

# FY 2024-25 Budget Update

Campus Advisory Board

May 3, 2024



THE UNIVERSITY OF  
TENNESSEE  
KNOXVILLE

# ORDER OF DISCUSSION

- Stage Setting for Budget Conversation
  - Budget enhancements from prior year
  - Parking & Transit assessment and strategy
- Proposed Tuition & Fees
- Proposed FY24/25 Budget
- Action on Resolution

**FY 2024-25**  
**Enhancements to Budget Process**  
**(Unrestricted E&G and Auxiliaries,**  
**UTK Only)**

# Goals for Enhancing Our Budget Process

- Improve alignment with institutional goals
- Better strategies to create investment resources at all levels
- Disciplines with high costs of instruction (law, engineering, lab sciences) require more support
- Provide clearer guidance for Support Units in the budgeting process
- Improve model language and communications strategies

# Outcomes

- Developed an Institutional funding strategy for capital projects (in the master plan) by applying a carveout of appropriations in the model
- Adopted revenue-based budgeting principles
- Adjusted model nomenclature
- Re-aligned expectations about university funding to colleges using year 1 results as a guide, i.e., actuals VS budget.
- Positioned the Digital Learning in the model with a revenue sharing plan

# Future Enhancements

- Transition to Oracle EPM product for the FY26 budget
- Shorten the cycle timeline
- Implement a framework for annual budget meetings in Fall 2024

# **Parking/Transit Assessment and Strategy**

# Parking & Transit Assessment

- Engagement (August 2023 – current) with Wood Solutions Group, a national higher ed parking consulting firm
- Growth in student parking demand has exceeded growth in student parking spaces since 2018. 53% of our students purchase permits
- Unlike peer institutions, our parking rate structure is relatively undifferentiated and especially low for core parking, leading to higher demand and expectations.
- We lack adequate on-demand or visitor parking options
- Our use of technology is behind peers
- Our Transit system has capacity to better serve campus



# Parking & Transit Strategies - Students

- Commuter parking will be provided on a zonal basis, with Core, Intermediate, and Remote parking options.
- Non-Commuter parking will also be provided on a zonal basis with Core and Periphery parking options.
- Permits will be sold on a hierarchal basis, with students with the most accumulated academic hours eligible to purchase permits first, then mid-tier academic standings, then first year students.
- Enhanced and expanded T-bus routes
- Enhanced space locator technology

# Parking & Transit Strategies – Employees

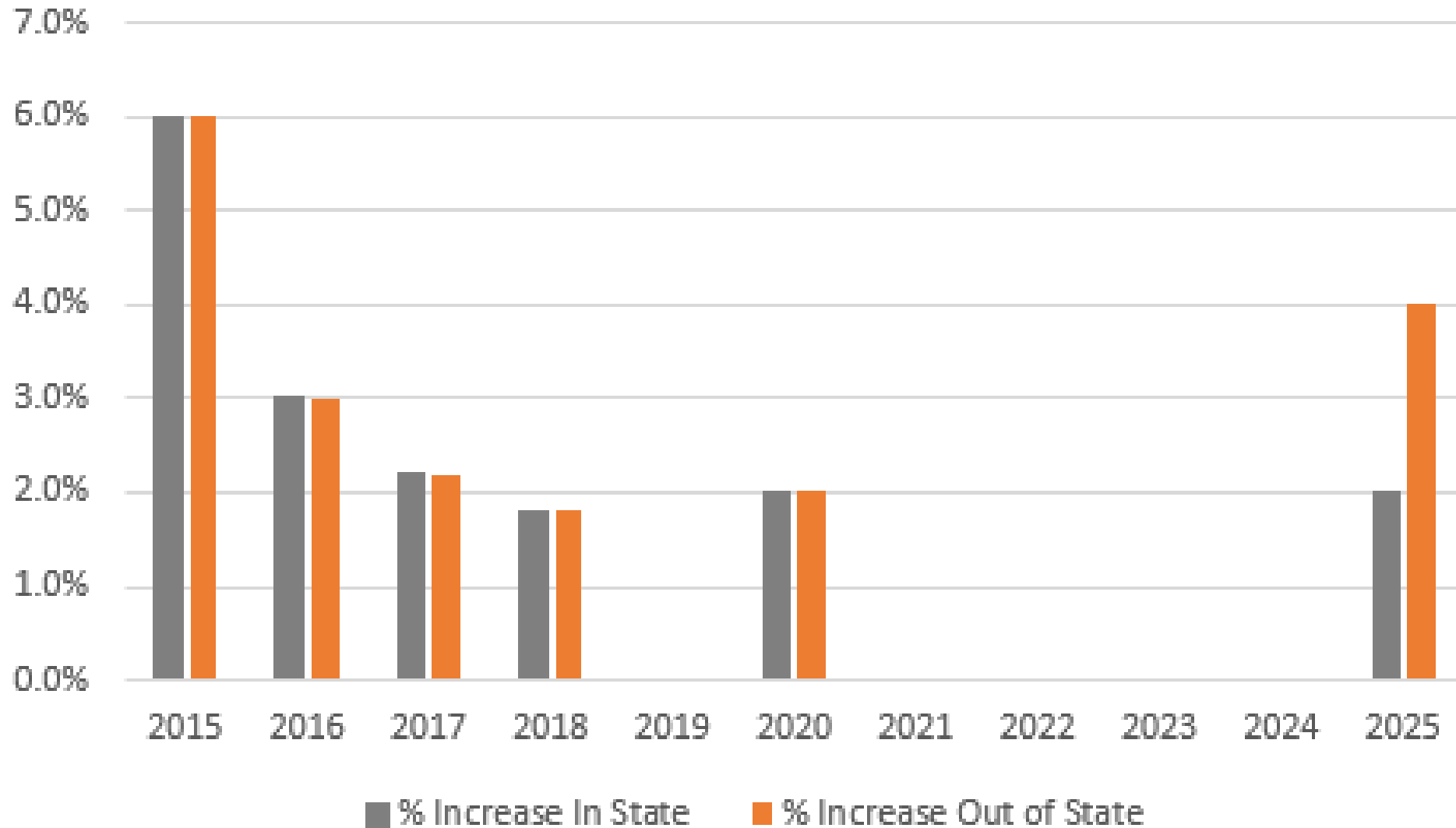
- Faculty and staff parking will remain as currently managed with specific parking facility assignments based on departments.
- Additional parking capacity will be provided with the move of some non-commuter spaces to Periphery parking zones.
- Approximately 500 new staff spaces will be assigned on the main campus. Staff parking pricing will remain constant for fall 2024 with an expectation that pricing levels will increase every two years starting in fall 2025.

