



B O A R D O F T R U S T E E S



Business and Finance Committee

Austin Peay State University

317 College Street

Clarksville, TN 37040

December 3, 2020

1:30 PM

Call to Order

Roll Call/Declaration of a Quorum

Action Items

A.Consideration of the October Revised Budget for Fiscal Year 2020-2021

Information Items

A.Review 2021-22 THEC State Appropriations Distribution Recommendation

B.Review 2021-22 THEC Capital Outlay and Capital Maintenance Projects Recommendations

C.Review 2021-22 THEC Tuition and Fee Recommendation

Adjourn

Austin Peay State University
Comparison of Proposed Budget and Revised Budget
Fiscal Year 2020-2021

Revenue/Funds Available

Education and General	Proposed	Revised
Prior Year Retained Funds:		
Re-budgeted for Carryforwards and One-time Expenses		\$ 421,700
Reserved for Revenue Deficit		5,544,700
Tuition and Fees	\$ 86,625,900	82,805,000
State Appropriations	53,372,600	51,097,700
Grants and Contracts	277,400	277,400
Sales & Services of Educational & Other Activities	6,733,100	6,921,200
Other Sources	1,083,700	1,020,900
Auxiliary Enterprises		
Sales & Services of Auxiliary Enterprises	15,922,800	13,779,800
Total Revenues	\$ 164,015,500	\$ 161,868,400

Expenditures and Transfers by Function

Education and General	Proposed	Revised
Instruction	\$ 69,488,900	\$ 69,583,200
Research	607,400	721,600
Public Service	427,000	352,900
Academic Support	10,547,600	10,553,700
Student Services	23,475,400	23,350,000
Institutional Support	14,411,900	14,106,800
Operation and Maintenance of Plant	14,943,200	14,620,200
Scholarships and Fellowships	11,237,500	11,881,000
<u>Transfers</u>		
Principal and Interest	2,132,400	2,132,400
Renewal and Replacement	235,000	385,000
Unexpended Plant	586,400	(146,700)
Other Funds	-	548,500
Auxiliary Enterprises		
Expenditures	8,586,500	8,003,400
<u>Transfers</u>		
Principal and Interest	4,722,200	4,722,200
Renewal and Replacement	2,554,100	977,300
Other Funds	60,000	76,900
Total Expenses	\$ 164,015,500	\$ 161,868,400

Expenditures and Transfers by Natural Classification

Education and General	Proposed	Revised
Salaries	\$ 75,431,200	\$ 74,585,200
Employee Benefits	31,813,300	31,893,500
Operating Expenses	37,894,400	38,690,700
Transfers	2,953,800	2,919,200
Auxiliary Enterprises		
Salaries	2,135,100	1,918,300
Employee Benefits	547,000	547,000
Operating Expenses	5,904,400	5,538,100
Transfers	7,336,300	5,776,400
Total Expenses	\$ 164,015,500	\$ 161,868,400

DATE: November 6, 2020**SUBJECT:** 2021-22 Operating State Appropriation Recommendations**ACTION RECOMMENDED:** Approval

BACKGROUND INFORMATION

The operating appropriation recommendations are informed by increased productivity in the outcomes-based funding formula, quality assurance points, inflationary factors, and changes to fixed costs. Per the Complete College Tennessee Act, the Tennessee Higher Education Commission (THEC) makes state appropriation recommendations in a lump-sum fashion for the community college sector. Outcomes-based formula calculations for individual community colleges are presented for informational purposes.

FORMULA UNIT RECOMMENDATION

For the 2021-22 fiscal year, THEC staff recommend a recurring increase of \$36 million in state appropriations to recognize growth in outcomes productivity for universities, community colleges, and colleges of applied technology. At the request of the administration, this recurring recommendation does not include a salary component, allowing the administration to apply general government's salary policy to higher education.

The outcomes-based funding formula utilizes a three-year average to determine growth in outcomes. The 2021-22 formula includes outcomes produced in 2017-18, 2018-19 and 2019-20. Institutions continue to show improvement in funding formula outcomes when comparing the most recent year of data used for the 2021-22 formula request to 2016-17, the data year dropped off with the movement to the new three-year average. Rooted in statewide implementation of the Tennessee Promise program, the community colleges produced nearly 11,500 associate degrees in 2019-20, compared to fewer than 10,000 in 2016-17. This represents a 16 percent increase from new-year to dropped-year of outcomes data. Community colleges awarded nearly 16,000 total credentials in 2019-20, a 12 percent increase since 2016-17. Universities continue to succeed in the model as well. In 2019-20, universities awarded over 22,500 bachelor's degrees, a two percent increase from 2016-17.

Additionally, the average graduation rate has increased significantly from 57.1 percent in 2016-17 to 61.8 percent in 2019-20.

Collaboration between institutions and the local community continue to help the state in its pursuit of Drive to 55; more students pursued a dual enrollment opportunity at a community college in 2019-20 than ever before, community colleges provided nearly 1 million hours of workforce training to local residents and businesses, universities generated over \$360 million in research and public service expenditures, and, in the fifth year of inclusion in the formula, community colleges—in coordination with universities—awarded over 850 reverse transfer associate degrees. The Tennessee Colleges of Applied Technology continue to grow, serving over 21,000 students in Fall 2019—a six percent increase over the previous year. These institutions reported a completion rate of 82 percent and a job placement rate for graduates of 89 percent in 2018-19.

SPECIALIZED UNITS RECOMMENDATION

Along with the formula unit recommendation, staff recommend a funding increase of \$8.9 million recurring for the specialized units—which include the medical colleges, agriculture research units, public service entities and statewide program initiatives. Funding increases for these units reflect annual growth in several cost drivers. These drivers exceed general inflation and include increases in costs due to maintenance, salaries and benefits, information technology systems, laboratory supplies, and scientific equipment. For example, Tennessee’s medical unit costs are driven by the need to provide students with current information and techniques that require updated medical technology and journal access. Tennessee’s agricultural centers have unique cost drivers related to equipment, farming machinery, crops, and livestock. Specialized units have not received general operating dollars to address these non-salary and benefit related cost increases since 2016-17. Operating fund recommendations for the formula and specialized units are detailed in Attachment II.

OTHER SPECIAL INITIATIVES

Staff also recommend \$8.6 million in recurring funds for strategic investments in several specialized units. The specialized unit strategic initiatives include \$6.6 million for the University of Tennessee Institute of Agriculture to address comparative salary inequities and to increase the number of extension county agents. Additionally, staff recommend \$2 million for the TSU Cooperative Extension to sustain current extension operations in fifty counties in concert with federal and county support funds. Staff also recommend three statewide system priorities at the Tennessee Board of Regents, totaling \$9.35 million. The first

investment of \$5.9 million recurring would allow TBR to employ a sworn police officer at each TCAT campus and hire a Chief of Police at the system office to coordinate all safety and security functions for the Board. For a recurring investment of \$2.7 million, the second statewide system priority would fund additional personnel at the TCATs, building student supports and expertise to better serve students through graduation and into the workforce. The final recommended strategic investment would provide \$750,000 to support faculty as they create competency-based coursework, an approach to instruction that emphasizes mastery of material rather than seat time. Additional information on these initiatives can be found in Attachment III.

REDUCTION SCENARIO

Finally, the Department of Finance & Administration has requested that state agencies prepare the 2021-22 budget with a 2.0 percent reduction in state appropriations. Financial aid funding provided by TSAC and recurring funds for capital maintenance are exempt from these reduction scenarios. For higher education, a 2.0 reduction to the remaining units results in a reduction in state appropriations of \$31.6 million. This distribution is detailed in Attachment IV.

RECOMMENDATION SUMMARY

The grand total recurring recommendation for all higher education operating appropriations for 2021-22 is \$1.76 billion. This includes \$1.2 billion to fund the formula units and Tennessee Colleges of Applied Technology, \$484.1 million to fund the specialized units, and \$80.0 million for strategic program investments. These recommendations total \$62.8 million of new funds, an increase of 3.7 percent over 2020-21.

ATTACHMENT I

State Appropriations History

Academic Formula Units	2016-17	2017-18	2018-19	2019-20	2020-21
LGI Universities					
Austin Peay	\$40,378,500	\$44,621,700	\$47,857,100	\$50,503,100	\$51,097,700
East Tennessee	55,362,800	61,099,800	65,770,700	70,579,000	71,656,300
Middle Tennessee	90,753,200	97,003,700	103,216,200	107,399,400	106,483,000
Tennessee State	33,717,900	36,757,500	39,402,300	41,795,200	41,365,200
Tennessee Tech	42,671,100	47,231,100	55,020,600	59,597,500	60,428,600
University of Memphis	102,440,600	110,827,200	117,771,000	123,370,700	123,734,100
Subtotal	\$365,324,100	\$397,541,000	\$429,037,900	\$453,244,900	\$454,764,900
Community Colleges¹					
Chattanooga	\$29,315,200	\$31,118,200	\$31,863,600	\$33,669,500	\$33,084,400
Cleveland	9,751,700	10,988,200	11,215,700	12,302,400	11,937,900
Columbia	13,970,500	15,026,400	15,821,100	16,836,200	17,615,800
Dyersburg	8,622,500	9,388,600	9,734,200	10,516,000	10,717,100
Jackson	12,395,800	13,561,500	14,266,600	15,102,200	14,879,600
Motlow	11,739,900	13,292,500	15,023,000	17,565,300	19,334,000
Nashville	17,756,500	20,259,300	22,228,600	23,374,700	22,732,000
Northeast	16,059,900	18,137,200	19,695,300	21,089,900	23,013,900
Pellissippi	27,349,000	30,477,800	32,729,600	34,933,800	35,442,700
Roane	19,093,300	21,087,900	22,518,000	24,110,700	24,116,500
Southwest	26,115,800	27,147,100	28,504,100	30,253,800	29,938,100
Volunteer	18,698,700	20,809,700	23,498,200	26,331,900	27,806,100
Walters	21,912,500	23,469,700	24,606,600	25,527,400	25,474,600
Subtotal	\$232,781,300	\$254,764,100	\$271,704,600	\$291,613,800	\$296,092,700
UT Universities					
UT Chattanooga	\$45,835,300	\$51,005,300	\$56,184,500	\$58,905,900	\$59,510,200
UT Knoxville	199,911,900	217,270,000	234,382,200	247,059,300	247,566,300
UT Martin	29,922,900	32,495,400	34,698,100	35,748,200	34,665,400
Subtotal	\$275,670,100	\$300,770,700	\$325,264,800	\$341,713,400	\$341,741,900
Total Colleges and Universities	\$873,775,500	\$953,075,800	\$1,026,007,300	\$1,086,572,100	\$1,092,599,500
TN Colleges of Applied Technology	\$60,790,600	\$66,857,600	\$71,579,600	\$75,727,400	\$75,622,700
Total Academic Formula Units	\$934,566,100	\$1,019,933,400	\$1,097,586,900	\$1,162,299,500	\$1,168,222,200

Note: All years of appropriations are recurring funds only.

1 - Detail for the community colleges was estimated by THEC based on information from the Tennessee Board of Regents. Funds are allocated to the community colleges as a system.

ATTACHMENT I

State Appropriations History

Specialized Units	2016-17	2017-18	2018-19	2019-20	2020-21
Medical Education					
ETSU College of Medicine	\$31,268,700	\$33,094,900	\$34,470,700	\$35,543,300	\$36,717,300
ETSU Family Practice	6,687,600	7,160,800	7,526,300	7,816,500	7,835,800
UT College of Vet Medicine	18,124,700	19,710,800	21,398,400	22,192,700	22,280,200
UT Health Science Center ¹	140,534,000	149,498,300	157,683,100	162,001,500	162,748,000
Subtotal	\$196,615,000	\$209,464,800	\$221,078,500	\$227,554,000	\$229,581,300
Research and Public Service					
UT Agricultural Experiment Station	\$27,625,600	\$29,048,400	\$30,435,300	\$31,092,900	\$31,160,800
UT Agricultural Extension Service	33,831,200	35,590,500	37,509,700	38,276,100	38,428,800
TSU McMinnville Center	594,500	608,200	619,400	1,429,200	1,429,900
TSU Institute of Ag. and Environmental Research	3,456,300	3,541,700	3,613,700	4,771,800	4,771,600
TSU Cooperative Extension	3,318,500	3,510,100	3,610,200	3,703,500	3,705,200
TSU McIntire-Stennis Forestry Research	189,400	193,300	196,200	198,900	198,900
UT Space Institute	8,490,500	8,900,500	9,129,100	9,290,800	9,301,200
UT Institute for Public Service	6,145,600	6,465,100	6,684,800	6,823,000	6,837,800
UT County Technical Assistance Service	2,236,600	2,962,700	3,103,800	3,203,900	3,221,000
UT Municipal Technical Advisory Service	3,157,300	3,408,700	3,603,800	3,713,700	3,731,200
Subtotal	\$89,045,500	\$94,229,200	\$98,506,000	\$102,503,800	\$102,786,400
Other Specialized Units					
UT University-Wide Administration	\$5,202,100	\$5,537,800	\$5,939,000	\$6,032,100	\$6,064,200
TN Board of Regents Administration	5,720,200	6,483,500	8,196,600	8,444,700	12,775,800
TN Student Assistance Corporation	83,568,600	93,536,000	103,703,900	116,177,100	116,195,200
Contract Education	2,176,000	1,832,500	1,832,500	2,249,900	2,249,900
TN Higher Education Commission	3,619,300	4,495,700	5,187,100	5,757,200	5,588,500
Subtotal	\$100,286,200	\$111,885,500	\$124,859,100	\$138,661,000	\$142,873,600
Total Specialized Units	\$385,946,700	\$415,579,500	\$444,443,600	\$468,718,800	\$475,241,300
Program Initiatives					
Campus Centers of Excellence	\$17,133,600	\$17,685,600	\$18,063,100	\$18,363,900	\$18,379,300
Campus Centers of Emphasis	1,236,600	1,288,100	1,314,400	1,338,100	1,340,000
Academic Scholars Program	711,800	1,211,800	1,211,800	1,211,800	1,211,800
UT Access and Diversity Initiative	5,806,700	5,806,700	5,806,700	5,806,700	5,806,700
TBR Access and Diversity Initiative	10,256,900	10,256,900	10,256,900	10,256,900	10,256,900
Research Initiatives - UT	5,852,900	5,852,900	5,852,900	5,852,900	5,852,900
THEC Grants	5,778,400	6,028,400	5,852,900	11,089,000	11,089,000
Subtotal	\$46,776,900	\$48,130,400	\$48,358,700	\$53,919,300	\$53,936,600
Total Operating²	\$1,367,289,700	\$1,483,643,300	\$1,590,389,200	\$1,684,937,600	\$1,697,400,100

Note: All years of appropriations are recurring funds only.

1 - UT Health Science Center includes funding for UT College of Medicine, UT Family Practice, and UT Memphis.

2 - Does not include \$40M recurring for Capital Maintenance.

