

FY 2022-23 Budget Update

Preliminary Budget Presentation to Faculty Senate

April 27, 2022



THE UNIVERSITY OF
TENNESSEE
KNOXVILLE

Revenues

Model Element	Allocation Basis
Undergraduate tuition	<ul style="list-style-type: none"> ▪ Allocate to college of record (20%) and college of instruction (80%)
Graduate tuition	<ul style="list-style-type: none"> ▪ Allocate to college of record (20%) and college of instruction (80%)
Financial Aid	<ul style="list-style-type: none"> ▪ Direct Financial Aid: Recognize / assign directly based on program ▪ General Aid: Allocate in proportion to tuition
Fees	<ul style="list-style-type: none"> ▪ Recognize / assign 100% of program and course fees to units where they originate
Indirect Cost Recovery	<ul style="list-style-type: none"> ▪ IDC allocated to colleges with support funding to ORIED for multi-disciplinary investments and the support of all colleges.
State Appropriations	<ul style="list-style-type: none"> ▪ Undergraduate Instruction (43.5%): Undergraduate credit hours instructed ▪ Undergraduate Student Success (17.5%): Undergraduate degrees completed ▪ Graduate Student Success (21.0%): Graduate degrees completed ▪ Research Support (18.0%): Grants and Contracts Revenues

Support Unit Costs

Cost Pool	Support Units	Allocation Metric
Academic Support	Chancellor's Honors, Continuing Studies, Distance Learning, Educational Advancement, Graduate School, Military Science & Leadership, Provost & Sr. Vice Chancellor, Teaching & Learning Innovation, Access and Diversity Funds, Center for Global Engagement	Student & Faculty Headcount
Administrative Support	Associate VC Finance and Admin, Budget and Finance, Bursar's Office, Business Services, Chancellor, General Support, Institutional Memberships, Institutional Research, McClung Museum, Direct Support	Direct Expenditures
Employee Services	Human Resources, Staff Benefits	Faculty & Staff FTE
Facilities	Facilities Services	Net Assignable Square Feet (NASQFT)
IT	Office of Information Technology	Total Headcount
Libraries	Libraries	Faculty & Student Headcount
Public Safety	Assoc VC Public Safety/Chief, Campus Police, Emergency Management Services, Environmental Health & Safety	Total Headcount
Research	Research & Sponsored Support, Research Development, Research Integrity, Sponsored Projects Accounting, The Science Alliance, VC Research and Engagement, Natl Inst Bio Math Syn (NIMBloS)	Grants & Contracts Revenue
Student Services	Enrollment Management, Student Life	Student Credit Hours
Utilities	Utilities	(NASQFT)
UT System	UT System Charges, UTK UTRF Charge	Direct Expenditures
Foundation Charges	UTK Foundation Charge	Direct Expenditures

A 15% participation fee will be assessed on tuition and state appropriations revenue allocations in order to create a pool of available funding. Uses of funding include:

- **Supplemental University Funding** - is a common feature of nearly all incentive-based budgeting models as there are core academic offerings at any research university that simply do not generate enough revenue to meet expenses. The need for University Funding should not be viewed as a value judgment on a unit's worth or productivity. The University, as a whole, benefits from its broad portfolio of academic programs. Some programs will require strategic, differential investment and support.
- **A Strategic Investment Pool** - will provide resources for strategic initiatives. Funds are accessible by proposal. The Executive Budget Committee will review proposals and make selections for awards.

FY 2022-23 Budget Summary

In thousands

	Colleges	Other Academic Units	Auxiliaries & Service Ctrs	Support Units	Other	Total
Revenue	676,219	10,417	247,733	64,439	17,317	1,016,125
Direct Costs	407,664	10,618	242,462	322,955	4,497	988,196
Support Unit Costs	236,696	5,020	19,891	(258,516)	-	3,091
Participation Fee	90,465	404	-	-	-	90,869
Margin after fee payment	(58,606)	(5,625)	(14,620)	-	12,820	(66,031)
University Funding	69,579	6,160	14,620	-	-	90,359
Margin after payments	10,973	535	-	-	12,820	24,328

FY 2022-23 Budget Summary

In thousands

	Colleges	Other Academic Units	Auxiliaries & Service Ctrs	Support Units	Other	Total
Tuition & Fees	375,510	840	(16,166)	49,070	-	409,254
Appropriations	268,704	3,168	-	11,893	17,317	301,082
Grants & Contracts	-	-	-	130	-	130
Other	32,005	6,409	263,900	3,346	-	305,660
Total Revenue	676,219	10,417	247,733	64,439	17,317	1,016,126
Wages & Benefits	353,349	6,109	102,909	186,499	-	648,867
Operating	54,315	4,509	139,553	136,455	4,497	339,329
Total Direct Costs	407,664	10,618	242,462	322,955	4,497	988,196
Support Unit Costs	236,696	5,020	19,891	(258,516)	-	3,091
Participation Fee	90,465	404	-	-	-	90,869
Margin	(58,606)	(5,625)	(14,620)	-	12,820	(66,031)

