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PHIL BREDESEN
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MEMORANDUM

To: Phil Bredesen, Governor
John Morgan, Comptroller of the Treasury
Dale Sims, Treasurer
Riley Darnell, Secretary of State
Dave Goetz, Commissioner, Department of Finance and
Administration
John Petersen, President, University of Tennessee
Charles Manning, Chancellor, Tennessee Board of Regents

From: Richard G. Rhoda

A handwritten signature in black ink, appearing to be "RGR", is written over the printed name of Richard G. Rhoda.

Date: May 8, 2007

Re: Report for the Tennessee State School Bond Authority

In April 2006, the Tennessee State School Bond Authority authorized the Tennessee Higher Education Commission to prepare a report addressing sustainable growth in the issuance and repayment of school bond debt, and identifying the manner in which projects financed through TSSBA support strategic campus plans for state funded higher education institutions.

THEC formed a committee composed of staff from the University of Tennessee, the Tennessee Board of Regents, and the TSSBA to review this request and relevant data; and to compile the report. All committee members were provided with a copy of the draft report for review. Comments were received and changes in the report were made where appropriate.

THEC is pleased to present to the Tennessee School Bond Authority the *Higher Education Capital Funding and the Tennessee State School Bond*

Authority report. We will be pleased to respond to questions or comments you may have. Mary Margaret Collier has asked that we present the information in the report at the meeting with the bond rating agencies in Memphis, Tennessee on May 23 and 24, 2007.

Attachment

cc: Study Committee
THEC Staff

HIGHER EDUCATION CAPITAL FUNDING
and the
TENNESSEE STATE SCHOOL BOND AUTHORITY

A Study Prepared by the
Tennessee Higher Education Commission



May 2007

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Introduction

Purpose of the Report

The purpose of this report is to assess the current level of Tennessee higher education indebtedness and whether the potential demand for future financing can be sustained. In addition, this report provides an overview of capital project activity at Tennessee's public higher education institutions and indicates factors affecting future demand. Report data includes project funding, enrollments, maintenance fees, mandatory fees, and the state's participation in required capital funding. In Tennessee, maintenance fees refer to the fees paid by in-state students as opposed to tuition which refers to the fees paid by out-of-state students. An out-of-state student pays both maintenance fees and out-of-state tuition. Mandatory fees are paid by every student. Additionally, the project approval process involving the University of Tennessee (UT) and the Tennessee Board of Regents (TBR) systems, the Tennessee Higher Education Commission (THEC), and the Tennessee State School Bond Authority (TSSBA) is articulated.

Tennessee State School Bond Authority Role in the Tennessee Public Higher Education Capital Construction Program

The Tennessee State School Bond Authority was created in 1965 as a corporate governmental agency and instrumentality of the State of Tennessee. The School Bond Authority issues bonds and notes which provide funds for loans to state institutions of higher education. Projects financed through the TSSBA are generally limited to those facilities that generate a designated revenue stream. Additionally the TSSBA is responsible for approval of any independent borrowing of the Tennessee Board of Regents and the University of Tennessee.

The TSSBA finances a variety of projects including dormitories, athletic facilities, parking facilities, and major equipment purchases. These projects are differentiated by their revenue producing requirement from capital projects for basic education needs, such as classrooms and libraries. Basic education needs are funded from the proceeds of the State's general obligation bonds.

Tennessee Higher Education Commission Role in the Tennessee Public Higher Education Capital Construction Program

Public higher education in Tennessee is coordinated by the Tennessee Higher Education Commission and consists of two operating systems, each with its own governing board: The University of Tennessee Board of Trustees governs the UT teaching institutions located in Knoxville, Chattanooga, Martin, and Memphis, and all other facilities associated with the functions of a land-grant institution. The Tennessee Board of Regents of the State University and Community College System of

Tennessee governs six state universities, 13 community colleges and 27 technology centers.

The Tennessee Higher Education Commission consists of the three Constitutional Officers--the Comptroller of the Treasury, the Secretary of State, and the Treasurer--nine lay members with six-year terms appointed by the Governor, and two student members appointed for two-year terms by their respective governing board. THEC has the responsibility for studying use of public funds appropriated for higher education and recommending State appropriations for public higher education annually.

The overall goal of the THEC capital program is to provide physical facilities that enable each institution to provide a quality educational environment to fulfill its role and mission. This goal is accomplished through an annual recommendation for the funding of capital outlay projects, capital maintenance projects, and revenue funded projects.

THEC staff monitor and make recommendations regarding campus land acquisition and disposal plans, campus master plans, and lease arrangements negotiated by the campuses. THEC staff maintains a Physical Facilities Inventory (PFI), tracking the total available square footage of educational and general (E&G) space on each campus. Square footage data is critical to many aspects of the funding formula. Inventory data is useful in formulating decisions on space allocation, capital funding needs, maintenance and operation funding, utility funding, and intensity of usage.

