



THE UNIVERSITY OF TENNESSEE BOARD OF TRUSTEES

FINANCE AND ADMINISTRATION COMMITTEE	
Friday, October 16, 2026	Student Union Ballroom
10:15 a.m. (EDT)/9:15 a.m. (CDT)	The University of Tennessee, Knoxville, TN

AGENDA

- I. Call to Order and Roll Call
- II. Opening Remarks of the Committee Chair
- III. Requests to Address the Board (if appropriate for the Committee)
- IV. [Financial Report](#) – Information/Discussion Tab 1
 - A. [2026 Fiscal Year-end Financial Summary](#) Tab 1.1
 - B. [Fiscal Year 2026 Fund Balances and Reserves Report](#) Tab 1.2
 - C. [ERP and HCM Oracle Cloud Outcomes and Roadmap](#) Tab 1.3
- V. [Student Cost of Attendance and Financial Aid](#) – Information/Discussion Tab 2
- VI. [FY 2026-27 Operating Budget Appropriations Request for Specialized Units](#) – Action Tab 3
- VII. [Capital Projects](#) – Action Tab 4
 - A. [Ground Lease \(Housing P3 - Phase 3\), UTK](#) Tab 4.1
- VIII. [Proposed Facility Naming, UTK](#) – Action Tab 5
- IX. [Committee Consent Agenda](#) – Action Tab 6
 - A. [Minutes of the Last Meeting](#) Tab 6.1
 - B. [Report on Uses of FY 2026 Tuition and Fee Revenue](#) Tab 6.2
 - C. [Revision to Board Policy \(BT0025\) - Statement of Investment Policy](#) Tab 6.3
- X. Other Business
[Note: Under the Bylaws of the Board, items not appearing on the agenda may be considered only upon an affirmative vote representing a majority of the total voting membership of the Committee. Other business necessary to come before the Committee at this meeting should be brought to the attention of the Committee Chair or Board Secretary before the meeting.]
- XI. Closing Remarks and Adjournment



THE UNIVERSITY OF TENNESSEE BOARD OF TRUSTEES

<u>Information Items</u>	Tab 7
A. <u>Report on Differential Tuition Charges & Revenue (UTC & UTK)</u>	Tab 7.1
B. <u>FY 2026 Annual Flight Operations Report</u>	Tab 7.2
C. <u>Capital Projects Approvals Report</u>	Tab 7.3
D. <u>FY 2026 Endowment Investment Performance Report</u>	Tab 7.4



THE UNIVERSITY OF TENNESSEE BOARD OF TRUSTEES

AGENDA ITEM SUMMARY

Meeting Date: October 16, 2026

Committee: Finance and Administration

Item: **Report on Financial Performance**

Type: Information

Presenter: David L. Miller, Senior Vice President and Chief Financial Officer
Andrea Addis, Interim Treasurer

Background Information

The attached materials contribute to the body of financial reports periodically provided to the Board of Trustees. The materials include tables summarizing FY 2025-2026 compared to the same time last year. The information provides revenue and expense data, and year-end carry-forward fund balances for each institution.

The following items are in the PowerPoint Presentation:

- 2026 Fiscal Year-end Financial Summary
- Fiscal Year 2026 Fund Balances and Reserves Report
- ERP and HCM Oracle Cloud Outcomes and Roadmap



Consistent Financial Outcomes

- Revenue led by strong investment income and state appropriations paired with steady increase in net tuition revenue driven primarily by enrollment growth
- Expenses remained consistent with growth trends, inflation, enrollment, and expanded services
- Balance sheet remains healthy maintaining strong liquidity

Sustained Operational Performance

All \$ presented in thousands

For the Twelve Months Ended June 30, 2026 and 2025

	June 30, 2026	June 30, 2025	Variance (\$thousands)	Variance (%)	
REVENUES					
Net Tuition & Fees	758,580	728,478	30,103	4.1%	
Grants, Contracts and Fed Approp.	973,271	1,010,313	(37,043)	-3.7%	
Auxiliaries	417,821	437,219	(19,398)	-4.4%	
State & Local Appropriations	1,132,273	1,020,524	111,749	11.0%	Strong state and local growth
Investment Income	276,399	237,802	38,597	16.2%	Continued strong returns for endowment and cash pool
All Other Revenues	201,217	190,628	10,590	5.6%	
Total Revenues	3,759,561	3,624,964	134,597	3.7%	
EXPENSES					
Salaries & Benefits	2,165,146	2,085,582	79,563	3.8%	Salaries & benefits in line with enrollment growth personnel
Utilities, Supplies & Other	935,612	876,337	59,274	6.8%	
Scholarships and Fellowships	34,080	41,237	(7,157)	-17.4%	
All Other Expenses	286,531	243,015	43,516	17.9%	Increased depreciation expense for buildings placed in-service
Total Expenses	3,421,368	3,246,172	175,196	5.4%	

Strong Balance Sheet and Capital Health

All \$ presented in thousands

For the periods ending June 30, 2026 and 2025

	June 30, 2026	June 30, 2025	Variance (\$thousands)	Variance (%)
ASSETS & DEFERRED OUTFLOWS				
Cash & Cash Equivalents	1,911,606	1,927,082	(15,476)	-0.8%
Investments	2,071,656	1,739,517	332,139	19.1%
Capital Assets Net of Depreciation	4,162,810	3,725,711	437,099	11.7%
Receivables	357,055	363,366	(6,311)	-1.7%
Deferred Outflows of Resources	129,236	147,099	(17,863)	-12.1%
All Other Assets	20,783	20,729	54	0.3%
Total Assets	8,653,146	7,923,505	729,642	9.2%
LIABILITIES				
Bonds, Notes, Credit Facility, & Leases	1,419,430	1,326,731	92,700	7.0%
Pension, OPEB & Comp Absences	193,152	267,806	(74,654)	-27.9%
Deferred Inflows of Resources	419,440	202,878	216,561	106.7%
Act Payable & Accrued Liab.	298,443	295,154	3,288	1.1%
Deposits held in Custody for others	686,801	541,328	145,472	26.9%
Unearned Rev. & all Other Liabilities	88,745	86,493	2,253	2.6%
Total Liabilities	3,106,011	2,720,390	385,621	14.2%

Continued strong
endowment returns

Increases from
construction in progress
and accounting recognition
of P3 assets

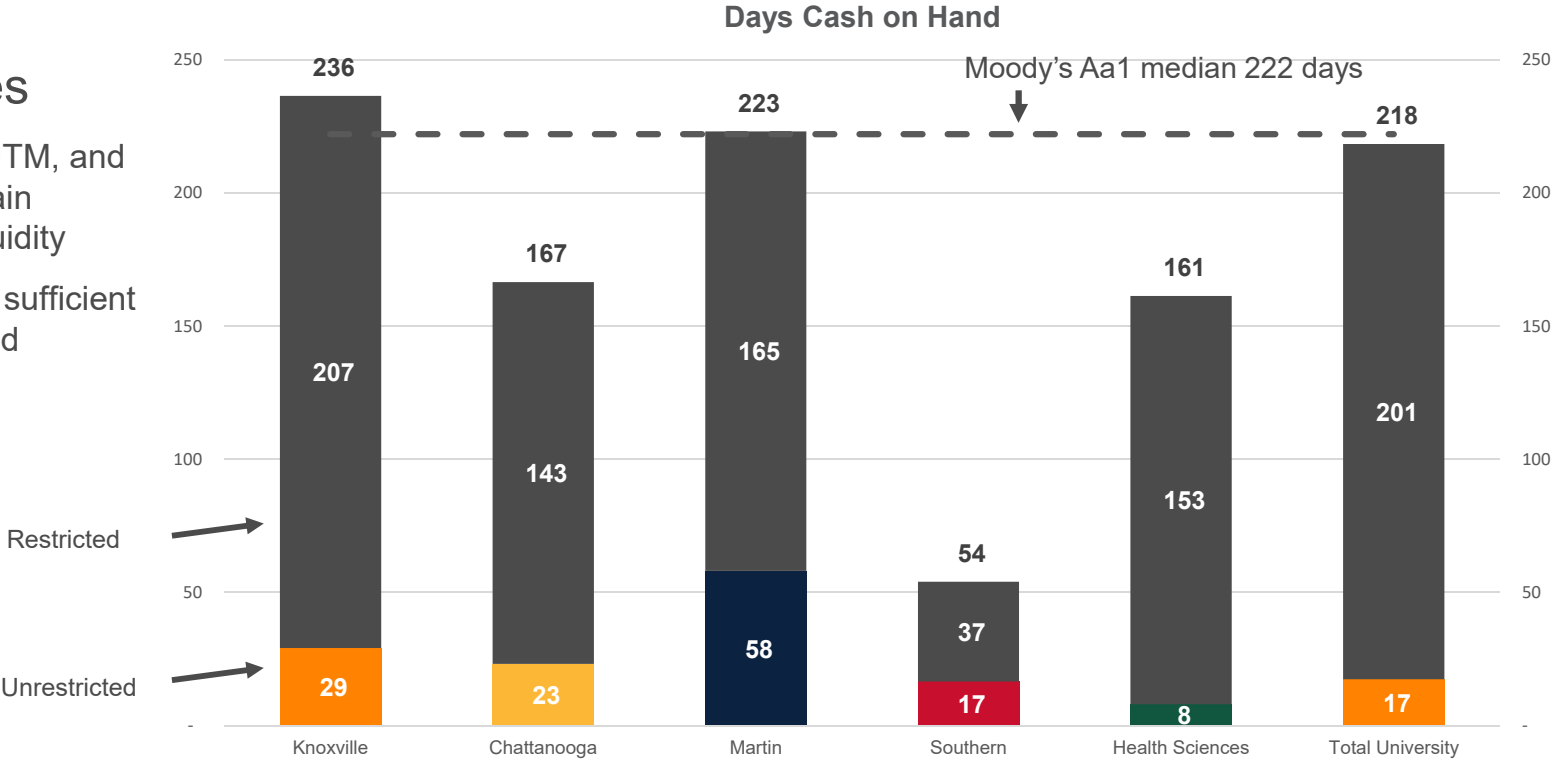
Driven by \$207M
accounting recognition
for P3 arrangements

Liquidity In-Line with Aa1 Rated Universities

Key notes

UTK, UTC, UTM, and UTHS maintain adequate liquidity

UT Southern sufficient with continued monitoring



Positive Financial Performance Continues

All \$ presented in thousands	For the Twelve Months Ended June 30, 2026 and 2025			
	June 30, 2026	June 30, 2025	Variance (\$thousands)	Variance (%)
REVENUES	3,759,561	3,624,964	134,597	3.7%
EXPENSES	3,421,368	3,246,172	175,196	5.4%

Campus Financial Statements



UTK Income Statement

All \$ presented in thousands For the Twelve Months Ended June 30, 2026 and 2025

	June 30, 2026	June 30, 2025	Variance (\$thousands)	Variance (%)
REVENUES				
Net Tuition & Fees	570,907	545,527	25,380	4.7%
Grants, Contracts and Fed Approp.	465,317	484,921	(19,604)	-4.0%
Auxiliaries	389,503	401,484	(11,981)	-3.0%
State & Local Appropriations	616,559	561,771	54,788	9.8%
Investment Income	97,583	76,323	21,260	27.9%
All Other Revenues	104,371	113,444	(9,073)	-8.0%
Total Revenues	2,244,240	2,183,469	60,770	2.8%
EXPENSES				
Salaries & Benefits	1,284,421	1,218,288	66,133	5.4%
Utilities, Supplies & Other	591,949	545,707	46,242	8.5%
Scholarships and Fellowships	25,134	26,146	(1,012)	-3.9%
All Other Expenses	183,935	169,837	14,098	8.3%
Total Expenses	2,085,439	1,959,978	125,461	6.4%

UTK Balance Sheet

All \$ presented in thousands

For the periods ending June 30, 2026 and 2025

	June 30, 2026	June 30, 2025	Variance (\$thousands)	Variance (%)
ASSETS & DEFERRED OUTFLOWS				
Cash & Cash Equivalents	1,190,022	1,259,769	(69,747)	-5.5%
Investments	789,043	725,727	63,316	8.7%
Capital Assets Net of Depreciation	2,939,724	2,561,617	378,107	14.8%
Receivables	208,865	213,129	(4,264)	-2.0%
Deferred Outflows of Resources	62,509	73,102	(10,594)	-14.5%
All Other Assets	14,293	11,010	3,283	29.8%
Total Assets	5,204,456	4,844,354	360,103	7.4%
LIABILITIES				
Bonds, Notes, Credit Facility, & Leases	1,071,344	985,283	86,061	8.7%
Pension, OPEB & Comp Absences	75,588	110,655	(35,067)	-31.7%
Deferred Inflows of Resources	311,457	103,766	207,691	200.2%
Act Payable & Accrued Liab.	112,498	121,768	(9,270)	-7.6%
Deposits held in Custody for others	6,742	7,047	(305)	
Unearned Rev. & all Other Liabilities	72,601	66,156	6,445	9.7%
Total Liabilities	1,650,231	1,394,675	255,555	18.3%

UTC Income Statement

All \$ presented in thousands

For the Twelve Months Ended June 30, 2026 and 2025

	June 30, 2026	June 30, 2025	Variance (\$thousands)	Variance (%)
REVENUES				
Net Tuition & Fees	75,927	72,465	3,462	4.8%
Grants, Contracts and Fed Approp.	72,956	73,738	(783)	-1.1%
Auxiliaries	19,873	17,593	2,281	13.0%
State & Local Appropriations	146,645	101,122	45,523	45.0%
Investment Income	8,297	7,893	405	5.1%
All Other Revenues	17,431	13,903	3,528	25.4%
Total Revenues	341,129	286,713	54,416	19.0%
EXPENSES				
Salaries & Benefits	180,665	174,998	5,667	3.2%
Utilities, Supplies & Other	64,317	60,733	3,584	5.9%
Scholarships and Fellowships	4,114	5,456	(1,343)	-24.6%
All Other Expenses	28,083	26,604	1,478	5.6%
Total Expenses	277,178	267,792	9,386	3.5%

UTC Balance Sheet

All \$ presented in thousands

For the periods ending June 30, 2026 and 2025

	June 30, 2026	June 30, 2025	Variance (\$thousands)	Variance (%)
ASSETS & DEFERRED OUTFLOWS				
Cash & Cash Equivalents	109,477	119,165	(9,688)	-8.1%
Investments	31,783	29,238	2,545	8.7%
Capital Assets Net of Depreciation	500,353	415,924	84,429	20.3%
Receivables	35,505	27,868	7,637	27.4%
Deferred Outflows of Resources	10,886	12,512	(1,626)	-13.0%
All Other Assets	511	1,652	(1,141)	-69.1%
Total Assets	688,514	606,359	82,155	13.5%
LIABILITIES				
Bonds, Notes, Credit Facility, & Leases	160,156	144,240	15,916	11.0%
Pension, OPEB & Comp Absences	13,827	19,878	(6,052)	-30.4%
Deferred Inflows of Resources	13,703	12,923	779	6.0%
Act Payable & Accrued Liab.	30,681	16,668	14,013	84.1%
Deposits held in Custody for others	(309)	60	(370)	
Unearned Rev. & all Other Liabilities	9,410	7,808	1,603	20.5%
Total Liabilities	227,468	201,578	25,890	12.8%

UTS Income Statement

All \$ presented in thousands

For the Twelve Months Ended June 30, 2026 and 2025

	June 30, 2026	June 30, 2025	Variance (\$thousands)	Variance (%)
REVENUES				
Net Tuition & Fees	3,311	2,863	448	15.6%
Grants, Contracts and Fed Approp.	6,586	6,462	124	1.9%
Auxiliaries	2,338	2,160	178	8.2%
State & Local Appropriations	11,069	6,618	4,451	67.3%
Investment Income	410	350	59	17.0%
All Other Revenues	1,009	1,520	(511)	-33.6%
Total Revenues	24,723	19,973	4,750	23.8%
EXPENSES				
Salaries & Benefits	13,328	12,475	854	6.8%
Utilities, Supplies & Other	11,444	10,537	907	8.6%
Scholarships and Fellowships	444	524	(80)	-15.2%
All Other Expenses	(2,204)	(1,512)	(692)	45.8%
Total Expenses	23,013	22,024	989	4.5%

UTS Balance Sheet

All \$ presented in thousands		For the periods ending June 30, 2026 and 2025		
	June 30, 2026	June 30, 2025	Variance (\$thousands)	Variance (%)
ASSETS & DEFERRED OUTFLOWS				
Cash & Cash Equivalents	3,133	5,542	(2,409)	-43.5%
Investments	491	399	92	23.1%
Capital Assets Net of Depreciation	16,586	13,649	2,938	21.5%
Receivables	208	696	(488)	-70.1%
Deferred Outflows of Resources	(60)	95	(155)	-163.4%
All Other Assets	31	168	(137)	-81.7%
Total Assets	20,390	20,548	(158)	-0.8%
LIABILITIES				
Bonds, Notes, Credit Facility, & Leases	88	24	64	264.5%
Pension, OPEB & Comp Absences	(689)	(228)	(461)	202.6%
Deferred Inflows of Resources	213	273	(60)	-22.0%
Act Payable & Accrued Liab.	1,353	2,669	(1,316)	-49.3%
Deposits held in Custody for others	25	183	(158)	
Unearned Rev. & all Other Liabilities	193	84	109	129.2%
Total Liabilities	1,183	3,006	(1,823)	-60.6%

UTM Income Statement

All \$ presented in thousands For the Twelve Months Ended June 30, 2026 and 2025

	June 30, 2026	June 30, 2025	Variance (\$thousands)	Variance (%)
REVENUES				
Net Tuition & Fees	25,234	24,458	776	3.2%
Grants, Contracts and Fed Approp.	47,254	44,477	2,777	6.2%
Auxiliaries	13,849	12,777	1,072	8.4%
State & Local Appropriations	60,513	58,790	1,723	2.9%
Investment Income	4,057	5,127	(1,070)	-20.9%
All Other Revenues	9,411	8,896	515	5.8%
Total Revenues	160,318	154,525	5,793	3.7%
EXPENSES				
Salaries & Benefits	86,711	86,262	449	0.5%
Utilities, Supplies & Other	42,604	38,886	3,718	9.6%
Scholarships and Fellowships	6,621	7,104	(483)	-6.8%
All Other Expenses	13,148	13,179	(31)	-0.2%
Total Expenses	149,085	145,432	3,653	2.5%

UTM Balance Sheet

All \$ presented in thousands

For the periods ending June 30, 2026 and 2025

	June 30, 2026	June 30, 2025	Variance (\$thousands)	Variance (%)
ASSETS & DEFERRED OUTFLOWS				
Cash & Cash Equivalents	80,431	84,397	(3,967)	-4.7%
Investments	53,507	51,072	2,435	4.8%
Capital Assets Net of Depreciation	193,808	192,354	1,454	0.8%
Receivables	11,546	7,931	3,615	45.6%
Deferred Outflows of Resources	8,192	9,167	(975)	-10.6%
All Other Assets	888	874	14	1.6%
Total Assets	348,371	345,794	2,577	0.7%
LIABILITIES				
Bonds, Notes, Credit Facility, & Leases	46,610	49,237	(2,628)	-5.3%
Pension, OPEB & Comp Absences	10,739	13,934	(3,195)	-22.9%
Deferred Inflows of Resources	8,974	8,608	365	4.2%
Act Payable & Accrued Liab.	7,168	5,094	2,074	40.7%
Deposits held in Custody for others	(966)	64	(1,030)	
Unearned Rev. & all Other Liabilities	2,960	2,584	376	14.5%
Total Liabilities	75,484	79,522	(4,038)	-5.1%

UTHS Income Statement

All \$ presented in thousands For the Twelve Months Ended June 30, 2026 and 2025

	June 30, 2026	June 30, 2025	Variance (\$thousands)	Variance (%)
REVENUES				
Net Tuition & Fees	83,200	83,164	36	0.0%
Grants, Contracts and Fed Approp.	335,479	359,108	(23,629)	-6.6%
Auxiliaries	3,624	3,206	418	13.0%
State & Local Appropriations	258,049	250,564	7,485	3.0%
Investment Income	39,152	24,321	14,830	61.0%
All Other Revenues	35,276	35,568	(292)	-0.8%
Total Revenues	754,780	755,931	(1,151)	-0.2%
EXPENSES				
Salaries & Benefits	495,092	485,205	9,887	2.0%
Utilities, Supplies & Other	163,290	157,022	6,268	4.0%
Scholarships and Fellowships	(2,586)	835	(3,421)	-409.9%
All Other Expenses	19,251	34,708	(15,458)	-44.5%
Total Expenses	675,047	677,770	(2,723)	-0.4%

UTHS Balance Sheet

All \$ presented in thousands		For the periods ending June 30, 2026 and 2025		
	June 30, 2026	June 30, 2025	Variance (\$thousands)	Variance (%)
ASSETS & DEFERRED OUTFLOWS				
Cash & Cash Equivalents	273,875	197,190	76,685	38.9%
Investments	280,575	251,079	29,496	11.7%
Capital Assets Net of Depreciation	323,243	343,787	(20,544)	-6.0%
Receivables	53,596	93,301	(39,704)	-42.6%
Deferred Outflows of Resources	31,559	35,779	(4,220)	-11.8%
All Other Assets	4,185	6,074	(1,889)	-31.1%
Total Assets	967,033	927,210	39,823	4.3%
LIABILITIES				
Bonds, Notes, Credit Facility, & Leases	77,711	83,623	(5,912)	-7.1%
Pension, OPEB & Comp Absences	51,298	74,520	(23,222)	-31.2%
Deferred Inflows of Resources	37,547	35,229	2,318	6.6%
Act Payable & Accrued Liab.	23,316	20,531	2,784	13.6%
Deposits held in Custody for others	493	929	(436)	
Unearned Rev. & all Other Liabilities	1,415	3,673	(2,258)	-61.5%
Total Liabilities	191,780	218,506	(26,726)	-12.2%

UT System Fund Balances and Fiscal Reserves

Calculation:

Uncommitted cash, divided by
total unrestricted budgeted
expenses.

