



THE UNIVERSITY OF TENNESSEE BOARD OF TRUSTEES

2025 WINTER MEETING OF THE BOARD OF TRUSTEES	
Friday, February 28, 2025	Russell Duncan Ballroom
10:00 a.m. (CST)/11:00 a.m. (EST)	Boling University Center, UT Martin

AGENDA

- I. Call to Order and Invocation
- II. Roll Call
- III. Welcome and Opening Remarks of the Chair
- IV. Requests to Address the Board *(if not assigned to be heard in a committee)*
- V. President’s Update – Information
 - A. [Proposed 2025 Goals and Objectives](#) – Discussion..... Tab 1.1
 - B. [Proposed Board Statement of Aspirations](#) - Action..... Tab 1.2
- VI. Committee Reports:
 - A. Report of the Audit and Compliance Committee
 - Action Item: [Audit and Compliance Committee Charter](#) Tab 2.1.1
 - B. Report of the Education, Research, and Service Committee
 - C. Report and Recommendations of the Finance and Administration Committee
 - Action Items:
 - 1. [Revised FY 2024-25 Operating Budget](#)..... Tab 2.3.1
 - 2. [FY 2025-26 State Budget Amendment Request](#) Tab 2.3.2
 - 3. [FY 2025-26 Tuition Levels, UTHSC](#) Tab 2.3.3
- VII. [Proposed Strategic Plan, UT Martin](#) – Action Tab 3
- VIII. [Consent Agenda](#) – Action..... Tab 4
 - A. [Minutes of the Prior Meeting](#)..... Tab 4.1
 - B. [Items from the Education, Research, and Service Committee](#)..... Tab 4.2
 - C. [Items from the Finance and Administration Committee](#) Tab 4.3

[Note: The Bylaws of the Board provide that any item unanimously approved by a committee that is meeting in conjunction with a meeting of the Board will be placed on the consent agenda of the Board meeting. Therefore, if any item listed under VIII.B or VIII.C is not unanimously approved in committee, the item will be moved to the regular agenda of the Board. Further, any Trustee may request that an item on the consent agenda be moved to the regular agenda even if unanimously approved in committee.]



THE UNIVERSITY OF TENNESSEE BOARD OF TRUSTEES

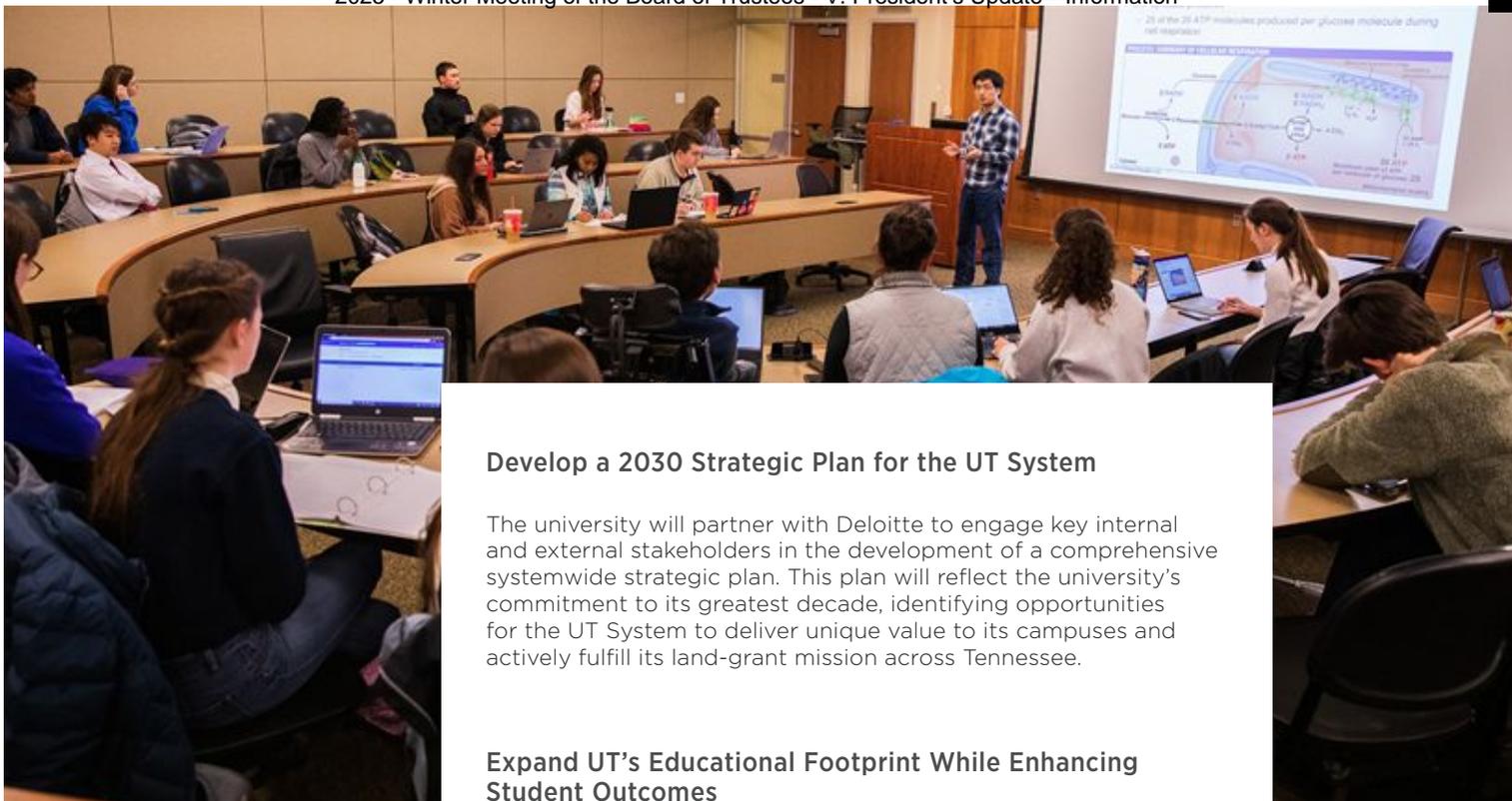
IX. Other Business

[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 Board. Other business necessary to come before the Board at this meeting should be brought to the attention of the Board Secretary before the meeting.]

X. Closing Remarks and Adjournment



2025 OBJECTIVES



Develop a 2030 Strategic Plan for the UT System

The university will partner with Deloitte to engage key internal and external stakeholders in the development of a comprehensive systemwide strategic plan. This plan will reflect the university's commitment to its greatest decade, identifying opportunities for the UT System to deliver unique value to its campuses and actively fulfill its land-grant mission across Tennessee.

Expand UT's Educational Footprint While Enhancing Student Outcomes

The University of Tennessee, through the collective effort of everyone across the system, continues to drive workforce and economic growth in Tennessee by equipping students with the education, training, and innovation needed for the state's most in-demand jobs. UT's 2030 enrollment goal, the university aims to:

- Grow total enrollment by 2.25%, reaching 63,547 students systemwide by fall 2025—a record high.
- Increase fall 2025 first-year retention by 0.5%, achieving a record high of 86%.
- Improve the university's four-year graduation rate by 1%, reaching 52.85% by fall 2025—another record high.

**ENHANCING
EDUCATIONAL
EXCELLENCE**

Deliver Campus 2030 Enrollment Plans

The UT System will collaborate with campus leaders to develop strategic enrollment plans in support of the goal to reach 71,000 students by 2030. These plans will be presented to the Board of Trustees in 2025, with UT Knoxville and UT Martin presenting at the June board meeting and UTHSC, UT Southern, and UT Chattanooga presenting in October.

Compete for and Win State Funding for the Tennessee Grow Your Own Center

In 2025, the Tennessee Department of Education will release a request for applications for the Grow Your Own Center. Successfully securing this contract would provide sustainable funding for the center and broaden its scope to support school districts and local education agencies beyond teacher preparation, solidifying the university's role as a national leader in creating pathways into the teaching profession.



Increase UT Promise Enrollment

We will work to double the yield rate of UT Promise applicants, reaching or exceeding 15%, so that more qualified students matriculate to a University of Tennessee campus. Efforts will include enhanced outreach to applicants through partnerships with tnAchieves, strengthened collaboration with campus enrollment and financial aid offices, and the launch of a pilot program at UT Knoxville in 2025 to increase participants' sense of belonging prior to the fall semester. By mid-2025, the university will explore options to enhance the UT Promise program for the 2026-2027 academic year.

ENHANCING EDUCATIONAL EXCELLENCE

Lay the Foundation for a Common Student Information System

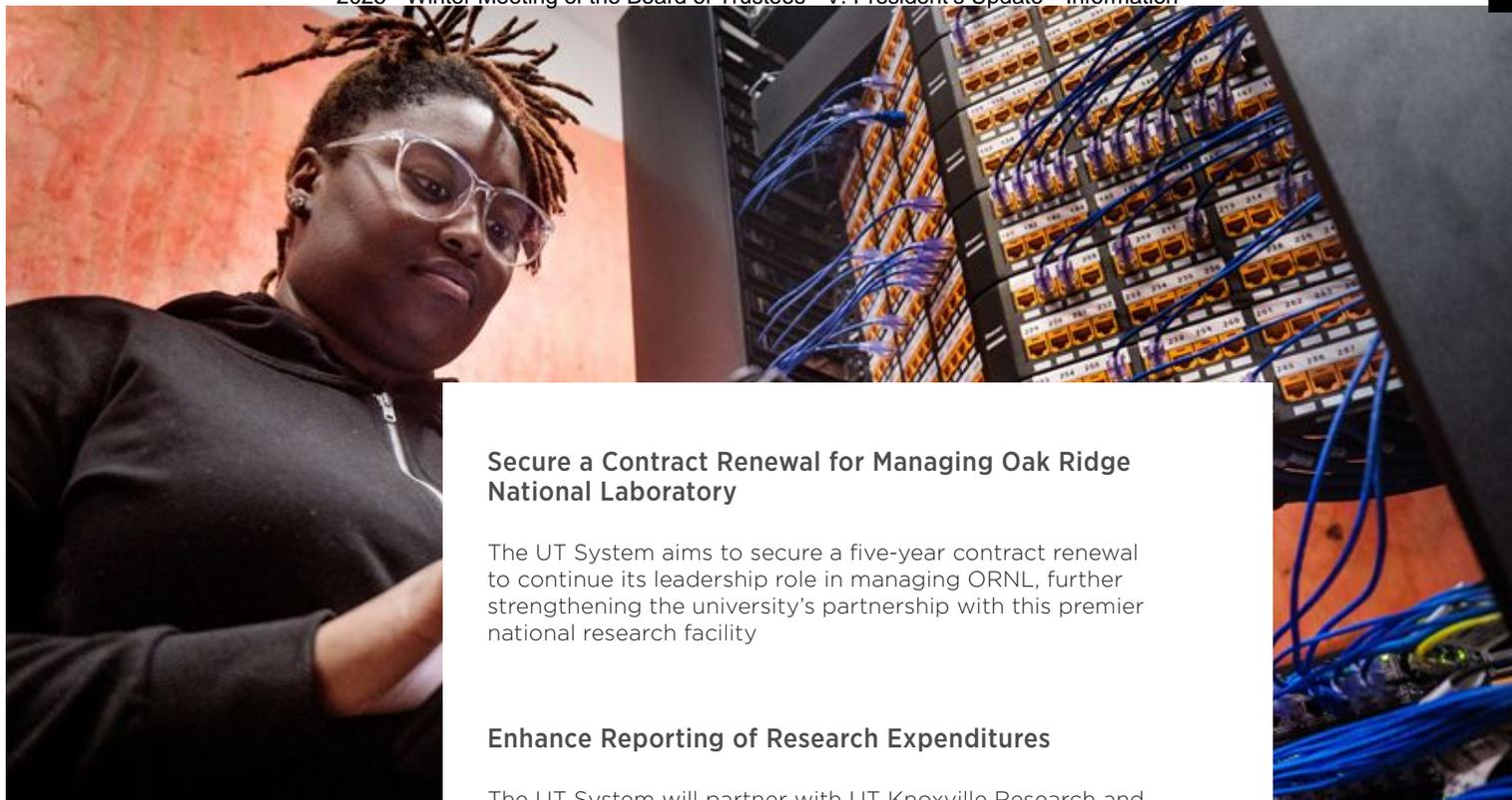
To modernize and unify student information systems, the UT System will release a request for proposal (RFP) in early 2025 to identify an implementation partner, to select a partner by the end of the first quarter. Following the selection, the university will begin implementing Oracle financial aid modules, such as Student Aid Eligibility and Student Financial Planning, while continuing engagement with Oracle's Early Adopter Program to influence the direction of its student product.

Host the Inaugural Tennessee Summit on Male Persistence and Success

Through a partnership between UT Knoxville and the UT System, convene statewide colleagues and thought leaders in 2025 to address challenges, opportunities, and best practices for engaging more men in pathways that lead to workforce participation, college enrollment, and credential or degree completion.

Develop a Faculty Satisfaction Survey

The UT System will create a pulse-style satisfaction survey for faculty, to be administered between the triennial COACHE Faculty Satisfaction Surveys. This tool will provide actionable insights to help campuses and the UT System improve faculty satisfaction and enhance the overall faculty experience.



**EXPANDING
RESEARCH
CAPABILITIES**

Secure a Contract Renewal for Managing Oak Ridge National Laboratory

The UT System aims to secure a five-year contract renewal to continue its leadership role in managing ORNL, further strengthening the university's partnership with this premier national research facility

Enhance Reporting of Research Expenditures

The UT System will partner with UT Knoxville Research and the AVP of Research to assess the capture of institutional expenditures as reported through the National Science Foundation HERD Survey process. Ensuring consistencies in reporting at the campus level will result in optimized reporting of research and development expenditures, which are critical for growing research capacity. Based on the outcomes, the system will conduct a systemwide review to ensure effective reporting.

Develop an Angel Network Fund Blueprint

The UT Research Foundation (UTRF) will collaborate with the UT Foundation, UT Knoxville's Office of Research, Innovation, and Economic Development, and the development officers at different campuses to create a process blueprint for a \$30 million UT Angel Network Fund. This network will connect startup companies across the UT System with prospective investors and alums, fostering a vibrant entrepreneurial ecosystem.

Grow the Entrepreneurial Fellows Program

UTRF hires at least two Entrepreneurial Fellows. These fellows will focus on developing minimum viable products (MVPs) to advance the commercialization of innovative technologies and foster entrepreneurial talent across the UT System.



EXPANDING RESEARCH CAPABILITIES

Develop Temporary Housing in Oak Ridge

To facilitate the expansion of the student population interacting with ORNL, the UT System will establish an agreement to develop temporary housing capacity in the City of Oak Ridge.

Implement DASH Research Modules

The DASH Research program will implement additional components of the Huron Research Suite (HRS) in 2025, offering modern, scalable, cloud-based solutions for research management. Key modules to be launched include Employee Compensation Compliance, Conflict of Interest, Grants and Agreements, Institutional Review Board, Financial Forecasting, Huron Research Analytics, Export Control, and Safety. These initiatives will complete Wave 2 of DASH Research and start the final phase of implementation before the end of the calendar year.



FOSTERING OUTREACH AND ENGAGEMENT

Host a Grand Challenges Summit

The UT System will convene leaders, faculty, staff, and students from across its campuses and institutes to foster networking and knowledge sharing around its Grand Challenge focus areas: advancing K-12 education, strengthening rural communities, and overcoming addiction.

