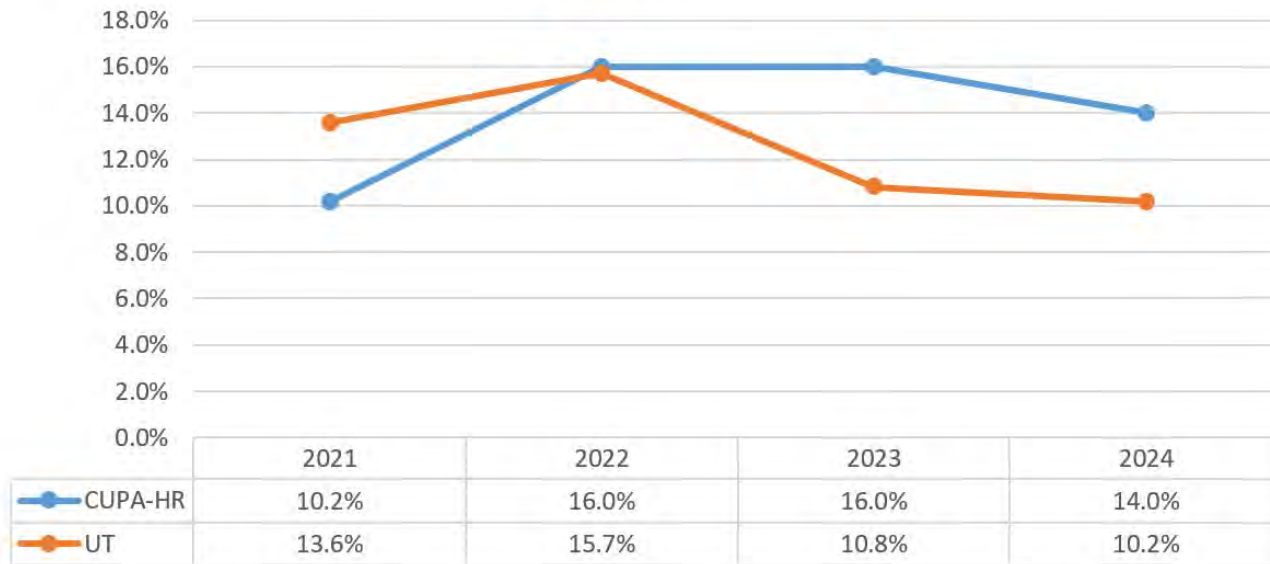


Market Range History

- New market ranges were established in 2021
- Market ranges increased by 1.5% in 2022
- Market ranges increased by 2% in 2023
- Market ranges increased by 2% in 2024

Turnover Trends (2021 – 2024)

CUPA and UT Turnover Rate Comparison
2021-2024



Emotional Wellbeing Solutions Administered by Optum Behavioral Health



Key Diagnoses

Anxiety, depression and trauma/stress continue to be the top three diagnostic categories by claimant count.

The categories have not changed since 2020 but anxiety has surpassed depression in the number of claimants per 1,000 for the first time.

Claimants per 1,000:

- Depression= **25.0**
- Anxiety = **27.0**
- Trauma/Stress = **23.4**
- Substance Use = **3.0**

	2021	2022	2023	2024
	Patient Visits	Patient Visits	Patient Visits	Patient Visits
Employee Assistance Program (EAP)				
Active Employees	1989	2056	1614	1550
Retirees	225	48	42	73
Total	2214	2104	1656	1623

Generational Guide – What Workers Want and How to Deliver



Civility

WORKERS WANT CHANGE

44%

OF U.S. WORKERS
believe incivility in the U.S.
will worsen in 2025.

60%

OF U.S. WORKERS
believe it is important or very
important for their company to
make efforts to address civil
discourse at work in 2025.

26%

OF U.S. WORKERS
said it is likely they will
leave their job in 2025
because of incivility.

Do you have a plan for your organization?

Civility

5 Steps for Encouraging Civil Conversations at Work

6



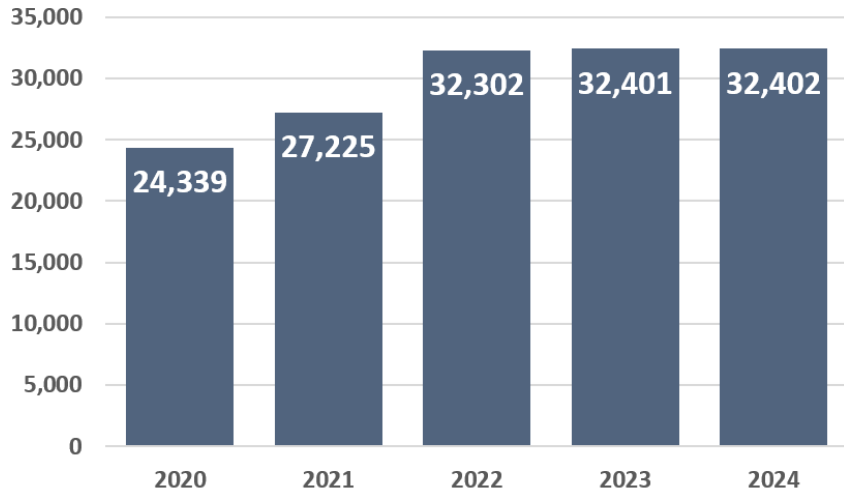
1. Educate Yourself
2. Establish Shared Understanding of Civility
3. Establish and Foster Team Norms for Mutual Respect
4. Promote a Culture of Civility
5. Become a Catalyst for Civility

SRM Civility Starter Kit

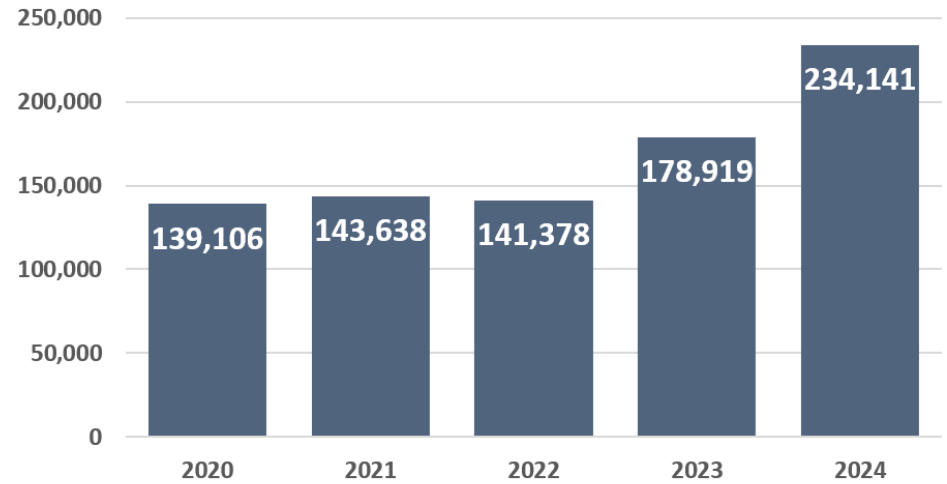
UT THE UNIVERSITY OF
TENNESSEE
SYSTEM

Employee Engagement & Organizational Development

Instructor-led Learning Courses



Online Learning Courses



Employee Engagement Survey Feedback & Results

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

30.4

AVERAGE RESPONSE
8

PREVIOUS SCORE
33.0

BENCHMARK
-1.0

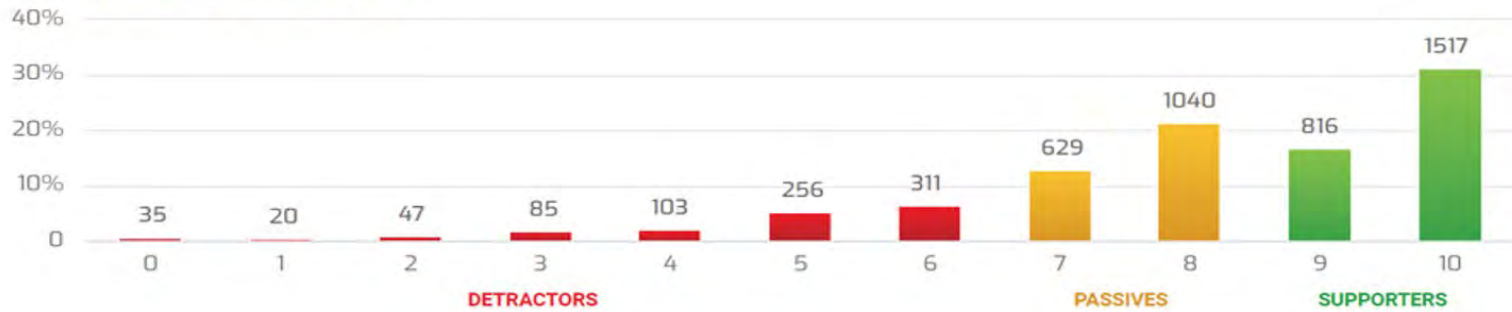
SCORE BREAKDOWN



DETRACTORS: 17.6% **PASSIVES: 34.3%** **SUPPORTERS: 48.0%**
Answered 0-6 Answered 7-8 Answered 9-10

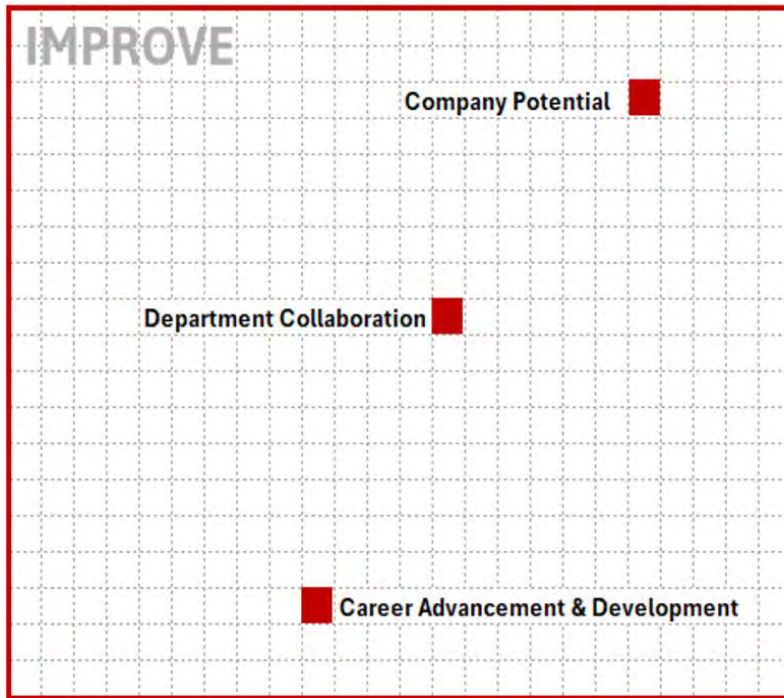
PREVIOUS SURVEY
15.9% **35.2%** **48.9%**

RESPONSE DISTRIBUTION



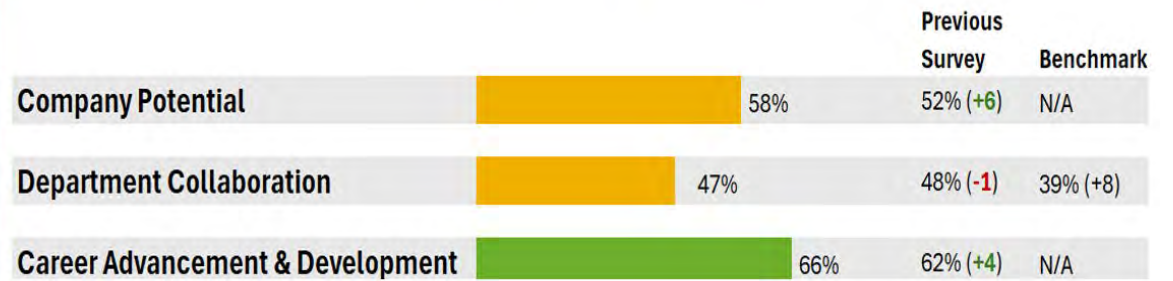
Employee Engagement Survey – Priority Matrix