*Totals include Systemwide and
Institute of Public Service*

Annual Budget Fund Balances		Amount
FY2026-27 Budgeted Total Unrestricted Expenses		\$3,039,366,794
Reserve 25%		\$759,841,699
Range 50%		\$1,519,683,397
Uncommitted Renewal & Replacement Calculation		
Total R&R Funds		\$1,059,110,494
Less Obligated Expenditures		\$(77,866,128)
Less Committed Expenditures in FY27		<u>\$(285,110,389)</u>
Uncommitted Funds Planned for Future Years		\$696,133,977
Calculating Cash Reserves		
Uncommitted R&R Funds		\$696,133,977
Unallocated Current Year Budget FY27		\$93,496,511
FY27 Debt Service Reserve		<u>\$75,548,983</u>
Total Cash Reserves	28%	\$865,179,471

UTC Fund Balances and Fiscal Reserves

Annual Budget Fund Balances		Amount
FY2026-27 Budgeted Total Unrestricted Expenses		\$272,991,880
	Reserve 25%	\$68,247,970
	Range 50%	\$136,495,940
Uncommitted Renewal & Replacement Calculation		
Total R&R Funds		\$92,174,953
Less Obligated Expenditures		\$(28,134,114)
Less Committed Expenditures in FY27		<u>\$(33,499,602)</u>
Uncommitted Funds Planned for Future Years		\$30,540,237
Calculating Cash Reserves		
Uncommitted R&R Funds		\$30,540,237
Unallocated Current Year Budget FY27		\$10,633,665
FY27 Debt Service Reserve		<u>\$5,077,193</u>
Total Cash Reserves	17%	\$46,251,095

Calculation:

Uncommitted cash, divided by
total unrestricted budgeted
expenses.

UTHS Fund Balances and Fiscal Reserves

Annual Budget Fund Balances		Amount
FY2026-27 Budgeted Total Unrestricted Expenses		\$383,049,460
	Reserve 25%	\$95,762,365
	Range 50%	\$191,524,730
Uncommitted Renewal & Replacement Calculation		
Total R&R Funds		\$72,648,387
Less Obligated Expenditures		\$ -
Less Committed Expenditures in FY27		<u>\$(13,105,000)</u>
Uncommitted Funds Planned for Future Years		\$59,543,387
Calculating Cash Reserves		
Uncommitted R&R Funds		\$59,543,387
Unallocated Current Year Budget FY27		\$7,714,449
FY27 Debt Service Reserve		\$ -
Total Cash Reserves	18%	\$67,257,836

Calculation:

Uncommitted cash, divided by
total unrestricted budgeted
expenses.

UTK Fund Balances and Fiscal Reserves

Annual Budget Fund Balances		Amount
FY2026-27 Budgeted Total Unrestricted Expenses		\$2,086,179,153
	Reserve 25%	\$521,544,788
	Range 50%	\$1,043,089,577
Uncommitted Renewal & Replacement Calculation		
Total R&R Funds		\$666,942,526
Less Obligated Expenditures		\$(32,255,697)
Less Committed Expenditures in FY27		<u>\$(214,836,376)</u>
Uncommitted Funds Planned for Future Years		\$419,850,453
Calculating Cash Reserves		
Uncommitted R&R Funds		\$419,850,453
Unallocated Current Year Budget FY27		\$64,766,496
FY27 Debt Service Reserve		<u>\$65,882,238</u>
Total Cash Reserves	26%	\$550,499,187

Calculation:

Uncommitted cash, divided by
total unrestricted budgeted
expenses.

UTM Fund Balances and Fiscal Reserves

Annual Budget Fund Balances		Amount
FY2026-27 Budgeted Total Unrestricted Expenses		\$149,900,691
	Reserve 25%	\$37,475,173
	Range 50%	\$74,950,346
Uncommitted Renewal & Replacement Calculation		
Total R&R Funds		\$46,828,445
Less Obligated Expenditures		\$(2,264,000)
Less Committed Expenditures in FY27		<u>\$(15,069,402)</u>
Uncommitted Funds Planned for Future Years		\$29,495,043
Calculating Cash Reserves		
Uncommitted R&R Funds		\$29,495,043
Unallocated Current Year Budget FY27		\$6,661,711
FY27 Debt Service Reserve		<u>\$4,589,552</u>
Total Cash Reserves	27%	\$40,746,307

Calculation:

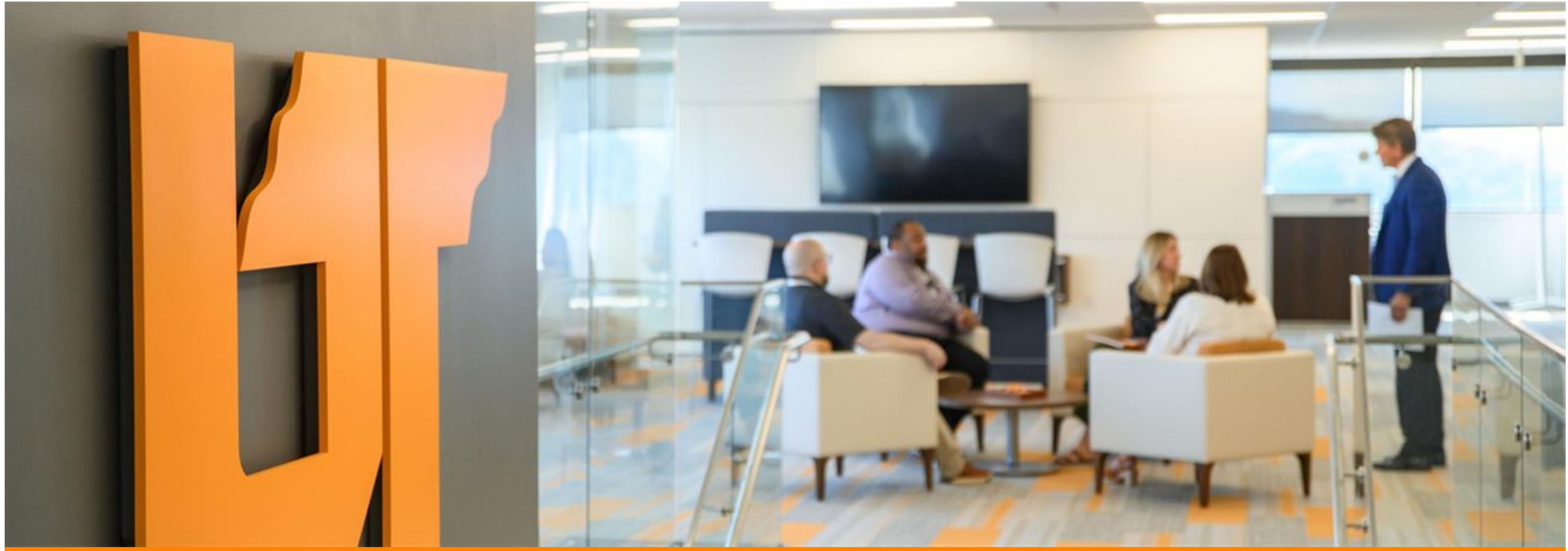
Uncommitted cash, divided by
total unrestricted budgeted
expenses.

UTS Fund Balances and Fiscal Reserves

Annual Budget Fund Balances		Amount
FY2026-27 Budgeted Total Unrestricted Expenses		\$24,493,655
	Reserve 25%	\$6,123,414
	Range 50%	\$12,246,828
Uncommitted Renewal & Replacement Calculation		
Total R&R Funds		\$ -
Less Obligated Expenditures		\$ -
Less Committed Expenditures in FY27		\$ -
Uncommitted Funds Planned for Future Years		\$ -
Calculating Cash Reserves		
Uncommitted R&R Funds		\$ -
Unallocated Current Year Budget FY27		\$344,824
FY27 Debt Service Reserve		\$ -
Total Cash Reserves	1%	\$344,824

Calculation:

Uncommitted cash, divided by
total unrestricted budgeted
expenses.



DASH Progress Update: Roadmap Delivery, Adoption, and What's Next

Board Presentation

The Applications Roadmap is Not a Shrinking Checklist

THE STORY BEHIND THE ROADMAP

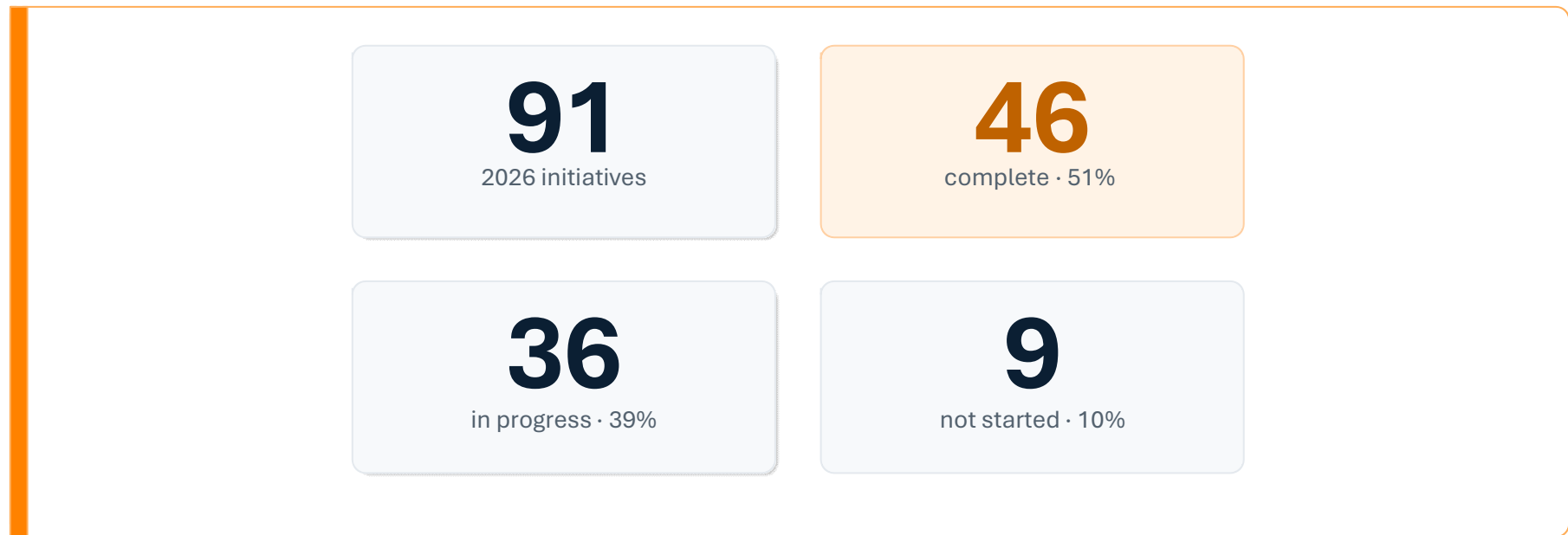
The 2026 plan
was **deliberately
ambitious.**

New work enters the portfolio as needs emerge. Efforts are concentrated on **high-impact items**, as demonstrated by the delivered initiatives.

TAKEAWAYS

- Work advancing
- Outcomes evidenced
- Value delivered

Applications Roadmap: Delivery Progress



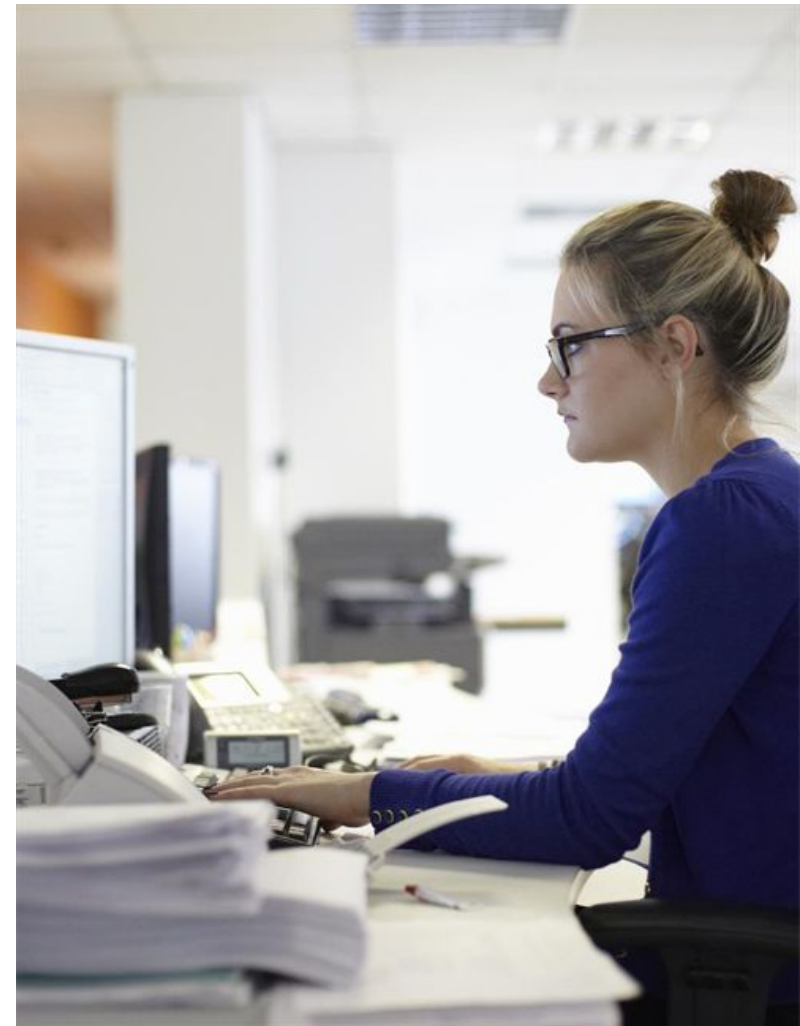
TAKEAWAY: 90% of the initiatives are targeted for completion in 2026.

Applications Roadmap: High Impact Delivered Initiatives

- Delivered **11** FDI Reports
- Streamlined Position Budgeting Process
- Improved Labor Distribution
- Modernized Annual Pay Increase Solution
- Improved Payroll Accuracy & Standardization
- Ledger Reconciliation and Approval App

Still to come in 2026:

- Account Reconciliation Cloud (ARCS)
- Optimizing Security and Workflows
- W2s for Online Delivery
- Implement HireRight Background Checks



DASH Reporting & Analytics Adoption Continues to Grow

DASH reporting & analytics adoption continues to accelerate across the UT System, with a sixfold increase in dashboard usage and more than four times as many users actively accessing information between January and August 2026.



592%

Dashboard Usage Growth



307%

Active User Growth



1,545

Unique Users

since Jan 2026

6,219

August Dashboard Visits

798

August Active Users

All Institutions

628

Departments

Turning Data into Decisions

Expanded Reporting Portfolio

Executive Dashboard
Position Budgeting
Employee List by Dept
Internal Projects
Campus Deductions
Campus P&L
Student Assignments

Reporting Access & Operational Impact

- **Strengthened decision-making** through integrated financial, workforce, and project insights.
- **Enhanced planning, stewardship, and operational oversight.**
- **Expanded self-service reporting and easier access** to operational information.
- **Increased efficiency** through standardized reporting and reduced manual effort.
- **Consistent quality standards** and improved system performance.

TAKEAWAY: DASH reporting is delivering clearer insights and actionable information for campuses.

Applications Roadmap: Listening, Learning and Looking Ahead

34% reduction in
average monthly
support tickets

Jan–Aug 2026 vs. Jan–Aug 2025

Fewer support tickets indicate progress. **Feedback from support requests and other channels** continues to shape the Applications Roadmap.

Next Wave of Priorities

- **DASH Training:**
Provide robust training that reflects evolution of processes.
- **Automated Reconciliations (ARCS):**
Strengthen labor distribution reconciliation.
- **Online Receipts Replacement:**
Modernize payment receipts solution.
- **Implement Budget Narrative Reporting:**
Streamline financial statements.
- **Implement Budget Strategic Modeling:**
Strengthen scenario planning and forecasting.
- **Oracle Learning:**
Connects the talent lifecycle and enables learning journeys.

DASH Pulse Survey Results

September 2026



DASH User Pulse Survey | Scope and Approach

DASH is supporting day to day transactions, but financial visibility remains the most significant user challenge.

4,200 Invited → **619** Responses → **468** Written Comments → **15%** Response Rate

- **Engagement:** The responses along with the written comments provided user feedback.
- **Review:** Users evaluated performance, reporting, processes, and future priorities.
- **Direction:** Feedback consistently pointed to the same strengths, challenges, and improvement opportunities

Routine Work Is Stabilizing | Overall Experience Remains Mixed

Users report improving experiences with routine transactions, while financial reporting and budget visibility remain the greatest opportunities for improvement.

Key Indicators

45% rated DASH positively

30% are neutral

25% of users still struggling

What is Working Well

Time entry & approvals

Self-service
procurement &
reporting

Recruiting Tools

Employee data visibility

Where Users Struggle

Budget visibility

Fund balance
reporting

Ledger reconciliations

TAKEAWAY: The challenges are primarily in financial visibility and reporting rather than across every DASH function.

Roadmap Work Targets Known Opportunities

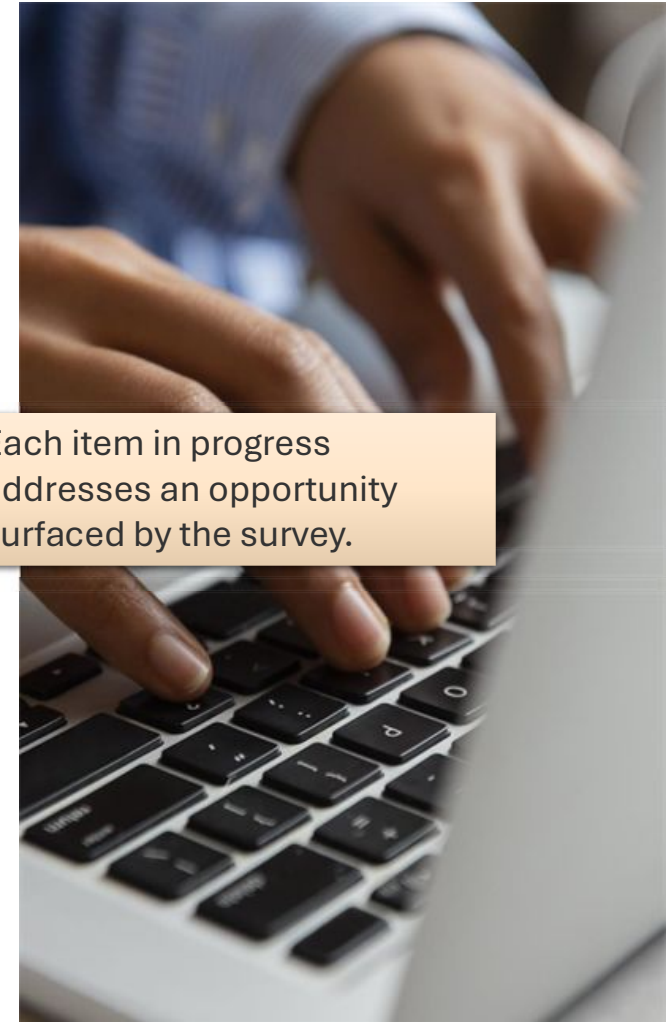
Current Work in Progress Maps to the What We Hear

1. **Reports and dashboards → budget visibility & fund balances**
2. **Month-end close → departmental ledger reconciliation**
3. **Data access → the 25% still struggling**
4. **Approval workflows → refine flow, visibility and enhance delegation**

Each item in progress addresses an opportunity surfaced by the survey.

Why These Are the Right Targets

- Comment themes align with the survey outcomes
- Budget, fund, and labor reporting generated the greatest concern
- Report speed and reliability emerged as the second most common issue
- Some units continue to maintain shadow spreadsheets to work around reporting limitations.





From Feedback to Measurable Progress

Areas of focus

- Improve report accuracy and speed
- Strengthen budget visibility through ledger reconciliation tool
- Enhance position budgeting
- Provide clearer job aids and user guidance to reduce data entry error

How Progress Will Be Measured

- Repeat the DASH user pulse survey – Spring 2027
- Monitor report utilization and effectiveness
- Measure ledger reconciliation completion
- Monitor accuracy of comparable reports
- Continue to solicit feedback and add high impact items to roadmap

GOAL: Trusted, accessible DASH information for all users.



THE UNIVERSITY OF TENNESSEE BOARD OF TRUSTEES

AGENDA ITEM SUMMARY

Meeting Date: October 16, 2026

Committee: Finance and Administration

Item: **Student Cost of Attendance and Financial Aid**

Type: Information

Presenter: David L. Miller, Senior Vice President and Chief Financial Officer
Jennifer Easley, Associate Vice President, Budget, Planning, and Analysis

Background Information

The attached materials summarize undergraduate student costs and financial aid by campus for Fall 2026. Student costs include tuition and mandatory fees, applicable differential tuition, housing, dining, and parking. These expenses are partially offset by financial aid, including federal and state grants and institutional aid. The materials provide both total cost and net cost after grant-based aid for Fall 2026 to better illustrate student affordability and the amount many students pay out of pocket. Loans, work-study or employer reimbursements are not included in financial aid.

In addition to current-year information, the materials include four years of historical student cost trends by campus, providing a five-year view when combined with Fall 2026. These trends provide context regarding changes in tuition, fees, differential tuition, housing, dining, parking, and overall student costs over time.

Following the FY2027 tuition and fee approval process, University leadership and members of the Board expressed interest in reviewing student affordability data and evaluating opportunities to provide students and families with additional advance notice of potential tuition and fee changes. While approved tuition and fee increases support institutional priorities and student success initiatives, additional advance notice may improve students' and families' ability to plan for future educational expenses.

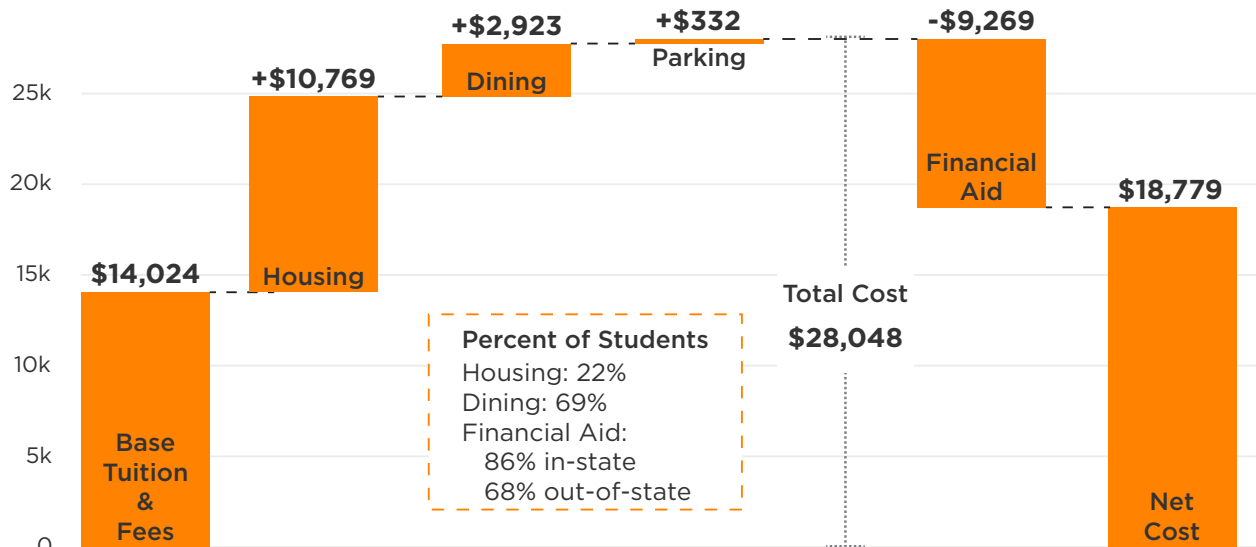
Historically, tuition, fees, and differential tuition have been presented for Board consideration during the annual June meeting, with approved rates becoming effective July 1. The administration is evaluating whether portions of the tuition and fee setting process could occur earlier in the annual planning cycle to provide additional planning time for students and families. Factors being considered include state budget development and approval timelines, Tennessee Higher Education Commission requirements and guidance, campus advisory board schedules, enrollment planning activities, financial aid packaging timelines, and institutional budget development processes.



