



**Middle Tennessee State University
Board of Trustees
Finance and Personnel Committee**

Tuesday, November 10, 2020
10:00 am

MEC Training Room – 2nd Floor
Miller Education Center
503 East Bell Street
Murfreesboro, Tennessee 37132



**Middle Tennessee State University
Board of Trustees**

Finance and Personnel Committee

November 10, 2020
10:00 am

AGENDA

Call to Order and Opening Remarks

Roll Call

Approval of Minutes (Action)Tab 1

2020-21 October Revised Budget (Action)Tab 2

THEC 2021-22 Capital Outlay/Maintenance Recommendations (Information).....Tab 3

THEC 2021-22 Operating Recommendations (Information)Tab 4

Philanthropy Report (Information).....Tab 5

Closing Remarks

Adjournment



**Middle Tennessee State University
Board of Trustees**

Finance and Personnel Committee

Action Item

DATE: November 10, 2020

SUBJECT: **Approval of Minutes**

PRESENTER: Joey Jacobs
Committee Chair

BACKGROUND INFORMATION:

The Finance and Personnel Committee met on August 18, 2020. Minutes from this meeting are provided for your review and approval.

**MIDDLE TENNESSEE STATE UNIVERSITY
BOARD OF TRUSTEES**

**FINANCE AND PERSONNEL COMMITTEE
MINUTES**

The Finance and Personnel Committee met on Tuesday, August 18, 2020, in the Miller Education Center Meeting Room at Middle Tennessee State University.

Call to Order and Opening Remarks

Committee Chair Joey Jacobs called the meeting to order at 2:30 p.m. and requested Board Secretary Heidi Zimmerman to call the roll.

Roll Call

The following Committee members were in attendance: J.B. Baker, Tom Boyd, Pete DeLay, Darrell Freeman, Joey Jacobs, Mary Martin, Steve Smith, and Delanie McDonald. A quorum was declared. President Sidney A. McPhee; Alan Thomas, Vice President for Business and Finance; Mark Byrnes, Provost; Joe Bales, Vice President for University Advancement; Andrew Oppmann, Vice President for Marketing and Communications; Bruce Petryshak, Vice President for Information Technology and Chief Information Officer; Deb Sells, Vice President for Student Affairs and Vice Provost for Enrollment and Academic Success; Brenda Burkhart, Chief Audit Executive; Heidi Zimmerman, University Counsel and Board Secretary; and, Kim Edgar, Assistant to the President and Chief of Staff were also in attendance.

Approval of Minutes - Action

The first agenda item was approval of the minutes from the June 2, 2020 Finance and Personnel Committee meeting. Board Chair Smith moved to approve the minutes from the June 2, 2020 meeting, and Trustee Freeman seconded the motion. A voice vote was taken, and the motion to approve the minutes from the June 2, 2020 meeting of the Finance and Personnel Committee carried.

Fiscal Year 2019-20 Update - Information

For the next agenda item, Mr. Thomas provided the following updates concerning Fiscal Year 2019-20 operations:

- Higher education was held harmless from any impoundments by the state;
- Pandemic related costs did not cause a significant increase in overall University expenses due to resource reallocation;
- Initial CARES Act funding was used to cover housing refunds, meal plan refunds, student wages, and technology purchases;
- Reduction of services in March should result in one-time carryover funding that will be held in reserve to help mitigate potential long-term impacts from the pandemic; however, final operating numbers will not be known until the accounting records are closed out for FY 2019-20.

Coronavirus Aid, Relief, and Economic Security (CARES) Act - Information

Next, Mr. Thomas provided the Committee with an update on the use of the CARES Act funding and its impact on the budget. He directed the Committee to the meeting materials for a description of each funding source and their spending requirements. He noted that the University had been awarded \$19.7 million to date through the CARES Act Funding, which included funding from the Governor's Emergency Education Relief Fund (GEERF). As of July 27, the University had spent \$10.8 million with most in the area of emergency student aid, as the intent of the funding was to get money into the hands of the students very quickly. He stated that technology purchases to provide faculty with equipment needed to teach online and in-classroom courses are currently in process. Mr. Thomas then informed the Committee that the University was closely following Congress's progress on the next round of expected funding and would keep the Board informed with any updates. Chairman Jacobs asked for a clarification regarding the conditions for the state to receive the GEER funds. Mr. Thomas explained that by accepting these funds, the state could not cut appropriations to elementary, secondary, and higher education below support levels in the three preceding years.

Fiscal Year 2020-21 Budget Update - Information

The next agenda item was an update on the FY 2020-21 Budget. Mr. Thomas referred the Committee to the July 1 email sent by the President informing the University Community and Board of Trustees of the funding received or retained in the budget and the items that were removed. All new funding for higher education, which included salary increase funding, was removed; however, the University did retain \$4.6 million in capital maintenance funding and \$1.2 million in one-time funding for the Meharry Medical Education Program. Mr. Thomas informed the Committee that the University had approximately \$6.6 million in fixed cost increases, including the cost of appropriations lost in the outcomes formula. He explained that these costs would typically be covered with new appropriations or new tuition dollars. Since neither of those sources will be an option for FY 2020-21, existing funding must be reallocated to cover the costs increases, which will result in a 3.3% reallocation in the existing base budget. The Provost and Vice Presidents have been working to determine the impact this reduction could have on their respective areas. Dr. McPhee stated that this would not be an across-the-board budget cut, but rather a strategic look at giving priority to programs that have the potential for growth over those that are struggling.