2022 and 2023 McLean Priority Matrix for Improvements



Driver Results 2024 Pulse Survey

6



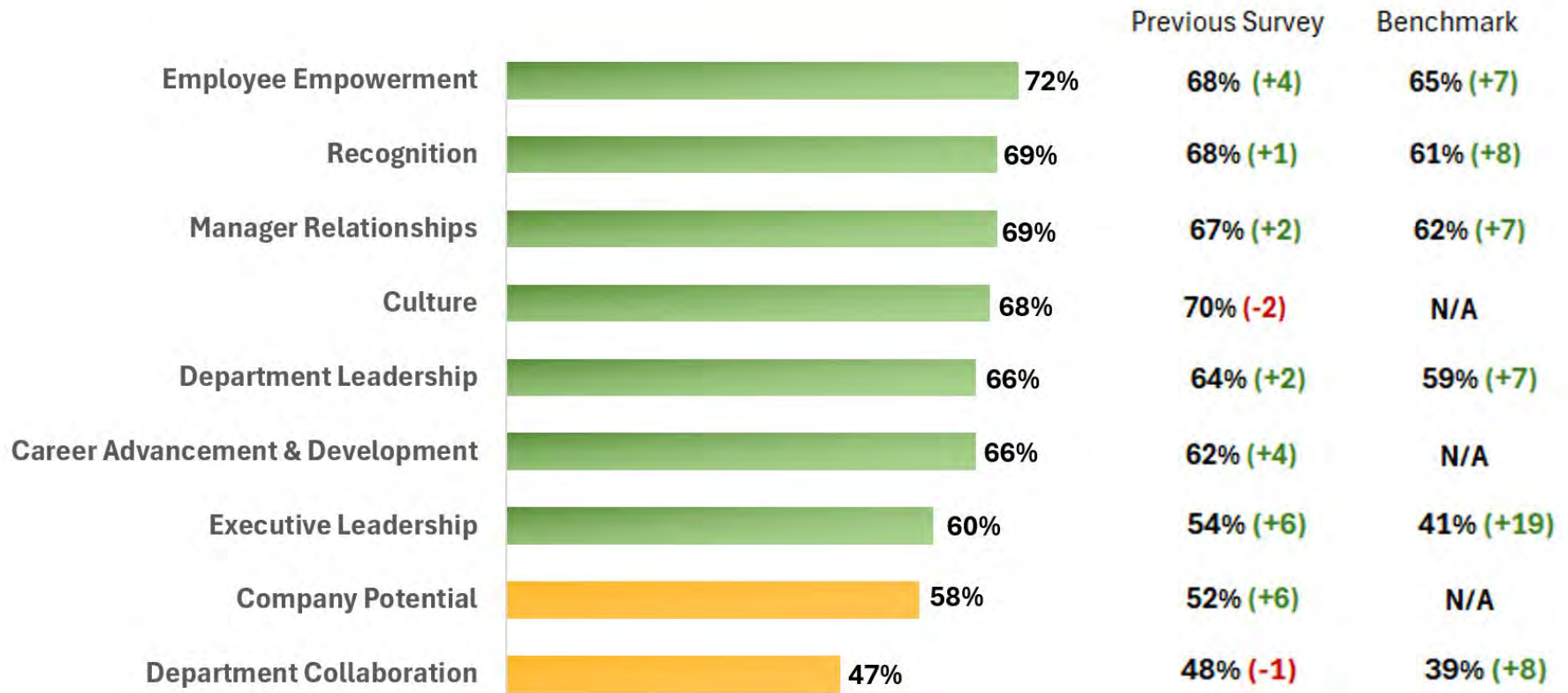
EVALUATE

Executive Leadership

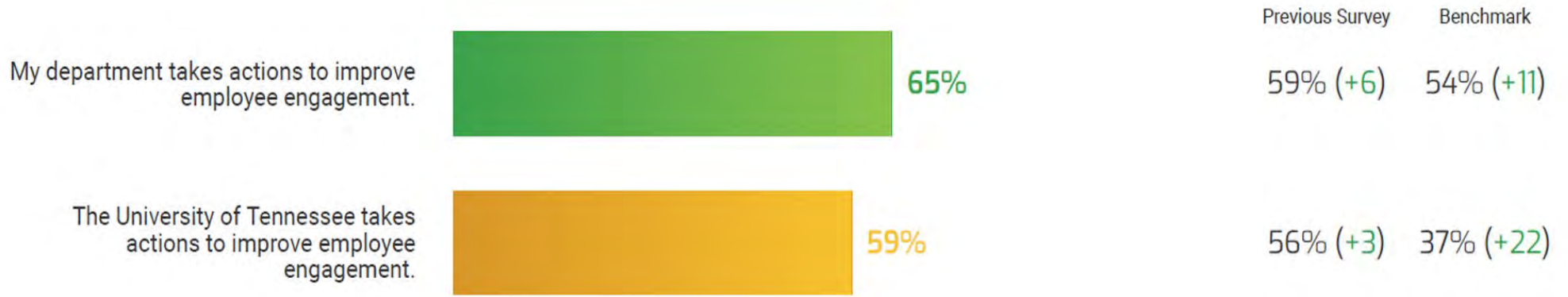


■ < 40% Low Performing
 ■ 40% - 59% Average Performing
 ■ ≥ 60% High Performing

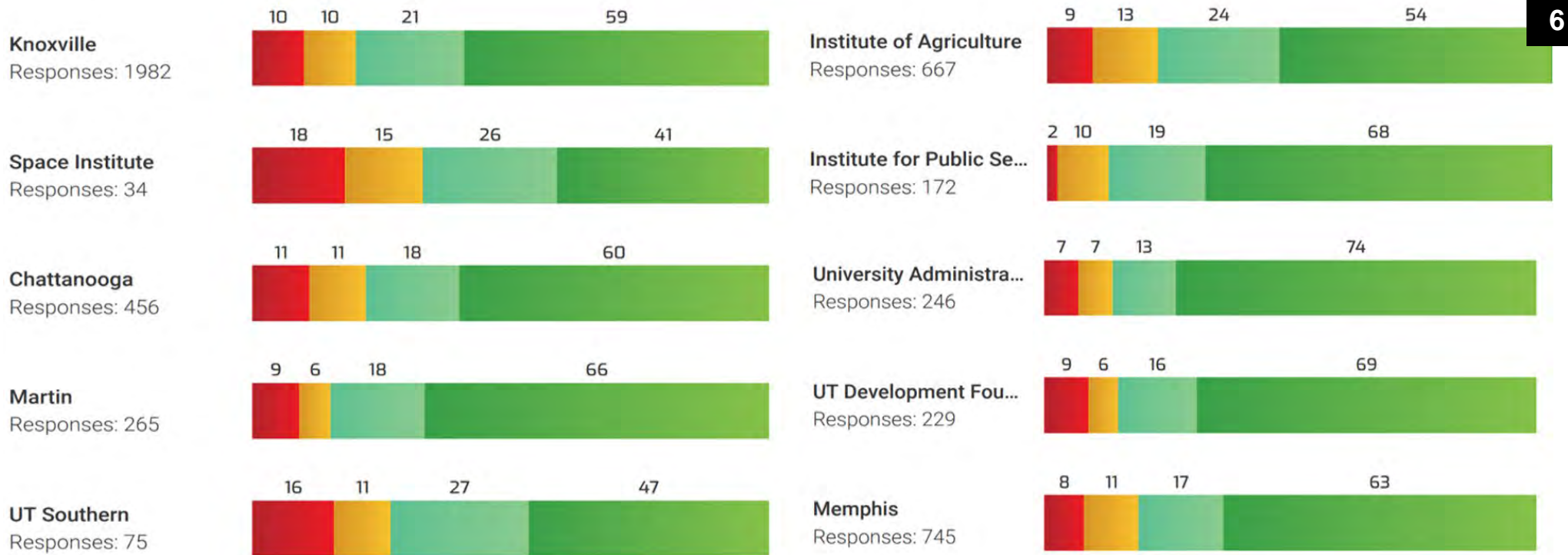
Employee Engagement Survey – Driver Results



Employee Engagement Survey – Taking Action Questions



Employee Engagement Survey – Engagement Levels



6

Great Place to Work Certification

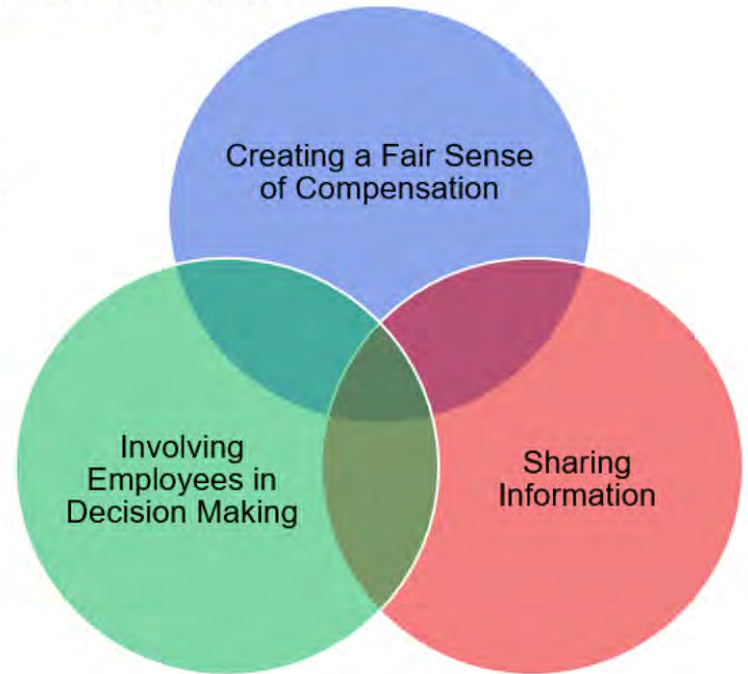


Great Place to Work Certification for Third Consecutive Year

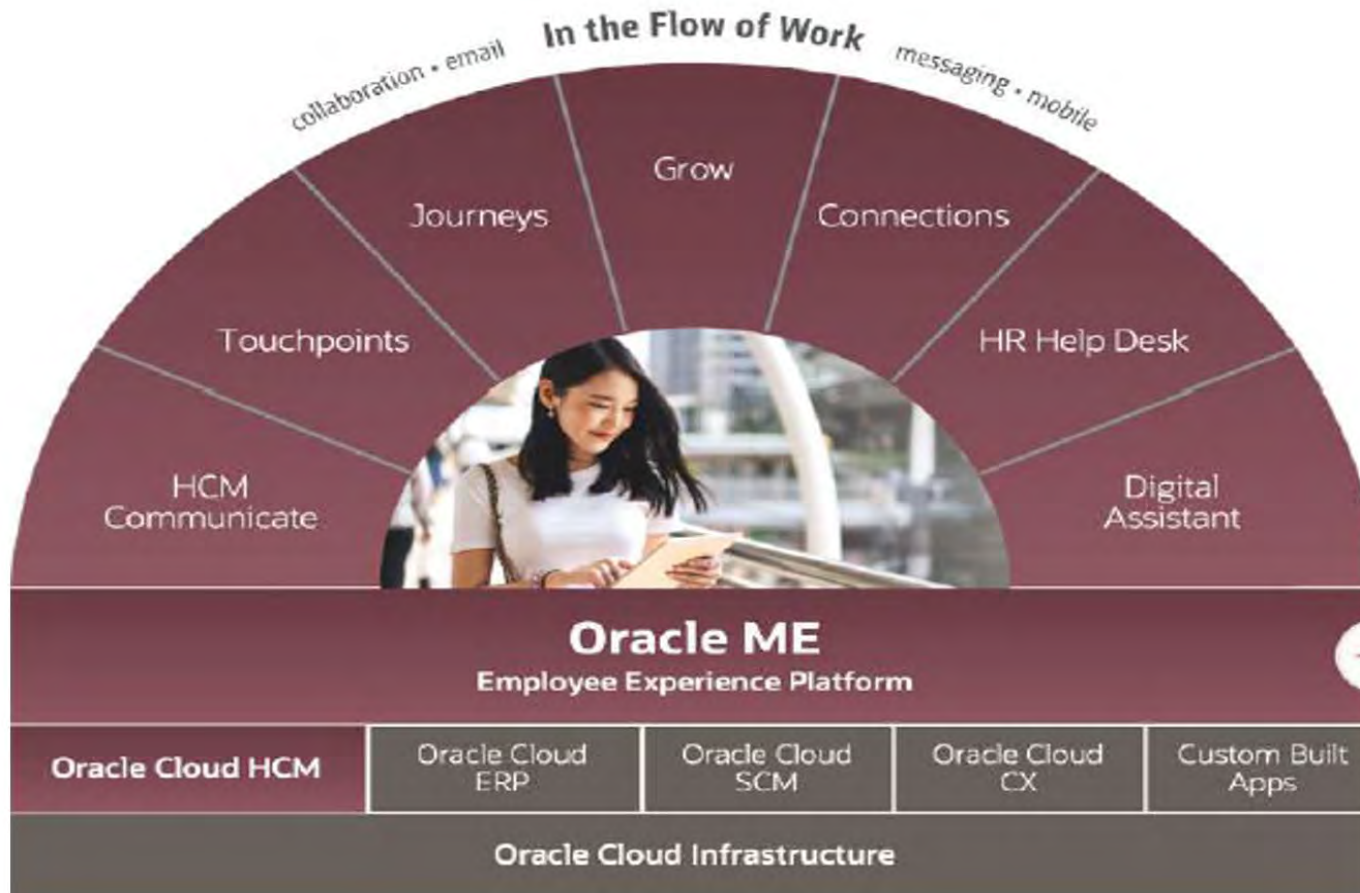
- ✓ 5,000 randomly selected staff employees invited to participate

75% of those surveyed think the University of Tennessee is a Great Place to Work

Key Leverage Areas



Oracle ME (My Experience)



Questions

Thank you



THE UNIVERSITY OF
TENNESSEE
SYSTEM

UT-System Market and Equity Analysis

Executive Leadership Review



FEBRUARY 19, 2025



huronconsultinggroup.com

Academic Market Comparison Group

In alignment with peer practice, we recommend expanding the academic market comparisons beyond the board approved peers to capture the benefits of additional market data points.



Data Availability

In any given year, a subset of institutions submits salary data. The UT board-approved peers presents data availability challenges.



Data Validity

Fewer reporting institutions increases the chance of outliers, thus, decreasing the validity of salary data.