The University of Tennessee, Knoxville

Fall Undergraduate Enrollment (In-State):	2026-27	2025-26	2024-25	2023-24	2022-23
	20,910	20,165	19,383	18,510	18,262

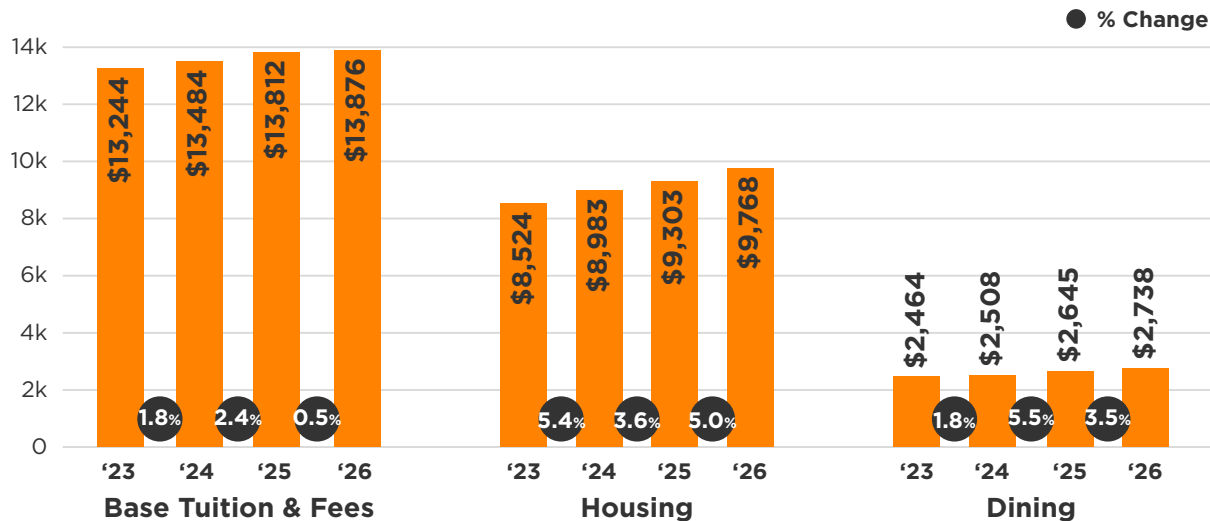
Student Cost, Fall 2026 (Annualized)



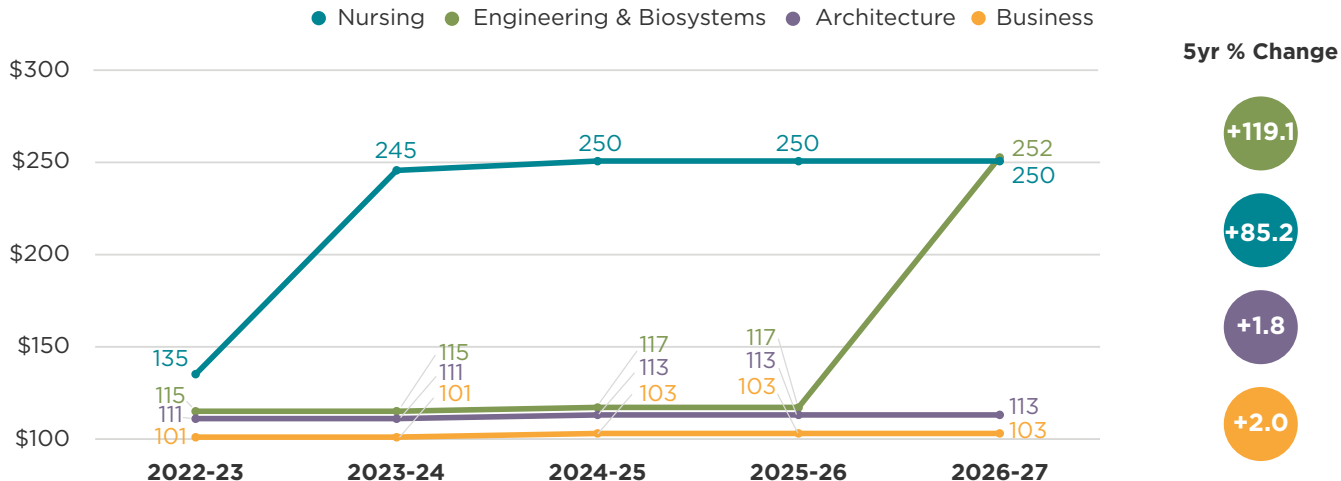
Note: Base tuition & fees do not include specialized course fees. Housing and dining figures are based on the averages of all available options. Financial aid includes grants & scholarships, not loans or other indirect support. Figure is based on average award amount.

Tuition Differential (Average Assessed)	Nursing	Engineering	Ag (Biosystems)	Architecture	Nat. Sciences	Business
	\$3,517	\$2,066	\$1,391	\$958	\$906	\$855
Affected Students	994	6,934	78	1,375	10,339	13,689

Elements of Cost & Percent Changes (Trended)



Tuition Differentials per Credit Hour (Trended)



Note: Natural Sciences differential is new as of 2026-2027 and has no trended data.

Student Cost Snapshot by Residency, Fall 2026 (Annualized)

	In-State	Out-of-State
Base Tuition & Fees	\$14,024	\$34,478
Housing	\$10,769	\$10,769
Dining	\$2,923	\$2,923
Parking	\$332	\$332
Total Cost	\$28,048	\$48,502
Financial Aid	(\$9,269)	(\$7,013)
Net Cost	\$18,779	\$41,489

Tuition Differential (Average Assessed)	
Nursing	Engineering
\$3,517	\$2,066
Ag (Biosystems)	Architecture
\$1,391	\$958
Nat. Sciences	Business
\$906	\$855

Note: Housing and dining figures are based on the averages of all available options.
Financial aid figures are based on the average aid amount received by students.

UT Base Tuition & Fees Compared to Inflation

Tuition at every UT campus remains below the level it would have reached if it had simply kept pace with inflation.

Across the campuses, current tuition is \$772 to \$3,633 lower than the consumer price index (CPI).

Comparison uses 10 years of tuition history for all campuses except UT Southern.

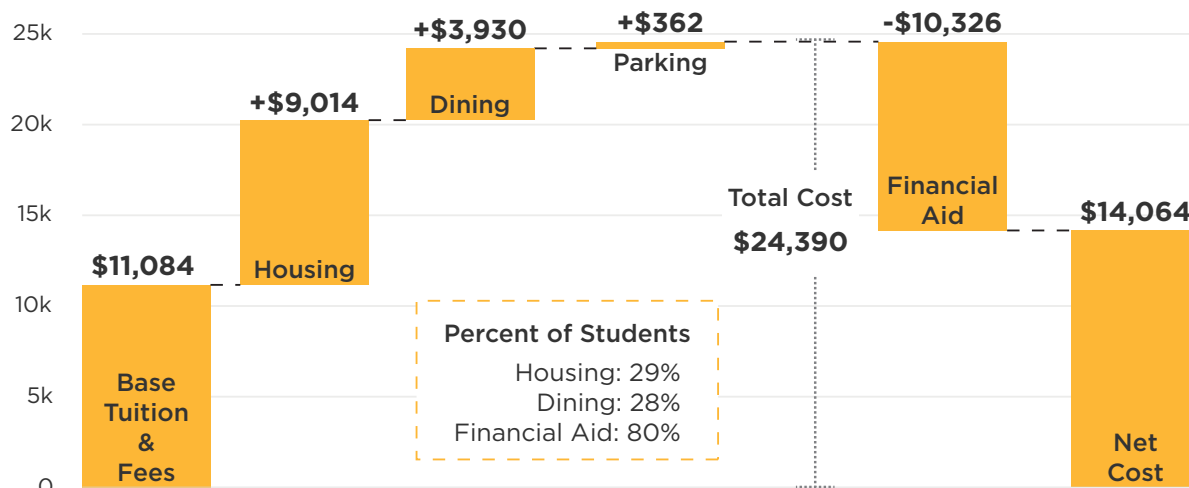
UTK	\$14,024	\$3,633 below
UTC	\$11,084	\$772 below
UTS	\$11,264	\$1,212 below
UTM	\$11,148	\$1,463 below
UTHS	\$10,542	\$2,655 below



The University of Tennessee at Chattanooga

Fall Undergraduate Enrollment (In-State):	2026-27	2025-26	2024-25	2023-24	2022-23
	8,796	9,150	8,994	8,875	8,854

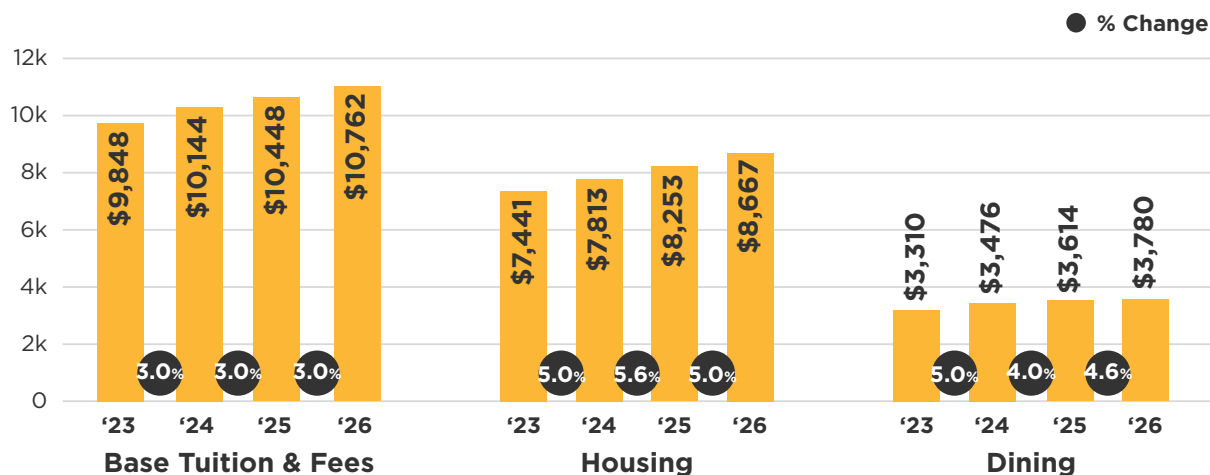
Student Cost, Fall 2026 (Annualized)



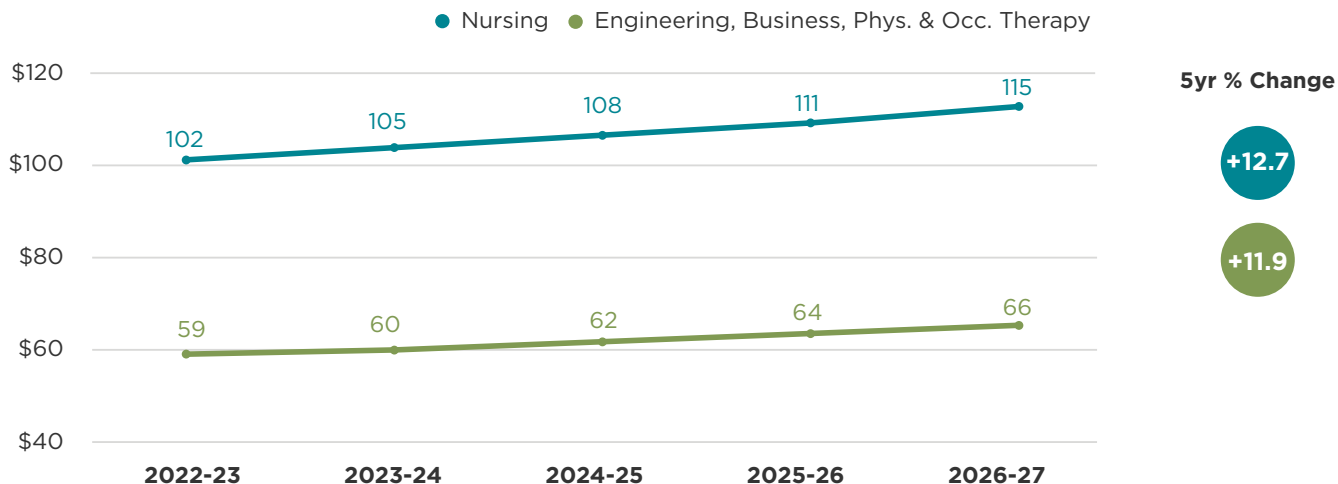
Note: Base tuition & fees do not include specialized course fees. Housing and dining figures are based on the averages of all available options. Financial aid includes grants & scholarships, not loans or other indirect support. Figure is based on average award amount.

Tuition Differential (Average Assessed)	Nursing	Phys. Therapy	Occ. Therapy	Business	Engineering	LEAD
	\$2,727	\$2,520	\$2,519	\$839	\$796	\$303
Affected Students	295	54	32	2,098	1,153	94

Elements of Cost & Percent Changes (Trended)



Tuition Differentials per Credit Hour (Trended)



Note: LEAD differential is new as of 2025-2026 and lacks sufficient trended data.

Student Cost Snapshot by Residency, Fall 2026 (Annualized)

	In-State	Out-of-State
Base Tuition & Fees	\$11,084	\$19,638
Housing	\$9,014	\$9,014
Dining	\$3,930	\$3,930
Parking	\$362	\$362
Total Cost	\$24,390	\$32,944
Financial Aid	(\$10,326)	(\$12,159)
Net Cost	\$14,064	\$20,785

Tuition Differential (Average Assessed)	
Nursing	Phys. Therapy
\$2,727	\$2,520
Occ. Therapy	Business
\$2,519	\$839
Engineering	LEAD
\$796	\$303

Note: Housing and dining figures are based on the averages of all available options.
Financial aid figures are based on the average aid amount received by students.

UT Base Tuition & Fees Compared to Inflation

Tuition at every UT campus remains below the level it would have reached if it had simply kept pace with inflation.

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Comparison uses 10 years of tuition history for all campuses except UT Southern.

UTK	\$14,024	\$3,633 below
UTC	\$11,084	\$772 below
UTS	\$11,264	\$1,212 below
UTM	\$11,148	\$1,463 below
UTHS	\$10,542	\$2,655 below



The University of Tennessee Southern

Fall Undergraduate Enrollment (In-State):

2026-27

835

2025-26

855

2024-25

798

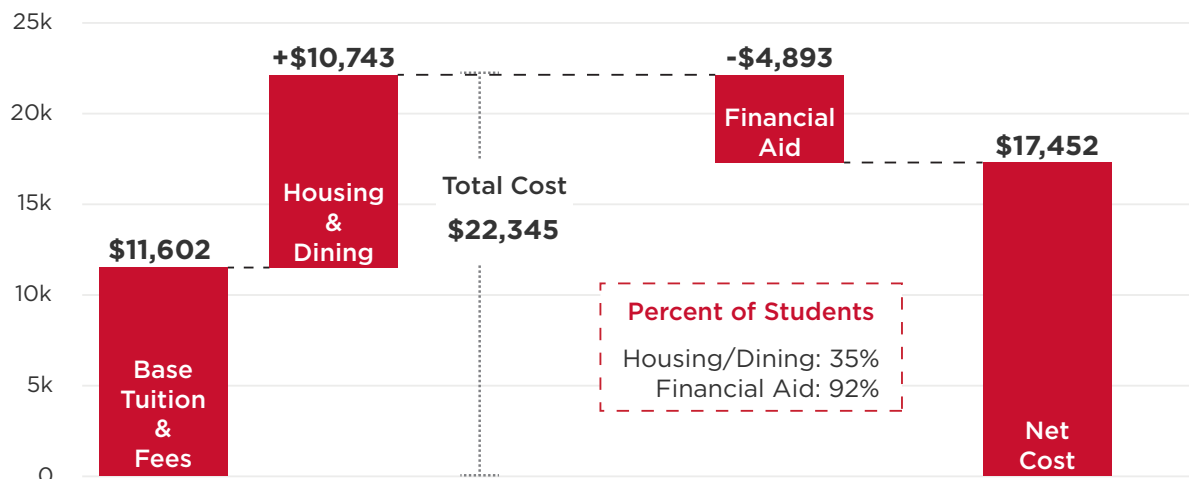
2023-24

761

2022-23

732

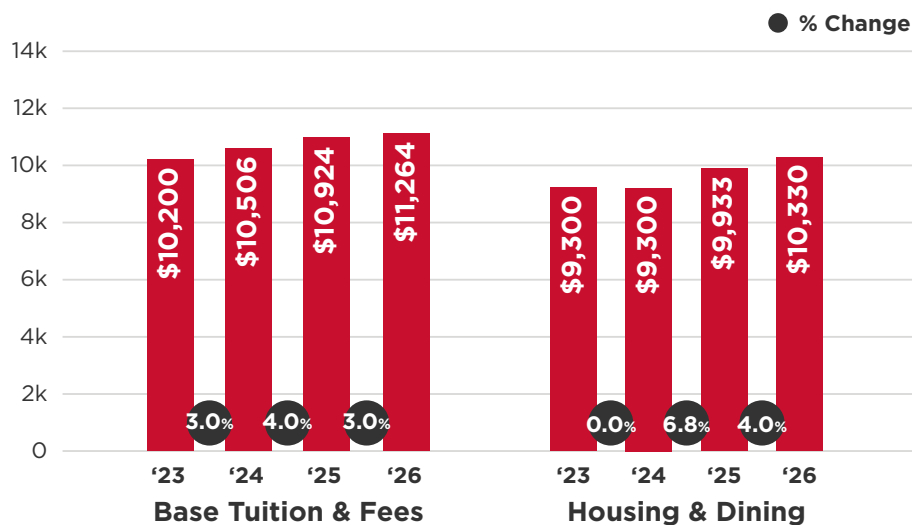
Student Cost, Fall 2026 (Annualized)



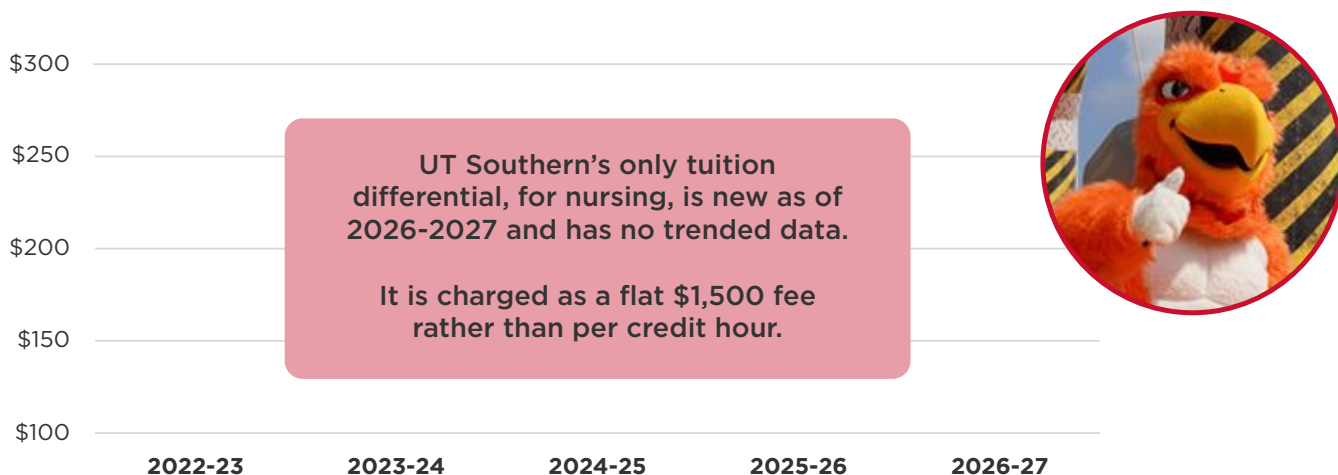
Note: Base tuition & fees do not include specialized course fees. Housing and dining costs at UT Southern are paid as a flat fee. Parking is included in base tuition & fees. Financial aid includes grants & scholarships, not loans or other indirect support. Figure is based on average award amount.

Tuition Differential Amount	Nursing
Affected Students	36

Elements of Cost & Percent Changes (Trended)



Tuition Differentials per Credit Hour (Trended)



Student Cost Snapshot by Residency, Fall 2026 (Annualized)

	In-State	Out-of-State
Base Tuition & Fees	\$11,602	\$11,602
Housing & Dining	\$10,743	\$10,743
Total Cost	\$22,345	\$22,345
Financial Aid	(\$4,893)	(\$4,893)
Net Cost	\$17,452	\$17,452

Tuition Differential (Average Assessed)

Nursing
\$1,500

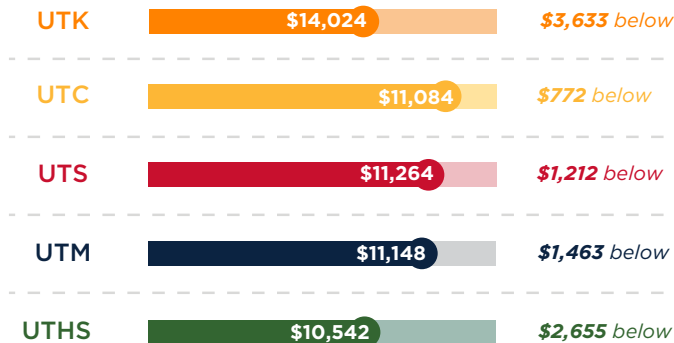
Note: Housing and dining costs at UT Southern are paid as a flat fee. Parking is included in base tuition & fees. Financial aid figure based on the average aid amount received by students.

UT Base Tuition & Fees Compared to Inflation

Tuition at every UT campus remains below the level it would have reached if it had simply kept pace with inflation.

