

Agenda Item: V.**DATE:** July 26, 2018**SUBJECT:** Tuition and Fee Development Process**ACTION RECOMMENDED:** Informational

BACKGROUND INFORMATION

During its May 17 meeting, the Commission approved the THEC-staff recommendation of a binding range of zero-to-three percent range for increases to in-state, undergraduate maintenance fees (tuition) and a binding zero-to-three percent range for the combination of in-state, undergraduate maintenance and mandatory fees for the 2018-19 academic year. Two motions accompanied approval of the binding range.

Commissioner A C Wharton, Jr. motioned for THEC staff to revisit its guidance and recommendation process to ensure a tuition development system that is both responsive to institutional operations and focused on affordability for students and families.

Additionally, the Commission passed a motion requesting the president and chancellor of each governing board to report to the Commission in July the process by which they established the 2018-19 maintenance and mandatory fee rates for their respective institution(s).

As preparation for this discussion, THEC staff requested each governing board to provide written responses to the below questions to accompany their presentation. These questions are similar to those posed by the Commission at its May meeting and those asked of each governing board in January by the Senate Finance, Ways and Means Committee. The questions are inclusive of the requirements outlined in the *Tuition Transparency and Accountability Act*, taking effect for all universities on July 1, 2018.

- 1) For each institution, what is the percent increase in the maintenance fee and the percent increase in the combined maintenance and mandatory fees for 2018-19? How much revenue do you anticipate to raise with these increases? Please specify the purposes for which these revenues will be used.

- 2) What specific factors did your staff and governing board consider when recommending and establishing the 2018-19 maintenance and mandatory fee levels?
- 3) To what extent were efforts implemented to mitigate the effect of the maintenance and mandatory fee increases on students?
- 4) Please provide a table listing your major areas of expenditures, as well as a breakdown of their percentages of your total budget. What strategies have you implemented—or plan to implement—to reduce growths in these areas of expenditures?

The maintenance and mandatory fee rationales were submitted to THEC staff and are attached. The agenda includes time for each governing board to present a brief report on their process.

SUMMARY OF TUITION AND FEE CHANGES

The approved 2018-19 maintenance and mandatory fees for higher education all fall within the bounds set by the binding THEC range (see THEC Page 4). The increases from 2017-18 and 2018-19 fall on both ends of the spectrum, with combined increases equivalent to either less than 0.5% or above 2.0%. The maintenance and mandatory fee rationales follow starting on THEC Page 5.

Tuition and Fee Development Process

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MANDATORY STUDENT FEE CHARGES 2017-18 & 2018-19

	2017-18			2018-19			Percent Increase		
	Total Mandatory Fees	Undergraduate Maintenance Fees	Total Undergraduate Resident	Total Mandatory Fees	Undergraduate Maintenance Fees	Total Undergraduate Resident	Total Mandatory Fees	Undergraduate Maintenance Fees	Total Undergraduate Resident
Austin Peay	\$1,529	\$6,696	\$8,225	\$1,583	\$6,888	\$8,471	3.53%	2.87%	2.99%
East Tennessee	\$1,791	\$7,224	\$9,015	\$1,855	\$7,422	\$9,277	3.57%	2.74%	2.91%
Middle Tennessee	\$1,772	\$7,176	\$8,948	\$1,826	\$7,380	\$9,206	3.05%	2.84%	2.88%
Tennessee State	\$1,050	\$6,726	\$7,776	\$1,107	\$6,900	\$8,007	5.43%	2.59%	2.97%
Tennessee Tech	\$1,217	\$7,656	\$8,873	\$1,243	\$7,860	\$9,103	2.14%	2.66%	2.59%
University of Memphis	\$1,637	\$8,064	\$9,701	\$1,637	\$8,064	\$9,701	0.00%	0.00%	0.00%
UT Chattanooga	\$1,776	\$6,888	\$8,664	\$1,776	\$6,888	\$8,664	0.00%	0.00%	0.00%
UT Knoxville	\$1,860	\$11,110	\$12,970	\$1,896	\$11,110	\$13,006	1.94%	0.00%	0.28%
UT Martin (Part-Time & Full-Time w/ 90+ SCH)*	\$1,418	\$7,200	\$8,618	\$1,460	\$7,416	\$8,876	2.96%	3.00%	2.99%
UT Martin (Full-Time w/ less than 90 SCH)*	\$1,418	\$7,818	\$9,236	\$1,460	\$8,052	\$9,512	2.96%	2.99%	2.99%
Chattanooga	\$319	\$4,032	\$4,351	\$319	\$4,140	\$4,459	0.00%	2.68%	2.48%
Cleveland	\$299	\$4,032	\$4,331	\$299	\$4,140	\$4,439	0.00%	2.68%	2.49%
Columbia	\$327	\$4,032	\$4,359	\$333	\$4,140	\$4,473	1.83%	2.68%	2.62%
Dyersburg	\$299	\$4,032	\$4,331	\$299	\$4,140	\$4,439	0.00%	2.68%	2.49%
Jackson	\$285	\$4,032	\$4,317	\$285	\$4,140	\$4,425	0.00%	2.68%	2.50%
Motlow	\$307	\$4,032	\$4,339	\$305	\$4,140	\$4,445	-0.65%	2.68%	2.44%
Nashville	\$255	\$4,032	\$4,287	\$255	\$4,140	\$4,395	0.00%	2.68%	2.52%
Northeast	\$311	\$4,032	\$4,343	\$311	\$4,140	\$4,451	0.00%	2.68%	2.49%
Pellissippi	\$339	\$4,032	\$4,371	\$339	\$4,140	\$4,479	0.00%	2.68%	2.47%
Roane	\$303	\$4,032	\$4,335	\$303	\$4,140	\$4,443	0.00%	2.68%	2.49%
Southwest	\$319	\$4,032	\$4,351	\$319	\$4,140	\$4,459	0.00%	2.68%	2.48%
Volunteer	\$293	\$4,032	\$4,325	\$293	\$4,140	\$4,433	0.00%	2.68%	2.50%
Walters	\$288	\$4,032	\$4,320	\$288	\$4,140	\$4,428	0.00%	2.68%	2.50%
TN Colleges of Applied Technology	\$230	\$3,507	\$3,737	\$230	\$3,612	\$3,842	0.00%	2.99%	2.81%

*The 2017-18 tuition rate for full-time students who have completed fewer than 90 credit hours is a flat rate for 12 hours a semester regardless of how many hours the student is enrolled. Full-time students who have completed more than 90 credit hours are also charged a flat rate for 12 hours regardless of how many hours the student is enrolled. Part-time students are charged on a per credit hour basis at the 90+ credit hour rate.



Austin Peay State University

2018-19 Maintenance and Mandatory Fee Rationale

- 1) For each institution, what is the percent increase in the maintenance fee and the percent increase in the combined maintenance and mandatory fees for 2018 – 19? How much revenue do you anticipate to raise with these increases? Please specify the purposes for which these revenues will be used.**

Response:

The percent increase in the maintenance fee is 2.87%, for a total increase in maintenance and mandatory fees of 2.99%. The combined maintenance and mandatory fee increases will generate approximately \$1,930,600 in annual revenue.

The revenue generated from the maintenance fee will be used to complete the funding of the 2.5% state-mandated salary increase and associated benefits, salary and benefits for employee market adjustments, faculty promotions, new academic programs, and fixed cost increases. The revenue generated from the increase in mandatory fees will be used in program services to serve students who are using health services and participating in university recreation, graduation exercises, and associated events.

2) What specific factors did your staff and governing board consider when recommending and establishing the 2018-19 maintenance and mandatory fee levels?

Response:

The maintenance and mandatory fee levels are recommended after an evaluation of the University's current expenses and revenue sources, assessment of the University's strategic planning goals, and contractual increases of existing contracts for services, software, and utilities.

The University's budget process included assessing campus needs, holding public budget briefings for presentations by campus units, establishing campus priorities as they relate to the strategic plan, referring suggested priorities to the Budget Advisory Task Force to evaluate, and making recommendations to the governing board.

The specific factors that influenced the 2018-19 fee levels were a need to complete funding of the state mandated 2.5% salary increase and associated benefits, make progress on the University's strategic planning priority to provide salaries that are competitive with peer institutions, keep up with escalating costs for existing software and service contracts, maintain existing service levels to students for university recreation and health services, and change how the University collects the graduation fee.

3) To what extent were efforts implemented to mitigate the effect of the maintenance and mandatory fee increases on students?

Response:

The University's budget process included prioritization of new funding requests designed to achieve the University's strategic planning goals. The requests were classified as mandatory, recurring, and one-time. The requests were evaluated and prioritized at the department and college levels.

Efforts were made to mitigate the effects of the maintenance and mandatory fee increases on students. Specifically, campus stakeholders evaluated degree programs and concentrations based on student interest and enrollment, reorganized departments to achieve better services to students and to be more efficient, and evaluated University software contracts to eliminate underutilized contracts. In addition, the University sought and won external grant funding for the replacement of existing lighting with LED lighting and provided mini-grants to assist students in completing their degrees.

- 4) Please provide a table listing your major areas of expenditures, as well as a breakdown of their percentages of your total budget. What strategies have you implemented – or plan to implement – to reduce growth in these areas of expenditures?

Response:

The major areas of expenditures and percentages of budget for the University are as follows:

Expenditures	Amount	Percentage of Total Budget
Salaries	\$71,409,300	52.49%
Employee Benefits	\$28,960,600	21.29%
Operating Expenses	\$35,318,800	25.96%
Capital Outlay	\$358,000	.26%

In order to minimize growth in these areas of expenditures, the University has implemented strategies such as using existing faculty resources to cover the increase in student credit hour growth, identifying and implementing process improvements in service departments, sharing network printers/copiers, using a software solution to reduce the paper and toner usage in the open computer labs, and obtaining grant funding to replace existing lighting with LED lighting to increase efficiency and reduce costs over time.



EAST TENNESSEE STATE UNIVERSITY
2018-19 Maintenance and Mandatory Fee Rationale
TENNESSEE HIGHER EDUCATION COMMISSION
July 26, 2018

Question 1:

What is the percent increase in the maintenance fee and the percent increase in the combined maintenance and mandatory fees for 2018-19? How much revenue do you anticipate to raise with these increases? Please specify the purposes for which these revenues will be used.

The ETSU Board of Trustees approved a 2.79% maintenance fee increase and a 2.91% combined maintenance and mandatory fee increase. The total dollar increase for an undergraduate student is \$131 per term at 15 credit hours.

The university budget was prepared anticipating an enrollment decrease of 100 students. The revenue generated on maintenance fees is \$3.3 million. The increase in other mandatory fees is anticipated to generate \$760,000.

The increase in maintenance fees of \$3.3 million, in conjunction with the new funding in the Governor's budget, will be used for faculty and staff salary enhancements, scholarship funding, and university strategic initiatives. The university share of the 2.5% salary increase as outlined in the Governor's budget is \$1.46 million. In addition to the 2.5% across the board salary increase, ETSU is establishing two salary enhancement pools totaling \$500,000 for faculty tenure/promotion and staff position review. ETSU is also increasing budget by \$220,000 to adjust the base pay for graduate assistants on campus. Student scholarship pools are increasing by \$1.3 million. Approximately \$1 million has been set aside for university strategic initiatives. These initiatives are focused on academic programs and administrative processes to increase enrollment, decrease expenses, improve campus infrastructure and data security, and enhance the educational experience for our students.

The increase in other mandatory fees of \$760,000 will increase the university's facilities fee and technology access fee. The facilities fee will fund a designated pool for renovations and construction projects targeting classroom enhancements and other campus improvement. The technology access fee will be used to increase the internet bandwidth on campus necessary for instruction and improve student network storage and security.

Question 2:

What specific factors did your staff and governing board consider when recommending and establishing the 2018-19 maintenance and mandatory fee levels?

Senior staff and the ETSU Board of Trustees reviewed the recommendations for salary, operating and capital appropriations contained in the Governor's Budget. Staff at the university and the Board of Trustees evaluated the needs for salary enhancements as outlined by the Governor's budget which would need to be funded by the university. The ten-year history of salary increases for the campus was presented and considered. The funding needed to implement the 2.5% salary pool outlined in the Governor's budget required a maintenance fee increase of approximate 1.75%. Staff presented a proposal to establish two pools of funds for faculty and staff salary enhancements above the 2.5% across the board adjustments. Ten years of historical data on maintenance and mandatory fee increases in the public institutions of higher education in the State of Tennessee was examined. Data on the tuition/maintenance fees at peer institutions was assessed. Historical trends in enrollment at ETSU were considered when preparing an estimate for enrollment decline. Staff and Board members were presented with a five-year history of expenditures and transfers at ETSU by both natural and functional classification to better understand growth in expenditures. Staff reviewed campus requests for any new budget funding with consideration of the alignment with the university's strategic goals to increase enrollment and efficiencies at the university.

Question 3:

To what extent were efforts implemented to mitigate the effect of the maintenance and mandatory fee increases on students?

East Tennessee State University has an annual budget planning process which includes a budget call from the president to the vice-presidents. The planning process serves to align budget and resources with the university's strategic plan, mission, vision and goals. The vice-presidents work with their staff to determine campus needs based on inflationary factors, strategic planning priorities, unfunded requirements, and needs based on changes in enrollment. Budget proposals are collected from departments and units by the vice-presidents and prioritized during unit budget hearings. In the budget cycle for FY19, units on campus presented the Vice Presidents with \$10 million in requests for new funding. These requests were reduced to \$5.8 million prior to moving forward to the formal budget hearings. The prioritized lists of the vice-presidents are reviewed by the Budget Advisory Committee during university budget hearing which are open to the entire campus. The committee is an advisory body to the President and provides input on the budget priorities for the University. The ETSU Board of Trustees was presented with a finalized request of \$1.1 million in new funding. Every budget proposal must support the University's strategic plan. The majority of the funding was for new positions in growing academic programs, staffing for new academic buildings, and staffing resulting from capital severance under the Focus Act. The recommended fee increases were presented to the ETSU Board of Trustees for their approval prior to completion of the university budget.

Question 4:

Please provide a table listing your major areas of expenditures, as well as a breakdown of their percentages of your total budget. What strategies have you implemented – or plan to implement – to reduce growths in these areas of expenditures?

ETSU Main Campus	\$ Expenditures	Percentage
Salaries	\$ 113,128,800	50.41%
Benefits	50,005,900	22.28%
Operating Expenses	61,092,200	27.22%
Capital Expenditures	176,700	0.08%
Total Main Campus	\$ 224,403,600	

The university continues to promote process changes and made budget investments to reduce cost and increase revenues. The university is implementing a structured review of student enrollment and progress, faculty course-load and staffing, and academic expenses to assess resource allocation and benchmark with peer institutions. Efficiencies have been achieved and are continuing to be implemented to reduce the growth in energy consumption on campus. These include lighting retrofits, hedging natural gas purchases, upgrading chilled water equipment, and adjusting building temperature set points to reduce energy consumption. Business processes have been put in place to promote electronic transactions which include student payments to the university, payments by the university to vendors, electronic invoicing by vendors, departmental deposits, data file loading to systems, electronic file sharing, electronic document retention, online payment websites for university services, events and products, electronic routing of forms, and electronic delivery of tax document. The review of business and administrative processes continues with a focus on eliminated redundancy, eliminating paper, and increasing efficiencies while maintaining service quality. Efficiencies that have or will be implemented reduce operating cost and decrease the need for additional staff.

Expenditures for the College of Medicine, Family Practice and College of Pharmacy are below.

ETSU College of Medicine	\$ Expenditures	Percentage
Salaries	\$ 40,394,400	60.38%
Benefits	12,636,400	18.89%
Operating Expenses	13,874,900	20.74%
Total Coll of Medicine	\$ 66,905,700	

ETSU Family Medicine	\$ Expenditures	Percentage
Salaries	\$ 11,323,700	65.01%
Benefits	3,502,900	20.11%
Operating Expenses	2,591,400	14.88%
Total Family Medicine	\$ 17,418,000	

ETSU College of Pharmacy	\$ Expenditures	Percentage
Salaries	\$ 6,199,900	56.92%
Benefits	2,002,400	18.38%
Operating Expenses	2,689,300	24.69%
Total Coll of Pharmacy	\$ 10,891,600	

MIDDLE TENNESSEE STATE UNIVERSITY
Maintenance and Mandatory Fee Rationale
2018-19

- 1) What is the percent increase in the maintenance fee and the percent increase in the combined maintenance and mandatory fees for 2018-19?

2.84% Maintenance fee

2.88% combined maintenance and mandatory fees

How much revenue do you anticipate to raise with these increases?

\$4.0 million in maintenance fees, net of scholarships

\$954,000 in mandatory fees

Please specify the purposes for which these revenues will be used.

Mandated salary increases not covered by appropriations

Salary market adjustments

Faculty promotions

Inflationary increases in utilities and other operations, including software maintenance agreements

Inflationary increases in operating budgets of auxiliary (self-supporting) units: Health Services, Student Recreation Center and Parking Services

New scholarship and student success initiatives

Enhanced student abroad opportunities and experiences

Capital improvements to athletic facilities

- 2) What specific factors did your staff and governing board consider when recommending and establishing the 2018-19 maintenance and mandatory fee levels?

The overall intent is to provide quality education and ensure affordability and accessibility while keeping student debt levels low. When considering maintenance fee increases, a high priority was funding mandated salary increases and increasing salaries to market levels. The University does not receive funding for market adjustments from the State and must rely on

local resources. With enrollment challenges and small tuition increases over the past few years, there has not been sufficient funding to address market needs. The last market adjustments were in FY 2012-13. Salaries and benefits represent 68.3% of the overall budget.

Mandatory fees include debt on facilities, operating funds for athletics, technology access fees, auxiliary operating fees, sustainable campus projects, student government association fees, and international fees. Each mandatory fee is reviewed in light of inflation and operating needs, keeping in mind the need to keep student fees to a minimum. Auxiliary operations are required to be self-supporting, so revenue must cover any salary or operating increases. The Student Government Association reviews and approves all mandatory fees prior to submission to the Board of Trustees for final approval.