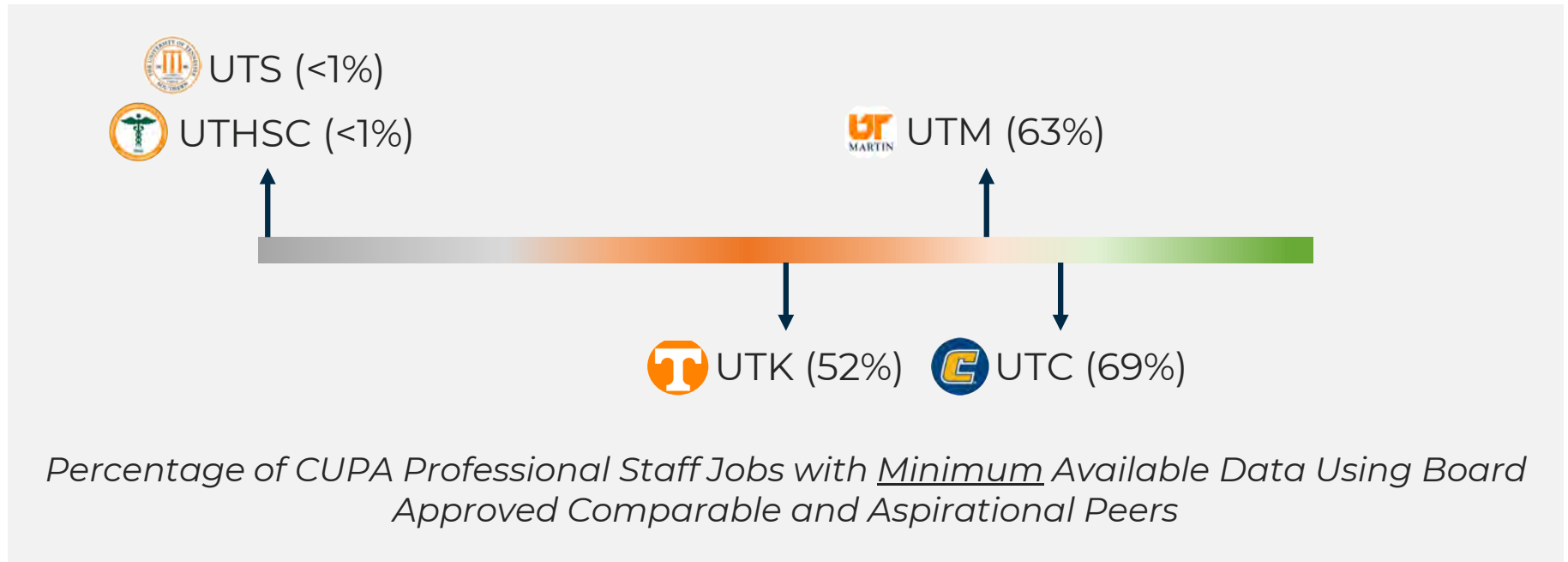


Outcome Variance

Including additional academic institution with similar characteristics does not have a large overall impact on salary rates.

UT Board Peers Data Availability

In any given year, only a subset of institutions submit salary data. The UT board peer groups presents challenges in many jobs due to data availability.



Notes: The percentages represent the number of jobs in the CUPA 2023-24 Professional survey with available data, by campus.

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Additional Academic Market Comparisons

In addition to the Board approved comparable and aspirational peers, we recommend including a broader group of academic market comparisons of similar institutions.

Board Approved Comparable and Aspirational Peers



Carnegie Classifications Based Similar Institutions

Basic Carnegie Classification (e.g., R1)

Size and Setting (e.g., Four-Year)

Control (e.g., Public, Private Non-Profit)

+ Athletic Conference (e.g., SEC)¹

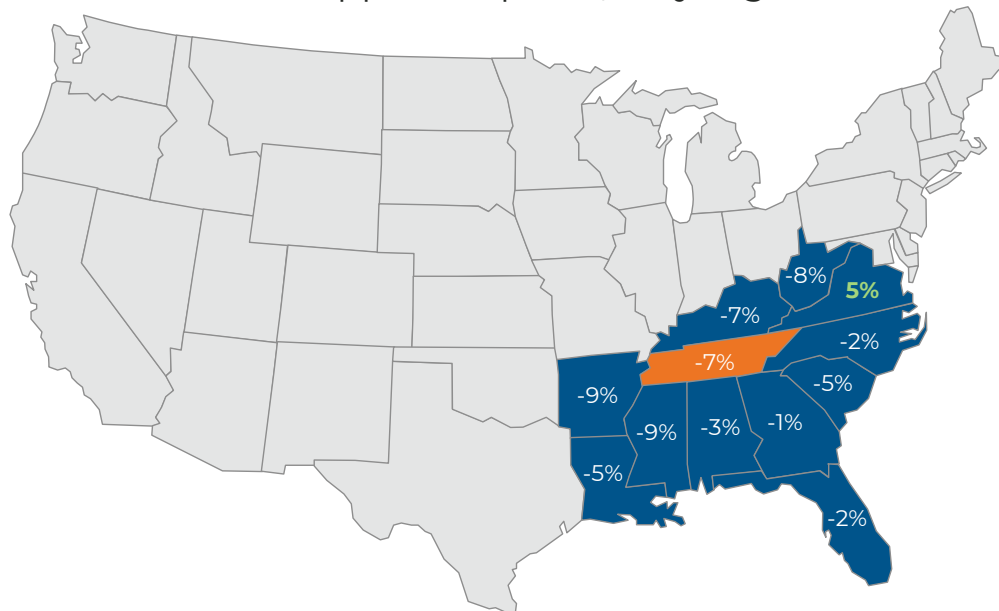
+ Similar Tennessee Institutions²

¹If a campus is not a member of an athletic conference, no additional institutions will be included.

²Similar Tennessee institutions were not added for UT Knoxville; an appropriate list of market comparisons was established through other groups.

Geographic Scope Cut

Geographic scope is the geographic area included for purposes of determining market rates. In addition to board approved peers, only organizations within the scope are included in the analysis.



- Using a geographic scope cut aligns with the use of specific market comparison institutions (peers).
- Geographic scope cuts account for cost of labor; the average differential among the southeast region is **-3%**¹.
- Typical geographic scope cuts include regional (e.g., southeast region states) and local (e.g., Tennessee).
- Data availability is a consideration; cutting a scope too much limits data. Localized data is more common in the general industry than higher education.

Note: Southeast Region is defined by Carnegie Classification as AL, AR, FL, GA, KY, LA, MS, NC, SC, TN, VA, & WV. US Census Bureau is a common regional definition source which would include TX and OK in the southeast. TX and OK are included in the southwest region per Carnegie Classifications.

¹Percent differentials from ERI, effective 12/20/2024

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Board Approved Peers

Comparable and Aspirational Peers
UT System and Campuses – October 2022

Comparable Peers	University of Tennessee System
	University of Illinois System
	University of Colorado System
	Texas A&M System
	University System of Maryland
	University of Alabama System
	University of Massachusetts System
	University of Missouri System
	University of Nebraska System
	University of Arkansas System
Texas Tech University System	

	University of Tennessee, Knoxville	University of Tennessee at Chattanooga	University of Tennessee Southern	University of Tennessee at Martin	University of Tennessee Health Science Center
Comparable Peers	Virginia Tech University	Arkansas State University	Peru State College	Austin Peay State University	University of Nebraska Medical Center
	University of Colorado	University of West Georgia	Dickinson State University	Coastal Carolina University	The University of Texas Health Science Center at San Antonio
	University of Kentucky	Texas A & M University–Corpus Christi	University of Science and Arts of Oklahoma	Truman State University	University of Arkansas for Medical Sciences
	University of Oklahoma	Stephen F Austin State University	Glenville State University	University of North Alabama	University of Oklahoma–Health Sciences Center
	Auburn University	Valdosta State University	Oklahoma Panhandle State University	Auburn University at Montgomery	Texas Tech University Health Sciences Center
	Clemson University	Louisiana State University–Shreveport	University of New Hampshire at Manchester	Frostburg State University	Louisiana State University Health Sciences Center–New Orleans
	University of South Carolina	University of Central Arkansas	Mayville State University	Northwest Missouri State University	
	University of Missouri	University of Missouri–St Louis	Montana State University–Northern	Southeast Missouri State University	
	Iowa State University	The University of Texas at Tyler	University of Maine at Fort Kent	Morehead State University	
	University of Nebraska–Lincoln	University of Arkansas at Little Rock	Ohio State University–Marion Campus	McNeese State University	
Aspirational Peers	University of Illinois	Western Kentucky University	Rogers State University	Stephen F Austin State University	Oregon Health & Science University
	Penn State University	University of Nebraska at Omaha	University of Minnesota–Morris	West Texas A&M	University of Maryland, Baltimore
	North Carolina State University	Lamar University	Lake Superior State University	University of Central Missouri	Medical University of South Carolina
	University of Georgia	Northern Kentucky University	University of Pittsburgh–Johnstown	Angelo State University	University of Texas Health Science Center at Houston
	Michigan State University	Eastern Kentucky University	Valley City State University	University of Nebraska at Kearney	
	Purdue University	College of Charleston	The University of Montana–Western	Murray State University	

Carnegie

HURON | 7

	Basic	Size & Setting	Control	Region
Definition	Categorizes institutions by degree offerings, research activity, and student body into groups like Doctoral, Master's, Baccalaureate, and Associate Colleges.	Refers to factors such as institutional size and campus characteristics.	Refers to whether an institution is publicly or privately controlled.	Southeast (AL, AR, FL, GA, KY, LA, MS, NC, SC, TN, VA, & WV)
UTK	Doctoral Universities: Very High Research Activity	Four Year	Public and Private: Not-For-Profit	
UTC	Doctoral Universities: Doctoral/ Professional Universities	Four Year	Public and Private: Not-For-Profit	
UTHSC	Special Focus Four-Year: Research Institution and Special Focus Four-Year: Medical Schools & Centers	Four Year	Public and Private: Not-For-Profit	
UTM	Master's Colleges & Universities: Medium Programs	Four Year	Public and Private: Not-For-Profit	
UTS	Baccalaureate Colleges: Diverse Fields	Four Year	Public and Private: Not-For-Profit	
SYSTEM	Doctoral Universities: Very High Research Activity	Four Year	Public and Private: Not-For-Profit	

6

Notes:
 Institute for Agriculture, Institute for Public Service, and Space Institute are using the same additional academic market comparisons as UT-Knoxville.
 Limited institutions were removed from the final list of market comparisons after discussion and analysis of relevant data.
 For UT System, flagship institutions are used as data is not submitted at the system level.

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Similar Tennessee Institutions

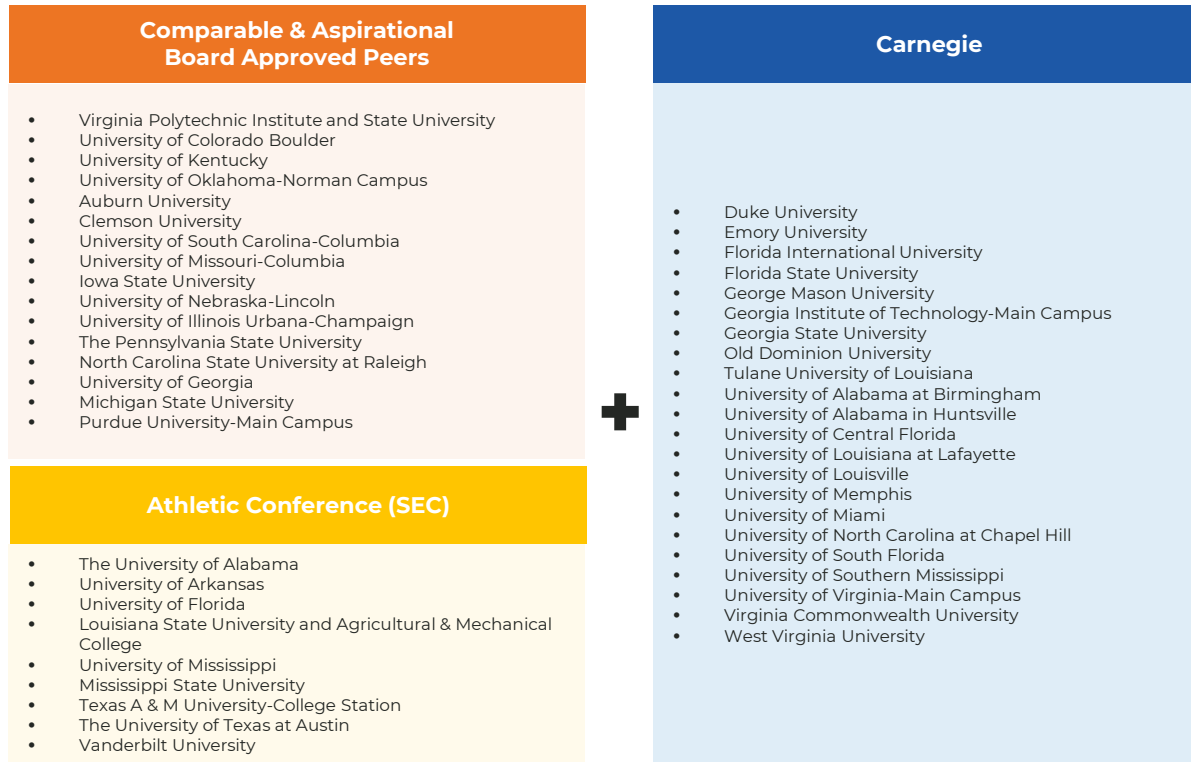
	Basic	Size & Setting	Control	State
Definition	Categorizes institutions by degree offerings, research activity, and student body into groups like Doctoral, Master's, Baccalaureate, and Associate Colleges.	Refers to factors such as institutional size and campus characteristics.	Refers to whether an institution is publicly or privately controlled.	Tennessee
UTK	N/A – All similar institutions in the state of Tennessee are captured in the Carnegie Classification based institutions, which are included in the list of academic market comparisons. No additional in state institutions required.			
UTC	Doctoral Universities	Four Year	Public and Private: Not-For-Profit	
UTHSC	Special Focus Four-Year	Four Year	Public and Private: Not-For-Profit	
UTM	Master's Colleges & Universities	Four Year	Public and Private: Not-For-Profit	
UTS	Baccalaureate Colleges	Four Year	Public and Private: Not-For-Profit	
SYSTEM	N/A – All similar institutions in the state of Tennessee are captured in the Carnegie Classification based institutions, which are included in the list of academic market comparisons. No additional in state institutions required.			