Across the campuses, current tuition is \$772 to \$3,633 lower than the consumer price index (CPI).

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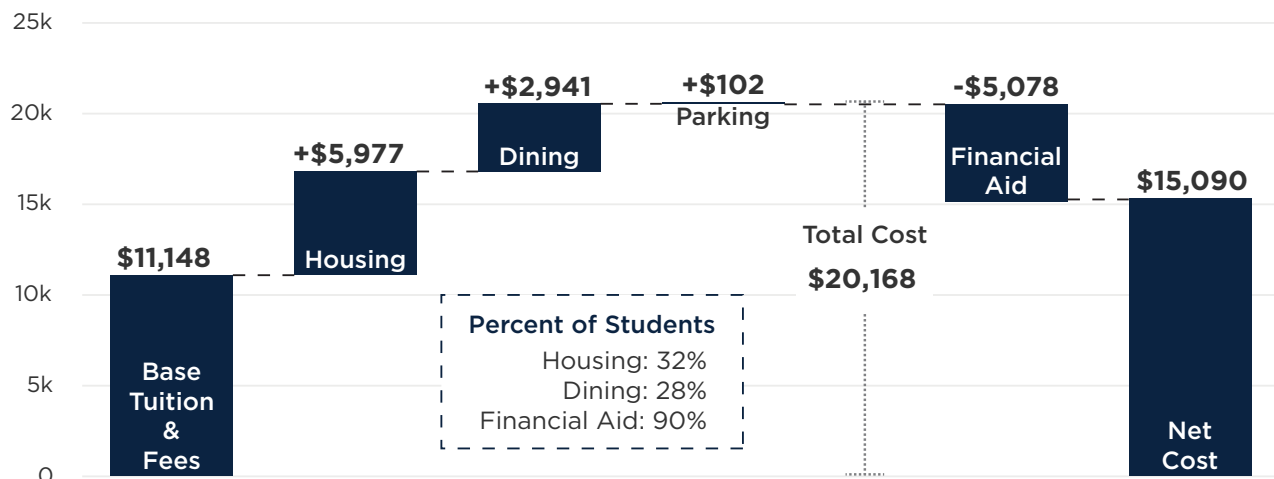




The University of Tennessee at Martin

Fall Undergraduate Enrollment (In-State):	2026-27	2025-26	2024-25	2023-24	2022-23
	4,361	4,420	4,129	3,910	3,902

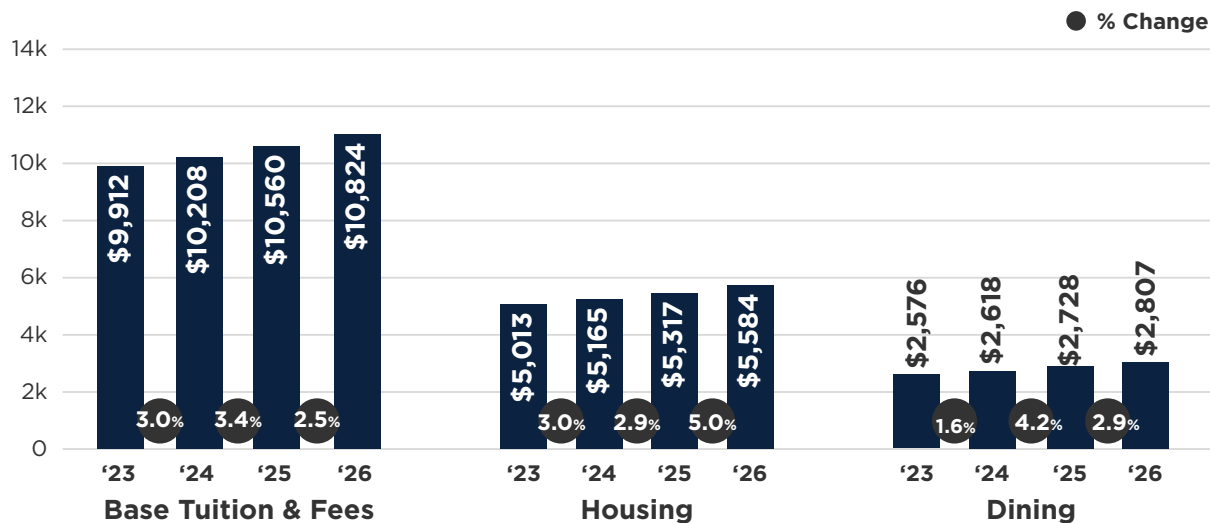
Student Cost, Fall 2026 (Annualized)



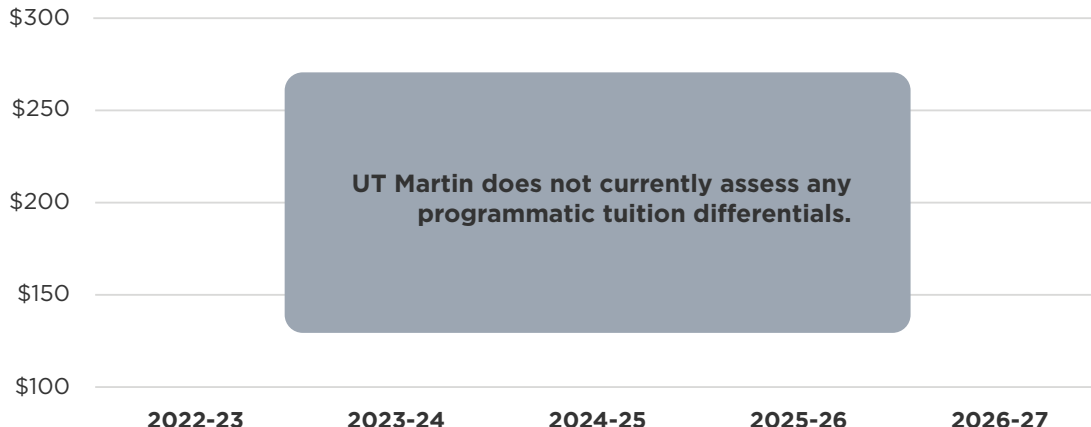
Note: Base tuition & fees do not include specialized course fees. Housing and dining figures are based on the averages of all available options. Financial aid includes grants & scholarships, not loans or other indirect support. Figure is based on average award amount.

UT Martin does not currently assess any programmatic tuition differentials.

Elements of Cost & Percent Changes (Trended)



Tuition Differentials per Credit Hour (Trended)



Student Cost Snapshot by Residency, Fall 2026 (Annualized)

	In-State	Out-of-State
Base Tuition & Fees	\$11,148	\$17,188
Housing	\$5,977	\$5,977
Dining	\$2,941	\$2,941
Parking	\$102	\$102
Total Cost	\$20,168	\$26,208
Financial Aid	(\$5,078)	(\$5,078)
Net Cost	\$15,090	\$21,130



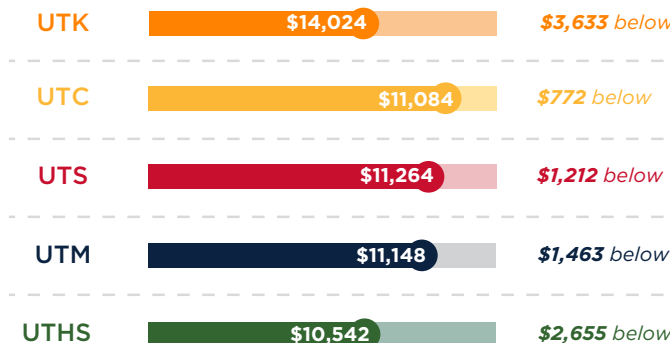
Note: Housing and dining figures are based on the averages of all available options.
Financial aid figures are based on the average aid amount received by students.

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The University of Tennessee Health Sciences

Fall Undergraduate Enrollment (In-State):

2026-27
354

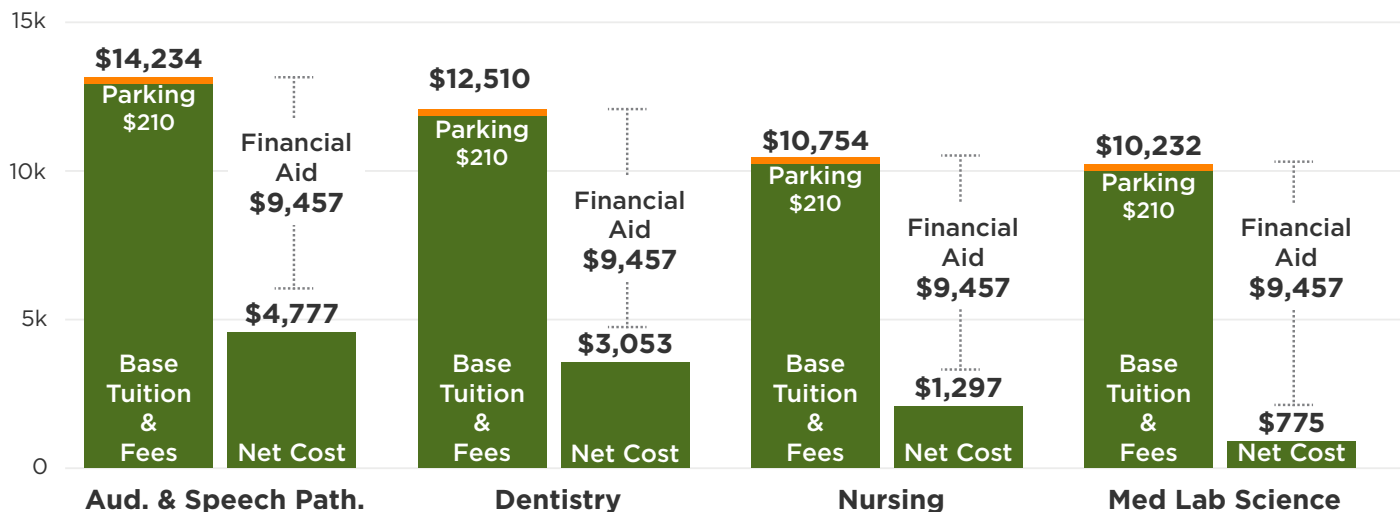
2025-26
303

2024-25
298

2023-24
300

2022-23
250

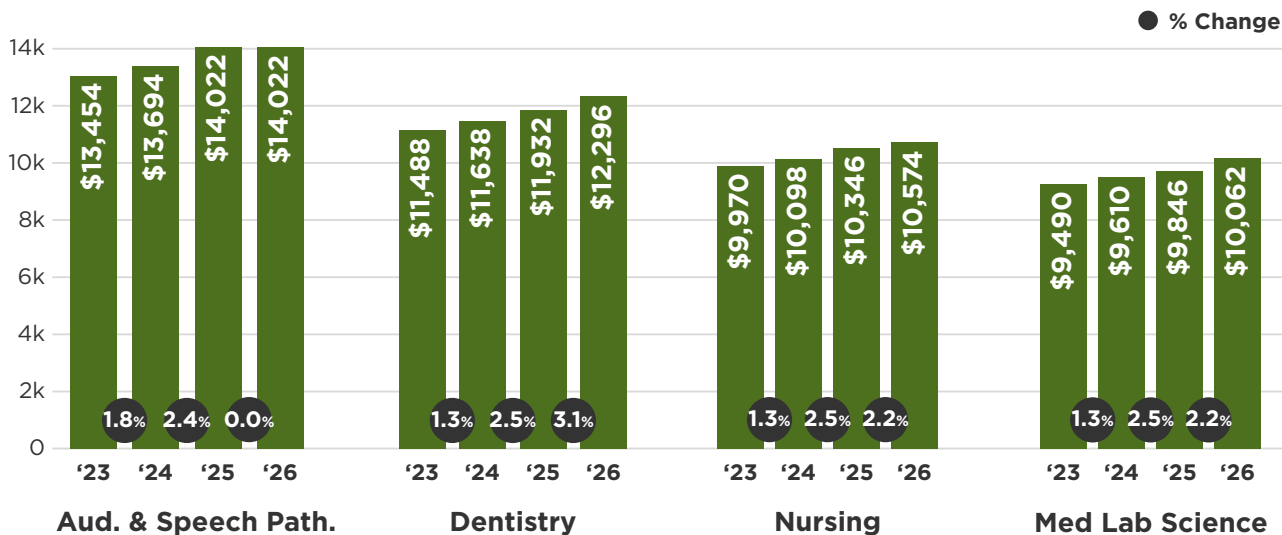
Student Cost, Fall 2026 (Annualized)



Note: Financial aid includes grants & scholarships, not loans or other indirect support. Figure is based on average award amount.

Percent of Students
Financial Aid: 74%

Base Tuition & Fees by Program (Trended)



Student Cost Snapshot by Residency, Fall 2026 (Annualized)

In-State	Aud. & Speech Path.	Dentistry	Nursing	Med Lab Science
Base Tuition & Fees	\$14,024	\$12,300	\$10,544	\$10,022
Parking	\$210	\$210	\$210	\$210
Total Cost	\$14,243	\$12,510	\$10,754	\$10,232
Financial Aid	(\$9,457)	(\$9,457)	(\$9,457)	(\$9,457)
Net Cost	\$4,777	\$3,053	\$1,297	\$775

Out-of-State	Aud. & Speech Path.	Dentistry	Nursing	Med Lab Science
Base Tuition & Fees	\$33,510	\$23,259	\$27,568	\$14,901
Parking	\$210	\$210	\$210	\$210
Total Cost	\$33,720	\$23,469	\$27,778	\$15,111
Financial Aid	(\$9,457)	(\$9,457)	(\$9,457)	(\$9,457)
Net Cost	\$24,263	\$14,012	\$18,321	\$5,654



UT Base Tuition & Fees Compared to Inflation

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UTHS	\$10,542	\$2,655 below



THE UNIVERSITY OF TENNESSEE BOARD OF TRUSTEES

AGENDA ITEM SUMMARY

Meeting Date: October 16, 2026

Committee: Finance and Administration

Item: **FY 2027-28 Operating Budget Appropriations Request for Specialized Units**

Type: Action

Presenter: David L. Miller, Senior Vice President and Chief Financial Officer

Background Information

The Tennessee Higher Education Commission (THEC) will consider strategic initiative funding requests from UT and LGI specialized units during its fall quarterly meeting on November 5, 2026. UT's specialized units include the Health Science Center, Institute of Agriculture, Space Institute, Institute for Public Service, and System Administration. Requests approved by THEC will go to the state Department of Finance & Administration for consideration of inclusion in the Governor's FY 2027-28 budget proposal.

UT fiscal policy FI0112 (Budgeting Current Unrestricted Funds) requires Board approval for these requests. The President and Chief Financial Officer recommend an appropriations request in the amount of \$5.28 million annually for three years to support the UT Substance Misuse and Addiction Resource for Tennessee (SMART) Initiative. More information regarding this request follows this summary.

Committee Action

The Committee Chair will call for a motion to recommend adoption of the following Resolution by the Board of Trustees.

Resolved:

The Board of Trustees hereby approves the FY 2027-28 Operating Budget Appropriations Request for Specialized Units as presented in the meeting materials, which shall be attached to this Resolution after adoption, with authorization for the President and Chief Financial Officer to revise or add to these requests in response to: (1) developments related to state funding priorities that may arise during the upcoming legislative session, or (2) modified requests by the Chancellor/Vice President of a specialized unit.

UT SUBSTANCE MISUSE AND ADDICTION RESOURCE FOR TENNESSEE (SMART) INITIATIVE

TURNING RESOURCES INTO RESULTS IN THE FIGHT AGAINST ADDICTION

Tennessee communities are receiving unprecedented resources to address the opioid crisis. But funding alone does not guarantee impact. Without local data, strategic planning, strong partnerships and clear accountability, dollars can be fragmented, misdirected or invested without a way to measure results.

The UT Substance Misuse and Addiction Resource for Tennessee (SMART) Initiative provides that expertise directly to communities, helping local leaders translate opioid settlement dollars into strategic, accountable investments that address the needs of their residents.

Why SMART?

Because communities should not have to navigate complex, high-stakes decisions without access to expertise.

From April 2025 through March 2026, SMART delivered 1,619 technical assistance services, supporting 80% of Tennessee's 95 counties. SMART helps local leaders:

- Develop competitive grant processes and application materials
- Conduct community needs assessments and analyze local data
- Identify evidence-based strategies and service gaps
- Establish reporting, performance measurement and evaluation systems
- Convene community partners and strengthen coordination
- Improve transparency and public accountability

SMART is not a one-size-fits-all program. It equips local leaders to make decisions grounded in the realities of their own communities while building systems that can sustain progress over time.

REQUEST

\$5.28M per year for three years from the state-portion of the Opioid Abatement Settlement Funds to ensure SMART remains a resource for the life of the settlement.



Roane County Schools trauma-informed specialist Yvette Reeder speaks with UT SMART's Jeremy Kourvelas about the county's community-based approach to addressing the opioid crisis.

"UT SMART has helped Montgomery County turn opioid settlement dollars into meaningful investments that strengthen services for children, families, and first responders. Their guidance has built our local capacity to make informed decisions today and create a safer community for tomorrow."

Wes Golden, Mayor, Montgomery County



Why Now?

Currently, SMART is funded periodically through the Opioid Abatement Council (OAC) grant funds. Shifting SMART to the state-allocated portion of opioid abatement settlement funds would create a more sustainable and predictable investment in statewide technical assistance.

This structure would give SMART the flexibility to quickly respond directly to emerging county needs, strengthen support for local communities and provide continuity as counties make long-term decisions about opioid settlement resources. It would also preserve a greater share of the OAC funding pool for direct investments in Tennessee communities.

An investment of \$5.28M per year for three years from the state-allocated Opioid Abatement Settlement Funds will ensure SMART remains a resource to local communities for the life of the settlement.

With sustained support, SMART can help more counties strengthen their funding systems, align resources with local needs, coordinate partners, measure outcomes, and ensure that every opioid settlement dollar has the greatest possible impact in the fight against addiction.

Examples of Measurable Impact Already Underway



Anderson County

SMART helped establish and refine a competitive funding process supporting 29 projects and nearly \$1.2 million in investments across prevention, treatment, recovery support and education.



Maury County

SMART supported more than \$647,000 in local investments while helping county leaders improve transparency, launch a public-facing funding dashboard, convene recovery partners and identify service gaps through a comprehensive needs assessment.

“Many counties do not have dedicated staff with expertise in substance use disorder, data analysis, program evaluation, or settlement fund administration.



Ongoing technical assistance helps counties identify local needs, make informed funding decisions, evaluate proposed investments, establish meaningful performance measures, and ensure settlement dollars are used effectively.... UT SMART has helped Roane County receive national recognition for demonstrating our excellent stewardship of these funds.”

Wade Creswell, County Executive, Roane County



Jefferson County EMS Director Rodney Satterfield and retired Director Brad Phillips meet with Sarah Haas of UT SMART to support Jefferson County's Leave Behind Program, developed in partnership with UT SMART and the Jefferson County Mayor's Office.





UTK Public Private Partnership Housing Initiative



 THE UNIVERSITY OF TENNESSEE SYSTEM

P3 Residence Hall Locations



UT THE UNIVERSITY OF TENNESSEE SYSTEM

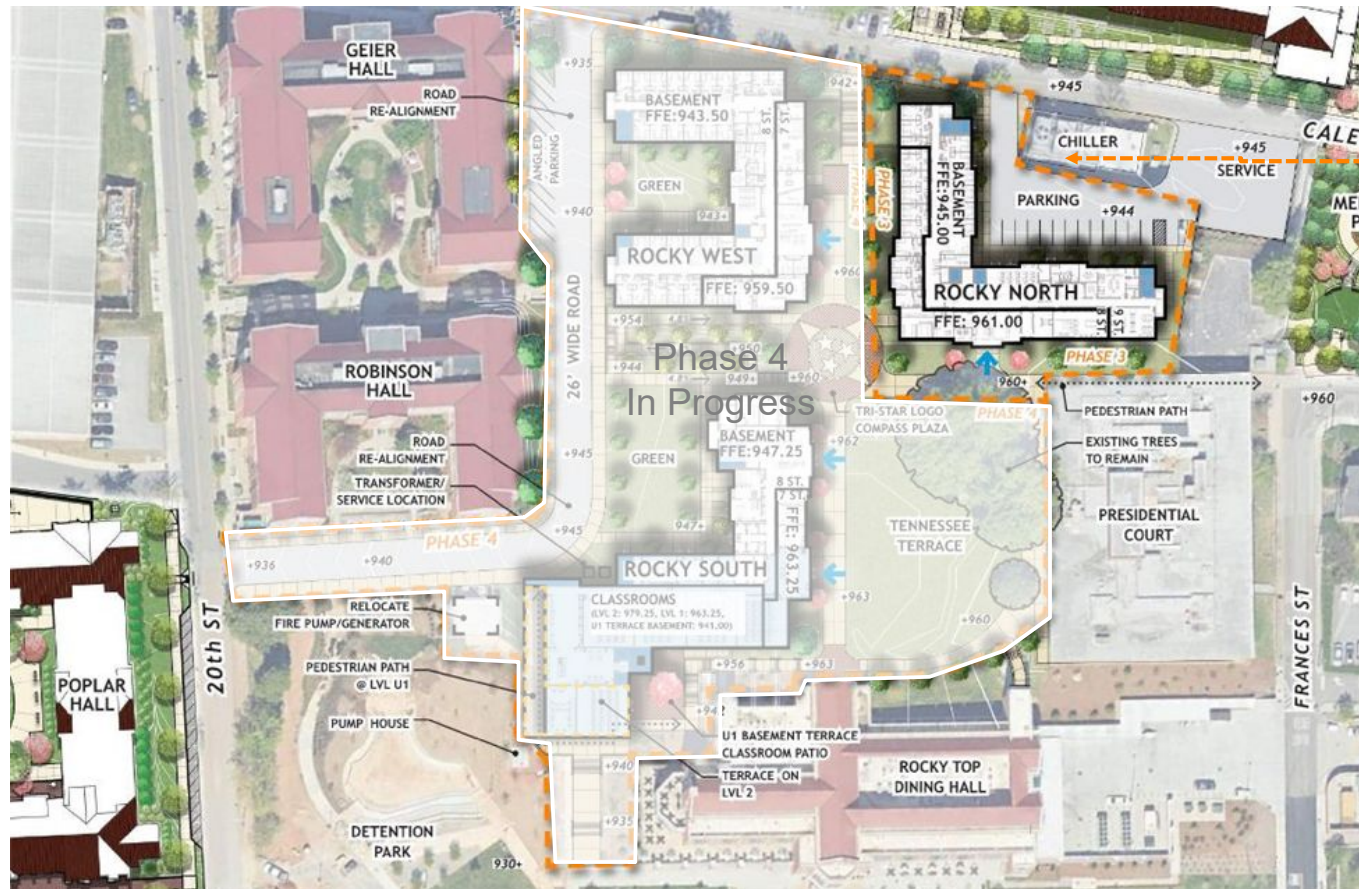
Phase 3 Site – Rocky North



Phase 3 – “Rocky North”