3) To what extent were efforts implemented to mitigate the effect of the maintenance and mandatory fee increases on students?

In the spring of each year, budget hearings are held with each academic dean and divisional vice president. These hearings allow each dean/vice president to present accomplishments from the past year and funding requests for the upcoming year, centered around student success initiatives. Each unit must explain in their funding request how existing resources have been reallocated, to the extent possible, to cover new student success initiatives. The guiding principle is to protect the core mission of academics and instructional activities.

Each department, college, and division was requested to document how a base budget reduction of 2% would affect the unit in 2018-19. Since the University's budget is mainly comprised of personnel costs, the resulting action would have been a significant reduction in force (RIF), affecting many initiatives put in place for student success over the past several years as well as many student services.

- 4) Please provide a table listing your major areas of expenditures, as well as a breakdown of their percentages of your total budget. What strategies have you implemented-or plan to implement-to reduce growths in these areas of expenditures?

Salaries	\$ 158,577,900	50.1%
Benefits	57,589,700	18.2%
Travel	4,870,600	1.5%
Operating	92,214,900	29.2%
Capital Outlay	2,998,300	0.9%
Total	<u>\$ 316,251,400</u>	<u>100.0%</u>

As shown above, the University's largest expenditure is in salaries and benefits, representing over 68% of the overall total budget. Divisional units are first requested to reallocate existing positions within the unit when requesting new positions. Academic units have this option as enrollments and demand shift from one academic program to another. Non-academic units must review services being provided and align those with the University's Quest for Student Success, justifying any need for new positions.

Budgets for travel, operating expenses and capital outlay have not been significantly increased in several years. University departments have been required to operate within existing budgets due to limited new revenues. This has been a need raised each year by departments that has gone unfunded. Since the University does not receive any specific funding from the State for the renewal and replacement of equipment, all of these replacements have to be funded from regular appropriations and/or tuition/fees.

Tennessee State University
Maintenance and Mandatory Fee Rationale
FY 2018-2019

- 1) What is the percent increase in the maintenance fee and the percent increase in the combined maintenance and mandatory fees for 2018-19? How much revenue do you anticipate to raise with these increases? Please specify the purposes for which these revenues will be used.

Tennessee State University's maintenance fee increase for academic year 2018-19 is 2.59%. Other mandatory fees will increase by 5.52%. The total overall proposed mandatory fee increase is 2.98%.

- a. The 2.59% increase in the maintenance fee is expected to generate additional revenue of approximately \$1,479,000. This dollar amount is based on an FTE of 15 credit hours. This fee will be \$274 per credit hour and will increase by an additional \$54 per credit hour starting at 13 hours. The additional revenue will be used to cover costs such as across-the-board salary increases, increases in scholarships, etc.
- b. The Student Government Association Fee will increase from \$4 to \$9, which represents a 125% increase. This increase is expected to generate additional revenue of approximately \$50,000. Additional revenue will be used to increase funds for programs and additional student government activities. The Student Government Association initiated this fee increase by requesting that the Administration allow the student body to vote on it.
- c. The Student Activity Fee is increasing from \$70 to \$75, and this represents a 7% increase. This increase is estimated to generate additional revenue of \$50,000. Funds will be used to expand student activities such as Lecture Series, student newspaper, and scholarships. The expansion of student activities presents a demand for a newly created Greek Life Coordinator position.
- d. The Athletics Fee will increase from \$160 to \$179 per student, which is a 12% increase. Additional revenue of \$325,000 is expected to be generated. The additional funds will be used to support underfunded scholarships, and will also cover the increase in cost of Title IX compliance. The other five locally-governed universities have athletic fees that range from \$225-\$248 per semester. This leaves Tennessee State with the lowest athletic fee, even after the 12% increase.

- 2) What specific factors did your staff and governing board consider when recommending and establishing the 2018-19 maintenance and mandatory fee levels?

The factors taken into consideration when recommending the maintenance and mandatory fee levels were as follows:

<u>FY 2018-19 ADDITIONAL EXPENDITURES</u>	
1.5% and 2.0% Salary Pool (includes benefits)	1,604,600
Faculty Promotions (includes benefits)	198,800
Faculty Market Adjustments (includes benefits)	473,600
Health Insurance Premiums	234,200
Estimated State Mandated Scholarships & Waivers	75,000
Other Cost Increases and Student Retention Efforts	<u>1,200,000</u>
Additional Need for FY 2019	3,786,200
 <u>FY 2018-19 ADDITIONAL STATE FUNDING</u>	
Outcomes Funding Formula	830,700
Funding for 2.5% Salary Pool	1,188,300
Health Insurance Funding	<u>234,200</u>
	2,253,200
 Unmet Need	 1,533,000
 Revenue from Maintenance Fee Increase	 1,479,000

- 3) To what extent were efforts implemented to mitigate the effect of the maintenance and mandatory fee increases on students?

For the FY 2018-19 Original Budget, we reduced expenditures by approximately \$5 million. We implemented across-the-board travel and operating budget cuts, and combined classes to reduce the need for adjunct professors. We are finalizing plans to possibly reduce positions.

- 4) Please provide a table listing your major areas of expenditures, as well as a breakdown of their percentages of your total budget. What strategies have you implemented – or plan to implement – to reduce growths in these areas of expenditures?

Tennessee State University's major expenditures stem from combined salaries, plus benefits. To avoid growth in other areas, we intend to reduce all operating budgets by 10%, effective July 1. We intend to consolidate some divisions and departments in order to merge job duties to reduce costs. Part of this plan may require the elimination of approximately 60 positions. There are a few budgets that are excluded from these budget reductions. These include Specialized Academic Fees, all budgets funded by the Student Activity Fee, Grounds, Custodial, and Utility budgets. The University's FY 2018-19 expenditures are projected to be as follows:

Salaries - Administrative	\$ 6,413,995	4.9%
Salaries - Academic	32,826,488	24.9%
Salaries - Supporting	11,082,879	8.4%
Salaries - Students	-	0.0%
Salaries - Professional	19,895,114	15.1%
Total Salaries	<u>70,218,476</u>	<u>53.3%</u>
Employee Benefits	24,955,132	18.9%
Total Salaries and Benefits	<u>95,173,608</u>	<u>72.2%</u>
Travel	2,162,749	1.5%
Operating Expense	33,636,749	25.5%
Capital Outlay	255,990	0.2%
Department Revenues	(700,000)	-0.5%
E&G Transfers	1,440,900	1.1%
Grand Total	<u>\$ 131,969,996</u>	<u>100.0%</u>

TTU's responses to THEC regarding the questions for the July 26th Commission Meeting

- 1) For each institution, what is the percent increase in the maintenance fee and the percent increase in the combined maintenance and mandatory fees for 2018-19? How much revenue do you anticipate to raise with these increases? Please specify the purposes for which these revenues will be used.

Maintenance Fee Increase: 2.66%

Revenue Impact: \$1,688,786

Purpose: To accommodate increases in both fixed and variable costs related to instruction and support.

Mandatory Fee Increase: 2.14%

Revenue Impact: \$268,000

Purpose: To continue funding for student mental health services previously supported by grant resources.

Combined Maintenance and Mandatory Fees Increase: 2.59%

Revenue Impact: \$1,956,786

Purposes stated above.

- 2) What specific factors did your staff and governing board consider when recommending and establishing the 2018-19 maintenance and mandatory fee levels?

Please see **Attachment A** detailing available resources and university needs.

- 3) To what extent were efforts implemented to mitigate the effect of the maintenance and mandatory fee increases on students?

Please see **Attachment A** detailing available resources and university needs.

- 4) Please provide a table listing your major areas of expenditures, as well as a breakdown of their percentages of your total budget. What strategies have you implemented – or plan to implement – to reduce growths in these areas of expenditures?

TTU Cost Drivers:		Proposed Budget FY18-19	Percent
	Unrestricted Education & General Expenditures:		
	Professional Salaries	67,216,100	43.66%
	Other Salaries	12,011,300	7.80%
	Employee Benefits	31,704,600	20.59%
	Travel	1,911,700	1.24%
	Operating Expense	40,764,800	26.48%
	Equipment	338,500	0.22%
TOTAL TTU COST DRIVERS		\$ 153,947,000	100.00%

TTU faculty and staff are working on the following models and systems designed to help inform true costs of programs, resource reallocation opportunities, and revenue forecasting combined with enrollment predictions:

- TTU Budget Model – university-wide budget model using national data to set target margins for academic units.
- Cost of Education Model – financial statement analysis broken down to the individual student and/or course.
- Predictive Analytics Model – revenue predictive model based on historical student data.
- 5 Year Budget Plan Committee – President and Board of Trustees appointed committee working on a five year budget and forecasting model encompassing all the models mentioned above.

Attachment A:

TTU new resources and uses 2018-2019	
	Amount
Cost of 2.5% salary improvements with fringe benefits	\$ 2,216,354
Dedicate funds to re-establish operating fund balance	\$ 2,000,000
New academic program expenditures & start up costs	\$ 402,000
Recurring expense increases included in Proposed Budget	\$ 717,991
Recurring funding requests remaining to be funded	\$ 870,437
FY2018-19 Budget Need	\$ 6,206,782
Governor's budget dedicated to 2.5% salary improvements	\$ 1,281,500
Governor's budget dedicated to formula outcomes	\$ 1,327,400
Outcomes formula adjustment	\$ 463,400
* <i>Carnegie classification recognition</i>	\$ 700,000
FY2018-19 Funds Available due to anticipated increases in state appropriations	\$ 3,772,300
Revenue reduction due to early enrollment indicators	\$ (2,361,359)
FY2018-19 New Resources	\$ 1,410,941
Unmet Need	\$ (4,795,841)
Maintenance Fee Increase Needed	6.43%
Maintenance Fee Increase Recommended	2.66%
Revenue generated per 2.66% maintenance fee increase	\$ 1,982,700
Remaining unmet need after maintenance increase	\$ (2,813,141)
Short-term plan to address remaining unmet need:	
Continue to provide required 2% fund balance from one-time resources	\$ 2,000,000
Reduce cost increases for other than salaries and fringe benefits	\$ 813,141
	\$ 2,813,141
Long-term plan to address budget shortfall:	
Right size budget to reflect current enrollments	
Grow enrollments	

University of Memphis
2018-2019 Maintenance and Mandatory Fee Rationale for THEC Commissioners

1. For each institution, what is the percent increase in the maintenance fee and the percent increase in the combined maintenance and mandatory fees for 2018-2019?

The University of Memphis is not increasing maintenance or mandatory fees for 2018-2019. Our Board of Trustees approved our AY 2018-2019 Operating Budget which included a 0% increase in maintenance and mandatory fees.

How much revenue do you anticipate to raise with these increase?

Because we decided to hold tuition and mandatory fees flat, no incremental revenue increase is expected. However, our projections reflect an increase in enrollment which may result in some revenue increases from Tuition and Fees.

Please specify the purposes for which these revenues will be used.

Not applicable as no incremental revenue increases will be realized from a rate increase.

2. What specific factors did your staff and governing board consider when recommending and establishing the 2018-2019 maintenance and mandatory fee levels?

As part of our annual budgeting process, subsequent to the Governor's proposed budget release in late January, the University held budget hearings that engaged broad participation amongst academic and administrative departments in order to identify critical needs and investment opportunities to further the University's mission. Each request was prioritized based on impact to the strategic plan, safety initiatives, compliance requirements, or infrastructure needs.

The following critical needs and unavoidable cost increases were identified through the budget process:

- **UofM's share of 2.5% salary increase**
- **Raising minimum salary for lowest paid employees**
- **Fixed cost increases**
- **Faculty promotions and start-up costs**
- **Scholarship increases**
- **Compliance and safety initiatives**
- **Student support and success services**
- **Technology, facility and equipment investments**

While there is recognition of these important needs, with the national upward trend in higher education tuition and fees, the biggest impediment to student recruitment, retention and

graduation is Cost. Affordability is of particular concern for the University of Memphis student given that a majority of our students are Pell eligible and come from challenging socio economic backgrounds. Given the above, an overriding consideration while building our AY 2018-2019 budget was the University's commitment to hold tuition flat. UofM strongly believes that the 0% tuition increase will contribute to enhancing access for students, encourage completion and demonstrate a commitment to student affordability and retention.

While no incremental revenue increase will be realized from a tuition and fee increase, any new revenue generated from enrollment growth coupled with a strategic reallocation of existing resources will be targeted to address the following priorities/strategies:

- Ensure affordability, accessibility, and continue to keep student debt levels low compared to national averages.
 - Continue to improve retention/graduation rates and reduce time-to-graduation through enhancements to advising, tutoring, counseling, career planning, and other services critical to student progressions/success.
 - Incentivize exceptional performance through merit increases, improve faculty and staff recruitment/retention in areas where salaries are below market and inflationary adjustments.
 - Provide resources for student needs in high-demand programs, recruit exceptional research faculty to pursue external funding opportunities, and support faculty career progression.
 - Provide the appropriate mix of facilities, equipment, and technology needed to optimize faculty and staff effectiveness/efficiency and support student progression/success.
3. To what extent were efforts implemented to mitigate the effect of the maintenance and mandatory fee increases on students?

Over the past several years, the University embarked on various initiatives to improve processes, reduce administrative burden, and control costs, including:

- University-wide reductions
- Process Improvements
- Organizational Restructuring
- Shared services
- Implementing new technology & leveraging existing technology
- Line by line budget reviews
- New budget model
- Strategic reinvestments

These efforts have allowed the UofM to keep tuition flat for two (2) of the past five (5) years, including the upcoming 2018-2019 academic year.

4. Please provide a table listing your major areas of expenditures, as well as a breakdown of their percentages of your total budget. What strategies have you implemented – or plan to implement – to reduce growths in these areas of expenditures?

FY18 – Major Areas of Expenditures

Salaries	\$ 173,265,500	49%
Benefits	73,183,000	21%
Travel	7,590,800	2%
Operating	97,211,300	28%
Capital Outlay	983,600	0%

Our expenditures will likely continue to increase as we strive to reach a Carnegie I classification and stay competitive in the market with our peers. To mitigate this growth we are focusing on additional process improvement initiatives with the goal of maximizing efficiencies, reducing costs, and generating additional revenues. We are also seeking revenue growth and maximization opportunities through enrollment, strategic and innovative partnerships and an increase in gifts funds.

Tennessee Board of Regents
2018-19 Maintenance and Mandatory Fee Rationale

1. **For each institution, what is the percent increase in the maintenance fee and the percent increase in the combined maintenance and mandatory fees for 2018-19?**

Community Colleges:

2.68% Maintenance fees

2.44% to 2.62% (average 2.50%) Combined maintenance and mandatory fees

TCATS:

2.99% Maintenance fees

2.81% Combined maintenance and mandatory fees

How much revenue do you anticipate to raise with these increases? Please specify the purposes for which these revenues will be used.

Community Colleges:

\$7,136,900 Maintenance fees

\$ 18,000 Mandatory fees

Community College revenues will be used for the following purposes:

Approximately \$3,700,600 will be used to fund the institutional portion of the 2.5% state salary increase.

Six of the thirteen community colleges indicated that approximately \$933,100 would be used for new positions and/or payments on the institution's salary plan and faculty promotions. New positions include such things as faculty positions, admin/professional positions, security officers, and academic lab positions.

Seven of the thirteen community colleges indicated that portions of the fee increase would be used to fund increases in operating costs of approximately \$754,900. This includes increases in utilities, staff development, travel, and academic program supplies.

Eight of the thirteen community colleges indicated that portions of the fee increase would be used to expand existing or create new programs at a cost of approximately \$522,300. These new programs are both academic and non-academic in nature and include such things as paramedic summer courses, student counseling services, college success programs, programs to help at-risk youth, and online course development programs.

Two community colleges indicated that approximately \$280,000 would be used to fund additional adjuncts and/or increase adjunct pay rates.

Five community colleges indicated that \$274,600 would be spent on new software and/or software maintenance costs.

The remaining funding will be used on various items including increased operating expenses related to enrollment growth, equipment, building maintenance, events, and rebuilding reserves.

Tennessee Colleges of Applied Technology (TCATs):

\$990,000 Maintenance fees
\$ 0 Mandatory fees

TCAT revenues will be used for the following purposes:

Approximately \$528,500 will be used to fund the institutional portion of the 2.5% state salary increase.

Fourteen of the 27 TCATs indicated that approximately \$232,200 would be used to fund operating expense increases. This includes increases in classroom consumables, utilities, professional development for faculty and staff, small tools, and internet costs.

Three of the 27 TCATs indicated that a portion of the fee increase would be used to fund increases in instructional equipment at a cost of \$66,800. This includes purchasing instructional equipment for new programs and replacing outdated equipment for existing programs.

Four TCATs indicated a portion of the fee increase would be used to partially fund positions at a cost of \$48,400. This includes faculty positions, an IT specialist, and a financial support position.

The remaining funding will be used on various items including increased software maintenance costs, adjuncts, and adding new or expanding existing programs.

2. What specific factors did your staff and governing board consider when recommending and establishing the 2018-19 maintenance and mandatory fee levels?

The TBR is somewhat unique in that we establish tuition and mandatory fees for 40 institutions. The Community College sector has 13 institutions while the Tennessee College of Applied Technology (TCAT) sector has 27 institutions.

One factor that we consider is, given our mission to operate as a system, we set one common tuition rate for each of the sectors.

To that end, when setting tuition rates and increases we consider cost factors that may be common to all our institutions. The two factors that we considered this year were:

- Institutional portion of the 2.5% state salary increase
- Inflation factors.

3. To what extent were efforts implemented to mitigate the effect of the maintenance and mandatory fee increases on students?

In recent years we have used three primary factors when determining the tuition rate increase:

- Amount needed to fund the institutional portion of the state salary increase
- Amount needed for the inflation factor
- Amount needed to fund special common initiatives.