ATTACHMENT II

2021-22 State Appropriations Distribution Recommendation

	A	B	C	D	E = C + D	F = E + A	G = E / A	H = F / B
			Breakdown of 2021-22 Changes					
Academic Formula Units	2020-21 Appropriation ¹	2021-22 Formula Calculation	Outcomes Formula Adjustments	Share of New Funding	2021-22 Changes	2021-22 Recommendation	Percent Change	Percent Funded
LGI Universities								
Austin Peay	\$51,097,700	\$83,521,800	\$2,967,400	\$1,677,800	\$4,645,200	\$55,742,900	9.1%	66.7%
East Tennessee ²	70,556,300	109,774,200	502,500	2,205,200	2,707,700	73,264,000	3.8%	66.7%
Middle Tennessee	106,483,000	161,044,200	(2,236,300)	3,235,100	998,800	107,481,800	0.9%	66.7%
Tennessee State	41,365,200	61,057,400	(1,841,700)	1,226,500	(615,200)	40,750,000	-1.5%	66.7%
Tennessee Tech ²	57,428,600	88,052,200	(430,900)	1,768,800	1,337,900	58,766,500	2.3%	66.7%
University of Memphis	123,734,100	190,519,200	(407,700)	3,827,200	3,419,500	127,153,600	2.8%	66.7%
Subtotal	\$450,664,900	\$693,969,000	(\$1,446,700)	\$13,940,600	\$12,493,900	\$463,158,800	2.8%	66.7%
Community Colleges³								
Chattanooga	\$33,084,400	\$50,969,200	(\$91,100)	\$1,023,900	\$932,800	\$34,017,200	2.8%	66.7%
Cleveland	11,937,900	18,747,000	197,400	376,600	574,000	12,511,900	4.8%	66.7%
Columbia	17,615,800	28,293,400	699,000	568,400	1,267,400	18,883,200	7.2%	66.7%
Dyersburg	10,717,100	16,729,900	112,500	336,100	448,600	11,165,700	4.2%	66.7%
Jackson	14,879,600	23,477,000	317,500	471,600	789,100	15,668,700	5.3%	66.7%
Motlow	19,334,000	32,847,700	1,928,800	659,700	2,588,500	21,922,500	13.4%	66.7%
Nashville	22,732,000	34,225,000	(577,600)	687,500	109,900	22,841,900	0.5%	66.7%
Northeast	23,013,900	35,954,300	259,900	722,300	982,200	23,996,100	4.3%	66.7%
Pellissippi	35,442,700	55,201,900	290,500	1,108,900	1,399,400	36,842,100	3.9%	66.7%
Roane	24,116,500	37,779,600	338,900	758,900	1,097,800	25,214,300	4.6%	66.7%
Southwest	29,938,100	45,287,900	(622,400)	909,800	287,400	30,225,500	1.0%	66.7%
Volunteer	27,806,100	44,524,400	1,015,300	894,400	1,909,700	29,715,800	6.9%	66.7%
Walters	25,474,600	39,145,300	(135,200)	786,400	651,200	26,125,800	2.6%	66.7%
Community College Subtotal	\$296,092,700	\$463,182,600	\$3,733,500	\$9,304,500	\$13,038,000	\$309,130,700	4.4%	66.7%
UT Universities								
UT Chattanooga	\$59,510,200	\$91,369,200	(\$365,300)	\$1,835,400	\$1,470,100	\$60,980,300	2.5%	66.7%
UT Knoxville ²	244,566,300	377,009,200	(521,600)	7,573,400	7,051,800	251,618,100	2.9%	66.7%
UT Martin ²	34,025,400	51,570,500	(642,900)	1,036,000	393,100	34,418,500	1.2%	66.7%
Subtotal	\$338,101,900	\$519,948,900	(\$1,529,800)	\$10,444,800	\$8,915,000	\$347,016,900	2.6%	66.7%
Total Colleges and Universities	\$1,084,859,500	\$1,677,100,500	\$757,000	\$33,689,900	\$34,446,900	\$1,119,306,400	3.2%	66.7%
TN Colleges of Applied Technology ²	\$75,196,700	\$114,997,200	(\$757,000)	\$2,310,100	\$1,553,100	\$76,749,800	2.1%	66.7%
Total Academic Formula Units	\$1,160,056,200	\$1,792,097,700	\$0	\$36,000,000	\$36,000,000	\$1,196,056,200	3.1%	66.7%

1 - Recurring funding. Includes funding of \$7.4M for legislative initiatives. A breakdown of these initiatives by campus is included in Appendix A.

2 - Does not include recurring funds appropriated to the ETSU Gray Fossil Site (\$350K), ETSU Rural Public Health Project (\$750K), TTU College of Engineering (\$3M), UT Knoxville College of Engineering (\$3M), UT Martin Parsons Center (\$200K), UT Martin Selmer Center (\$190K), UT Martin Somerville Center (\$250K) and the TCATs Correctional Education Investment Initiative (\$426K). These appropriations are included as Program Initiatives.

3 - THEC's community college recommendation is for the sector as a whole. Institutional detail displayed here is for informational purposes only.

ATTACHMENT II

2021-22 State Appropriations Share of Total Calculation

	A	B	C	D	E = D + A	F = D / A
	2020-21 Appropriation ¹	2020-21 Appropriation Share	2021-22 Appropriation Share	2021-22 Funding Changes	2021-22 Recommendation	Percent Change
Academic Formula Units						
LGI Universities						
Austin Peay	\$51,097,700	4.71%	4.98%	\$4,645,200	\$55,742,900	9.1%
East Tennessee ²	70,556,300	6.50%	6.55%	2,707,700	73,264,000	3.8%
Middle Tennessee	106,483,000	9.82%	9.60%	998,800	107,481,800	0.9%
Tennessee State	41,365,200	3.81%	3.64%	(615,200)	40,750,000	-1.5%
Tennessee Tech ²	57,428,600	5.29%	5.25%	1,337,900	58,766,500	2.3%
University of Memphis	123,734,100	11.41%	11.36%	3,419,500	127,153,600	2.8%
Subtotal	\$450,664,900	41.54%	41.38%	\$12,493,900	\$463,158,800	2.8%
Community Colleges³						
Chattanooga	\$33,084,400	3.05%	3.04%	\$932,800	\$34,017,200	2.8%
Cleveland	11,937,900	1.10%	1.12%	574,000	12,511,900	4.8%
Columbia	17,615,800	1.62%	1.69%	1,267,400	18,883,200	7.2%
Dyersburg	10,717,100	0.99%	1.00%	448,600	11,165,700	4.2%
Jackson	14,879,600	1.37%	1.40%	789,100	15,668,700	5.3%
Motlow	19,334,000	1.78%	1.96%	2,588,500	21,922,500	13.4%
Nashville	22,732,000	2.10%	2.04%	109,900	22,841,900	0.5%
Northeast	23,013,900	2.12%	2.14%	982,200	23,996,100	4.3%
Pellissippi	35,442,700	3.27%	3.29%	1,399,400	36,842,100	3.9%
Roane	24,116,500	2.22%	2.25%	1,097,800	25,214,300	4.6%
Southwest	29,938,100	2.76%	2.70%	287,400	30,225,500	1.0%
Volunteer	27,806,100	2.56%	2.65%	1,909,700	29,715,800	6.9%
Walters	25,474,600	2.35%	2.33%	651,200	26,125,800	2.6%
Community College Subtotal	\$296,092,700	27.29%	27.62%	\$13,038,000	\$309,130,700	4.4%
UT Universities						
UT Chattanooga	\$59,510,200	5.49%	5.45%	\$1,470,100	\$60,980,300	2.5%
UT Knoxville ²	244,566,300	22.54%	22.48%	7,051,800	251,618,100	2.9%
UT Martin ²	34,025,400	3.14%	3.07%	393,100	34,418,500	1.2%
Subtotal	\$338,101,900	31.17%	31.00%	\$8,915,000	\$347,016,900	2.6%
Total Colleges and Universities	\$1,084,859,500	100.00%	100.00%	\$34,446,900	\$1,119,306,400	3.2%

1 - Recurring funding. Includes historical funding of \$7.4M for legislative initiatives. A breakdown of these initiatives by campus is included in Appendix A.

2 - Does not include recurring funds appropriated to the ETSU Gray Fossil Site (\$350K), ETSU Rural Public Health Project (\$750K), TTU College of Engineering (\$3M), UT Knoxville College of Engineering (\$3M), UT Martin Parsons Center (\$200K), UT Martin Selmer Center (\$190K), and UT Martin Somerville Center (\$250K). These appropriations are included as Program Initiatives.

3 - THEC's community college recommendation is for the sector as a whole. Institutional detail displayed here is for informational purposes only.

ATTACHMENT II

2021-22 State Appropriations Distribution Recommendation

	A	B	C = B - A	D = C / A
	2020-21 Appropriation ¹	2021-22 Recommendation ¹	Total Change	Percent Change
Specialized Units				
Medical Education				
ETSU College of Medicine	\$36,717,300	\$38,449,300	\$1,732,000	4.7%
ETSU Family Practice	7,835,800	7,945,500	109,700	1.4%
UT College of Vet Medicine	22,280,200	22,592,100	311,900	1.4%
UT Health Science Center	162,748,000	167,917,200	5,169,200	3.2%
Subtotal	\$229,581,300	\$236,904,100	\$7,322,800	3.2%
Research and Public Service				
UT Agricultural Experiment Station	\$31,160,800	\$31,597,100	\$436,300	1.4%
UT Agricultural Extension Service	38,428,800	38,966,800	538,000	1.4%
TSU McMinnville Center	1,429,900	1,478,300	48,400	3.4%
TSU Institute of Ag. and Environmental Research	4,771,600	4,838,400	66,800	1.4%
TSU Cooperative Extension	3,705,200	3,757,100	51,900	1.4%
TSU McIntire-Stennis Forestry Research	198,900	201,700	2,800	1.4%
UT Space Institute	9,301,200	9,431,400	130,200	1.4%
UT Institute for Public Service	6,837,800	6,993,600	155,800	2.3%
UT County Technical Assistance Service	3,221,000	3,281,700	60,700	1.9%
UT Municipal Technical Advisory Service	3,731,200	3,783,400	52,200	1.4%
Subtotal	\$102,786,400	\$104,329,500	\$1,543,100	1.5%
Other Specialized Units				
UT University-Wide Administration	\$6,064,200	\$6,064,200	\$0	0.0%
TN Board of Regents Administration	12,775,800	12,775,800	-	0.0%
TN Student Assistance Corporation	116,195,200	116,195,200	-	0.0%
Contract Education	2,249,900	2,249,900	-	0.0%
TN Higher Education Commission	5,588,500	5,588,500	-	0.0%
Subtotal	\$142,873,600	\$142,873,600	\$0	0.0%
Total Specialized Units	\$475,241,300	\$484,107,200	\$8,865,900	1.9%
Program Initiatives				
Campus Centers of Excellence	\$18,379,300	\$18,379,300	\$0	0.0%
Campus Centers of Emphasis	1,340,000	1,340,000	-	0.0%
Academic Scholars Program	1,211,800	1,211,800	-	0.0%
UT Access and Diversity Initiative	5,806,700	5,806,700	-	0.0%
TBR Access and Diversity Initiative	10,256,900	10,256,900	-	0.0%
Research Initiatives - UT	5,852,900	5,852,900	-	0.0%
THEC Grants	11,089,000	11,089,000	-	0.0%
Specialized Units Strategic Initiatives ²	-	8,595,000	8,595,000	NA
Statewide System Priorities ²	-	9,350,000	9,350,000	NA
ETSU Rural Public Health Project ³	750,000	750,000	-	0.0%
ETSU Gray Fossil Site ³	350,000	350,000	-	0.0%
TTU College of Engineering ³	3,000,000	3,000,000	-	0.0%
UT Knoxville College of Engineering ³	3,000,000	3,000,000	-	0.0%
UT Martin Parsons, Somerville & Selmer Centers ³	640,000	640,000	-	0.0%
TCAT Correctional Education Investment Initiative ³	426,000	426,000	-	0.0%
Subtotal	\$62,102,600	\$80,047,600	\$17,945,000	28.9%
Total	\$1,697,400,100	\$1,760,211,000	\$62,810,900	3.7%

1 - Recurring funds.

2 - Recurring and non-recurring funding for strategic investments in specialized units and statewide system priorities. See Attachment III for further detail.

3 - Recurring funds appropriated to ETSU (\$1.1M), TTU (\$3M), UT Knoxville (\$3M), UT Martin (\$640K), and the TCATs (\$426K).

ATTACHMENT III
2021-22 Specialized Units Strategic Initiatives

Board Priority	Governing Board	Institution	Project Name	Total Cost	Project Description
1	UT	UT Institute of Agriculture	Competitive Salaries and Extension Agents for Distressed Rural Counties	\$6,595,000	Meeting UT's responsibility to the land-grant mission is tied directly to the professional quality of the system's faculty and staff, but recently the system has been facing competition from its peers related to salary. Currently, no peer veterinary college pays its faculty less than UT Vet Med, increasing concerns about the system's ability to recruit top talent for new or existing positions. To improve prospects of attracting and retaining the best scientific talents-and to further contributions to The University of Tennessee's goal of becoming a true comprehensive research-extensive institution-it is imperative that salaries for research faculty also be increased to a level on par with other land-grant institutions. A compensation study conducted by Sibson in April 2019 indicated that \$2.3 million would be needed to retain and recruit competitively with our veterinary college peers and \$2.1 million would be needed for research salaries. Additionally, UT Extension plays a critical role in addressing the challenges found in Tennessee's distressed rural counties. An additional investment of \$2.19 million to the extension budget would provide at least one full-time county agent in the 4-H, family and consumer sciences, and agriculture and natural resources program areas to the citizens of every county in Tennessee. The requested budget would support the hire of 32 additional county agents that would fully implement a three-county agent model in each of Tennessee's 95 counties. (\$6.595M recurring)
1	TSU	TSU Cooperative Extension	Sustaining Cooperative Extension Services	\$2,000,000	Recurring funding is requested to allow the TSU Cooperative Extension program to sustain current extension operations in fifty counties in concert with federal and county support funds. (\$2.0M recurring)

2021-22 Statewide System Priorities

Board Priority	Governing Board	Institution	Project Name	Total Cost	Project Description
3	TBR	TCATs	Safety and Security for TCATs	\$5,900,000	Recurring funding is requested to continue the investment that Tennessee has made in campus safety and security by adding security personnel at each TCAT campus location. This request would fund 90 FTE officers to serve approximately 68 locations for coverage when students are on campus. Additionally, the Board will add a Director of Public Safety/Chief of Police who would be responsible for campus security operations across the system. (\$5.9M recurring)
1	TBR	TCATs	TCAT Student Success Support	\$2,700,000	Over the last few years, TCATs have undergone significant operational strategic changes building off their successful foundation and expanding into new areas of student access and success. The current strategic policy environment requires TCATs to have greater capacity to serve student and workforce needs. Through a partnership with Achieving the Dream, TCATs have begun building student supports and expertise to better serve students through graduation and into the workforce. Additionally, these institutions have modernized their systems of financial aid, admissions, and business operations in recent years. This recurring funding request would provide one FTE position per TCAT main campus, allowing these institutions to build the necessary additional capacity to meet these growing strategic and operational demands. (\$2.7M recurring)
2	TBR	Community Colleges and TCATs	Competency-Based Education Capacity	\$750,000	Recurring and non-recurring funding is requested to support faculty as they convert their courses to the competency-based education (CBE) model throughout numerous programs. CBE is an approach to instruction that emphasizes mastery of material rather than simply seat time. It is a cornerstone of the TCAT model and is utilized by other colleges throughout the country to great effect. (\$400,000 recurring; \$350,000 non-recurring)