Future Outlook for Public Higher Education in Tennessee

This section of the report specifically focuses on the next 10 to 15 years in higher education. Both UT and TBR have similar challenges facing their respective systems. Some are unique challenges to TBR regarding their community colleges and technology centers. Observations regarding both systems are indicated in the following subsections.

Delivery of Higher Education

The campus setting will continue to be the focal point of higher education in Tennessee. The majority of high school graduates matriculating through higher education will continue to seek the intellectual and social experiences of on-campus study. However, more online courses will be offered and more courses on-campus will integrate electronic resources and tools. Additional off-campus locations will be established in under-served areas.

Demand at Colleges and Universities

The ratio of state funding to maintenance fees will change slightly depending on:

- the State appropriation level for capital and/or operations;
- potential changes in the requirements for a lottery scholarship;
- a proposal for free maintenance fees at community colleges for students meeting specific but attainable academic criteria;
- other legislative and administrative initiatives.

The Tennessee Higher Education Commission established a Lottery Scholarship Committee to address issues of award qualification and retention. Two of the committee's recommendations emphasize college access for students currently not receiving an award and improved retention for those currently receiving an award. The first recommendation is the establishment of an Early Commitment Program to bolster academic preparation at the K-12 level and provide "last dollar" college grants that would fund tuition and fees. This style of program has proven successful in Indiana and Oklahoma at improving high school graduation rates, college going rates, and college persistence. The second recommendation is to lower the award retention rate to a 2.75 grade point average for all years of the scholarship. This action will allow more students to maintain award eligibility and finance their college education. THEC studies indicate that lower income students who lose an award are more likely to drop out even if academically eligible. A lower award retention rate will allow many of these students to continue.

The state legislature is also currently considering several bills that will impact access. Some of the areas they are addressing include greater award access for non-traditional students, raising award amounts to assist with college affordability, broadening the income range that would allow students to receive a supplemental award available for lower income students, and providing community college grants available for students receiving an overall ACT score of 19 as well as 19 on the sub-scores. Each of these proposals would impact higher education enrollment by making attendance more affordable for a greater number of students.

The intent of the free maintenance fee initiative is to increase enrollment and increase persistence to graduation. The initiative will require legislative approval and the increase in demand at the community colleges is estimated to be moderate as most students who qualify under the criteria indicated for the program already attend college. THEC estimates a relatively small increase in enrollment at community colleges initially. The community colleges' infrastructure improvements that are already part of current campus master plans will accommodate the anticipated growth if the initiative is approved. These improvements will likely be funded primarily by general obligation bonds. It is expected

that university enrollment will continue to show growth consistent with historical trends.

Changes in Academic Offerings and Cooperation Between UT and TBR Systems

The public universities in Tennessee currently offer a wide array of academic programs. The undergraduate academic majors offered by the UT and TBR universities are typical of other Southern Regional Education Board (SREB) universities. The community colleges and technology centers have well established academic and training programs but create some offerings in response to short-term or regional vocational needs. A significant amount of new academic offerings is not expected.

Although each UT and TBR campus has its own distinct mission, the two governing boards cooperate well. One example is the community colleges under TBR are preparing students to attend universities at both systems to earn baccalaureate degrees thus lowering the student's total cost of a degree.

Students who attend the technology centers are a more distinct group, usually pursuing education in specific job categories where training will lead to initial employment or promotion. A small number of students at technology centers will continue to enroll in community colleges to continue their education toward an associate's degree.

Streamlining Areas of Study

Most of the Bachelors' programs at the public universities have recently been pared to 120 credit hours unless additional hours are stipulated by accreditation or professional licensure requirements. It is not likely that many fields of study will be further streamlined. Academic disciplines have become more focused over the past 25 years, and that trend is likely to continue. New academic fields such as Computational Science will continue to emerge, and will often split into separate sub-disciplines such as Computational Engineering, Mathematical Ecology, and Computational Mechanics. Institutions will work together to offer such programs and pool their resources to meet increased professional accreditation requirements.

Non-traditional Students

Non-traditional and older students must be attracted to postsecondary education in order to improve individual lifestyles and to enhance economic development in Tennessee. Simply offering online courses to non-traditional students will not suffice. These students must be recruited, offered incentives, and mentored. They require a mixture of online and on-site courses with convenient schedules and locations.

Additional online courses will have a minimal effect on current campus facilities. Off-campus locations will be established in under-served areas.