In order to mitigate the effect of the increase on students, no special common initiatives were considered/requested this year.

Additionally, the factors used for the inflation calculation were reduced. For the past several years, an inflation amount was calculated that would equate to 80% of the Higher Education Price Index (HEPI). This year, an inflation amount was calculated that equated to 62% of the HEPI. This effectively required the institutions to fund/absorb the remaining inflationary costs through other budget reductions and efficiencies.

There also were some course fees that were requested but not brought forward by staff for consideration.

4. Please provide a table listing your major areas of expenditures, as well as a breakdown of their percentages of your total budget. What strategies have you implemented or plan to implement to reduce growth in these areas of expenditures?

Sector	Salaries	Employee Benefits	Travel	Operating Expenses	Equipment	Education & General	Transfers	Auxiliaries	Total Unrestricted
Total Community Colleges									
Dollar	315,874,700	120,350,700	6,380,600	127,787,800	3,600,100	573,993,900	8,310,400	2,637,200	584,941,500
Percent	55.03%	20.97%	1.11%	22.26%	0.63%	100.00%			
Total TCATs									
Dollar	56,370,900	25,263,800	1,336,800	24,074,500	307,500	107,353,500	2,008,600	4,378,200	113,740,300
Percent	52.51%	23.53%	1.25%	22.43%	0.29%	100.00%			

Examples/excerpts of strategies are provided below.

Many of the examples relate to:

- Reallocation of job duties/positions to avoid creating new positions and/or deleting existing positions
- Refilling open positions at a lower salary
- Review and closure of low enrollment programs
- Implementation of energy efficiency measures
- Process/productivity improvement

The following examples/excerpts are from our **community colleges**

Salaries and Employee Benefits

- Several positions were deleted and/or reclassified during FY 2018 to lower paying positions. These included reclassification of a Vice President to an Executive Director and two Assistant Vice Presidents to Executive Director and Director.
- Class sizes are reviewed for optimization; vacant positions are reviewed for need and or reallocation.
- In an effort to reduce salaries as employees terminate their employment, an analysis is completed by the office to determine if duties can be reassigned or if the unfilled position needs to be advertised. In the case of both the Business Office and Admissions and Records, both offices reassigned duties and did not replace an employee.
- Academic (faculty) program director position was changed from a fiscal year to an academic year position to provide savings for summer session.
- Current strategies implemented to reduce costs in salaries and benefits include:
 - o Not adding new positions if enrollment growth does not justify the need
 - o Reviewing current positions to determine justification as a need for the College
 - o Evaluating vacant position prior to approving to refill justification for position
 - o Eliminating positions that no longer had relevance due to Shared Services initiative with TCATs
- As employees retire and resign, the College has and will continue to determine if the position duties can be absorbed by existing personnel and/or if the position needs to be reallocated to address immediate needs.
- Departments are focusing on cross training employees to assist with coverage of needs and to reduce personnel costs.
- Researching and submitting grant proposals that will assist with funding positions needed based on College's enrollment growth.
- The College has formed partnerships with local agencies to split personnel costs and will continue to pursue these opportunities.
- Fundraising to assist with faculty and staff personnel costs.
- Adding additional staffing to support the student's success in completion, which in turn will help with an increase to revenue and providing a better customer service experience for students.

- Will continue to reallocate positions from one division to another depending on the need within.
- Re-purposing position due to automations in some processes
- The College has intentionally limited the number of permanent faculty positions until such time that the enrollment has stabilized. Until then, the College is actively recruiting talented adjunct faculty to fill the additional demand for instruction.
- The College completed a Voluntary Buyout Program to reduce growth in the salaries and benefits category by converting any refilled positions vacated because of the Buyout to the TCRS Hybrid plan as well as by reducing starting salaries for these refilled positions. Additionally, the duties for the remaining unfilled positions from the Buyout plan as well as any other positions that become vacant are reviewed to determine relevance and current need of the institution.
- Low producing programs are reviewed for deletion which can save salary and other costs.
- An analysis of educational assistance for spouse and dependents of TBR employees was conducted in FY18 to determine mandatory and non-mandatory educational assistance expenditures. The analysis was completed to quantify existing expenditures as a potential source of savings if needed for future budgeting purposes.

Travel

- Travel is the one expenditure that has continued to increase mainly due to the cost of hotel expenditures. Travel related to training is being challenged to first review opportunities for online training versus training that requires overnight travel.
- New initiatives as Achieving the Dream (ATD) network has increased travel expenditures. But, the retention of students should be the long-term benefit of the program.
- Analysis of local travel should provide cost savings.
 - o College is requesting staff that attend professional development workshops/seminars to share the knowledge gained with applicable College personnel.
 - o Strategic training opportunities will be sought such as bringing in a consultant to the College to reach a larger number of employees and looking for webinar opportunities.
 - o Employees are encouraged to carpool when travel is necessary or to utilize the College motor fleet.

Operating

- Participation in state and system wide contracts to lower costs for goods and services
- Implementation of a plan to become a paperless environment. Students receive e bills, reimbursements and payroll are made via direct deposit, student records, HR and payroll documents, accounts payable documents are scanned and stored digitally resulting in lower printing and copying costs.
- Continue to replace existing lighting with LED fixtures to lower utility costs
- Two campus sites were sold that were no longer cost effective to operate resulting in lower utilities, maintenance and staffing expenditures

- Utility costs are reviewed monthly and used as a reminder to faculty and staff to constantly monitor utility usage. Energy saving lighting has been installed to assist with the reduction of utilities where possible. Energy management systems in all locations have provided additional and continued cost savings.
- Printing costs are being reviewed by IT to determine ways to decrease toner and paper expenses.
- Plan to replace the exterior lighting with LED lights over a period of years. To date, the College has replaced 15 to 20% of the interior lights. The LED lights are energy efficient and the intent is to produce utility cost savings.
- Control the heating and cooling through a building automation system on all campuses. This system allows for the temperature to moderate based on the time set by facility personnel.
- To conserve water usage, the College has installed low flow flush valves.
- Currently utilizing geothermal power on some campuses which is much more energy efficient; therefore, resulting in lower utility bills over the long run.
- New boiler will be installed that will reduce energy consumption that should produce utility cost savings.
- Both Facility Services and Information Technology have implemented an electronic work order system. Both have streamlined the requests and allow the work to be scheduled based on priority level.
- Fall 2019 – Offering financial checks to students through electronic transfer of funds (ETF).
- ETFs for travel reimbursements and automatic bank drafts for some vendors.
- Emphasizing procurement card activity instead of processing checks resulting in larger rebate check.
- Utilization of web time entry to increase efficiency for the approval process and reduction of paperwork.
- Investigating several software applications for routing of documents for approval, texting, tracking of student and workforce recruitments, and delivery of online meetings and instructional programs.
- Fundraising to assist with program costs including start-up cost, equipment, and supplies.
- Partnerships with service area agencies and/or industries where they provide space, utilities, custodial costs and then the College delivers classes in the provided spaces.
- Closed an off-campus campus site.
- Received grant funding through Empower TN for replacing 365 outdoor campus lighting fixtures with energy efficient LED fixtures and Hubbel wiSCAPE lighting controls. The lighting controls provide the College with the ability to maximize energy savings during certain hours, weekends and holidays. The project is estimated to generate \$31,035.00 annual energy savings and annual kilowatt hours (kWh) reduction of 337,334.
- Recently applied for funding of \$318,000.00 through EmPower TN for replacing 1,122 light fixtures with energy efficient LED fixtures and controls. This project will generate \$26,120.00 in annual energy savings and annual kWh reduction of 236,353.
- Received a \$9,900 PepsiCo Recycling Zero Impact grant for the purpose of replacing 33 conventional water faucets with touchless technology faucets in two buildings. This water conservation project will reduce water consumption by approximately 149,000 gallons annually and will impact approximately 40 faculty/staff and 2600 students.

- Partnering with TDEC State Facility Utility Management to implement the Utility Data Management System project at the College. This project will provide the College with the ability to monitor and control energy usage, and utility bill accounting, budgeting and a basis to pinpoint sustainability / cost saving projects.
- In upgrading to a new distance learning room technology, the repairs and maintenance on current equipment would be reduced while providing a better educational experience for the students
- Planning to check for a one-time contract service to review the telephone and communications invoices to see where there maybe errors in billings. This would cost the College one year in projected cost savings but nothing in addition after the first year.
- The College reduced its operating expense category by more than \$100,000 in FY19 to help control cost.
- The College instituted a formal process for review and approval of investment projects to ensure that major, new investments meet an overall return to ensure funds are invested in the best projects.
- To further drive efficiencies and productivity in the institution, the College continues to invest in technology such as Degree Works and Highland scanning.
- The College is investing in technology and statewide course offerings to expand distance education, which is effective and economical.
- The College's procurement is moving from a purchasing-based approach to a strategic sourcing approach with emphasis on cost containment.
- The College has fully embraced Achieving the Dream (ATD) as a comprehensive reform movement for student success and process improvement. Changes made under the ATD framework have reduced wait times, streamlined processes and improved student experiences.
- The College has launched a number of deferred maintenance initiatives that will address areas long neglected and reduce cost by operating more efficient systems (HVAC for example) and avoiding break downs that require major repairs.
- Ensure that capital maintenance projects have a strong energy efficiency component with them to reduce utility costs.
- Reviewing all software costs, license and maintenance to make sure we are being efficient in our use.

Equipment

- Considering changing means of distance learning presentation by implementing Zoom technology for classrooms with an estimated cost of \$10,000 as opposed to interactive television previously costing about \$60,000 per classroom.
- Information technology (IT) maintains a list of upgrades and updates needed as related to IT equipment to upgrade equipment on a rotational basis to attempt to prevent an unexpected large IT expenditure. Efforts have also been made over the past few years to extend the operational life of existing PCs for faculty and staff, including upgrades to solid-state drives and RAM, in lieu of a full desktop or laptop replacement. Hardware from computer labs that is being replaced with new equipment is rotated and reallocated to other areas of need to make further use of existing technology and avoid purchasing new. When possible, server platforms are also re-used and re-allocated to other uses in the datacenter to support infrastructure and new projects and initiatives.

The following examples/excerpts are from our **TCATs**.

Salaries and Benefits

- Eliminated the full-time Administrative Support/HR position and redistributed the duties among existing staff.
- Increase class sizes and utilize additional adjunct instructors in high growth programs
- Ensure that all programs maintain full enrollment to support faculty expenses
- Adjunct and part-time temporary contracts will be reviewed and adjusted quarterly
- Grant funding was used to hire a recruiter to focus on enrollment numbers which in turn supported much needed revenue.
- The TCAT has experienced several changes in our faculty and staff. The structure change has allowed us to hire employees at more entry level salary schedules as opposed to senior level salaries and longevity. We plan to further assist in controlling our financial need and budget by continuing to evaluate faculty and staff positions with possible adjunct contracts and supply of part-time employees.
- Retirement of Master Instructor to be refilled with Associate Instructor level position
- Retirement of Senior Instructor was refilled with Associate Instructor level position
- Retirement of Business Office Associate that will not be refilled
- Evaluating low performance and the decrease in program enrollments and closing those programs.
- TCAT-Paris and TCAT-McKenzie share talent resources (TCAT-President and TCAT-Financial Coordinator). This employee sharing results in major savings to both TCATs. Additionally, both TCATs have been able to realize major savings due to normal attrition (Retirement), Reduction-In-Force Plans and the utilization of temporary employment through the TBR/State of TN Kelly Services, Inc. contract. Other functions will be shared which should result in the elimination of another position.
- Having evaluated the programs and the ever-changing needs of local industry, we have closed one program, Administrative Office Technology, and redirected the instructor to Technology Foundations. The salary and benefits of this instructor are also split with another TCAT resulting in cost savings.
- Our Assistant Director, Coordinator of Student Services, and one Master Instructor are either resigning or retiring next fiscal year and they will be replaced with lower paid employees resulting in additional salary and benefit savings.
- The institution has replaced light switches with switches that are more energy efficient. These new switches have proven to show a cost savings of \$21,300.00 for the first five months of 2018 and will continue to show a significant decrease in utility expense for the institution.
- Strategies for reducing instructional cost include reducing unnecessary adjunct cost and inactivate low FTE programs. To reduce adjunct cost, we plan on implementing a minimum headcount level for hiring instructional support; this could potentially save \$25,000 per year.
- Leaving the Student Services Coordinator position unfilled until at least January 2019. At that point we will coordinate with another TCAT to hire one (1) person to be the Coordinator for both TCATs and share that expense. Estimated cost savings for the 18/19 fiscal year: \$40,000.

- Strategy is to implement a system to monitor program FTE and set goals for low performing programs. If the goals are not met over the predetermined length of time the program will be inactivated. This could potentially add \$50,000 in tuition revenue or eliminate a position saving \$75,000 per year.
- We were experiencing low enrollment and placement in one of our academic programs. Therefore, we made the decision to inactivate the program offering. The instructor was informed, and the position was subsequently terminated. This move resulted in a cost savings of approximately \$39,000.
- Over the last few years four positions became vacant and were not refilled. In a couple of instances, a contract for part-time services was used instead.
- Reorganize the Financial Aid Office resulting in a reduction of positions.
- A Master Teacher's position that became available in March 2018 has not be filled. Another vacant position will not be filled at the salary level as the individual that is retiring.

Travel:

- Utilize Webinars and Conference Calls when available to reduce travel expenses.
- Increase fundraising efforts to support SkillsUSA student travel.
- Limit employee travel when webinar and conference call options are available.
- Conference travel authorizations will be reduced.
- Travel requests will be monitored for necessity to TCAT operations and mission.
- The overall travel budget will be reduced by 5%. All non-BANNER and non-Shared Services travel must be pre-approved by the President. Estimated cost savings for the 18/19 fiscal year: \$3,000.
- Reductions in travel expenditures will be achieved by limiting the number of participants involved in the annual State and National Skills USA competitions which represents the bulk of how these funds are spent.

Operating Expenses:

- Utilize Energy Management Software to reduce costs associated with heating and cooling facilities when not occupied.
- Utilize procedures to reduce utility expenses.
- Capital Maintenance project to upgrade replace chiller/boiler is being completed which will reduce the utility costs for the TCAT.
- Custodial and maintenance expenses will be monitored to assure that costs are controlled, and savings recognized.
- We are researching an outsourcing agreement with JLL to reduce the Operation & Maintenance of Plant line item in our E&G budget category. I anticipate a 3% reduction in costs. Estimated cost savings for the 18/19 fiscal year: \$19,500.
- Cost savings will be realized thru energy savings due to the installation of energy efficient windows and doors.

- Eliminated a security services contract but replaced with extra services from the city. Saved \$75,000 annually.
- Through the shared services initiative it appears that some software and personnel cost can be eliminated through software license savings and contract services. This could save approximately \$75,000 per year.
- The TCAT has plans to contact TVA and request an energy efficiency audit be conducted.

Equipment:

- Will rely largely on grants and special allocations for equipment.
- Encourage donations to programs from business and industry partners.
- The only equipment purchases that will be made in 18/19 year will be Technology Access Fee (TAF) eligible purchases or from funds acquired from the TCAT Equipment grant.

2018-19 Maintenance and Mandatory Fee Rationale
University of Tennessee Responses to June 5, 2018 Memo Questions

- 1) For each institution, what is the percent increase in the maintenance fee and the percent increase in the combined maintenance fee and mandatory fees for 2018-19?

% Change in In-State Undergraduate Tuition & Fees		
Campus	Maintenance Fee	Maintenance Fee + Mandatory Fees
UT Chattanooga	0.0%	0.0%
UT Knoxville	0.0%	0.3%
UT Martin	3.0%	3.0%

How much revenue do you anticipate to raise with these increases?

Campus	Revenue Growth
UT Chattanooga	\$ (11,500)
UT Knoxville	1,465,800
UT Martin	2,915,352
UT Health Science Center	1,215,500
UT College of Veterinary Medicine	134,460
TOTAL	\$ 5,719,612

This includes revenue growth from all tuition and fee changes including in-state undergraduate tuition & fees, graduate student tuition & fees, out-of-state tuition, professional program tuition, course fees, lab fees, and other student fees. This is limited to the revenue growth projected to result from changes to tuition & fee levels; it does not include revenue growth projected due to other factors such as enrolment changes and budget adjustments to revenue projections made in previous years.

Please specify the purposes for which these revenues will be used.

Proposed Uses	Allocations
Faculty/staff salary adjustments, new positions, promotions, faculty start-ups	\$ 1,730,448
Scholarships, grants-in-aid, fee waivers, and other student financial aid	2,031,791
Instruction, student services, academic support	1,571,252
Facilities, equipment, campus infrastructure, and debt service	386,121
TOTAL	\$ 5,719,612

2) What specific factors did your staff and governing board consider when recommending and establishing the 2018-19 maintenance and mandatory fee levels?

Market factors such as student demand, enrollment patterns, and tuition & fee levels at similar institutions. Each program at each campus has its own unique market. Campuses conduct analyses of market factors for each program, such as student demand and prices at similar programs, to ensure that pricing is competitive and will support enrollment goals. Affordability and access are key factors in this analysis. Highlights from these analyses are presented and discussed at meetings of the Board of Trustee's Subcommittee on Tuition, Fees, and Financial Aid; Finance & Administration Committee; and the full Board.

Affordability and access. The published "sticker price" of tuition and fees does not tell the whole story when it comes to affordability and access. Affordability is determined by the net-cost to obtain a degree rather than the sticker price to attend classes for a single year. Staff at each campus must assess the interplay of price, financial aid, family income, and student debt. Information related to this is presented to the Board along with the annual tuition & fee proposal. (More information about this can be found in our response to question #3.)

THEC tuition and fee ranges. The binding tuition and fee increase ranges established by THEC is obviously a key factor in UT's decision making process. With the lone exception of the 3.0% increase this year at UT Martin, 2018-19 will be the fourth year in a row where UT's maintenance fee increases have been below the top end of the THEC range.