ATTACHMENT IV **2021-22 State Appropriations Distribution with 2.0% Reduction**

A B C D E = C + D F = E + A G = E / A H = F / B

	2020-21 Appropriation ¹	2021-22 Formula Calculation	Breakdown of 2021-22 Changes		2021-22 Change	2021-22 Recommendation	Percent Change	Percent Funded
			Outcomes Formula Adjustments	2.0% Reduction to Higher Education				
Academic Formula Units								
LGI Universities								
Austin Peay	\$51,097,700	\$83,521,800	\$2,967,400	(\$1,231,500)	\$1,735,900	\$52,833,600	3.4%	63.3%
East Tennessee ²	70,556,300	109,774,200	502,500	(1,618,600)	(1,116,100)	69,440,200	-1.6%	63.3%
Middle Tennessee	106,483,000	161,044,200	(2,236,300)	(2,374,500)	(4,610,800)	101,872,200	-4.3%	63.3%
Tennessee State	41,365,200	61,057,400	(1,841,700)	(900,300)	(2,742,000)	38,623,200	-6.6%	63.3%
Tennessee Tech ²	57,428,600	88,052,200	(430,900)	(1,298,300)	(1,729,200)	55,699,400	-3.0%	63.3%
University of Memphis	123,734,100	190,519,200	(407,700)	(2,809,100)	(3,216,800)	120,517,300	-2.6%	63.3%
Subtotal	\$450,664,900	\$693,969,000	(\$1,446,700)	(\$10,232,300)	(\$11,679,000)	\$438,985,900	-2.6%	63.3%
Community Colleges³								
Chattanooga	\$33,084,400	\$50,969,200	(\$91,100)	(\$751,500)	(\$842,600)	\$32,241,800	-2.5%	63.3%
Cleveland	11,937,900	18,747,000	197,400	(276,400)	(79,000)	11,858,900	-0.7%	63.3%
Columbia	17,615,800	28,293,400	699,000	(417,200)	281,800	17,897,600	1.6%	63.3%
Dyersburg	10,717,100	16,729,900	112,500	(246,700)	(134,200)	10,582,900	-1.3%	63.3%
Jackson	14,879,600	23,477,000	317,500	(346,200)	(28,700)	14,850,900	-0.2%	63.3%
Motlow	19,334,000	32,847,700	1,928,800	(484,300)	1,444,500	20,778,500	7.5%	63.3%
Nashville	22,732,000	34,225,000	(577,600)	(504,600)	(1,082,200)	21,649,800	-4.8%	63.3%
Northeast	23,013,900	35,954,300	259,900	(530,100)	(270,200)	22,743,700	-1.2%	63.3%
Pellissippi	35,442,700	55,201,900	290,500	(813,900)	(523,400)	34,919,300	-1.5%	63.3%
Roane	24,116,500	37,779,600	338,900	(557,000)	(218,100)	23,898,400	-0.9%	63.3%
Southwest	29,938,100	45,287,900	(622,400)	(667,700)	(1,290,100)	28,648,000	-4.3%	63.3%
Volunteer	27,806,100	44,524,400	1,015,300	(656,500)	358,800	28,164,900	1.3%	63.3%
Walters	25,474,600	39,145,300	(135,200)	(577,200)	(712,400)	24,762,200	-2.8%	63.3%
Community College Subtotal	\$296,092,700	\$463,182,600	\$3,733,500	(\$6,829,300)	(\$3,095,800)	\$292,996,900	-1.0%	63.3%
UT Universities								
UT Chattanooga	\$59,510,200	\$91,369,200	(\$365,300)	(\$1,347,200)	(\$1,712,500)	\$57,797,700	-2.9%	63.3%
UT Knoxville ²	244,566,300	377,009,200	(521,600)	(5,558,800)	(6,080,400)	238,485,900	-2.5%	63.3%
UT Martin ²	34,025,400	51,570,500	(642,900)	(760,400)	(1,403,300)	32,622,100	-4.1%	63.3%
Subtotal	\$338,101,900	\$519,948,900	(\$1,529,800)	(\$7,666,400)	(\$9,196,200)	\$328,905,700	-2.7%	63.3%
Total Colleges and Universities	\$1,084,859,500	\$1,677,100,500	\$757,000	(\$24,728,000)	(\$23,971,000)	\$1,060,888,500	-2.2%	63.3%
TN Colleges of Applied Technology ²	\$75,196,700	\$114,997,200	(\$757,000)	(\$1,695,600)	(\$2,452,600)	\$72,744,100	-3.3%	63.3%
Total Academic Formula Units	\$1,160,056,200	\$1,792,097,700	\$0	(\$26,423,600)	(\$26,423,600)	\$1,133,632,600	-2.3%	63.3%

Note: Finance and Administration sets a reduction amount each year. THEC divides this reduction amount between the formula and specialized units based on the percent of total E&G revenue reported in the most recent proposed operating budgets. Specialized units with no ability to generate additional revenue from tuition are reduced at a lower rate.

1 - Recurring funding. Includes historical funding of \$7.4M for legislative initiatives. A breakdown of these initiatives by campus is included in Appendix A.

2 - Does not include recurring funds appropriated to the ETSU Gray Fossil Site (\$350K), ETSU Rural Public Health Project (\$750K), TTU College of Engineering (\$3M), UT Knoxville College of Engineering (\$3M), UT Martin Parsons Center (\$200K), UT Martin Selmer Center (\$190K), UT Martin Somerville Center (\$250K) and the TCATs Correctional Education Investment Initiative (\$426K). These appropriations are included as Program Initiatives.

3 - THEC's community college recommendation is for the sector as a whole. Institutional detail displayed here is for informational purposes only.

ATTACHMENT IV

2021-22 State Appropriations Distribution with 2.0% Reduction¹

	A	B	C = B - A	D = C / A
	2020-21 Appropriation ²	2021-22 Recommendation ²	Total Change	Percent Change
Specialized Units				
Medical Education				
ETSU College of Medicine	\$36,717,300	\$36,251,800	(\$465,500)	-1.3%
ETSU Family Practice	7,835,800	7,757,300	(78,500)	-1.0%
UT College of Vet Medicine	22,280,200	21,929,700	(350,500)	-1.6%
UT Health Science Center	162,748,000	160,304,400	(2,443,600)	-1.5%
Subtotal	\$229,581,300	\$226,243,200	(\$3,338,100)	-1.5%
Research and Public Service				
UT Agricultural Experiment Station	\$31,160,800	\$30,848,700	(\$312,100)	-1.0%
UT Agricultural Extension Service	38,428,800	38,043,900	(384,900)	-1.0%
TSU McMinnville Center	1,429,900	1,415,600	(14,300)	-1.0%
TSU Institute of Ag. and Environmental Research	4,771,600	4,723,800	(47,800)	-1.0%
TSU Cooperative Extension	3,705,200	3,668,100	(37,100)	-1.0%
TSU McIntire-Stennis Forestry Research	198,900	196,900	(2,000)	-1.0%
UT Space Institute	9,301,200	9,198,000	(103,200)	-1.1%
UT Institute for Public Service	6,837,800	6,769,300	(68,500)	-1.0%
UT County Technical Assistance Service	3,221,000	3,188,700	(32,300)	-1.0%
UT Municipal Technical Advisory Service	3,731,200	3,693,800	(37,400)	-1.0%
Subtotal	\$102,786,400	\$101,746,800	(\$1,039,600)	-1.0%
Other Specialized Units				
UT University-Wide Administration	\$6,064,200	\$6,003,500	(\$60,700)	-1.0%
TN Board of Regents Administration	12,775,800	12,647,800	(128,000)	-1.0%
TN Student Assistance Corporation	116,195,200	116,173,600	(21,600)	0.0%
Contract Education	2,249,900	2,227,400	(22,500)	-1.0%
TN Higher Education Commission	5,588,500	5,532,500	(56,000)	-1.0%
Subtotal	\$142,873,600	\$142,584,800	(\$288,800)	-0.2%
Total Specialized Units	\$475,241,300	\$470,574,800	(\$4,666,500)	-1.0%
Program Initiatives				
Campus Centers of Excellence	\$18,379,300	\$18,195,200	(\$184,100)	-1.0%
Campus Centers of Emphasis	1,340,000	1,326,600	(13,400)	-1.0%
Academic Scholars Program	1,211,800	1,211,800	-	0.0%
UT Access and Diversity Initiative	5,806,700	5,748,500	(58,200)	-1.0%
TBR Access and Diversity Initiative	10,256,900	10,154,200	(102,700)	-1.0%
THEC Grants	11,089,000	10,977,900	(111,100)	-1.0%
Research Initiatives - UT	5,852,900	5,794,300	(58,600)	-1.0%
ETSU Rural Public Health Project ³	750,000	750,000	-	0.0%
ETSU Gray Fossil Site ³	350,000	350,000	-	0.0%
TTU College of Engineering ³	3,000,000	3,000,000	-	0.0%
UT Knoxville College of Engineering ³	3,000,000	3,000,000	-	0.0%
UT Martin Parsons, Somerville & Selmer Centers ³	640,000	640,000	-	0.0%
TCAT Correctional Education Investment Initiative ³	426,000	426,000	-	0.0%
Subtotal	\$234,205,100	\$61,574,500	(\$528,100)	-0.2%
Total	\$1,869,502,600	\$1,665,781,900	(\$31,618,200)	-1.7%

1 - Finance and Administration identified TSAA Awards, Loan/Scholarship Program, Academic Scholars Program, Recurring Capital Maintenance, and Allotment Reserves as exempt from the 2.0% reduction scenario for 2021-22.

2 - Recurring funds.

3 - Recurring funds appropriated to ETSU (\$1.1M), TTU (\$3M), UT Knoxville (\$3M), UT Martin (\$640K), and TCATs (\$426K).

ATTACHMENT V

2021-22 State Appropriations Funding Scenarios

	A	B	C	D	E	F
				Alternative Funding Scenarios		
	Outcomes Formula Calculation	Share of Total Formula Calculation	\$36,000,000 THEC Recommendation	0.0% Flat Funding Scenario	\$59,000,000 Increase Scenario ¹	Flat Tuition Scenario ²
Academic Formula Units						
LGI Universities						
Austin Peay	\$83,521,800	4.98%	\$55,742,900	\$54,065,100	\$56,814,800	\$59,098,500
East Tennessee	109,774,200	6.55%	73,264,000	71,058,800	74,672,800	77,674,300
Middle Tennessee	161,044,200	9.60%	107,481,800	104,246,700	109,548,600	113,952,000
Tennessee State	61,057,400	3.64%	40,750,000	39,523,500	41,533,700	43,203,100
Tennessee Tech	88,052,200	5.25%	58,766,500	56,997,700	59,896,600	62,304,100
University of Memphis	190,519,200	11.36%	127,153,600	123,326,400	129,598,700	134,808,000
LGI Subtotal	\$693,969,000	41.38%	\$463,158,800	\$449,218,200	\$472,065,200	\$491,040,000
Community Colleges						
Chattanooga	\$50,969,200	3.04%	\$34,017,200	\$32,993,300	\$34,671,300	\$36,064,900
Cleveland	18,747,000	1.12%	12,511,900	12,135,300	12,752,500	13,265,100
Columbia	28,293,400	1.69%	18,883,200	18,314,800	19,246,300	20,019,900
Dyersburg	16,729,900	1.00%	11,165,700	10,829,600	11,380,400	11,837,800
Jackson	23,477,000	1.40%	15,668,700	15,197,100	15,970,000	16,611,900
Motlow	32,847,700	1.96%	21,922,500	21,262,800	22,344,200	23,242,200
Nashville	34,225,000	2.04%	22,841,900	22,154,400	23,281,200	24,217,000
Northeast	35,954,300	2.14%	23,996,100	23,273,800	24,457,500	25,440,600
Pellissippi	55,201,900	3.29%	36,842,100	35,733,200	37,550,600	39,059,900
Roane	37,779,600	2.25%	25,214,300	24,455,400	25,699,200	26,732,200
Southwest	45,287,900	2.70%	30,225,500	29,315,700	30,806,700	32,045,000
Volunteer	44,524,400	2.65%	29,715,800	28,821,400	30,287,200	31,504,600
Walters	39,145,300	2.33%	26,125,800	25,339,400	26,628,200	27,698,500
Community College Subtotal	\$463,182,600	27.62%	\$309,130,700	\$299,826,200	\$315,075,300	\$327,739,600
UT Universities						
UT Chattanooga	\$91,369,200	5.45%	\$60,980,300	\$59,144,900	\$62,153,000	\$64,651,200
UT Knoxville	377,009,200	22.48%	251,618,100	244,044,700	256,456,700	266,765,000
UT Martin	51,570,500	3.07%	34,418,500	33,382,500	35,080,300	36,490,400
UT Subtotal	\$519,948,900	31.00%	\$347,016,900	\$336,572,100	\$353,690,000	\$367,906,600
Total Colleges and Universities	\$1,677,100,500	100.00%	\$1,119,306,400	\$1,085,616,500	\$1,140,830,500	\$1,186,686,200
TN Colleges of Applied Technology	\$114,997,200	NA	\$76,749,800	\$74,439,700	\$78,225,700	\$81,370,000
Total Academic Formula Units	\$1,792,097,700	100.00%	\$1,196,056,200	\$1,160,056,200	\$1,219,056,200	\$1,268,056,200

1- Based on a request of \$36M for outcomes productivity and \$23M for partial funding of an estimated 2 percent salary increase, resulting in a total appropriation recommendation of \$59M.

2 - Based on a request of \$36M for outcomes productivity, \$23M for partial funding of an estimated 2 percent salary increase, and \$49M to buy down tuition increases to 0.0% at all institutions, resulting in a total appropriation recommendation of \$108M.

ATTACHMENT VI

Three-Year Average Change in Formula Outcomes

Community Colleges

Total Outcomes	2020-21 Formula	2021-22 Formula	Change	
Students Accumulating 12 hrs	23,605	23,483	(122)	-0.5%
Students Accumulating 24 hrs	18,281	18,490	209	1.1%
Students Accumulating 36 hrs	15,458	15,792	334	2.2%
Dual Enrollment	19,161	19,919	758	4.0%
Associates ¹	11,243	11,785	543	4.8%
Certificates 1-2 Year	827	932	105	12.7%
Certificates <1 Year	2,726	2,646	(80)	-2.9%
Job Placements	3,823	3,952	129	3.4%
Student Transfer	6,543	6,603	60	0.9%
Workforce Training (Contact Hours)	767,974	855,373	87,399	11.4%
Awards per 100 FTE	23.53	24.68	1.15	4.9%
Adult Focus Population				
Students Accumulating 12 hrs	4,001	4,203	202	5.0%
Students Accumulating 24 hrs	3,804	4,249	446	11.7%
Students Accumulating 36 hrs	3,718	4,140	422	11.4%
Associates ¹	4,259	4,390	131	3.1%
Certificates 1-2 Year	448	499	51	11.4%
Certificates <1 Year	1,495	1,445	(51)	-3.4%
Low-Income Focus Population				
Students Accumulating 12 hrs	13,902	13,834	(69)	-0.5%
Students Accumulating 24 hrs	11,366	11,519	154	1.4%
Students Accumulating 36 hrs	9,861	10,105	244	2.5%
Associates ¹	7,393	7,683	290	3.9%
Certificates 1-2 Year	545	610	65	11.9%
Certificates <1 Year	1,552	1,529	(23)	-1.5%
Academically Underprepared Focus Population				
Students Accumulating 12 hrs	14,348	14,021	(327)	-2.3%
Students Accumulating 24 hrs	11,614	11,528	(86)	-0.7%
Students Accumulating 36 hrs	9,820	9,915	94	1.0%
Associates ¹	6,743	6,927	184	2.7%
Certificates 1-2 Year	486	544	58	11.9%
Certificates <1 Year	1,373	1,322	(52)	-3.8%
One Focus Population Only				
Students Accumulating 12 hrs	8,154	7,974	(181)	-2.2%
Students Accumulating 24 hrs	6,151	6,053	(97)	-1.6%
Students Accumulating 36 hrs	5,207	5,108	(99)	-1.9%
Associates ¹	3,584	3,796	212	5.9%
Certificates 1-2 Year	236	274	38	16.1%
Certificates <1 Year	987	935	(52)	-5.3%
Two Focus Populations Only				
Students Accumulating 12 hrs	8,766	8,627	(139)	-1.6%
Students Accumulating 24 hrs	6,923	6,852	(71)	-1.0%
Students Accumulating 36 hrs	5,775	5,812	37	0.6%
Associates ¹	3,967	4,166	198	5.0%
Certificates 1-2 Year	334	376	41	12.4%
Certificates <1 Year	974	945	(29)	-3.0%
All Three Focus Populations				
Students Accumulating 12 hrs	2,189	2,277	88	4.0%
Students Accumulating 24 hrs	2,262	2,513	251	11.1%
Students Accumulating 36 hrs	2,214	2,476	262	11.8%
Associates ¹	2,292	2,291	(1)	-0.1%
Certificates 1-2 Year	191	209	18	9.2%
Certificates <1 Year	495	490	(5)	-1.0%

1 - Includes raw counts for reverse transfer associate degrees. In the funding formula, these degrees count as 0.5 each for the community college and the partner university.