# Parking & Transit Strategies – Visitors

- Designating more visitor spaces across campus to ensure those who need temporary parking can easily find available spaces without competing with long-term permit holders.
- These spaces will be in the Neyland Drive garage, Vol Hall garage, West Campus garage, and on-street parking network on the south and west sides of campus.
- Approximately 1,200 hourly parking spaces on campus with mobile pay options. The scan to pay system will allow for validation for discounted or complimentary parking, event parking, dynamic pricing, and interdepartmental billing.
- Enhanced wayfinding technology

**FY 2024-25**  
**Proposed Tuition & Fees**

# Trend of Tuition Increases



# Proposed Tuition

Level	In-State	% Change	Out-of-State	% Change
Undergraduate Tuition	\$11,560	2.0%	\$30,704	4.0%
Undergraduate Tuition & Fees	\$13,812	2.4%	\$33,256	4.0%
Graduate Tuition	\$11,468	0.0%	\$29,656	0.0%
Graduate Tuition & Fees	\$13,720	0.7%	\$32,208	0.3%
College of Law Tuition	\$16,696	0.0%	\$35,140	0.0%
College of Law Tuition & Fees	\$20,508	0.5%	\$39,252	0.3%
UT Space Institute Tuition	\$11,468	0.0%	\$29,656	0.0%
UT Space Institute Tuition & Fees	\$11,648	0.0%	\$29,836	0.0%
College of Veterinary Medicine Tuition	\$28,616	2.0%	\$55,652	1.0%
College of Veterinary Medicine Tuition & Fees	\$30,788	2.2%	\$58,124	1.2%

# Proposed Mandatory Fees

	Current FY 2024	Proposed FY 2025	\$ Change	% Change	Projected Revenue
Student Program & Services 1971/2020	\$ 1,038	\$ 1,038	\$ -	0.0%	\$ -
Technology 1998/2016	\$ 240	\$ 300	\$ 60	25.0%	\$ 2,268,180
Facilities* 2001/2024	\$ 600	\$ 600	\$ -	0.0%	\$ -
Transportation 2004/2024	\$ 194	\$ 234	\$ 40	20.6%	\$ 1,512,120
Library 2013/2020	\$ 80	\$ 80	\$ -	0.0%	\$ -
<b>Total</b>	<b>\$ 2,152</b>	<b>\$ 2,252</b>	<b>\$ 100</b>	<b>4.6%</b>	<b>\$ 3,780,300</b>
<b>Online Fee</b>	<b>\$ 56</b>	<b>\$ 100</b>	<b>\$ 44</b>	<b>78.6%</b>	<b>\$ 1,980,000</b>

\* out-of-state is \$900 annually  
 Dates: (date implemented / last increase)