State funding changes. State funding is a critical element in the pricing decision. It is one of the two major sources of unrestricted educational and general (E&G) funding, which supports general campus operations. Once appropriations for the upcoming year are known, each campus considers how far this funding will go to fulfilling their financial needs and operational goals for the upcoming year. In most years campuses need additional revenues since THEC's funding recommendations are based on the assumption that a portion of each campus' financial requirements will be funded through tuition and fee revenues. This year UT Chattanooga and UT Knoxville have the ability to maintain current capacity and productivity with no maintenance fee increase. This is the result of unusual short-term factors that are not sustainable over the long run. UT Martin will need to increase tuition and fees to simply maintain current capacity and productivity.

Cost factors related to general campus operations. As stated above, the maintenance fee and state appropriations are the primary funding sources for general campus operations. Each year there are a number of major items that require additional revenues to maintain existing capacity and productivity: salary pools to provide market and merit adjustments to faculty and staff, general operating inflation, replacement and renewal of equipment and facilities, enhancements to campus safety and security, contract escalation clauses, upgrades to campus infrastructure and software systems, and adapting to changes in student demand and expectations. In addition to the revenue growth needed to maintain status quo, funds to enhance existing or introduce new programs and services are often needed to respond to

competitive pressures from competing institutions, improve retention and graduation rates, and ensure the life-long value of a UT degree. Since implementation of the new CCTA performance funding model, there are numerous examples of how campuses at UT, TBR, and the LGIs have improved student progression and success through targeted investments in areas such as expanded student advising, learning support, and eliminating bottleneck courses.

Program- and course-level cost factors related to each program at each campus. A detailed analysis of each proposed fee change is prepared by campus staff, reviewed by System Administration budget and finance staff, and presented to the Board of Trustees. These analyses include a description of the cost factors influencing the decision to make the fee change, the number of students impacted by the change, the new revenues expected to result from the change, and how the additional revenues will be used.

3) To what extent were efforts implemented to mitigate the effect of the maintenance and mandatory fee increases on students? Fortunately there is little to mitigate this year at UT Chattanooga and UT Knoxville where there are no maintenance fee increases and few increases to other fees. UT Martin is projecting revenue growth of \$2.9 million as a result of its tuition & fee increases, but is allocating an additional \$2.1 million to student financial aid (\$1.8 million from general campus funds and the rest from a blend of grants, gifts, and endowments). Even in a year with few tuition and fee increases, UT campuses are allocating additional funds of \$14.6 million to financial aid, far more than the \$5.7 million projected to result from the tuition and fee increases. The slide presentation that follows includes information on “net price” and student debt that is considered by the appropriate Board subcommittees and committees when they review the university’s annual tuition & fee proposal (see pages 18 through 21).

4) Please provide a table listing your major areas of expenditures, as well as a breakdown of their percentages of your total budget. We report this information to THEC twice each year. A summary can be found on page 5.

What strategies have you implemented – or plan to implement – to reduce growth in these areas of expenditures? Developing and implementing strategies to minimize tuition & fee increases and maximize student financial aid has been President DiPietro’s top priority since February 2015. Each UT campus has developed and implemented dozens of actions that have created efficiencies, reallocated resources, and increased alternative revenue streams with the goal of keeping tuition and fees as low as possible. The result is four straight years of the lowest tuition and fee increases in the history of the UT System. We have to share the credit with THEC, the administration, and the General Assembly who have worked together to provide strong state funding growth during this time period. Ensuring affordability and access is a partnership between us and the state, and that partnership has worked extremely well over recent years.

ATTACHMENTS

The following items are attached to provide context to our responses:

- 1. Major sources and uses of funding (response to question #4) – Page 5**
- 2. June 11, 2018 presentation to the UT Board of Trustees Subcommittee on Tuition, Fees, and Financial Aid – Pages 6 through 21**
- 3. Tuition & Fee section of the University of Tennessee 2018-19 Proposed Budget Document – Pages 22 through 46**
- 4. UT Policy on Approval of Student Fees – Pages 47 through 53**

The University of Tennessee

FY 2018-19 Current Operating Budget

Revenues by Funding Source and Fund Group	Unrestricted E&G	Restricted E&G	Auxiliary Operations	TOTAL	% of Unrest. E&G	% of Total
Tuition & Fees	711,215,155			711,215,155	48%	29%
State Appropriations	595,792,552	16,111,441		611,903,993	40%	25%
Grants & Contracts	43,237,280	597,381,250		640,618,530	3%	26%
Sales & Services	63,329,502		264,639,683	327,969,185	4%	14%
Other Revenues	57,591,636	68,190,604		125,782,240	4%	5%
Total Current Operating Revenues	1,471,166,125	681,683,295	264,639,683	2,417,489,103	100%	100%

Expenditures & Transfers by Functional Area and Natural Classifications	Salaries	Staff Benefits	Operating & Equipment	TOTAL	% of Unrest. E&G	% of Total
Instruction	339,190,484	124,812,703	106,655,270	570,658,457	39%	24%
Research	65,420,190	11,925,286	31,311,522	108,656,998	7%	4%
Public Service	43,078,312	16,224,906	27,202,892	86,506,110	6%	4%
Academic Support	93,239,809	29,844,580	46,832,999	169,917,388	12%	7%
Student Services	50,354,013	17,950,617	23,603,193	91,907,823	6%	4%
Institutional Support	89,247,367	30,526,869	43,643,633	163,417,869	11%	7%
Op/Maint Physical Plant	50,835,370	21,617,183	76,533,741	148,986,294	10%	6%
Scholarships/Fellowships	43,379	31,866	122,634,411	122,709,656	8%	5%
Subtotal: Unrestricted E&G Expenditures	731,408,924	252,934,010	478,417,661	1,462,760,595	100%	60%
Auxiliary Operations	61,010,890	15,751,987	121,667,384	198,430,261		8%
Unrestricted Current Fund Expenditures	792,419,814	268,685,997	600,085,045	1,661,190,856		69%
Mandatory Transfers (debt service)			592,146,91	59,214,691		2%
Non-Mandatory Transfers			15,457,162	15,457,162		1%
Unrestricted Current Fund Exp. & Transfers	792,419,814	268,685,997	674,756,898	1,735,862,709		72%
Estimated Restricted Current Fund Exp.	273,070,815	64,964,009	347,246,450	685,281,274		28%
Total Current Operating Exp. & Transfers	1,065,490,629	333,650,006	1,022,003,348	2,421,143,983		100%

Expenditures & Transfers by Campus/Institute	Unrestricted E&G	Unrestricted Auxiliary Funds	Restricted Current Funds	TOTAL	% of Unrest. E&G	% of Total
Knoxville	715,876,526	232,462,988	260,287,924	1,208,627,438	49%	50%
Chattanooga	174,154,888	18,796,704	54,215,078	247,166,670	12%	10%
Martin	101,534,092	10,818,526	33,972,184	146,324,802	7%	6%
Health Science Center	285,292,632	2,281,465	281,777,526	569,351,623	19%	24%
Institute of Agriculture	148,490,069		47,247,550	195,737,619	10%	8%
Institute for Public Service	21,837,565		5,931,012	27,768,577	1%	1%
System Administration	24,317,254		1,850,000	26,167,254	2%	1%
Total Current Operating Exp. & Transfers	1,471,503,026	264,359,683	685,281,274	2,421,143,983	100%	100%

Proposed Tuition & Fees FY 2018-19

June 11, 2018



- Lowest tuition & fee increases since 1984
 - *Lowest 4-year period in the history of the UT System*
- No Increase for In-State Undergraduate Tuition at UTC and UTK. UTM up 3.0%.
- No increase in out-of-state tuition
- Few increases in other fees

Projected Growth in Tuition & Fee Revenues

“Other Factors” include enrollment changes and adjustments to past revenue projections.

Campus/Unit	Due to Fee Changes	Due to Other Factors	Total
Chattanooga	\$ (11,500)	\$ 1,129,341	\$ 1,117,841
Knoxville/UTSI	1,465,800	8,841,892	10,307,692
Martin	2,915,352	147,809	3,063,161
Health Science Center	1,215,500	223,126	1,438,626
Veterinary Medicine	134,460	94,438	228,898
TOTAL	\$ 5,719,612	\$ 10,436,606	\$ 16,156,218

Proposed Uses of Additional Revenues

“Other Factors” include enrollment changes and adjustments to past revenue projections.

Proposed Uses	Due to Fee Changes	Due to Other Factors	Total
Faculty/Staff Salary Adjustments, Positions, Promotions, Start-Ups	\$1,730,448	\$1,719,918	\$3,450,366
Scholarships, Grant-in-Aid, Fee Waivers	2,031,791	1,464,646	3,496,437
Instruction, Student Services, Academic Support	1,571,252	7,172,615	8,743,867
Facilities, Equipment, & Debt Service	386,121	79,427	465,548
TOTAL	\$5,719,612	\$10,436,606	\$16,156,218

Proposed Tuition & Mandatory Fee Levels

Chattanooga	In-State	%- change	Out-of- State (regional discount)	%- change	Out-of- State	%- change
Undergraduate Tuition	\$6,888	0.0%	\$10,918	0.0%	\$23,006	0.0%
Undergraduate Tuition & Fees	\$8,664	0.0%	\$12,694	0.0%	\$24,782	0.0%
Graduate Tuition	\$8,244	0.0%	\$12,276	0.0%	\$16,308	-33.1%
Graduate Tuition & Fees	\$10,020	0.0%	\$14,052	0.0%	\$18,084	-30.8%

Proposed Tuition & Mandatory Fee Levels

Knoxville	In-State	%-change	Out-of-State	%-change
Undergraduate Tuition	\$11,110	0.0%	\$29,300	0.0%
Undergraduate Tuition & Fees	\$13,006	0.3%	\$31,426	0.1%
Graduate Tuition	\$11,244	0.0%	\$29,432	0.0%
Graduate Tuition & Fees	\$13,120	0.3%	\$31,538	0.1%
College of Law Tuition	\$16,368	0.0%	\$34,812	0.0%
College of Law Tuition & Fees	\$19,674	0.2%	\$38,348	0.1%

Proposed Tuition & Mandatory Fee Levels

Martin	In-State	%-change	Out-of-State Domestic	%-change	Inter-national	%-change
UG Tuition (90 hrs or more)	\$7,416	3.0%	\$13,456	3.8%	\$21,360	1.0%
UG Tuition/Fees (90 hrs or more)	\$8,876	3.0%	\$14,916	3.7%	\$22,820	1.1%
UG Tuition (Soar-in-Four)	\$8,052	3.0%	\$14,092	3.8%	\$21,996	1.1%
UG Tuition/Fees (Soar-in-Four)	\$9,512	3.0%	\$15,552	3.7%	\$23,456	1.2%
Graduate Tuition	\$8,918	3.0%	\$14,958	3.7%	\$22,862	1.2%
Graduate Tuition/Fees	\$10,364	3.0%	\$16,404	3.7%	\$24,308	1.3%

Proposed Tuition & Mandatory Fee Levels

Health Science Center (approved at the March BOT meeting; selected programs only)	In-State	%-change	Out-of-State	%-change
Medicine	\$34,366	2.0%	\$67,458	1.0%
Physician Assistant	\$22,724	2.0%	\$38,762	1.2%
Dentistry General DDS	\$30,188	2.0%	\$68,948	0.9%
Pharmacy	\$22,170	1.0%	\$42,180	0.5%
MS Pharmacology	\$16,512	0.0%	\$24,940	0.0%
Entry-level Adv Aud/Speech Path	\$18,620	2.0%	\$43,196	0.9%
Nursing BS	\$12,705	0.0%	\$36,930	0.0%
Nursing Graduate	\$18,498	1.0%	\$43,338	0.4%

Proposed Tuition & Mandatory Fee Levels

UTSI & Veterinary Medicine	In-State	%-change	Out-of-State	%-change
UTSI Graduate Tuition	\$11,244	0.0%	\$29,432	0.0%
UTSI Graduate Tuition & Fees	\$11,424	0.0%	\$29,612	0.0%
Veterinary Medicine Tuition	\$27,504	2.0%	\$54,540	0.0%
Vet Medicine Tuition & Fees	\$29,310	2.0%	\$56,576	0.1%

Other Student Fees

UTM & HSC	Current Rate	New Rate	Change	New Revenue
Martin				
Student Programs & Services Fee (SPSF) – Non-Athletic Student Programs	\$156	\$188	\$32	\$153,600
SPSF Green Fee	NEW	\$10	\$10	\$48,000
Health Science Center				
SPSF Counseling Fee (approved in March)	\$180	\$280	\$100	\$320,000

Other Student Fees

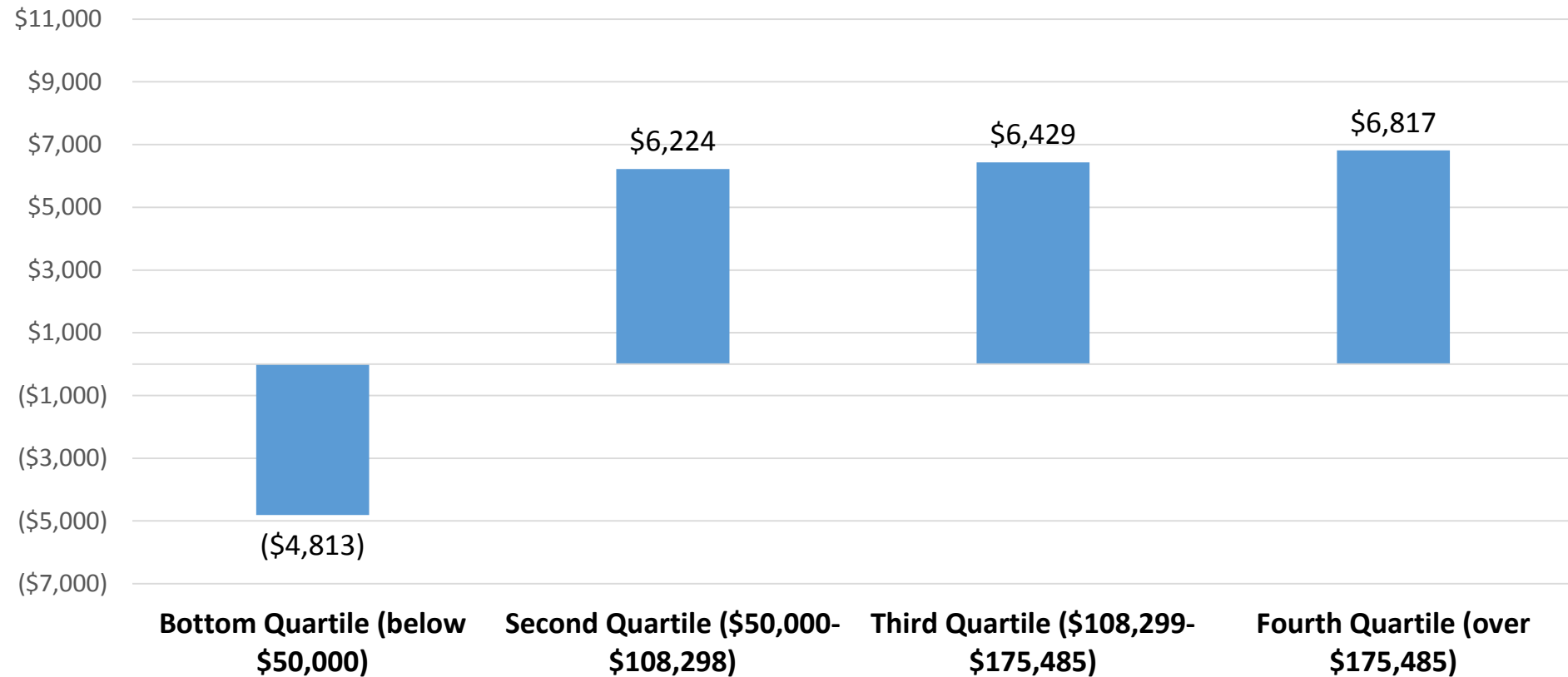
Chattanooga	Current Rate	New Rate	Change	New Revenue
College of Business Graduate Program Fee	NEW	\$900	\$900	\$275,000
Online MBA Program	\$1,276	0	(\$1,276)	(\$400,000)
Mosaic Program Fee	\$5,000	\$7,000	\$2,000	\$106,000
Mosaic Program Summer Fee	NEW	\$1,500	\$1,500	\$7,500

Other Student Fees

Knoxville	Current Rate	New Rate	Change	New Revenue
SPSF Student Program Fee	\$270	\$292	\$22	\$550,000
SPSF Capital Fee	\$398	\$412	\$14	\$350,000
MS Ind./Sys. Eng. Cohort Program Fee	\$16,000	\$18,000	\$2,000	\$30,000
MS Ind./Sys. Eng. Health Systems Prog. Fee	NEW	\$20,000	\$20,000	\$300,000
Doctor of Social Work Program Fee	NEW	\$600	\$600	\$72,000
MS in Social Work Program Fee	NEW	\$450	\$450	\$163,800
MS Ind./Sys. Eng. Online Program Fee <i>(effective fall 2019)</i>	NEW	\$22,950	\$22,950	\$803,250