6

Notes:
 Institute for Agriculture, Institute for Public Service, and Space Institute are using the same additional academic market comparisons as UT-Knoxville.
 Limited institutions were removed from the final list of market comparisons after discussion and analysis of relevant.
 Locally Governed Institutions are included in the UT Martin academic market comparisons.

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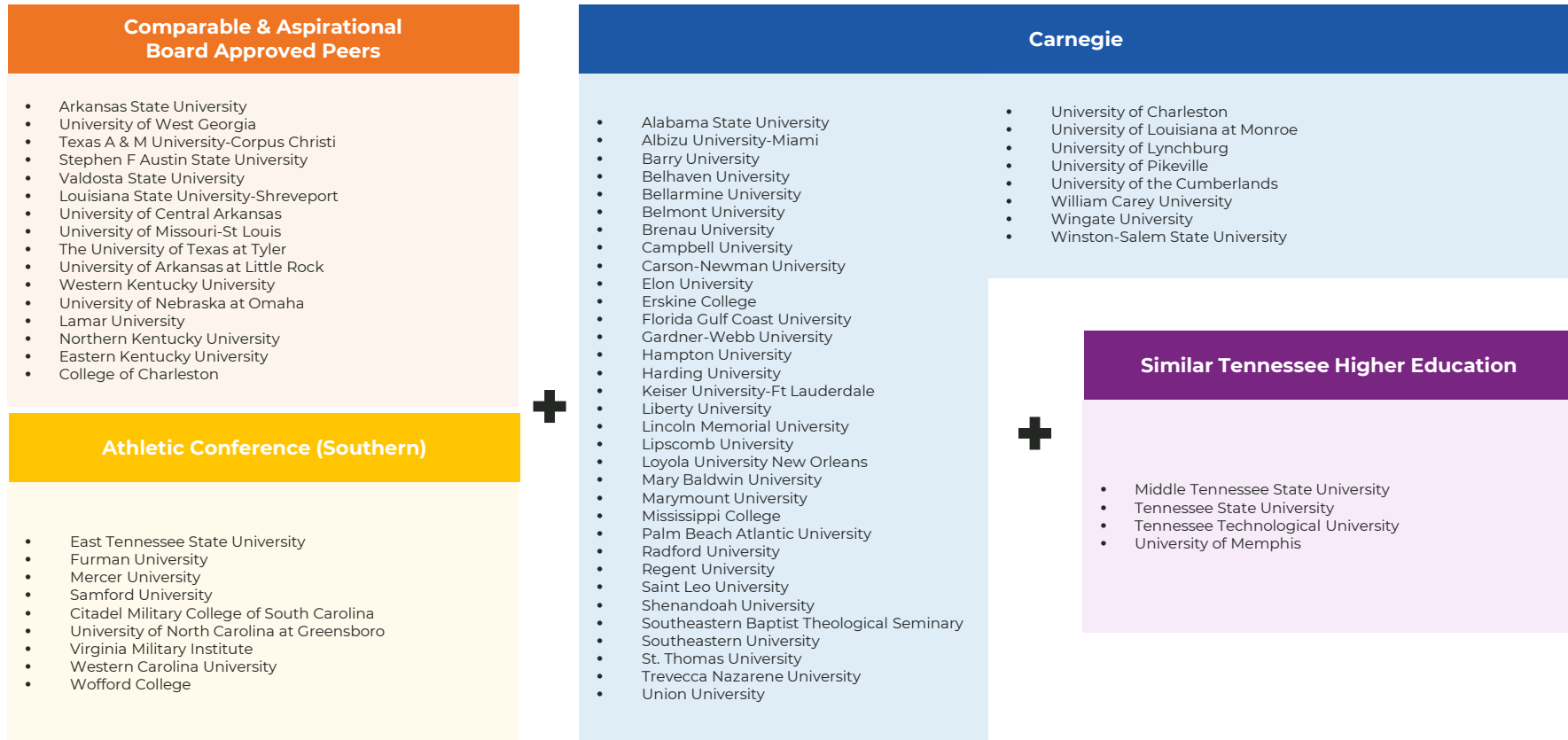
UT – Knoxville (47)



Notes:
 Institute for Agriculture, Institute for Public Service, and Space Institute are using the same additional academic market comparisons as UT-Knoxville.
 If an institution appeared in multiple groupings, it was included only in the first grouping where it appeared. Duplicates in subsequent groupings were removed.

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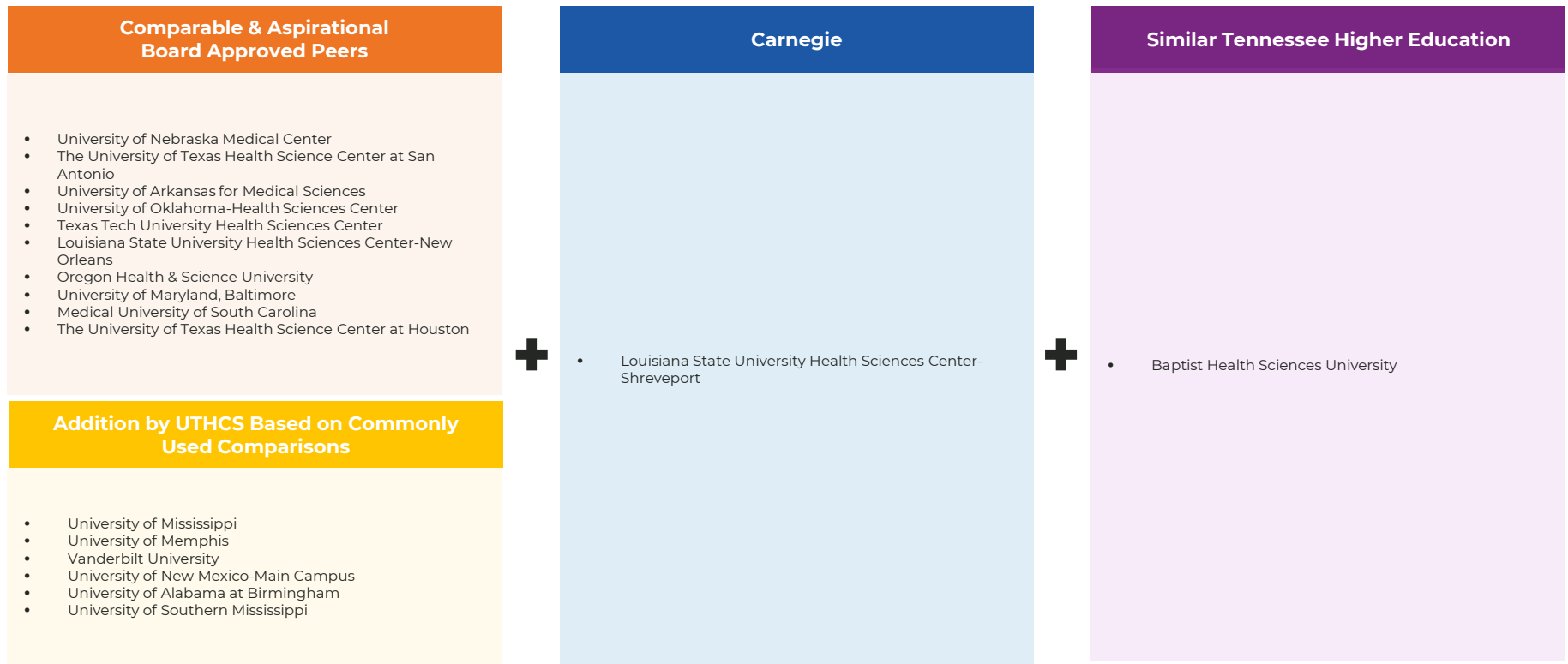
UT – Chattanooga (70)



Notes:
If an institution appeared in multiple groupings, it was included only in the first grouping where it appeared. Duplicates in subsequent groupings were removed.

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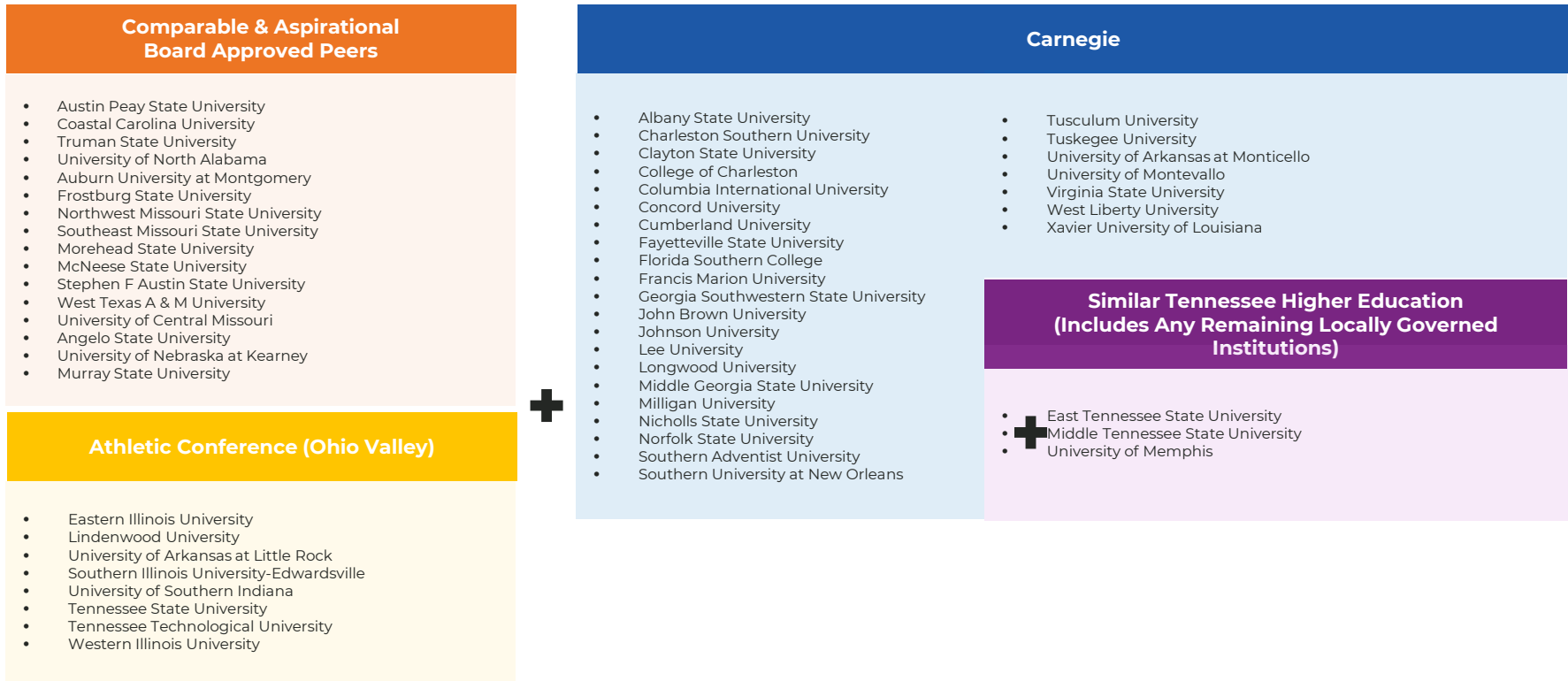
UT – Health Science Center (18)



Notes:
 UTHSC compensation representatives recommended additional market comparisons based on their assessment of peer institutions.
 The following institutions were removed after discussion and analysis at the direction of the project team: Mid-South Christian College, Visible Music College, Williamson College
 If an institution appeared in multiple groupings, it was included only in the first grouping where it appeared. Duplicates in subsequent groupings were removed.

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UT – Martin (55)



Notes:
If an institution appeared in multiple groupings, it was included only in the first grouping where it appeared. Duplicates in subsequent groupings were removed.