Support Economic Development Through CIS

The Institute for Public Service's Center for Industrial Services (CIS) will assist businesses in achieving a customer-reported economic impact of \$2.5 billion (\$2.4 billion in 2024). CIS will also provide economic and workforce development training to 320 (287 in 2024) economic developers and serve all 95 (89 in 2024) Tennessee counties.

Enhance Public Leadership Through the Naifeh Center

The UT Naifeh Center for Effective Leadership will work with state government agencies to ensure leaders enrolled in the Certified Public Manager (CPM) program are supported by professional mentors, faculty, staff, and alums. Capstone projects developed through the program aim to transform public services for Tennesseans, with an anticipated economic impact of \$180 million, up from \$21.8 million in FY24.

Implement SMART's Opioid Settlement Strategy

The Substance Misuse and Addiction Resource of Tennessee (SMART) initiative will provide technical assistance to 75% (71 vs 50 in 2024) of Tennessee counties, helping them strategize and implement opioid settlement spending plans to improve services and reduce addiction-related costs.



Establish a Land Use Institute

The UT Institute of Agriculture (UTIA) will develop a Land Use Institute focused on researching farmland and forestry loss and identifying strategies for sustainable land preservation. The institute will collaborate with industry partners and state government to explore policy solutions and economic opportunities that support conservation efforts. By leveraging research and stakeholder engagement, the Land Use Institute will provide actionable insights that benefit Tennessee's agricultural and environmental landscapes.

Expand 4-H STEM Initiatives

UTIA will implement a comprehensive workforce development plan to support the expansion of outdoor STEM programs through 4-H camps across the state. This initiative will provide hands-on learning opportunities in science, technology, engineering, and mathematics, equipping young Tennesseans with the skills needed for future careers in STEM-related fields. The program will also enhance partnerships with local industries, educators, and community organizations to broaden the impact of 4-H STEM programming.

FOSTERING OUTREACH AND ENGAGEMENT



**ENSURING WORKFORCE
AND ADMINISTRATIVE
EXCELLENCE**

Hire Chancellors for UT Chattanooga and UT Southern

We will conduct national searches and select dynamic, transformative, generational new Chancellors for these two campuses.

Improve Continuity Planning

To enhance operational resilience, we will strengthen continuity of operations planning and training across campuses and institutes, addressing any gaps identified in the systemwide continuity consultation conducted by Internal Audit.

Evaluate Capital Project Practices

An external audit firm will assess the UT System's capital project practices for efficiency and effectiveness, benchmarking them against national peers and large public universities.

Build an Enterprise Data Governance Program

We will establish a comprehensive data governance program to enhance decision-making and operational efficiency.

Develop Long-Range Financial Plans

Campus and institute leaders will be guided through the development of five-year financial plans, incorporating best practices in long-range financial modeling, stress testing, and sensitivity analysis. These plans will inform strategic decision-making and support prudent debt issuance for academic facilities.

Adopt a Reserve Balance Policy

The UT System will develop a policy to establish minimum fund balance reserves, aligning with national standards and supporting the capital debt strategy.



**ENSURING WORKFORCE
AND ADMINISTRATIVE
EXCELLENCE**

Streamline Capital Projects

The Office of Capital Projects will develop a strategic staffing plan to manage the increased volume of projects, ensuring the successful delivery of \$6 billion in capital development goals.

Complete Strategic Sourcing Phase 2

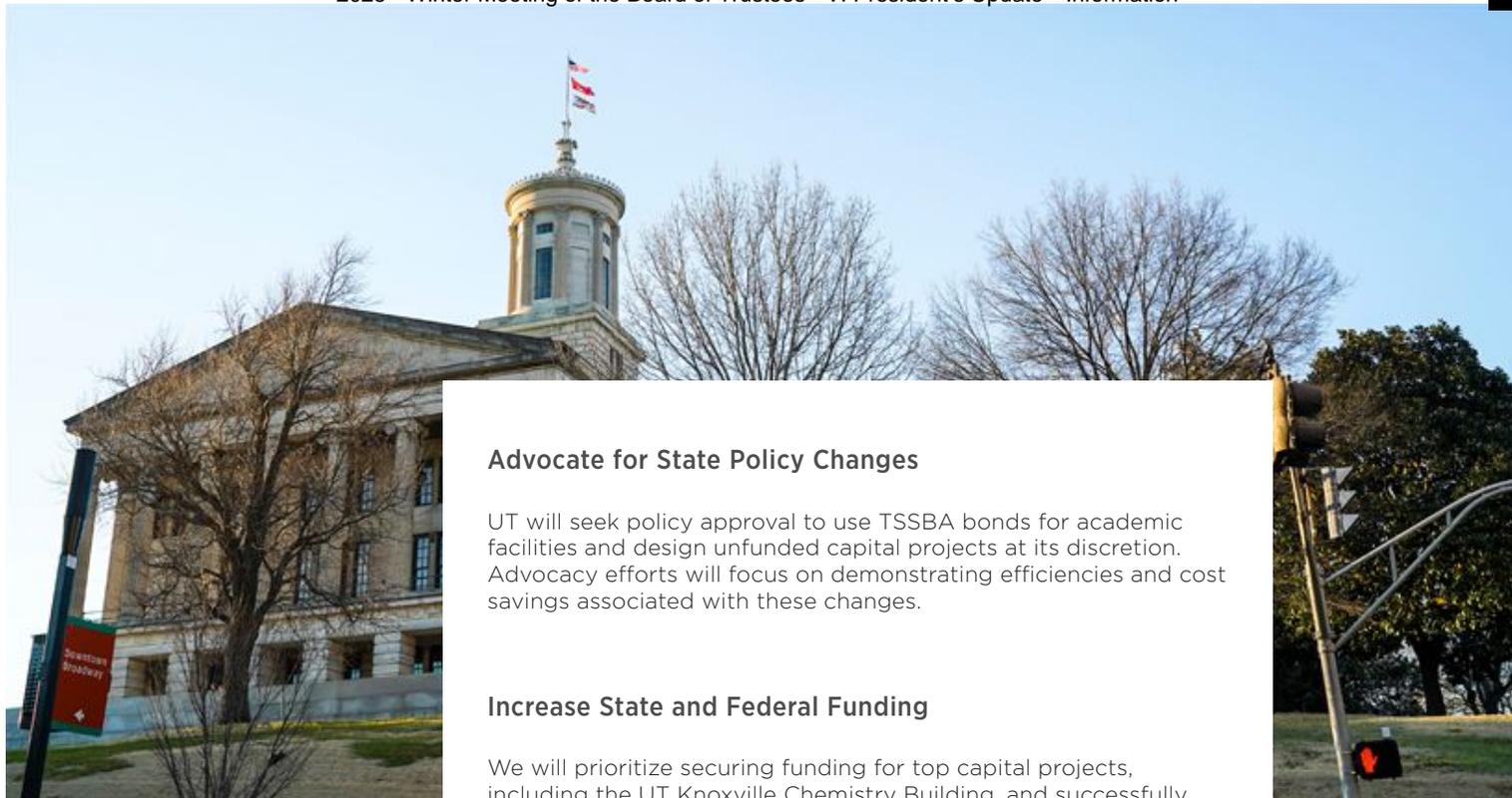
Using 2024 spending insights, the UT System Administration Procurement team will target the university's top seven suppliers by spend, securing competitive bids and measurable cost reductions.

Assess HIPAA Compliance Systemwide

The Office of the General Counsel and the Director of Privacy will collaborate with campus compliance leaders and an external consultant to assess HIPAA applicability to healthcare-related functions. Policies and training will be updated based on the findings.

Review Board Policies

The Office of the Board Secretary and the Office of the General Counsel will propose updates to key policies, including those on claims and litigation, intellectual property, and oversight of intercollegiate athletics. A new artificial intelligence policy will also be developed in compliance with Tennessee law.



ADVOCATING FOR UT

Advocate for State Policy Changes

UT will seek policy approval to use TSSBA bonds for academic facilities and design unfunded capital projects at its discretion. Advocacy efforts will focus on demonstrating efficiencies and cost savings associated with these changes.

Increase State and Federal Funding

We will prioritize securing funding for top capital projects, including the UT Knoxville Chemistry Building, and successfully growing funding from our federal relations agenda by 10%.

Secure \$50 Million in State Partnerships

The university will renew and expand partnerships with state government, focusing on aligning UT expertise with state needs and ensuring the longevity of significant collaborations such as Healthy Smiles and the Grow Your Own Center.

Expand the “Everywhere You Look, UT” Campaign

We will deepen its role in promoting the university by partnering with UTIA Extension offices to increase visibility at local events. The campaign will prioritize its mural component, with a goal of completing murals in all 95 counties by the end of 2026, four years ahead of schedule.

Launch the “Value of UT Research” Campaign

In collaboration with campus chief research officers, the UT System Communications and Marketing team will showcase stories highlighting UT research’s impact on the daily lives of Tennesseans and the state’s economy.



ADVOCATING FOR UT

Promote UT Campuses Through “Find Your UT”

The UT System will execute a multi-channel campaign to highlight the affordability, accessibility, and unique qualities of its five campuses, aiming to increase the percentage of Tennessee high school college-going graduates applying to a UT campus from 78.2% to 85%.

Support UT Foundation Advancement Efforts

The UT Foundation will strengthen its efforts to raise private support, expand the donor base, and engage more alums. Key goals for 2025 include generating \$435 million in support from 87,000 donors, engaging 310,000 alums by year-end, and expanding the Advocacy Network to 10,000 members. These targets represent record-breaking achievements in each category. In conjunction with these milestones, the foundation aims to reach \$1.9 billion in cumulative support for the current decade, working toward the overarching goal of raising \$3 billion by 2030—making this the most successful fundraising decade in UT history.

Expand Foundation Support for Campus Advancement Programs

The UT Foundation will enhance its level of support for campus advancement programs by expanding staffing in key central support functions, including constituent management, digital marketing and strategy, prospect management and research, business intelligence and reporting, and user experience. This expansion will be funded through an improved investment strategy for non-endowed funds managed by the foundation. Revenue generated from the revised strategy will allow for the enhancement of services at no additional cost to the campuses.



THE UNIVERSITY OF TENNESSEE BOARD OF TRUSTEES

AGENDA ITEM SUMMARY

Meeting Date: February 28, 2025

Item: **Proposed Statement of Aspirations**

Type: Action

Presenter: Randy Boyd, President

Background Information

The University of Tennessee is one of the nation's oldest institutions of higher education, having been founded in 1794. Two years before Tennessee achieved statehood in 1796, the legislature of the Southwest Territory "disposed to promote the happiness of the people at large, and especially the rising generation," authorized the establishment of the University.

Seventy-five years later, in 1869, the Tennessee legislature designated the University as a land-grant institution under the Morrill Act. Signed by President Abraham Lincoln in 1862, the Act's purpose was to provide for at least one college in each state where the leading object shall be, without excluding other scientific or classical studies, to teach such branches of learning as are related to agriculture and the mechanic arts in order to promote the practical education of the industrial classes. In a speech to his home state Vermont Legislature in 1888, Justin S. Morrill explained that the fundamental idea was to offer an opportunity in every state for a larger education to larger numbers to those needing higher instruction for the world's business, for the industrial pursuits and professions of life."

In February 2021, the Board approved an updated mission statement that acknowledges the crucial role the University system fulfills in serving the State of Tennessee and its people.

"To serve all Tennesseans and beyond through education, discovery and outreach that enables strong economic, social and environmental well-being."

Today, within the statewide University system, there are five unique campuses. The University is committed to equal educational opportunity and excellence. No matter where a student is in their educational journey, there is a University campus designed to help them succeed. We understand that every student's journey is different, and our goal is to meet students where they are and help them get to where they want to go.



THE UNIVERSITY OF TENNESSEE BOARD OF TRUSTEES

In light of the University's mission, our critical role in supporting the workforce needs of the State of Tennessee, and in preparation for the development of a new systemwide strategic plan, I recommend that the Board consider the adoption of a new statement of aspirations focused on the University's land-grant designation. (Proposed statement is attached).

Board Action

The Chair will call for a motion to adopt the following resolution.

Resolved:

The Board of Trustees hereby: (i) affirms the University's land-grant designation, which underlying principles and values shall be extended to all of the University's campuses and institutes; and (ii) approves the Statement of Aspirations as presented in the meeting materials, a copy of which shall be attached to this resolution following adoption.

The Board's Statement of Aspirations shall supersede all prior Board statements, and the Board Secretary is authorized to take such actions as deemed necessary or appropriate to reflect the adoption of the Statement of Aspirations.



HONORING OUR LAND-GRANT MISSION

The University's mission is inextricably tied to its public purpose. Through its campuses and institutes, the University provides life-changing education; undertakes groundbreaking research that saves lives, drives innovation, and improves quality of life; and partners with communities to tackle some of the most intractable challenges they face. To that end, we wish to clearly state our key aspirations for honoring and advancing the University's public, land-grant mission.

Statement of Aspirations

We are dedicated to expanding access to educational opportunities, striving to remove barriers, and making academic pursuits more affordable. Consistent with the University's commitment to high academic standards, student achievement, and the preparation of responsible citizens, we believe that engaging with individuals from all backgrounds and perspectives fosters a vibrant learning environment that enhances critical thinking and intellectual growth. Our collective strengths make us stronger, and we are committed to promoting an atmosphere where all members of the University community feel welcome, can thrive, and achieve success.



THE UNIVERSITY OF TENNESSEE BOARD OF TRUSTEES

AGENDA ITEM SUMMARY

Meeting Date: February 28, 2025

Item: **Revised Audit and Compliance Committee Charter**

Type: Action

Presenter: Decosta Jenkins, Chair, Audit & Compliance Committee

Background Information

In accordance with the Bylaws of the University (Section 4.1(a)), each standing committee of the Board shall develop a charter to be submitted to the Board of Trustees for approval.

A review of the Committee Charter for the Audit and Compliance Committee has been conducted in connection with the Global Internal Audit Standards (Standards) released recently by The Institute of Internal Auditors. Certain revisions are being recommended to align the charter with the Standards and best practices. Additionally, the form of the charter has been compared against the Committee Charters for the other standing committees of the Board, along with the Bylaws, to ensure consistency in terms of presentation and language. In this regard, the primary format change has been to move the section on “Responsibilities” to the beginning of the charter to emphasize the roles and responsibilities of the Audit and Compliance Committee. Modifications to the charter require the approval of both the Board of Trustees and the Tennessee Comptroller of the Currency. A copy of the charter with the proposed changes highlighted is attached to this summary.

Board Action

The Board Chair will call for a motion recommending that the Board of Trustees adopt the following Resolution.

Resolved:

The Board of Trustees hereby approves the proposed revisions to the charter for the Audit and Compliance Committee, as presented in the meeting materials.

Further, the Chief Audit and Compliance Officer, with the consent of the Chair of the Audit and Compliance Committee, may make modifications as may be requested by the Tennessee Comptroller of the Treasury. The updated charter shall be effective following approval by the Tennessee Comptroller of the Treasury, and a copy shall be attached to this resolution.