Dr. McPhee then provided the Committee with a brief update on enrollment numbers. He informed the Committee that after the first purge, enrollment was still up 2.67% over last year. Trustee DeLay reminded the Committee of the Trustees Fund established two years ago to assist students that need a small amount of financial assistance to stay in school. He noted that the replenishment of the fund would make an enormous difference for those students this year.

Classified Employee Grievance Annual Report - Information

Kathy Musselman, Assistant Vice President for Human Resources, presented the Classified Employee Grievance Annual Report as the final agenda item. Ms. Musselman informed the Committee that TCA §49-8-117 requires each State University Board to provide an annual report to the education committees of the Senate and the House of Representatives that shows the

number of grievances filed by classified individuals who have been demoted, suspended, or terminated. The report included in the meeting materials contained two grievances for fiscal year July 1, 2019 - June 30, 2020; one termination with the decision upheld and the other still in progress. Chairman Jacobs asked for the number of employees at the University. Ms. Musselman responded that there are 2,200 full-time employees and approximately 700 of them are classified staff.

Adjournment

The meeting adjourned at 2:59 p.m.

Respectfully submitted,

Finance and Personnel Committee

DRAFT



**Middle Tennessee State University
Board of Trustees**

Finance and Personnel Committee

Action Item

DATE: November 10, 2020

SUBJECT: **2020-21 October Revised Budget**

PRESENTERS: Alan Thomas
Vice President for Business and Finance

BACKGROUND INFORMATION:

The Board of Trustees are charged with approving the operating budgets and setting the fiscal policies for Middle Tennessee State University. As required by THEC, one of the three budgets submitted by the University annually is an October (Revised) budget.

The attached budget being submitted for your approval contains the following changes since the July (Original) Budget:

- Adjustments to Tuition and Fee Revenue, mainly due to not charging the fee for online courses.
- Reduction in the State Appropriation to reflect the June Legislative adjustments to the State budget.
- Adjusted expenditure budgets for (1) re-budgeting of various student

fee balances from the prior year, (2) purchases in process at year end but not be completed until the current fiscal year, (3) additional safety and security initiatives, (4) scholarships, and (5) marketing and branding.

- Reallocation of expenditure budgets to cover (1) reduction in appropriation, (2) faculty promotions, (3) increases in funding for scholarships and discounts, (4) software maintenance agreements, and (5) funding for new academic programs approved by THEC for FY 2020-21.
- Adjustments to auxiliary and restricted budgets based on information obtained since the July Budget submission.

**MIDDLE TENNESSEE STATE UNIVERSITY
ANALYSIS OF BUDGET CHANGES FOR REVENUE CATEGORIES
OCTOBER BUDGET 2020-21**

	<u>2020-21 July Budget</u>	<u>2020-21 October Budget</u>	<u>Difference</u>
Tuition and Fees	\$ 200,742,000	\$ 199,810,400	\$ (931,600)
State Appropriations	112,109,300	107,193,500	(4,915,800)
Federal Grants and Contracts	650,000	650,000	-
Local Grants and Contracts	60,000	60,000	-
State Grants & Contracts	45,000	45,000	-
Private Grants & Contracts	281,300	281,300	-
Private Gifts	-	-	-
Sales & Services of Educ Activities	752,800	747,800	(5,000)
Sales & Services of Other Activities	18,314,100	15,352,600	(2,961,500)
Other Sources	<u>1,682,400</u>	<u>1,682,400</u>	<u>-</u>
	<u>\$ 334,636,900</u>	<u>\$ 325,823,000</u>	<u>\$ (8,813,900)</u>

The following items are reflected above:

- MTSU Meharry scholarships of \$1.2M and additional funding for TCRS and Group Health Insurance
- Removed \$3.4M State Funding and \$1.7M for Salary Increases
- Reduction in Athletic revenue \$3.0M
- Reduced Distance Education Fee \$926K

**MIDDLE TENNESSEE STATE UNIVERSITY
UNRESTRICTED EDUCATION AND GENERAL EXPENDITURES BY FUNCTIONAL CATEGORY
OCTOBER BUDGET 2020-21**

Function	July Budget 2020-21	October Budget 2020-21	Difference
Instruction	\$ 159,499,700	\$ 167,086,700	\$ 7,587,000
Research	5,711,000	9,073,300	3,362,300
Public Service	4,453,000	5,926,600	1,473,600
Academic Support	34,277,800	35,487,100	1,209,300
Student Services	37,859,700	39,626,500	1,766,800
Institutional Support	25,659,100	27,870,100	2,211,000
Operation and Maintenance	28,677,900	28,854,800	176,900
Scholarships and Fellowships	27,166,800	30,424,700	3,257,900
Transfers	<u>11,331,900</u>	<u>10,205,400</u>	<u>(1,126,500)</u>
Total	<u>\$ 334,636,900</u>	<u>\$ 354,555,200</u>	<u>\$ 19,918,300</u>