- 586 Beds
- 8 Story Building
- 138,000 GSF
- Opening: Fall 2028

Phase 3 & 4 Site Plan



Phase 3 – “Rocky North”

- 586 Beds
- 8 Story Building
- 138,000 GSF
- Opening: Fall 2028

Financial Overview

<i>Total Phase 3 Project Cost</i>	<u>\$98,269,000</u>
<i>Residential New Construction</i>	<i>\$91,471,000</i>
<i>Reese & Carrick Abatement & Demolition</i>	<i>\$6,798,000</i>
<i>Phase 3 Beds</i>	586
<i>Phase 3 Project Cost per Bed</i>	\$168,000
<i>Financing</i>	Tax-Exempt Bonds
<i>Debt Rate / Term</i>	Senior Debt: 5.18% / 40 yrs.
<i>Minimum Debt Coverage Ratio</i>	1.25x

Ground Lease Amendment

This Amendment to the Ground Lease Agreement allows Provident to develop and operate improvements on the property during the lease period. UT is requesting authority for an Amendment to the Ground Lease Agreement that would include the following terms:

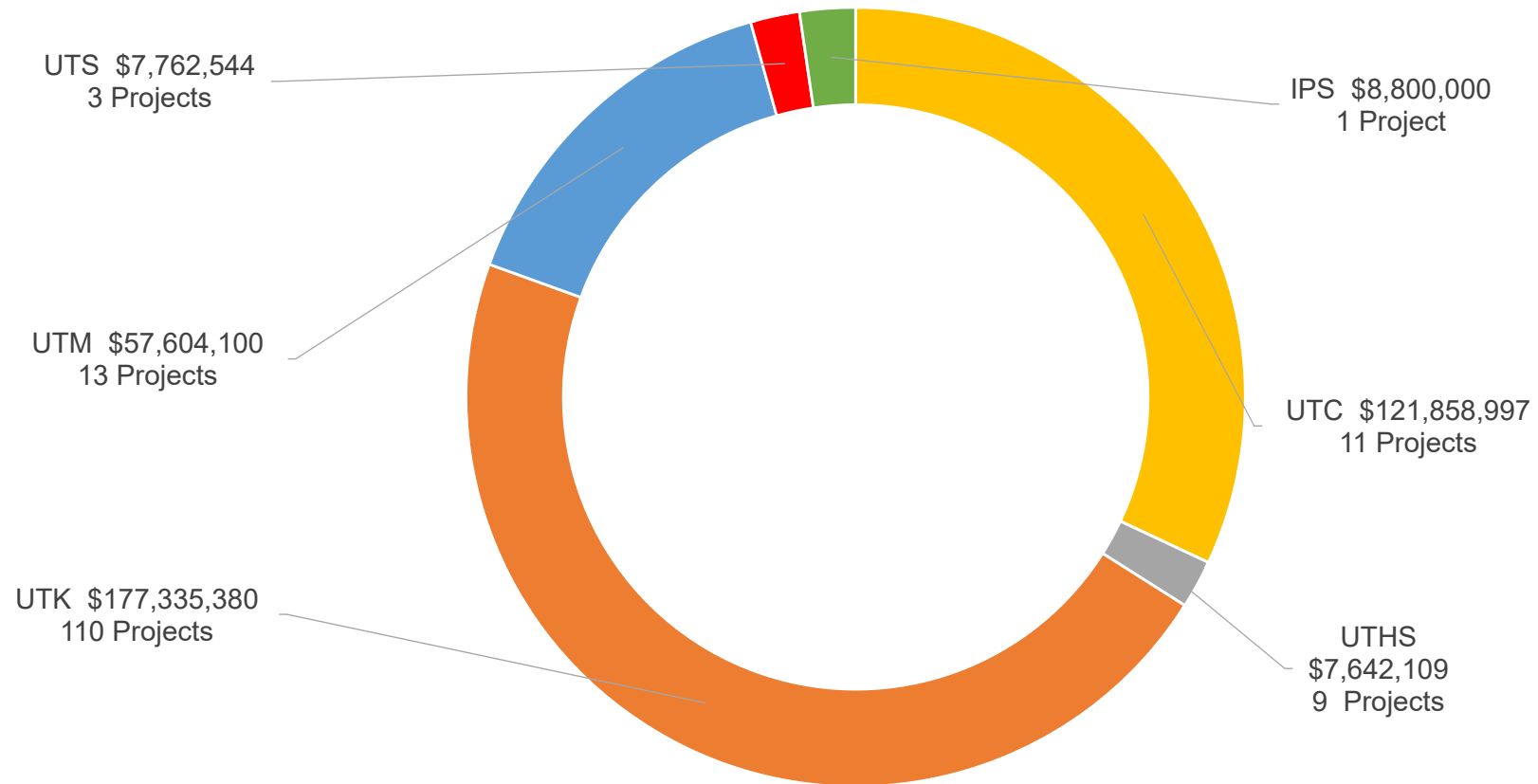
Ground Lease Agreement Terms	
Lessor	University of Tennessee
Lessee	Provident Group – UTK Properties, LLC
Developer	RISE Volunteers, LLC
Ground Lease Term	Base term of 40 years, 50 year max term Term does not extend beyond retirement of debt
Scope	Demolition of Reese and Carrick Halls 586 Beds and associated infrastructure
Owner of Improvements During Lease Term	Provident Group – UTK Properties, LLC
Owner of Improvements Upon Lease Expiration	University of Tennessee



Outcomes of Capital Policy Improvements

- 147 Projects
- \$381 million of expedited investments into infrastructure
- \$32,067,642 of avoided costs
- 940 months of process time eliminated
- 67 projects implemented by campus staff

\$381m approved under statute & policy enhancements





THE UNIVERSITY OF TENNESSEE BOARD OF TRUSTEES

4.1

AGENDA ITEM SUMMARY

Meeting Date: October 16, 2026

Committee: Finance and Administration

Item: **Student Housing P3 Project, Phase 3 Site (UTK)**

Type: Action

Presenter(s): David L. Miller, Senior Vice President and Chief Financial Officer
Austin Oakes, Associate Vice President, Capital Projects

Background Information

In response to the demand for student housing, UT selected RISE Development, LLC through a competitive Request for Proposals (RFP) process for the development of student housing. The State Building Commission (SBC) approved this selection in May 2023.

After selecting RISE Development, LLC, a pre-development agreement was negotiated and approved by the SBC in June 2023. Subsequently, the project team developed the designs and detailed cost estimates, refined operational plans, and negotiated the terms of the legal agreements necessary to support this partnership.

The partnership delivered 2,994 beds of student housing in three buildings over two phases of development. Poplar Hall and Beacon Hall opened for Fall 2025, and Torchbearer Hall opened for Fall 2026. All three facilities are fully occupied.

Summary of Phase 3 of the Public-Private Partnership (P3) Project

Demand for student housing continues to grow aligned with planned increases in campus enrollment. UTK's undergraduate enrollment grew by approximately 5,000 students, or 18.5%, since the start of the P3 housing initiative, including record-setting first-year classes. To replace Reese Hall and North and South Carrick Halls, accommodate future enrollment growth, and allow for future bed reductions due to planned renovations in the current inventory, UTK is seeking to utilize the P3 development model already deployed on campus to deliver additional student housing.



THE UNIVERSITY OF TENNESSEE BOARD OF TRUSTEES

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The third phase of the project contemplates a residence hall with approximately 600 undergraduate beds on the south side of Caledonia Avenue adjacent to the Presidential Court complex (the “**Project**”), which is projected to be completed by the fall semester of 2028. This site is designated in the approved 2023 campus master plan for near term housing development.

A fourth phase, to be presented to the Board later, contemplates adding more than 980 beds to the northwest of Rocky Top Dining Hall, to the east of Geier and Robinson Halls, and to the west of the Presidential Court complex.

Similar to the first and second phases, all the Project costs are to be financed with the proceeds of long-term debt issued for the benefit of Provident Group – UTK Properties, LLC. The University will not be obligated or liable, either directly or indirectly, for any financial or other obligation of Provident under the bond documents for the Project, including without limitation, the payment of any portion of the principal of, interest on, or redemption premium, if any, of the bonds. The University will not guarantee or otherwise be obligated to financially support Provident’s repayment obligations in connection with the Project.

Under the management agreement, the University will operate the housing as part of the overall student housing program. Students will be able to select this facility as a housing choice and will receive the same services and residential life programs as they would in university-owned housing.

More information regarding the Project, including the primary business and legal terms, is set forth in Appendix 1 attached hereto. These terms are anticipated to be substantially the same as those approved previously by the Board for Phase 1 and Phase 2, reflected in amendments to the existing documents.

The administration recommends approval of Phase 3 of the Project, consistent with the terms and conditions presented to the Board. Upon such approval, the Senior Vice President and Chief Financial Officer, with the assistance of the Office of General Counsel, will proceed with finalizing the definitive agreements, which will then be submitted to the appropriate state agencies for final approval before being executed by the appropriate University officer(s) and the appropriate state authorities.



THE UNIVERSITY OF TENNESSEE BOARD OF TRUSTEES

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Committee Action

The Committee Chair will call for a motion to recommend adoption of the following resolution by the Board of Trustees.

Resolved:

Subject to receipt of any other required governmental approvals, the Board of Trustees hereby approves:

- 1) **The third phase of the public-private partnership for the construction of a multi-phase, on-campus student housing development for the University of Tennessee, Knoxville, consisting of approximately 600 undergraduate housing student beds (the "Project");**
- 2) **An amendment to the Ground Lease dated January 25, 2024 (the "Amended Ground Lease"), by and between the University and a subsidiary of Provident Resources Group Inc., a Louisiana non-profit organization ("Lessee");**
- 3) **An amendment of the Management Agreement dated January 25, 2024, (the "Amended Management Agreement"), by and between the University and the Lessee, for certain operating and management services for the Project; and**
- 4) **Acquisition and disposal easements, rights-of-way, road closures, and other related actions as may be necessary to facilitate the completion of the Project.**

Such Project, the Amended Ground Lease, the Amended Management Contract, and ancillary documents shall be substantially consistent with the terms and conditions as presented in the meeting materials, with a copy of Appendix 1 to be attached to this resolution.

The Senior Vice President and Chief Financial Officer is authorized to finalize the contemplated amendments, along with any ancillary documents, subject to review by the Office of General Counsel, and to submit such documents to the state agencies for approval as required.

Further, the proper officers are hereby authorized to take any and all such actions as may be required or which they may deem necessary or appropriate in order to accomplish the foregoing.

Appendix 1

University of Tennessee, Knoxville

Public-Private Partnership (P3) Project – Student Housing Phase 3

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I. Phase 3 - Project Overview	
1. Project	The University partnered with a non-profit to provide financing and a developer to oversee construction of the first two phases of a multi-phase, on-campus student housing development consisting of 2,994 beds, infrastructure, and related improvements (the “Phase 1 Project” and “Phase 2 Project”). The Phase 1 Project opened in August 2025 and the Phase 2 Project opened in August 2026. The University will partner with the same non-profit and developer for a third phase of on-campus student housing development (the “Phase 3 Project”). The Phase 3 Project will consist of approximately 568 undergraduate housing student beds. The Phase 3 Project will be completed by the fall semester of 2028. A Phase 4 project is currently in planning, and we anticipate that it will be ready to present to the Board for consideration in early 2027. The University will execute an amendment (“Lease Amendment”) to the Ground Lease entered into January 25, 2024 (“Ground Lease”) with a subsidiary of Provident Resources Group, a Louisiana non-profit that focuses on student housing (“Lessee” or “Provident Group – UTK Properties, LLC”) to incorporate the Phase 3 Project housing site into the Ground Lease. The University will execute an amendment to the Management Agreement (“Management Amendment”) with Provident Group - UTK Properties, LLC, to incorporate the Phase 3 Project within the scope of certain operating and management services provided by the University. The University will be reimbursed for its services. The Provident Group - UTK Properties, LLC will contract with RISE Volunteers, LLC, wholly-owned by RISE Development, LLC, which specializes in the development of higher education facilities (the “Developer”), to construct the Phase 3 Project. RISE Development, LLC is the same Developer that constructed Phase 1 and Phase 2, and was selected by the University through a competitive bid process. Provident Group - UTK Properties, LLC will cause bonds to be issued to pay for the new housing and will bear the financial risk. The bonds will be insured by Build America Mutual provided that they achieve an investment grade rating. The series of bonds for Phase 1 and Phase 2 had a successful placement with an investment grade of BBB-. The University will maintain control over student-facing functions, including residence life, marketing, assignments, billing, and collections under the Management Amendment.

Appendix 1

University of Tennessee, Knoxville

Public-Private Partnership (P3) Project – Student Housing Phase 3

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II. Ground Lease	
1. Lease Amendment	After receiving all required approvals, the Lease Amendment will be entered into between the University and Provident Group - UTK Properties, LLC. The Lease Amendment will incorporate the Phase 3 Project into the terms and conditions of the Ground Lease and thereby obligate Provident Group - UTK Properties, LLC to finance the development of the Phase 3 Project, own the Phase 3 Project, and provide for the design, construction, and management of the Phase 3 Project.
2. Financing	All Project costs are to be financed with the proceeds of long-term debt issued for the benefit of Provident - UTK Properties, LLC. The University shall not be obligated or liable, either directly or indirectly, for any financial or other obligation of Provident Group - UTK Properties, LLC under the bond documents for the Project, including without limitation, the payment of any portion of the principal of, or interest on, the bonds. The University will not guarantee or otherwise be obligated to financially support Provident Group - UTK Properties, LLC's repayment obligations on the bonds.
3. Ground Lease Rent to the University	The Ground Lease provides that the University is entitled to be paid rent annually in an amount equal to the surplus cash flow from the Project, which will equal the amount of Project revenue remaining after the payment of all expenses, debt service, and reserves related to the Project.
4. Project Savings	Project savings are to be shared between RISE Volunteers, LLC and Provident - UTK Properties, LLC. Provident will be obligated to spend their portion of the savings, in coordination with the University, to benefit the Project. The Lease Amendment will provide for the use of project savings from the Phase 1 Project and Phase 2 Project to fund improvements related to the Phase 3 Project as determined collaboratively between the University, Provident, and the Developer.
5. Ground Lease Term	The Lease Amendment will lease the Phase 3 Project housing site to Provident Group – UTK Properties, LLC to build and own the Phase 3 Project for a term of 40 years, unless sooner terminated in accordance with the Ground Lease or Lease Amendment. In no event will the term extend beyond the date on which the bonds have been fully repaid, not to exceed 50 years total from the execution of the Lease Amendment. The Lease Amendment will clarify that the term of Provident's interest in the Ground Lease for the Phase 1 Project will not be extended based on the commencement of Provident's leasehold interest in the Phase 3 Project.

Appendix 1

University of Tennessee, Knoxville

Public-Private Partnership (P3) Project – Student Housing Phase 3

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6. Ownership of Improvements	Provident Group - UTK Properties, LLC will own the improvements comprising the Project for the duration of the ground lease. At the expiration or earlier termination of the ground lease, the leased property and improvements will revert to the University.
7. Anticipated Related Project Agreements	Provident Group - UTK Properties, LLC will enter into a development agreement with the Developer regarding the design and construction of the Phase 3 Project. In addition, Provident Group - UTK Properties, LLC will amend the two separate agreements regarding the operation of the Project: (a) the Management Agreement, with the Management Amendment; and (b) the Facilities Operations and Maintenance Agreement with RISE Management LLC, wholly-owned by Developer, to provide facility operations and management services in the Phase 3 Project in the same manner as the Phase 1 and Phase 2 Projects.
8. Option to Purchase	The Ground Lease provides, and the Lease Amendment will provide, that, after five (5) years, the University or an associated entity the option to purchase one or both Phases of the Project and thereby terminate the Ground Lease interest in one or both Phases of the Project. The purchase price for each phase will be equal to the amount necessary to pay off the long-term debt issued for the benefit of Provident Group - UTK Properties, LLC for that phase, plus the present value of the asset management fee for that phase due to Provident Resources for years remaining through year 10 of the Ground Lease. In order to purchase only a single phase of the Project, the University must provide an Annual Budget that shows the remaining phase continues to meet the minimum requirements of the financing documents.
9. Rental Fees	Student tenants of the Project will be charged rental fees, subject to the University's express approval. However, the rental fees for the Project rooms must not be less than the amount needed for Provident Group - UTK Properties, LLC to pay all operating expenses, reserves, and debt service on the bonds issued for the benefit of Provident Group - UTK Properties, LLC and to comply with the rate covenant included in the financing documents.
10. Operating Expenses	The Lease Amendment will clarify that the total expenses of the Project may include subordinated expenses, to be paid from project cash flows after the payment of debt service. Expenses may be subordinated within the Project's Annual Budget as necessary to achieve a 1.20x debt service coverage ratio.
11. Parking	Approximately 12 existing parking spaces are being replaced on the Phase 3 Site as part of the Phase 3 Project.

Appendix 1

University of Tennessee, Knoxville

Public-Private Partnership (P3) Project – Student Housing Phase 3

4.1

12. Preliminary Construction, Plans and Contracts	Pursuant to the terms of a pre-development agreement approved by the State Building Commission (“SBC”), between the University and the Developer, the Developer has provided conceptual design, schematic design, design development, and construction document plans for the Phase 3 Project. The University is working with Provident Group – UTK Properties, LLC and the Developer on the preparation, delivery, review, comment, revision and finalization of design and construction documents. The University and Developer are collaboratively working together to manage costs incurred between final State approval of the agreements and the financing closing date. The pre-development agreement anticipates the University assuming approximately \$9.5 million of costs during this period to keep the Phase 3 Project on schedule, which would only be due if the Phase 3 Project closing does not occur. Additionally, the pre-development agreement anticipates the University assuming approximately \$10.6 million of costs during this period to keep the Phase 4 project on schedule, which would only be due if the Phase 3 Project closing does not occur.
13. University Review of Final Design and Construction Documents	The University will be entitled to approve the final plans and specifications for the construction of the Project and certain change orders thereto occurring during construction. The Developer must design, obtain permits and approvals, and cause the construction of the Project to the specifications, standards, and quality acceptable to the University and in accordance with all applicable state and local laws, rules, ordinances, and requirements.
14. Failure to Deliver Student Housing Facility on Schedule	If the Project is not delivered on time, temporary housing will be arranged for the contracted students by the Developer. Contracted students will still have an obligation to pay their rental obligations under their housing lease; however, if the delay to move-in is more than two (2) weeks, the University may release the student from the obligation under appropriate circumstances. Temporary housing arrangements will be subject to the reasonable approval of the University and must be in reasonable geographic proximity to the University campus, as reasonably determined by the University. Responsibility for making such arrangements and making upfront payments, regardless of ultimate responsibility to pay, is assigned to the Developer.
15. University Agreements	The University commits to treat the Project as part of its student housing program on an equal basis with its other student housing facilities, including the marketing and promotion of the Project and the provision of services to student residents of the Project in the same manner as its other student housing facilities.

Appendix 1

University of Tennessee, Knoxville

Public-Private Partnership (P3) Project – Student Housing Phase 3

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	The Ground Lease requires the University to conduct market studies before constructing new student housing that adds beds to the University's current inventory, whether the new housing is built by the University or another developer in a P3 arrangement with the University. The Ground Lease permits replacement housing that does not exceed 110% of the bed count to be replaced and new housing when the analysis supports demand. The Ground Lease also restricts the University from leasing off campus housing that competes with the Project, unless the University provides an analysis showing projected occupancy for the Project equals or exceeds 95%.
16. Default	The University will have, as a remedy for certain material events of default, the right to terminate the Ground Lease and take possession and occupancy of the Project. The University's rights upon the occurrence of an event of default will be subject to reasonable notice and cure periods, and default provisions consider that termination of the lease is a last resort option. The bond trustee possesses step-in rights to cure a default and protect the bondholders' investment in the Project, as well as the right to enter a new Ground Lease with the University on the same terms and conditions in the event of a bankruptcy or insolvency event, or before the Ground Lease finally terminates.
17. Default in Construction	In the event of a default by the Developer in connection with the design and/or construction of the Project or of any party to any design or construction documents related to the Project, subject to the rights of the issuer, the trustee, the bond insurer or others under the bond documents, as their interests may appear, Provident Group - UTK Properties, LLC shall exercise all of the rights and remedies available to the Provident Group - UTK Properties, LLC in each such agreement, including, without limitation, the replacement or substitution of the Developer, the architects or the contractors, in consultation with the University. If an event of default shall occur and be continuing or if Provident Group - UTK Properties, LLC shall default under the Development Agreement or any design or construction documents related to the Project, the University may, subject to the rights of the issuer, the trustee, the bond insurer or others as otherwise provided under the Ground Lease, assert the rights of Provident Group - UTK Properties, LLC under the terms of the Construction Documents or such other design and construction documents, as the case may be.
18. Insurance	Provident Group - UTK Properties, LLC, as an operating expense of the Project, shall maintain insurance, including fire, with coverages acceptable to the University and which meet or exceed minimum requirements of the State of Tennessee in an amount equal to at least one hundred percent (100%) of the replacement cost of the Project.

Appendix 1

University of Tennessee, Knoxville

Public-Private Partnership (P3) Project – Student Housing Phase 3

4.1

III. Related Project Agreements	
1. Development Agreement	After receiving all required approvals, a Development Agreement will be entered into by Developer and Provident Group - UTK Properties, LLC. The Development Agreement will require the University's approval of certain change orders, construction progress payments, and other material aspects of the Project. The agreement will include the University's participation in regular meetings regarding the progress of the Phase 3 Project and to address any concerns of the University regarding the Phase 3 Project. The terms of the Development Agreement for the Phase 3 Project will reflect those in the Development Agreement executed for the Phase 1 Project except where appropriate due to differences in the two phases.
2. Management Amendment	The Management Amendment will amend the existing Management Agreement with Provident Group - UTK Properties, LLC, to provide certain operating and management services for the Phase 3 Project in the same manner as for Phase 1 and Phase 2, and for which the University will be reimbursed from Project revenues as an operating expense to the Project. The management responsibilities to be performed by the University include: - Residence life (marketing, assignments, billing, collections, and programming) - Information technology management - Security
3. Facilities Operations and Maintenance Agreement	Throughout the term of the Ground Lease and Lease Amendment, Provident Group - UTK Properties, LLC will, as an operating expense of the Project, cause the Project to be kept and maintained in first-class condition and shall cause to be made all repairs, replacements, and renewals, foreseen or unforeseen, ordinary, or extraordinary, necessary to put or maintain the Project in such condition, subjected to ordinary wear and tear. Provident Group – UTK Properties, LLC will amend the existing Facilities Operations and Maintenance Agreement to contract RISE Management, LLC to provide facilities-related operating and property management services for the Phase 3 Project in the same manner as for Phase 1 and Phase 2. RISE Management, LLC's responsibilities will include: - Custodial services and trash disposal - Facility maintenance - Grounds, landscaping, and maintenance of hardscape within the boundary of the Leased Property Asset management of the Phase 3 Project will be the responsibility of Provident Group - UTK Properties, LLC in collaboration with RISE Management, LLC.