Future Impact on Campus Size

There will be some increase in the infrastructure needs of higher education over the next 10 to 15 years. Aging facilities will need to be updated and renovated but it should be at a time when the existing indebtedness has matured. New research and student service facilities will be important to recruit the next generation of students. However, some of those improvements are underway now. Technology-related infrastructure will continue to increase. Most new generation students are computer literate and possess the equipment and skills necessary to access the requisite technology. Non-traditional students will have the greatest challenge but student technology fees are currently equipping general access labs. It should not be difficult nor require a large amount of capital to meet the needs of the non-traditional student. With the proliferation of wireless technology, excessive infrastructure costs are mitigated and significant capital investment will not be required for access. In addition there is no expectation of any material change in the mix of dormitories and auxiliary services associated with campus facilities in the foreseeable future.

Higher Education Maintenance Fees and State Support

Tennessee Current and Historical Data

Tennessee has historically been a low to moderate student maintenance fee state. Average yearly maintenance fees and mandatory fees at a public university are \$4,836 and \$2,482 per year at a community college. These annual costs place Tennessee in the middle of the SREB region and below national averages. Tennessee's median community college maintenance and mandatory fees are 6th highest in the SREB, and the median university maintenance and mandatory fees are 9th highest in the SREB. From 1996-97 to 2001-02, average maintenance and mandatory fees at Tennessee public colleges and universities increased 60 percent. Over the next five years, the increase slowed to 40 percent as indicated in Table A. A maintenance fee increase implemented in 2006-07 was the lowest in 10 years because \$39 million in new State appropriations was provided to the institutions.

Increases to student maintenance and mandatory fees have helped supplement state appropriations. In the last 10 years, inflation-adjusted state appropriations to higher education per student have fallen 17 percent. Where a decade ago, state appropriations accounted for two-thirds of revenue in Tennessee public higher education; by 2006-07, the state share had dipped just below 50 percent. Accounting for state

appropriations and maintenance and mandatory fees, Tennessee universities rank 11th among 16 states in the SREB in total revenue per student. Compared to peer institutions, Tennessee universities have approximately 95 percent of the total revenue available per student. Table B indicates a five year history of maintenance and mandatory fees in the SREB. Table C indicates the maintenance and mandatory fees of the Tennessee colleges and universities compared to their peer institutions.

Debt Service Fee Assessments to Students

Projects such as student union buildings and recreational facilities generally do not produce a sufficient revenue stream to fully finance capital improvements. The annual debt service required for TSSBA financing for projects of this nature may be funded from debt service fee assessments to students. Projects funded with debt service fees must be projects that directly benefit students and be in accordance with the institution's mission and campus master plan. Additionally, a THEC guideline approved in April 2000 established that a campus's debt service fee cannot be more than 10 percent of maintenance fees. Data indicates that 10 institutions currently assess a student debt service fee and that all student debt service fees are currently below the 10 percent cap. Table D indicates the current student debt service fees for each institution relative to that institution's maintenance fee.

Higher Education Capital Projects - Overview

Project Types Funded Through State Appropriations and General Obligation Bonds

- Capital outlay projects utilizing state funding include new facilities or additions required by enrollment or significant changes in academic program requirements; major renovations which change the function, use or capacity of existing space; major expansions or conversions of central energy plants; and major renovation projects which upgrade or extend the life of an existing academic facility.
- Capital maintenance projects that are recommended each year provide a multi-year commitment to protect the integrity of building structures, or bring equipment or building systems into compliance with current federal, state, and local standards.
- The Department of Finance and Administration, at its discretion, determines the funding source for state funded capital projects.

Project Types Funded by the Tennessee State School Bond Authority

Capital projects funded through the authorization of TSSBA bonds are generally limited to those facilities that generate a designated revenue stream through leasing activities, user charges, ticket sales, gift pledges, or overhead cost recoveries.

Accordingly, the following are typical projects financed through the Tennessee State School Bond Authority:

- student dormitories and apartments
- dining facilities
- parking lots and garages
- athletic facilities
- research buildings and laboratories
- recreational centers
- student union buildings
- public use and educational facilities
- technology infrastructure
- campus improvements

Table E and Table F provide a summary of TSSBA funding activity by project type and by System for FY 2001 to FY 2006; and, indicate the type of projects funded support the intent of the mission of the TSSBA.

Proposed projects are generated from the institution's facilities priority plan. The priority plan is based on the institution's master plan and examines facilities for academics, housing, student services, athletics, physical plant, circulation, and technology. Information such as capacity, quality, trends, and models are analyzed to establish priorities.

Revenue funded projects and their financing plans together with other capital construction projects funded from sources other than state appropriations are known as disclosed projects. As part of the annual appropriation request process, each governing board transmits to THEC a list of these types of projects for inclusion in THEC's annual capital recommendation. The disclosed projects list is presented in the Governor's budget document and is intended to keep the administration and the legislature informed of capital projects the Systems anticipate will commence in the next two years.