The following items are reflected above:

Removed 1% Salary Pool

MTSU Meharry scholarships of \$1.2M and additional funding for TCRS and Group Health Insurance

July Budget Figures are Base Budget; October includes carryover

**MIDDLE TENNESSEE STATE UNIVERSITY
UNRESTRICTED EDUCATION AND GENERAL EXPENDITURES BY NATURAL CATEGORY
OCTOBER BUDGET 2020-21**

	July Budget 2020-21	October Budget 2020-21	Difference
Professional Salaries	\$ 149,552,100	\$ 146,439,000	\$ (3,113,100)
Other Salaries	23,321,200	23,270,600	(50,600)
Employee Benefits	63,045,900	62,631,300	(414,600)
Travel	5,312,600	4,640,700	(671,900)
Operating Expense	78,329,900	103,114,300	24,784,400
Capital Outlay	3,743,300	4,253,900	510,600
Transfers	11,331,900	10,205,400	(1,126,500)
Total	<u>\$ 334,636,900</u>	<u>\$ 354,555,200</u>	<u>\$ 19,918,300</u>

The following items are reflected above:

Removed 1% Salary Pool

MTSU Meharry scholarships of \$1.2M and additional funding for TCRS and Group Health Insurance

July Budget Figures are Base Budget; October includes carryover

**MIDDLE TENNESSEE STATE UNIVERSITY
ANALYSIS OF BUDGET CHANGES FOR AUXILIARIES
OCTOBER BUDGET 2020-21**

<u>Auxiliary</u>	<u>2020-21 July Budget</u>	<u>2020-21 October Budget</u>	<u>Difference</u>
Bookstore	\$ 375,000	\$ 375,000	\$ -
Food Service	2,808,000	2,282,831	(525,169)
Housing	17,220,720	9,489,590	(7,731,130)
Vending	130,000	130,000	-
Recreational Center	3,034,824	2,557,124	(477,700)
Post Office	452,576	444,576	(8,000)
Parking Services	4,959,488	4,727,488	(232,000)
Residential & Commercial Rentals	280,000	280,000	-
Greek Row	0	0	-
Health Services	4,110,700	3,732,500	(378,200)
TN Miller Coliseum	614,614	554,584	(60,030)
Student LD Service	2,500	2,500	-
TOTAL	<u>\$ 33,988,422</u>	<u>\$ 24,576,193</u>	<u>\$ (9,412,229)</u>

The following items are reflected above:

Housing moved from two students per room to single occupancy

Program Services Fees were reduced in the Summer Term for the Student Recreation Center and Parking

MIDDLE TENNESSEE STATE UNIVERSITY
SUMMARY OF RESTRICTED CURRENT FUNDS AVAILABLE AND APPLIED
OCTOBER BUDGET 2020-21

Revenues	2020-21 July Budget	2020-21 October Budget	Difference
Tuition and Fees	\$ 1,350,000	\$ 1,500,000	\$ 150,000
Federal Grants and Contracts	48,879,300	50,500,000	1,620,700
State Appropriations: Centers of Excellence	394,600	389,500	(5,100)
State Appropriations: Special Allocations	489,500	489,500	-
State Grants & Contracts	39,150,000	40,000,000	850,000
Local Grants & Contracts	50,000	50,000	-
Private Grants & Contracts	750,000	750,000	-
Private Gifts	2,300,000	2,500,000	200,000
Endowment Income	800,000	800,000	-
Other Income	800,000	700,000	(100,000)
Total Revenues	<u>\$ 94,963,400</u>	<u>\$ 97,679,000</u>	<u>\$ 2,715,600</u>
Expenses			
Instruction	\$ 3,800,000	\$ 9,000,000	\$ 5,200,000
Research	3,950,000	3,950,000	-
Public Service	7,657,300	7,500,000	(157,300)
Academic Support	5,014,000	550,000	(4,464,000)
Student Services	3,235,000	3,235,000	-
Institutional Support	150,000	150,000	-
Operation and Maintenance	-	250,000	250,000
Scholarships and Fellowships	70,975,000	72,750,000	1,775,000
Auxiliary Enterprises		6,600	
Total Expenses	<u>\$ 94,781,300</u>	<u>\$ 97,391,600</u>	<u>\$ 2,610,300</u>

**MIDDLE TENNESSEE STATE UNIVERSITY
TOTAL REVENUE BUDGET
OCTOBER BUDGET 2020-21**

<u>Fund Group</u>	<u>2020-21 July Budget</u>	<u>2020-21 October Budget</u>	<u>Difference</u>
Unrestricted Education & General	\$ 334,636,900	\$ 325,823,000	\$ (8,813,900)
Auxiliary	33,988,422	24,576,193	(9,412,229)
Restricted	<u>94,963,400</u>	<u>97,679,000</u>	<u>2,715,600</u>
TOTAL	<u><u>\$ 463,588,722</u></u>	<u><u>\$ 448,078,193</u></u>	<u><u>\$ (15,510,529)</u></u>

TSSBA Debt Service Coverage - Disclosed Projects Adjustment
MIDDLE TENNESSEE STATE UNIVERSITY
Revised Budget 2020-21