The following institutions were removed after discussion and analysis at the direction of the project team: Averett University, Bluefield University, Eastern Mennonite University, Pfeiffer University, Thomas University, Wheeling University, Bethel University

UT – Southern (109)

Comparable & Aspirational Board Approved Peers

- Peru State College
- Dickinson State University
- University of Science and Arts of Oklahoma
- Glenville State University
- Oklahoma Panhandle State University
- University of New Hampshire at Manchester
- Mayville State University
- Montana State University-Northern
- University of Maine at Fort Kent
- Ohio State University-Marion Campus
- Rogers State University
- University of Minnesota-Morris
- Lake Superior State University
- University of Pittsburgh-Johnstown
- Valley City State University
- The University of Montana-Western



Athletic Conference (Southern States)

- Blue Mountain Christian University
- Brewton-Parker College
- Dalton State College
- Faulkner University
- Life University
- Middle Georgia State University
- Point University
- Thomas University
- University of Mobile

Carnegie

- Alderson Broaddus University
- Alice Lloyd College
- American Baptist College
- Athens State University
- Barton College
- Beacon College
- Belmont Abbey College
- Benedict College
- Bluefield State University
- Brescia University
- Brevard College
- Catawba College
- Central Baptist College
- Chowan University
- College of Coastal Georgia
- Crowley's Ridge College
- Davis & Elkins College
- Ecclesia College
- Edward Waters University
- Elizabeth City State University
- Emmanuel University
- Fairfax University of America
- Ferrum College
- Florida Memorial University
- Florida Polytechnic University
- Georgia Gwinnett College
- Herzing University-Atlanta
- Hobe Sound Bible College
- Huntingdon College
- Johnson & Wales University-Charlotte
- Kentucky Christian University
- Kentucky State University
- Kentucky Wesleyan College
- LaGrange College
- Lander University
- Le Moyne-Owen College
- Lees-McRae College
- Limestone University
- Livingstone College
- Louisiana State University-Alexandria
- Manna University
- Mars Hill University
- Mid-Atlantic Christian University
- Miles College
- Montreat College
- Morris College
- Newberry College
- North Carolina Wesleyan University
- Philander Smith University
- Polytechnic University of Puerto Rico-Miami
- Polytechnic University of Puerto Rico-Orlando
- Reinhardt University
- Saint Augustine's University
- Shaw University
- South Florida Bible College and Theological Seminary
- Spring Hill College
- St. Andrews University
- Stillman College
- Talladega College
- Tennessee Wesleyan University
- The Baptist College of Florida
- Toccoa Falls College
- Trinity Baptist College
- Trinity College of Florida
- Trinity International University-Florida
- Truett McConnell University
- University of Arkansas at Pine Bluff
- University of Arkansas-Fort Smith
- University of Florida-Online
- University of South Carolina Beaufort
- University of the Ozarks
- Voorhees University
- Webber International University
- Welch College
- Wesleyan College
- West Virginia University Institute of Technology
- West Virginia Wesleyan College
- William Peace University
- Williams Baptist University



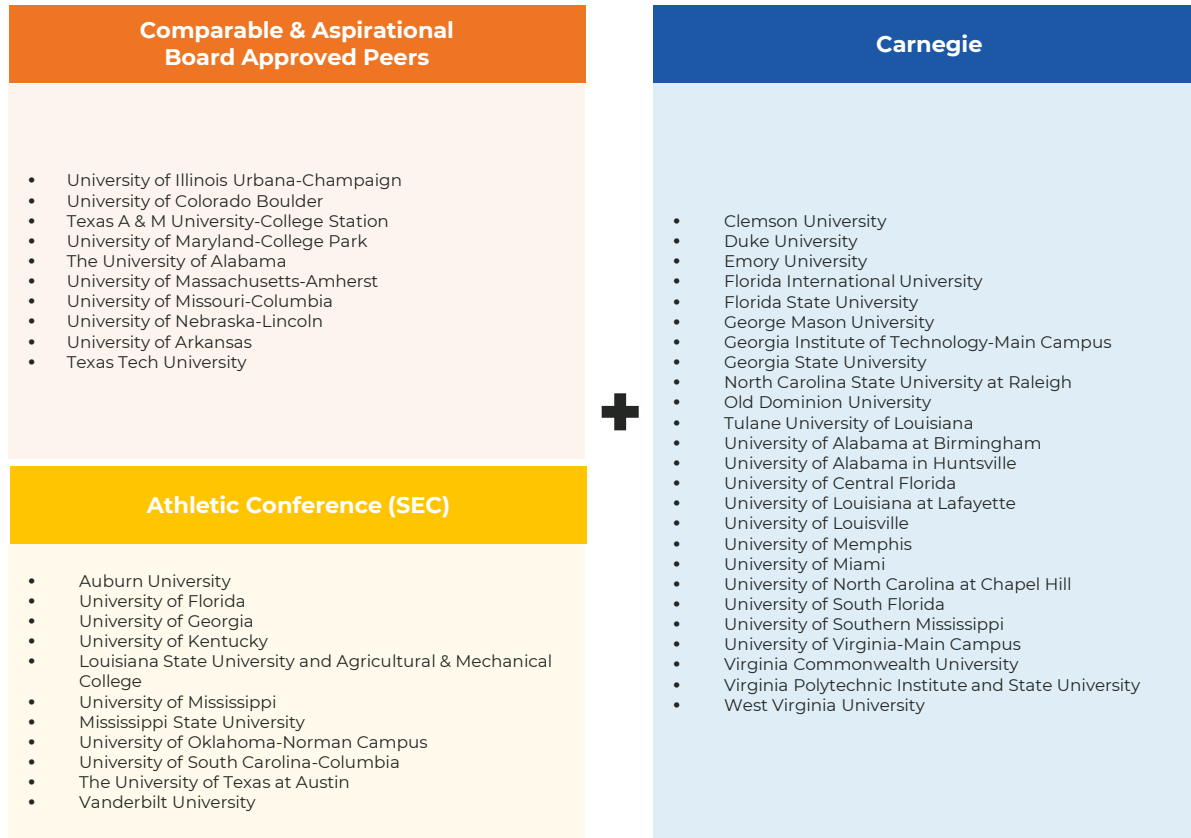
Similar Tennessee Higher Education

- Fisk University
- Lane College
- Maryville College
- Rhodes College
- The University of the South

Notes:
 If an institution appeared in multiple groupings, it was included only in the first grouping where it appeared. Duplicates in subsequent groupings were removed.
 The following institutions were removed after discussion and analysis at the direction of the project team: Abraham Baldwin Agricultural College, Loyola University New Orleans
 William Carey University, Flagler College, High Point University, University of South Carolina-Upstate

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UT – Administration & System (56)



Notes:
 UT-System institutions are removed.
 Selected the flagship for market comparison data due to data not submitted at the system level.
 If an institution appeared in multiple groupings, it was included only in the first grouping where it appeared. Duplicates in subsequent groupings were removed.



Information Security Program Enhanced Preparedness



THE UNIVERSITY OF
TENNESSEE
SYSTEM

The Threat of Cyber Attacks is **Real.**

7

1

Significant cyber event that led to the shutdown of all services at a major RI institution

32k

Malicious emails blocked in the last 30 days

28B

Malicious network attempts in the last 30 days



**Legal & Statutory
Obligations/Regulatory
Compliance**



Business Continuity



**Stakeholder
Expectations and
Reputation
Management**



Financial Impact



CIS Security Maturity Assessment

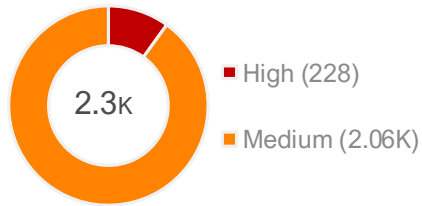
A Journey to Enhance Preparedness

Since our last meeting in closed session, UTK and UTSA information security posture has moved to a position where we are ranked above the industry average in all 18 CIS critical security controls. The other campuses all saw gains in their maturity due to common tools and practices, however not all have performed CIS benchmarking.



Security Operations Center Snapshot

Total Interesting Incidents

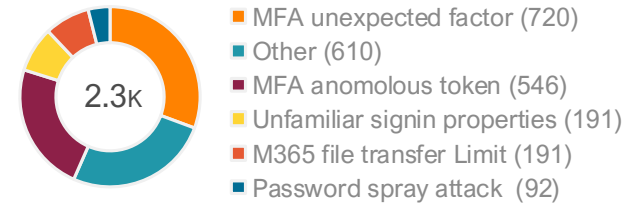


Response Time

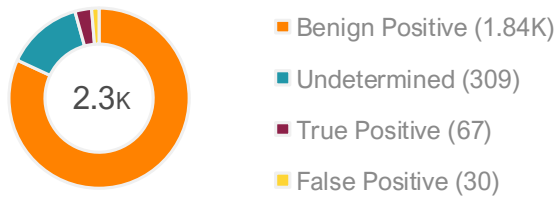
38.7 min
Mean time to triage

6.9 hr
Mean time to closure

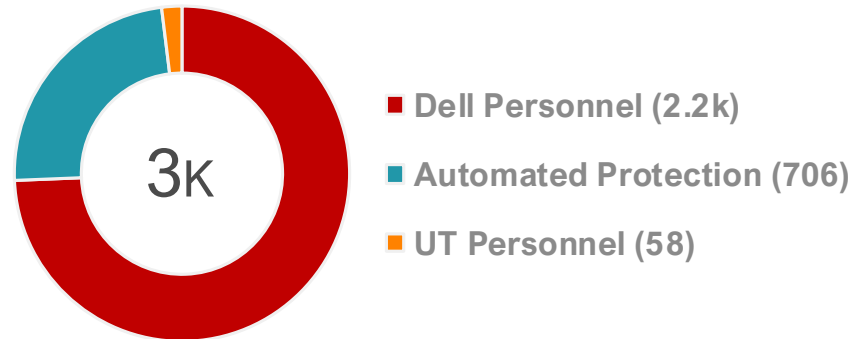
Top Incident Categories



Incident Closure Types



Incident Closures



Email Protection Snapshot



QUESTIONS?



THE UNIVERSITY OF TENNESSEE BOARD OF TRUSTEES

AGENDA ITEM SUMMARY

Meeting Date: February 28, 2025

Committee: Finance and Administration

Item: **Committee Consent Agenda**

Type: Action

Presenter: William (Bill) C. Rhodes III, Committee Chair

8

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 25, 2024, 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 25, 2024

The Finance and Administration Committee of The University of Tennessee Board of Trustees met at 8:30 a.m. (EDT) on Friday, October 25, 2024. 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; and David N. Watson.

Others in Attendance:

Trustees: Bradford D. Box; Decosta E. Jenkins; Shanea A. McKinney; Lisa N. Patel (Student Trustee); Donald J. Smith; T. Lang Wiseman; and Jamie R. Woodson.

University Administration: President Randy Boyd; David L. Miller, Senior Vice President and Chief Financial Officer; Luke Lybrand, Treasurer; Cynthia C. Moore, Board Secretary and Special Counsel; Chancellor Steve Angle (UT Chattanooga); Chancellor Peter Buckley (UT Health Science Center); Chancellor Yancy 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

Committee Chair Bill Rhodes called the meeting to order.

Requests to Address the Board

Caleb Gore, a graduate student from UT Knoxville, addressed the Committee regarding graduate student stipends and healthcare benefits. He stated that, despite recent stipend increases, compensation has not kept pace with the rising cost of living. Some graduate students rely on food pantries to meet basic needs. He also raised the lack of dental and vision coverage in the graduate student healthcare plan, which imposes additional financial burdens. Additionally, he shared concerns regarding staff leave accrual policies for non-exempt employees following changes under the Fair Labor Standards Act and advocated for raising the minimum wage at UT Knoxville to \$20 per hour to address issues of retention and workload considering the increased student enrollment. President Boyd thanked Mr. Gore for his remarks and indicated that the leadership team is reviewing compensation and benefits on a regular basis. While improvements have been made, costs have continued to rise. A full copy of Mr. Gore's prepared remarks is filed with these minutes.

Report on Financial Performance

Fiscal Year 2024 Financial Summary. Luke Lybrand, Treasurer, presented materials summarizing the financial performance for the fiscal year ended June 30, 2024. Key highlights included:

- **Revenue Growth:** The university benefited from increased student enrollment, grant income, and strong investment returns.
- **Expense Increases:** Personnel costs rose due to staffing increases and inflationary pressures, though expenses remained within available resources.
- **Tuition and Fees:** Net tuition revenue increased by \$36 million (5.6%), led by UT Knoxville's enrollment growth.
- **State Appropriations:** A reported \$31 million decrease was attributed to the timing of one-time state appropriations to the University in FY 2023, including the funding for the UT-Oak Ridge Innovation Institute (\$79.8 million) and the enterprise resources planning project (\$50 million). Adjusting for these two extraordinary items, state appropriations grew by approximately 10% over the prior year.
- **Operating Expenses:** Salaries and benefits increased by \$218 million (12.2%) due to an increase in faculty and staff hiring to serve a growing student population and the impact of the 5% state pay plan.
- **Liquidity and Debt:** Cash and investments increased by \$160 million (9%). Debt rose by \$34 million (2.7%), primarily for major capital projects, including renovations to athletics facilities at UT Knoxville and UT Chattanooga.

Mr. Lybrand also reported that the \$52 million variance in scholarships and fellowships was due to a change in accounting practices. For future reports, the members of the Committee requested financial performance information by campus.

Enterprise Resource Planning Project Update. David Miller, Senior Vice President and Chief Financial Officer, provided an update on the transition to the enterprise resource planning project, more commonly referred to as "DASH" (Dynamic Administrative Systems for Higher Ed). Mr. Miller indicated that DASH is scheduled to go-live on January 6, 2025. Testing remains on track, with minor delays in technology and human capital management functions. Oracle and Accenture will provide on-site support for the transition. System improvements include: (i) automated financial reconciliation, reducing manual processes; (ii) streamlined recruitment and hiring process, integrating application tracking, onboarding, and performance evaluations; and (iii) real-time data access for financial and human resources reporting. Committee members emphasized the importance of comprehensive training for employees before full implementation.

FY 2025-26 Operating Budget Appropriations Request for Specialized Units

Ron Loewen, Associate Vice President, Budget, Analysis and Planning, reviewed the University's budget appropriations request. The primary funding priority is \$3 million in recurring state support to expand Precision Agriculture programs at the UT Institute of Agriculture (UTIA).

Senior Vice Chancellor/Senior Vice President Keith Carver and Tennessee Commissioner of Agriculture Charlie Hatcher emphasized the program's importance noting:

- Precision agriculture uses technology to increase crop yields, reduce costs, and enhance sustainability.
- Tennessee is losing farmland at one of the highest rates in the U.S., making innovation in farming practices crucial.
- The proposal has unanimous support from Tennessee's agricultural industry groups and the Tennessee Farm Bureau.