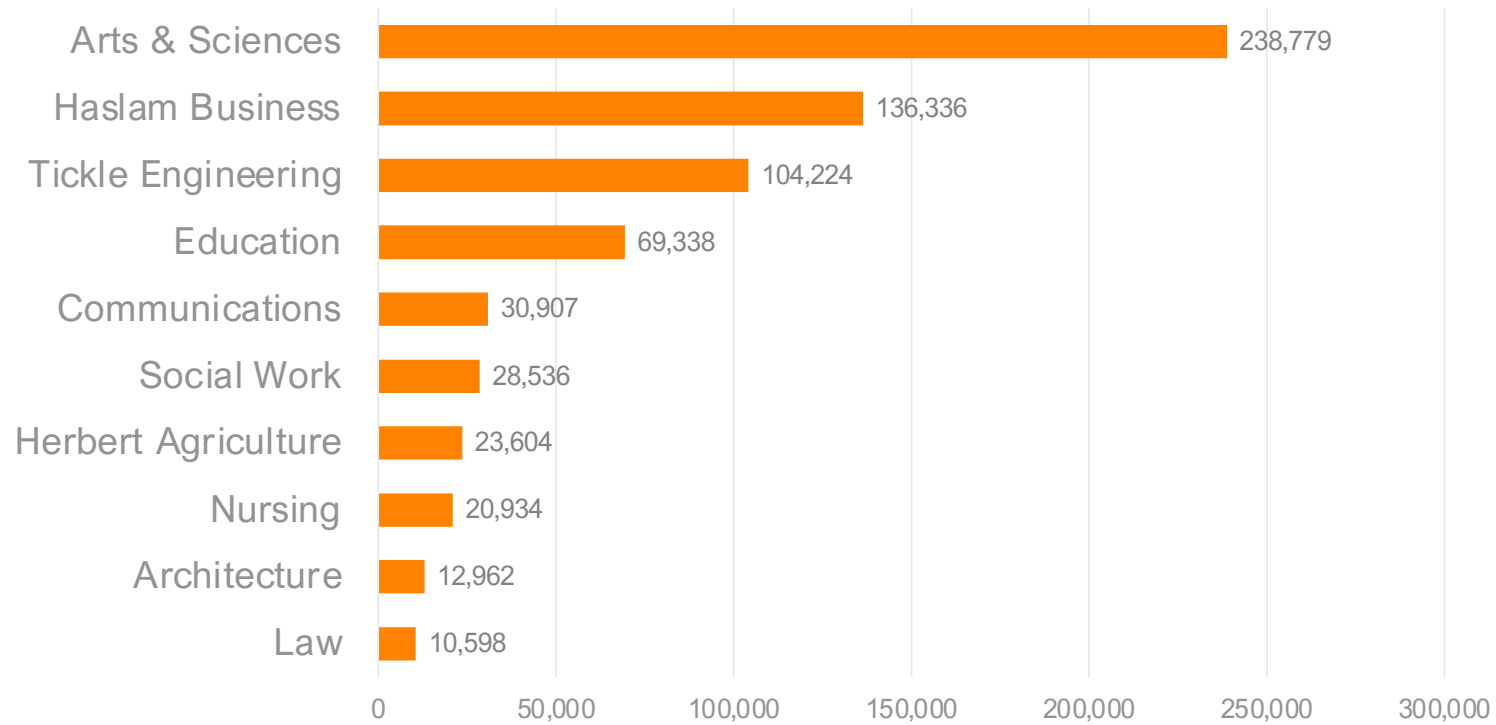
College Summary

In thousands

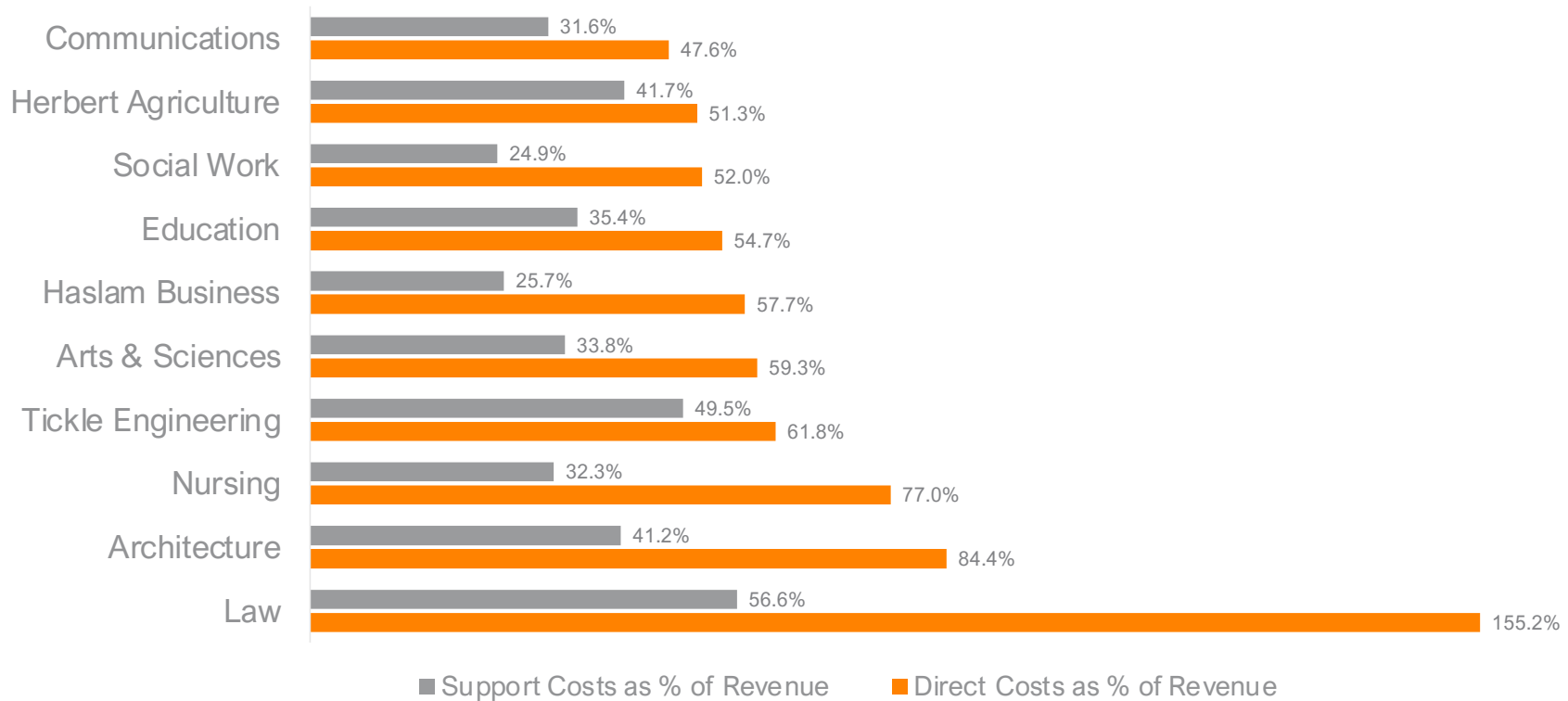
	Revenue	Direct Costs	Support Costs	Part. Fee	Margin
Architecture	12,962	10,941	5,345	1,641	(4,963)
Arts & Sciences	238,779	141,584	80,702	34,448	(17,936)
Communications	30,907	14,705	9,759	4,553	1,892
Education	69,338	37,900	24,578	9,984	(3,120)
Law	10,598	16,448	5,999	1,497	(13,343)
Nursing	20,934	16,122	6,770	2,594	(4,551)
Social Work	28,536	14,829	7,098	3,997	2,612
Herbert Agriculture	23,604	12,115	9,847	3,498	(1,854)
Haslam Business	136,336	78,655	35,086	16,128	6,469
Tickle Engineering	104,224	64,366	51,552	12,127	(23,812)
TOTAL	\$ 676,219	\$ 407,664	\$ 236,736	\$ 90,465	\$ (58,606)

Total Revenue by College

In thousands



Costs as % of Revenue



Support Unit Summary

	Revenue	Direct Costs	Net Costs	% of Total
Academic Support	789,379	15,813,063	15,023,684	5.8%
Administrative Support	1,787,839	29,093,537	27,305,698	10.6%
Employee Services	-77,363	10,548,923	10,626,286	4.1%
Facilities	18,083,171	61,713,740	43,630,569	16.9%
OIT	7,142,000	29,533,293	22,391,293	8.7%
Libraries	3,736,468	27,702,714	23,966,246	9.3%
Public Safety	19,403	15,269,222	15,249,819	5.9%
Research	-673,112	20,280,446	20,953,558	8.1%
Student Services	33,631,076	70,373,144	36,742,068	14.2%
Utilities	-	22,255,553	22,255,553	8.6%
Systems Charge	-	10,105,000	10,105,000	3.9%
Foundation Charge	-	10,266,043	10,266,043	4.0%
Total	64,438,861	322,954,678	258,515,817	