<u>Project Name</u>	<u>Total Project Budget</u>	<u>Amt. Financed by TSSBA</u>	<u>Est. Annual Debt Service</u>	<u>Est. Annual Related Fee Rev</u>
Student Athlete Performance Center	50,000,000	40,000,000		
Women's Softball Facility	3,000,000	2,500,000		
Athletic Video Board Upgrades	3,000,000	3,000,000		
School of Concrete & Construction Mgmt	40,100,000	2,000,000	424,317	
Flight School Addition	5,000,000	5,000,000		



**Middle Tennessee State University
Board of Trustees**

Finance and Personnel Committee

Information Item

DATE: November 10, 2020

SUBJECT: **Capital Outlay and Capital Maintenance Requests**

PRESENTERS: Bill Waits
Assistant Vice President for Campus Planning

BACKGROUND INFORMATION:

Each year, the Tennessee Higher Education Commission (THEC), at its fall meeting, makes recommendations concerning capital outlay and capital maintenance funding for the campuses:

- Capital outlay funding
- Capital maintenance funding

The following THEC staff recommendations will be presented to the Commission for approval at the November 6th meeting.

Capital Outlay Funding:

In June of this year, the MTSU Board of Trustees approved the University's FY 2021-22 Capital Outlay Project Submittal for the Applied Engineering Building.

This was the Capital Outlay Project Request for FY 2020-21 as well and is listed as a high priority project in the Campus Master Plan. The \$55 million project is a 92,000 square foot building that will provide critically needed lab space and support areas for the degree programs of Mechatronics Engineering and Engineering Technology.

The Tennessee Higher Education Commission (THEC) staff ranked priority list of recommended projects for funding in 2021-22 is included in these materials. **MTSU's Applied Engineering building is ranked #3 on THEC's request for capital outlay funding. The first two capital projects listed were held over from THEC's prior year recommendations.**

THEC is recommending a total of twelve (12) projects for funding in 2021-22. The capital outlay funding request totals \$480.3 million and includes three (3) projects for the Tennessee Board of Regents, totaling \$87.6 million (18% of the total appropriation); six (6) projects for the LGIs, totaling \$307.1 million (64% of the total); and three (3) projects for the University of Tennessee, totaling \$85.5 million (18% of the total).

Capital Maintenance Funding:

In June of this year, the MTSU Board of Trustees approved the University's submittal of ten (10) capital maintenance projects for the 2021-22 fiscal year totaling \$9,965,000. The projects included electrical upgrades, roof replacements, elevator modernization, campus wide life safety systems upgrades, repair and replacement of campus utility systems, and HVAC and exhaust system upgrades.

THEC staff is recommending all capital maintenance projects for funding in 2021-22. A list of the individual capital maintenance projects and their associated budgets are included in these materials.

**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 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

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



**Middle Tennessee State University
Board of Trustees**

Finance and Personnel Committee

Information Item

DATE: November 10, 2020

SUBJECT: **THEC 2020-21 Operating Recommendations**

PRESENTERS: Alan Thomas
Vice President for Business and Finance

BACKGROUND INFORMATION:

Each year, the Tennessee Higher Education Commission (THEC), at its fall meeting, makes the following recommendations for the campuses:

- Operating appropriations
- Tuition guidance range

THEC staff is recommending operating state appropriations for 2021-22 in the amount of \$107.5 million for MTSU, representing a \$1.0 million increase, or .9%, over 2020-21 appropriations. This net increase is a combination of a decrease of \$2.2 million in the outcomes formula adjustments and a \$3.2 million increase in proposed new funding for higher education. At the request of Finance and Administration (F&A), THEC did not include in their recurring recommendation a salary component, which allows F&A to apply general

government's salary policy to higher education in the Governor's Budget. A schedule of THEC's 2021-22 state appropriations distribution recommendation is included in these materials.

The Complete College Tennessee Act (CCTA) requires THEC to make student fee and state appropriation recommendations concurrently. The FOCUS Act expanded THEC's authority on student fees, requiring THEC to issue binding tuition ranges each year. THEC staff is recommending a guiding tuition (maintenance fee) range of zero to three percent for all public universities, community colleges, and TCATs, as well as a guiding tuition and mandatory fee range of zero to three percent. A final binding tuition range will be approved later in the fiscal year once clarity around the state budget and overall impact on higher education funding is determined.

The above recommendations will be presented to the Commission for approval at their November 6th meeting.

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

Academic Formula Units	2020-21 Appropriation ¹	2021-22 Formula Calculation	Breakdown of 2021-22 Changes		2021-22 Changes	2021-22 Recommendation	Percent Change	Percent Funded
			Outcomes Formula Adjustments	Share of New Funding				
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 (\$190K), 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 Distribution Recommendation

	A	B	C = B - A	D = C / A
Specialized Units	2020-21 Appropriation ¹	2021-22 Recommendation ¹	Total Change	Percent Change
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 II for further detail.

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

ATTACHMENT V

2021-22 State Appropriations Funding Scenarios

	A	B	C	D	E	F
	Outcomes Formula Calculation	Share of Total Formula Calculation	\$36,000,000 THEC Recommendation	Alternative Funding Scenarios		
				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.