ATTACHMENT VI

Three-Year Average Change in Formula Outcomes

Universities

Total Outcomes	2020-21 Formula	2021-22 Formula	Change	
Students Accumulating 30 hrs	17,944	18,154	210	1.2%
Students Accumulating 60 hrs	18,581	18,683	102	0.5%
Students Accumulating 90 hrs	21,065	21,134	69	0.3%
Bachelors and Associates ¹	23,443	23,780	337	1.4%
Masters / Ed Specialists	5,611	5,636	25	0.4%
Doctoral / Law Degree	1,207	1,240	33	2.8%
Research, Service, and Sponsored Programs	\$351,155,418	\$360,940,909	\$9,785,491	2.8%
Degrees per 100 FTE	23.24	23.75	0.51	2.2%
Six-Year Graduation Rate	56.3%	58.3%	2.0	3.6%
Adult Focus Population				
Students Accumulating 30 hrs	685	612	(73)	-10.7%
Students Accumulating 60 hrs	1,438	1,294	(144)	-10.0%
Students Accumulating 90 hrs	3,030	2,843	(187)	-6.2%
Bachelors and Associates ¹	6,839	6,569	(270)	-3.9%
Low-Income Focus Population				
Students Accumulating 30 hrs	7,672	7,637	(35)	-0.5%
Students Accumulating 60 hrs	8,350	8,224	(126)	-1.5%
Students Accumulating 90 hrs	10,359	10,079	(281)	-2.7%
Bachelors and Associates ¹	12,052	11,937	(115)	-1.0%
One Focus Population Only				
Students Accumulating 30 hrs	7,437	7,440	3	0.0%
Students Accumulating 60 hrs	7,728	7,685	(44)	-0.6%
Students Accumulating 90 hrs	8,896	8,734	(162)	-1.8%
Bachelors and Associates ¹	9,283	9,368	85	0.9%
Two Focus Populations Only				
Students Accumulating 30 hrs	460	405	(55)	-12.0%
Students Accumulating 60 hrs	1,030	917	(113)	-11.0%
Students Accumulating 90 hrs	2,247	2,094	(153)	-6.8%
Bachelors and Associates ¹	4,804	4,569	(235)	-4.9%

1 - Includes raw counts for reverse transfer associate degrees. In the funding formula, these degrees count as 0.5 each for the community college and the university.

ATTACHMENT VII

2021-22 Total Formula Revenue Analysis

Academic Formula Units	State Appropriation Recommendation ¹	Tuition Revenue ²	Out-of-State Tuition Revenue ²	Total Revenue	Total Formula Revenue Need	Difference (Short)	Percent Funded
LGI Universities							
Austin Peay	\$55,742,900	\$71,751,800	\$2,645,500	\$130,140,200	\$154,482,300	(\$24,342,100)	84.2%
East Tennessee ³	73,264,000	105,112,700	19,718,000	198,094,700	215,370,000	(17,275,300)	92.0%
Middle Tennessee	107,481,800	153,792,900	20,968,300	282,243,000	298,972,900	(16,729,900)	94.4%
Tennessee State	40,750,000	40,596,100	20,111,800	101,457,900	124,334,900	(22,877,000)	81.6%
Tennessee Tech ³	58,766,500	77,298,100	3,173,900	139,238,500	165,256,400	(26,017,900)	84.3%
University of Memphis	127,153,600	166,922,800	10,727,700	304,804,100	364,322,100	(59,518,000)	83.7%
LGI Subtotal	\$463,158,800	\$615,474,400	\$77,345,200	\$1,155,978,400	\$1,322,738,600	(\$166,760,200)	87.4%
Community Colleges⁴							
Chattanooga	\$34,017,200	\$27,399,800	\$852,600	\$62,269,600	\$77,756,600	(\$15,487,000)	80.1%
Cleveland	12,511,900	11,085,900	472,100	24,069,900	28,168,800	(4,098,900)	85.4%
Columbia	18,883,200	20,191,200	482,900	39,557,300	42,602,100	(3,044,800)	92.9%
Dyersburg	11,165,700	8,669,100	174,300	20,009,100	25,148,900	(5,139,800)	79.6%
Jackson	15,668,700	15,605,100	208,400	31,482,200	35,273,000	(3,790,800)	89.3%
Motlow	21,922,500	23,472,600	376,700	45,771,800	49,469,100	(3,697,300)	92.5%
Nashville	22,841,900	22,734,000	659,300	46,235,200	51,689,800	(5,454,600)	89.4%
Northeast	23,996,100	19,107,800	88,900	43,192,800	53,875,200	(10,682,400)	80.2%
Pellissippi	36,842,100	34,871,300	1,913,000	73,626,400	83,371,300	(9,744,900)	88.3%
Roane	25,214,300	18,535,100	279,300	44,028,700	56,918,100	(12,889,400)	77.4%
Southwest	30,225,500	24,240,800	2,721,100	57,187,400	68,093,500	(10,906,100)	84.0%
Volunteer	29,715,800	29,905,400	548,900	60,170,100	67,261,600	(7,091,500)	89.5%
Walters	26,125,800	21,837,200	810,000	48,773,000	58,836,100	(10,063,100)	82.9%
Community College Subtotal	\$309,130,700	\$277,655,300	\$9,587,500	\$596,373,500	\$698,464,100	(\$102,090,600)	85.4%
UT Universities							
UT Chattanooga	\$60,980,300	\$86,977,500	\$7,244,200	\$155,202,000	\$170,578,600	(\$15,376,600)	91.0%
UT Knoxville ³	251,618,100	313,478,400	52,358,400	617,454,900	710,723,300	(93,268,400)	86.9%
UT Martin ³	34,418,500	52,757,600	2,745,500	89,921,600	96,459,800	(6,538,200)	93.2%
UT Subtotal	\$347,016,900	\$453,213,500	\$62,348,100	\$862,578,500	\$977,761,700	(\$115,183,200)	88.2%
TN Colleges of Applied Technology ³	\$76,749,800	\$37,893,800	\$0	\$114,643,600	\$143,333,000	(\$28,689,400)	80.0%
Total Academic Formula Units	\$1,196,056,200	\$1,384,237,000	\$149,280,800	\$2,729,574,000	\$3,142,297,400	(\$412,723,400)	86.9%

1 - Recurring; accounts for recommended \$36M in additional funding for formula units.

2 - Assumes no salary increases, tuition increases of 1.5%, and annual enrollment increases of 0% at universities, 5.0% at community colleges and 2.5% at colleges of applied technology.

3 - Does not include recurring funds appropriated to the ETSU Gray Fossil Site (\$350K), ETSU Rural Public Health Project (\$750K), TTU College of Engineering (\$3M), UT Knoxville College of Engineering (\$3M), UT Martin Parsons Center (\$200K), UT Martin Selmer Center (\$190K), UT Martin Somerville Center (\$250K) and the TCATs Correctional Education Investment Initiative (\$426K).

4 - THEC's community college recommendation is for the sector as a whole. Institutional detail displayed here is for informational purposes only.

Appendix A

Legislative Initiatives Included in Funding Formula

This appendix presents legislative initiatives that are distributed through the funding formula. Projects identified for distribution outside the funding formula or those appropriated to specialized units are excluded.

Initiative		Funding
Locally Governed Institutions		
Middle Tennessee	Small Business Development Center	\$ 270,800
	Center for Dyslexic Studies	218,700
Tennessee State	Cooperative Agriculture	\$ 50,000
	Center on Aging	37,000
	Upward Bound	31,800
	Intracampus Transportation	75,500
	Academically-Talented Student Scholarships	832,000
Tennessee Tech	Horticultural Research	\$ 92,300
	Joe L. Evins Center	608,600
	Carnegie Classification Change	2,100,000
University of Memphis	Seismic Safety Commission	\$ 65,000
Subtotal		\$ 4,381,700
Community Colleges		
Columbia	Collegiate Center	\$ 72,700
Roane	Oak Ridge Campus Operations	\$ 150,000
System-wide	Administrative Support Services	\$ 2,060,300
Subtotal		\$ 2,283,000
UT Universities		
UT Martin	Ripley Center	\$ 310,000
Subtotal		\$ 310,000
TN Colleges of Applied Tech	Administrative Support Services	\$ 384,500
Total Funding		\$ 7,359,200

DATE: November 6, 2020**SUBJECT:** FY2021-22 Capital Project Recommendations**ACTION RECOMMENDED:** Approval

BACKGROUND INFORMATION

Capital projects are broadly categorized according to project scope and funding source. State appropriations fund capital outlay projects, which consist of new construction or major renovation of existing facilities, as well as capital maintenance projects, which repair and replace systems and structures on existing facilities. The third type of capital project, referred to as a disclosed project, is distinguished by its funding source, which does not include state funding. These projects typically relate to various auxiliary functions, such as residence halls, parking, and athletics. Since the project is funded without state appropriations, an institution signals its intent to initiate the project and seek approval from the State Building Commission. This declaration of intent is disclosed to the Governor and General Assembly.

RECOMMENDATION SUMMARY**Capital Outlay**

The capital outlay recommendation for 2021-22 state appropriation totals \$480.3 million. As detailed in Attachment I, this request includes three projects for the Tennessee Board of Regents (TBR), totaling \$ \$87.6 million (18% percent of the total appropriation); six projects for the Locally Governed Institutions (LGIs), totaling \$307.1 million (64% of total), and three projects for University of Tennessee (UT), totaling \$85.5 million (18% of total).

Institutions are encouraged to submit related renovations and demolitions as part of the project scope to improve space efficiencies and reduce maintenance costs. In addition, THEC actively encourages institutions to reduce the magnitude of project costs through a reduction in overall scope. This year, 12 outlay projects are an average cost of \$40 million per project. A total of 863,000 gross s.f. of new construction, 180,000 s.f. of renovation, and 205,000 s.f. of demolitions are proposed.

These projects were identified and prioritized by Commission staff using the selection criteria endorsed by the Commission at the May 2017 quarterly

meeting. Due to the extraordinary circumstances of the budget appropriations process this past spring, 2020, the two projects recommended in the Governor's budget that were not funded in FY20-21, remain at the top of the list of recommended projects for FY21-22 as priority #1 and #2. These projects are 1) TTU's Engineering Building (\$49,171,600 state request), and 2) APSU's Health Professions Building (\$66,067,500 state request). Ten additional outlay projects (\$365 million of state appropriations) were submitted to THEC for review. These projects were reviewed and ranked in priority order from priority #3 through #12, and all are recommended for consideration. The capital outlay process is focused on the Drive to 55 and ensures that projects are consistent with state and institutional goals. Projects were evaluated on their relationship to state goals and degree production, congruence with an approved Master Plan, space guidelines and facility assessments, program and business plan, and match requirements.

Capital Maintenance

The 2021-22 recommendation for capital maintenance is \$147.3 million for 69 projects. As shown in Attachment IV, this includes 26 projects for TBR, totaling \$29.8 million (20.25 percent of the total); 31 projects for the LGIs, totaling \$57.57 million (39.08 percent of total); and 12 projects for the UT system, totaling \$59.9 million (40.67 percent of total). This request will allow each system to limit increases in deferred maintenance.

Additionally, the 2021-22 recommendation includes \$5 million as a special initiative appropriation for TSU's Electrical Upgrades project. The TSU Electrical master plan for campus-wide electrical infrastructure improvements is complete. The initial construction funding of \$5 million for this project was approved FY20-21, and the project is in progress. This Phase 3 funding request assures the continuity of the project.

Tennessee has consistently provided funding for maintenance projects across higher education. Over the last five fiscal years, capital maintenance funding has averaged nearly \$90 million per year.

Disclosure of Revenue-Funded Projects

Disclosed projects are funded through institutional funds, the Tennessee State School Bond Authority (TSSBA), auxiliary funds, or sources other than state appropriations. For 2021-22, TBR, the LGIs, and UT are disclosing 18 revenue- and TSSBA-funded projects totaling \$276.75million. As detailed in Attachment V, the disclosure list includes 10 revenue-funded projects for the LGIs, totaling \$253.8 million; and 8 projects for the UT system, totaling \$22.95 million.

Capital Projects Recommendation **ATTACHMENT I** **THEC 2021-22 Capital Projects Recommendation Summary**

THEC Priority	Capital Outlay			Total Project Cost	Previous Years Funding	2021-22 Project Cost	Match Percentage	Total Match Funds ¹	State Appropriation Request ²
1	TTU	TTU	Engineering Building	\$ 56,980,000	\$ 3,250,000	\$ 53,730,000	8%	\$ 4,558,400	\$ 49,171,600
2	APSU	APSU	Health Professions Building	70,175,000	-	70,175,000	6%	4,107,500	66,067,500
3	MTSU	MTSU	Applied Engineering Building	54,900,000	-	54,900,000	8%	4,392,000	50,508,000
4	TBR	Columbia State	Williamson County Arts and Technology Building	28,630,000	700,000	27,930,000	3%	950,000	26,980,000
5	ETSU	ETSU	Academic Building	51,794,000	-	51,794,000	6%	3,303,273	48,490,727
6	TBR	Nashville State	Clarksville Lab and Classroom Building	19,000,000	-	19,000,000	4%	760,000	18,240,000
7	UT	UTK	Nursing Bldg Renovation & Addition	65,000,000	-	65,000,000	13%	8,190,000	56,810,000
8	UT	UTM	Innovation and Product Realization Facility	18,600,000	-	18,600,000	6%	1,156,000	17,444,000
9	UT	UTHSC	Nash Buildout 2 Floors	11,500,000	-	11,500,000	2%	230,000	11,270,000
10	TSU	TSU	New Engineering Classroom Building	50,000,000	-	50,000,000	6%	3,000,000	47,000,000
11	UoM	UoM	Academic Classroom Replacement	51,000,000	-	51,000,000	10%	5,100,000	45,900,000
12	TBR	TCAT Shelbyville	Bedford County Higher Education Center	42,400,000	-	42,400,000	0%	0	42,400,000
TBR Total				\$ 90,030,000	\$ 700,000	\$ 89,330,000	2%	\$ 1,710,000	\$ 87,620,000
LGI Total				\$ 334,849,000	\$ 3,250,000	\$ 331,599,000	7%	\$ 24,461,173	\$ 307,137,827
UT Total				\$ 95,100,000	\$ -	\$ 95,100,000	10%	\$ 9,576,000	\$ 85,524,000

Capital Maintenance	Total	Total Projects	State Funds Request
TBR Total	\$ 29,830,000	26	\$ 29,830,000
LGI Total	\$ 57,571,000	31	\$ 57,571,000
UT Total	\$ 59,910,000	12	\$ 59,910,000
Special Initiative	\$ 5,000,000	1	\$ 5,000,000

Total	Total	Total Projects	Total Match Funds ¹	State Appropriation Request ²
Total Capital Outlay Request	\$ 519,979,000	12	\$ 35,747,173	\$ 480,281,827
Total Capital Maintenance Request	\$ 152,311,000	70	NA	\$ 152,311,000
Total Capital Investment	\$ 672,290,000	82	\$ 35,747,173	\$ 632,592,827

1 - Match is applicable to the entire scope of each capital outlay project.