THE UNIVERSITY OF TENNESSEE BOARD OF TRUSTEES

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AGENDA ITEM SUMMARY

Meeting Date: October 16, 2026

Committee: Finance and Administration

Item: **Facility Naming, UTK**

Type: Action

Presenter: President Randy Boyd

Background Information

Under the Board Policy on the Naming of Facilities and Other Assets (BT0017), the Board of Trustees is responsible for approving the naming of University facilities and other significant assets. The University of Tennessee, Knoxville, seeks Board approval to name its new Student Success building in honor of John and Cindy Compton.

The proposed naming is particularly meaningful because the center's purpose closely reflects the priorities John has championed as Chair of the Board. Throughout his tenure, he has kept students at the heart of the Board's work and challenged the University to focus not only on access to a University of Tennessee education, but also on ensuring that students have the support, opportunities, and experiences they need to succeed.

For John, student success encompasses more than enrollment and graduation. He has consistently emphasized the importance of listening to students, understanding their experiences, and applying what we learn to strengthen the University. His support for student satisfaction surveys and other efforts to incorporate the student voice into the Board's deliberations reflects both his commitment to students and his expectation that the University remain accountable for their success.

That focus is central to the University's mission. Providing educational opportunity carries a corresponding responsibility to help students make the most of it—to persist, complete their degrees, and leave the University prepared to lead meaningful lives and pursue fulfilling careers.

When our students succeed, the benefits extend beyond the individual to their families, communities, and the state we serve.

The Compton Center for Student Success will therefore represent more than recognition of an extraordinary gift; it will connect their generosity to a cause they care deeply about – ensuring that every student has the support and opportunities needed to succeed. The proposed naming is especially fitting, and I am pleased to recommend its approval. Chancellor Donde Plowman’s attached letter provides additional information in support of this recommendation.

The proposed naming is consistent with the aforementioned Board policy and related guidelines. Further, the naming has been approved by David Miller, Senior Vice President and Chief Financial Officer, and Kerry Witcher, Vice President for Development & Alumni Affairs and President & CEO of the University of Tennessee Foundation.

Committee Action

The Committee Chair will call for a motion to recommend adoption of the following Resolution by the Board of Trustees.

Resolved:

The Board of Trustees hereby approves the naming of the new student success building at the University of Tennessee, Knoxville as the “Compton Center for Student Success,” in recognition of the extraordinary generosity of John and Cindy Compton, their enduring commitment to the University and its students, their belief in the transformative power of education, and their dedication to ensuring that students have the support and opportunities they need to succeed at the University and beyond.



October 5, 2026

Randy Boyd
President, University of Tennessee System
UT Tower #1288
505 Summer Place
Knoxville, TN 37902

Dear President Boyd:

In keeping with the UT Board of Trustees' Policy on Naming of Facilities and Other Assets, as well as the Board-approved Guidelines for Naming Opportunities and Endowments, the University of Tennessee, Knoxville respectfully requests approval to name the new Center for Student Success in honor of generous donors **John and Cindy Compton**.

John Compton has long been a devoted volunteer leader for UT Knoxville and the Haslam College of Business, including service as an executive-in-residence lecturer and as a member of the Dean's Advisory Council. He has also served as chair of the UT Board of Trustees since 2018. Together, John and Cindy have been steadfast champions of the University and deeply committed to supporting UT students. John often shares his hope of inspiring students to "**Learn, Earn and Return**"—to make the most of their UT experience, pursue meaningful professional success, and then give back to the University and their communities in lasting ways.

Their transformational commitment will provide vital academic program support and, as needed, help advance building construction, renovation, and long-term maintenance.

In grateful recognition of the Comptons' extraordinary generosity, advocacy, and leadership, we respectfully request Board approval to name the Student Success Building the Compton Center for Student Success. Thank you for your thoughtful consideration. Please let me know if you have any questions or if additional information would be helpful.

Sincerely,

Donde Plowman
Chancellor

Office of Advancement

600 Andy Holt Avenue, Knoxville, TN 37996
alumni.utk.edu giving.utk.edu



THE UNIVERSITY OF TENNESSEE BOARD OF TRUSTEES

AGENDA ITEM SUMMARY

Meeting Date: October 16, 2026

Committee: Finance and Administration

Item: **Consent Agenda**

Type: Action

Presenter: William (Bill) C. Rhodes III, Committee Chair

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Background Information

Items on the Consent Agenda are not presented or discussed in the Committee unless a Committee member requests that an item be removed from the Consent Agenda. The Bylaws provide that an item will not be removed from the Consent Agenda solely for the purpose of asking questions for clarification. Those questions should be presented to the Board Secretary or Committee Liaison before the meeting.

Committee Action

If there are no requests to remove items on the Consent Agenda, the Committee Chair will call for motion that:

1. The reading of the minutes of the prior meeting (June 29, 2026) of the Committee be omitted and that the minutes be approved as presented in the meeting materials.
2. The action items set forth on the Consent Agenda be recommended for adoption by the Board of Trustees.

If the motion passes, the items requiring Board approval will go forward to the Consent Agenda of the full Board meeting, unless otherwise required to be acted upon individually by the Board.



THE UNIVERSITY OF TENNESSEE BOARD OF TRUSTEES

MINUTES OF THE FINANCE AND ADMINISTRATION COMMITTEE June 29, 2026

6.1

The Finance and Administration Committee of The University of Tennessee Board of Trustees met at 1:30 p.m. (CDT) on Monday, June 29, 2026. The meeting was held in Gault Fine Arts Building at the University of Tennessee Southern, Pulaski, Tennessee.

Committee Members Present: William (Bill) C. Rhodes III, Committee Chair; John C. Compton, Board Chair; Christopher L. Patterson; David Wade; and David N. Watson.

Other Trustees Present: Bradford D. Box; Hon. William E. Haslam; Decosta E. Jenkins; Ashlee C. Mallon (Student Trustee); T. Lang Wiseman; and Jamie R. Woodson.

Others in Attendance: President Randy Boyd; David L. Miller, Senior Vice President and Chief Financial Officer; Andrea Addis, Assistant Treasurer; Cynthia C. Moore, Board Secretary and Special Counsel; Chancellor Melinda Arnold (UT Southern); Chancellor Lori Mann Bruce (UT Chattanooga); Chancellor Peter Buckley (UT Health Science Center); Chancellor Yancy Freeman (UT Martin); and Chancellor Donde Plowman (UT Knoxville). Additional members of the UT senior leadership and staff were also in attendance.

Ms. Moore called the roll and announced the presence of a quorum. No requests had been received to address the Committee.

Opening of the Meeting

Committee Chair Rhodes called the meeting to order and welcomed those attending in person and by video. He thanked Chancellor Melinda Arnold and the UT Southern team for hosting the meeting. Chair Rhodes welcomed Andrea Addis in her new role as Interim Treasurer and recognized Tammie Cole upon her retirement after 24 years of service to the University, including more than 20 years supporting the Finance and Administration Committee.

Report on Financial Performance

Interim Treasurer Andrea Addis presented the financial report for the nine-month period ending March 31, 2026. She reported sustained financial momentum, with total revenues approximately 8.5% above the same period in the prior year. Tuition and fee revenue increased approximately 8%, driven primarily by enrollment growth at UT Knoxville and UT Chattanooga; state and local appropriations increased 8.4%; and investment income increased approximately 22%. Expenses increased 11.8%, reflecting enrollment growth,

increased research and auxiliary activity, facilities maintenance, and continued growth in scholarships and fellowships.

Ms. Addis reported that the balance sheet remained healthy and liquidity remained strong. Investments approached \$1.9 billion, supported by positive endowment returns and gifts, while construction in progress increased by approximately \$404 million. The Committee discussed the significant year-over-year decline in the reported pension and other post-employment benefit liability. Administration explained that the amount reflects the University's accounting allocation of the State's pension and benefit obligations and may vary based on the State's annual actuarial valuation; the University has not historically been required to make payments on the reported liability.

With respect to liquidity, UT Knoxville, UT Chattanooga, UT Martin, and the University overall were reported above the applicable Moody's median for days cash on hand. Administration noted continued improvement at UT Health Science Center and ongoing monitoring of UT Southern, where a multi-year plan is underway to build reserves through a balanced operating budget.

Ms. Addis also provided a year-end readiness update. Ernst & Young (EY) has been engaged to assist with reconciliations, audit readiness, control documentation, year-end close, GASB¹ compliance, and accounting for public-private partnerships. Administration reported that monthly closing activity had been brought current and expressed the goal of avoiding a repeat of the significant deficiency reported following the prior year's transition to Oracle Fusion Cloud ERP.

Enterprise Resource Planning (DASH) Project Update

Senior Vice President and Chief Financial Officer David Miller and Chief Information Officer Ramon Padilla reviewed results of the second DASH user survey and the roadmap for additional system improvements. Mr. Miller noted that survey results showed only modest improvement since December and emphasized that reporting, ledger functionality, and automation of manual processes remained the principal areas of user concern. The next survey is planned for September, with results to be reported to the Committee in October.

Mr. Padilla described progress on high-priority operational improvements, including stabilization of payroll processing, and reviewed lessons learned from the DASH implementation that are being incorporated into the student financial aid and future student information system projects. These include stronger vendor executive sponsorship, earlier data conversion, more rigorous integration and user-acceptance testing, dedicated work-stream leadership, treating reporting as a core deliverable, clearer internal accountability, and more intentional staffing and backfill strategies.

¹ *Governmental Accounting Standard Board, which establishes accounting and financial reporting standards for U.S. state and local governments that follow generally accepted accounting principles.*

Committee members emphasized that the University's investment in the new platform should produce material improvements over legacy processes, not merely restore prior levels of performance. Administration stated that the student financial aid implementation is being implemented by a different consulting partner and is the first phase of the broader student information system modernization.

FY 2026-27 Operating Budget

Jennifer Easley, Associate Vice President Budget, Analysis & Planning, presented the proposed FY 2026-27 Operating Budget, including the salary plan, student tuition and fees, and room and board rates. She reported approximately \$44 million in additional recurring state funding, including formula funding for UT Knoxville, UT Chattanooga, UT Martin, and UT Southern, salary support for non-formula units, and funding associated with increased insurance premiums.

The proposed budget totals approximately \$4.0 billion from unrestricted educational and general, auxiliary, and restricted revenues. The proposed Unrestricted Educational and General Operating Budget is approximately \$2.546 billion, a 5.8% increase, and the proposed Unrestricted Auxiliary Operating Budget is approximately \$493.6 million, a 10.8% increase from FY 2025-26.

Dr. Easley reviewed proposed tuition and mandatory fee changes for in-state undergraduate students. The combined annual increase is approximately \$148 (1.1%) at UT Knoxville, \$322 (3.0%) at UT Chattanooga, \$324 (3.0%) at UT Martin, and \$338 (3.0%) at UT Southern. The UT Health Science Center rates had previously been approved. Administration noted that each proposed increase falls below the Tennessee Higher Education Commission binding range.

The Committee discussed the importance of evaluating the full cost borne by students and families, including housing and dining, rather than tuition and mandatory fees alone. Committee members requested that future presentations show actual dollar costs, historical trends, and an all-in view of student costs. Administration agreed to provide additional information and noted that a total cost-of-attendance comparison had been presented at the prior meeting.

Dr. Easley also reviewed the principal uses of incremental tuition and fee revenue, with the largest share directed to academic programs, instructional costs, and student support and success. She then outlined a new multi-year financial planning exercise using common assumptions for state appropriations and tuition and fee rates. Committee members encouraged inclusion of enrollment assumptions and scenario analysis, particularly in light of changing national higher education enrollment trends and the need to improve UT Southern's financial performance.

Following discussion, and upon motion duly made and seconded, the Committee approved a recommendation that the Board of Trustees adopt the resolution approving the FY 2026-27 Operating Budget, including the applicable student tuition and fees and other rates, as set forth in Tab 2 of the meeting materials.

Affiliation Agreement - UT Health Science Center

Chancellor Peter Buckley presented the proposed Third Amendment to the Master Affiliation Agreement between UT Health Science Center and Shelby County Health Care Corporation, doing business as Regional One Health. Before addressing the agreement, Dr. Buckley expressed appreciation for the State's support of the new College of Medicine and interdisciplinary building and reported that fundraising toward the related \$50 million campaign was progressing rapidly.

Dr. Buckley explained that Regional One and UTHSC have a longstanding partnership in education, clinical care, and research. Regional One provided notice in December 2024 that it intended to terminate the existing 2014 Master Affiliation Agreement effective July 3, 2026, in order to negotiate a new agreement. Because the parties have not yet reached agreement on long-term terms, the proposed amendment provides a one-year extension, with revised financial terms, to allow additional time for negotiations.

Upon motion duly made and seconded, the Committee approved a recommendation that the Board of Trustees adopt the resolution approving the Third Amendment to the Master Affiliation Agreement with Regional One Health, as set forth in Tab 3 of the meeting materials.

Capital Projects

Austin Oakes, Associate Vice President for Capital Projects, reported that approximately 225 projects, totaling more than \$3 billion, were active in design or construction across the University. He then presented the FY 2027-28 capital outlay, maintenance, demolition, and disclosure requests.

- Capital Outlay Requests (FY 2027-28 through FY 2031-32). The University's highest-priority request is the \$60 million Martin-Andrews Science Hub at UT Southern, which would renovate approximately 30,000 square feet in the existing Martin and Andrews buildings and add an approximately 25,000-square-foot connector. The project would expand classroom and laboratory capacity while also addressing significant deferred maintenance. The Committee discussed the magnitude of the investment, the importance of disciplined capital allocation, UT Southern's financial position, and how the project would support enrollment growth, STEM and health professions programs, workforce needs, and student outcomes. Other priority requests include a new student health and counseling center at UT Martin, planning for an interdisciplinary Applied

Health Sciences Building at UT Knoxville, and completion of biomedical research space in the Nash Building at UT Health Science Center.

- Capital Maintenance Requests (FY 2027-28 through FY 2031-32). Mr. Oakes reviewed the proposed allocation across approximately 20 projects and discussed the continuing gap between annual maintenance needs and recent state appropriations. He noted that the University's formula-based need is approximately \$135 million annually to maintain the condition of educational and general facilities, while the FY 2026-27 state budget represented an encouraging increase in maintenance funding compared with the prior year.
- Capital Demolition Requests (FY 2027-28). The proposed schedule includes six demolition projects totaling approximately \$5.4 million. Mr. Oakes noted that the list is similar to prior years because demolition projects have not received state funding in recent cycles.
- Capital Disclosure Requests (FY 2027-28). The proposed disclosure list includes seven institutionally funded projects totaling approximately \$711 million. Administration explained that disclosure is required for certain projects even when the University does not expect to finance the project directly. The Committee discussed a proposed \$50 million hotel development at UT Martin, which is anticipated to be structured as a public-private partnership on University land. Chancellor Freeman described potential experiential-learning benefits for construction management and hospitality students. Administration explained that a planned P3 exceeding \$10 million must be disclosed through the annual state capital process.

Upon motion duly made and seconded, the Committee, in a single vote, approved recommendations that the Board of Trustees adopt the resolutions approving: (i) the capital outlay funding requests; (ii) the capital maintenance funding requests; (iii) the capital demolition funding requests; and (iv) the capital disclosure requests, as set forth in Tabs 4.1 through 4.4 of the meeting materials.

FFREC - Rogers Group Property Swap (UTIA). Mr. Oakes presented a proposed land exchange involving the Forest Resources Research and Education Center in Oak Ridge. Under the proposed transaction, the University would convey approximately 52.5 acres to Rogers Group, an adjacent quarry operator, and receive approximately 12 acres, a \$147,000 cash payment, a \$2.7 million donation to the University of Tennessee Foundation for the benefit of the Center, and retained timber and research-access rights, together with other protections associated with the conveyed property.

Upon motion duly made and seconded, the Committee approved a recommendation that the Board of Trustees adopt the resolution authorizing the Rogers Group property exchange, as set forth in Tab 4.5 of the meeting materials.

Board Policies

Board Secretary and Special Counsel Cynthia Moore reviewed three proposed revisions to Board policies. Two were presented for separate action by the Committee, while the third was included on the Consent Agenda.

- Board Policy on Naming of Facilities and Other Assets (BT0017). Ms. Moore explained that the proposed revisions are intended to strengthen clarity, consistency, and governance in the review and approval of naming opportunities across the University. Among other changes, the revisions provide clearer guidance regarding the review and benchmarking of proposed naming opportunities; refine the standards for determining appropriate gift levels for the naming of University units and facilities; establish additional parameters for corporate namings; and make technical and conforming changes to align the policy with other Board policies.
- Board Policy on Tuition and Student Fees (BT0022). Ms. Moore reviewed proposed revisions prompted by a new state-law requirement concerning tuition and fees charged to undergraduate out-of-state students. The revisions provide that the tuition and fee rate for undergraduate out-of-state students will not be less than the rate charged to undergraduate in-state students, except as otherwise approved by the Board or required by law, and that revenues generated from undergraduate out-of-state tuition and fees will support the educational and general operations of the University and its institutions. In recognition of the expanded scope of the policy, its title would be changed from the *Policy on Approval of Student Fees* to the *Policy on Tuition and Student Fees*.
- Board Policy on a Student Programs and Services Fee (BT0023). Ms. Moore also reviewed a proposed revision to the timing of the President's annual report to the Committee concerning the use of Student Programs and Services Fee (SPSF) funds. The policy currently requires the report to be presented at the Board's Annual Meeting. The proposed revision moves the report to the Fall Meeting, allowing the report to include actual financial results through June 30, rather than forecasted year-end amounts. The revision was included on the Consent Agenda.

Following discussion, and upon motion duly made and seconded, the Committee approved recommendations that the Board of Trustees adopt the proposed revisions to BT0017 and BT0022, as set forth in Tabs 5.1 and 5.2 of the meeting materials.

Proposed Facility Naming - UT Martin

Committee Chair Rhodes recused himself from the discussion and vote because the proposed naming of UT Martin's new College of Business building would honor him and his wife, Amy. Board Chair John Compton presided over the item.

Chair Compton recognized the longstanding commitment of Bill and Amy Rhodes to UT Martin. He highlighted Mr. Rhodes' distinguished career with AutoZone, including becoming the youngest CEO of a Fortune 500 company at age 39, as well as the couple's exceptional generosity and service across the University. He then invited President Boyd and Chancellor Yancy Freeman to present the naming recommendation.

President Boyd said the naming honored more than philanthropy, recognizing Mr. Rhodes' accomplishments, leadership, and service. He described the commitment of Bill and Amy Rhodes as an extraordinary investment in UT Martin and its students. Chancellor Freeman expressed the University's gratitude to Bill and Amy Rhodes, noting that their engagement, leadership, and generosity exemplify the lasting impact of a UT Martin education. He added that the new facility would reflect the excellence of the College of Business and serve generations of students.

Mr. Rhodes responded on behalf of himself and Amy, sharing that UT Martin shaped their lives and that this gift held special meaning for their family. He expressed excitement that the new facility would replace the converted residence hall that housed the College of Business when he was a student. He added that their commitment was inspired by others around the Board table and by a shared responsibility to contribute their "time, talent, and treasure" to the University's land-grant mission.

Upon motion duly made and seconded, the Committee recommended that the Board of Trustees name UT Martin's new College of Business building the "Bill and Amy Rhodes Business Building," commonly known as "Rhodes Hall," in recognition of their enduring devotion, generosity, and support. Committee Chair Rhodes abstained from the vote.

Committee Consent Agenda

Committee Chair Rhodes asked whether any member wished to remove an item from the consent agenda. There being no request to remove an item, upon motion duly made and seconded, the Committee approved: (i) the Resolution to adopt the minutes of the last meeting of the Committee; (ii) the Ratification of Quasi-Endowments Created during FY 2025-26; and (iii) the Revision to Board Policy on a Student Programs and Services Fee (BT0023).

Other Business

Ms. Ashlee Mallon, the student Trustee from UT Martin, thanked Bill and Amy Rhodes for their support of UT Martin and emphasized the importance of the new College of Business facility to students and the campus community. No other business was brought before the Committee.

Information Items

Chair Rhodes noted the three information items included in the meeting materials: (i) the President's Report on Use of Student Programs and Services Fee Funds; (ii) the Endowment Investment Report; and (iii) the Report on Capital Projects Approvals for FY 2025-26. He observed that the University's endowment was approaching \$2 billion and commended those responsible for its growth.

Closing Remarks and Adjournment

With no further business to come before the Committee, the meeting was adjourned.

Respectfully Submitted,

/s/ Cynthia C. Moore
Cynthia C. Moore
Secretary and Special Counsel



THE UNIVERSITY OF TENNESSEE BOARD OF TRUSTEES

AGENDA ITEM SUMMARY

Meeting Date: October 16, 2026

Committee: Finance and Administration

Item: **Report on Uses of FY 2026 Tuition and Fee Revenues**

Type: Action

Background Information

The Tuition Transparency and Accountability Act, enacted by the General Assembly in 2018 and codified at Tennessee Code Annotated § 49-7-1604, requires each governing board of Tennessee public universities to submit to the Office of Legislative Budget Analysis, for distribution to the General Assembly, a report including the following information:

- expenditures of revenues derived from any increases to in-state undergraduate tuition and mandatory fees in the previous full academic year;
- usage of revenues;
- effect on student financial aid; and
- effect on the average total cost of attendance per student.

The report has a filing requirement by February 1 of each year. The University's report for Fiscal Year 2026 requires approval by the Board prior to submission to the Office of Legislative Budget Analysis.

Resolved:

The Board of Trustees hereby approves the Annual Report on Tuition and Fee Revenues for Fiscal Year 2026 as presented in the meeting materials, with a copy of the report to be attached to this Resolution after adoption.