**THE UNIVERSITY OF TENNESSEE
BOARD OF TRUSTEES**

**AUDIT AND COMPLIANCE
COMMITTEE CHARTER**

PURPOSE

The Audit and Compliance Committee of the Board of Trustees is established ~~as required by Tennessee Code Annotated § 49-9-206(b)(1)(A) and in compliance with~~ pursuant to the State of Tennessee Audit Committee Act of 2005, codified at Tennessee Code Annotated §§ 4-35-101 et seq. (the "Tennessee Audit Committee Act"). The Committee will assist the Board in fulfilling its governance and oversight responsibilities.

AUTHORITY

The Audit and Compliance Committee has authority to conduct or authorize investigations into any matter within its scope of responsibility. The Committee is empowered to:

- Seek any information it requires from employees – all of whom are directed to cooperate with the Committee’s requests – or external parties.
- Meet with University officials, external and internal auditors, the General Counsel, or others as necessary.
- Delegate authority to subcommittees to handle any matter within the Committee’s scope of responsibility, provided that actions of the subcommittee are presented to the full Committee at a previously scheduled or called meeting.
- Oversee the internal audit and institutional compliance functions of the University, which will report directly to the Audit and Compliance Committee through the Chief Audit and Compliance Officer.
- Conduct confidential, nonpublic executive sessions as authorized by law.



RESPONSIBILITIES

The Committee's oversight responsibilities shall include the following matters:

Financial Statements

- Provide oversight for the integrity of the University's annual financial statements through review of the scope and results of the state auditor's examination of the University's annual financial statements and any other matters related to the conduct of the audit, which should be communicated to the Committee.
- Review with management and the General Counsel any legal matters (including pending litigation) that may have a material impact on the University's financial statements and any material reports or inquiries from regulatory or governmental agencies.
- Resolve any differences between management and the state auditors regarding financial reporting.

Internal Control

- Provide oversight of the University's internal control structure and management practices by considering the effectiveness of the University's internal control system, including information technology security and control.
- Understand the scope of internal and external auditors' review of internal controls over financial reporting.
- Review management's risk assessment and the University's Code of Conduct.
- Ensure that procedures exist for the receipt, retention, and treatment of complaints regarding fraud, waste, and abuse, including procedures for anonymous complaints.
- Ensure that the Code of Conduct is easy to access, widely communicated, easy to understand, includes an anonymous reporting mechanism, and is enforced.
- Ensure that the University's conflict of interests policy is comprehensive, clearly defines the term "conflict of interests," and contains procedures for adequately resolving and documenting potential conflicts.



- Review the University's process for monitoring compliance with laws and regulations.

Office of Audit and Compliance

- Ensure that ~~the Office of~~ Audit and Compliance has direct and unrestricted access to the Chair and other Committee members.
- Review the Chief Audit and Compliance Officer's administrative reporting relationship to assure not only that independence the function is fostered organizationally positioned to be performed independent from management, but adequate resources in terms of staff and budget are provided to enable ~~the Office of~~ Audit and Compliance to perform its responsibilities effectively.
- Recommend to the Board the appointment, initial compensation, and other terms of employment of the Chief Audit and Compliance Officer.
- Review ~~and approve~~ the annual evaluation performance and compensation of the Chief Audit and Compliance Officer.
- Review and approve the Chief Audit and Compliance Officer's roles and responsibilities and any impairments to independence and safeguards necessary to protect independence carrying out those duties.
- Recommend to the Board reassignment, demotion, or dismissal of the Chief Audit and Compliance Officer.
- Review budget, structure, and staffing for ~~the Office of~~ Audit and Compliance.
- Review compliance with professional standards.

Internal Audit

- Review and approve the charter for the internal audit function.
- Review and approve the comprehensive annual audit plan.
- Review the results of the year's work with the Chief Audit and Compliance Officer. Changes to the plan, including management requests for unplanned assignments, should also be reviewed.
- Receive and review reports and other work prepared by the internal audit team.



- Review any difficulties encountered in the course of performing audits, including restrictions on the scope of work and access to ~~required information~~ the data, records, information, personnel, and facilities necessary to fulfill the internal audit mandate.
- Review the results of external and periodic internal assessments of the quality assurance and improvement program.

Institutional Compliance

- Review of the University's process for monitoring compliance with laws, regulations, and University policies.
- Review and approve the annual institutional compliance work plan.
- Review the results of the University's compliance risk assessment process.
- Review the results of compliance work on a regular basis.
- Receive and review reports and other work prepared in conjunction with the institutional compliance efforts.

External Auditors

- Present the external auditors' conclusions to the full Board.
- Meet regularly with the external auditors to discuss any matters that the Committee or auditors deem appropriate.

Communications and Reporting

- Provide an open avenue of communication among the state auditors, the Office of Audit and Compliance, senior management, and the Board.
- Report regularly to the Board about Committee activities and issues that arise with such recommendations, as the Committee deems appropriate.
- ~~Review and assess the adequacy of the Committee's charter annually, recommending approval of proposed changes to the Board.~~



Other Responsibilities

Notwithstanding the foregoing, the Committee shall have such other responsibilities, powers, and duties as may be otherwise specified in the Tennessee Audit Committee Act. The Committee Chair, in consultation with Chief Audit and Compliance Officer, shall review the committee charter prior to each Annual Meeting of the Board to determine whether the Committee is carrying out its responsibilities effectively and whether any revisions to the charter should be submitted to the Committee for recommendation to the Board.

COMPOSITION OF THE COMMITTEE MEMBERSHIP

The Audit and Compliance Committee shall be composed of at least three (3) members of the Board of Trustees who meet the following membership requirements established in the Bylaws of the Board of Trustees:

All members of the Audit and Compliance Committee shall be financially literate, meaning they shall be able to read and understand fundamental financial statements, including a balance sheet, income statement, and cash flow statement. At least one member of the committee shall have extensive accounting, auditing, or financial management expertise.

Each member shall be free of any relationship that would interfere with his or her exercise of independent judgment or give the appearance of a conflict of interests. The Chair of the Board shall be an ex officio, voting member of the Committee. The Committee may include one voting member who is not a member of the Board of Trustees but who satisfies the membership requirements in the Bylaws, including the requirement of extensive accounting, auditing, or financial management expertise. An external member may not serve as Chair of the Audit and Compliance Committee.

Committee members and the Committee Chair shall be appointed by the Board of Trustees on the recommendation of the Chair of the Board. The term of appointment is two years. The Committee Chair may not serve more than three (3) consecutive two-year terms as chair except upon an affirmative roll-call vote of a majority of the total voting membership of the Board.

The President shall not serve as a member but shall attend meetings if requested by the Committee Chair.



COMMITTEE EDUCATION

The University's senior management and the Chief Audit and Compliance Officer are responsible for providing the Committee with educational resources related to accounting principles, internal controls, applicable policies, regulations, compliance risks, risk management, and other information that may be requested by the Committee to maintain appropriate financial, risk management, and compliance literacy.

MEETINGS

Required Number, Call, and Location

The Committee shall meet as often as necessary to carry out its responsibilities but at least once annually. ~~A meeting of the~~The Committee may ~~be called~~meet in conjunction with regular meetings of the Board of Trustees, at stated times approved in advance by the Committee, or at any other time upon a call by the Chair of the Board, the President, the Committee Chair, or by the Secretary of the Board upon the written request of two members of the Committee. In accordance with Tennessee Code Annotated § 4-35-104, the Committee shall meet upon the request of the State Comptroller of the Treasury. Committee meetings may be held at any location in the State of Tennessee.

The Committee may invite members of management, auditors, or others to attend and provide pertinent information. In carrying out Committee responsibilities, members may find it necessary from time to time to meet individually with management and internal and external auditors.

Notice

~~Written notice of Committee meetings, including the purpose of the meeting, shall be given to all Committee members.~~ At least five (5) days' notice shall be given to all Committee members when feasible, but less notice may be given when there is a need for urgent action. Notice may be delivered by postal mail, courier, electronic mail, or facsimile transmission. If written notice is not feasible, by reason of urgency or other exigent circumstance, notice may be given by telephone.

As required by Tennessee Code Annotated § 8-44-103(a) and (b), adequate public notice shall be given of all Committee meetings. ~~Except when meeting in nonpublic executive session as authorized by law, all~~ All meetings of the Committee shall be open to the public ~~unless, except that the Committee may hold confidential, nonpublic executive sessions as permitted in accordance with Tennessee Code Annotated § 4-35-108 or as~~ otherwise provided by the Tennessee Open Meetings Act or a judicially recognized



exception to the Act.

Agenda

An agenda shall accompany the notice of every meeting of the Committee when feasible but, when not feasible, the notice shall state the purpose(s) for which the meeting is called.

Development of the Committee agenda shall be the responsibility of the Committee Chair, in consultation with the Chief Audit and Compliance Officer. The agenda shall list in outline form each item to be considered at the meeting. Items not set forth on the agenda or in the notice may be considered only upon an affirmative roll-call vote of a majority of the total voting membership of the Committee.

~~The Committee may use a consent agenda in the manner provided by the Bylaws of the Board of Trustees.~~

Quorum

A quorum shall be a majority (more than one-half) of the voting members of the Committee. The Chair of the Board, who is an ex officio, voting member of the Committee, shall be counted for quorum purposes only when present. In the absence of a quorum, those attending may adjourn the meeting until a quorum is present.

Action of the Committee

The action of a majority of the quorum of voting Committee members present at any meeting shall be the action of the Committee, except as otherwise provided in the Bylaws of the Board of Trustees, Board policy, or statute.

Motions and Resolutions

~~Each motion or resolution (except informal or parliamentary motions) shall be presented in writing at the time the motion or resolution is made, except that the Committee Chair may grant a member the privilege of reducing a motion to writing and presenting it to the Secretary before the adjournment of the meeting.~~

Manner of Voting

~~All votes in a Committee meeting shall be by voice vote or public ballot, provided that a roll-call vote shall be taken on any motion if a voting Committee member present at the meeting requests a roll-call vote before a voice vote is taken or demands a roll-call vote before the Committee Chair announces the result of a voice vote.~~



Minutes

The ~~Chief Audit and Compliance Officer~~Secretary shall ~~cause~~be responsible for ensuring that minutes ~~of~~are prepared and maintained for all Committee meetings ~~to be prepared,~~ review, and the minutes ~~with the Committee Chair,~~ and provide the minutes shall be provided to all ~~Committee~~ members and the Secretary of the ~~Board~~Committee before the next meeting of the Committee ~~meeting.~~

2.C. Report and Recommendations of the Finance and Administration Committee

THE UNIVERSITY OF TENNESSEE BOARD OF TRUSTEES

AGENDA ITEM SUMMARY

Meeting Date: February 28, 2025

Item: **Revised FY 2024-25 Operating Budget**

Type: Action

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

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.

2.C. Report and Recommendations of the Finance and Administration Committee



THE UNIVERSITY OF TENNESSEE BOARD OF TRUSTEES

Board Action

The 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.

2.C. Report and Recommendations of the Finance and Administration Committee

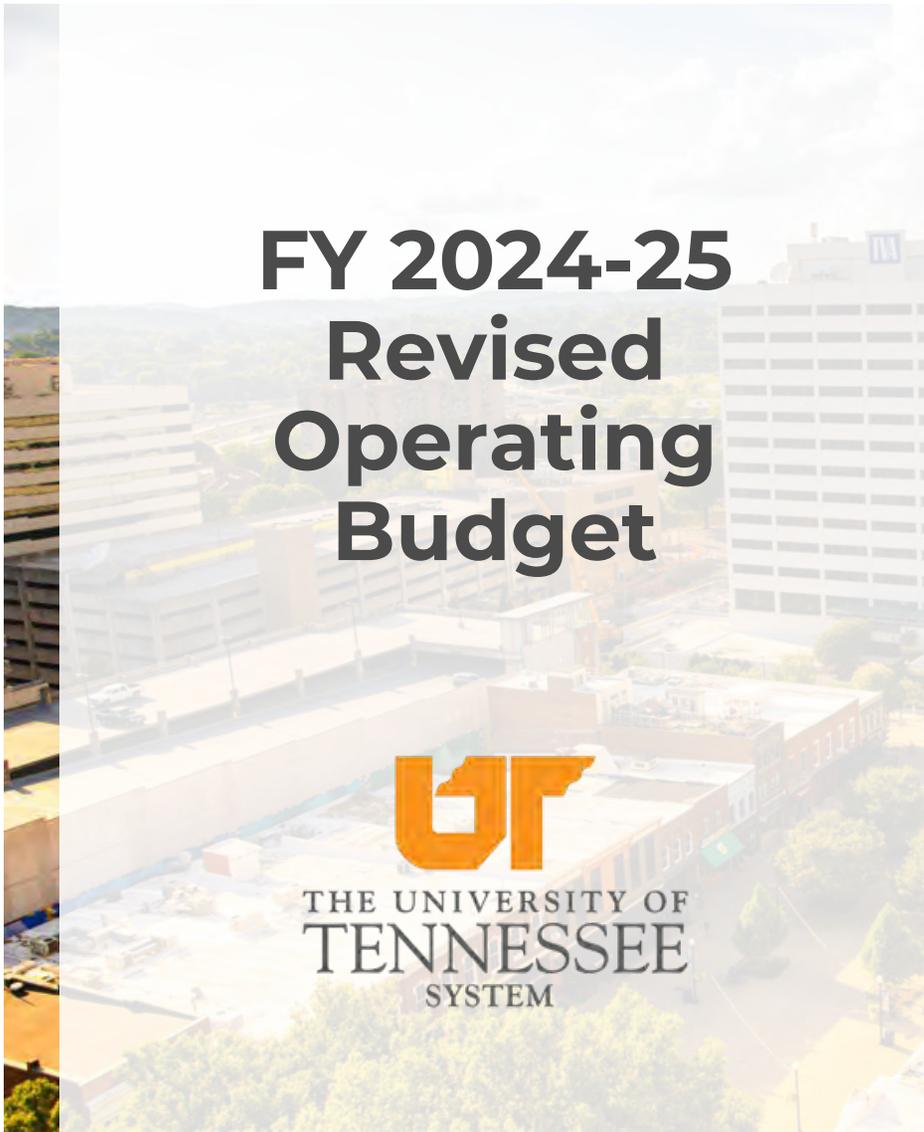


THE UNIVERSITY OF TENNESSEE BOARD OF TRUSTEES

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.