2 - Reflects total state appropriation request after all other funding sources — including previous years funding, total match funds and other institutional funds — are taken into account.

Capital Projects Recommendation
ATTACHMENT II
2021-22 THEC Capital Outlay Projects Recommendation

THEC Priority	Campus/System		Project Name	A	B	C = A - B	D	E = D / C	F = C - D
	Priority	Institution		Total Project Cost	Previous Years Funding	2021-22 Project Cost	Total Match Funds ¹	Match Percentage	State Appropriation Request ²
1	1	TTU	Engineering Building	\$ 56,980,000	\$ 3,250,000	\$ 53,730,000	\$ 4,558,400	8%	\$ 49,171,600
2	1	APSU	Health Professions Building	\$ 70,175,000		\$ 70,175,000	\$ 4,107,500	6%	\$ 66,067,500
3	1	MTSU	Applied Engineering Building	\$ 54,900,000		\$ 54,900,000	\$ 4,392,000	8%	\$ 50,508,000
4	1	Columbia State	Williamson County Arts and Technology Building	\$ 28,630,000	\$ 700,000	\$ 27,930,000	\$ 950,000	3%	\$ 26,980,000
5	1	ETSU	Academic Building	\$ 51,794,000		\$ 51,794,000	\$ 3,303,273	6%	\$ 48,490,727
6	2	Nashville State	Clarksville Lab and Classroom Building	\$ 19,000,000		\$ 19,000,000	\$ 760,000	4%	\$ 18,240,000
7	1	UTK	Nursing Bldg Renovation & Addition	\$ 65,000,000		\$ 65,000,000	\$ 8,190,000	13%	\$ 56,810,000
8	2	UTM	Innovation and Product Realization Facility	\$ 18,600,000		\$ 18,600,000	\$ 1,156,000	6%	\$ 17,444,000
9	3	UTHSC	Nash Buildout 2 Floors	\$ 11,500,000		\$ 11,500,000	\$ 230,000	2%	\$ 11,270,000
10	1	TSU	New Engineering Classroom Building	\$ 50,000,000		\$ 50,000,000	\$ 3,000,000	6%	\$ 47,000,000
11	1	UoM	Academic Classroom Replacement	\$ 51,000,000		\$ 51,000,000	\$ 5,100,000	10%	\$ 45,900,000
12	3	TCAT Shelbyville	Bedford County Higher Education Center	\$ 42,400,000		\$ 42,400,000	\$ -	0%	\$ 42,400,000
2021-22 TBR Total				\$ 90,030,000	\$ 700,000	\$ 89,330,000	\$ 1,710,000	2%	\$ 87,620,000
2021-22 LGI Total				\$ 334,849,000	\$ 3,250,000	\$ 331,599,000	\$ 24,461,173	7%	\$ 307,137,827
2021-22 UT Total				\$ 95,100,000	\$ -	\$ 95,100,000	\$ 9,576,000	10%	\$ 85,524,000
2021-22 THEC Capital Outlay Projects Recommendation				\$ 519,979,000	\$ 3,950,000	\$ 516,029,000	\$ 35,747,173	7%	\$ 480,281,827

1 - Match is applicable to the entire scope of each capital outlay project.

2 - Reflects total state appropriation request after all other funding sources — including previous years funding, total match funds and other institutional funds — are taken into account.

Capital Projects Recommendation
ATTACHMENT III
THEC 2021-22 Capital Outlay Projects Descriptions

THEC Priority	Campus/System Priority	Governing Board	Institution	Project Name	Total Project Cost	State Request	Project Description
1	1	TTU	TTU	Engineering Building	\$ 56,980,000	\$ 49,171,600	Construct a student-centered, interdisciplinary space used by all departments in the College of Engineering. The building has been programmed around the concept of open, flexible, and re-configurable spaces to promote multi-purpose use and collaborative learning. The building will be designed to facilitate hands-on, interdisciplinary, and collaborative learning through "Maker" spaces, design project space, and labs. Larger, more visible classrooms, active student labs, and student display space will pique interest and increase prominence for the Engineering program and its activities.
2	1	APSU	APSU	Health Professions Building	\$ 70,175,000	\$ 66,067,500	Construction of a new Health Professions Building to co-locate the School of Nursing, Allied Health Sciences, Health and Human Performance, Psychological Science and Counseling, and Social Work as well as renovation of approximately 14,000 SF in the Clement building, McCord building, Dunn Center, and Sundquist building for the creation of classrooms and research lab.
3	1	MTSU	MTSU	Applied Engineering Building	\$ 54,900,000	\$ 50,508,000	Design and construct a new center and related work for the Applied Engineering disciplines at MTSU. The building program contains classroom, laboratory, office, and support spaces. The project contains required site development and utility infrastructure, and the demolition of the Voorhies Engineering Technology building.
4	1	TBR	Columbia State	Williamson County Arts and Technology Building	\$ 28,630,000	\$ 26,980,000	This request is for a new Arts and Technology Building and renovations in existing buildings to accommodate the collaborative programs offered with TCAT Dickson.
5	1	ETSU	ETSU	Academic Building	\$ 51,794,000	\$ 48,490,727	ETSU will construct a new ETSU Academic Building adjacent to renovated Culp Student Center, and renovate areas in Gilbreath and Burleson Halls. The existing Campus Center Building (CCB) will be demolished and the Academic Building constructed on the same site. The new ETSU Academic Building will provide space for flexible classrooms, instructional labs, a math, writing and speaking center, and other spaces as outlined in the 2020 Academic Facilities Master Plan. Gilbreath Hall will be renovated to provide instructional and research space for the social sciences. The renovated Burleson Hall will consist primarily of office spaces to accommodate those moving from CCB. The work will be phased with demolition and new construction completed prior to the backfill renovations.
6	2	TBR	Nashville State	Clarksville Lab and Classroom Building	\$ 19,000,000	\$ 18,240,000	Construction of a second building on the Clarksville Campus. Will include science and computer labs, flexible classroom space, faculty offices and student study/gathering areas. Sitework will include new parking and an access road to Wilma Rudolph Blvd.
7	1	UT	UTK	Nursing Bldg Renovation & Addition	\$ 65,000,000	\$ 56,810,000	This project will renovate and add to the existing College of Nursing building. The new and renovated spaces will provide enhanced learning and operational space as well as improving and expanding classrooms, simulation facilities, offices and meeting spaces. The existing building work will also include upgrades to building systems along with correcting code and life safety issues.
8	2	UT	UTM	Innovation and Product Realization Facility	\$ 18,600,000	\$ 17,444,000	This project will provide a new Innovation and Product Realization Facility. This facility is a partnership with industry, TCAT, and UTM to create prototypes in a product realization process. The facility will provide machine tools, equipment, and work space to fabricate prototypes; laboratories to support manufacturing; and office space.
9	3	UT	UTHSC	Nash Buildout 2 Floors	\$ 11,500,000	\$ 11,270,000	This project will build out the top 2 floors (4th & 5th) of the Nash / Nash Annex Building. The finish out of these floors will extend both wet and dry labs as well as office spaces of the building. The main utilities are already in place from the previous building renovations.
10	1	TSU	TSU	New Engineering Classroom Building	\$ 50,000,000	\$ 47,000,000	Replace existing engineering building with a new building
11	1	UoM	UoM	Academic Classroom Replacement	\$ 51,000,000	\$ 45,900,000	This project will demolish Mitchell and Clement Hall and construct a new Academic Classroom facility to provide modern accommodations and teaching functions for core curriculum
12	3	TBR	TCAT Shelbyville	Bedford County Higher Education Center	\$ 42,400,000	\$ 42,400,000	Relocate current campus to allow expansion for new programs and develop a more efficient facility to provide existing programs. New site will allow for expansion for future programs.

Capital Projects Recommendation

ATTACHMENT IV

2021-22 THEC Capital Maintenance

Special Initiative: Electrical Upgrades¹

Governing Board

State Request

TSU	\$ 5,000,000
2021-22 Total	\$ 5,000,000

General Capital Maintenance

Governing Board Share²

State Request

APSU: 3.13%	\$ 4,700,000
ETSU: 7.58%	\$ 11,364,000
MTSU: 6.64%	\$ 9,965,000
TSU: 4.91%	\$ 6,366,000
TTU: 5.22%	\$ 7,834,000
UoM: 12.02%	\$ 17,342,000
TBR: 20.02%	\$ 29,830,000
UT: 40.47%	\$ 59,910,000
2021-22 Total	\$ 147,311,000

Total

Governing Board

State Request

APSU	\$ 4,700,000
ETSU	\$ 11,364,000
MTSU	\$ 9,965,000
TSU	\$ 11,366,000
TTU	\$ 7,834,000
UoM	\$ 17,342,000
TBR	\$ 29,830,000
UT	\$ 59,910,000
2021-22 Total	\$ 152,311,000

1 - A detail, prioritized list of all capital maintenance projects for all higher education is on the following page.

2 - Shares for each governing board are determined annually by the Sherman Dergis Formula, an industry-standard facility reinvestment formula. The formula calculates an annual estimate for capital maintenance for each campus using aggregate size, age, and use of facilities. Shares here are determined based on each governing board's formula based on 2020-21 usage.

Capital Projects Recommendation

ATTACHMENT IV

THEC 2021-22 Capital Maintenance Projects Recommendation

Priority	Type	Governing Board	Institution	Project	Total
1	Spec. Init.	TSU	TSU	Electrical Upgrades Phase 3	\$ 5,000,000
2	Gen. Maint.	TBR	CISCC	Science Building Renovations	1,880,000
3	Gen. Maint.	TBR	PSCC	Strawberry Plains Roof Replacement	810,000
4	Gen. Maint.	TBR	NaSCC	Clarksville Roof Replacement	700,000
5	Gen. Maint.	MTSU	MTSU	Campus Wide Utilities Phase 1	1,139,000
6	Gen. Maint.	TTU	TTU	Replace Steam Plant Deaerator Tank	920,000
7	Gen. Maint.	TBR	NeSCC	Powers and Maintenance Roof Replacements	410,000
8	Gen. Maint.	TBR	Statewide	TCAT Roof Repairs/Replacements Phase 4	850,000
9	Gen. Maint.	UT	UTM	EPS Building Systems Upgrades	9,870,000
10	Gen. Maint.	TBR	MSCC	Marcum Roof Replacement and Exterior Repairs	1,220,000
11	Gen. Maint.	MTSU	MTSU	Several Buildings Elevator Modernization Phase 1	950,000
12	Gen. Maint.	UoM	UoM	Various Building Repairs	4,309,000
13	Gen. Maint.	UT	UTC	Roof Replacements	5,030,000
14	Gen. Maint.	MTSU	MTSU	Campus Wide Life Safety Systems Upgrade Phase 1	400,000
15	Gen. Maint.	TBR	WSCC	Humanities MEP Improvements	1,700,000
16	Gen. Maint.	UoM	UoM	HVAC Central Chiller and CFA Planning	500,000
17	Gen. Maint.	TBR	JSCC	Nelms Classroom Building HVAC Updates	890,000
18	Gen. Maint.	MTSU	MTSU	Cope Building Roof Replacement	600,000
19	Gen. Maint.	ETSU	ETSU	HVAC and Steam Line Repairs Phase 1	3,650,000
20	Gen. Maint.	TBR	RSCC	Oakridge Campus HVAC Updates	1,450,000
21	Gen. Maint.	TTU	TTU	Derryberry Hall Upgrades Phase 1	1,691,000
22	Gen. Maint.	UT	UTHSC	Campus Police Building Upgrades	8,000,000
23	Gen. Maint.	TBR	STCC	Central Plant Updates Phase 2	3,000,000
24	Gen. Maint.	UT	UTIA	CRC/MAST, BESS, & JARTU Improvements	7,120,000
25	Gen. Maint.	TSU	TSU	HVAC Upgrades	3,650,000
26	Gen. Maint.	MTSU	MTSU	Science Building HVAC and Exhaust System Upgrades	2,000,000
27	Gen. Maint.	UoM	UoM	HVAC Central Chiller and CFA	4,500,000
28	Gen. Maint.	TBR	Statewide	TCAT Mechanical, Electrical, and Plumbing Updates Phase 2	3,230,000
29	Gen. Maint.	TBR	VSCC	Ramer Building ADA and Interior Upgrades	410,000
30	Gen. Maint.	UT	UTK	Building Systems Improvements	4,000,000
31	Gen. Maint.	TBR	CoSCC	Accessibility and Security	950,000
32	Gen. Maint.	ETSU	ETSU	Brown Hall Structural and Shelbridge Repairs	3,000,000
33	Gen. Maint.	UT	UTC	Elevator Upgrades	2,330,000
34	Gen. Maint.	MTSU	MTSU	Several Buildings Elevator Modernization Phase 2	885,000
35	Gen. Maint.	TTU	TTU	Foster Hall Demolition	2,150,000
36	Gen. Maint.	UT	UT	Facilities Space Analytics	1,000,000
37	Gen. Maint.	TBR	Statewide	TCAT Parking and Paving Updates Phase 1	1,350,000
38	Gen. Maint.	APSU	APSU	Sundquist Roof Replacement	3,200,000
39	Gen. Maint.	TBR	ChSCC	CAT Building Interior Renovations	1,800,000
40	Gen. Maint.	UT	UTIA	Morgan Hall Envelope Repairs	4,950,000
41	Gen. Maint.	UoM	UoM	Boiler Decentralization Phase 2	3,500,000
42	Gen. Maint.	MTSU	MTSU	Campus Wide Life Safety Systems Upgrade Phase 2	1,285,000
43	Gen. Maint.	TBR	DSCC	Naifeh Building Renovations	1,250,000
44	Gen. Maint.	TSU	TSU	Building Envelope	1,900,000
45	Gen. Maint.	TBR	Statewide	TCAT Maintenance Repairs Phase 1	1,450,000
46	Gen. Maint.	UT	UTHSC	Roof Replacements	5,000,000
47	Gen. Maint.	TBR	PSCC	Alarm System Upgrades Phase 2	250,000
48	Gen. Maint.	TBR	ChSCC	Warehouse Roof Replacement	280,000
49	Gen. Maint.	ETSU	ETSU	Exterior Building Improvements	2,414,000
50	Gen. Maint.	TTU	TTU	Bryan Fine Arts Auditorium Upgrades	1,506,000
51	Gen. Maint.	TSU	TSU	Exterior Building Renovation	400,000
52	Gen. Maint.	TBR	TCAT Hartsville	TCAT Roof Repairs/Replacements Phase 5	520,000
53	Gen. Maint.	UT	UTM	Elam Center Mall Glass Replacement	4,130,000
54	Gen. Maint.	TBR	Statewide	TCAT Mechanical, Electrical, and Plumbing Updates Phase 3	1,210,000
55	Gen. Maint.	TBR	Statewide	TCAT Building System Updates Phase 4	170,000
56	Gen. Maint.	TSU	TSU	Crouch Roof Replacement	416,000
57	Gen. Maint.	TBR	TCAT McKenzie	Plumbing Repairs	300,000
58	Gen. Maint.	UoM	UoM	Window Replacements and Brick Repairs	3,000,000
59	Gen. Maint.	TBR	Statewide	TCAT Maintenance Repairs Phase 2	830,000
60	Gen. Maint.	MTSU	MTSU	Campus Wide Utilities Phase 2	1,816,000
61	Gen. Maint.	UT	UTC	Building Envelope Repairs Ph I	4,480,000
62	Gen. Maint.	MTSU	MTSU	College Heights Electrical Upgrades	400,000
63	Gen. Maint.	UoM	UoM	HVAC Controls Replacement	1,533,000
64	Gen. Maint.	TBR	Statewide	TCAT Parking and Paving Updates Phase 2	2,370,000
65	Gen. Maint.	UT	UTK	HVAC Improvements Ph I	4,000,000
66	Gen. Maint.	TBR	NaSCC	Interior and Exterior Updates	550,000
67	Gen. Maint.	APSU	APSU	Sundquist Exhaust System Controls Upgrade	1,500,000
68	Gen. Maint.	MTSU	MTSU	Tennessee Livestock Roof Repair/Refurbishment	490,000
69	Gen. Maint.	TTU	TTU	Site Lighting Upgrade	1,567,000
70	Gen. Maint.	ETSU	ETSU	Multiple Roof Replacements	2,300,000
2021-22 Capital Maintenance Total					\$ 152,311,000