Upon motion duly made and seconded, the Committee approved a recommendation that the Board of Trustees adopt the Resolution approving the FY 2025-26 Operating Budget Appropriations Request for Specialized Units, as set forth under Tab 2 of the meeting materials.

Affiliation Agreements

The following affiliation agreements were presented to the Committee for its consideration:

- Affiliation Agreement with The University of Tennessee Foundation, Inc. (UT Foundation);
- Affiliation Agreement with The University of Tennessee Athletics Foundation, Inc. (UTK Athletics Foundation);
- UTHSC - Master Affiliation Agreement with Methodist Healthcare; and
- UTHSC - Master Affiliation Agreement with East Tennessee Children's Hospital.

UT Foundation. Mr. Miller explained that the proposed Affiliation Agreement has been updated to separate the key affiliation terms from routine services that may be provided by and between the University and UTFI from time to time under a separate services agreement. The restated Affiliation Agreement outlines, among other things: (i) the relationship between the University and UTFI; (ii) the governance structure of UTFI; (iii) certain expectations pertaining to the management of UTFI assets and UTFI's administration; and (iv) ongoing audit and reporting obligations. The proposed Affiliation Agreement also permits UTFI to provide certain support services to other University affiliated foundations. Previously, the University's agreement with UTFI required certain approvals by the Comptroller of the State of Tennessee, including any amendments. With the consent of the Comptroller who has approved the proposed Affiliation Agreement, these requirements will no longer apply.

UT Athletics Foundation. Dr. Donde Plowman, Chancellor, UT Knoxville, provided an update on the formation of the UTK Athletics Foundation. She noted that, in March 2024, the Board of Trustees authorized the establishment of the UTK Athletics Foundation as a nonprofit organization for the benefit of UT Knoxville's intercollegiate athletics program (UTK Athletics Program). The UTK Athletics Foundation was incorporated on June 4, 2024, and has been established for the purposes of: (i) promoting the education, health, and wellness of UTK's student athletes; and (ii) advancing the UTK Athletics Program, consistent with the University's educational, research, and public service mission. The form of the proposed Affiliation Agreement with the UTK Athletics

Foundation mirrors the approach used for the UT Foundation. It was confirmed that the proposed Affiliation Agreement would permit the new UTK Athletics Foundation to become fully operational as a separate legal entity. Board Secretary and Special Counsel Cynthia Moore provided additional information regarding the oversight responsibilities the Board of Trustees and the fiduciary obligations of the Board of Directors for the UTK Athletics Foundation. She advised that a member of the University's Board of Trustees will serve on the Board of Directors of the UTK Athletics Foundation and that the UTK Athletics Foundation will have regular reporting obligations. Committee Chair Rhodes requested that Chancellor Plowman provide future updates to the Committee regarding the UTK Athletics Foundation, given that this is a newly established entity operating in a dynamic landscape.

UT Health Science Center. Mr. Miller began his remarks by highlighting the long-standing relationships between the UT Health Science Center (UTHSC) and its hospital partners (Methodist Healthcare and East Tennessee Children's Hospital). Dr. Peter Buckley, Chancellor, UTHSC, provided an overview of the benefits of proceeding with each of the proposed Master Affiliation Agreements, especially in terms of supporting medical education and research activities.

Upon a motion duly made and seconded, the Committee approved, in a single vote, a recommendation that the Board of Trustees adopt the Resolutions approving all of the Affiliation Agreements, as set forth in Tab 3 of the meeting materials.

Board Policy of Affiliated Foundations

Ms. Moore remarked that, consistent with state law and the University's Bylaws, affiliated foundations can only be established with the approval by the University's Board of Trustees. The existing Board policy on related foundations was initially created in 2007 and only reflects the UT Foundation, The University of Chattanooga Foundation (UC Foundation), and the University of Tennessee Research Foundation (UTRF). The revised Board Policy on Affiliated Foundations is a substantial restatement that establishes a comprehensive framework governing the creation, operation, and oversight of foundations associated with the University. The intent of the policy is to ensure that such entities operate in a manner that supports the University's mission while maintaining transparency, accountability, and legal compliance. Ms. Moore outlined the main provisions of the proposed Board Policy.

Upon a motion duly made and seconded, the Committee approved a recommendation that the Board of Trustees adopt the Resolution approving the Board Policy on Affiliated Foundations, as set forth in Tab 4 of the meeting materials.

Capital Projects

UTIA Master Plan (Component of New Ten-Year UTK CMP). Chancellor Plowman and Dr. Carver introduced the proposed Master Plan for UTIA. The plan outlines strategic initiatives aimed at enhancing UTIA's educational, research, and outreach missions over the next ten-year period, with a focus on further aligning the strategic goals of UTIA and UT Knoxville. Jessica Leonard, an architect, planner, and principal with Ayers Saint Gross, presented the details of the Master Plan.

Ms. Leonard provided an overview of the extensive scope of the project, along with the planning process. The Master Plan recognizes the importance of state-of-the-art facilities proposing the renovation of existing structures and the construction of new buildings equipped with advanced technologies to support cutting-edge research and education.

Members of the Committee expressed their gratitude for the development of the plan and raised questions regarding the capital investment needed to address the near-term and mid-term projects. The trustees recommended that the University administration consider the development of a comprehensive capital budget (improvements and maintenance) to support the Master Plan, which considers the potential sources of funding (fundraising, state support, etc.). Support was provided for approving an omnibus resolution, with annual updates, to move these initiatives forward in a more streamlined approach. Austin Oakes, Associate Vice President, Capital Projects, provided additional information regarding: (i) the relationship of the number of buildings and total square footage within the University's space portfolio, and (ii) a \$50 million grant that is addressing certain capital investments, which was received by the University through the efforts of Commissioner Hatcher.

UTK Lindsey Nelson Stadium Budget Increase. Mr. Oakes reviewed a requested \$9.3 million budget increase for the ongoing renovations of Lindsey Nelson Stadium, bringing the total project budget to \$105.1 million. The increase is primarily due to site utility relocations and unforeseen site conditions. Mr. Oakes reported that the additional funding will be sourced from gift funds. Mr. Oakes responded to questions raised by the Committee members regarding the overall size of the project, along with actions that can be taken earlier in the design phase to minimize and mitigate these types of issues later in the construction process. The campus leadership team remains confident that the revenues raised will more than support the costs of the stadium project. It was also confirmed that certain cost overruns are within the delegated authority of the UT System President; however, this item was brought back to the Board for its consideration based on the thresholds established for cumulative budget increases as required of the Board's Policy on Capital Project Planning and Approvals.

UTM New Residence Hall. A proposal for a new residence hall aimed at addressing the increasing demand for on-campus housing at UT Martin was presented. The proposed facility is designed to provide modern amenities and foster a vibrant living-learning environment, aligning with the University's commitment to enhancing student life and success. The Committee engaged in discussions regarding the project's financial costs, funding sources and financing rates, and the anticipated financial impact on all students associated with an increase in housing fees due to this project. Trustees inquired as to the advantages/disadvantages of moving forward with single bed units, including student interest and student success considerations.

UTHSC Campus Master Plan Amendment. Mr. Oakes provided an overview of the master plan amendment, which permits the option of disposing of the Molecular Science Building and an adjacent parking lot. Prior master plans have contemplated the renovation of the Molecular Sciences Building. The master plan amendment also proposes to locate the future College of Medicine along Madison Avenue north of the Vivarium Building. The revised location would move the College of Medicine toward the core of campus and enhances adjacencies with other

campus facilities. Chancellor Buckley provided additional background information on Regional One Health's main campus and the University's need for a new building for the College of Medicine. Trustees encouraged the Administration to carefully consider any plans that involve the disposition of real property within or adjacent to the campus footprint of the UTHSC's Memphis location.

Upon a motion duly made and seconded, the Committee approved, in a single vote, a recommendation that the Board of Trustees adopt the Resolutions approving all of the capital project related items, as set forth in Tab 5 of the meeting materials.

UTC Voluntary Retirement Incentive Plan

Dr. Steve Angle, Chancellor, UT Chattanooga, and Mr. Brent Goldberg, Vice Chancellor for Finance and Administration, UT Chattanooga reviewed the primary provisions of the proposed voluntary retirement incentive plan. The voluntary retirement incentive plan is part of a broader strategy to manage financial resources effectively. The plan is aimed at encouraging eligible employees to retire voluntarily, thereby reducing payroll expenses and allowing for better reallocation of funds. This initiative was seen as a necessary step to ensure long-term financial stability and to address budgetary constraints while maintaining the quality of education and services provided by the UT Chattanooga campus. The discussion focused on: (i) the results of the last voluntary retirement incentive plan; (ii) safeguard measures for ensuring that there are no adverse effects in particular units because of faculty/staff retirements; (iii) the plans for managing expectations around repeated retirement incentives; and (iv) the potential misuse of retirement incentives instead of good performance management systems.

Upon a motion duly made and seconded, the Committee approved a recommendation that the Board of Trustees adopt the Resolution approving the Voluntary Retirement Incentive Plan, as set forth in Tab 6 of the meeting materials.

Consent Agenda

Committee Chair Rhodes asked if there were any requests to remove an item 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 six Information Items included in the meeting materials. He highlighted the report on endowment performance and provided an update on the most recent Investment Advisory Council meeting. Mr. Miller introduced the chief business officers from the UT campuses and reported that there is an ongoing search for a new chief business officer for the UT Southern campus.

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

Approved Consent Agenda Items

- Minutes of the Last Meeting (June 25, 2024)
- Report on Uses of FY 2024 Tuition and Fee Revenue
- Acquisition of 611 West Jefferson Street, Pulaski, TN (UT Southern)

Information Items

- Report on Use of Differential Tuition Funds (UT Chattanooga)
- Report on Use of Differential Tuition Funds (UT Knoxville)
- FY 2024 Annual Flight Operations Report
- Report on Capital Projects Approvals
- FY 2024 Report on Endowment Investment Performance
- Report on FY 2024 Unrestricted Fund Balances



THE UNIVERSITY OF TENNESSEE BOARD OF TRUSTEES

AGENDA ITEM SUMMARY

Meeting Date: February 28, 2025

Committee: Finance and Administration

Item: Sale or Transfer of Gift Properties Not Held for Institutional Use

Type: Action

8

Background Information

The University Administration is requesting approval to sell real property located in Tonopah, Arizona, at a market value price of \$15,400. Subject to approval by the Board of Trustees, the University will seek all required state approvals.

The parcels, highlighted in Exhibit A, contain approximately 3.96 acres. These properties were received by the University as a gift in 1981 and are not held for institutional use. These properties are impaired by a U.S. Department of the Interior irrigation canal, and a Department of the Army notice that military munitions may be present on or near the parcels related to activities that the Department of Defense previously conducted in the area.

The donor’s intent was that the properties would be sold, and the proceeds used to benefit the W.W. Burchfiel Sr. Scholarship Fund, which this action will accomplish.

Committee Action

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

Resolved:

The Board of Trustees hereby approves the sale of certain real property located in Tonopah, Arizona, as outlined in Exhibit A, representing approximately 3.96 acres, at a market value price of \$15,400.

Further, the proper officers of the University are hereby authorized to: (i) enter into a sale agreement and such other documents as may be necessary or appropriate to accomplish the foregoing in such a form as may be acceptable to the Senior Vice President and Chief Financial Officer in consultation with the General Counsel, and (ii) seek any required state approvals necessary for the sale of such property.

Exhibit A

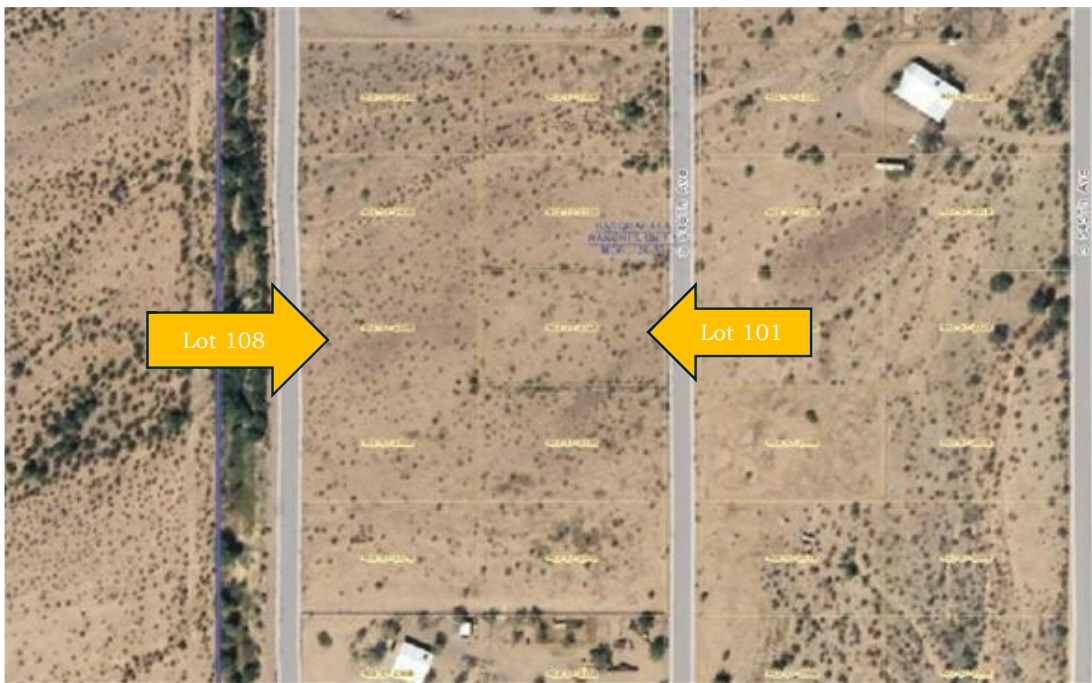
Lot 101 Parcel #401-57-232B

Lot 108 Parcel #401-57-239B

Lot 128 Parcel #401-57-259B

Lot 143 Parcel #401-57-274B

Southern Lots



Northern Lots



INDEX OF INFORMATION ITEMS

- A. Report on Capital Projects Approvals
- B. CY 2024 Report on Endowment Investment Performance
- C. Composite Financial Index Report for FY 2023-24