**Middle Tennessee State University
Board of Trustees**

Finance and Personnel Committee

Information Item

DATE: November 10, 2020

SUBJECT: **Philanthropy Report**

PRESENTER: Joe Bales
Vice President for University Advancement

BACKGROUND INFORMATION:

Joe Bales, Vice President for University Advancement, will provide a brief update of philanthropic activity for the Middle Tennessee State University Foundation.

Included will be a discussion of:

- 5-year fundraising results, national trends and comparisons
- Individual unit performance
- Foundation assets and endowment management
- Current challenges and opportunities
- Trustee Fund update

Foundation Gifts Overview

Total Giving-Category	Fiscal Year 2015	Fiscal Year 2016	Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020
Academics	\$1,651,078.00	\$2,128,338.00	\$2,165,419.00	\$2,216,577.00	\$2,518,858.00	\$2,200,144.00
Athletics	\$2,527,116.00	\$1,950,182.00	\$2,033,015.00	\$2,878,021.00	\$1,976,345.00	\$1,455,792.00
Scholarships - Annual	\$1,067,426.00	\$335,548.00	\$444,424.00	\$476,795.00	\$512,454.00	\$409,600.00
Scholarships - Endowed	\$688,103.00	\$623,446.00	\$1,068,125.00	\$993,074.00	\$952,131.00	\$1,505,821.00
Capital & Real Estate	\$1,010,847.00	\$1,001,915.00	\$1,003,192.00	\$1,172,518.00	\$1,003,562.00	\$1,001,541.00
Non-Academic	\$340,947.00	\$605,262.00	\$1,038,016.00	\$1,124,041.00	\$758,168.00	\$980,776.00
Unrestricted	\$44,992.00	\$67,977.00	\$91,199.00	\$75,604.00	\$14,057.00	\$11,805.00
Total Giving-Gift Type	Fiscal Year 2015	Fiscal Year 2016	Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020
Planned Gifts Received	\$1,584,744.00	\$87,984.00	\$217,123.00	\$1,878,598.00	\$368,925.00	\$304,594.00
Special Gifts to the Univ	\$2,293,805.00	\$891,419.00	\$551,767.00	\$2,412,462.00	\$2,184,800.00	\$2,966,465.00
Outright Gifts	\$7,056,718.00	\$6,520,667.00	\$7,744,766.00	\$8,331,141.00	\$7,402,951.00	\$7,565,479.00
Gifts-In-Kind	\$273,791.00	\$192,001.00	\$98,624.00	\$605,489.00	\$332,624.00	\$145,902.00
(Donors) Dollars	Fiscal Year 2015	Fiscal Year 2016	Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020
\$1 to \$999.99	(5,646) \$883,555.00	(4,759) \$786,755.00	(5,059) \$737,032.00	(5,268) \$796,708.00	(5,891) \$822,164.00	(5,676) \$812,634.00
\$1,000.00 - \$9,999	(600) \$1,519,668.00	(609) \$1,572,246.00	(622) \$1,738,918.00	(697) \$1,836,324.00	(677) \$1,712,312.00	(657) \$1,665,220.00
\$10,000.00 to \$99,999	(97) \$2,071,979.00	(83) \$2,027,698.00	(111) \$2,897,653.00	(101) \$2,804,128.00	(110) \$2,590,514.00	(118) \$2,500,448.00
\$100,000 to \$999,999	(8) \$2,309,098.00	(8) \$2,305,372.00	(10) \$2,238,677.00	(16) \$3,562,230.00	(11) \$1,984,310.00	(13) \$2,461,533.00
\$1,000,000.00 plus	(4) \$4,424,758.00	(1) \$1,000,000.00	(1) \$1,000,000.00	(3) \$4,228,300.00	(2) \$3,180,000.00	(2) \$3,542,605.00
Total Giving	Fiscal Year 2015	Fiscal Year 2016	Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020
Total FY Gifts Received	\$11,209,058.00	\$7,692,071.00	\$8,612,280.00	\$13,227,690.00	\$10,289,300.00	\$10,982,440.00
Top 10% of Donors	(635) \$10,353,838.00	(546) \$7,168,120.00	(584) \$7,795,048.00	(608) \$11,994,702.00	(669) \$9,336,136.00	(646) \$10,024,183.00
Top Gifts	Fiscal Year 2015	Fiscal Year 2016	Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020
10 Largest Gifts	\$1,277,225.64	\$1,000,000.00	\$1,000,000.00	\$2,215,300.00	\$2,180,000.00	\$2,542,604.95
	\$1,147,500.00	\$761,100.00	\$430,050.00	\$1,000,000.00	\$1,000,000.00	\$1,000,000.00
	\$1,000,000.00	\$750,000.00	\$279,067.00	\$1,000,000.00	\$461,626.00	\$374,422.00
	\$1,000,000.00	\$200,000.00	\$200,000.00	\$750,000.00	\$300,000.00	\$250,000.00
	\$732,460.22	\$120,000.00	\$200,000.00	\$707,385.00	\$236,675.04	\$250,000.00
	\$400,000.00	\$100,000.00	\$103,188.00	\$292,000.00	\$176,925.66	\$143,172.20
	\$350,000.00	\$100,000.00	\$100,337.00	\$258,625.00	\$100,000.00	\$143,172.20
	\$298,022.21	\$97,455.00	\$100,000.00	\$179,258.00	\$100,000.00	\$132,953.34
	\$109,002.75	\$65,000.00	\$100,000.00	\$166,591.00	\$100,000.00	\$132,953.33
	\$100,000.00	\$61,568.26	\$100,000.00	\$155,330.00	\$100,000.00	\$132,953.33
Totals	\$6,414,210.82	\$3,255,123.26	\$2,612,642.00	\$6,724,489.00	\$4,755,226.70	\$5,102,231.35