6.2

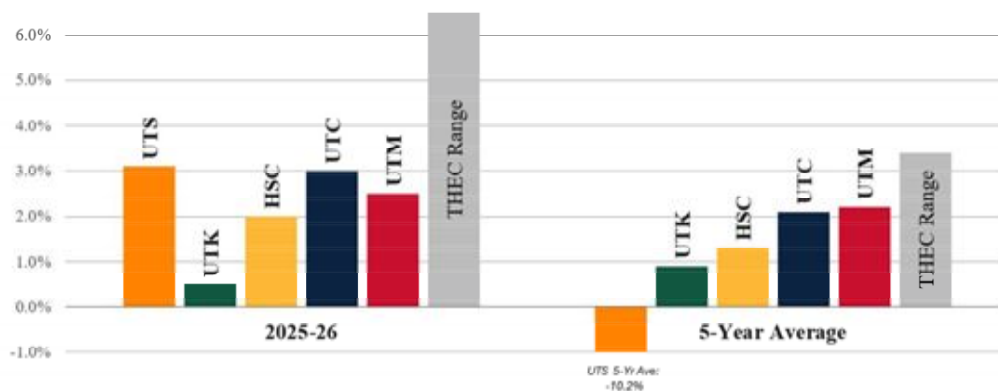
The University of Tennessee
Annual Report on Tuition and Fee Revenues
Academic Year 2025-26

Each UT campus increased in-state undergraduate tuition and mandatory fees in FY 2025-26, generating additional revenues for faculty and staff salary adjustments, academic programs, student services, campus operations, and inflationary pressures. All the increases were below the Tennessee Higher Education Commission (THEC) binding range of 6.5%.

Tuition and mandatory fee adjustments in 2025-26 were between 0.5% and 3.1%. The average annual changes at UT campuses over the last five years ranged from a reduction of -10.2% to an increase of 2.2%. All were well below the five-year average of the THEC binding range.

Detailed schedules of tuition and fees for each program at each UT campus can be found online in Section C of UT's 2025-26 Operating Budget document: [UT Operating Budget Fiscal Year 2025-2026](#)

Annual Change: In-State Undergraduate Tuition & Mandatory Fees



UTS – UT Southern; UTHS – UT Health Science; UTK – UT Knoxville; UTM – UT Martin; UTC – UT Chattanooga; THEC – Tennessee Higher Education Commission binding tuition & fee range.

Uses of Additional Tuition & Fee Revenues

Southern (UTS)

- Dollar increase: \$340
- Percent Increase: 3.1%
- Revenue gain: \$300,990

UTS used revenue gains to address the rising cost of doing business due to inflation and to fund the FY26 salary pool. The mandatory fee (up \$50) increase is intended to offset inflationary increases in operating costs, support continued improvements in information technology, and fund additional branding, and marketing communications.

**The University of Tennessee
Annual Report on Tuition and Fee Revenues
Academic Year 2025-26**

Health Sciences (UTHS)

- Dollar increase: \$64 to \$362
- Percent increase: 0.5% to 3.1%
- Revenue gain: \$2 million

UTHS Undergraduate Programs	\$-increase	%-increase
Dental Hygiene	\$362	3.1%
Nursing – Traditional	\$225	2.2%
Nursing – Accelerated	\$313	2.1%
Medical Technology	\$216	2.2%
Audiology & Speech Pathology*	\$64	0.5%

*Audiology & Speech Pathology is a joint UTK/UTHS program. Tuition and fee are set at the UTK rate.

UTHS used revenue gains to meet the commitment to the State of Tennessee to share the cost of annual operating increases. Two mandatory increases were implemented: student activity fee (up \$24) and the campus recreation fee (up \$25). The student activity fee increase will be used to support existing and new student activity offerings. The campus recreation fee increase will be used to maintain, replace, and renew recreation and fitness equipment.

Knoxville (UTK)

- Dollar increase: \$64
- Percent increase: 0.5%
- Revenue gain: \$2.4 million

UTK implemented three mandatory fee increases with no tuition increase: a facilities fee (up \$30), a transportation fee (up \$24), and a library fee (up \$10). The facilities fee supports deferred maintenance and construction needs for existing and new campus buildings to accommodate the needs of an expanding student population. The transportation fee increase supports parking and transportation services, including additional routes and buses, to meet the university's expanding needs. The library fee increase provides additional funding for databases, electronic journals, and other library resources to maintain and enhance student and research support.

Martin (UTM)

- Dollar increase: \$264
- Percent increase: 2.5%
- Revenue gain: \$945,000

UTM used the additional revenue from the tuition increase with no mandatory fee increase to support instruction, student services, scholarships, operations, faculty promotions, fixed cost increases, and the state-recommended salary pool.

The University of Tennessee
Annual Report on Tuition and Fee Revenues
Academic Year 2025-26

Chattanooga (UTC)

- Dollar increase: \$314
- Percent increase: 3.0%
- Revenue gain: \$3.3 million

UTC used the additional revenue to invest across several functional areas, including academic programs, student services, academic support, scholarships, and institutional support. The largest allocation will provide funding for the state-recommended salary pool, followed by the expansion of current academic programs as approved by THEC. These investments include faculty and staff, operations, student programming, scholarships, and graduate assistantships. The remaining funds will be invested in student recruitment and retention. The increase in transportation fee (up \$60) was used to assist with parking operations and is part of a multi-year plan to fund a new parking garage structure.

Effect on Student Aid

Most in-state undergraduate students receive some kind of scholarship, grant, discount, or waiver (this does not include student loans). Student aid for all students at all UT campuses in 2025-26 increased by \$20 million (9.1%) over the previous academic year.

Effect on the Average Cost of Attendance

The impact of the changes to in-state undergraduate tuition & mandatory fees as a percentage of the average total cost of attendance ranged from 0.2% to 1.3%. Average Total Cost of Attendance is defined as in-state tuition & mandatory fees plus estimated costs of a typical in-state undergraduate student for books & supplies, room & board, travel, and personal expenses.

Campus	FY25 Average Total Cost of Attendance	FY26 Tuition & Fee Changes	Effect on Ave. Cost of Attendance
Knoxville	\$35,064	\$64	0.2%
Chattanooga	\$28,552	\$314	1.1%
Martin	\$24,204	\$264	1.1%
Southern	\$25,319	\$340	1.3%
Health Science Center*	\$38,835	\$225	0.6%

*Average Total Cost of Attendance: Instate Tuition & mandatory fees plus estimated costs of a typical in-state undergraduate student for books & supplies, room & board, travel, and personal expenses.

*Health Science Center: average cost of attendance for the traditional nursing program.



THE UNIVERSITY OF TENNESSEE BOARD OF TRUSTEES

AGENDA ITEM SUMMARY

Meeting Date: October 16, 2026

Committee: Finance and Administration

Item: **Revision to Board Policy (BT0025) – Statement of Investment Policy**

Type: Action

6.3

Background Information

At the recommendation of the Chair of the Finance and Administration Committee, who also serves as Chair of the Investment Advisory Council (IAC), and with the support of the Administration, a revision to Board Policy (BT0025) – Statement of Investment Policy is being presented for the Committee's consideration to clarify and amend the term limits for IAC member appointments.

If approved, the revision would extend the limit from two to three consecutive terms and authorize the Chair of the IAC to extend a member's term in exceptional circumstances. The proposed revision also establishes criteria to be considered for each reappointment.

The attached Exhibit A includes the current language and the proposed revision.

Resolved:

The Board of Trustees hereby approves the revision of Board Policy BT0025 – Statement of Investment Policy pertaining to the appointment and reappointment of Investment Advisory Council members, as presented in the meeting materials.

Exhibit A**Current Version:**

A maximum of four (4) additional members may be appointed by the Chair of the Committee. Such members shall serve an initial term of three (3) years and are eligible to serve up to two (2) consecutive terms. A member who serves two (2) consecutive terms may be reappointed after three (3) years have elapsed since the individual's last date of service on the IAC. The appointed members of the IAC should have a sound understanding of the financial concepts, familiarity with the challenges facing institutional investment portfolios, and experience guiding long term investment policies and strategy in public and private markets.

Proposed Version:

A maximum of four (4) additional members may be appointed by the Chair of the Committee. The appointed members of the IAC should have a sound understanding of the financial concepts, familiarity with the challenges facing institutional investment portfolios, and experience guiding long term investment policies and strategy in public and private markets.

Such members shall serve three-year terms and may be appointed to three (3) consecutive terms. In exceptional circumstances, the Chair of the Committee may reappoint a member for additional consecutive term(s) when the Chair determines that continued service would be beneficial to the IAC.

In considering any reappointment, the Chair shall consider the overall composition and needs of the IAC, including the skills, expertise, and perspectives needed to support its responsibilities. Reappointment should reflect consideration of the member's demonstrated engagement and contributions, independence and objectivity, relevant expertise, and the appropriate balance between continuity of experience and the introduction of fresh perspectives.

Following the conclusion of a member's service on the IAC, the member shall not be eligible for reappointment until three (3) years have elapsed since the member's last date of service.

INDEX OF INFORMATION ITEMS

- A. [Report on Differential Tuition Charges & Revenue \(UTC & UTK\)](#)
- B. [FY 2026 Annual Flight Operations Report](#)
- C. [Capital Projects Approvals Report](#)
- D. [FY 2026 Endowment Investment Performance Report](#)



THE UNIVERSITY OF TENNESSEE BOARD OF TRUSTEES

AGENDA ITEM SUMMARY

Meeting Date: October 16, 2026

Committee: Finance and Administration

Item: **UTC Report on Use of Differential Tuition Funds**

Type: Information

7.1

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. The Board of Trustees has authorized UT Chattanooga to assess differential tuition for upper-level courses offered in the Colleges of Business, Engineering, and Nursing and Departments of Occupational Therapy, Physical Therapy, and LEAD Doctoral.

An annual report is presented to the Finance and Administration Committee on how Differential Tuition revenues are used. The report for Fiscal Year 2025-26 is included.

The table below illustrates the annual revenue less expenses for the last five years and the June 30, 2026, reserve balance.

**University of Tennessee Chattanooga
Differential Tuition Five-Year Trend Summary
Revenue Less Expenses**

College	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	Reserve Balance 6/30/2026
Gary W. Rollins Business	\$650,823	\$237,705	\$543,556	\$171,940	\$435,502	\$3,391,196
Engineering	\$445,803	\$327,383	\$361,692	\$411,113	\$689,252	\$2,134,764
Nursing	\$178,872	\$230,767	\$130,158	\$563,439	\$451,542	\$1,986,544
Occupational Therapy	\$59,662	\$18,691	\$160	\$821	(\$27,830)	\$214,477
Physical Therapy	\$23,747	\$5,585	\$9,537	\$0	(\$94,253)	\$93,350
LEAD Doctoral	\$0	\$0	\$0	\$0	\$8,562	\$8,562
Total	\$1,358,907	\$820,131	\$1,045,103	\$1,147,313	\$1,462,775	\$7,828,893

*Deficits are covered by differential tuition reserves.



THE UNIVERSITY OF TENNESSEE BOARD OF TRUSTEES

University of Tennessee Chattanooga Differential Tuition Summary For the Fiscal Year Ended 2025-2026

7.1

College	Per Credit Hour Fee	Total Revenue	Program Expenses	Need-Based Scholarships/Aid	Total Expenses	Revenue less Expenses
Gary W. Rollins Business	\$64	\$3,520,335	\$2,633,829	\$451,004	\$3,084,833	\$435,502
Engineering	\$64	1,834,501	945,869	199,380	1,145,249	689,252
Nursing	\$111	1,609,169	1,015,530	142,097	1,157,627	451,542
Occupational Therapy	\$64	158,677	167,715	18,792	186,507	(27,830)
Physical Therapy	\$64	272,208	334,176	32,285	366,461	(94,253)
LEAD Doctoral	\$64	57,003	48,441	-	48,441	8,562
Total		\$7,451,893	\$5,145,560	\$843,558	\$5,989,118	\$1,462,775

University of Tennessee Chattanooga Differential Tuition Student Data For the Fiscal Year Ended 2025-2026

College	# of Unique Students Paid Fee	Average Amount Paid Per Student
Gary W. Rollins Business	4,196	\$839
Engineering	2,305	\$796
Nursing	590	\$2,727
Occupational Therapy	63	\$2,519
Physical Therapy	108	\$2,520
LEAD Doctoral	188	\$303



THE UNIVERSITY OF TENNESSEE BOARD OF TRUSTEES

Primary Expenditures

- Scholarships
- Faculty, Staff and Graduate Assistants
- Advising and Student Success
- Lab Equipment and Supplies

7.1

Gary W. Rollins College of Business

The Gary W. Rollins College of Business directs its funding toward personnel, student resources, and academic operations. The fee supported a range of faculty, student success staff, advising services, and specialized administrative roles. The College spent 12.81% of the fee collected to provide merit and need-based scholarships to students. Additional funds covered faculty research, database access, and professional development, with unspent revenue designated for future staffing, program expansions, and new college initiatives.

College of Engineering and Computer Science

The College of Engineering and Computer Science allocates its funding across personnel, student resources, and operational enhancements. The fee supported a combination of full-time faculty, administrative staff, advising services, and graduate assistants. The College used 10.87% of collected fees for student scholarships, while also funding tutoring, success programming, supplies, and travel for competitions. The unspent revenue supports faculty development, lab equipment, and ongoing updates to classroom technology and lab facilities.

College of Nursing

The College of Nursing distributes its funding across personnel, student support, and operational expenses. The fee covered a mix of full- and part-time faculty, administrative staff, lab and simulation supplies, and licensing exam costs. The College used 8.83% of the fee for student scholarships. Unspent revenue is designated for school accreditation, simulation supplies, and the long-term upkeep of clinical equipment.



THE UNIVERSITY OF TENNESSEE BOARD OF TRUSTEES

7.1

Occupational Therapy Department

The Occupational Therapy Department allocates its funds mainly towards graduate assistants, direct student support, and operational expenses. The fee supported graduate assistants, and student workers, alongside student scholarships, lab supplies, and professional association memberships. In total, the department allocated 11.84% of fee revenue for student scholarships.

Physical Therapy Department

The Physical Therapy Department invests its funding in personnel, student support, and operational needs. The fee supported graduate assistants, student workers, student scholarships, lab supplies and equipment, and professional association memberships. The department allocated 11.86% of collected fees to student scholarships.

LEAD Doctoral

The Applied Leadership and Learning Department, doctoral programs, distributes its differential funding across personnel, student support and resources, and operational enhancements. The fee sustained doctoral research, professional development and certificate programming opportunities for doctoral students, updates and enhancements of program equipment and software, part-time faculty, and faculty development and research.



THE UNIVERSITY OF TENNESSEE BOARD OF TRUSTEES

AGENDA ITEM SUMMARY

Meeting Date: October 16, 2026

Committee: Finance and Administration

Item: **UTK Report on Use of Differential Tuition Funds**

Type: Information

7.1

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. The Board of Trustees has authorized UT Knoxville to assess differential tuition for upper-level courses offered in the Colleges of Business, Engineering, Nursing, and Architecture and Design, Agriculture, and Space Institute.

An annual report is presented to the Finance and Administration Committee on how Differential Tuition revenues are used. The report for Fiscal Year 2025-26 is included.

The table below illustrates the annual revenue less expenses for the last five years and the June 30, 2026, reserve balance.

University of Tennessee Knoxville Differential Tuition Five-Year Trend Summary Revenue Less Expenses

College	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	Reserve Balance 6/30/2026
Engineering	\$645,402	\$3,718,469	\$1,740,067	\$113,325	\$2,591,442	\$3,954,945
Nursing	(\$736,055)	(\$806,935)	\$3,163,843	(\$2,400,775)	\$140,821	\$3,163,843
Business	\$1,186,665	(\$204,497)	(\$671,194)	(\$2,112,305)	\$956,199	\$0
Architecture & Design	\$511,300	(\$167,801)	(\$353,514)	\$250,428	(\$309,770)	\$250,428
Agriculture					(\$13,392)	\$0
Space Institute					\$91,439	\$0
Total	\$1,607,312	\$2,539,235	\$3,879,202	(\$4,149,327)	\$3,456,739	\$7,369,216



THE UNIVERSITY OF TENNESSEE BOARD OF TRUSTEES

University of Tennessee Knoxville Differential Tuition Summary For the Fiscal Year Ended 2025-2026

7.1

College	Per Credit Hour Fee	Total Revenue	Program Expenses	Need-Based Scholarships/Aid	Total Expenses	Revenue less Expenses
Engineering	\$117	\$22,788,296	\$18,766,531	\$1,430,323	\$20,196,854	\$2,591,442
Nursing	\$250	6,431,858	5,773,841	517,196	6,291,037	140,821
Business	\$103	12,656,407	10,199,094	1,501,114	11,700,208	956,199
Architecture and Design	\$113	2,519,951	2,589,903	239,818	2,829,721	(309,770)
Agriculture	\$117	105,468	118,860	-	118,860	(13,392)
Space Institute	\$117	133,910	42,471		42,471	91,439
Total		\$44,635,890	\$37,490,700	\$3,688,451	\$41,179,151	\$3,456,739

University of Tennessee Knoxville Differential Tuition Student Data For the Fiscal Year Ended 2025-2026

College	# of Unique Students Paid Fee	Average Amount Paid Per Student
Engineering	7,008	\$3,252
Nursing	1,198	5,369
Business	15,757	803
Architecture and Design	1,751	1,439
Agriculture	116	909
Space Institute	40	3,348



THE UNIVERSITY OF TENNESSEE BOARD OF TRUSTEES

Primary Expenditures

- Need-based Scholarships
- Faculty
- Advising
- Instructional Equipment
- Laboratories

7.1

Engineering

An essential resource to the College, the revenue supported further development and improvement in all academic programs and student services. In support of recruitment and retention of the best students, the funds are used for technology, equipment, and academic advising. Funds were also used to fund Diversity Engineering summer programs, and faculty positions to address teaching loads as a result of increased enrollment.

Nursing

A key resource for the College, supporting faculty for additional enrollment and providing resources towards student learning through the Health Information Technology and Stimulation (HITS) Lab. These resources are technology intensive and require annual update to stay current with the latest medical advances and techniques.

Business

Provides direct faculty, staff, and operational support of the undergraduate student population, including academic advising, career development and placement advising, student engagement, and study abroad programming. Support of faculty creates expanded teaching capacities, facilitating timely progress to degree completion and more moderate course section sizes than would otherwise be possible. In addition, a portion of revenue is allocated toward technology including enhanced educational experiences and modalities, undergraduate access and inclusion initiatives, communications, and supplies.



THE UNIVERSITY OF TENNESSEE BOARD OF TRUSTEES

Architecture and Design

Supports key enhancements to the pedagogical experience of a vivid design education, such as student field trips, design-build and fabrication projects, hiring nationally and internationally recognized faculty, student employment, growth of existing programs, and tuition awards for competitive student admissions.

Agriculture

Specific to Biosystems Engineering classes only in partnership with Engineering, the revenue supported direct faculty, staff and operational support along with further development and improvement in all academic programs and student services. In support of recruitment and retention of the best students, the funds are used for technology, equipment, and academic advising.

Space Institute

Specific to classes in partnership with Engineering and supporting graduate level student instruction, the revenue supported direct faculty, staff and operational support along with further development and improvement in all academic programs and student services. In support of recruitment and retention of the best students, the funds are used for technology, equipment, and academic advising.



THE UNIVERSITY OF TENNESSEE FY 2026 UT FLIGHT OPERATIONS REPORT

7.2

In accordance with the Board Policy Statement on Travel (Policy BT0030), the Senior Vice President and Chief Financial Officer shall submit an annual summary report of university aircraft operations to the University of Tennessee Board of Trustees for review by the Finance and Administration Committee. The summary report should contain, at a minimum, information on users, destinations, maintenance performed, and operating costs.

UT Flight Operations provides university personnel and guests with safe, reliable and efficient flight services. This often allows travelers to avoid the costs of overnight travel, as well as making more efficient and productive use of their time. It is sometimes the most practical option while traveling within Tennessee, as most destinations within the state are not served by commercial airlines.

For this reporting period, UT owned four airplanes, A Beechcraft King Air 200, acquired in July 2024, a Beechcraft King Air 350, acquired in 2008, a Cessna Citation XLS, donated to UT in December 2019, and a Citation XLS+, donated to UT in July 2025. For FY 2026, Flight Operations had eight full-time pilots. Several well-qualified local contract pilots are used as needed during peak times such as athletics recruiting seasons. Flight Operations is based at McGhee Tyson Airport, which is convenient to the departments that make the greatest use of these services. Additionally, Flight Operations has a satellite base at Memphis International Airport, which is convenient to the departments of UTHSC and UTM. This base is where UT's Beechcraft King Air 200 is hangared.

UT Flight Ops was responsible for overseeing 722.4 flight hours that flew 199,722 nautical miles. 2,122 passengers were flown on 709 flight legs across the state of Tennessee and around the 48 contiguous states. Usage of UT's aircraft fleet continued to be high in FY2026, so we have an aircraft charter contract in place for the busy athletic recruiting seasons.

In FY 2026, the total flight operations expenditures were \$4,363,385, which was funded by a combination of system administration base support, hourly fees assessed to UT departments, and additional support from UTK Athletics for operation of the Cessna Citation XLS and Citation XLS+.



UT Flight Operations Funding & Expenditures

	<u>2026</u>	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>
Funding					
Recoveries	\$1,381,162	\$1,230,836	\$1,116,944	\$946,485	\$1,154,624
UTK Athletics	1,311,230	884,462	1,027,268	744,072	720,959
System Support	<u>1,670,993</u>	<u>1,175,704</u>	<u>716,216</u>	<u>924,354</u>	<u>474,558</u>
Total Funding	\$4,363,385	\$3,291,001	\$2,860,428	\$2,614,911	\$2,350,142
Expenses					
Salaries & Benefits	\$1,514,148	\$1,183,788	\$948,274	\$771,961	\$635,352
Contract Pilots	117,941	89,649	76,667	83,763	89,697
Fuel	700,697	525,908	319,651	352,324	509,271
Routine Maintenance	1,280,160	781,462	479,750	719,391	770,811
Airplane lease	0	27,040	130,786	58,500	0
Charters	94,865	117,871	247,757	0	0
Travel	128,260	125,841	218,371	160,815	128,235
Pilot Training	128,214	129,329	175,881	111,831	21,807
Office and Hangar Rent	90,449	86,692	81,130	84,314	64,387
Liability Insurance	4,801	2,429	53,442	111,624	1,691
Subscriptions	230,524	170,894	119,679	142,643	117,079
Other	<u>73,326</u>	<u>50,098</u>	<u>9,040</u>	<u>17,745</u>	<u>11,812</u>
Total Expenditures	\$4,363,385	\$3,291,001	\$2,860,428	\$2,614,911	\$2,350,142
Capital Maintenance		19,512			
Engine Replacement				3,871,782	
Avionics Installation/Upgrades	1,246,076		531,153		
WiFi Installation		-10,000	298,491		
<i>Flight Hours</i>	<i>722</i>	<i>647</i>	<i>489</i>	<i>517</i>	<i>654</i>



THE UNIVERSITY OF TENNESSEE BOARD OF TRUSTEES

AGENDA ITEM SUMMARY

Meeting Date: October 16, 2026

Committee: Finance and Administration

Item: **Report on Capital Projects Approvals**

Type: Information

7.3

Background Information

In accordance with Board policy, and subject to state approvals as may otherwise be applicable, the authority to approve or act on certain types of transactions and projects is delegated to the President. The Administration is responsible for preparing periodic reports for the Finance and Administration Committee with respect to these projects and transactions.