2.C. Report and Recommendations of the Finance and Administration Committee



2.C. Report and Recommendations of the Finance and Administration Committee

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

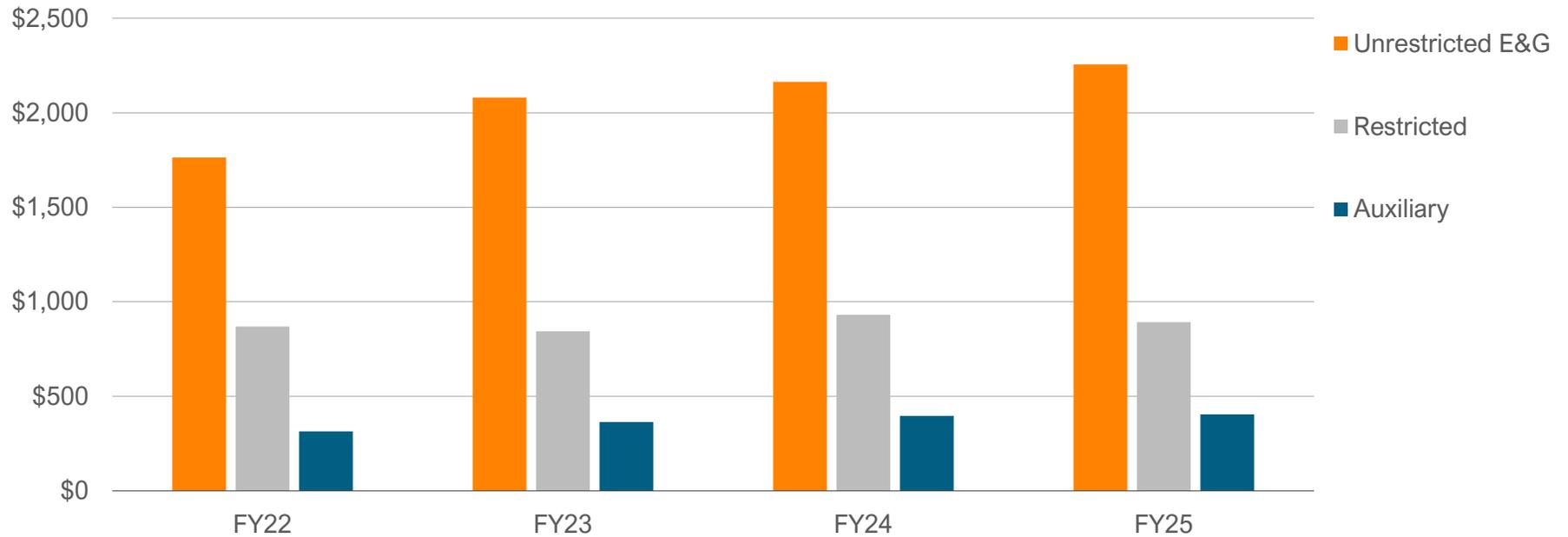
2.C. Report and Recommendations of the Finance and Administration Committee

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

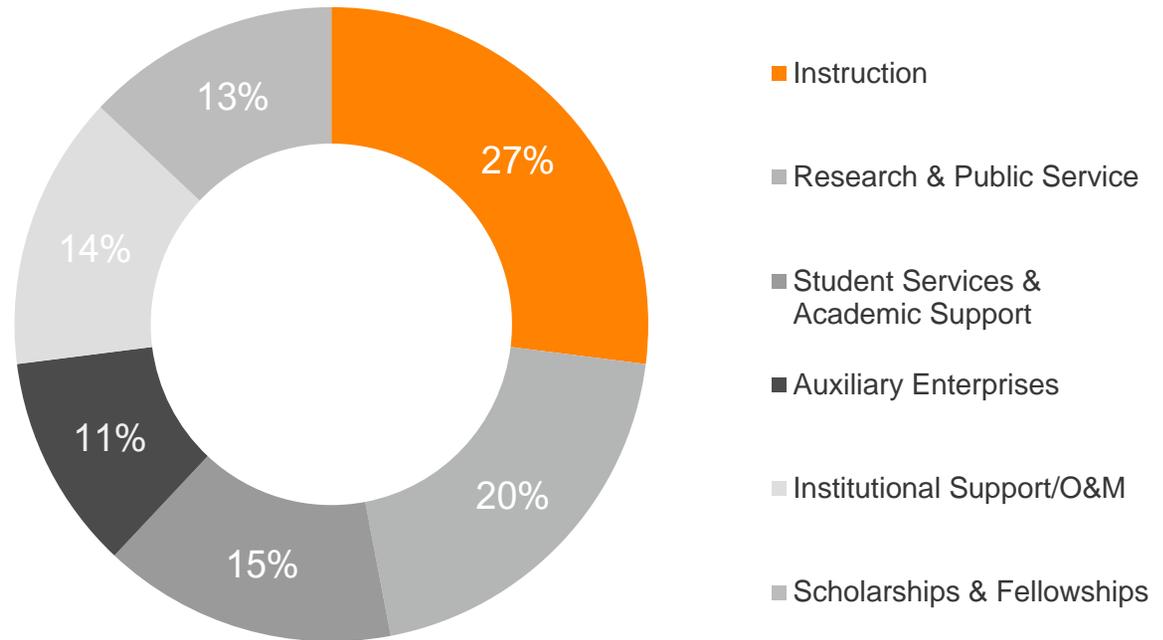
2.C. Report and Recommendations of the Finance and Administration Committee

Operating Revenues by Fund Group



2.C. Report and Recommendations of the Finance and Administration Committee

Use of Funds by Functional Area



2.C. Report and Recommendations of the Finance and Administration Committee

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

2.C. Report and Recommendations of the Finance and Administration Committee

THE UNIVERSITY OF TENNESSEE

Revised Operating Budget Fiscal Year 2024-25



THE UNIVERSITY OF
TENNESSEE
SYSTEM

FINANCE AND ADMINISTRATION
System Budget and Planning

2.C. Report and Recommendations of the Finance and Administration Committee

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.

2.C. Report and Recommendations of the Finance and Administration Committee**The University of Tennessee
FY 2024-25 Revised Operating Budget**

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2.C. Report and Recommendations of the Finance and Administration Committee

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

2.C. Report and Recommendations of the Finance and Administration Committee

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.

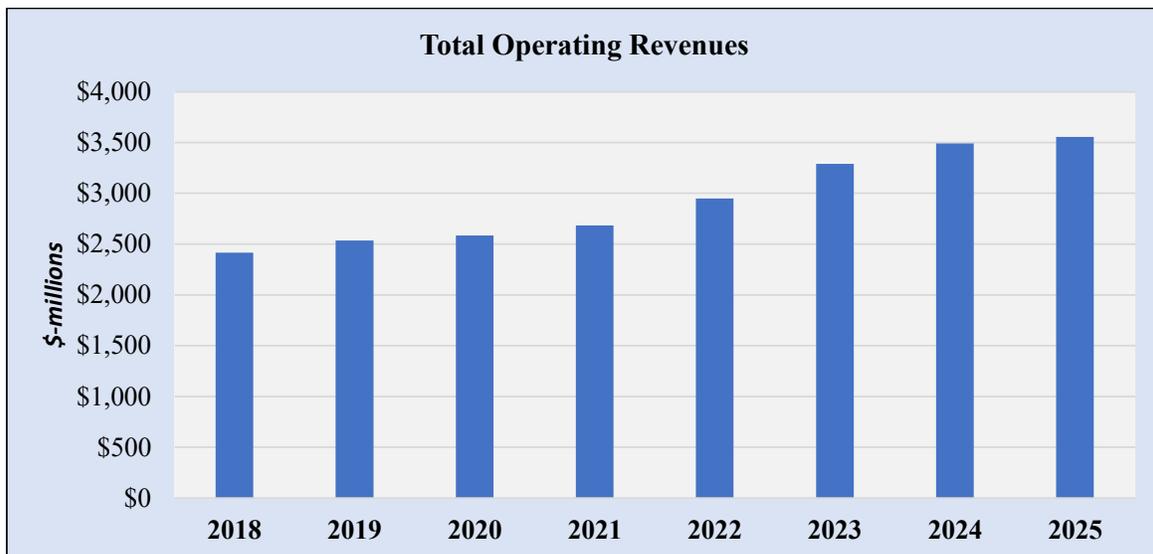
FY25 Operating Revenues by Fund Group

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.



2.C. Report and Recommendations of the Finance and Administration Committee

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%

2.C. Report and Recommendations of the Finance and Administration Committee

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.

2.C. Report and Recommendations of the Finance and Administration Committee

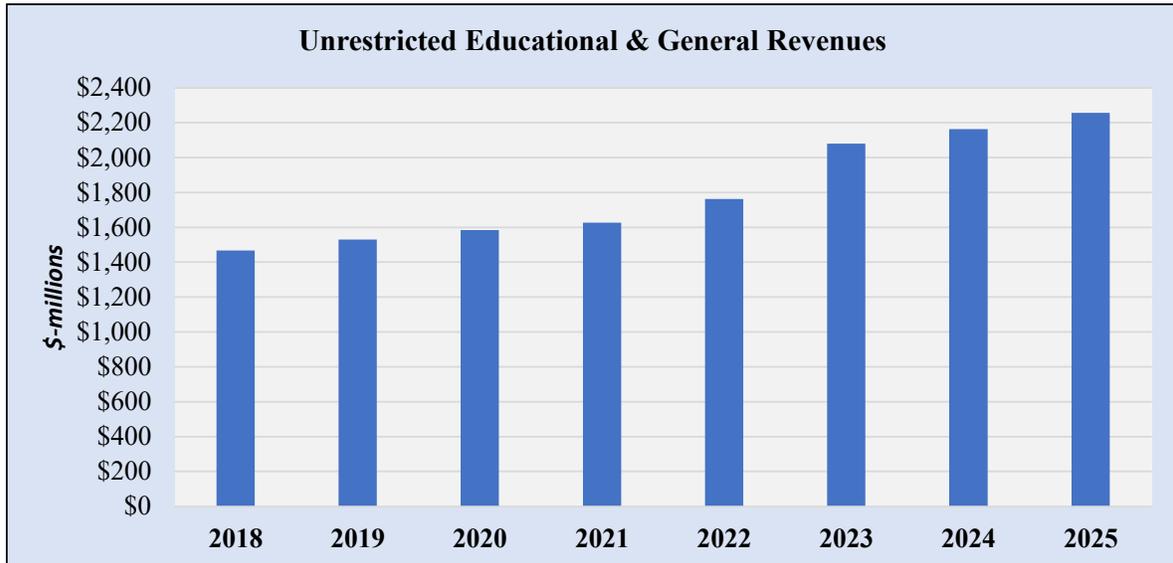
University of Tennessee FY 2024-25 Revised Operating Budget

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%)



2.C. Report and Recommendations of the Finance and Administration Committee

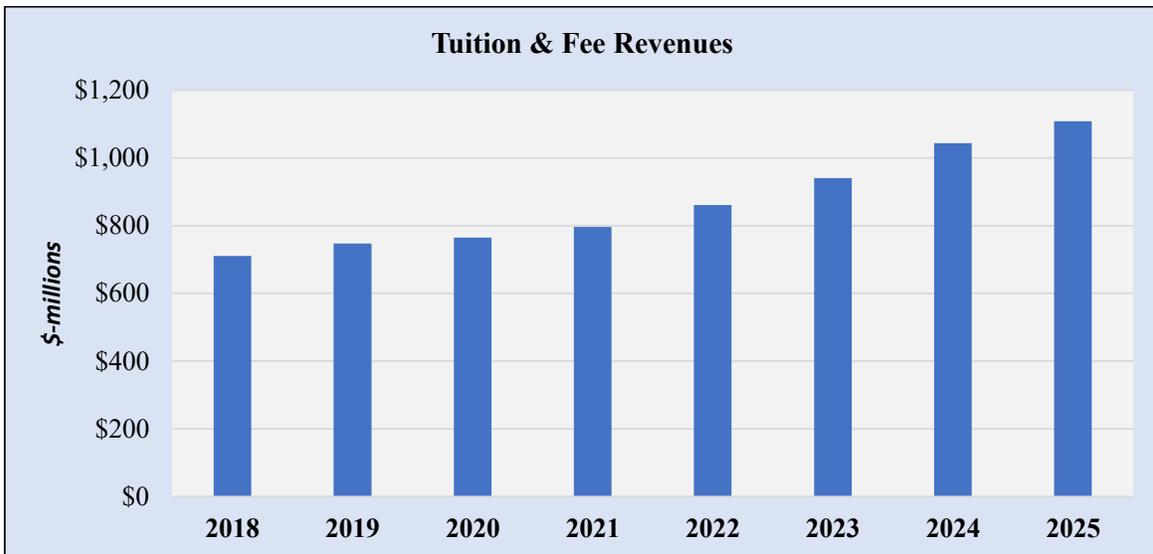
University of Tennessee FY 2024-25 Revised Operating Budget

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%



2.C. Report and Recommendations of the Finance and Administration Committee

University of Tennessee FY 2024-25 Revised Operating Budget

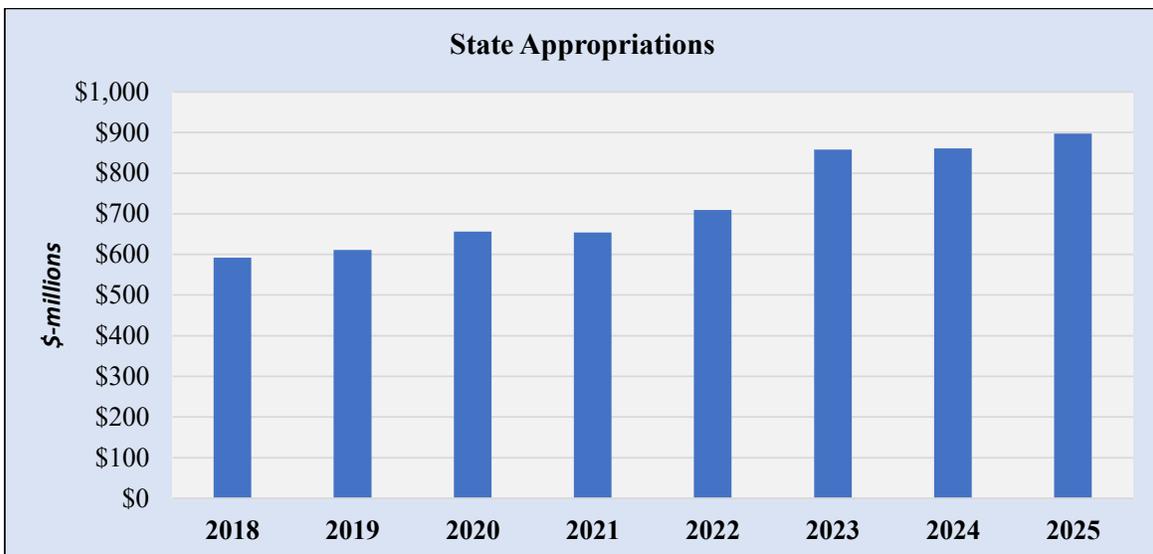
Unrestricted E&G Revenues – State Appropriations

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.



2.C. Report and Recommendations of the Finance and Administration Committee

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.

2.C. Report and Recommendations of the Finance and Administration Committee

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%)

2.C. Report and Recommendations of the Finance and Administration Committee

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%)

2.C. Report and Recommendations of the Finance and Administration Committee

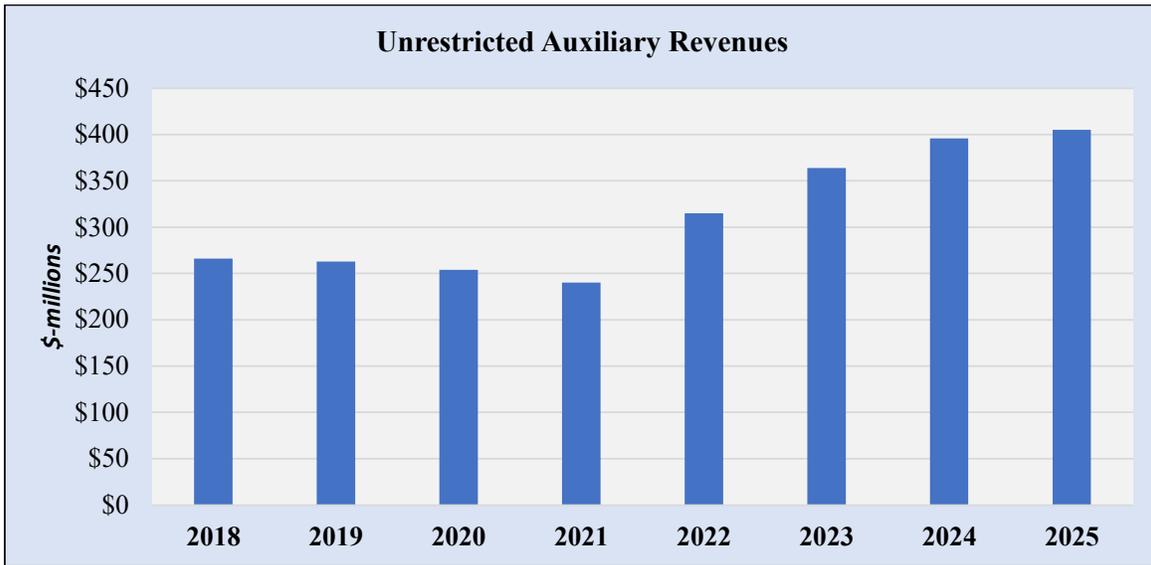
University of Tennessee FY 2024-25 Revised Operating Budget

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.