Middle Tennessee State University
Foundation Gifts/Development Report (6-30-20 FINAL)

<i>Year-to-Date Comparisons</i>						FY2019 as of 6-30-19			FY2020 as of 6-30-20		
Total Gifts	Alumni Donors	Total Donors	Total Given			Alumni Donors	Total Donors	Total Given			
Restricted Cash			\$7,559,425.58					7,673,697.57			
Restricted Gift-In-Kind			332,624.30					145,901.75			
Unrestricted Cash			13,817.15					11,565.30			
Unrestricted Gift-In-Kind			\$0.00					\$0.00			
Total No Premiums			7,905,867.03					7,831,164.62			
Special Gifts to the University *			\$2,184,800.00					\$2,966,464.95			
Totals	4094	7873	\$10,090,667.03			3738	7607	\$10,797,629.57			
Colleges	Alumni Donors	Total Donors	Total Given	<i>Special Gifts to Univ* & GIKs</i>	<i>Planned Gift Pldgs</i>	Alumni Donors	Total Donors	Total Given	<i>Special Gifts to Univ* & GIKs</i>	<i>Planned Gift Pldgs</i>	
Athletics-All (Incl BRAA below)	1103	1901	\$1,808,231.02	11,745.46	\$100,000.00	888	1526	\$1,452,399.31	4,102.75		
<i>BRAA 91003 & 91199</i>	766	1366	\$1,235,913.86	11,745.46		685	1183	\$1,043,029.62	4,102.75		
College of Basic & Applied Sci	433	660	1,032,622.64	\$2,368,225.66		431	696	1,351,769.07	\$2,604,264.95		
College of Behavioral/Health Sc	406	572	300,918.21	\$0.00	\$615,000.00	326	455	275,329.71	\$800.00		
College of Business	449	682	993,856.37	\$12,500.00		310	522	1,002,543.82	\$9,800.00		
College of Education	372	580	371,720.80	\$2,235.98	\$1,024,000.00	302	481	361,504.35	\$576.00	\$50,000.00	
College of Liberal Arts	472	777	505,963.97	\$41,000.00	\$102,000.00	379	632	318,509.82	\$398,860.00	\$10,000.00	
College of Media & Entertain.	201	322	240,106.09	\$30,362.20		178	301	148,914.44	\$91,508.00		
WMOT	163	1546	263,206.60	\$2,500.00		158	1610	316,819.62			
University College	76	101	6,193.49	\$0.00		54	72	3,185.90			
Library	35	57	7,572.38	\$48,855.00		51	90	32,098.77			
Honors College	37	68	42,510.18	\$0.00		33	75	81,310.19			
Other Giving (Incl Holding Fund)			\$2,000,340.98	\$0.00	\$1,450,000.00			2,340,877.87	\$2,455.00	\$1,500,000.00	
Planned Gift Pledges Received in FY		12	\$3,291,000.00				3	\$1,560,000.00			
Planned Gift Pledges Balance (All)		65	34,809,337.96				67	36,344,337.96			
<i>Athletics Premiums-ALL (Incl Priority Seating)</i>			\$592,174.70					602,161.08			
<i>Athletics Prems-Priority Seating Only</i>			\$539,280.51	(80% = \$431,424.08 incl above)				\$550,966.78	(80% = \$440,773.42 INCL above)		
Foundation Endowment Value **			\$107,497,837.00					\$110,722,634.14			
Solicitable Alumni as of July 1	123,672					127,406					

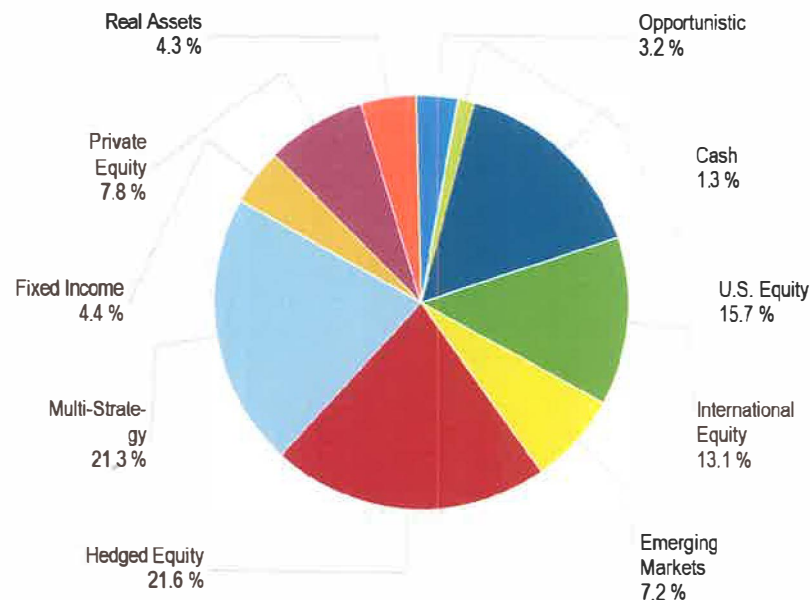
*Special Gifts Not Deposited w/the Foundation
 ** As of the Last Day of the Fiscal Year