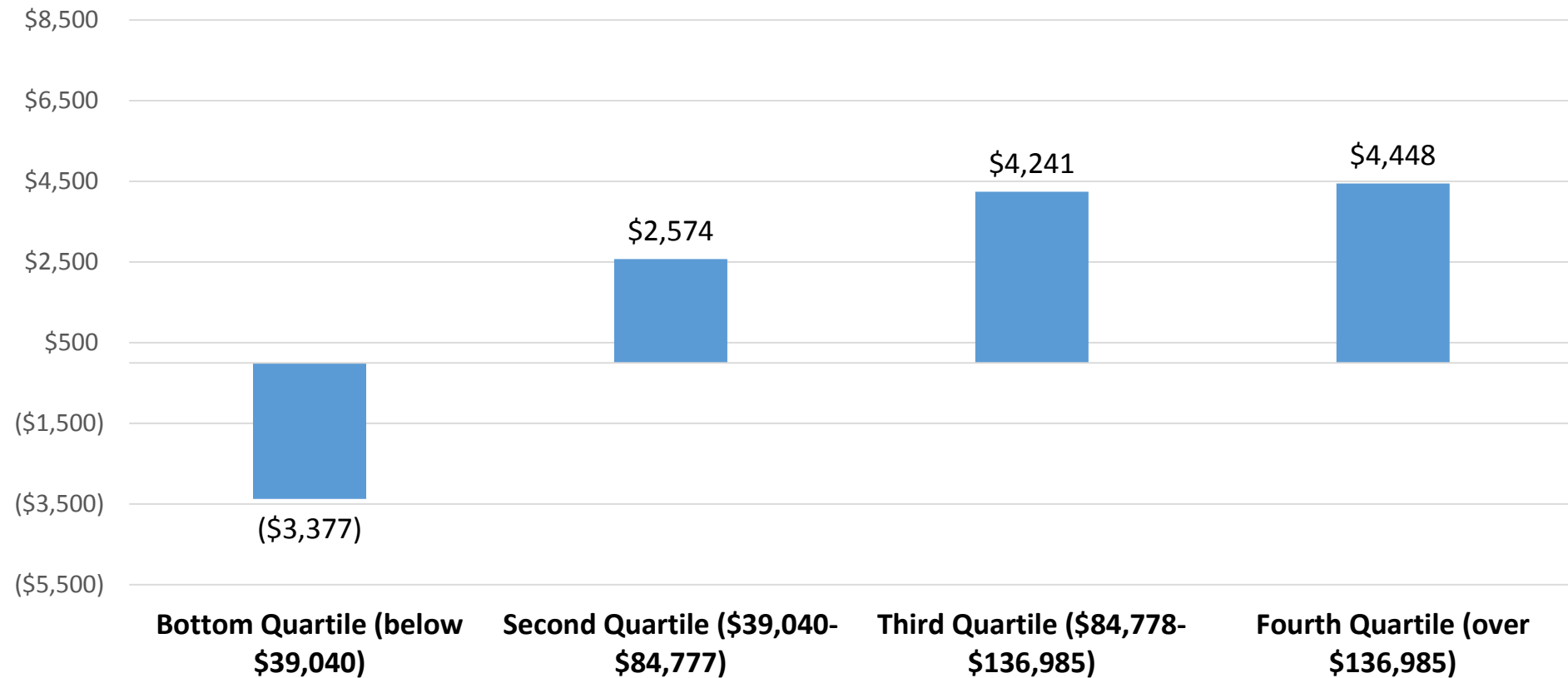
UTK Average Net Price of Tuition

Fall 2017 Dependent, In-State Freshmen by Family Income



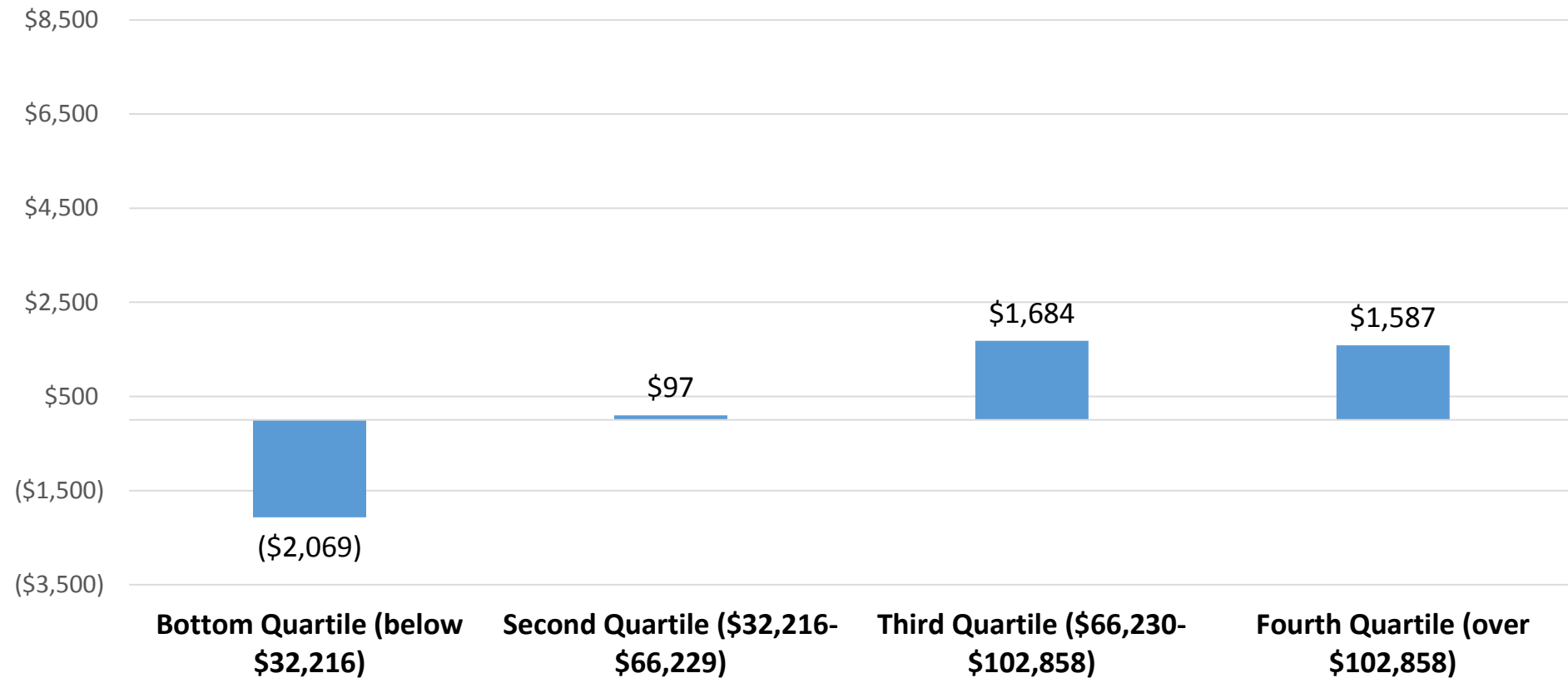
UTC Average Net Price of Tuition

Fall 2017 Dependent, In-State Freshmen by Family Income



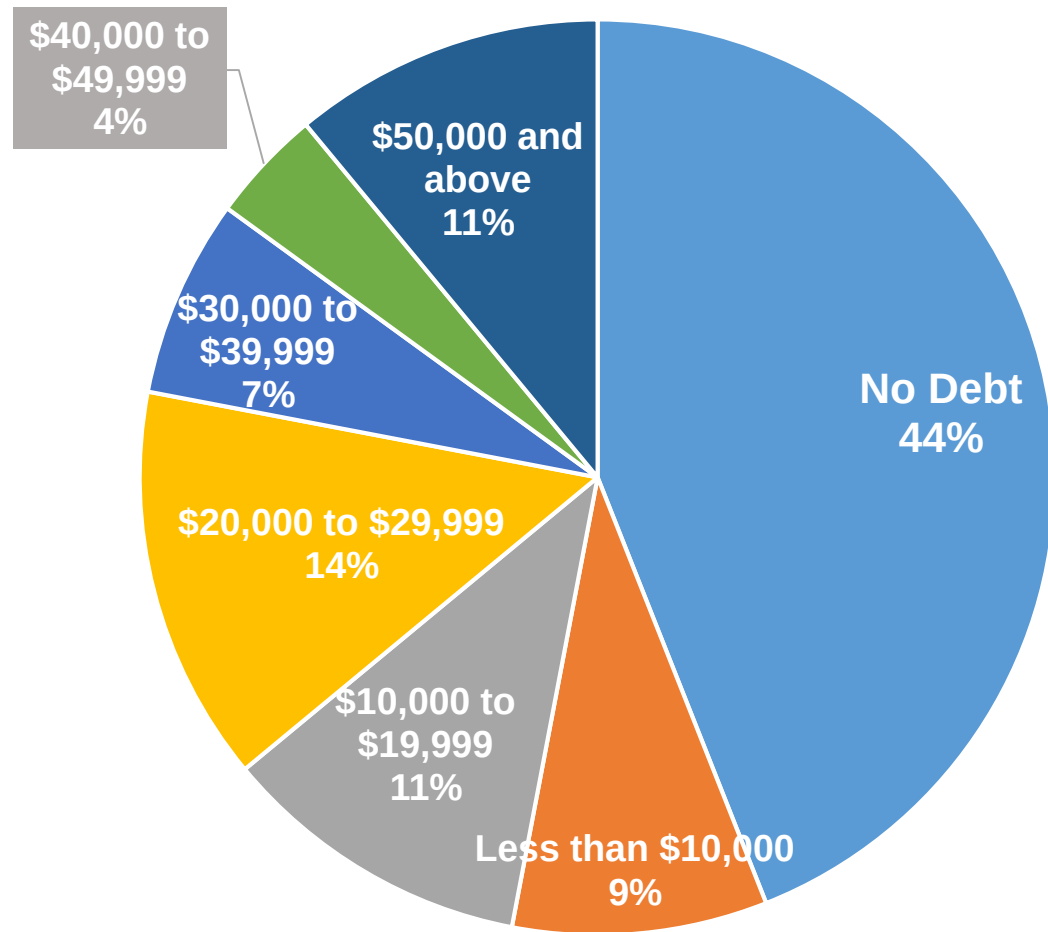
UTM Average Net Price of Tuition

Fall 2017 Dependent, In-State Freshmen by Family Income



Student Debt

2016 Bachelor Degree
Recipients



THE UNIVERSITY OF TENNESSEE

FY 2018-19 PROPOSED TUITION AND FEES

This section presents anticipated tuition¹ and fee revenue growth that will result from the proposed fee adjustments recommended to the Board of Trustees for FY 2018-19. It is provided to inform Board members in their consideration of the university's fee proposal. It includes revenue projections for specific fee changes at each campus, a discussion on how the additional revenues are planned to be used, and detailed schedules of tuition and fee levels proposed for each campus. This section does not address revenue changes related to enrollment changes and other factors that will occur if tuition and fee levels remain unchanged.

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¹For the purposes of this document, tuition refers to both maintenance fees and out-of-state tuition.

Recommendations

The tuition and fee changes proposed for FY 2018-19 follow a recent trend of unusually low increases. In-state undergraduate tuition will not increase at UT Chattanooga and UT Knoxville, and will be within the Tennessee Higher Education Commission (THEC) range of 3% at UT Martin. This is an unprecedented fourth consecutive year of increases of 3% or less.

The tuition and fee changes recommended for Board approval are projected to generate additional unrestricted educational and general (E&G) revenues of \$5,719,612. The increase from tuition is \$3,743,712, while the remaining increase of \$1,975,900 comes from other student fees. (This does not include revenues of \$2,439,439 expected to result from increases to auxiliary rates for housing, dining, parking, and other miscellaneous fees approved by the chancellors.)

Nearly a third of these revenues will be allocated to student financial aid, leaving almost \$4.5 million to fund E&G operations. Over half of these funds will be used for new faculty and staff positions, promotions, and faculty start-up expenditures.

Campus/Institute	New Revenue
Knoxville	\$1,465,800
Health Science Center	1,215,500
Chattanooga	-11,500
Martin	2,915,352
Veterinary Medicine	134,460
TOTAL	\$ 5,719,612
Allocations	
Faculty & Staff Positions, Promotions, Start-up	1,730,588
Scholarships, Grant-in-Aid, and Fee Waivers	2,031,791
Student Services and Instructional Support and Academic Support	1,571,252
Facilities, Equipment, and Debt Service	386,121
TOTAL	\$ 5,719,612

MAINTENANCE FEES AND TUITION
Recommended Percent Change

ACADEMIC UNITS	Maintenance Fee*	Out-of-State Tuition	New Revenues
Chattanooga – In-State Undergraduate and Graduate	0.0 %	0.0%	
Chattanooga – Out-of-State Graduate	0.0 %	-50.0%	
Knoxville – Undergraduate	0.0 %	0.0%	
Knoxville – Graduate	0.0 %	0.0%	
Knoxville - College of Law	0.0%	0.0 %	
Martin – Undergraduate (Less than 90 Credit Hours – ‘Soar in Four’ Model)	3.0%	4.9%	2,713,752
Martin – Undergraduate (90 or More Credit Hours)	3.0%	4.9%	
Martin – Graduate	3.0%	4.9%	
Martin – Out-Of-State Tuition (International)	3.0%	0.0%	
Space Institute	0.0%	0.0%	
Health Science Center:			
College of Medicine – MD	2.0 %	0.0 %	403,500
College of Medicine – PA	2.0%	0.0%	25,400
College of Health Professions – Graduate	2.0%	0.00%	96,200
College of Dentistry – Graduate	2.0%	0.00%	202,200
College of Pharmacy	1.0%	0.00 %	137,600
College of Nursing – Graduate	1.0%	0%	30,600
College of Veterinary Medicine	2.0%	-2.0%	134,460
Total			\$ 3,743,712

*In-state students pay only for the maintenance fee, which is commonly referred to as ‘in-state tuition’. Out-of-state students pay the maintenance fee plus out-of-state tuition. The combined amount of these two fees is commonly referred to as ‘out-of-state tuition’.

OTHER FEES
FY 2018-19 Recommended Rate Increases

CAMPUS	FEE	Current Annual Rate	Proposed Annual Rate	Change	New Revenue
Martin	Program and Service Fee (Non-Athletic)	\$ 156	\$ 188	\$ 32	\$ 153,600
	Green Fee	0	10	10	48,000
Knoxville	Student Program Fee	270	292	22	550,000
	Capital Fee	398	412	14	350,000
	Professional Program Fees:				
	Masters in Industrial & Systems Engineering	16,000	18,000	2,000	30,000
	Masters in Industrial & Systems Engineering Health Systems	0	20,000	20,000	300,000
	Doctor of Social Work	0	600	600	72,000
	Masters of Science in Social Work	0	450	450	163,800
Chattanooga	College of Business Graduate Program Fee	0	900	900	275,000
	Online MBA Program	1276	0	(1,276)	(400,000)
	Mosaic Program Fee	5,000	7,000	2,000	106,000
	Mosaic Program Summer Fee	0	1,500	1,500	7,500
Health Science Center					
	Counseling Fee	180	280	100	\$320,000
Total					\$ 1,975,900

PROPOSED USES OF NEW REVENUES

UT CHATTANOOGA

- Maintenance Fee and Out-of-State Tuition – There is no increase for the maintenance fee for undergraduate and graduate students. There is no increase for undergraduate out-of-state tuition. Graduate out-of-state tuition is reduced by 50% (-\$8,054) from \$16,118 to \$8,064, while Graduate out-of-state tuition (International) is reduced 0.3% from \$16,118 to \$16,064. Graduate Revenue is expected to remain neutral based on an anticipated full-time equivalent (FTE) student increase.
- Online Professional MBA Program – The Online Professional MBA Program will decrease 20.2% (-\$5,856) from \$28,944 to \$23,088. The decrease is due to the elimination of the Online MBA Program fee. The revenues for this decrease represents an amount of -\$400,000.
- Graduate College of Business Program Fee – This new program fee is an annualized amount of \$900 and will generate \$275,000 in revenue. The revenue will be used to fund marketing efforts to produce additional enrollment, manage lead applications, enhance career services and fund key staff positions.
- Mosaic Program Fee – This fee will increase 40% (\$2,000) annually from \$5,000 to \$7,000 and will generate \$106,000 in new revenue. This revenue will be used in support of the Mosaic Program within the Disability Resource Center. The Mosaic Program is a multifaceted and comprehensive program that supports college students who have an Autism Spectrum Disorder. This fee will increase the ability for this self-sustaining program to continue growing and achieving great successes both inside and outside the classroom; as well as, become accurately benchmarked among peer programs in regards to costs.

UT KNOXVILLE

- Maintenance Fee and Out-of-State Tuition – Knoxville proposes no increase to the maintenance fee or out-of-state tuition for undergraduate, graduate, or professional students.
- Masters in Science in Industrial and Systems Engineering – This program fee increase covers operating costs for the full-time, off campus masters cohort. The fee covers university tuition, engineering fees, faculty time, other instructors, the program director, student assistants, meals, books, and miscellaneous supplies. The current rate was established in 2011 and has not increased. However, tuition, fees and overall program costs have increased during that time. The increase in the program fee will generate \$30,000 in additional revenue.

- Master of Science in Industrial and Systems Engineering Health Systems – This new program fee covers operating cost for full-time, off campus master’s program. The courses are delivered one day a week on-site at a TN Hospital Association facility. Students register for specific courses in the program which are taught only for the cohort students. The fee covers university tuition, engineering fees, faculty time, instructors, the program director, student assistants, snacks, books, travel and supplies. This fee will generate \$300,000 in new revenue.
- Social Work Program Fees – Social work is requesting program fees for their Doctor of Social Work (DSW) and Master of Science in Social Work (MSSW) programs. For the DSW Program, this requested fee will provide additional financial support for the operational needs of the DSW program. The program requires additional funding to support the DSW program materials and activities such as DSW orientation, graduation reception, and intensive week: refreshments, lunches, rental space, parking, marketing resources, and student travel. The fee request for the MSSW Program will provide financial support for a non-tenure track faculty of practice and will cover salary and benefits. This faculty of practice track would help alleviate the need for a high number adjunct faculty and will increase the quality of teaching provided to students. These fees will generate \$235,800 in new revenue.
- Masters of Science in Supply Chain Management (MSSCM) – Online – This program fee will primarily be used (but not limited to) to pay faculty costs, online program management services (marketing recruiting, instructional design, student services, technology integration) and provide additional support for student success through enhanced career planning and development, advising and career management. The fee covers the cost of the university In-State Maintenance Fee, Out-of-State Tuition, Library Fee and Online Program Fee. (Note: MSSCM-Online program is currently awaiting approval from the Board of Trustees & THEC with a start date of Fall Semester 2019. All other proposed fee changes will be effective in the 2018 Fall Semester.) This fee will generate \$803,250 in new revenue in FY 2019-20.
- Student Program and Service Fees (SPSF) - An increase in Student Program and Service Fees will generate an increase of \$900,000 in revenues. Projected FY19 operating expenses covered by the SPSF exceed projected revenues by \$1,700,000. Upon review of the reserve balances and focusing on easing the burden placed on students, \$800,000 will be covered by drawing on reserves and the remaining \$900,000 will be covered by revenues produced by the fee increase. \$650,000 of this increase will be used for costs associated with opening the new Student Union and \$250,000 will be used for an anticipated 2.5% raise pool.
 - o Student Program Fee (\$550,000) - This portion of the SPSF is used for expenses relating to student services, activities, and programs organized or operated under the auspices of the Chief Student Affairs Officer (e.g. operating expenses and equipment; wages, salaries, and benefits) including student organized programming.