2.C. Report and Recommendations of the Finance and Administration Committee

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.

2.C. Report and Recommendations of the Finance and Administration Committee

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

2.C. Report and Recommendations of the Finance and Administration Committee

The University of Tennessee FY 2024-25 Revised Budget Supporting Schedules

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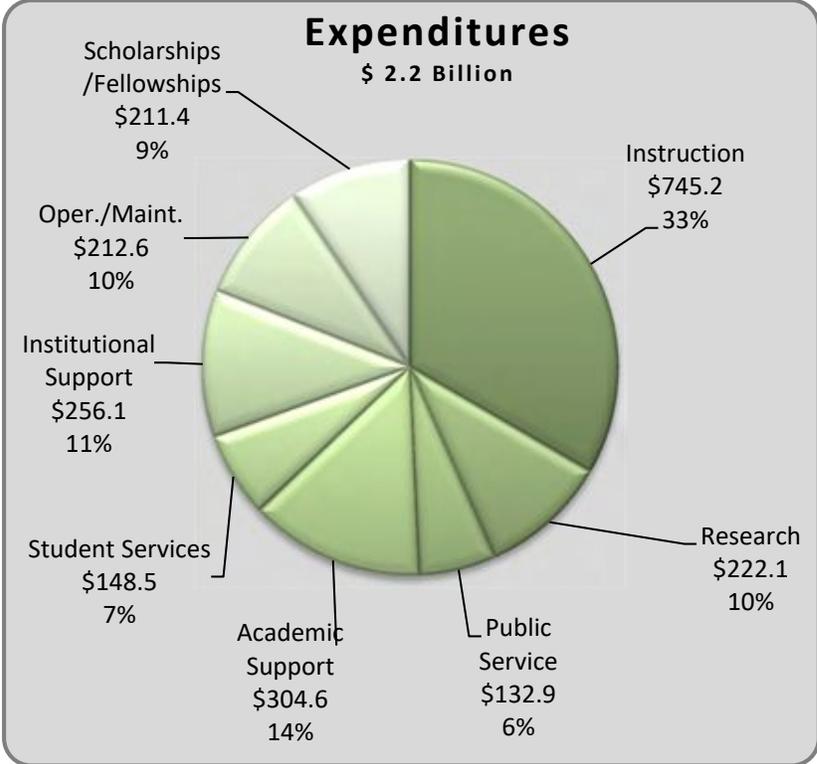
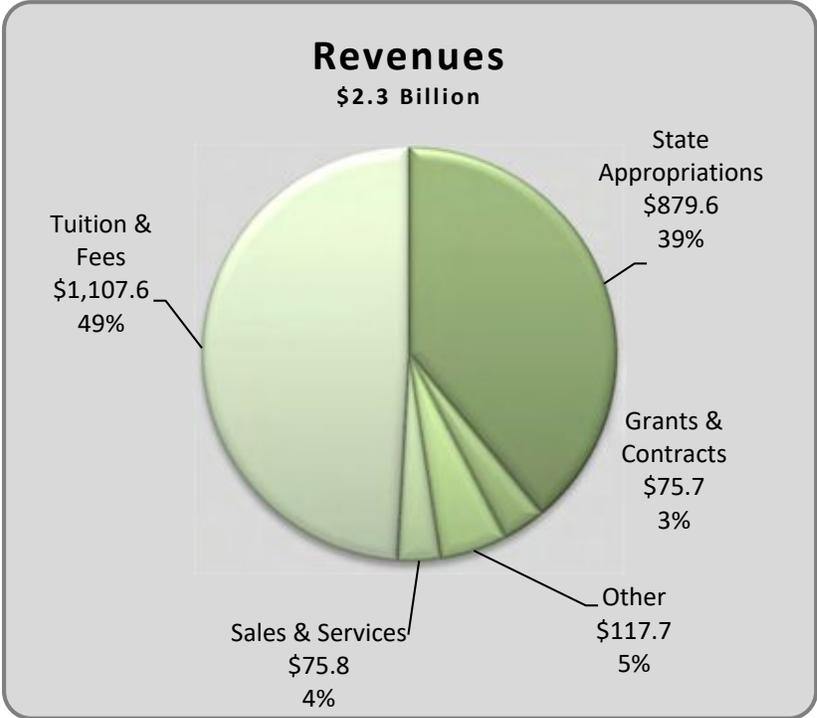
2.C. Report and Recommendations of the Finance and Administration Committee

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



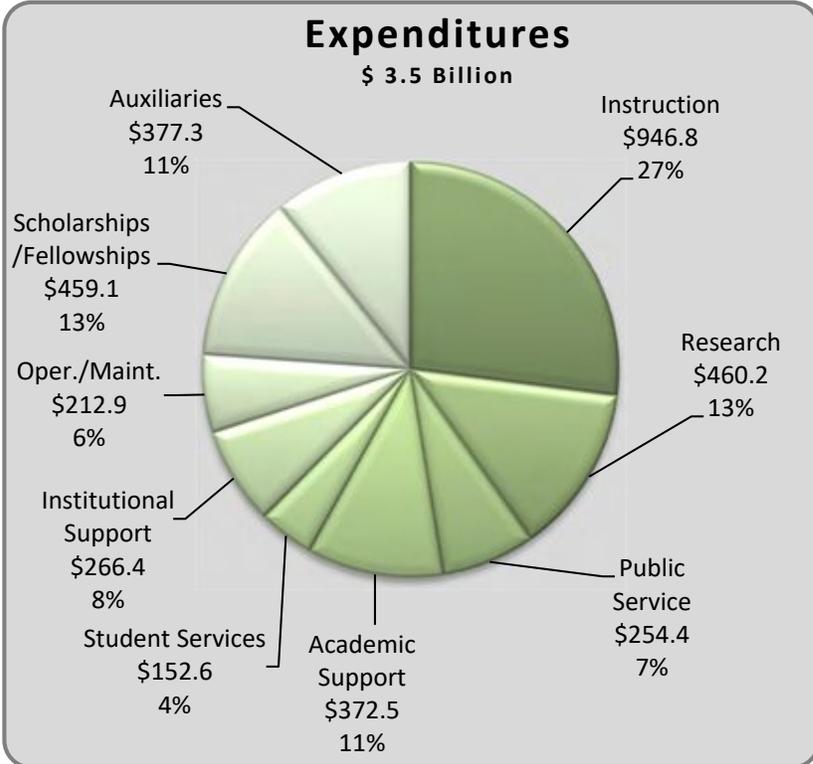
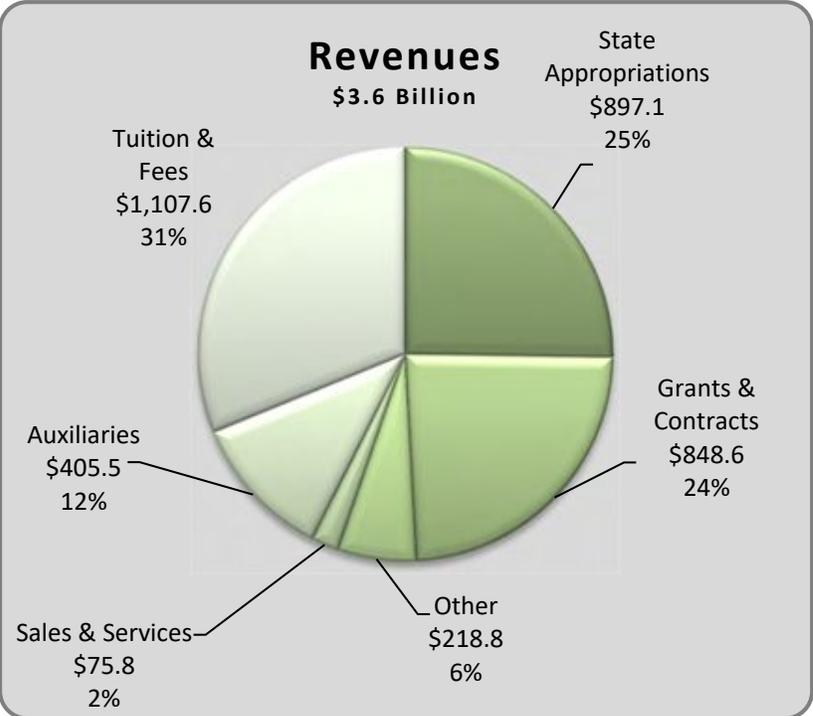
2.C. Report and Recommendations of the Finance and Administration Committee

**The University of Tennessee
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



2.C. Report and Recommendations of the Finance and Administration Committee

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	<u>\$ 2,256,406,950</u>	<u>\$ 227,313,158</u>	<u>\$ 1,412,849,901</u>	<u>\$ 123,012,610</u>	<u>\$ 17,387,786</u>	<u>\$ 366,224,813</u>	<u>\$ 33,417,970</u>	<u>\$ 76,200,712</u>
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	<u>\$ 2,233,369,437</u>	<u>\$ 230,616,592</u>	<u>\$ 1,353,594,157</u>	<u>\$ 125,176,141</u>	<u>\$ 20,495,825</u>	<u>\$ 393,615,744</u>	<u>\$ 32,076,542</u>	<u>\$ 77,794,436</u>
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	<u>\$ 2,259,265,940</u>	<u>\$ 227,313,158</u>	<u>\$ 1,412,849,901</u>	<u>\$ 123,012,610</u>	<u>\$ 17,042,776</u>	<u>\$ 366,224,813</u>	<u>\$ 33,668,365</u>	<u>\$ 79,154,317</u>
Fund Balance Addition/(Reduction)	<u>\$ (2,858,990)</u>				<u>\$ 345,010</u>		<u>\$ (250,395)</u>	<u>\$ (2,953,605)</u>
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	<u>\$ 405,181,592</u>	<u>\$ 26,234,381</u>	<u>\$ 360,323,034</u>	<u>\$ 11,605,195</u>	<u>\$ 2,867,174</u>	<u>\$ 4,151,808</u>		
Fund Balance Addition/(Reduction)	<u>\$ 19,826</u>				<u>\$ 19,826</u>			
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	<u>\$ 2,664,447,532</u>	<u>\$ 253,547,539</u>	<u>\$ 1,773,172,935</u>	<u>\$ 134,617,805</u>	<u>\$ 19,909,950</u>	<u>\$ 370,376,621</u>	<u>\$ 33,668,365</u>	<u>\$ 79,154,317</u>
Fund Balance Addition/(Reduction)	<u>\$ (2,839,164)</u>				<u>\$ 364,836</u>		<u>\$ (250,395)</u>	<u>\$ (2,953,605)</u>

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

2.C. Report and Recommendations of the Finance and Administration Committee

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	<u>\$ 3,147,934,092</u>	<u>\$ 307,098,669</u>	<u>\$ 1,834,430,743</u>	<u>\$ 164,538,387</u>	<u>\$ 24,211,789</u>	<u>\$ 688,316,307</u>	<u>\$ 44,437,485</u>	<u>\$ 84,900,712</u>
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	<u>\$ 3,124,896,579</u>	<u>\$ 310,402,103</u>	<u>\$ 1,775,174,999</u>	<u>\$ 166,701,918</u>	<u>\$ 27,319,828</u>	<u>\$ 715,707,238</u>	<u>\$ 43,096,057</u>	<u>\$ 86,494,436</u>
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	<u>\$ 3,150,793,082</u>	<u>\$ 307,098,669</u>	<u>\$ 1,834,430,743</u>	<u>\$ 164,538,387</u>	<u>\$ 23,866,779</u>	<u>\$ 688,316,307</u>	<u>\$ 44,687,880</u>	<u>\$ 87,854,317</u>
Fund Balance Addition/(Reduction)	<u>\$ (2,858,990)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 345,010</u>	<u>\$ -</u>	<u>\$ (250,395)</u>	<u>\$ (2,953,605)</u>
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	<u>\$ 405,441,592</u>	<u>\$ 26,234,381</u>	<u>\$ 360,583,034</u>	<u>\$ 11,605,195</u>	<u>\$ 2,867,174</u>	<u>\$ 4,151,808</u>		
Fund Balance Addition/(Reduction)	<u>\$ 19,826</u>				<u>\$ 19,826</u>			
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	<u>\$ 3,556,234,674</u>	<u>\$ 333,333,050</u>	<u>\$ 2,195,013,777</u>	<u>\$ 176,143,582</u>	<u>\$ 26,733,953</u>	<u>\$ 692,468,115</u>	<u>\$ 44,687,880</u>	<u>\$ 87,854,317</u>
Fund Balance Addition/(Reduction)	<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>

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

2.C. Report and Recommendations of the Finance and Administration Committee

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)		

2.C. Report and Recommendations of the Finance and Administration Committee

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)		

2.C. Report and Recommendations of the Finance and Administration Committee

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)		

2.C. Report and Recommendations of the Finance and Administration Committee

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.

2.C. Report and Recommendations of the Finance and Administration Committee

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 %

2.C. Report and Recommendations of the Finance and Administration Committee

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) %

2.C. Report and Recommendations of the Finance and Administration Committee

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>	3.88%	4.61%	4.45%	4.63%	2.70%	0.43%	3.64%	4.18%
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	\$ (10,179,822)	\$ 944,934	\$ (13,136,908)	\$ (648,967)	\$ 48,173	\$ (297,995)	\$ 239,050	\$ 2,671,892
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	\$ 57,877,613	\$ 6,371,281	\$ 17,710,416	\$ 5,309,433		\$ 11,400,774	\$ 996,822	\$ 16,088,887
UNALLOCATED								
Total Allocated Net Assets	\$ 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>	3.38%	4.34%	4.00%	4.99%	3.67%	0.04%	3.70%	4.42%
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	\$ 12,432,148	\$ 369,856	\$ 13,075,384	\$ 503,612	\$ (543,430)	\$ 4,741,065	\$ (709,586)	\$ (5,004,754)
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	\$ 59,085,876	\$ 6,691,137	\$ 26,834,678	\$ 5,400,830		\$ 9,502,559	\$ 61,822	\$ 10,594,849
UNALLOCATED								
Total Allocated Net Assets	\$ 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>	3.70%	4.14%	3.92%	4.88%	0.55%	1.92%	4.19%	4.19%
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	\$ (2,839,164)	\$	\$	\$	\$ 364,836	\$	\$ (250,395)	\$ (2,953,605)
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	\$ 55,488,729	\$ 6,691,138	\$ 26,544,202	\$ 5,500,830		\$ 8,502,559		\$ 8,250,000
UNALLOCATED								
Total Allocated Net Assets	\$ 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>	3.56%	4.06%	3.71%	4.80%	2.40%	2.10%	3.50%	3.60%

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.