-Donor Numbers include soft-credit spouses
 -Gift totals DO NOT include premiums; Gifts-In-Kind are listed separately
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 Finance and Personnel Committee
 November 10, 2020

Summary of Cash Flows

	Second Quarter	Year-To-Date	Fiscal Year-To-Date	Inception 1/1/93
Beginning Market Value	\$58,165,630	\$66,703,839	\$64,434,847	\$5,455,367
Net Cash Flow	-\$418	-\$459,195	-\$200,558	\$7,746,569
Net Investment Change	\$7,038,417	-\$1,041,015	\$969,340	\$52,001,693
Ending Market Value	\$65,203,629	\$65,203,629	\$65,203,629	\$65,203,629

Current Allocation



Ending June 30, 2020

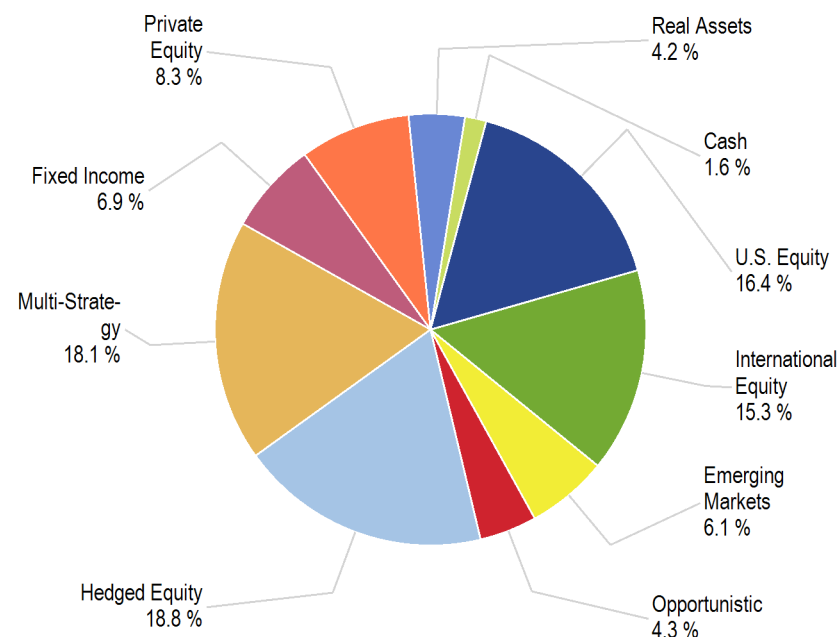
	2020 Q2 (%)	YTD (%)	Fiscal YTD (%)	3 Yrs (%)	5 Yrs (%)	Since 10/1/13 (%)	10 Yrs (%)	20 Yrs (%)	Inception (%)	Inception Date
MTSU Total Fund	12.1	-1.5	1.5	4.9	4.4	5.3	7.0	5.9	7.0	Jan-93
60% MSCI World - 40% BBgBarc Aggregate	12.7	-0.5	6.1	6.9	6.5	6.7	8.1	5.3	7.3	Jan-93
Mirror Index	10.5	-6.1	-1.7	3.0	3.0	3.8	6.5	5.1	6.5	Jan-93
CPI + 5%	1.1	2.8	5.7	6.8	6.6	6.5	6.8	7.1	7.3	Jan-93

The Mirror Index represents a historical weighted average of market indices using the Total Fund's allocation of weights. The indices used are the Russell 3000, MSCI EAFE, MSCI Emerging Markets, MSCI Japan, HFRI FOF: Strategic, HFRI FOF: Conservative, Cambridge Private Equity, S&P Real Assets, Alerian MLP, Eureka hedge ILS Advisers and BBgBarc US Aggregate.

Summary of Cash Flows

	Quarter-To-Date	Year-To-Date	One Year	Inception 1/1/93
Beginning Market Value	\$65,961,513	\$66,253,392	\$63,275,628	\$5,455,367
Net Cash Flow	-\$629	-\$9,377	-\$649	\$7,745,940
Net Investment Change	\$5,020,623	\$4,737,492	\$7,706,528	\$57,780,200
Ending Market Value	\$70,981,507	\$70,981,507	\$70,981,507	\$70,981,507