- o Capital Fee (\$350,000) - This portion of the SPSF is used for acquisition, construction, installation, maintenance, or enhancement of any University property or facilities primarily used for non-instructional purposes, including the satisfaction of indebtedness. It is also used for the purpose of equipment to support student services, activities and programs organized or operated under the auspices of the Chief Student Affairs Officer.

UT MARTIN

- Maintenance Fee – The net result of a 3.0 % increase in the maintenance fee is a revenue increase of \$1,000,700. There is an increase in out-of-state tuition to maintain the out-of-state/in-state ratio of 75%. The out-of-state increase will generate \$116,000 in revenue. The SOAR in Four model phase in will continue with an increase from less than 60 credit hours to less than 90 credit hours resulting in an additional \$536,700 in revenue. The increases will be used to support a robust scholarship program that started in FY18, faculty and staff promotions and new hires, and increases in fixed costs.
- UT Online - Martin
 - o Undergraduate - The course fee per credit hour (PCH) increases 3.0%, in addition to the implementation of the ‘SOAR in Four’ rate for all students with less than 90 credit hours. The 14.4% increase will bring the online course fee up to the on campus maintenance fee for ‘SOAR in Four’. This results in a revenue increase of \$908,730. The revenue increase will be used to support faculty and staff promotions and new hires and academic scholarships.
 - o Graduate - The course fee per credit hour (PCH) increases 3.0%. This results in a revenue increase of \$32,300. The revenue increase will be used to support faculty and staff promotions.
- UTM Centers - The 3.0% maintenance increase and the ‘SOAR in Four’ phase in from 60 credit hours to 90 credit hours will result in an increase of \$119,322 for the Centers. The Centers will use the funding for the 2.5% salary pool, fixed cost increases, and new hires.
- Student Activity Fee - will increase \$32 annually and generate \$153,600 in additional revenue. The Student Government Association (SGA) approved the fee increase from \$156 to \$188 annually to enhance programming from general and multicultural perspective.

In addition a new \$10 annual Green Fee was created at the request of the Student Government Association (SGA) to create a Center for Sustainability. The \$48,000 generated will be used to facilitate student recruitment, determine long term economic efficiency, and create institutional assessment metrics.

UT SPACE INSTITUTE (UTSI)

- Maintenance Fee and Out-of-State Tuition – UTSI proposes no increase to the maintenance fee for undergraduate and graduate students. Also, there is no increase for out-of-state tuition

UT HEALTH SCIENCE CENTER (UTHSC)

(UTHSC 2018-19 tuition & fee rates were approved at the previous Board meeting. The following is presented for information purposes)

- Maintenance Fee– There is a general 1% to 2% proposed maintenance fee increase this year for Graduate Programs, but no increase for Undergraduate Programs. The only exception is for the College of Graduate Health Sciences which will have no increase for Graduate Programs. There will also be an increase in Out-of-State Tuition ranging from 0.7% to 2.0% for Graduate Programs, except for the College of Graduate Health Sciences which will not have an increase. There will also be no increase for Undergraduate Programs. Tuition increases will provide \$895,500 in new revenues. First, UTHSC will allocate \$395,500 to help fund new faculty positions in Dentistry, Nursing, Medicine, & Health Professions. Finally, we will allocate \$500,000 for Faculty Market Salary Adjustments in various colleges. Detail by program is as follows:
 - Medicine – Revenue increases will come from tuition increases that will generate \$428,900 in new revenues. The new revenues will be used to help fund new faculty in the College of Medicine and faculty market salary adjustments.
 - Health Professions – Revenue increases will come from tuition increases which will generate \$96,200 in new revenues. The new revenues will be used to help fund new faculty in the College of Health Professions.
 - Dentistry – Revenue increases will come from tuition increases in the Dentistry Program that will generate \$202,200 in new revenues. These new revenues will be used to help fund new faculty in Dentistry and faculty market salary adjustments.
 - Nursing – Revenue increases will come from tuition increases in the Nursing programs that will generate \$30,600 in new revenues. These new revenues will be used to fund new Nursing Faculty.
 - Pharmacy – Revenue increases will come from tuition increases for the College of Pharmacy which will generate \$137,600 in new revenues. These new revenues will be used fund new Pharmacy Faculty and faculty market salary adjustments.
- Student Program and Service Fees (SPSF) – An increase in Student Program and Service Fees will generate an increase of \$320,000 in revenues.

- o Counseling Fee (\$320,000) – This portion of the Student Program and Service Fee is charged per credit hour and is used to help fund Counselors that help students with any needs they may have related to their time at UTHSC.

UT COLLEGE OF VETERINARY MEDICINE

- Maintenance Fee and Out-of-state Tuition – There is a 2.0 % increase in the maintenance fee and a 2.0% decrease in out-of-state tuition which generates a net revenue gain of \$134,460. These new revenues will be used for a faculty promotion, utilities and partial funding for a new Orthopedic Surgery faculty position.

Chattanooga

FY 2018-19 Annual Tuition and Fees Maintenance Fee & Tuition

	FY 2017-18	FY 2018-19	CHANGE	
			Amount	Percent
IN-STATE				
Undergraduate				
Maintenance Fee	\$ 6,888	\$ 6,888		
Other Fees:				
Student Programs and Services Fees *	\$ 660	\$ 660		
Athletics	480	480		
Green	20	20		
Technology	250	250		
Library	50	50		
Transportation	96	96		
Facilities	200	200		
International Education	20	20		
Total Other Fees	\$ 1,776	\$ 1,776		
Total Tuition and Fees	\$ 8,664	\$ 8,664		
Graduate				
Maintenance Fee	\$ 8,244	\$ 8,244		
Other Fees:	1,776	1,776		
Total Tuition and Fees	\$ 10,020	\$ 10,020		
OUT-OF-STATE				
Undergraduate				
Maintenance Fee	\$ 6,888	\$ 6,888		
Out-of-State Tuition	16,118	16,118		
Maintenance Fee & Out-of-State Tuition	\$ 23,006	\$ 23,006		
Other Fees	1,776	1,776		
Total Tuition and Fees	\$ 24,782	\$ 24,782		
Graduate - Domestic				
Maintenance Fee	\$ 8,244	\$ 8,244		
Out-of-State Tuition	16,118	8,064	\$ (8,054)	-50.0%
Maintenance Fee & Out-of-State Tuition	\$ 24,362	\$ 16,308	\$ (8,054)	-33.1%
Other Fees	\$ 1,776	\$ 1,776		
Total Tuition and Fees	\$ 26,138	\$ 18,084	\$ (8,054)	-30.8%
Graduate - International				
Maintenance Fee	\$ 8,244	\$ 8,244		
Out-of-State Tuition	16,118	16,064	\$ (54)	-0.3%
Maintenance Fee & Out-of-State Tuition	\$ 24,362	\$ 24,308	\$ (54)	-0.2%
Other Fees	\$ 1,776	\$ 1,776		
Total Tuition and Fees	\$ 26,138	\$ 26,084	\$ (54)	-0.2%

In-state students pay only for the maintenance fee, which is commonly referred to as 'in-state tuition'. Out-of-state students pay the maintenance fee plus out-of-state tuition. The combined amount of these two fees is commonly referred to as 'out-of-state tuition'.

The schedule above does not include differential fees assessed at \$57 per credit hour for College of Business, School of Nursing, College of Engineering and Computer Science, and Doctorate programs for Physical Therapy and Occupational Therapy Courses. There is no cap on these fees.

* Student Programs and Services Fees detail are on page C-24.

University Fees are set by the Board of Trustees and are subject to change at any regular or called meeting of the Board.

Chattanooga

FY 2018-19 Annual Tuition and Fees Programs and Online Fees

	FY 2017-18	FY 2018-19	CHANGE	
			Amount	Percent
MASTER'S DEGREE PROGRAMS				
Executive MBA - In-State	\$ 44,000	\$ 44,000		
Executive MBA - Out-of-State	49,000	49,000		
Online MBA Program - In-State *	28,944	23,088	\$ (5,856)	-20.2%
Online MBA Program - Out-of-State *	28,944	24,780	(4,164)	-14.4%
Graduate College of Business Program Fee	-	900	900	100.0%
UT ONLINE - Chattanooga				
UT online course and support fees are charged per credit hour with no maximum credit hour cap on the distance campus. The online support fee also applies to each online credit hour taken by on-campus students.				
UNDERGRADUATE				
IN-STATE				
Course Fee	\$ 287	\$ 287		
Online Support	56	56		
Total	\$ 343	\$ 343		
OUT-OF-STATE				
Course Fee	\$ 313	\$ 313		
Online Support	56	56		
Total	\$ 369	\$ 369		
GRADUATE				
IN-STATE				
Course Fee	\$ 458	\$ 458		
Online Support	56	56		
Total	\$ 514	\$ 514		
OUT-OF-STATE				
Course Fee	\$ 505	\$ 505		
Online Support	56	56		
Total	\$ 561	\$ 561		

* The online support fee has not changed. The Online MBA Program decreased from eliminating a program fee in the amount of \$1,276.

University Fees are set by the Board of Trustees and are subject to change at any regular or called meeting of the Board.

Knoxville
FY 2018-19 Annual Tuition and Fees
Undergraduate Tuition and Fees

	FY 2017-18	FY 2018-19	CHANGE	
			Amount	Percent
IN-STATE				
Fall and Spring Semesters				
Maintenance Fee	\$ 11,110	\$ 11,110		
Other Fees:				
Student Programs and Service Fee *	\$ 976	\$ 1,012	\$ 36	3.7%
Technology	240	240		
Facilities	404	404		
Transportation	150	150		
Library Fee	70	70		
International Education	20	20		
Total Other Fees	\$ 1,860	\$ 1,896	\$ 36	1.9%
Total Tuition and Fees	\$ 12,970	\$ 13,006	\$ 36	0.3%
Summer Semester Only				
Other Fees:				
Student Programs and Service Fee *	\$ 296	\$ 307	\$ 11	3.7%
Technology	120	120		
Facilities	202	202		
Transportation	75	75		
Library Fee	35	35		
International Education	10	10		
Total Other Fees	\$ 738	\$ 749	\$ 11	1.5%
OUT-OF-STATE				
Fall and Spring Semesters				
Maintenance Fee	\$ 11,110	\$ 11,110		
Tuition (Non-residents only)	18,190	18,190		
Total (Out-of-State Tuition)	\$ 29,300	\$ 29,300		
Other Fees:				
Student Programs and Service Fee *	\$ 976	\$ 1,012	\$ 36	3.7%
Technology	240	240		
Facilities	634	634		
Transportation	150	150		
Library Fee	70	70		
International Education	20	20		
Total Other Fees	\$ 2,090	\$ 2,126	\$ 36	1.7%
Total Tuition and Fees	\$ 31,390	\$ 31,426	\$ 36	0.1%
Summer Semester Only				
Other Fees:				
Student Programs and Service Fee *	\$ 296	\$ 307	\$ 11	3.7%
Technology	120	120		
Facilities	317	317		
Transportation	75	75		
Library Fee	35	35		
International Education	10	10		
Total Other Fees	\$ 853	\$ 864	\$ 11	1.3%

In-state students pay only for the maintenance fee, which is commonly referred to as 'in-state tuition'. Out-of-state students pay the maintenance fee plus out-of-state tuition. The combined amount of these two fees is commonly referred to as 'out-of-state tuition'.

Additional differential fees for certain courses are assessed on a per credit hour basis: \$64 for College of Engineering courses; \$132 for specific College of Nursing courses; \$99 for undergraduate College of Business courses with the exception of 100, 500, and 600 level courses; and \$109 for the College of Architecture. There is no cap on these fees.

* Student programs and services fees detail are on page C-24.

University Fees are set by the Board of Trustees and are subject to change at any regular or called meeting of the Board.

Knoxville
FY 2018-19 Annual Tuition and Fees
Graduate Student Tuition and Fees

	FY 2017-18	FY 2018-19	CHANGE	
			Amount	Percent
IN-STATE				
Fall and Spring Semesters				
Maintenance Fee	\$ 11,244	\$ 11,244		
Other Fees:				
Student Programs and Service Fees *	\$ 976	\$ 1,012	\$ 36	3.7%
Technology	240	240		
Facilities	404	404		
Transportation	150	150		
Library Fee	70	70		
Total Other Fees	\$ 1,840	\$ 1,876	\$ 36	2.0%
Total Tuition and Fees	\$ 13,084	\$ 13,120	\$ 36	0.3%
Summer Semester Only				
Maintenance Fee	\$ 5,622	\$ 5,622		
Other Fees:				
Student Programs and Service Fees *	296	307	11	3.7%
Technology	120	120		
Facilities	202	202		
Transportation	75	75		
Library Fee	35	35	-	0.0%
Total Other Fees	\$ 728	\$ 739	\$ 11	1.5%
Total Tuition and Fees	\$ 6,350	\$ 6,361	\$ 11	0.2%
OUT-OF-STATE				
Fall and Spring Semesters				
Maintenance Fee	\$ 11,244	\$ 11,244		
Out-of-State Tuition	18,188	18,188		
Maintenance Fee & Out-of-State Tuition	\$ 29,432	\$ 29,432		
Other Fees:				
Student Programs and Service Fees *	\$ 976	\$ 1,012	\$ 36	3.7%
Technology	240	240		
Facilities	634	634		
Transportation	150	150		
Library Fee	70	70		
Total Other Fees	2,070	2,106	36	1.7%
Total Tuition and Fees	\$ 31,502	\$ 31,538	\$ 36	0.1%
Summer Semester Only				
Maintenance Fee	\$ 5,622	\$ 5,622		
Out-of-State Tuition	9,094	9,094		
Maintenance Fee & Out-of-State Tuition	\$ 14,716	\$ 14,716		
Other Fees:				
Student Programs and Service Fees *	296	307	11	3.7%
Technology	120	120		
Facilities	317	317		
Transportation	75	75		
Library Fee	35	35		
Total Other Fees	\$ 843	\$ 854	\$ 11	1.3%
Total Tuition and Fees	\$ 15,559	\$ 15,570	\$ 11	0.1%

In-state students pay only for the maintenance fee, which is commonly referred to as 'in-state tuition'. Out-of-state students pay the maintenance fee plus out-of-state tuition. The combined amount of these two fees is commonly referred to as 'out-of-state tuition'.

The schedule above does not include differential fees assessed for certain courses: additional charge of \$64 per credit hour for Engineering courses; additional charge of \$132 per credit hour for 200, 300 and 400 level Nursing courses; additional charge of \$99 per credit hour except for 100, 500, 600 level Business courses; and additional charge of \$109 for the College of Architecture. There is no cap on these fees.

* Student programs and services fees detail are on page C-24.

University Fees are set by the Board of Trustees and are subject to change at any regular or called meeting of the Board.

Knoxville
FY 2018-19 Annual Tuition and Fees
Specialized Master's Programs

			CHANGE	
	FY 2017-18	FY 2018-19	Amount	Percent
Master's Degree Programs				
MBA Programs				
Full-Time MBA	\$ 15,400	\$ 15,400		
Senior Executive MBA	71,000	71,000		
Aerospace Executive MBA	69,000	69,000		
Professional Executive MBA	48,000	48,000		
Physician Executive MBA	76,000	76,000		
Global Supply Chain Executive MBA	85,000	85,000		
Health Care Leadership MBA	65,000	65,000		
Specialty Master's Degree Programs				
Masters of Science in Industrial & Systems Engineering	\$ 16,000	\$ 18,000	\$ 2,000	12.5%
Masters of Human Resource Management	4,500	4,500		
Masters of Business Analytics Program in Statistics, Operations, and Management Science	6,000	6,000		
Masters of Accountancy in Accounting and Information Management	6,000	6,000		
Masters of Science in Supply Chain Management	2,000	2,000		
Doctor of Social Work	-	600	600	NEW
Masters of Science in Social Work	-	450	450	NEW
Masters of Science in Industrial & Systems Engineering Health Systems	-	20,000	20,000	NEW

University Fees are set by the Board of Trustees and are subject to change at any regular or called meeting of the Board.