Reporting

Project(s) approved under this authorization with details in attached documentation.

UT Approved Projects, FY 2025-2026:

1. UTC - Residence Hall Upgrades - \$2,200,000
2. UTK - Anderson Training Hydrotherapy Upgrades - \$492,000
3. UTK - Neyland Stadium Sound System Updates - \$3,500,000
4. UTK - NTSC Track and Field Locker Room Updates - \$500,000
5. UTK - Phi Gamma Delta Kitchen Upgrades - \$389,000

UT Approved, with Additional SBC Approval, FY 2025-2026:

1. UTK - TCE Research Lab Upgrades - \$2,745,000

UT Approved Projects, FY 2026-2027:

1. UTC - McKenzie Arena Rigging System Replacement - \$815,000
2. UTHSC - Pharmacy Fume Hood Replacement - \$410,000
3. UTK - Cronan Volleyball Center HVAC Upgrades - \$380,000
4. UTK - Lindsey Nelson Stadium Upgrades - \$1,300,000
5. UTK - Morgan Hall Building Envelope Repairs - \$650,000
6. UTK - NTSC Haslam Statue Installation - \$300,000
7. UTK - NTSC Track and Field Locker Room Updates - \$500,000
8. UTK - Parking Lot Improvements - \$825,000



THE UNIVERSITY OF TENNESSEE BOARD OF TRUSTEES

9. UTK - Streetscape Improvements - \$500,000

UT Approved, with Additional SBC Approval, FY 2026-2027:

1. UTIA - CVM Building Updates - \$5,000,000
2. UTIA - CVM Equipment Replacement - \$3,000,000
3. UTK - Claxton Roof and Exterior Envelope Repairs - \$350,000
4. UTK - Elevator Upgrades - \$1,000,000
5. UTK - Gazebo Installation - \$12,000
6. UTK - Senter Hall Updates - \$135,000
7. UTK - SERF Multiple Lab Upgrades - \$846,000
8. UTK - Steam Plant Equipment Storage Building - \$160,000
9. UTK - Student Services Building Upgrades - \$3,045,000
10. UTK - UT Conference Center Repairs - \$5,000,000
11. UTK - Zeanah Upgrades - \$775,000
12. UTM - Lovelace Street Parking Lot - \$575,000

7.3

UT Approved - Revenue/Institutionally Funded Projects: FY 2025-2026

					Funding Source						
	Unit	Project	Project Description	Project Cost	TSSBA	Gifts	Auxiliary	Gift in Place	Grant	Plant Funds	Other
1	UTC	Residence Hall Upgrades	Upgrades to the Johnson Obear Apartments and Boling Apartments including mechanical, electrical, abatement, finish upgrades, and all related work to complete the project.	\$ 2,200,000			\$ 2,200,000				
2	UTK	Anderson Training Hydrotherapy Upgrades	Replacement of the hydrotherapy pool at the Anderson Training Center including all related work to complete the	\$ 492,000			\$ 492,000				
3	UTK	Neyland Stadium Sound System Updates	Replacement and installation of a reinforcement sound system at Neyland Stadium along with all associated	\$ 3,500,000			\$ 3,500,000				
4	UTK	NTSC Track and Field Locker Room Updates	Upgrades to the Track and Field locker rooms at the Neyland Thompson Sports Center (NTSC). The project includes	\$ 500,000			\$ 500,000				
5	UTK	Phi Gamma Delta Kitchen Upgrades	Improvements to the kitchen facility at the Phi Gamma Delta fraternity house. The project includes new equipment, fixtures, finishes, and all related work to complete the project.	\$ 389,000				\$ 389,000			
Totals				\$ 7,081,000	\$ -	\$ -	\$ 6,692,000	\$ 389,000	\$ -	\$ -	\$ -

7.3

UT Approved, with Additional SBC Approval - Revenue/Institutionally Funded Projects: FY 2025-2026

					Funding Source						
	Unit	Project	Project Description	Project Cost	TSSBA	Gifts	Auxiliary	Gift In Place	Grant	Plant Funds	Other
1	UTK	TCE Research Lab Upgrades	Modifications in multiple campus labs to accommodate new faculty hires including changes to layouts, casework, finishes, mechanical and electrical systems, and all related work to complete the project.	\$ 2,745,000						\$ 2,745,000	
Totals				\$ 2,745,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,745,000	\$ -

UT Approved - Revenue/Institutionally Funded Projects: FY 2026-2027

					Funding Source						
	Unit	Project	Project Description	Project Cost	TSSBA	Gifts	Auxiliary	Gift In Place	Grant	Plant Funds	Other
1	UTC	McKenzie Arena Rigging System Replacement	Replacement of the fall arrest system at the McKenzie Arena. Includes all related work to complete the project.	\$ 815,000			\$ 815,000				
2	UTHSC	Pharmacy Fume Hood Replacement	Replacement of the existing fume hoods at the College of Pharmacy. Modifications include plumbing, electrical,	\$ 410,000						\$ 410,000	
3	UTK	Cronan Volleyball Center HVAC Upgrades	Replacement of HVAC systems and components in the Cronan Volleyball Center and includes all related work.	\$ 380,000			\$ 380,000				
4	UTK	Lindsey Nelson Stadium Upgrades	Upgrades at the Lindsey Nelson Stadium to include audio/visual system upgrades and site improvements. Includes all related work to complete the project.	\$ 1,300,000			\$ 1,300,000				
5	UTK	Morgan Hall Building Envelope Repairs	Replacement of the roofing system and repair of the exterior building façade.	\$ 650,000						\$ 650,000	
6	UTK	NTSC Haslam Statue Installation	Erection of a statue of Jim Haslam on the north plaza of the Neyland Thompson Sports Center. The project includes minor hardscape improvements and all related work.	\$ 300,000			\$ 300,000				
7	UTK	NTSC Track and Field Locker Room Updates	Upgrades to the Track and Field locker rooms at the Neyland Thompson Sports Center (NTSC). The project includes improvements to finishes, casework, lighting, fixtures, and all related work.	\$ 500,000			\$ 500,000				
8	UTK	Parking Lot Improvements	Improvements to the Laurel Ave and Caledonia Parking Lots including paving, stairwells, exterior lighting, landscaping, and associated utility modifications. The project includes all related work.	\$ 825,000						\$ 825,000	
9	UTK	Streetscape Improvements	Site improvements at Melrose Avenue and Frances Street including paving, landscaping, pedestrian safety, and signage. Includes all related work.	\$ 500,000						\$ 500,000	
Totals				\$ 5,680,000	\$ -	\$ -	\$ 3,295,000	\$ -	\$ -	\$ 2,385,000	\$ -

UT Approved, with Additional SBC Approval - Revenue/Institutionally Funded Projects: FY 2026-2027

	Unit	Project	Project Description	Project Cost	Funding Source						
					TSSBA	Gifts	Auxiliary	Gift In Place	Grant	Plant Funds	Other
1	UTIA	CVM Building Updates	Upgrades at the College of Veterinary Medicine (CVM) for lab modifications to support changing research needs, elevator modernization, and overall finish improvements. Includes all related work to complete the project.	\$ 5,000,000						\$ 5,000,000	
2	UTIA	CVM Equipment Replacement	Renovation at the College of Veterinary Medicine to accommodate the installation of specialized equipment. The work will reconfigure existing space and all related work to meet requirements for the installation.	\$ 3,000,000						\$ 3,000,000	
3	UTK	Claxton Roof and Exterior Envelope Repairs	Replace portions of roofing system and repair exterior building envelope and structural system at the Claxton Education Building. Includes all related work to complete the project.	\$ 350,000						\$ 350,000	
4	UTK	Elevator Upgrades	Replacement and modernization of elevators in multiple campus buildings. Includes all related work to complete the project.	\$ 1,000,000						\$ 1,000,000	
5	UTK	Gazebo Installation	Reconstruction of a gazebo and concrete pad outside of the Clarence Brown Theater. Includes all related work to complete the project.	\$ 12,000						\$ 12,000	
6	UTK	Senter Hall Updates	Updates to office areas to accommodate new faculty hires for Tickle College of Engineering. Work includes general finish upgrades along with code, building system updates, and all related work to complete the project.	\$ 135,000						\$ 135,000	
7	UTK	SERF Multiple Lab Upgrades	Modifications in multiple labs at the Science and Engineering Research Facility. The work will include updates in lab system components and all related work to complete the project.	\$ 846,000						\$ 846,000	
8	UTK	Steam Plant Equipment Storage Building	Demolish and replace the existing equipment shed and construct a new storage building at the Steam Plant, including all associated work necessary to fully complete the project.	\$ 160,000						\$ 160,000	
9	UTK	Student Services Building Upgrades	Upgrades in the Student Services Building for the Center for Global Engagement and the College of Communication and Information to include changes to various office layouts and finish upgrades including all related work to complete the project.	\$ 3,045,000						\$ 3,045,000	
10	UTK	UT Conference Center Repairs	Repairs due to flood damage at the Conference Center Building. Includes surge space related to temporary relocation of occupants and all related work to complete the project.	\$ 5,000,000						\$ 5,000,000	
11	UTK	Zeanah Upgrades	Finish out shell space and re-purpose an adjacent office to accommodate a new lab. Work includes all required laboratory components and all associated work necessary to support the College of Engineering.	\$ 775,000						\$ 775,000	
12	UTM	Lovelace Street Parking Lot	Demolition of the building at 304 Lovelace Street and the construction of a new parking lot. Includes all related work to complete the project.	\$ 575,000			\$ 575,000				
Totals				\$ 19,898,000	\$ -	\$ -	\$ 575,000	\$ -	\$ -	\$ 19,323,000	\$ -



THE UNIVERSITY OF TENNESSEE BOARD OF TRUSTEES

AGENDA ITEM SUMMARY

Meeting Date: October 16, 2026

Committee: Finance and Administration

Item: **Endowment Investment Performance Report**

Type: Information

7.4

Background Information

Investment of University funds is under the jurisdiction of the Finance and Administration Committee of the Board of Trustees, which makes recommendations to the Board on matters requiring Board action. Prior to each regularly scheduled Board meeting, the Finance and Administration Committee receives for review an investment report provided by the Treasurer and recommends to the Board any actions deemed necessary. At each regularly scheduled Board meeting, the Committee reports its findings and recommendations, if any, to the Board for such actions as the Board deems appropriate.

The Report on Endowment Investment Performance for the quarter ended June 30, 2026, is included in the meeting materials.

Monies are distributed quarterly as cash transfers to the benefiting unit or department to be used according to their designated purpose. The amounts provided include only those from endowments invested in the Consolidated Investment Pool.

Investment Summary as of June 30, 2026

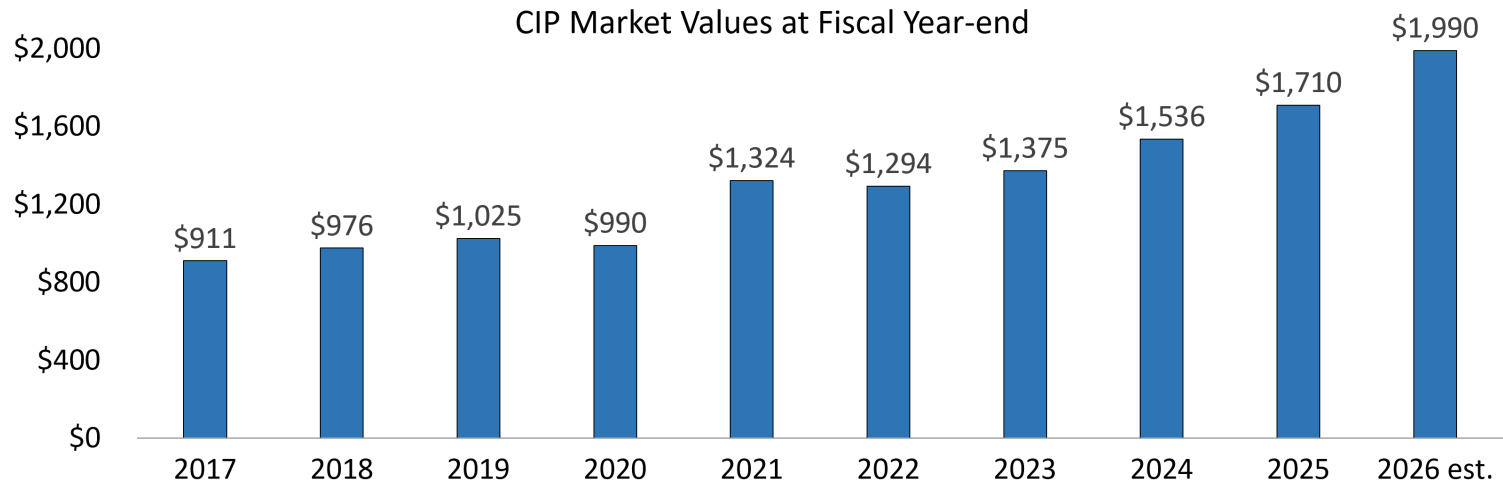
Consolidated Investment Pool (CIP) Cash-flow Activity for 12-month Period:

- \$79 million in New Gifts
- \$68 million in Spending Plan Distributions
- \$14 million in Institutional Support

Consolidated Investment Pool (CIP)* and Benchmark 1-year Returns:

- Outperformed the Broad Policy B-mark (60/40 stock & bond mix): +15.6% vs +14.4%
- Underperformed the Actual Allocation B-mark (Multi-asset benchmark): +15.6% vs +16.7%
- Outperformed CPI+5.5% (Inflation + Spend): +15.6% vs. +9.0%

*CIP returns are estimates.



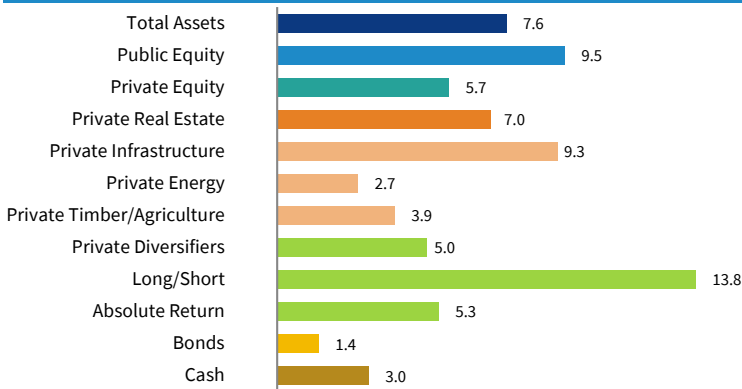
University of Tennessee Performance Dashboard

| As of June 30, 2026

Preliminary CIP Performance (%)

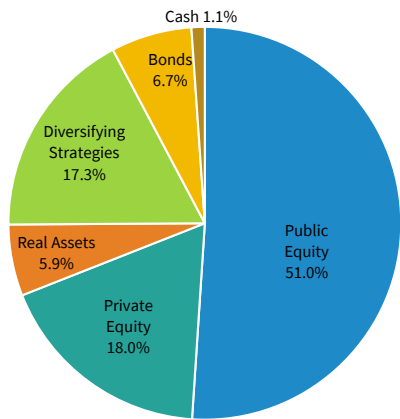
	Cumulative Trailing 1-Year	Annualized Trailing 3-Year	Annualized Trailing 5-Year	Annualized Trailing 10-Year	Annualized Since Inception
CIP	15.6	12.7	7.6	8.8	8.3
Global Market Benchmark	14.4	12.9	5.8	7.7	7.3
Value Add	1.2	-0.3	1.8	1.0	1.0
Actual Allocation Benchmark	16.7	14.8	8.9	9.2	8.4
Value Add	-1.1	-2.2	-1.3	-0.4	-0.1
CPI + 5.5%	9.0	8.6	9.7	8.9	8.1
Value Add	6.6	4.1	-2.1	-0.1	0.2

Trailing 5Y Performance by CIP Asset Class (%)



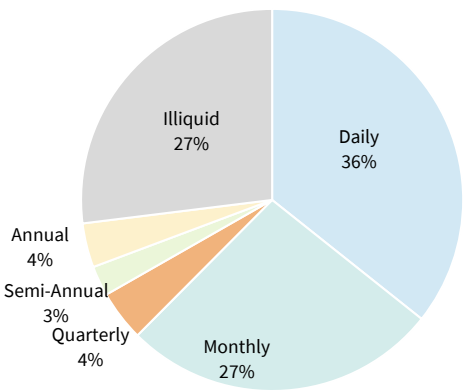
7.4

Actual and Long-Term Target Allocation

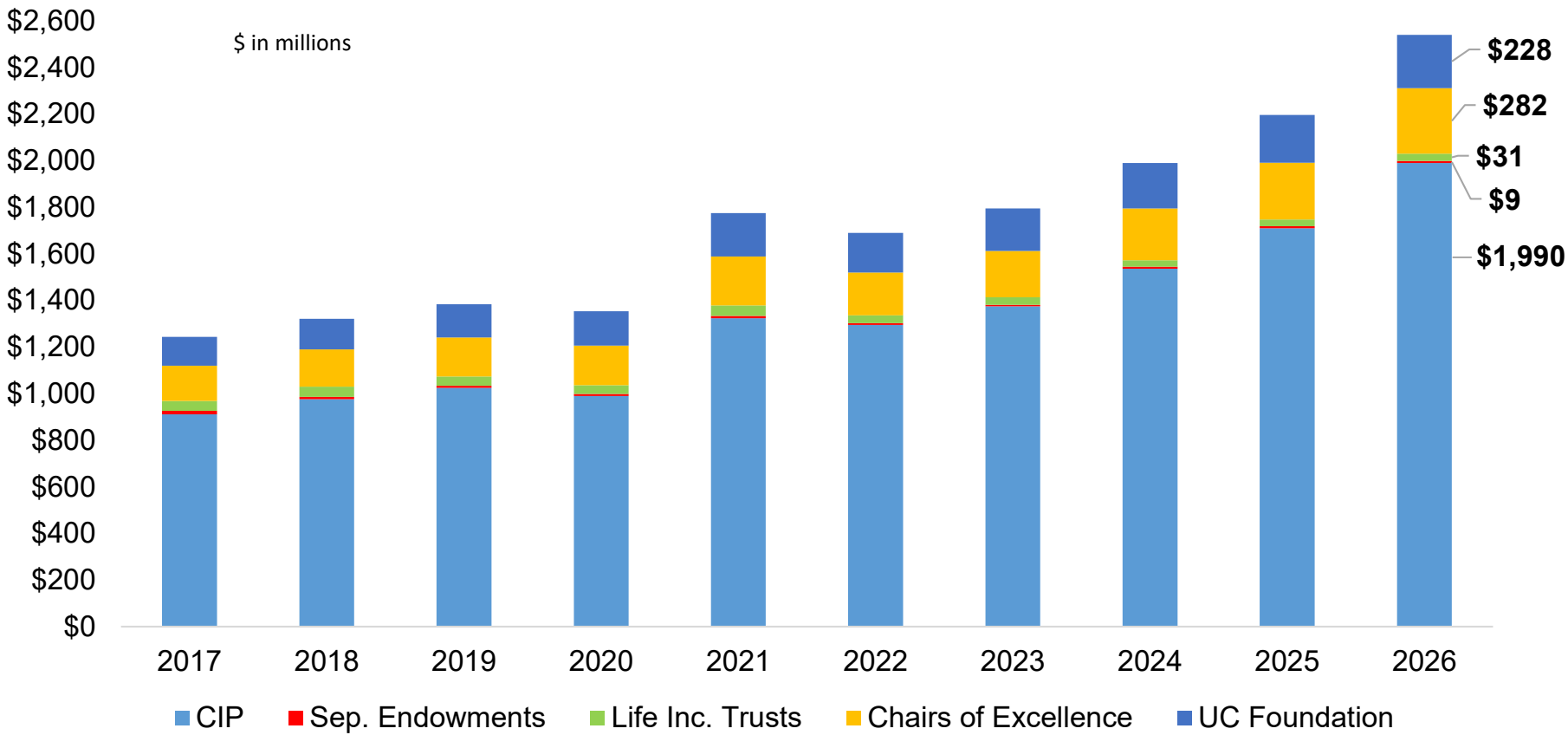


	Actual Allocation	Long-Term Target Allocation
Public Equity	51.0%	45%
Private Equity	18.0%	27%
Real Assets	5.9%	5%
Diversifying Strategies	17.3%	15%
Bonds	6.7%	8%
Cash	1.1%	

Portfolio Liquidity



Total Funds Invested for the Benefit of UT, FYE Market Values



7.4

Index & Benchmark Summary:

Global Market Benchmark: 60.0% MSCI ACWI IMI Index
 39.0% Bloomberg Barclays Global Aggregate Bond Index
 1.0% U.S. 91-Day Treasury Bills

This benchmark is intended to assess the overall asset allocation and risk profile of the portfolio. The **Bloomberg Barclays Global Aggregate Bond Index** consists of a wide range of global investment grade bonds, including sovereigns, corporate bonds, and various asset-backed securities. **MSCI ACWI IMI Index** includes large, mid, and small-cap stock market exposure across both Developed and Emerging Markets.

Actual Allocation Benchmark:

This benchmark is comprised of multiple public and private indices which represent the various asset classes in which the CIP invests. These include equity, real estate, natural resources, bonds, and cash. The weightings of the underlying indices are dynamic and rebalanced periodically to align with those of the CIP at the beginning of a measurement period.

CPI + 5.5%:

This is the 1-year inflation-measuring Consumer Price Index + 5.5%.

Cambridge Associates (CA) Notes:

Performance is preliminary as of June 30, 2026. Totals may not sum due to rounding. 100% of Private investment performance is as of March 31, 2026. Private investment market values have been updated with capital calls and distributions through the current month. Returns provided by FEG through October 31, 2018.

Please note that CA uses CPI – All Urban Consumers as a measure of inflation. The primary data source for information is the investment manager and/or fund administrator, therefore data may not match custodial or other client records due to differences in data sourcing, methodology, valuation practices, etc. Estimated values may include prior quarter end data adjusted by a proxy benchmark or by subsequent cash flows. CA makes no representations that data reported by unaffiliated parties is accurate.