THE UNIVERSITY OF TENNESSEE BOARD OF TRUSTEES

AGENDA ITEM SUMMARY

Meeting Date: February 28, 2025

Committee: Finance and Administration

Item: **Report on Capital Projects Approvals**

Type: Information

9

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. UTC - Maclellan Gym Upgrades - \$455,000
2. UTC - Volleyball & Activity Area Upgrades - \$515,000
3. UTK - Basler Boathouse Office Buildout - \$684,000
4. UTK - Communications CCI Renovations - \$1,090,000
5. UTK - Dabney Chiller Roof Replacement - \$484,000
6. UTK - Haslam Business Anderson Center Upgrades - \$188,000
7. UTK - HPER CAPS Program Upgrades - \$146,000
8. UTK - Neyland Stadium Special Winterization - \$849,000
9. UTM - Diagnostic Lab Cooler Replacement - \$263,500

UT Approved, with Additional SBC Approval:

1. UTC - Fletcher Hall Rollins Sculpture - \$800,000
2. UTHSC - Campus Fencing - \$1,560,000
3. UTHSC - Dental Buildings Upgrade - \$1,251,000
4. UTIA - Clyde Austin 4-H Center Pavilions - \$118,000
5. UTIA - MTREC Lewisburg Repairs and Demolition - \$284,000



THE UNIVERSITY OF TENNESSEE BOARD OF TRUSTEES

6. UTK - Conference Center Chillers Replacement - \$992,000
7. UTK - Elliot Storm Damage Repairs - \$7,903,979.72
8. UTK - Humanities Chillers Replacement - \$974,000
9. UTK - Walters Academic Building Controls Upgrade - \$1,245,000
10. UTK - Warehouse Demolition - \$3,802,000
11. UTM - Storm Damage Repairs - \$1,300,000
12. UTM - Veterinary Kennel Addition - \$180,000

UT Approved - Revenue/Institutionally Funded Projects: FY 2024-2025

Unit	Project	Project Description	Project Cost	Funding Source				Notes	
				TSSBA	Gifts	Auxiliary	Grant		Plant Funds
1	Maclean Gym Upgrades	Upgrades to the Maclean Gym for athletics. Work includes layout changes and all related work to complete the project.	\$455,000			\$455,000			
2	Volleyball & Activity Area Upgrades	Upgrades to the outdoor volleyball area include the repainting of the sports court, the removal of a pergola, the addition of an outdoor workout equipment area, and all related work to complete the project.	\$515,000			\$515,000			
3	Basler Boathouse Office Buildout	Build out of offices on the 2nd and 3rd floors of the Basler Boathouse. The work includes new finishes, power and data, sprinklers, and all related work.	\$684,000			\$684,000			
4	Communications CCI Renovations	Upgrades in the Communications Building for the College of Communication and Information (CCI). Work will cover layout changes and building system improvements for Journalism and Electronic Media and the Media Center and includes all related work.	\$1,090,000					\$1,090,000	
5	Dabney Chiller Roof Replacement	Replacement of the roof for Dabney Hall over the Chiller portion of the building, including all related work.	\$484,000					\$484,000	
6	Haslam Business Anderson Center Upgrades	Upgrades in the Haslam College of Business Anderson Center suite including installation of a monitor wall and upgrades to existing finishes and ancillary building systems, and all related work.	\$188,000					\$188,000	
7	HPER CAPS Program Upgrades	Upgrades for the Education Research & Opportunity Center (CAPS) program in Health, Physical Education, and Recreation Building (HPER) including finishes, power changes, and all related work to complete the project.	\$146,000					\$146,000	
8	Neyland Stadium Special Winterization	Installation of heat tracing and insulation on waterlines in Neyland Stadium. Project includes all related work.	\$849,000			\$849,000			Retroactive request. UTK began installing heat trace and insulation on waterlines prior to starting the approval process.
9	Diagnostic Lab Cooler Replacement	Replacement of the walk-in cooler at the Diagnostic Lab Center and all related work to complete the project.	\$263,500					\$263,500	
Totals			\$4,674,500	\$0	\$0	\$2,503,000	\$0	\$2,171,500	

UT Approved, with Additional SBC Approval - Revenue/Institutionally Funded Projects: FY 2024-2025

Unit	Project	Project Description	Project Cost	Funding Source				Plant Funds	Notes
				TSSBA	Gifts	Auxiliary	Gift in Place		
1	UTC Fletcher Hall Rollins Sculpture	Erection of a statue of Gary and Kathleen Rollins to commemorate their contribution to the UTC College of Business. The project includes the base and all related work.	\$800,000		\$800,000				
2	UTHSC Campus Fencing	Installation of new decorative fencing at various campus locations. Includes all related work to complete the project.	\$1,560,000					\$1,560,000	
3	UTHSC Dental Buildings Upgrade	Upgrades to the Dunn and Delta Dental Buildings include updating interior finishes, lighting, lockers, ADA accessibility, and repairs to Dunn building envelope and elevator along with all related work to complete the project.	\$1,251,000					\$1,251,000	
4	UTIA Civide Austin 4-H Center Pavilions	Construction of two open air pavilions for outdoor classroom space. The project includes all related work to complete the project.	\$118,000					\$118,000	
5	UTIA MTRCC Lewisburg Repairs and Demolition	Replacement and repairs to several storm damaged agricultural buildings. Includes site clean-up and all related work to complete the project.	\$284,000					\$284,000	
6	UTK Conference Center Chillers Replacement	Replacement of two chillers in the Conference Center Building including all related work to complete the project.	\$992,000					\$992,000	Retroactive request - UTK purchased the chillers for this project prior to starting the project approval process.
7	UTK Elliot Storm Damage Repairs	This project will provide repairs to campus wide buildings from Winter Storm Elliott in December 2022.	\$7,903,979.72					\$7,903,979.72	
8	UTK Humanities Chillers Replacement	Replacement of two chillers in the Humanities Building including all related work to complete the project.	\$974,000					\$974,000	Retroactive request - UTK purchased the chillers for this project prior to starting the project approval process.
9	UTK Walters Academic Building Controls Upgrade	Upgrades to the HVAC equipment controls and all related work to complete the project.	\$1,245,000					\$1,245,000	Retroactive request - UTK proceeded with design under an existing vendor contract.
10	UTK Warehouse Demolition	Abate and demolish the UT Warehouse on Stephenson Drive and construct a new parking lot in its place. Includes all related work to complete the project.	\$3,802,000			\$800,000		\$3,002,000	
11	UTM Storm Damage Repairs	This project will provide roof repairs to campus wide buildings from a hailstorm in April 2024 and includes all related work to complete the project.	\$1,300,000					\$1,300,000	
12	UTM Veterinary Kennel Addition	Addition to the Veterinary Science Lab to accommodate new kennel space. Includes all related work to complete the project.	\$180,000	\$107,764				\$72,236	
Totals			\$20,409,979.72	\$0	\$907,764	\$800,000	\$0	\$0	\$18,702,215.92



THE UNIVERSITY OF TENNESSEE BOARD OF TRUSTEES

AGENDA ITEM SUMMARY

Meeting Date: February 28, 2025

Committee: Finance and Administration

Item: **CY 2024 Report on Endowment Investment Report**

Type: Information

Background Information

Investment of the University endowment 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, 2024, 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 benefiting 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, 2024

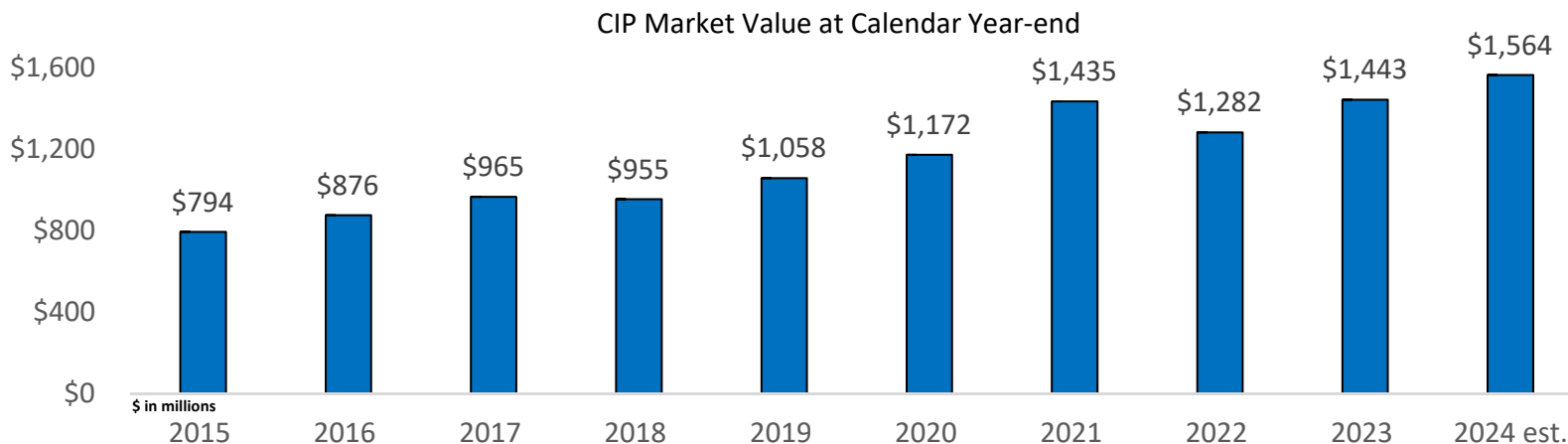
Consolidated Investment Pool (CIP) Cash-flow Activity for 12-month Period:

- \$69 million in New Gifts
- \$63 million in Spending Plan Distributions
- \$13 million in Institutional Support

Consolidated Investment Pool (CIP)* and Benchmark 1-year Returns:

- Outperformed the Global Market B-mark (60/40 stock & bond mix): +10.6% vs +8.9%
- Underperformed the Actual Allocation B-mark (Multi-asset benchmark): +10.6% vs +13.7%
- Outperformed CPI+5.5% (Inflation + Spend): +10.6% vs. +8.4%

*CIP returns are estimates.



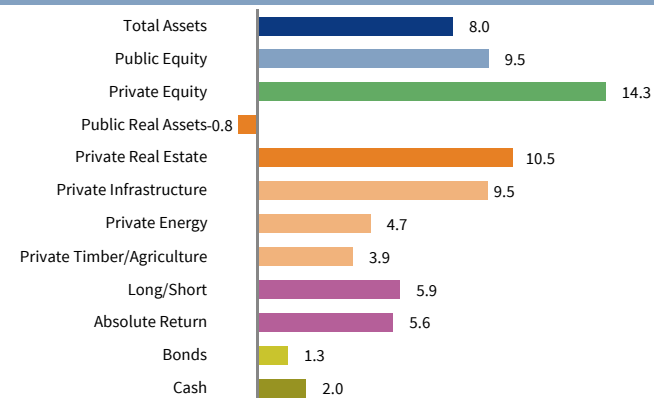
University of Tennessee Performance Dashboard

| As of December 31, 2024

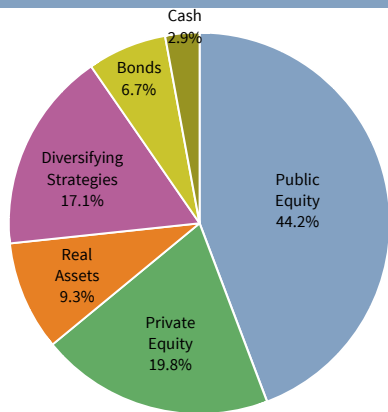
Preliminary CIP Performance (%)

	Cumulative Trailing 1-Year	Annualized Trailing 3-Year	Annualized Trailing 5-Year	Annualized Trailing 10-Year	Annualized Since Inception
CIP	10.6	3.5	8.0	6.6	8.0
Global Market Benchmark	8.9	1.3	5.2	5.7	7.0
<i>Value Add</i>	<i>1.7</i>	<i>2.2</i>	<i>2.9</i>	<i>0.9</i>	<i>1.1</i>
Actual Allocation Benchmark	13.7	5.5	8.4	6.8	8.1
<i>Value Add</i>	<i>-3.1</i>	<i>-2.0</i>	<i>-0.3</i>	<i>-0.3</i>	<i>-0.1</i>
CPI + 5.5%	8.4	9.7	9.7	8.4	8.0
<i>Value Add</i>	<i>2.2</i>	<i>-6.2</i>	<i>-1.7</i>	<i>-1.8</i>	<i>0.0</i>

Trailing 5Y Performance by CIP Asset Class (%)



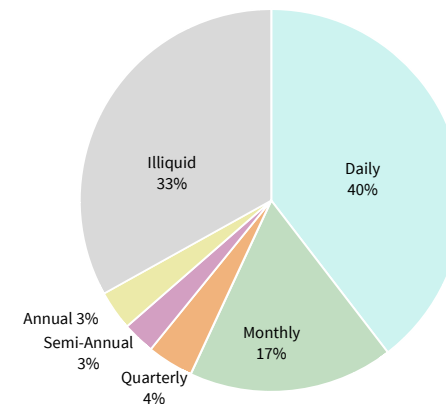
Actual and Long-Term Target Allocation



Public Equity
Private Equity
Real Assets
Diversifying Strategies
Bonds
Cash

	Actual Allocation	Long-Term Target Allocation
Public Equity	44.2%	42%
Private Equity	19.8%	25%
Real Assets	9.3%	7%
Diversifying Strategies	17.1%	18%
Bonds	6.7%	8%
Cash	2.9%	

Portfolio Liquidity



Index & Benchmark Summary:

Global 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.