Meal Plans will increase 5.0%  
 Housing rates will increase an average of 5.0%

# Other Increases

	Current FY 2024	Proposed FY 2025	\$ Change	% Change
<b>Differential Tuition:</b>				
Tickle College of Engineering	\$ 115	\$ 117	\$ 2	1.7%
College of Nursing (UG courses)	\$ 245	\$ 250	\$ 5	2.0%
Haslam College of Business (UG courses)	\$ 101	\$ 103	\$ 2	2.0%
College of Architecture	\$ 111	\$ 113	\$ 2	1.8%
<b>Program Fees:</b>				
Masters of Science in Supply Chain Management (Online)	\$ 39,390	\$ 41,370	\$ 1,980	5.0%
Masters of Science in Business Cybersecurity Program Fee (Online)	\$ -	\$ 30,000	\$ 30,000	New
Masters of Science in Business Analytics for Working Professionals	\$ -	\$ 12,000	\$ 12,000	New



# Other Increases

	Current FY 2024	Proposed FY 2025	\$ Change	% Change
<b>Course Fees:</b>				
See appendix for complete list of course fee changes	Varies	Varies	Varies	Varies
Total Access (Flat Rate Material Course Fee) Mini Term / Summer	\$ -	\$ 79	\$ 79	New
Total Access (Flat Rate Material Course Fee)	\$ -	\$ 249	\$ 249	New
Remove Inclusive Access Program	Varies	Varies	Varies	Remove
<b>Other Special Fees:</b>				
Commuter Core	\$ 198	\$ 390	\$ 192	97.0%
Commuter Intermediate	\$ 198	\$ 250	\$ 52	26.3%
Commuter Periphery	\$ 198	\$ 198	\$ -	0.0%
Park and Ride Off Campus	\$ 99	\$ 99	\$ -	0.0%
Non-Commuter Core	\$ 310	\$ 450	\$ 140	45.2%
Non-Commuter Periphery	\$ 310	\$ 310	\$ -	0.0%
Undergraduate Application Fee	\$ 50	\$ 75	\$ 25	50.0%

**FY 2024-25  
Proposed Budget**

# FY 2024-25 Proposed Base Appropriations

<b>FY2024 Base Appropriations</b>	<b>\$</b>	<b>471,090,400</b>
Formula Improvements		3,868,400
Salary Funds (3% pool)		13,445,400
Insurance Premium Increase		4,544,600
<b>FY2025 Base Appropriations</b>	<b>\$</b>	<b>492,948,800</b>
Access & Diversity		2,955,622
Governor's Chairs		5,372,962
<b>Total State Appropriations</b>	<b>\$</b>	<b>501,277,384</b>
<b>Change in Base Appropriations</b>	<b>\$</b>	<b>21,858,400</b>
Capital and Maintenance Funds		9,400,000
<b>New Funding</b>	<b>\$</b>	<b>31,258,400</b>

# Total Preliminary Budget

\$ millions

Funds	FY24 Original	FY24 Probable	FY25 Proposed	Change	% Change
E&G	\$ 1,227.1	\$ 1,238.0	\$ 1,403.5	\$ 176.5	14.4%
Auxiliaries	307.1	312.6	360.5	53.4	17.4%
Restricted	385.5	392.6	412.3	26.8	6.9%
<b>Total</b>	<b>\$ 1,919.7</b>	<b>\$ 1,943.2</b>	<b>\$ 2,176.3</b>	<b>\$ 256.6</b>	<b>13.4%</b>

Consolidated UTK, UTIA, UTSI.

# Preliminary Unrestricted E&G Revenue Summary

\$ millions

Revenue Source	FY24 Original	FY24 Probable	FY25 Proposed	Change	% Change
Tuition & Fees	\$ 659.7	\$ 662.8	\$ 794.2	\$ 134.5	20.4%
Appropriations	478.0	486.3	507.0	29.0	6.1%
Other Revenue	89.3	88.9	102.3	13.0	14.6%
<b>Total</b>	<b>\$ 1,227.1</b>	<b>\$ 1,238.0</b>	<b>\$ 1,403.5</b>	<b>\$ 176.5</b>	<b>14.4%</b>