Capital Projects Recommendation
ATTACHMENT V
THEC 2021-22 Disclosure of Revenue-Funded Capital Projects

LOCALLY GOVERNED INSTITUTIONS

Institution	Project	Funding Source	Project Cost	New Sq.Ft.	Gifts	Grants	Auxiliary	Gift-in-Place	Plant Funds
ETSU	Admissions Renovation	Plant Funds (Non-Auxiliary)	\$ 2,000,000	-	\$ -	\$ -	\$ -	\$ -	\$ 2,000,000
TTU	Athletics Facilities Improvements	Gifts and Plant Funds (Non-Auxiliary)	56,750,000	-	44,750,000	-	11,000,000	-	1,000,000
TTU	Facilities Services Complex	Plant Funds (Non-Auxiliary)	10,100,000	70,000	-	-	-	-	10,100,000
TTU	Food Service Improvements	Gift-in-Place	3,000,000	-	-	-	-	3,000,000	-
UoM	Soccer Complex	Gifts	10,750,000	14,000	10,750,000	-	-	-	-
5 Projects	TOTAL LGI REVENUE-FUNDED PROJECTS DISCLOSED		\$ 82,600,000	84,000	\$ 55,500,000	\$ -	\$ 11,000,000	\$ 3,000,000	\$ 13,100,000

UNIVERSITY OF TENNESSEE

Institution	Project	Funding Source	Project Cost	New Sq.Ft.	Gifts	Grants	Auxiliary	Gift-in-Place	Plant Funds
UTHSC	Audiology and Speech Pathology	Plant Funds (Non-Auxiliary)	\$ 10,400,000	-	\$ -	\$ -	\$ -	\$ -	\$ 10,400,000
UTIA	West TN 4-H Center Office Building	Plant Funds (Non-Auxiliary)	3,250,000	6,700	-	-	-	-	3,250,000
UTK	Dining Services Brand Refresh	Plant Funds (Auxiliary - Dining) and Gift-in-Place	750,000	-	-	-	250,000	500,000	-
UTK	New Parking Garage - Planning	Plant Funds (Auxiliary - Parking)	700,000	-	-	-	700,000	-	-
UTK	Parking Lot Repairs & Improvements (21/22)	Plant Funds (Auxiliary - Parking)	500,000	-	-	-	500,000	-	-
UTK	Student Union Retail Renovation	Plant Funds (Auxiliary - Retail)	500,000	-	-	-	500,000	-	-
UTM	Bob Carroll Football Wellness Expansion	Gifts	6,230,000	-	6,230,000	-	-	-	-
UTM	Indoor Batting Facility	Gifts	620,000	-	620,000	-	-	-	-
8 Projects	TOTAL UT REVENUE-FUNDED PROJECTS DISCLOSED		\$ 22,950,000	6,700	\$ 6,850,000	\$ -	\$ 1,950,000	\$ 500,000	\$ 13,650,000

Capital Projects Recommendation

ATTACHMENT V

THEC 2021-22 Disclosure of Tennessee State School Bond Authority Funded Capital Projects

Institution	Project	Funding Source	Project Cost	New Sq.Ft.	TSSBA	Gifts	Auxiliary	Gift-in-Place	Plant Funds
MTSU	Applied Engineering Building	Plant Funds (Non-Auxiliary)	\$ 2,500,000	53,350	\$ 2,500,000	-	-	-	-
MTSU	New Student Housing	Plant Funds (Auxiliary - Student Housing Fees)	63,200,000	184,000	63,200,000	-	-	-	-
MTSU	Student Athlete Performance Center	Gifts	66,000,000	75,445	56,000,000	10,000,000	-	-	-
TTU	Generator Expansion & Relocation	TVA Energy Credit	10,000,000	-	3,000,000	-	-	-	7,000,000
TTU	Residence Hall Innovation Center	Plant Funds (Auxiliary - Student Housing Fees)	29,500,000	80,000	29,000,000	-	500,000	-	-
5 Projects	TOTAL TSSBA-FUNDED PROJECTS DISCLOSED		\$ 171,200,000	392,795	\$ 153,700,000	\$ 10,000,000	\$ 500,000	\$ -	\$ 7,000,000
18 Projects	TOTAL REVENUE- & TSSBA-FUNDED PROJECTS DISCLOSED		\$ 276,750,000	483,495	\$ 153,700,000	\$ 72,350,000	\$ 13,450,000	\$ 3,500,000	\$ 33,750,000

Capital Projects Recommendation

ATTACHMENT VI

THEC Five-Year Plan for Capital Outlay - Out Years Summary 2022-23 through 2025-26

		A	B	C = A - B
		Total	Potential	State Funds
		Project Cost	Match	Request
TBR Capital Outlay Out Years				
Statewide	Center for Health Sciences & Industrial Technologies	\$ 41,740,000	\$ 1,030,200	\$ 40,710,000
Jackson State	Regional Educational Advancement Development Center	4,630,000	231,500	4,399,000
Motlow State	Rutherford County Teaching Site Building 4	23,500,000	1,000,000	22,500,000
Pellissippi State	Hardin Valley Renovations	22,500,000	500,000	22,000,000
Roane State	Knox County Campus Expansion	38,500,000	4,000,000	34,500,000
Volunteer State	Wilson County Campus	28,000,000	2,000,000	26,000,000
Walters State	Health Professions and Physical Activity Center	42,000,000	1,490,000	40,510,000
TCAT Dickson	Automotive Technology Training Space	2,270,000	-	2,270,000
TCAT Elizabethton	Washington County Extension Campus	7,020,000	-	7,020,000
TCAT Elizabethton	Classroom and Shop Building	5,240,000	-	5,240,000
TCAT McMinnville	New Classroom Building and Renovations	23,000,000	-	23,000,000
TCAT Nashville	Cockrill Bend HVACR and Welding Building	8,900,000	-	8,900,000
TBR Total		\$ 247,300,000	\$ 10,251,700	\$ 237,049,000

		Total	Potential	State Funds
		Project Cost	Match	Request
LGI Capital Outlay Out Years				
MTSU	Math and Computer Science Building	\$ 60,700,000	\$ -	\$ 60,700,000
TTU	Facilities Services Complex	10,100,000	505,000	9,595,000
UoM	Research Modernization	28,500,000	2,850,000	25,650,000
MTSU	School of Music	60,090,000	-	60,090,000
TTU	Biology Building	60,000,000	3,000,000	57,000,000
UoM	Research Park	45,000,000	15,000,000	30,000,000
MTSU	Liberal Arts Building	84,000,000	-	84,000,000
TTU	Academic Classroom/Office Building	19,500,000	925,000	18,575,000
UoM	Interdisciplinary Science Research	46,000,000	4,600,000	41,400,000
MTSU	Renovations to KOM	33,000,000	-	33,000,000
TTU	Memorial Gym Update	15,400,000	-	15,400,000
UoM	Art Renovations and Physical Plant	26,000,000	2,600,000	23,400,000
LGI Total		\$ 488,290,000	\$ 29,480,000	\$ 458,810,000

		Total	Potential	State Funds
		Project Cost	Match	Request
UT Capital Outlay Out Years				
UTC	Health Science Building	\$ 70,000,000	\$ 5,600,000	\$ 64,400,000
UTHSC	Gross Anatomy Lab Renovation	20,000,000	400,000	19,600,000
UTC	Maclellan Renovation	50,800,000	3,600,000	47,200,000
UTK	Jessie Harris Building Renovation	51,000,000	3,060,000	47,940,000
UTIA	Garden Education & Discovery Center	17,500,000	700,000	16,800,000
UTHSC	Molecular Science Building Renovation	54,910,000	1,098,200	53,812,000
UTK	Buehler Hall Renovation	81,000,000	4,860,000	76,140,000
UTIA	North Greenhouse Expansion	5,250,000	210,000	5,040,000
UTIA	Morgan Hall Renovation and Addition	33,000,000	1,320,000	31,680,000
UTK	Dabney Hall Renovation	47,000,000	2,820,000	44,180,000
UTK	Nielsen Physics Renovation	29,000,000	1,740,000	27,260,000
UTIA	IPS-UTIA Middle Tennessee Building	47,500,000	1,900,000	45,600,000
UT Total		\$ 506,960,000	\$ 27,308,200	\$ 479,652,000

		Total	Potential	State Funds
			Match	Request
Capital Maintenance Out Years				
TBR Total		\$ 45,780,000	NA	\$ 45,780,000
LGI Total		\$ 270,697,000	NA	\$ 270,697,000
UT Total		\$ 257,382,000	NA	\$ 257,382,000

		Total	Future Years	State Funds
			Match Funds	Request
Total Out Years				
Total Capital Outlay Out Years 2022-23 through 2025-26		\$ 1,242,550,000	\$ 67,039,900	\$ 1,175,511,000
Total Capital Maintenance Out Years 2022-23 through 2025-26		\$ 573,859,000	NA	\$ 573,859,000
Total Capital Investment 2022-23 through 2025-26		\$ 1,816,409,000	\$ 67,039,900	\$ 1,749,370,000

Capital Projects Recommendation ATTACHMENT VII

THEC Five-Year Plan for Capital Maintenance Projects - Out Years 2022-23 through 2025-26

Tennessee Board of Regents

		Project Cost	
2022-23	WSCC	Fire Safety Remediation	\$ 1,900,000
2022-23	JSCC	Administration Building HVAC Updates	870,000
2022-23	Statewide	TCAT Mechanical, Electrical, and Plumbing Updates Phase 4	2,360,000
2022-23	TCAT Hohenwald	Sewer Line Replacement	220,000
2022-23	NeSCC	Blountville Campus Paving Repairs	350,000
2022-23	TCAT McKenzie	Masonry Building Structure Repair	200,000
2022-23	NaSCC	Parking Lot Repairs	300,000
2022-23	Statewide	TCAT Maintenance Repairs Phase 3	1,320,000
2022-23	STCC	Building Envelope and Drainage Repairs	1,800,000
2022-23	Statewide	TCAT Parking and Paving Updates Phase 3	620,000
2022-23	VSCC	Cookeville Higher Education Center Science Lab	600,000
2022-23	TCAT Hartsville	Wilson County Safety and Security Updates	250,000
2022-23	PSCC	HVAC and Electrical Upgrades and Repairs Phase 2	1,100,000
2022-23	ChSCC	Central Plant Modernization Phase 1	400,000
2022-23	VSCC	Mechanical Updates	1,050,000
2022-23	CoSCC	Several Building HVAC Updates	880,000
2022-23	Statewide	TCAT Mechanical, Electrical, and Plumbing Updates Phase 5	1,020,000
2022-23	Statewide	TCAT Mechanical Updates D	490,000
2022-23	ChSCC	Campus Accessibility Updates	750,000
2022-23	NeSCC	Auto Shop Exterior Updates	630,000
2022-23	Statewide	TCAT Parking and Paving Updates C	260,000
2022-23	TCAT Pulaski	Window Replacements	50,000
2022-23	TCAT Crump	Building 2 Welding Technology Renovation	290,000
2022-23	JSCC	Multiple Building Fire Alarm Upgrades	500,000
2022-23	ChSCC	Humanities Elevator and 2nd Floor Accessibility	1,350,000
2022-23	CISCC	Data Infrastructure and Electrical Upgrade	570,000
2022-23	RSCC	Roane County HVAC Updates	1,800,000
2022-23	RSCC	Scott County HVAC Corrections	680,000
2023-24	PSCC	McWhorter Safety Renovations	1,500,000
2023-24	VSCC	Parking Lot Repairs	740,000
2023-24	Statewide	TCAT Parking and Paving Updates D	490,000
2023-24	Statewide	TCAT Maintenance Updates C	660,000
2023-24	MSCC	Parking and Roadway Repairs	1,220,000
2023-24	NaSCC	Science Lab Upgrades	1,200,000
2023-24	CISCC	Student Center Roof Replacement	500,000
2023-24	DSCC	Campus Roof Drain Replacement	270,000
2023-24	JSCC	Library Roof Repairs	530,000
2023-24	VSCC	CHEC Building Automation Updates	270,000
2023-24	PSCC	Boiler and Cooling Tower Replacement	850,000
2024-25	DSCC	HVAC System Upgrades	390,000
2024-25	PSCC	Air Handling Units and Chiller Replacement	1,250,000
2024-25	CISCC	Central Plant Modernization	880,000
2024-25	JSCC	Campus Electrical Distribution Upgrades	1,290,000
2024-25	JSCC	McWhorter Center Chiller Updates	460,000
2024-25	VSCC	Exterior Repairs	270,000
2024-25	DSCC	Campus Paving and Repairs	370,000
2024-25	WSCC	Parking Lot and Lighting Improvements	1,500,000

Tennessee Board of Regents (cont.)