Knoxville
FY 2018-19 Annual Tuition and Fees
College of Law Tuition and Fees

	FY 2017-18	FY 2018-19	CHANGE	
			Amount	Percent
IN-STATE				
Maintenance Fee	\$ 16,368	\$ 16,368		
<u>Other Fees:</u>				
Student Programs and Services Fee *	\$ 976	\$ 1,012	\$ 36	3.7%
Technology	240	240		
Transportation	150	150		
Facilities	404	404		
Law Library Fee	250	250		
Law Enhancement Fee	1,250	1,250		
Total Other Fees	\$ 3,270	\$ 3,306	\$ 36	1.1%
Total Tuition and Fees	\$ 19,638	\$ 19,674	\$ 36	0.2%
Summer Semester Only				
Maintenance Fee	\$ 5,461	\$ 5,461		
<u>Other Fees:</u>				
Student Programs and Services Fee*	\$ 296	\$ 307	\$ 11	3.7%
Technology	120	120		
Transportation	75	75		
Facilities	202	202		
Total Other Fees	\$ 693	\$ 704	\$ 11	1.6%
Total Tuition and Fees	\$ 6,154	\$ 6,165	\$ 11	0.2%
OUT-OF-STATE				
Maintenance Fee	\$ 16,368	\$ 16,368		
Out-of-State Tuition	18,444	18,444		
Maintenance Fee & Out-of-State Tuition	\$ 34,812	\$ 34,812		
<u>Other Fees:</u>				
Student Programs and Services Fee *	\$ 976	\$ 1,012	\$ 36	3.7%
Technology	240	240		
Transportation	150	150		
Facilities	634	634		
Law Library	250	250		
Law Enhancement Fee	1,250	1,250		
Total Other Fees	\$ 3,500	\$ 3,536	\$ 36	1.0%
Total Tuition and Fees	\$ 38,312	\$ 38,348	\$ 36	0.1%
Summer Semester Only				
Maintenance Fee	\$ 5,461	\$ 5,461		
Out-of-State Tuition	6,145	6,145		
Maintenance Fee & Out-of-State Tuition	\$ 11,606	\$ 11,606		0.0%
<u>Other Fees:</u>				
Student Programs and Services Fee *	\$ 296	\$ 307	\$ 11	3.7%
Technology	120	120		
Transportation	75	75		
Facilities	317	317		
Total Other Fees	\$ 808	\$ 819	\$ 11	1.4%
Total Tuition and Fees	12,414	12,425	\$ 11	0.1%

In-state students pay only for the maintenance fee, which is commonly referred to as 'in-state tuition'. Out-of-state students pay the maintenance fee plus out-of-state tuition. The combined amount of these two fees is commonly referred to as 'out-of-state tuition'.

This schedule does not reflect the rates for the Flexible Schedule J.D. Program. Students enrolled in this program pay tuition by the credit hour rather than at a flat rate. Specifically, Flexible Schedule students would pay the prevailing per-credit-hour rate equal to that paid by full-time students if full-time students paid on a per-credit-hour-basis (based on 32 credit hours per year). For the current academic year, this amount is \$512 per credit hour (excluding fees).

* Student programs and services fees detail are on page C-24

University Fees are set by the Board of Trustees and are subject to change at any regular or called meeting of the Board.

Knoxville - Space Institute

FY 2018-19 Annual Tuition and Fees Graduate Student Tuition and Fees

	FY 2017-18	FY 2018-19	CHANGE	
			Amount	Percent
IN-STATE				
Fall and Spring Semesters				
Maintenance Fee	\$ 11,244	\$ 11,244		
Other Fees:				
Student Programs and Services Fees *	180	180		
Total Tuition and Fees	<u>\$ 11,424</u>	<u>\$ 11,424</u>		
Summer Semester Only				
Maintenance Fee	\$ 5,622	\$ 5,622		
Other Fees:				
Student Programs and Service Fees *	75	75		
Total Tuition and Fees	<u>\$ 5,697</u>	<u>\$ 5,697</u>		
OUT-OF-STATE				
Fall and Spring Semesters				
Maintenance Fee	\$ 11,244	\$ 11,244		
Out-of-State Tuition	18,188	18,188		
Maintenance Fee & Out-of-State Tuition	<u>\$ 29,432</u>	<u>\$ 29,432</u>		
Other Fees:				
Student Programs and Services Fees *	180	180		
Total Tuition and Fees	<u>\$ 29,612</u>	<u>\$ 29,612</u>		
Summer Semester Only				
Maintenance Fee	\$ 5,622	\$ 5,622		
Out-of-State Tuition	9,094	9,094		
Maintenance Fee & Out-of-State Tuition	<u>\$ 14,716</u>	<u>\$ 14,716</u>		
Other Fees:				
Student Programs and Services Fees *	75	75		
Total Tuition and Fees	<u>\$ 14,791</u>	<u>\$ 14,791</u>		

In-state students pay only for the maintenance fee, which is commonly referred to as 'in-state tuition'. Out-of-state students pay the maintenance fee plus out-of-state tuition. The combined amount of these two fees is commonly referred to as 'out-of-state tuition'.

The schedule above does not include differential fees assessed for certain courses: additional charge of \$64 per credit hour for Engineering courses. There is no cap on these fees.

* Student Programs and Services Fees detail are on page C-24.

University Fees are set by the Board of Trustees and are subject to change at any regular or called meeting of the Board.

Martin

FY 2018-19 Annual Tuition and Fees In-State Undergraduate and Graduate Tuition and Fees

	FY 2017-18	FY 2018-19	CHANGE	
			Amount	Percent
IN-STATE				
<u>Undergraduate</u>				
<u>90 Credits or More</u>				
Maintenance Fee	\$ 7,200	\$ 7,416	\$ 216	3.0%
Student Programs and Services Fees *	1,004	1,046	42	4.2%
Technology	250	250		
Publications Fee	14	14		
Facilities	150	150		
Total Other Fees	\$ 1,418	\$ 1,460	\$ 42	3.0%
Total Tuition and Fees	\$ 8,618	\$ 8,876	\$ 258	3.0%
<u>Less Than 90 Credit Hours (Soar in Four Model)</u>				
Maintenance Fee	\$ 7,818	\$ 8,052	\$ 234	3.0%
Total Other Fees	1,418	1,460	42	3.0%
Total Tuition and Fees	\$ 9,236	\$ 9,512	\$ 276	3.0%
<u>Graduate</u>				
Maintenance Fee	\$ 8,658	\$ 8,918	\$ 260	3.0%
Student Programs and Services Fees *	1,004	1,046	42	4.2%
Technology	250	250		
Facilities	150	150		
Total Other Fees	\$ 1,404	\$ 1,446	\$ 42	3.0%
Total Tuition and Fees	\$ 10,062	\$ 10,364	\$ 302	3.0%

In-state students pay only for the maintenance fee, which is commonly referred to as 'in-state tuition'. Out-of-state students pay the maintenance fee plus out-of-state tuition. The combined amount of these two fees is commonly referred to as 'out-of-state tuition'.

The 'Soar in Four' tuition model was instituted in FY2016-17. The intent of the initiative is to encourage students to enroll in 15 or more credit hours per semester in order to graduate in four years. Although it encourages students to enroll for more hours each term, the 'Soar in Four' rate will be assessed to students registered for 12 or more credit hours in a term. (Proof of credit hours must be received and accepted by the fifth day of the term.) For FY 2016-17 and FY 2017-18, the rate applied to students who earned less than 60 credit hours. For FY 2018-19, it will apply to students who have earned less than 90 credit hours. By FY 2019-20, the 'Soar in Four' rate will be applicable to all students.

* Student Programs and Services Fees (SPSF) detail are on page C-24.

University Fees are set by the Board of Trustees and are subject to change at any regular or called meeting of the Board.

Martin

FY 2018-19 Annual Tuition and Fees Out-Of-State Undergraduate and Graduate Tuition and Fees

	FY 2017-18	FY 2018-19	CHANGE	
			Amount	Percent
OUT-OF-STATE DOMESTIC				
<u>Undergraduate</u>				
<u>90 Credit Hours or More</u>				
Maintenance Fee	\$ 7,200	\$ 7,416	\$ 216	3.0%
Out-of-State Tuition	5,760	6,040	280	4.9%
Maintenance Fee & Out-of-State Tuition	\$ 12,960	\$ 13,456	\$ 496	3.8%
Other Fees *	1,418	1,460	42	3.0%
Total Tuition and Fees	<u>\$ 14,378</u>	<u>\$ 14,916</u>	<u>\$ 538</u>	<u>3.7%</u>
<u>Less Than 90 Credit Hours (Soar in Four Model)</u>				
Maintenance Fee	\$ 7,818	\$ 8,052	\$ 234	3.0%
Out-of-State Tuition	5,760	6,040	280	4.9%
Maintenance Fee & Out-of-State Tuition	\$ 13,578	\$ 14,092	\$ 514	3.8%
Other Fees *	1,418	1,460	42	3.0%
Total Tuition and Fees	<u>\$ 14,996</u>	<u>\$ 15,552</u>	<u>\$ 556</u>	<u>3.7%</u>
<u>Graduate</u>				
Maintenance Fee	\$ 8,658	\$ 8,918	\$ 260	3.0%
Out-of-State Tuition	5,760	6,040	280	4.9%
Total Tuition and Fees	<u>\$ 14,418</u>	<u>\$ 14,958</u>	<u>\$ 540</u>	<u>3.7%</u>
Other Fees *	<u>\$ 1,404</u>	<u>\$ 1,446</u>	<u>42</u>	<u>3.0%</u>
Total Tuition and Fees	<u>\$ 15,822</u>	<u>\$ 16,404</u>	<u>\$ 582</u>	<u>3.7%</u>
OUT-OF-STATE INTERNATIONAL				
<u>Undergraduate</u>				
<u>90 Credit Hours or More</u>				
Maintenance Fee	\$ 7,200	\$ 7,416	\$ 216	3.0%
Out-of-State Tuition	13,944	13,944		
Maintenance Fee & Out-of-State Tuition	\$ 21,144	\$ 21,360	\$ 216	1.0%
Other Fees *	1,418	1,460	42	3.0%
Total Tuition and Fees	<u>\$ 22,562</u>	<u>\$ 22,820</u>	<u>\$ 258</u>	<u>1.1%</u>
<u>Less Than 90 Credit Hours (Soar in Four Model)</u>				
Maintenance Fee	\$ 7,818	\$ 8,052	\$ 234	3.0%
Out-of-State Tuition	13,944	13,944		
Maintenance Fee & Out-of-State Tuition	\$ 21,762	\$ 21,996	\$ 234	1.1%
Other Fees *	1,418	1,460	42	3.0%
Total Tuition and Fees	<u>\$ 23,180</u>	<u>\$ 23,456</u>	<u>\$ 276</u>	<u>1.2%</u>
<u>Graduate</u>				
Maintenance Fee	\$ 8,658	\$ 8,918	\$ 260	3.0%
Out-of-State Tuition	13,944	13,944		
Total Tuition and Fees	<u>\$ 22,602</u>	<u>\$ 22,862</u>	<u>\$ 260</u>	<u>1.2%</u>
Other Fees *	<u>\$ 1,404</u>	<u>\$ 1,446</u>	<u>\$ 42</u>	<u>3.0%</u>
Total Tuition and Fees	<u>\$ 24,006</u>	<u>\$ 24,308</u>	<u>\$ 302</u>	<u>1.3%</u>

In-state students pay only for the maintenance fee, which is commonly referred to as 'in-state tuition'. Out-of-state students pay the maintenance fee plus out-of-state tuition. The combined amount of these two fees is commonly referred to as 'out-of-state tuition'.

The 'Soar in Four' tuition model was instituted in FY2016-17. The intent of the initiative is to encourage students to enroll in 15 or more credit hours per semester in order to graduate in four years. Although it encourages students to enroll for more hours each term, the 'Soar in Four' rate will be assessed to students registered for 12 or more credit hours in a term. (Proof of credit hours must be received and accepted by the fifth day of the term.) For FY 2016-17 and FY 2017-18, the rate applied to students who earned less than 60 credit hours. For FY 2018-19, it will apply to students who have earned less than 90 credit hours. By FY 2019-20, the 'Soar in Four' rate will be applicable to all students.

* Other Fees details are on page C-17.

University Fees are set by the Board of Trustees and are subject to change at any regular or called meeting of the Board.

Martin
FY 2018-19 Annual Tuition and Fees
Online Fees

	FY 2017-18	FY 2018-19	CHANGE	
			Amount	Percent
UT ONLINE - Martin				
UT online course fees are charged per credit hour with no maximum credit hour cap. This applies to all students, including on-campus students.				
<u>UNDERGRADUATE</u>				
IN-STATE				
Course Fee	\$ 299	\$ 342	\$ 43	14.4%
Online Support	56	56		
Total	<u>\$ 355</u>	<u>\$ 398</u>	<u>\$ 43</u>	<u>12.1%</u>
OUT-OF-STATE DOMESTIC				
Course Fee	\$ 329	\$ 376	\$ 47	14.3%
Online Support	56	56		
Total	<u>\$ 385</u>	<u>\$ 432</u>	<u>\$ 47</u>	<u>12.2%</u>
OUT-OF-STATE INTERNATIONAL				
Course Fee	\$ 361	\$ 414	\$ 53	14.7%
Online Support	56	56		
Total	<u>\$ 417</u>	<u>\$ 470</u>	<u>\$ 53</u>	<u>12.7%</u>
<u>GRADUATE</u>				
IN-STATE				
Course Fee	\$ 516	\$ 532	\$ 16	3.1%
Online Support	56	56		
Total	<u>\$ 572</u>	<u>\$ 588</u>	<u>\$ 16</u>	<u>2.8%</u>
OUT-OF-STATE DOMESTIC				
Course Fee	\$ 567	\$ 585	\$ 18	3.2%
Online Support	56	56		
Total	<u>\$ 623</u>	<u>\$ 641</u>	<u>\$ 18</u>	<u>2.9%</u>
OUT-OF-STATE INTERNATIONAL				
Course Fee	\$ 623	\$ 643	\$ 20	3.2%
Online Support	56	56		
Total	<u>\$ 679</u>	<u>\$ 699</u>	<u>\$ 20</u>	<u>2.9%</u>

University Fees are set by the Board of Trustees and are subject to change at any regular meeting of the Board.

Veterinary Medicine

FY 2018-19 Annual Tuition and Fees Graduate Tuition and Fees

			CHANGE	
	FY 2017-18	FY 2018-19	Amount	Percent
IN-STATE				
Maintenance Fee	\$ 26,964	\$ 27,504	\$ 540	2.0%
Other Fees:				
Student Programs and Services Fees *	\$ 976	\$ 1,012	\$ 36	3.7%
Technology	240	240		
Transportation	150	150		
Facilities	404	404		
Total Other Fees	\$ 1,770	\$ 1,806	\$ 36	2.0%
Total Tuition and Fees	\$ 28,734	\$ 29,310	\$ 576	2.0%
OUT-OF-STATE				
Maintenance Fee	\$ 26,964	\$ 27,504	\$ 540	2.0%
Out-of-State Tuition	27,576	27,036	(540)	-2.0%
Maintenance Fee & Out-of-State Tuition	\$ 54,540	\$ 54,540	\$ -	0.0%
Other Fees				
Student Programs and Services Fees *	\$ 976	\$ 1,012	\$ 36	3.7%
Technology	240	240		
Transportation	150	150		
Facilities	634	634		
Total Other Fees	\$ 2,000	\$ 2,036	\$ 36	1.8%
Total Tuition and Fees	\$ 56,540	\$ 56,576	\$ 36	0.1%

In-state students pay only for the maintenance fee, which is commonly referred to as 'in-state tuition'. Out-of-state students pay the maintenance fee plus out-of-state tuition. The combined amount of these two fees is commonly referred to as 'out-of-state tuition'.

* Student program and services fees detail are on page C-24.

University Fees are set by the Board of Trustees and are subject to change at any regular or called meeting of the Board.

Health Science Center

FY 2018-19 Annual Tuition and Fees Tuition and Fees

	FY 2017-18	FY 2018-19	CHANGE	
			Amount	Percent
IN-STATE				
Graduate Health Sciences	\$ 10,694	\$ 10,694		
MS Pharmacology	16,512	16,512		
Medicine				
Doctor of Medicine	\$ 33,692	\$ 34,366	\$ 674	2.0%
Physician Assistant	22,278	22,724	446	2.0%
Dentistry				
General DDS	\$ 29,596	\$ 30,188	592	2.0%
Transitional DDS	71,400	72,828	1,428	2.0%
Dental Hygiene Bachelor of Science	9,988	9,988		
Pharmacy	\$ 21,950	\$ 22,170	220	1.0%
Nursing				
Bachelors	\$ 12,705	\$ 12,705		
Graduate	18,315	18,498	183	1.0%
Health Professions				
Entry Level Bachelor of Science				
Medical Technology	\$ 7,990	\$ 7,990		
Audiology & Speech Pathology ****	11,110	11,110		
Entry Level Advanced Degrees *	13,346	13,614	268	2.0%
Entry Lev Adv Degrees Audiology/Speech Path**	18,255	18,620	365	2.0%
Post-Professional Degrees ***	9,674	9,868	194	2.0%
OUT-OF-STATE				
Graduate Health Sciences	\$ 29,864	\$ 29,864		
MS Pharmacology	24,940	24,940		
Medicine				
Doctor of Medicine	\$ 66,784	\$ 67,458	674	1.0%
Physician Assistant	38,316	38,762	446	1.2%
Dentistry				
General DDS	\$ 68,356	\$ 68,948	592	0.9%
Transitional DDS	71,400	72,828	1,428	2.0%
Dental Hygiene Bachelor of Science	33,596	33,596		
Pharmacy	41,960	42,180	220	0.5%
Nursing				
Bachelors	\$ 36,930	\$ 36,930		
Graduate	43,155	43,338	183	0.4%
Health Professions				
Entry Level Bachelor of Science				
Medical Technology	\$ 26,156	\$ 26,156		
Audiology & Speech Pathology ****	29,300	29,300		
Entry Level Advanced Degrees *	31,328	31,596	268	0.9%
Entry Lev Adv Degrees Audiology/Speech Path**	42,831	43,196	365	0.9%
Post-Professional Degrees ***	27,614	27,808	194	0.7%

*** Entry Level Advanced Degrees**

Doctor of Physical Therapy
Master of Cytopathology
Master of Occupational Therapy

**** Entry Level Advanced Degrees Audiology/Speech Path**

Doctor of Audiology
Master of Science in Speech-Language Pathology
Transitional Doctor of Audiology

***** Post-Professional Degrees**

Doctor of Science in Physical Therapy
Master of Science in Physical Therapy
Transitional Doctor of Physical Therapy
Master of Science in Clinical Lab Sciences

****** Bachelor of Audiology & Speech Pathology**

This is a joint degree with UTK where UTHSC will teach the 4th year of the Bachelor's program but charge the UTK tuition rate.