Current Allocation

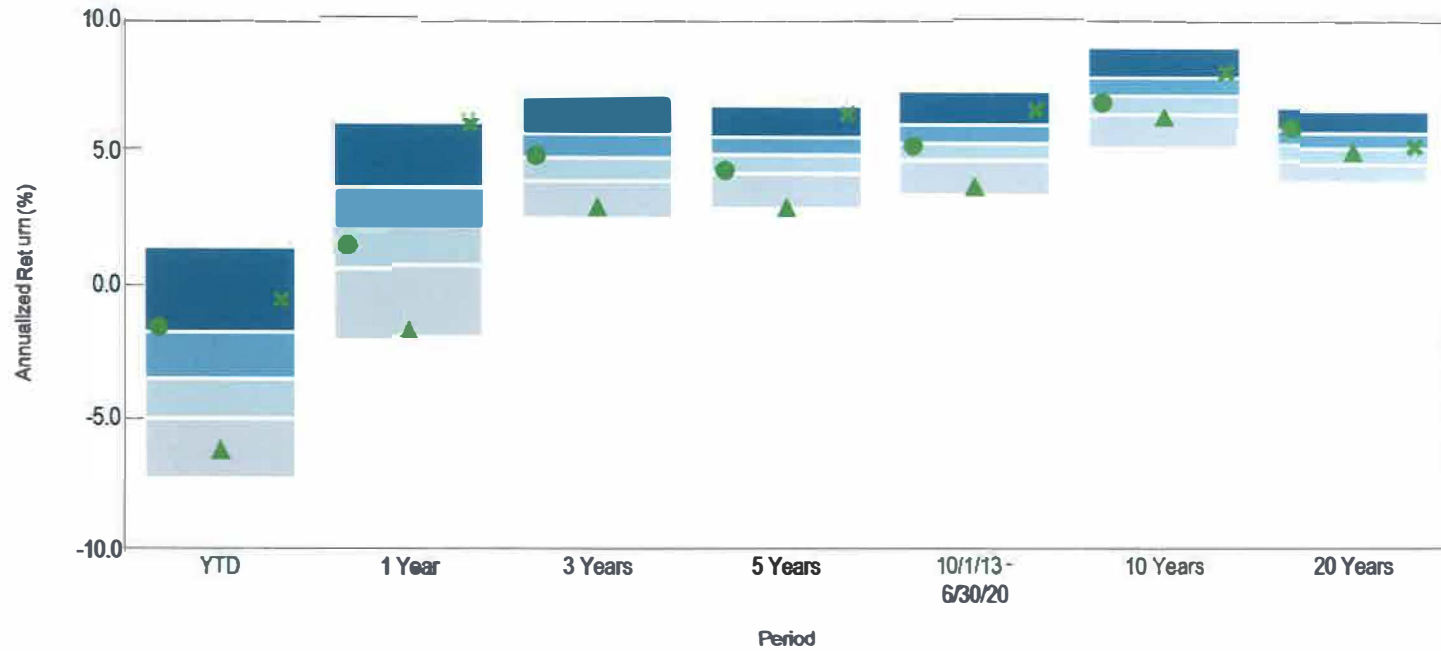


Ending September 30, 2020

	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	Since 10/1/13 (%)	10 Yrs (%)	20 Yrs (%)	Inception (%)	Inception Date
MTSU Total Fund	7.7	7.3	12.3	7.1	7.5	6.4	7.2	6.1	7.3	Jan-93
Mirror Index	4.7	-0.6	4.5	4.0	5.7	4.5	6.1	5.2	6.7	Jan-93
60% MSCI World - 40% BBgBarc Aggregate	5.1	4.6	10.0	7.5	8.6	7.2	7.7	5.7	7.4	Jan-93
CPI + 5%	2.2	5.1	6.4	6.9	6.9	6.6	6.8	7.1	7.3	Jan-93

The Mirror Index represents a historical weighted average of market indices using the Total Fund's allocation of weights. The indices used are the Russell 3000, MSCI EAFE, MSCI Emerging Markets, MSCI Japan, HFRI FOF: Strategic, HFRI FOF: Conservative, Cambridge Private Equity, S&P Real Assets, Alerian MLP, Eurekahedge ILS Advisers and BBgBarc US Aggregate.

InvMetrics All E&F Net Return Comparison
Ending June 30, 2020



	Return (Rank)													
	YTD		1 Year		3 Years		5 Years		10/1/13 - 6/30/20		10 Years		20 Years	
5th Percentile	1.4	6.1	7.1	6.8	7.4	9.0	6.6							
25th Percentile	-1.8	3.7	5.7	5.6	6.1	7.9	5.8							
Median	-3.5	2.1	4.8	5.0	5.4	7.2	5.3							
75th Percentile	-5.0	0.7	4.0	4.3	4.8	6.5	4.7							
95th Percentile	-7.2	-2.1	2.6	3.0	3.5	5.1	3.8							
# of Portfolios	1,186	1,170	1,055	956	846	674	244							
● MTSU Total Fund	-1.5	(23)	1.5	(63)	4.9	(49)	4.4	(72)	5.3	(55)	7.0	(60)	5.9	(23)
▲ Mirror Index	-6.1	(89)	-1.7	(94)	3.0	(91)	3.0	(95)	3.8	(93)	6.5	(79)	5.1	(55)
✕ 60% MSCI World - 40% BBgBarc Aggregate	-0.5	(14)	6.1	(6)	6.9	(7)	6.5	(8)	6.7	(13)	8.1	(21)	5.3	(46)