		Project Cost	
2024-25	NaSCC	Storefront and Window Replacements	\$ 980,000
2024-25	WSCC	Claiborne Site and Exterior Remediation	800,000
2024-25	JSCC	Window Replacements	1,270,000
2025-26	PSCC	Building Envelope Repairs	800,000
2025-26	PSCC	Campus Paving and Repairs	950,000
2025-26	DSCC	Exterior Window Updates	390,000
2025-26	PSCC	McWhorter Elevator	630,000
2025-26	MSCC	Interior Building Repairs	870,000
2025-26	DSCC	Auditorium Upgrades	870,000
2025-26	TCATKnoxville	Interior Updates	250,000
2025-26	TCAT Hartsville	Safety and Security Updates	200,000
2025-26	TCAT Elizabethton	Arney Street Bldg #2 Infrastructure and Exterior Updates	110,000
2025-26	TCAT Paris	Fan Coil Unit Replacements	130,000
2025-26	TCAT Knoxville	Shop Flooding Repairs	10,000
2025-26	TCAT Morristown	Restroom Renovations	270,000
TBR Out Years Total		62 Projects	\$ 45,780,000

Austin Peay State University

		Project Cost	
2022-23	APSU	Roofing Campus Buildings	\$ 1,500,000
2022-23	APSU	Fire Alarm Upgrades	1,200,000
2022-23	APSU	Fire Alarm Central Monitoring	500,000
2022-23	APSU	Memorial Health HVAC and Electrical	1,500,000
2023-24	APSU	Ellington Electrical, Fire Alarm, and Plumbing	1,500,000
2023-24	APSU	Modular Boiler Installation - Phase 3	1,200,000
2023-24	APSU	Underground Electrical Replacement - Phase 7	2,000,000
2024-25	APSU	Browning Electrical and Plumbing	1,200,000
2024-25	APSU	Central Plant Façade Repairs	1,000,000
2024-25	APSU	Miller Hall HVAC, Electrical and Plumbing	1,250,000
2024-25	APSU	Modular Boiler Installation - Phase 4	1,250,000
2025-26	APSU	Re-roof Various Buildings	500,000
2025-26	APSU	Shasteen HVAC	750,000
2025-26	APSU	Farm Building Repairs	250,000
2025-26	APSU	Exterior Brick and Envelope Repairs	500,000
APSU Out Years Total		15 Projects	\$ 16,100,000

East Tennessee State University

		Project Cost	
2022-23	ETSU	HVAC and Steam Line Repairs Phase 2	\$ 3,800,000
2022-23	ETSU	Several Building Electrical Repair and Replacement	1,600,000
2022-23	ETSU	Structural, Drainage, Envelope and Code Repairs	3,200,000
2022-23	ETSU	Repair and Replacement of Water Lines Phase 1	1,750,000
2023-24	ETSU	Repair and Replacement of Water Lines Phase 2	2,100,000
2023-24	ETSU	HVAC Repairs	2,300,000
2023-24	ETSU	Building Envelope Repairs	2,250,000
2023-24	ETSU	Roof Replacements	2,300,000
2023-24	ETSU	Safety Lighting and Fire Alarm System Replacements	1,700,000
2024-25	ETSU	COM HVAC Replacements in Buildings 1, 4, 119, & 178.	3,000,000

Capital Projects Recommendation ATTACHMENT VII

THEC Five-Year Plan for Capital Maintenance Projects - Out Years 2022-23 through 2025-26

East Tennessee State University (cont.)			Project Cost
2024-25	ETSU	Code and Accessibility Upgrades	2,910,000
2024-25	ETSU	Sewer Main Repairs and Line Improvements	2,350,000
2024-25	ETSU	Several Building HVAC Repairs	4,000,000
2024-25	ETSU	Several Building Electrical Repairs	3,000,000
2025-26	ETSU	Window Replacement	1,500,000
2025-26	ETSU	Fire Alarm and Systems Upgrades and Replacements	1,400,000
2025-26	ETSU	Roof Replacements	2,000,000
2025-26	ETSU	Code and Accessibility Upgrades	2,000,000
2025-26	ETSU	Several Building HVAC Repairs	3,000,000
2025-26	ETSU	Several Building Electrical Repairs	3,500,000
ETSU Out Years Total			20 Projects \$ 49,660,000

Middle Tennessee State University			Project Cost
2022-23	MTSU	Several Building Elevator Modernization Phase 3	\$ 1,000,000
2022-23	MTSU	Campus Wide Utilities	2,000,000
2022-23	MTSU	Several Buildings Window Replacement	1,550,000
2022-23	MTSU	Several Buildings Roof Replacements	1,400,000
2022-23	MTSU	Several Building Pneumatic Controls Replacements	650,000
2022-23	MTSU	Pump and VFD Replacement Phase I	1,000,000
2022-23	MTSU	Sidewalk Repair/Replacement Phase I	800,000
2023-24	MTSU	KUC Mechanical and HVAC Upgrades Phase II	1,500,000
2023-24	MTSU	Steam/Condensate & Manhole Repair/Replacement Phase IV	1,500,000
2023-24	MTSU	Several Buildings Plumbing & Restroom Upgrades	2,950,000
2023-24	MTSU	Several Buildings Roof Replacement	750,000
2023-24	MTSU	Domestic Water & Sewer System's Updates Phase II	650,000
2023-24	MTSU	Elevator Modernization Phase V	750,000
2024-25	MTSU	JUB Building Mechanical HVAC, Windows & Ceiling Upgrades	2,550,000
2024-25	MTSU	Life Safety Fire Alarm System Upgrades Phase III	850,000
2024-25	MTSU	Elevator Modernization Phase V	1,500,000
2024-25	MTSU	Campus Stormwater BMP Phase II	650,000
2024-25	MTSU	Womack Lane Switchgear Replacement	900,000
2024-25	MTSU	Sidewalk Repair/Replacement Phase II	700,000
2024-25	MTSU	Several Buildings Roof Replacements	950,000
2025-26	MTSU	Pump and VFD Replacement	1,200,000
2025-26	MTSU	Jones Hall Mechanical, HVAC, Lighting, Ceiling Upgrades	2,500,000
2025-26	MTSU	Several Buildings Plumbing Upgrades	1,250,000
2025-26	MTSU	PMH Gear Replacement	938,000
2025-26	MTSU	Several Building Mechanical, HVAC, Lighting, Ceiling Upgrades	2,500,000
MTSU Out Years Total			25 Projects \$ 32,988,000

Tennessee State University			Project Cost
2022-23	TSU	Electrical Upgrades - Phase 4	\$ 2,000,000
2022-23	TSU	Strange HVAC Full Replacement	1,400,000
2022-23	TSU	Several Building Fire Alarm Upgrades	500,000
2022-23	TSU	Several Building Electrical Upgrades	466,000
2022-23	TSU	HVAC Repairs	1,000,000
2022-23	TSU	Gentry Center Roof Replacement	1,000,000
2022-23	TSU	Gentry Center Lighting Upgrades	1,000,000
2023-24	TSU	Electrical Upgrades - Phase 5	2,000,000
2023-24	TSU	Several Building Fire Alarm Upgrades	400,000
2023-24	TSU	Several Building HVAC Upgrades	400,000
2023-24	TSU	Brown-Daniel Library Improvements	1,000,000
2023-24	TSU	Several Building Roof Replacement	900,000
2023-24	TSU	Several Building Envelope and Glazing Upgrades	1,000,000
2023-24	TSU	Road and Parking Lot Upgrades	416,000
2023-24	TSU	Storm Sewer Improvements	400,000
2023-24	TSU	Kean Hall MEP Upgrades	850,000
2024-25	TSU	Electrical Upgrades - Phase 6	2,000,000
2024-25	TSU	McWhorter MEP Upgrades	750,000
2024-25	TSU	FP Campus Center Improvements	1,500,000
2024-25	TSU	Hardscape Improvements	86,000
2024-25	TSU	Queen Washington HVAC Upgrades	1,000,000
2024-25	TSU	McMinnville MEP Upgrades	1,000,000
2024-25	TSU	Sanitary Sewer Improvements	1,000,000
2025-26	TSU	Electrical Upgrades - Phase 7	2,000,000
2025-26	TSU	Safety Upgrades	450,000
2025-26	TSU	Several Building HVAC Upgrades	500,000
2025-26	TSU	Several Building Electrical Upgrades	416,000
2025-26	TSU	Hardscape Improvements	300,000
2025-26	TSU	Several Building Roof Replacement	850,000
2025-26	TSU	Several Building Envelope and Glazing Upgrades	1,000,000
2025-26	TSU	Road and Parking Lot Upgrades	500,000
2025-26	TSU	Storm Sewer Improvements	500,000
2025-26	TSU	Holland Hall MEP Upgrades	850,000
TSU Out Years Total			33 Projects \$ 29,434,000

Tennessee Technological University			Project Cost
2022-23	TTU	Academic Wellness Center Upgrades & Repurpose	\$ 12,100,000
2023-24	TTU	Brown Hall Upgrades	10,000,000
2024-25	TTU	Derryberry Hall Upgrades Phase 2	9,000,000
2025-26	TTU	Clement Hall Upgrades	11,415,000
TTU Out Years Total			4 Projects \$ 42,515,000

**Capital Projects Recommendation
ATTACHMENT VII**

THEC Five-Year Plan for Capital Maintenance Projects - Out Years 2022-23 through 2025-26

University of Memphis

			Project Cost
2022-23	UoM	HVAC Repairs and Replacements	\$ 3,500,000
2022-23	UoM	Building Repairs	4,000,000
2022-23	UoM	Roof Replacements	3,000,000
2022-23	UoM	Wilder Tower Repairs	2,500,000
2022-23	UoM	Lambuth Various Maintenance	2,500,000
2022-23	UoM	HVAC System Replacements	5,000,000
2022-23	UoM	Campus Lighting Replacement	2,500,000
2022-23	UoM	Building Code and Safety	2,000,000
2023-24	UoM	Capital Maintenance	25,000,000
2024-25	UoM	Capital Maintenance	25,000,000
2025-26	UoM	Capital Maintenance	25,000,000
UoM Out Years Total			11 Projects \$ 100,000,000

University of Tennessee

			Project Cost
2022-23	UTC	Building Envelope Repairs Ph II	\$ 3,820,000
2022-23	UTK	HVAC Improvements Ph II	4,000,000
2022-23	UTIA	West TN-REC Improvements	3,300,000
2022-23	UTIA	West TN 4-H Center Improvements	1,700,000
2022-23	UTM	University Center Sewer Line Replacement	670,000
2022-23	UTHSC	Building Envelope Repair	5,500,000
2022-23	UTK	Window Replacement & Masonry Repair	8,000,000
2022-23	UTC	Brock Hall Improvements	10,620,000
2022-23	UTK	Steam Plant Improvements	7,000,000
2022-23	UTC	Building Envelope & Site Repair	7,820,000
2022-23	UTM	Clement Bldg Systems Upgrade/Chiller Replacement	5,070,000
2022-23	UTHSC	HVAC Improvements	5,250,000
2023-24	UTIA	CVM - Cherokee Bldg A	5,700,000
2023-24	UTIA	Morgan Hall System Improvements	9,450,000
2023-24	UTM	Clement Building Upgrades	10,417,000

University of Tennessee (continued)

			Project Cost
2023-24	UTK	Dabney Buehler Systems Upgrade	\$ 10,000,000
2023-24	UTC	Cadek Hall Renovations	7,690,000
2023-24	UTHSC	HVAC Mechanical Equipment Upgrades	4,750,000
2023-24	UTM	Elam Cntr Bldg Envelope & Natatorium Upgrades	7,610,000
2023-24	UTC	Patten and Danforth Renovations	4,610,000
2023-24	UTHSC	HVAC Mechanical Equipment Upgrades	4,500,000
2024-25	UTIA	Livestock Housing Improvements	10,000,000
2024-25	UTK	Jessie Harris Systems Upgrades	10,000,000
2024-25	UTIA	Extension Central Region Improvements	2,400,000
2024-25	UTK	Electrical Distribution Improvements	14,000,000
2024-25	UTM	ADA Campus Upgrades	2,505,000
2024-25	UTC	Elevator Upgrades	4,185,000
2024-25	UTHSC	Emergency Power Back-up	2,500,000
2024-25	UTC	Founders Hall Renovations	6,500,000
2024-25	UTHSC	Campus Sidewalk Repairs	3,000,000
2024-25	UTIA	Livestock Waste Handling & Infrastructure Improvements	9,900,000
2025-26	UTK	HVAC Control System Consolidation & Upgrades	9,000,000
2025-26	UTM	ADA Campus Upgrades	2,505,000
2025-26	UTIA	Feed Storage & Feeding System Improvements	12,500,000
2025-26	UTK	Elevator Upgrades	10,000,000
2025-26	UTM	Roof Replacements	3,750,000
2025-26	UTC	HVAC Upgrades	9,260,000
2025-26	UTIA	Blount Farm Improvements	7,200,000
2025-26	UTK	Steam Distribution System Improvements	6,000,000
2025-26	UTC	Central Plant Chillers & HTHW Generator Replacement	1,800,000
2025-26	UTC	Emergency Generators Upgrade	2,900,000
UT Out Years Total			41 Projects \$ 257,382,000

**Capital Projects Recommendation
ATTACHMENT VII**

THEC Five-Year Plan for Capital Maintenance Projects - Out Years 2022-23 through 2025-26

Total Out Year Projects		Project Cost
62	Tennessee Board of Regents	\$ 45,780,000
15	Austin Peay State University	\$ 16,100,000
20	East Tennessee State University	\$ 49,660,000
25	Middle Tennessee State University	\$ 32,988,000
33	Tennessee State University	\$ 29,434,000
4	Tennessee Technological University	\$ 42,515,000
11	University of Memphis	\$ 100,000,000
41	University of Tennessee	\$ 257,382,000
211	Total Capital Maintenance Projects Out Years	\$ 573,859,000

Capital Projects Recommendation

ATTACHMENT VIII

THEC Five-Year Capital Plan

2021-22 through 2025-26

2021-22 (See Detailed Summary in Attachment I)

	Total Project		Total	State Funds
Capital	Cost	Projects	Match Funds ¹	Request
Maintenance				
TBR	\$ 29,830,000	26	NA	\$ 29,830,000
LGIs	\$ 57,571,000	31	NA	\$ 57,571,000
UT	\$ 59,910,000	12	NA	\$ 59,910,000
Special Initiative	\$ 5,000,000	1	NA	\$ 5,000,000
Total	\$ 152,311,000	70	NA	\$ 152,311,000
Capital Outlay				
TBR	\$ 90,030,000	3	\$ 1,710,000	\$ 87,620,000
LGIs	\$ 334,849,000	6	\$ 24,461,173	\$ 307,137,827
UT	\$ 95,100,000	3	\$ 9,576,000	\$ 85,524,000
Total	\$ 519,979,000	12	\$ 35,747,173	\$ 480,281,827
Total Capital Investment	\$ 672,290,000	82	\$ 35,747,173	\$ 632,592,827

2022-23

	Total Project		Total	State Funds
Capital	Cost	Projects	Match Funds ¹	Request
Maintenance				
TBR	\$ 22,610,000	28	NA	\$ 22,610,000
LGIs	\$ 67,916,000	31	NA	\$ 67,916,000
UT	\$ 62,750,000	12	NA	\$ 62,750,000
Special Initiative	\$ -	-	NA	\$ -
Total	\$ 153,276,000	71	NA	\$ 153,276,000
Capital Outlay				
TBR	\$ 69,870,000	3	\$ 2,261,700	\$ 67,609,000
LGIs	\$ 99,300,000	3	\$ 3,355,000	\$ 95,945,000
UT	\$ 140,800,000	3	\$ 9,600,000	\$ 131,200,000
Total	\$ 309,970,000	9	\$ 15,216,700	\$ 294,754,000
Total Capital Investment	\$ 463,246,000	80	\$ 15,216,700	\$ 448,030,000

2023-24

	Total Project		Total	State Funds
Capital	Cost	Projects	Match Funds ¹	Request
Maintenance				
TBR	\$ 8,230,000	11	NA	\$ 8,230,000
LGIs	\$ 65,816,000	25	NA	\$ 65,816,000
UT	\$ 64,727,000	9	NA	\$ 64,727,000
Special Initiative	\$ -	-	NA	\$ -
Total	\$ 138,773,000	45	NA	\$ 138,773,000
Capital Outlay				
TBR	\$ 89,000,000	3	\$ 6,500,000	\$ 82,500,000
LGIs	\$ 165,090,000	3	\$ 18,000,000	\$ 147,090,000
UT	\$ 123,410,000	3	\$ 4,858,200	\$ 118,552,000
Total	\$ 377,500,000	9	\$ 29,358,200	\$ 348,142,000
Total Capital Investment	\$ 516,273,000	54	\$ 29,358,200	\$ 486,915,000