2.C. Report and Recommendations of the Finance and Administration Committee

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	\$ 118,079,187	\$ 13,780,715	\$ 62,712,890	\$ 11,342,158	\$ 510,537	\$ 11,498,344	\$ 1,900,184	\$ 16,334,359
<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

2.C. Report and Recommendations of the Finance and Administration Committee

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	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	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	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.

2.C. Report and Recommendations of the Finance and Administration Committee

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) %	

2.C. Report and Recommendations of the Finance and Administration Committee

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 %

2.C. Report and Recommendations of the Finance and Administration Committee

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			

2.C. Report and Recommendations of the Finance and Administration Committee

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.

2.C. Report and Recommendations of the Finance and Administration Committee

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.

2.C. Report and Recommendations of the Finance and Administration Committee

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
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
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%

2.C. Report and Recommendations of the Finance and Administration Committee

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	\$ 2,163,369,970	\$ 2,219,545,150	\$ 2,213,299,579	\$ (6,245,571)	(0.3) %
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	\$ 1,986,344,984	\$ 2,139,616,546	\$ 2,134,464,218	\$ (5,152,328)	(0.2) %
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	\$ 2,151,756,479	\$ 2,221,257,504	\$ 2,214,237,569	\$ (7,019,823)	(0.3) %
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	\$ 394,884,337	\$ 404,504,871	\$ 404,382,360	\$ (122,511)	- %
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	\$ 2,546,640,816	\$ 2,625,762,375	\$ 2,618,619,929	\$ (7,142,334)	(0.3) %
Fund Balance Addition/(Reduction)	\$ 12,432,946	\$ (876,134)	\$ (118,932)		

2.C. Report and Recommendations of the Finance and Administration Committee

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)		

2.C. Report and Recommendations of the Finance and Administration Committee

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)	\$ 324,389				
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)	\$ 45,467				
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)	\$ 369,856				

2.C. Report and Recommendations of the Finance and Administration Committee

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

2.C. Report and Recommendations of the Finance and Administration Committee

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				

2.C. Report and Recommendations of the Finance and Administration Committee

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		

2.C. Report and Recommendations of the Finance and Administration Committee

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				

2.C. Report and Recommendations of the Finance and Administration Committee

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.

2.C. Report and Recommendations of the Finance and Administration Committee

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	\$ 78,980,361	\$ 76,386,354	\$ 76,200,712	\$ (185,642)	- %
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	\$ 81,323,090	\$ 103,455,010	\$ 77,794,436	\$ (25,660,574)	(24.8) %
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	\$ 83,985,115	\$ 77,077,775	\$ 79,154,317	\$ 2,076,542	2.7 %
Fund Balance Addition/(Reduction)	\$ (5,004,755)	\$ (691,421)	\$ (2,953,605)		

2.C. Report and Recommendations of the Finance and Administration Committee

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)

2.C. Report and Recommendations of the Finance and Administration Committee

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)

2.C. Report and Recommendations of the Finance and Administration Committee

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.

2.C. Report and Recommendations of the Finance and Administration Committee

The University of Tennessee FY 2024-25 Revised Budget Document

David L. Miller, Sr. VP and Chief Financial Officer

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

Paul Byrnes, Senior Vice Chancellor Finance and Administration

Kim McCulloch, Associate Vice Chancellor Finance and Administration

James Price, Assistant Vice Chancellor – Financial Services

Keith Thomas, Assistant Vice Chancellor – Budget, Planning & Analysis

Suzan Thompson, Financial Specialist

Matt Ward, Budget and HR Coordinator

Michelle Carmack, UTSI Director of Finance and Administration

Ron Maples, UTIA Associate Vice Chancellor

Missy Kitts, UTIA Ag Extension Budget Director

Cynthia Nichols, UTIA Ag Experiment Station Budget Director

Sheila McNeil, UTIA Veterinary Medicine Budget Director

Chattanooga

Brent Goldberg, Vice Chancellor Finance and Administration

Chris Sherbesman, Associate Vice Chancellor Finance and Administration

Allison Evans, Executive Director Budget and Finance

Cindy Zeng, Senior Financial Analyst

Sedrick Snowden, Financial Analyst

Martin

Petra McPhearson, Senior Vice Chancellor for Finance and Administration

Carol Williams, Director of Budget and Management Reporting

Heather Adams, Assistant Director of Budget and Management Reporting

Casey Dixon, Sponsored Projects Accountant

Southern

Dr. Linda Martin, Chancellor

Allen Bolton, Senior Advisor to the Chancellor

Rhonda Clinard, Associate Vice Chancellor of Finance

Jamie Hlubb, Assistant Vice Chancellor Human Resources

Health Science Center

Raaj Kurapati, Executive Vice Chancellor and Chief Operating Officer

Michael Ebbs, Associate Vice Chancellor,
Financial Strategy

George Ninan, Associate Vice Chancellor,
Financial Operations

Chilion Stapleton, Financial Analyst II

Shalonda Tipton, Financial Analyst II

Betty Lee Pace, Budget Coordinator

Institute for Public Service

Rumira Xhaferaj, Chief Business Officer and
Budget Director

UT Department of Technology Solutions

Jim Sauceman, Director

Bryan Copeland, Financial Co-team Leader

Mozhgan Shahidi, Software Developer

Jason Smith, Business Analyst

Teresa Winters, Financial Co-team Leader

2.C. Report and Recommendations of the Finance and Administration Committee



THE UNIVERSITY OF TENNESSEE BOARD OF TRUSTEES

AGENDA ITEM SUMMARY

Meeting Date: February 28, 2025

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

Type: Action

Presenter(s): William (Bill) C. Rhodes III
Chair, Finance and Administration Committee

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.

Board Action

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

[Resolution appears on the following page.]

2.C. Report and Recommendations of the Finance and Administration Committee



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.

2.C. Report and Recommendations of the Finance and Administration Committee

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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

2.C. Report and Recommendations of the Finance and Administration Committee



THE UNIVERSITY OF TENNESSEE BOARD OF TRUSTEES

AGENDA ITEM SUMMARY

Meeting Date: February 28, 2025

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

Type: Action

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

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.

2.C. Report and Recommendations of the Finance and Administration Committee

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.

Board Action

The 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.

2.C. Report and Recommendations of the Finance and Administration Committee



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

2.C. Report and Recommendations of the Finance and Administration Committee

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

2.C. Report and Recommendations of the Finance and Administration Committee

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

2.C. Report and Recommendations of the Finance and Administration Committee

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.

2.C. Report and Recommendations of the Finance and Administration Committee

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.

2.C. Report and Recommendations of the Finance and Administration Committee

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			
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																					

2.C. Report and Recommendations of the Finance and Administration Committee

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												

2.C. Report and Recommendations of the Finance and Administration Committee

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								

2.C. Report and Recommendations of the Finance and Administration Committee

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%

2.C. Report and Recommendations of the Finance and Administration Committee

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%

2.C. Report and Recommendations of the Finance and Administration Committee

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

2.C. Report and Recommendations of the Finance and Administration Committee

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.

2.C. Report and Recommendations of the Finance and Administration Committee

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.

2.C. Report and Recommendations of the Finance and Administration Committee

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.



THE UNIVERSITY OF TENNESSEE BOARD OF TRUSTEES

3

AGENDA ITEM SUMMARY

Meeting Date: February 28, 2025

Item: **Strategic Plan, UT Martin**

Type: Action

Presenter: Dr. Yancy Freeman, Chancellor, UT Martin

Background Information

The Bylaws of the Board of Trustees provide that the Board is responsible for approving the strategic plan for each University of Tennessee campus. Tennessee law requires the campus Advisory Board to submit a recommendation to the President on the proposed strategic plan for the campus prior to approval by the Board of Trustees. Tennessee law also requires that the Advisory Board submit the recommendation to the President in accordance with the process established by the Board of Trustees (Board Policy BT0020). The responsibilities of the Executive Committee of the Board of Trustees include making a recommendation to the Board on the strategic plan for each campus and institute. As permitted by the Bylaws, the Board Chair has placed this item on the agenda of the full Board meeting for presentation, discussion, and action.

Chancellor Freeman will present an overview of UT Martin's Strategic Plan – Watch Us Soar (2025-2030), and a copy of the plan is attached. The Strategic Plan has the support and recommendation of the UT Martin Advisory Board, Chancellor Freeman, and President Boyd.

Board Action

The Chair will call for a motion to adopt the following resolution.

Resolved:

The Board of Trustees hereby approves UT Martin's Strategic Plan – Watch Us Soar (2025-2030), as presented in the meeting materials.

WATCH US SOAR

THE UNIVERSITY OF TENNESSEE AT MARTIN
2025-2030 STRATEGIC PLAN



THE UNIVERSITY OF
TENNESSEE
MARTIN

“This five-year roadmap is not just a blueprint for the future, but a testament to our unwavering commitment to *excellence*, *innovation*, and *impact*.”
-Chancellor Yancy E. Freeman Sr.



A Message from the *Chancellor*

As we embark on this new chapter in our university's history, I am excited to present the University of Tennessee at Martin's 2025-2030 Strategic Plan. This five-year roadmap is not just a blueprint for the future, but a testament to our unwavering commitment to excellence, innovation, and impact. Our vision is to cultivate a vibrant academic community that empowers individuals, advances knowledge, and positively transforms society.

OUR PLAN IS ANCHORED IN FOUR CORE PILLARS:

People: Our faculty, staff, and students are the heart of our institution. People will remain our greatest asset. We are dedicated to fostering a supportive community, where everyone can thrive. This means investing in professional development, compensation, mental-health resources, and opportunities for collaboration and growth.

Places: Our main campus and regional centers are more than just buildings; they are spaces for learning, discovery, and community engagement. We will continue to enhance our physical and virtual infrastructure and create vibrant learning environments that inspire creativity, scholarship, and innovation. By creating dynamic and accessible learning environments, we will equip our students with the skills and knowledge they need to succeed in the 21st century.

Partnerships: We believe that collaboration is key to solving the complex challenges facing our world. We will strengthen our partnerships with industry, government, and other institutions to advance research, expand educational access, drive economic development, and address societal needs.

Achievement: Our ultimate goal is to achieve excellence in all that we do. This means pursuing groundbreaking teaching and research, providing transformative educational experiences, and fostering a culture of innovation and entrepreneurship. We will recognize and celebrate excellence demonstrated by the outstanding members of our university community.

The 2025-2030 Strategic Plan is not just a document; it is a bold call to action. Together, we will shape the future of our university and make a lasting impact on the world... **WATCH US SOAR!**



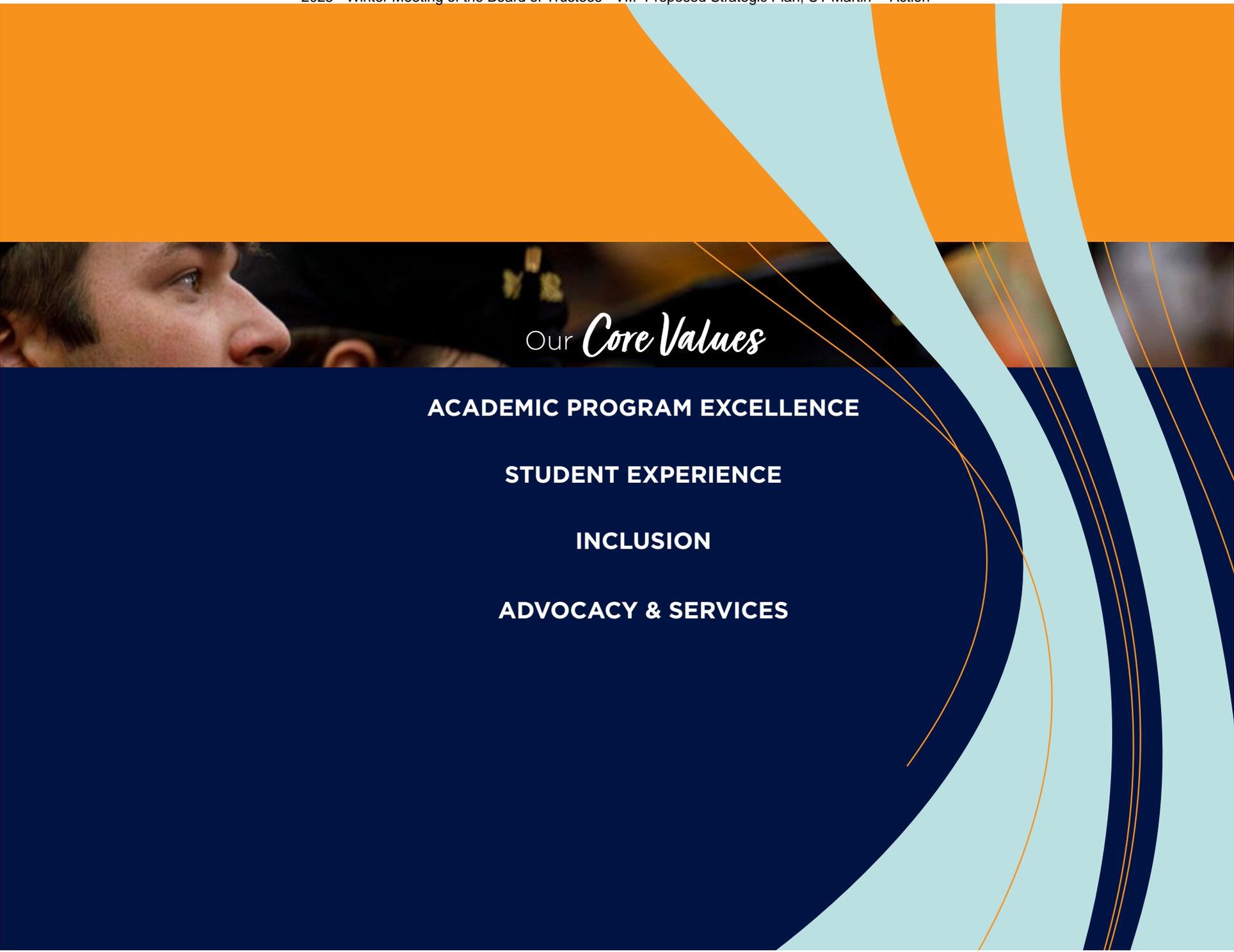
Chancellor Yancy E. Freeman Sr.





Our *Mission*

The *University of Tennessee at Martin* educates and engages responsible citizens to *lead* and *serve* in a diverse world.



Our *Core Values*

ACADEMIC PROGRAM EXCELLENCE

STUDENT EXPERIENCE

INCLUSION

ADVOCACY & SERVICES

Introduction & Process

In May 2024, Chancellor Freeman formed a strategic plan steering committee representing all the university's constituent groups to lead the process of developing a five-year strategic plan. He charged the steering committee with creating a plan guided by four overarching themes: people, places, partnerships, and achievements. The process for developing the strategic plan was designed to ensure that the interests and aspirations of all the university's internal and external stakeholders would be reflected in the final plan. As the university embarks on the next five years of dynamic growth and expansion of an already outstanding academic enterprise, the chancellor's vision and the voice of the university, reflected in the goals and strategies that follow, provide a clear roadmap for action and multiple means by which we will be able to track the progress we make.