University Fees are set by the Board of Trustees and are subject to change at any regular or called meeting of the Board.

Health Science Center

FY 2018-19 Annual Tuition and Fees

Other Fee Details

	FY 2017-18	FY 2018-19	CHANGE	
			Amount	Percent
Programs & Services and Required Fees				
Student Programs & Services Fees *	\$ 900	\$ 1,000	\$ 100	11.1%
Technology Fee	240	240		
Graduation/Yearbook	50	50		
Total	\$ 1,190	\$ 1,290	\$ 100	8.4%
Other Fees				
Health Insurance	\$ 2,660	\$ 2,928	\$ 268	10.1%
Disability Insurance	48	44	(4)	-8.3%
Malpractice Insurance				
Medicine				
Class of 2020 and 2021	14	14		
Class of 2018 and 2019	43	43		
Pharmacy	20	20		
Nursing	20	20		
Health Professions	20	20		
Dentistry	18	18		
Course Proficiency Exam Fee	\$ -	\$ 200	\$ 200	NEW
Other Fees - Health Professions				
CHP OT Board Review Fee	150	150		
CHP OT Media Fee	150	150		
Other Fees - Nursing				
CON Pre-Licensure Digital Course Materials Fee-1st Term	2,266	2,020	(246)	-10.9%
CON Pre-Licensure Digital Course Materials Fee-2nd Term	920	580	(340)	-37.0%
CON Pre-Licensure Digital Course Materials Fee-3rd Term	920	700	(220)	-23.9%
CON BSN Digital Course Materials Fee-1st Term	495	525	30	6.1%
CON BSN Digital Course Materials Fee-2nd Term	495	320	(175)	-35.4%
CON BSN Digital Course Materials Fee-3rd Term	-	235	235	NEW
CON DNP Digital Course Materials Fee-1st Term	526	-	(526)	-100.0%
CON DNP Digital Course Materials Fee-2nd Term	322	-	(322)	-100.0%
CON CNL Digital Course Materials Fee	832	832		
CON Nursing Kit	395	372	(23)	-5.8%
CON Digital Equipment Fee	340	410	70	20.6%
CON Board Review Fee	315	315		
Other Fees - Medicine				
Step 1 Exam Prep Fee	-	120	120	NEW
COM PA Digital Course Materials Fee	310	48	(262)	-84.5%
COM PA Board Review Fee	392	392		
Other Fees - Pharmacy				
Pre-Naplex Exam Fee-4th Year all in Fall Semester	80	80		
MTM Certificate Fee-3rd Year all in Fall Semester	100	100		
Point of Care Testing Certificate Fee	-	140	140	NEW
COP Board Review Fee	175	175		
Other Fees - Dentistry				
Dentistry Student Government	60	60		
COD Digital Course Materials Fee-Class of 2021	900	-	(900)	-100.0%
COD Digital Course Materials Fee-Class of 2020	772	-	(772)	-100.0%
COD Digital Course Materials Fee-Class of 2019	703	-	(703)	-100.0%
COD Dental Hygiene Digital Course Materials Fee-Class of 2019	662	-	(662)	-100.0%
Laboratory and Clinical Utilization Fee	2,200	2,400	200	9.1%
Graduate Endodontics Clinical Utilization Fee	12,750	12,750		
Graduate Orthodontics Clinical Utilization Fee	7,000	7,000		

* Student Programs and Services Fees (SPSF) detail are on page C-24.

University Fees are set by the Board of Trustees and are subject to change at any regular or called meeting of the Board.

Health Science Center

FY 2018-19 Annual Tuition and Fees

Online Fees

	FY 2017-18	FY 2018-19	CHANGE	
			Amount	Percent
HEALTH SCIENCE CENTER ONLINE				
HSC online course fees are charged per credit hour with no maximum credit hour cap.				
<u>UNDERGRADUATE</u>				
IN-STATE				
Course Fee	\$ 350	\$ 350		
Online Support	46	46		
Total	<u>\$ 396</u>	<u>\$ 396</u>		
OUT-OF-STATE				
Course Fee	\$ 415	\$ 415		
Online Support	46	46		
Total	<u>\$ 461</u>	<u>\$ 461</u>		
<u>GRADUATE</u>				
IN-STATE				
Course Fee	\$ 640	\$ 640		
Online Support	46	46		
Total	<u>\$ 686</u>	<u>\$ 686</u>		
OUT-OF-STATE				
Course Fee	\$ 705	\$ 705		
Online Support	46	46		
Total	<u>\$ 751</u>	<u>\$ 751</u>		
<u>HEALTH INFORMATICS AND INFORMATION MANAGEMENT</u>				
IN-STATE				
Course Fee	\$ 500	\$ 500		
Online Support	50	50		
Total	<u>\$ 550</u>	<u>\$ 550</u>		
OUT-OF-STATE				
Course Fee	\$ 550	\$ 550		
Online Support	50	50		
Total	<u>\$ 600</u>	<u>\$ 600</u>		

University Fees are set by the Board of Trustees and are subject to change at any regular or called meeting of the Board.

Student Programs and Services Fees

FY 2018-19 Annual Fees

	FY 2017-18	FY 2018-19	CHANGE	
			Amount	Percent
KNOXVILLE (Includes College of Law and Veterinary Medicine)				
FALL AND SPRING				
Student Program	\$ 270	\$ 292	\$ 22	8.1%
Capital	398	412	14	3.5%
Health Services	202	202		
Student Counseling	106	106		
Total	<u>\$ 976</u>	<u>\$ 1,012</u>	<u>\$ 36</u>	<u>3.7%</u>
Summer Semester Only				
Student Program	\$ 82	\$ 89	\$ 7	8.5%
Capital	121	125	4	3.3%
Health Services	61	61		
Student Counseling	32	32		
Total	<u>\$ 296</u>	<u>\$ 307</u>	<u>\$ 11</u>	<u>3.7%</u>
SPACE INSTITUTE				
FALL AND SPRING				
Student Activity	\$ 180	\$ 180		
Summer Semester Only				
Student Activity	\$ 75	\$ 75		
CHATTANOOGA				
Student Activity	\$ 240	\$ 240		
Debt Service	300	300		
Health Services	120	120		
Total	<u>\$ 660</u>	<u>\$ 660</u>		
MARTIN				
Student Activity - Non Athletic	\$ 156	\$ 188	\$ 32	20.5%
Student Activity - Athletic	408	408		
Student Health & Counseling	60	60		
Green Fee		10	10	NEW
Debt Service	380	380		
Total	<u>\$ 1,004</u>	<u>\$ 1,046</u>	<u>\$ 42</u>	<u>4.2%</u>
HEALTH SCIENCE CENTER				
Student Activity	\$ 26	\$ 26		
Campus Recreation	40	40		
Campus Improvement	50	50		
Simulation Center Equipment Fee	300	300		
Debt Service	54	54		
Computer Based Testing Fee	50	50		
Health Services	200	200		
Counseling	180	280	\$ 100	55.6%
Total	<u>\$ 900</u>	<u>\$ 1,000</u>	<u>\$ 100</u>	<u>11.1%</u>

The purpose of the Student Programs and Services Fee (SPSF) is to advance the University's educational mission by funding non-instructional services, activities, programs, and facilities that promote student satisfaction and retention or promote the intellectual, physical, emotional, social, cultural, or leadership development of students. The Board of Trustees retains ultimate control of the SPSF and sets the amount of the SPSF at each campus annually upon the recommendation of the Board's Finance and Administration Committee.

University Fees are set by the Board of Trustees and are subject to change at any regular or called meeting of the Board.

University of Tennessee System

FY 2018-19 Annual Tuition and Fees Fees for Disabled and Elderly Persons

	FY 2017-18	FY 2018-19	CHANGE Amount
Disabled/Elderly Persons			
COURSES FOR CREDIT			
Per Semester Hour	\$ 7	\$ 7	
Maximum Fee per Semester	70	70	
AUDIT COURSES	No Charge	No Charge	

Fee levels mandated by Tennessee Code Annotated 49-7-113.

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**BOARD OF TRUSTEES
POLICY ON APPROVAL OF STUDENT FEES**

1. OBJECTIVE

To provide for the consistent administration of student fees and charges.

2. INTRODUCTION

- a. This policy applies to student fees, fines, room and board, and other charges students may incur while attending or applying for admission to a University of Tennessee campus. The policy identifies the highest level of approval needed to enact a new fee or to change an existing fee.
- b. Fee waiver and fee discount programs established by state statute provide reduced fees for specific groups of students. The University shall implement these programs in accordance with state laws, rules, and regulations. The Board of Trustees must approve any student fee discount other than one established by statute.
- c. The University recognizes that adjustments to original charges may be appropriate based on dropping a course or a student's withdrawal from the University. Campuses have the authority to establish refund procedures for this purpose.
- d. Students with outstanding debts are not permitted to register for subsequent terms until all outstanding debts are paid or arrangements have been made with the University to pay the debt.

3. STUDENT COURSE-RELATED FEES

Student Course-Related Fees represent the University's core charges for instructional offerings. The following Student Course-Related Fees are approved by the Board of Trustees:

- a. Maintenance Fees
A Maintenance Fee is assessed to students enrolled in credit courses, including courses in which the student is enrolled only on an audit basis. A Maintenance Fee is established for undergraduate students, and a

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separate Maintenance Fee is established for graduate students. All students, both in-state and out-of-state, are assessed the established Maintenance Fee.

b. Out-of-State Tuition

Out-of-State Tuition is an additional fee assessed to undergraduate and graduate students who are classified as non-residents of the State of Tennessee for fee assessment purposes and who are enrolled in credit courses, including courses in which the student is enrolled only on an audit basis.

c. Differential Tuition

Differential Tuition is a per-credit-hour fee assessed for a specific course or group of courses as dictated by increasing demand for educational excellence in specific areas. Examples include specific Business, Engineering, and Nursing courses. Differential Tuition proposals and requests should be prepared and submitted according to the same schedule as other fee requests each year. Once approved, future percentage increases in Maintenance Fees automatically apply to the Differential Tuition for these specific courses. Increases to Differential Tuition exceeding the percentage increases proposed for Maintenance Fees must be approved by the Board of Trustees.

d. Professional Program Fees

Professional Program Fees apply to specialized programs that prepare students for professional careers. These fees include both the Maintenance Fee and Out-of-State Tuition components as applicable. Examples include Executive and Professional MBA Program fees and the fees assessed to students in the College of Law; the College of Veterinary Medicine; and the Health Science Center Colleges of Medicine, Health Professions, Dentistry, Nursing, Pharmacy, and Graduate Health Sciences.

e. Online and Distance Education Course Fees

Online and distance education courses are provided for undergraduate and graduate students. Each of these modes of delivery may have different Maintenance Fee and Out-of-State Tuition rates and additional fees. The additional fees are generally assessed based on the location of the course/program and delivery [mode](#) and are currently called Online Support Fee, Distance Education Fee and Access Fee.

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4. DEDICATED STUDENT FEES

The following Dedicated Student Fees are mandatory student fees that fund specific activities of the University. Dedicated student fees are approved by the Board of Trustees:

a. Student Programs and Services Fee

The Student Programs and Services Fees are dedicated to supporting student-related services, including, but not limited to, student activities, student health clinics, debt service for designated buildings, and student government association activities. Student input on the use of fee revenues is desired, but it is not necessary to have a student referendum or other vote to effect a fee request. Campuses are authorized to assess, use, and allocate a student activity fee only in accordance with the Board of Trustees Policy on a Student Programs and Services Fee [\[insert link\]](#).

b. Other Dedicated Student Fees

Other Dedicated Student Fees include, but are not limited to, the following fees: Athletic Fees, Technology Fees, Facilities Fees, Transportation Fees, Library Fees, Study Abroad Fees and Yearbook Fees.

Revenues from these fees provide additional resources and services to the students as designated by the assessed fee. Student input on the use of fee revenues is desired, but it is not necessary to have a student referendum or other vote to effect a fee request.

5. SPECIAL COURSE FEES

Special Course Fees are approved by the President, or his/her designee, each year. These fees cover additional instructional costs not covered by the Maintenance and Out-of-State Tuition. Examples include fees charged for labs, music lessons, field trips, international travel, and program materials and equipment.

6. APPLICATION FEES

Undergraduate and graduate Application Fees are approved by the President, or his/her designee. An application fee, which is non-refundable, must be submitted with the first-time admissions application before an individual will be permitted to become a University of Tennessee student or attend classes. This fee is not

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required for undergraduate program transfers within the University. Campuses may assess a re-admissions fee.

7. ROOM AND BOARD

Room and Board rates are established at the campus level and approved by the chief executive officer for each campus.

- a. Student Housing
Institutional residential facilities are available to students, which include rooms and apartments.
- b. Housing Deposits
In addition to signing a housing contract, students must pay a housing deposit before a residence hall assignment will be made.
- c. Room Damages
Residents are responsible for the condition and care of the accommodations to which they are assigned and shall reimburse the University for damages to their room. Charges for damages and cleaning will be assessed to the student.
- d. Meal Plans
Students may choose from a variety of meal plans, or dining options, at the beginning of each semester.

8. OTHER STUDENT FEES

Other Student Fees are approved by the campus or institute chief executive officer. Other Student Fees include fees and charges based on a student's specific needs or individual program requirements.

- a. Non-credit Fees
Fees are established for various non-credit courses and programs based on the delivery cost of the course or program.
- b. Contractual Course Fees
The University may enter into contractual agreements with customers for the delivery of credit courses and programs. Prior to offering a contractual

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course, the department shall consult with the chief business officer or his/her designee to review the financial feasibility of offering the course.

c. Returned Check Fees

Each returned check is subject to a University administrative fee. In addition to the returned check administrative fee, late payment fees may be assessed as of the date the check is redeemed. Returned check fees cannot exceed the maximum amount established in accordance with the applicable state statute.

d. Miscellaneous Student Fees

Miscellaneous Student Fees include, but are not limited to, late registration fees, add/drop fees, late exam fees, special exam fees, ID replacement, orientation fees, diploma fee, parking fees, motor vehicle registration, student insurance, housing application fee, collection fees, payment processing fees, and program deposits or seat fees for programs such as Law, Nursing, Social Work, and Architecture at UT Knoxville and Physical Therapy and Occupational Therapy at UT Chattanooga.

9. FINES

Fines include traffic fines, parking fines, parking fine late fees and library fines. Fines must be promulgated as “rules” under the Tennessee Uniform Administrative Procedures Act and require approval by the Board of Trustees. Rules of the University of Tennessee are published in Chapter 1720 of the *Tennessee Rules and Regulations*.

10. REFUNDS

The campus or institute chief executive officer shall develop appropriate refund procedures and publish these procedures in catalogs or online. The procedures shall include, at a minimum, the following provisions:

- a. A percentage of Maintenance Fees, Out-of-State Tuition, Differential Tuition, and any Mandatory Dedicated Fees will be charged unless the student officially drops courses or withdraws from the University by the deadline set by the campus or institute. The drop/add procedure cannot be used to withdraw for a semester, and withdrawal does not cancel fees or charges already incurred.

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- b. Refunds and repayments to the Title IV programs (Return to Title IV Aid) shall be determined according to the formula published in the current "Federal Student Financial Aid Handbook," located in the Financial Aid office of each campus and institute, which is responsible for calculating the amount of the refund and/or repayment and for distributing the correct amount back to the financial aid program(s) according to the Refund/Repayment Allocation Policy.
- c. University of Tennessee campuses and institutes shall follow the applicable federal policy and procedures for calculating refunds and repayments for financial aid. For this purpose, refunds are defined as the portion of the Maintenance Fee, Differential Tuition, and/or Out-of-State Tuition and University housing/meal charges due when a student withdraws or drops a portion of class hours. Once a refund is determined to be appropriate, any amount will be applied toward other outstanding fees owed to the University at the time the refund is issued.

11. REPORTING CAMPUS-APPROVED AND CAMPUS-SPECIFIC FEES

The campus or institute chief executive officer shall file with the President a report of campus-approved fees for each coming academic year. The report shall contain all campus-approved fees except the charges for non-credit courses and contractual courses. The report shall also include all campus-specific fees requiring approval by the Board of Trustees. The report will be presented to the Board of Trustees for information at the annual meeting each year.

12. ADMINISTRATIVE ADJUSTMENTS

The President, or his/her designee, may make administrative adjustments to this policy if necessary to comply with statutory or regulatory requirements, to ensure the policy is carried out with the Board of Trustees' direction, and to ensure the policy is consistent with other University policies.

History:

Adopted	3/6/2007
Revised	2/26/2015

[See the Appendix on the following page for an Approval Matrix.]

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APPENDIX

POLICY ON APPROVAL OF STUDENT FEES

APPROVAL MATRIX

FEE	Board	System	Campus
3. STUDENT COURSE FEES			
a: Maintenance Fee	X	X	X
b: Out-of-State Tuition	X	X	X
c: Differential Tuition	X	X	X
d: Professional Program Fees	X	X	X
e: Online and Distance Education Courses	X	X	X
4. DEDICATED STUDENT FEES			
a: Programs and Services Fees	X	X	X
b: Other Dedicated Student Fees	X	X	X
5. SPECIAL COURSE FEES		X	X
6. APPLICATION FEES		X	X
7. ROOM AND BOARD			
a: Student Housing			X
b: Housing Deposits			X
c: Room Damages			X
d: Meal Plans			X
8. OTHER STUDENT FEES			
a: Non-credit Fees			X
b: Contractual Course Fees			X
c: Returned Check Fees			X
d: Miscellaneous Student Fees			X
9. FINES	X	X	X
10. REFUNDS			X
11. ADMINISTRATIVE ADJUSTMENTS		X	