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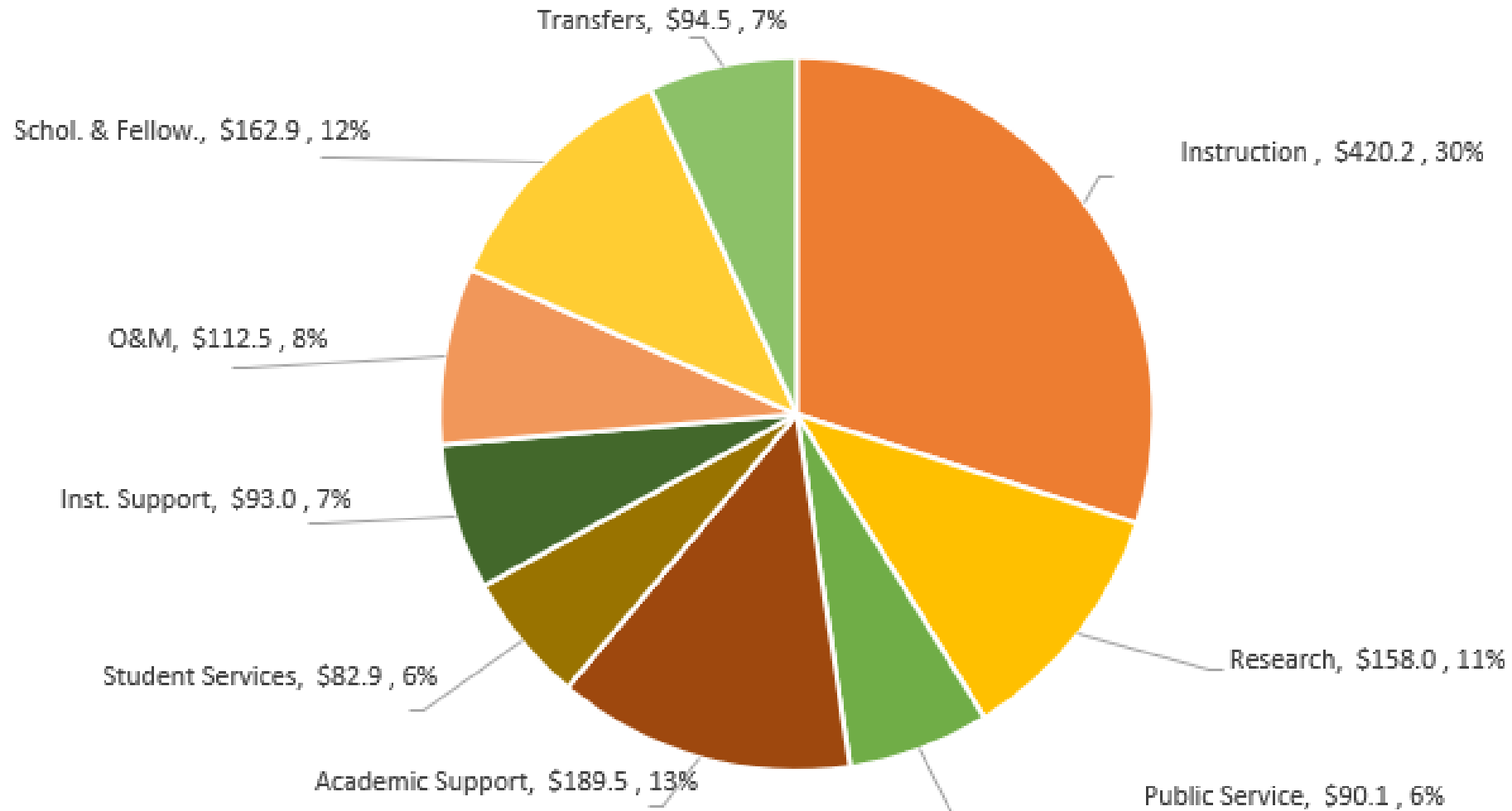
Appropriations includes federal appropriations for UTIA.

Enrollment metrics represent budgeted figures for FY23 & FY24

Enrollment Metrics	FY24 Actual	FY25 Proposed
FTFTF	6,694	6,900
Undergraduate	28,883	30,703
Graduate	7,018	7,100
<b>Total UTK Enrollment</b>	<b>35,901</b>	<b>37,803</b>

# FY 2024-25 Proposed Unrestricted E&G by Functional Area

(shown in millions and percent of total)



# Preliminary Auxiliary Budget Summary

\$ millions

Unit	FY24 Original	FY24 Probable	FY25 Proposed	Change	% Change
Athletics	\$ 184.1	\$ 187.6	\$ 211.5	\$ 27.4	14.9%
Housing	66.5	68.0	71.2	4.7	7.0%
Volshop	29.5	29.5	37.5	8.0	27.1%
Parking	11.8	12.3	14.7	2.8	24.1%
Dining	10.7	10.7	14.7	4.0	37.1%
Other	4.5	4.4	11.0	6.5	144.6%
<b>Total</b>	<b>\$ 307.1</b>	<b>\$ 312.6</b>	<b>\$ 360.5</b>	<b>\$ 53.4</b>	<b>17.4%</b>

Consolidated UTK, UTIA, UTSI.

# In Conclusion:

Additional Questions?

Advisory Board action on Resolution for Operating Budget, including Tuition and Fee proposals



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May 12, 2023



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