2024-25

	Total Project		Total	State Funds
Capital	Cost	Projects	Match Funds ¹	Request
Maintenance				
TBR	\$ 9,460,000	11	NA	\$ 9,460,000
LGIs	\$ 69,396,000	25	NA	\$ 69,396,000
UT	\$ 64,990,000	10	NA	\$ 64,990,000
Special Initiative	\$ -	-	NA	\$ -
Total	\$ 143,846,000	46	NA	\$ 143,846,000
Capital Outlay				
TBR	\$ 51,290,000	3	\$ 1,490,000	\$ 49,800,000
LGIs	\$ 149,500,000	3	\$ 5,525,000	\$ 143,975,000
UT	\$ 119,250,000	3	\$ 6,390,000	\$ 112,860,000
Total	\$ 320,040,000	9	\$ 13,405,000	\$ 306,635,000
Total Capital Investment	\$ 463,886,000	55	\$ 13,405,000	\$ 450,481,000

2025-26

	Total Project		Total	State Funds
Capital	Cost	Projects	Match Funds ¹	Request
Maintenance				
TBR	\$ 5,480,000	12	NA	\$ 5,480,000
LGIs	\$ 67,569,000	27	NA	\$ 67,569,000
UT	\$ 64,915,000	10	NA	\$ 64,915,000
Special Initiative	\$ -	-	NA	\$ -
Total	\$ 137,964,000	49	NA	\$ 137,964,000
Capital Outlay				
TBR	\$ 37,140,000	3	\$ -	\$ 37,140,000
LGIs	\$ 74,400,000	3	\$ 2,600,000	\$ 71,800,000
UT	\$ 123,500,000	3	\$ 6,460,000	\$ 117,040,000
Total	\$ 235,040,000	9	\$ 9,060,000	\$ 225,980,000
Total Capital Investment	\$ 373,004,000	58	\$ 9,060,000	\$ 363,944,000

Five-Year Total

	Total Project		Total	State Funds
Capital	Cost	Projects	Match Funds ¹	Request
Maintenance				
TBR	\$ 75,610,000	88	NA	\$ 75,610,000
LGIs	\$ 328,268,000	139	NA	\$ 328,268,000
UT	\$ 317,292,000	53	NA	\$ 317,292,000
Special Initiative	\$ 5,000,000	1	NA	\$ 5,000,000
Total	\$ 726,170,000	281	NA	\$ 726,170,000
Capital Outlay				
TBR	\$ 337,330,000	15	\$ 11,961,700	\$ 324,669,000
LGIs	\$ 823,139,000	18	\$ 53,941,173	\$ 765,947,827
UT	\$ 602,060,000	15	\$ 36,884,200	\$ 565,176,000
Total	\$ 1,762,529,000	48	\$ 102,787,073	\$ 1,655,792,827
Total Capital Investment	\$ 2,488,699,000	329	\$ 102,787,073	\$ 2,381,962,827

1 - Match is applicable to the entire scope of each capital outlay project.

DATE: November 6, 2020**SUBJECT:** 2021-22 Student Fee Recommendations**ACTION RECOMMENDED:** Approval

BACKGROUND INFORMATION

The Complete College Tennessee Act requires the Tennessee Higher Education Commission (THEC) to make student fee and state appropriation recommendations concurrently. Numerous factors impact the tuition recommendation, including affordability and financial aid, institutional revenues, and cost inflation factors. The FOCUS Act expanded THEC's authority on student fee levels, requiring that THEC issue binding tuition ranges each year. These ranges apply to resident, undergraduate students' tuition (maintenance fee) rate, as well as the combined tuition and mandatory fee charge, and are set following the General Assembly's approval of a budget in the spring. The ranges recommended for approval today are intended for guidance.

TENNESSEE'S TUITION AND FEE PROFILE

Average full-time, annual tuition and mandatory fees for 2020-21 is \$9,751 at public universities, \$4,553 at community colleges, and \$3,936 at the Tennessee Colleges of Applied Technology (TCATs). Tennessee's public higher education tuition and fee levels are considered average compared to peers across member states of the Southern Regional Education Board. Tennessee institutions implemented the lowest consecutive growth in decades in the five years leading up to 2020-21 as state appropriations increased, on average, seven percent per year. Institutions maintained their commitment to an affordable college education in 2020-21 as all institutions held tuition and fees flat for Tennesseans despite no growth in state appropriations.

RECOMMENDATION

Staff recommendations for operating appropriations, student fees, and need-based financial aid work in concert to promote continuous improvement in affordability. On average, tuition and fees revenue accounts for roughly 60 percent of revenue at the universities, 50 percent at the community colleges and 33 percent at the TCATs. The

combined tuition and appropriation revenue for all formula units is approximately \$3.0 billion, with state appropriations comprising \$1.2 billion. An appropriation request for formula units of \$36 million represents about a three percent growth in appropriation revenue but just a one percent increase in total revenue. Institutions receiving state appropriation increases below three percent may need to rely on modest tuition increases to keep up with the outside forces such as inflation, while institutions receiving more than three percent may need little to no tuition increases.

Considering an appropriations request for formula units of \$36 million and an estimated two percent salary increase, THEC staff recommend a guiding tuition (maintenance fee) range of zero to three percent, as well as a guiding tuition and mandatory fee range of zero to three percent for all public universities, community colleges, and TCATs.

Scenarios for tuition increases in 2021-22 of zero, one-and-a-half, and three percent are presented and summarized in Attachment I. Attachment II provides a history of tuition and mandatory fee increases across all public institutions as well as the results of the tuition model based on different funding scenarios.

At this time, staff recommend the Commission adopt the tuition and tuition and mandatory fee ranges as guidance only, with flexibility to approve final, binding ranges later in the fiscal year once clarity around the state budget and overall impact on higher education funding is determined.

ATTACHMENT I

2021-22 Tuition and Fee Recommendation

Universities	0% to 3.0% Tuition Increase
CCs	0% to 3.0% Tuition Increase
TCATs	0% to 3.0% Tuition Increase

Tuition Levels						
	2020-21	2021-22 Scenarios				
	Tuition	Tuition Increase				
		= 0.0%	= 1.5%		= 3.0%	
			Increase	Change	Increase	Change
APSU	\$7,044	\$7,044	\$7,150	\$106	\$7,255	\$211
ETSU	7,572	7,572	7,686	114	7,799	227
MTSU	7,554	7,554	7,667	113	7,781	227
TSU	7,026	7,026	7,131	105	7,237	211
TTU (Prior to Fall 2020)¹	8,040	8,040	8,161	121	8,281	241
TTU (Fall 2020)¹	9,060	9,060	9,196	136	9,332	272
UM (Non-Guaranteed)²	8,208	8,208	8,331	123	8,454	246
UM (Guaranteed)²	8,232	8,232	8,355	123	8,479	247
UTC (Soar in Four)³	7,836	7,836	7,954	118	8,071	235
UTC (Returning)³	7,060	7,060	7,166	106	7,272	212
UTK	11,332	11,332	11,502	170	11,672	340
UTM	8,214	8,214	8,337	123	8,460	246
CC Avg	4,242	4,242	4,306	64	4,369	127
TCATs	3,687	3,687	3,742	55	3,798	111

1 - Full-time students admitted in Fall 2020 at Tennessee Technological University will pay a flat rate for 15 credit hours per semester, regardless of the number of hours take. Full-time students admitted prior to Fall 2020 and part-time students will be charged a per credit hour rate for the first 12 credit hours and a discounted rate for additional hours.

2 - Beginning in 2019-20, the University of Memphis began to offer a "guaranteed tuition" option to undergraduate students. All incoming first-time, full-time freshmen will be eligible to enroll in the guaranteed tuition plan, which guarantees the Fall 2019 tuition rate for eight consecutive regular semesters if they take at least 12 credit hours per semester.

3 - Beginning in 2019-20, first-time, full-time students enrolled at UT Chattanooga pay a flat rate for 15 credit hours per semester, regardless of how many hours taken. Returning and part-time students are charged a flat rate for 12 credit hours per semester, regardless of how many hours are taken.

Note: "Tuition" is used here for ease of understanding, though UT, TBR, and the LGIs use the term "Maintenance Fee" when discussing tuition.

ATTACHMENT I

2021-22 Tuition and Fee Recommendation

Universities	0% to 3.0% Tuition and Fee Increase
CCs	0% to 3.0% Tuition and Fee Increase
TCATs	0% to 3.0% Tuition and Fee Increase

Tuition and Fee Levels

	2020-21			2021-22 Scenarios				
	Mandatory Fees	Tuition	Total	Tuition and Fee Increase				
				= 0.0%	= 1.5%		= 3.0%	
					Increase	Change	Increase	Change
APSU	\$1,583	\$7,044	\$8,627	\$8,627	\$8,756	\$129	\$8,886	\$259
ETSU	1,919	7,572	9,491	9,491	9,633	142	9,776	285
MTSU	1,870	7,554	9,424	9,424	9,565	141	9,707	283
TSU	1,157	7,026	8,183	8,183	8,306	123	8,428	245
TTU (Prior to Fall 2020) ¹	1,278	8,040	9,318	9,318	9,458	140	9,598	280
TTU (Fall 2020) ¹	1,278	9,060	10,338	10,338	10,493	155	10,648	310
UM (Non-Guaranteed) ²	1,704	8,208	9,912	9,912	10,061	149	10,209	297
UM (Guaranteed) ²	1,704	8,232	9,936	9,936	10,085	149	10,234	298
UTC (Soar in Four) ³	1,820	7,836	9,656	9,656	9,801	145	9,946	290
UTC (Returning) ³	1,820	7,060	8,880	8,880	9,013	133	9,146	266
UTK	1,932	11,332	13,264	13,264	13,463	199	13,662	398
UTM	1,534	8,214	9,748	9,748	9,894	146	10,040	292
CC Avg	311	4,242	4,553	4,553	4,621	68	4,689	137
TCATs	249	3,687	3,936	3,936	3,995	59	4,054	118

1 - Full-time students admitted in Fall 2020 at Tennessee Technological University will pay a flat rate for 15 credit hours per semester, regardless of the number of hours take. Full-time students admitted prior to Fall 2020 and part-time students will be charged a per credit hour rate for the first 12 credit hours and a discounted rate for additional hours.

2 - Beginning in 2019-20, the University of Memphis began to offer a "guaranteed tuition" option to undergraduate students. All incoming first-time, full-time freshmen will be eligible to enroll in the guaranteed tuition plan, which guarantees the Fall 2019 tuition rate for eight consecutive regular semesters if they take at least 12 credit hours per semester.

3 - Beginning in 2019-20, first-time, full-time students enrolled at UT Chattanooga pay a flat rate for 15 credit hours per semester, regardless of how many hours taken. Returning and part-time students are charged a flat rate for 12 credit hours per semester, regardless of how many hours are taken.

Note: "Tuition" is used here for ease of understanding, though UT, TBR, and the LGIs use the term "Maintenance Fee" when discussing tuition.

ATTACHMENT II

Tuition and Mandatory Fees History

Tuition and Mandatory Fees History

	2015-16	2019-20	2020-21	1 Year Change	5 Year Change
APSU	\$7,801	\$8,627	\$8,627	0.0%	10.6%
ETSU	8,332	9,491	9,491	0.0%	13.9%
MTSU	8,404	9,424	9,424	0.0%	12.1%
TSU	7,417	8,183	8,183	0.0%	10.3%
TTU (Prior to Fall 2020)¹	8,353	9,318	9,318	0.0%	11.6%
TTU (Fall 2020)¹			10,338		
UM (Non-Guaranteed)²	9,269	9,912	9,912	0.0%	6.9%
UM (Guaranteed)²		9,936	9,936	0.0%	
UTC (Soar in Four)³		9,656	9,656	0.0%	
UTC (Returning)³	8,356	8,880	8,880	0.0%	6.3%
UTK	11,948	13,264	13,264	0.0%	11.0%
UTM	8,326	9,748	9,748	0.0%	17.1%
CC Avg	4,121	4,553	4,553	0.0%	10.5%
TCATs	3,554	3,936	3,936	0.0%	10.7%

Mandatory Fees Only History

	2015-16	2019-20	2020-21	1 Year Change	5 Year Change
APSU	\$1,453	\$1,583	\$1,583	0.0%	8.9%
ETSU	1,504	1,919	1,919	0.0%	27.6%
MTSU	1,648	1,870	1,870	0.0%	13.5%
TSU	1,039	1,157	1,157	0.0%	11.4%
TTU	1,171	1,278	1,278	0.0%	9.1%
UM	1,583	1,704	1,704	0.0%	7.6%
UTC	1,732	1,820	1,820	0.0%	5.1%
UTK	1,758	1,932	1,932	0.0%	9.9%
UTM	1,408	1,534	1,534	0.0%	8.9%
CC Avg	293	311	311	0.0%	5.9%
TCATs	230	249	249	0.0%	8.3%

1 - Full-time students admitted in Fall 2020 at Tennessee Technological University will pay a flat rate for 15 credit hours per semester, regardless of the number of hours take. Full-time students admitted prior to Fall 2020 and part-time students will be charged a per credit hour rate for the first 12 credit hours and a discounted rate for additional hours.

2 - Beginning in 2019-20, the University of Memphis began to offer a "guaranteed tuition" option to undergraduate students. All incoming first-time, full-time freshmen will be eligible to enroll in the guaranteed tuition plan, which guarantees the Fall 2019 tuition rate for eight consecutive regular semesters if they take at least 12 credit hours per semester.

3 - Beginning in 2019-20, first-time, full-time students enrolled at UT Chattanooga pay a flat rate for 15 credit hours per semester, regardless of how many hours taken. Returning and part-time students are charged a flat rate for 12 credit hours per semester, regardless of how many hours are taken.

ATTACHMENT II

2021-22 Tuition Model Analysis Scenarios

The following scenarios utilize the THEC Tuition Model to estimate the tuition range required to maintain the 2020-21 estimated total revenue per FTE. The scenarios assume a 1.0% enrollment growth at universities, a 5.0% enrollment growth at community colleges, a 2.5% enrollment growth at colleges of applied technology, a 1.4% increase in inflation costs, and an estimated 2.0% salary increase at all institutions. This analysis is presented for information and is meant to provide guidance on the tuition recommendation. Binding tuition recommendations will be made in Spring 2021 in conjunction with the General Appropriations Act.

Average Increase With a \$59.0M (5.1%) Increase in State Appropriations¹

Model Assumptions	University	CCs	TCATs
Costs Inflation	1.4%	1.4%	1.4%
Enrollment	1.0%	5.0%	2.5%
State Appropriations	4.7%	6.4%	4.0%
Average Tuition Model Range	-4.1% to 3.1%		

Average Increase With Overall Flat Appropriations

Model Assumptions	Universities	CCs	TCATs
Costs Inflation	1.4%	1.4%	1.4%
Enrollment	1.0%	5.0%	2.5%
State Appropriations	-0.4%	1.3%	-1.0%
Average Tuition Model Range	-0.8% to 12.1%		

1- Based on a request of \$36M for outcomes productivity and \$23M for partial funding of an estimated 2 percent increase in salary, resulting in a total appropriation recommendation of \$59M.

Note: The recommendation is based on an assumed costs inflation rate of 1.4% as determined by the Consumer Price Index.