Actual Allocation Benchmark:

This benchmark is comprised of multiple public and private indices which represent 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, 2024. Totals may not sum due to rounding. 96% of Private investment performance is as of September 31, 2024. Private investment market values have been updated with capital calls and distributions through the current month. 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:	February 28, 2025
Committee:	Finance and Administration
Item:	<u>Composite Financial Index Report for FY 2023-2024</u>
Type:	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 2023-24

To allow monitoring of trends in these ratios, each annual report includes three years of CFI analysis. This report provides summary graphs of fiscal years 2023, 2023, and 2024 for comparison, and a full report for FY 2024. 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 all five campuses in the "benchmark" zone or better.
- All five campuses and the University as a whole have healthy CFI scores ranging from 2.61 to 5.01.
- This is the first fiscal year that all UT institutions have had a positive CFI since UT Finance began reporting the CFI in FY2016.
- UT Southern and UTHSC are just slightly below the benchmark in the primary reserve ratio but have healthy expendable net assets.
- UT Martin had slightly negative operating revenue and fell into the watch zone at -0.01.

- UT Chattanooga and UT Martin had return on net assets above inflation but did not make the benchmark of CPI plus 3%.
- UT Chattanooga had a viability ratio of 0.90 due to long-term debt exceeding expendable net assets. However, this is well above the watch level of 0.40.

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.

University of Tennessee Composite Financial Index Fiscal Year 2024

1	PRIMARY RESERVE <u>Total expendable net assets</u> Total expenses	Weight 35%	Knoxville 2024	Chattanooga 2024	Martin 2024	Southern 2024	Health Science Ctr 2024	Total University* 2024	Benchmark	Watch
			1,410,431,966	115,100,274	91,814,897	6,380,638	250,433,215	2,071,524,986		
	1,798,917,240	252,861,841	140,538,767	17,840,008	681,270,851	3,043,846,060				
	RATIO =	0.78	0.46	0.65	0.36	0.37	0.68	0.40	0.13	
2	NET OPERATING REVENUE <u>Operating surplus or deficit</u> Total revenues	Weight 10%	156,614,571	9,707,067	(1,348,882)	1,945,174	26,373,411	250,092,471		
			1,955,531,810	262,568,908	139,189,885	19,785,182	707,644,262	3,293,938,530	.02 to .04	0.00
	RATIO =	0.08	0.04	-0.01	0.10	0.04	0.08			
3	RETURN ON NET ASSETS <u>Change in net assets</u> Total net assets (beg. of year)	Weight 20%	259,407,765	14,176,738	11,089,307	2,019,105	36,957,771	383,276,149	CPI + 3%	CPI
			3,021,720,234	379,278,961	250,669,355	17,892,795	622,878,697	4,538,772,511	0.06	0.03
	RATIO =	0.09	0.04	0.04	0.11	0.06	0.08			
4	VIABILITY <u>Expendable net assets</u> Long-term debt	Weight 35%	1,410,431,966	115,100,274	91,814,897	6,380,638	250,433,215	2,071,524,986		
			803,978,785	128,506,148	49,187,295	0	82,265,184	1,066,889,306	1.25X	0.40X
	RATIO =	1.75	0.90	1.87	1	3.04	1.94			

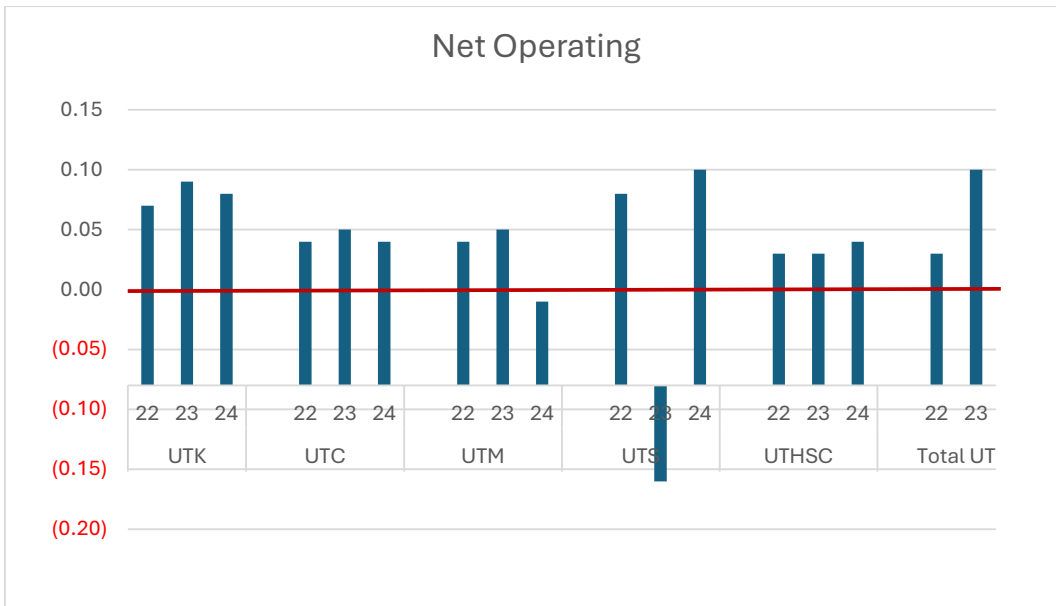
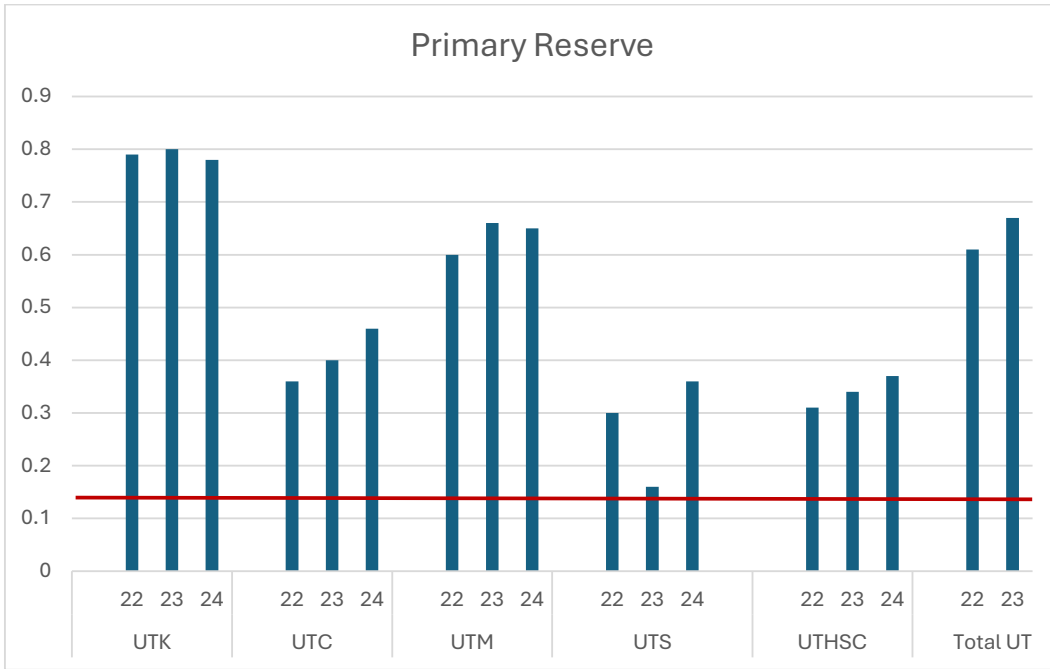
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	Knoxville 2024	Chattanooga 2024	Martin 2024	Southern 2024	Health Science Ctr 2024	Total University* 2024
STRENGTHS AND WEIGHTS WORKSHEET	CFI SCORE	CFI SCORE	CFI SCORE	CFI SCORE	CFI SCORE	CFI SCORE
Primary Reserve	2.06	1.20	1.72	0.94	0.97	1.79
Net Operating Revenue	0.62	0.28	(0.07)	0.76	0.29	0.58
Return on Net Assets	0.86	0.37	0.44	1.13	0.59	0.84
Viability	1.47	0.75	1.57	0.84	2.56	1.63
CFI SCORE	5.01	2.61	3.65	3.67	4.40	4.85

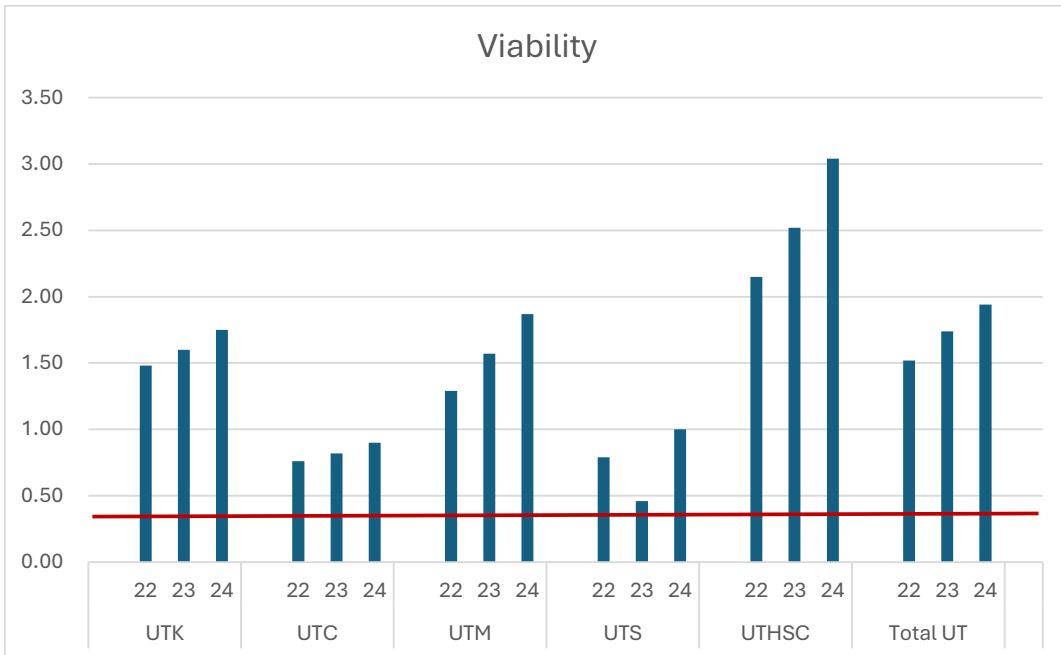
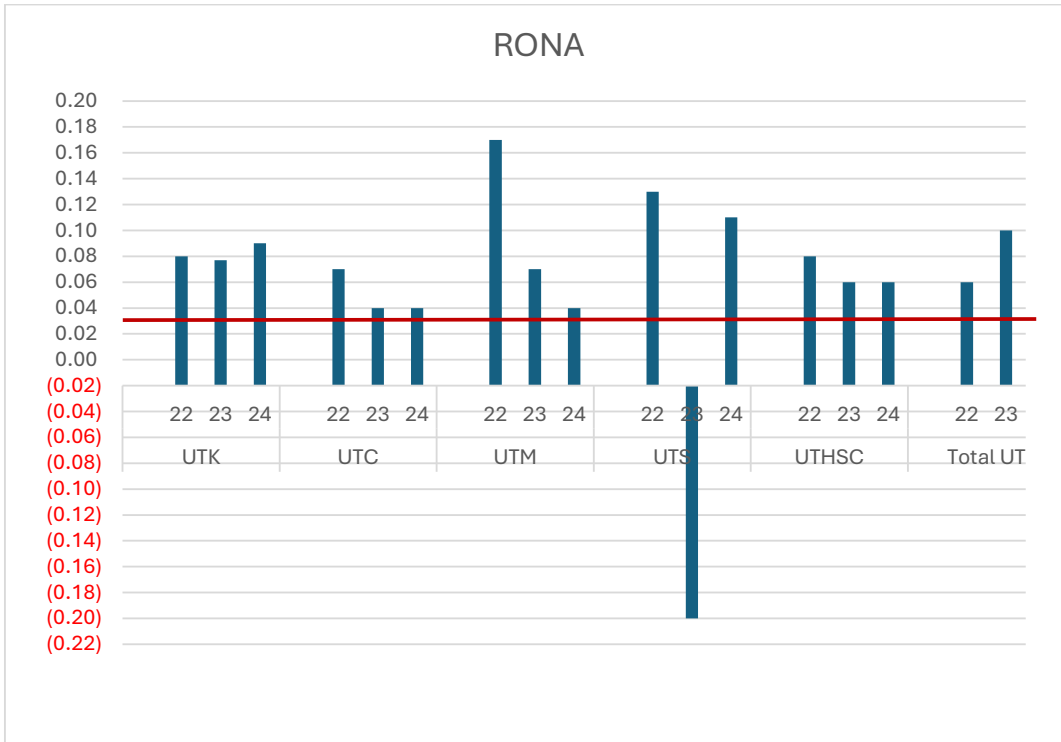
*Includes System Administration and ITC

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CFI Ratios for FY22, FY23, and FY24



CFI Ratios for FY22, FY23, and FY24



CFI Ratios for FY22, FY23, and FY24