The process of developing Watch Us SOAR consisted of four phases: strengths, weaknesses, opportunities, and threats (SWOT) analyses conducted by six different constituent groups; focus groups that drilled down on themes that emerged in the SWOT analyses; creation of the five goals for the strategic plan, identified by the steering committee based on the insights gained from the SWOT and focus group phases; and development of strategies, with targets and metrics for tracking progress for the five goals by five working groups. We solicited feedback from the university's stakeholders after the goals were created and again after the strategies were proposed. In all, 265 members of the university and community were invited to participate in the SWOT workshops, focus groups, or goal working groups.

The result of this collaborative work is an exciting set of goals and strategies that enable us to plot a course to becoming the premier regional comprehensive university in the Southeast. What follows is a collection of thoughtful approaches to growing enrollment, building the infrastructure to support growth, enhancing the culture of servant leadership, expanding our footprint in West Tennessee, and recognizing the many remarkable things our faculty, staff, and students accomplish. As we implement our plan, we invite you to **WATCH US SOAR**.





UT Martin *Strategic Plan*

GOAL I

To achieve sustainable enrollment growth by investing resources to attract and support a wide range of learners.

GOAL II

To enhance our institutional reputation by delivering exceptional education and service to all UTM constituents.

GOAL III

To create and enhance physical and virtual spaces that meet the evolving needs of future learners and educators.

GOAL IV

To reaffirm our commitment to West Tennessee by strengthening existing partnerships and developing new collaborations to drive regional growth and development.

GOAL V

To promote and celebrate faculty and staff excellence and student achievement for outstanding embodiment of the university mission.

Increase
total enrollment
annually by

5%

Increase **international
student enrollment** to

500

Goal 1

To achieve sustainable enrollment growth by investing resources to attract and support a wide range of learners.

STRATEGIES

1. Create and implement a comprehensive strategic enrollment plan, incorporating components related to the recruiting of undergraduate and graduate students, including transfer students, adult learners, and place-bound students.

Target: Increase total enrollment annually by 5% with an enrollment goal of 10,000 students in 2030.

Metrics: Overall headcount; undergraduate and graduate headcount; regional centers headcount; non-traditional student headcount; online student headcount.

2. Develop and implement a robust international student recruitment and retention strategy.

Target: Increase international student enrollment to 500 by 2030 from 37 in fall 2024.

Metrics: International undergraduate and graduate headcount.

3. Recruit and retain exceptional faculty and staff.

Targets: 1. Reduce faculty and staff turnover rate to 5% from current three-year average of 10.6%;
2. Reduce faculty overloads and staff “additional duty” assignments (ADAs) by 50%;
3. Track the percentage of top candidates selected who accept faculty and staff positions.

Metrics: Faculty and staff turnover rates; annual faculty workload report; annual report of staff on ADA; percentage of selected first candidates who accept faculty and staff positions.

4. Establish administration, policies, procedures, resources, and trainings for academic advising.

Targets: 1. Begin tracking National Academic Advising Association (NACADA) advising survey results (first iteration fall 2024);
2. Reduce number of students with 130+ hours and no degree by 50% from 102 students in fall 2024;
3. Achieve positive results on “Advisor Development and Practice” section of NACADA survey, which will increase by 50% (range of 1.25-1.55 on 3-point scale in 2024).

Metrics: Student credit completion data; results on “Advisor Development and Practice” section of NACADA survey.

5. Identify and address institutional performance disparities among student subpopulations, including first-generation, Pell, and veteran/military students.

Target: Reduce gaps in retention and 4- and 6-year graduation rates among students in these subpopulations. Baseline retention for first generation: 68% vs. 78% non-first generation; baseline for Pell-eligible: 68% vs. 82% non-Pell eligible; baseline for veterans/military: 64% vs. 74% non-veterans/military.

Metrics: First-year retention; 4-year graduation rates; and 6-year graduation rates disaggregated by subpopulations.

Goal II

To enhance our institutional reputation by delivering exceptional education and service to all UTM constituents.

STRATEGIES

1. Expand onboarding for faculty and staff and help new employees understand expectations and standards in the university culture.

- Targets:* 1. Develop online staff handbook;
2. Scale up Mentoring Administrative Professionals Program (MAPP) for new employees;
3. Increase National Academic Advising Association (NACADA) score for the comprehensive onboarding question to 2.25 on 3-point scale (1.38 in fall 2024).

Metrics: Employee Satisfaction Survey; New Faculty Orientation Survey; NACADA Survey (“comprehensive onboarding”) question.

2. Enhance support services through well-defined service standards for students and cross-university employee interactions.

- Targets:* 1. Increase scores in the “organization driver” section of the McLean Employee Satisfaction Survey to 90%;
2. Increase in section 2 (“nature of work”) and section 9 (“mentoring”) results of the Collaborative on Academic Careers in Higher Education (COACHE) faculty survey by 50%;
3. Begin tracking students’ experience of university service by including a new question on delivery of service in the annual Student Satisfaction Survey with target of 90% satisfied and/or very satisfied.

Metrics: Employee Satisfaction Survey; Student Satisfaction Survey; COACHE survey.

3. Advance and promote the UTM brand through consistent, targeted messaging, and communication strategies.

- Target:* 1. Initiate brand-recognition survey;
2. Increase the percentage of views on recruitment-specific webpages from 17.9% in 2024 to 20% by 2030;
3. Increase athletics social media engagement and ESPN+ viewers by 10% by 2030;
4. Increase external revenue for athletics by 20% by 2030.

Metrics: Brand recognition/tracker survey; recruitment-webpage views; athletics social media engagement and ESPN+ viewers; annual report of athletics external revenue.

4. Create a more supportive and accommodating learning environment by training faculty and staff in a broad range of teaching practices and philosophies.

Target: Fifty percent (50%) of faculty and instructional staff will participate annually in at least one teaching workshop developed by the new Center for Teaching and Learning (total faculty and instructional staff: 469).

Metrics: Percentage of faculty and instructional staff using the Center for Teaching and Learning (CTL).



Faculty & instructional staff will participate annually in **workshop(s)** through the **Center for Teaching and Learning**.

Increase views on **recruitment-specific webpages** to



Increase **tutoring
consultation stations** by
100%

Maintain
95%
**residence hall
occupancy**



Maintain minimum **download
& upload speeds** of
25Mbps



Goal III

To create and enhance physical and virtual spaces that meet the evolving needs of future learners and educators.

STRATEGIES

1. Develop a housing plan to address aging facilities, improve residential living options, and enhance the residential experience.

Targets: 1. Maintain 95% occupancy;

2. Increase the number of new beds in residence halls by 20% by 2030;
3. Increase retention rates for first-year residential students from 76.5% in 2024 to 82% by 2030;
4. Increase retention rates for all residential students from 83% in 2024 to 88% in 2030.

Metrics: Fall residence hall occupancy rates; total number of residence hall beds; first-year residential student retention rates; overall residential student-retention rates.

2. Expand areas that support student learning, faculty research, and build community.

- Targets:* 1. Increase the number of students participating in a residential hall living-learning community by 25% from 265 in 2024;
2. Increase by 100% the number of tutoring consultation stations from six in 2024;
 3. Increase research lab space by 25% from 13,289 square feet in 2024.

Metrics: Number of students participating in a residential hall living-learning community; number of tutoring consultation stations; research lab square footage.

3. Develop and sustain flexible technology-enabled learning environments that enrich the teaching and learning experience for both faculty and students.

- Targets:* 1. Equip the Latimer-Smith Engineering and Science and the Johnson Engineering and Physical Sciences buildings with at least two rooms that contain technology to facilitate distance learning by 2030;
2. One hundred percent (100%) of new faculty members will complete Canvas training starting in summer of 2026;
 3. Increase number of faculty participating in summer online teaching/Canvas training workshops from 37 in 2024 to 75 annually;
 4. Maintain a minimum received signal strength indicator (RSSI) of -67dBm;
 5. Maintain minimum download and upload speeds of 25Mbps;
 6. Minimum capacity for each university space of two devices per person.

Metrics: Number of distance-learning rooms in Latimer-Smith and Johnson EPS; percentage of new faculty members annually who complete Canvas training; number of faculty participating in online teaching/Canvas teaching workshops annually; RSSI; download/upload speed; minimum capacity for each university space.

100%

of **university signage** will be replaced and upgraded.



Increase number of **non-degree courses** offered by

 **20%**

Goal III (cont.)

To create and enhance physical and virtual spaces that meet the evolving needs of future learners and educators.

STRATEGIES

4. Leverage learning and community spaces across all UT Martin locations to expand access to resources for UT Martin and community members.

- Targets:*
1. Increase the number of supplemental instruction sections by 100% from 20 in fall 2024;
 2. Increase the number of non-degree courses offered by 20% (baseline: 234 in 2023-24);
 3. Increase number of non-degree course participants by 20% (baseline: 4,263 in 2023-24).

Metrics: Number of supplemental instruction sections; number of UTM and community members taking non-degree courses.

5. Develop comprehensive physical and digital navigability across the UT Martin main campus and regional centers to enhance accessibility, ease of use, and the overall experience for students, educators, and community members.

- Targets:*
1. One hundred percent (100%) of university signage will be replaced and upgraded;
 2. One hundred percent (100%) of campus wayfinding kiosks will be upgraded;
 3. One hundred percent (100%) of classrooms, labs, and other instructional spaces will be fully accessible to students with physical and visual disabilities.

Metrics: Percentage of university signage and wayfinding kiosks replaced and upgraded; percentage of classrooms fully accessible to students with physical and visual disabilities.

Goal IV

To reaffirm our commitment to West Tennessee by strengthening existing partnerships and developing new collaborations to drive regional growth and development.

STRATEGIES

1. Develop a unified communication framework to create clear, consistent messaging that will enhance credibility with external organizations and community stakeholders.

Target: Develop university communication strategy for communicating with a range of external constituents in a unified, consistent, and effective manner.

Metrics: Universal internal communication strategy created; survey results from corporate partners and community stakeholders regarding their perception of message clarity and consistency.

2. Encourage and provide robust support for faculty-led projects to strengthen ties with the region and provide practical learning experiences for students.

Targets: 1. Develop an incentive program for faculty to conduct community-based research projects;

2. Increase the number of faculty and students participating in faculty-led, community-based research projects by 50%.

Metrics: Annual data on number of faculty and students participating in faculty-led, community-based projects; annual funding for incentive program.

3. Cultivate and expand the network of advocates and supporters to advance the University's mission and strategic priorities.

Targets: 1. Every college will have at least one advisory board to ensure that programs are aligned with employer needs;

2. Increase the number of partnerships established with national/regional/local businesses and organizations by 25% (2024 baseline = 56).

Metrics: Number of partnerships; number of academic program advisory boards.

4. Develop a framework for community access and engagement to improve accessibility to university expertise.

Target: Create online portal for community requests.

Metrics: Community surveys to gauge community awareness of available resources; number of partnerships with new entities in West Tennessee.

5. Create a recognition program for campus experts and partnering organizations.

Target: Develop university expert recognition program.

Metrics: Number of incentives given, such as grants, professional development opportunities, or recognitions; number of new partnerships added annually.

6. Establish a resources archive and reporting system to maximize efficient use of UTM resources.

Target: Create archive of projects and reporting system for project outcomes.

Metrics: Annual report on projects completed, resources expended, and outcomes reported; annual report on community engagement data.



Increase faculty & students participating in **community-based research projects** by

50%

Increase **partnerships** established with businesses & organizations by

25%

100%

of students will engage
in an **experiential learning
opportunity.**



Goal V

To promote and celebrate faculty and staff excellence and student achievement for outstanding embodiment of the university mission.

STRATEGIES

1. Expand ways to recognize and encourage excellence for students, faculty, and staff.

- Target:* 1. Develop an award program that recognizes students who excel academically and in service to the university;
2. Create badges for employees who complete various levels of training;
3. Create an annual report of faculty scholarship and creative activity;
4. Develop career ladders for staff positions across the entire university.

Metrics: Implementation of each new program.

2. Create a biennial Skyhawk Innovation Challenge to identify creative, innovative ways for UTM to address major challenges in West Tennessee.

Target: Institute an annual competition, open to faculty, staff, and students, to solicit creative, innovative ways of addressing regional problems.

Metrics: Initiate Skyhawk Innovation Challenge program by spring 2026.

3. Create professional and leadership development programs for faculty, staff, and students.

- Target:* 1. Establish a Chancellor's Leadership Academy for faculty and staff in 2025;
2. Develop a student leadership recognition program by 2026.

Metrics: Number of staff who participate in at least one development program annually; number of students who participate in at least one development program annually; number of faculty who participate in at least one development program annually.

4. Create a central coordinating body for experiential learning opportunities to make them more widely available to students.

- Targets:* 1. Establish an office responsible for enhancing, publicizing, and assisting with experiential and service-learning opportunities;
2. By 2030, 100% of students will engage in an internship, undergraduate research or creative activity, service-learning courses, or study abroad (NSSE baseline: 86% self-reported participating in one of these experiences).

Metrics: National Survey of Student Engagement (NSSE); centralized data collection of student participation in experiential learning.

Strategic Plan Steering Committee

Phil Cavalier

*Provost and Senior Vice Chancellor for Academic Affairs,
co-chair*

Andy Lewter

Vice Chancellor for Student Affairs, co-chair

Erica Bell

*Executive Director of Regional Centers
and Online Programs*

Jeffrey Bibbee

Dean of the College of Humanities and Fine Arts

Ashley Bynum

*Associate Athletics Director
for Compliance and Academics*

Jake Bynum

Chief of Staff

Anita Cannedy

Director of the Jackson Center

Brittany Cole

Assistant Professor of Finance

Kameron Echols

Director of Multicultural Affairs

Steve Elliott

*Professor and Chair,
Department of Mathematics and Statistics*

Olivia Fernandez

Director of IT Services

Austin Ferrell

*Lecturer in Educational Studies
Director of Call Me MiSTER Program*



Strategic Plan Steering Committee

Will Gibson

Manager of Disability and Testing Services

Dana Hagan

Director of Physical Plant Administration

Todd Hampton

*Community Member and Alumnus
Financial Advisor, Edward Jones*

Carrie Humphreys

*Associate Professor and Chair,
Department of Political Science*

Ben Jones

Assistant Vice Chancellor for Development

Ryan Martin

Director of Housing

Alisha Melton

*Executive Director of Research, Outreach,
and Economic Development*

Hannah Stewart

Assistant Director of University Relations for Marketing

Brad Thompson

*Community Member and Alumnus
Director, Economic and Community Development,
City of Martin*

Wes Totten

*Professor and Chair,
Department of Agriculture, Geosciences,
and Natural Resources*

Destin Tucker

Assistant Vice Chancellor for Enrollment Management



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THE UNIVERSITY OF
TENNESSEE
MARTIN



THE UNIVERSITY OF TENNESSEE BOARD OF TRUSTEES

AGENDA ITEM SUMMARY

Meeting Date: February 28, 2025

Item: **Consent Agenda**

Type: Action

Presenter: John C. Compton, Chair of the Board and Committee Chair

Background Information

Items on the Consent Agenda are not presented or discussed unless a Board member requests that an item be removed from the Consent Agenda. In accordance with the Bylaws, before calling for a motion to approve the Consent Agenda, the Chair will ask if any member of the Board 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 Secretary before the meeting.

Committee Action

If there are no requests to remove items on the Consent Agenda, the Chair will call for a motion to omit the reading of the minutes of the prior meeting and to approve the items on the Consent Agenda.



THE UNIVERSITY OF TENNESSEE BOARD OF TRUSTEES

4.1

MINUTES OF THE FALL MEETING OF THE BOARD OF TRUSTEES October 25, 2024

The University of Tennessee Board of Trustees met at 10:45 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.

Trustees Present: John C. Compton, Chair; Bradford D. Box; Charles Hatcher, Commissioner, Tennessee Department of Agriculture; Decosta E. Jenkins; Shanea A. McKinney; Lisa N. Patel (Student Trustee); William (Bill) C. Rhodes III; Donald J. Smith; David N. Watson; T. Lang Wiseman; and Jamie R. Woodson.

University Officers in Attendance: President Randy Boyd; 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); and Chancellor Donde Plowman (UT Knoxville). Other members of the UT senior leadership and administrative staff were also in attendance.

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 by the Chair

Chair Compton opened the meeting and welcomed Steve Moldrup, Co-Director of the Collegiate Abbey at UT Knoxville, who provided the invocation. Chair Compton extended a special welcome to Lisa Patel (Student Trustee) and Dr. Beth Crawford (Faculty Representative to the Education, Research, and Service Committee). Chair Compton highlighted the ongoing transformation across UT campuses, noting the significant construction projects. He emphasized the University's strong financial health, enrollment growth, and increasing student retention rates. He commended the Administration for maintaining a balance between rapid expansion and campus beautification, ensuring that UT remains a welcoming environment for students and faculty.

President's Update

President Randy Boyd provided an extensive update on the University's progress, strategic initiatives, and future goals.

Educating Tomorrow's Workforce. President Boyd began by highlighting continued growth in enrollment and student retention, noting that the University is on track to surpass the student enrollment goal of 71,000 students by 2030. The flagship campus, UT Knoxville, campus saw a record 2,400 new students, despite enrollment declines at many institutions across the state and nationally. UT Chattanooga reached its highest enrollment (11,384 students), UT Southern made

significant strides in recruitment, and UT Martin led the system with an 8% increase in enrollment. Retention rates also showed notable improvements, with UT Knoxville achieving 91.9%, one of the highest in the nation, and UT Southern increasing from 64.3% to 77.2%, a major milestone attributed to student success initiatives. President Boyd emphasized that these gains reflect the University's commitment to academic excellence and student support, driven by strong leadership from chancellors, faculty, and student success teams.

The financial health of the University remains strong, allowing for continued investment in infrastructure and academic programs. The Finance Committee continues to provide oversight, ensuring that capital projects are managed efficiently while maintaining fiscal responsibility. Public-Private Partnerships (P3) are being leveraged to accelerate the development of housing, research facilities, and student engagement spaces. President Boyd noted that, while UT has been successful in securing state funding, additional efforts are needed to unlock further financial resources for long-term growth. A key priority is securing state support to increase infrastructure funding, as current state allocations are not sufficient to meet the University's expanding needs.

Research Changing the World. President Boyd then turned to research and innovation, highlighting the continued increase in research funding and the expansion of strategic partnerships. He emphasized the Grand Challenges Initiative, which has already awarded 27 interdisciplinary research grants of \$100,000 each, with an additional round of \$500,000 grants to be distributed by year's end. These grants fund research projects aimed at addressing major societal issues, such as healthcare access, agricultural sustainability, and technological advancements. One standout project involves expanding speech and audiology services to rural communities through a mobile outreach program, ensuring that children in remote areas receive critical early intervention services. President Boyd reaffirmed the University's commitment to: (i) enhancing collaboration with Oak Ridge National Laboratory; (ii) increasing UT's presence in federally funded research programs; and (iii) translating research into practical solutions that benefit Tennessee and the world.

Fostering Outreach and Engagement. In terms of community outreach, President Boyd praised the University's response to the flooding disaster in Northeast Tennessee, which severely impacted rural communities and destroyed key infrastructure, including 14 out of 21 bridges in Carter County. University faculty, staff, and students mobilized quickly to provide assistance, offering engineering expertise, agricultural support, and infrastructure planning. UT Extension agents, despite losing their offices and facilities in the disaster, remained on the ground to help farmers and families recover. President Boyd expressed deep gratitude for their dedication and emphasized that UT will continue to play a vital role in serving the state's most vulnerable communities.

Advocating for UT. President Boyd also provided updates on marketing and student recruitment efforts, including the "Find Your UT" campaign, which aims to increase the number of Tennessee high school students who apply to at least one UT campus. Last year, 84% of Tennessee high school graduates applying to college included a UT institution on their list, and the goal is to raise that number even higher. As part of this initiative, President Boyd and other University leaders have been visiting high schools across the state to engage directly with students. Additionally, the UT Mural Initiative, which places high-visibility murals in key locations across Tennessee, has

expanded to 62 counties, with plans to reach all 95 counties by the end of the decade. President Boyd noted that the campaign has even identified a location in Tuscaloosa, Alabama, demonstrating UT's growing regional influence.

Fundraising Update. The advancement team continues to exceed expectations, securing the highest fundraising totals in University history. Despite this success, President Boyd commended the UT Foundation team for pursuing continuous improvement, even hiring external consultants to identify new strategies for increasing donor engagement. He compared this commitment to excellence to legendary Coach Pat Summitt, noting that true success comes from pushing forward even when already performing at a high level.

Key Initiatives. Regarding campus infrastructure and development, President Boyd provided an overview of ongoing and planned projects. Nearly \$2 billion in construction projects are currently underway, with an additional \$3.7 billion in planned developments over the next decade. Among the top capital priorities are the Chemistry Building (UT Knoxville), ranked as the #1 state funding priority, as well as the College of Business (UT Martin) and UT Institute of Agriculture's College of Veterinary Medicine. While these projects reflect University's commitment to academic and research excellence, President Boyd acknowledged the challenge of securing sufficient funding to complete all necessary infrastructure improvements. He stated that the Administration is exploring innovative financial strategies to leverage the University's balance sheet, while simultaneously advocating for increased state funding to support academic growth.

In closing, President Boyd emphasized that UT is well on its way to making this the "Greatest Decade" in its history, surpassing previous records in enrollment, research, infrastructure, and community impact. He thanked the Board of Trustees, chancellors, faculty, and staff for their continued dedication to the University's mission.

Appointment of Chancellor, UT Southern

President Boyd recommended that Dr. Linda Martin be appointed as Chancellor of UT Southern, removing the interim title in recognition of her outstanding leadership. The members of the Board recognized Dr. Martin's significant contributions to UT Southern's growth, particularly in increasing enrollment and retention. Additionally, UT Southern Advisory Board Chair Jimmy Granbury also commended her leadership, noting that her impact will be a lasting part of UT Southern's history.

Upon motion duly made and seconded, the Board of Trustees unanimously approved the appointment of Dr. Linda Martin as Chancellor of UT Southern, as presented in Tab 3 of the meeting materials (*Resolution 063-2024*). Chancellor Martin expressed her gratitude to President Boyd and the members of the Board for their support and confidence. She commended the faculty and staff at UT Southern for their commitment to UT Southern's students.

Requests to Address the Board

Chair Compton stated that there was one request to address the Board, and, based on the nature of the concerns, the individual spoke at the Finance and Administration Committee meeting held

earlier in the day. Another request to address the Board was received after the deadline; however, the matter has been referred to the UT Knoxville campus for review and response.

Committee Reports

The Committee Chairs of three standing committees (Audit and Compliance Committee; Education, Research, and Service Committee; and Finance and Administration Committee), provided an overview of the items presented and discussed during the Committee meetings, along with a summary of the action items being recommended for the Board's approval.

FY 2025-26 Operating Budget Appropriations Request for Specialized Units

Mr. Rhodes advised the Board members that the Finance and Administration Committee is recommending one item for consideration and approval by the Board that is not on the Consent Agenda, which item is the University's FY 2025-26 Operating Budget Appropriations Request for Specialized Units (the "Appropriations Request"). Upon motion duly made and seconded, the Board of Trustees unanimously approved the Appropriations Request, as presented in Tab 1 of the meeting materials (*Resolution 064-2024*).

Adoption of UAPA Rule (All Campuses), Chapter 1720-01-01, Classifying Students In-State and Out-of-State

General Counsel Ryan Stinnett advised that various state and federal laws have recently been adopted that require or allow universities to classify certain out-of-state students as in-state students for tuition purposes. In June 2024, to comply with these new laws as of their effective dates, the Board adopted an emergency amendment to its existing rule titled "Chapter 1720-01-01: Classifying Students In-State and Out-of-State" (the "UAPA Rule"). On September 18, 2024, the emergency rule was approved by the Joint Government Operations Committee of the Tennessee General Assembly. However, as emergency rules remain effective for only 180 days, adoption of a permanent rule is required. A public rulemaking hearing on the proposed amendment to the UAPA Rule was held on October 21, 2024, pursuant to a Notice of Rulemaking hearing filed with the Tennessee Secretary of State on August 20, 2024. Interested parties had an opportunity to provide oral or written comments but no comments were received. Mr. Stinnett stated that, subject to adoption by the Board, the proposed amendment to the University's UAPA Rule will be filed with the Tennessee Secretary of State.

Upon motion duly made and seconded, a roll call was taken, and the Board approved the adoption of the proposed amendment to the University of Tennessee's existing UAPA Rule titled "Chapter 1720-01-01: Classifying Students In-State and Out-of-State," as presented in Tab 2 of the meeting materials (*Resolution 065-2024*).

Proposed Strategic Plan, UT Institute of Agriculture

The strategic plan discussion for the University of Tennessee Institute of Agriculture (UTIA) was led by Dr. Keith Carver, Senior Vice Chancellor and Senior Vice President, UTIA, who emphasized the University's commitment to advancing agriculture, education, and research throughout the

state. He began by providing historical context, referencing Dr. Harcourt Morgan's legacy in agricultural education and outreach, reinforcing UTIA's mission to serve Tennessee's communities while expanding its global reach. The strategic planning process was initiated at Lone Oak Farm, bringing together key stakeholders, including industry leaders and government officials. Over 800 individuals participated through surveys, town halls, focus groups, and interviews, ensuring a comprehensive and inclusive approach to shaping UTIA's future direction. The plan was developed in alignment with the University of Tennessee, Knoxville's vision and the UT System's overarching goals.

The mission and vision of UTIA revolve around enhancing life through education, research, and outreach in agriculture, veterinary medicine, food science, and natural resources. The strategic plan focuses on several key priorities, starting with education and workforce development. Efforts include expanding educational opportunities beyond traditional classrooms, increasing online program offerings, and boosting agricultural student enrollment from 1,400 to 2,500. Research and innovation are also a priority, with significant investments in precision agriculture and plans to grow research expenditures by 50%. This includes new research facilities aimed at supporting the state's agricultural industry.

Community engagement remains at the heart of UTIA's mission. The institute seeks to strengthen relationships with state agencies, commodity groups, and international agricultural research centers. A key focus is on addressing challenges such as agricultural land loss, sustainability, and economic development. Additionally, UTIA is working to support the profitability of farming and forestry by providing innovative solutions that make agriculture more sustainable and economically viable. Ensuring food security, affordability, and accessibility is also a core part of the strategic plan, with a commitment to enhancing disaster response efforts for affected farming communities.

Another major component of the plan is fostering trust and collaboration. UTIA is dedicated to strengthening interdisciplinary partnerships across UT campuses and state institutions, supporting research clusters, and encouraging faculty collaboration. Branding and communication are also a focus, with a strategic brand audit underway to refine UTIA's messaging. The goal is to better educate and engage audiences beyond traditional agricultural circles, particularly in urban and suburban communities. Advocacy efforts include the development of outreach materials, including educational videos and storytelling initiatives that highlight the significance of agriculture in everyday life.

The plan also prioritizes recruiting and retaining top-tier faculty, recognizing that talent development is critical to UTIA's success. The institute is actively recruiting experts in food science and precision agriculture while also investing in the professional growth and workplace culture of existing faculty and staff. A commitment to creating an inclusive, supportive, and collaborative environment is central to UTIA's vision.

To measure success, UTIA has established key performance indicators, including increased student enrollment, higher research funding, expanded faculty engagement, and stronger industry partnerships. During the discussion, the Board emphasized the importance of establishing measurable goals for the strategic plan to track progress effectively.

Upon motion duly made and seconded, and the Board approved the adoption of the five-year Strategic Plan - Growing Greatness (2025-2030) for UTIA, as presented in Tab 4 of the meeting materials (*Resolution 065-2024*). In closing remarks, Board members highlighted UTIA's strong leadership, growing influence, and the importance of maintaining its momentum to remain at the forefront of agricultural innovation.

Consent Agenda

Chair Compton asked if there were any requests to remove any items from the Consent Agenda. There being none, upon motion duly made and seconded, the Board approved: (i) the Resolution to adopt the minutes of the prior meeting of the Board; 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

With no further business to come before the Board, the Chair thanked all attendees for their participation and adjourned the meeting.

Respectfully Submitted,

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

Approved Consent Agenda Items

- Minutes of Prior Meeting
- 2025 Board of Trustees Meeting Schedule
- Annual Report to the General Assembly
- Resolution Appoint a Managerial Group for U.S. Government Contracts
- Items from the Audit and Compliance Committee
- Items from the Education, Research, and Service Committee
- Items from the Finance and Administration Committee

(Resolutions 067-2024 through 088-2024)

Informational Items

Copies of the following materials were shown or distributed at the meeting and are filed with the official minutes of this meeting:

- Annual Report – University of Tennessee Foundation
- Annual Report – University of Tennessee Chattanooga Foundation
- Annual Institutional Review Executive Summary, UTHSC



THE UNIVERSITY OF TENNESSEE BOARD OF TRUSTEES

4.2

AGENDA ITEM SUMMARY

Meeting Date: February 28, 2025

Item: **Items from the Education, Research, and Service Committee**

Type: Action

Education, Research, and Service Committee agenda items approved in the Committee and coming forward to the full Board Consent Agenda are in the meeting book of the Committee and not repeated here. These items include the following:

- Proposed Board of Trustees Policy on Artificial Intelligence
- Proposed New Academic Programs
 - Master of Science in Social Work, UTM
 - Bachelor of Science - Communication and Information, UTK
 - Master of Science in Retail, Hospitality & Tourism Management, UTK
 - Master of Science in Sustainability, UTK
- Proposed Academic Program Modifications
 - Bachelor of Science in Environmental Studies, UTK
 - Recreation and Sport Management, Bachelor of Science, UTK
- Proposed New Academic Units
 - Dept. of Sociology, Anthropology, and Geography, UTC
 - Dept. of Criminal Justice, UTC
- Proposed New Off-campus Centers, UTK
- Grant of Tenure upon Initial Appointment



THE UNIVERSITY OF TENNESSEE BOARD OF TRUSTEES

4.3

AGENDA ITEM SUMMARY

Meeting Date: February 28, 2025

Item: **Items from the Finance and Administration Committee**

Type: Action

Finance and Administration Committee agenda items approved in the Committee and coming forward to the full Board Consent Agenda are in the meeting book of the Committee and not repeated here. These items include the following:

- Proposed Increase of Administrative Fee – Consolidated Investment Pool
- Master Lease Agreement – 2200 Sutherland Avenue, Knoxville, TN, UTK
- Sale of Transfer of Gift Properties Not Held for Institutional Use