These projects receive further review and analysis, including approval of acceptable financing plans by the governing board and THEC staff before being submitted to the State Building Commission (SBC) for approval.

Necessity for Revenue Funded Projects Relative to the Mission and Strategic Plan for Higher Education in Tennessee

The mission of the University of Tennessee and the Tennessee Board of Regents systems is to provide education, research, and public service. Accomplishing that three-part mission includes providing the student life components of education such as student housing, dining, and recreation. In addition parking and general educational infrastructure support are all elements of the three-part mission.

Providing these types of facilities for the students is essential to the quality of a complete educational experience.

Intercollegiate athletics is also part of the student experience that is afforded at most higher education institutions and is considered within the mission of each institution. Research activities provide student-learning opportunities, enhance the teaching curriculum, and benefit the community from an economic development standpoint.

Importance of Revenue Funded Projects to Student Demand

Revenue funded projects directly relate to student demand through enrollment growth, quality of student services, and housing. At some institutions new facilities must be developed. Improving the quality of existing facilities is important at all institutions.

Students are provided greater access to college in today's higher education market place because of grants, lotteries, and financial aid. Because of this access, campuses must be competitive in amenities offered to students to assure that a full range of student life services and quality educational experiences are available.

Project Approval Process – Governing Boards and THEC

University of Tennessee Capital Appropriation Request Process

The University of Tennessee's capital appropriation request priorities are established through a comprehensive process that encourages full participation from each campus and other entities such as the non-formula units in the UT system. Non-formula units refer to higher education entities other than universities, community colleges, and technology centers. Examples of non-formula units include the UT Veterinary School and the UT Space Institute.

The following is a summary of the University's capital appropriation request process:

- **Campuses/Units** – The initial phase of the capital appropriation request process commences when Chancellors, Vice Presidents and appropriate staff at the campuses and other entities identify capital projects, develop detailed project descriptions, and list the projects in priority order within each institution. The identification and scope of these projects are completed in cooperation with the University-wide Administration staff utilizing guidelines and space standards developed by UT and the Tennessee Higher Education Commission.
- **University-wide Administration** – The capital priorities identified by the campuses and other entities are submitted to the University-wide Administration for an extensive review process prior to submittal to the Board of Trustees. In a series of meetings and correspondence between University-wide Administration staff and the staff on each campus and the other entities, justification for each project is evaluated in detail. After this evaluation, the University-wide Administration, led by the Chief Financial Officer, merges campus proposals and develops a capital appropriation request in priority order for the entire University of Tennessee system. Once ranked on the list, projects retain their relative order until fully funded; however, the priority order has been altered in recent years to allow projects that require immediate consideration to address donations or programmatic necessities. Upon approval by the President of the UT System, the consolidated capital projects request is reviewed for comment by the Chancellors and Vice Presidents of the respective campuses and other entities.
- **The University of Tennessee Board of Trustees** – After completing the internal process of identifying and prioritizing capital proposals, the University-wide Administration submits a projects list to the Board of Trustees for consideration at the Board's fall meeting. The Finance and Administration Committee reviews and recommends a final list of capital priorities to the full Board. The Board discusses, examines, and adopts a final recommendation of capital outlay and capital maintenance projects in priority order. In addition, a listing of institutionally funded projects is adopted. The Board then submits this recommendation to the Tennessee Higher Education Commission for review and action.

Tennessee Board of Regents Capital Appropriation Request Process

Requests for capital outlay and capital maintenance projects are made to the TBR central office staff by each campus and other entities such as the non-formula units in the TBR system. TBR staff evaluates these requests in accordance with established procedures for ranking priorities.

Capital outlay requests are ranked by a formula using four categories for scoring: Type of space in project (30 points); Composite Space Shortage (20 points); Functionality and Quality (35 points); and Institution Priority (20 points) for a total of 105 points. Once ranked on the list, projects retain their relative order until fully funded, with new projects added in rank order to the bottom of the list. At this time the number of projects on the list is limited to 16. TBR has allowed the priority order to be altered in recent years to substitute projects requiring immediate consideration to address donations or programmatic necessities.

An annual target funding amount is established for the capital maintenance for TBR system facilities and each institution. The formula that TBR utilizes for this process is:

$$2/3 (\text{Building Replacement Cost}) \times (\text{Building Age} / 1275).$$

The formula is applied to each institution which sets an institution-specific target that is utilized to place projects in priority order. Projects are given priority for addressing five areas of need as shown below. Projects are then distributed through the priority list to achieve parity among institutions.

The five categories are, in priority order:

- 1) Building Codes and Safety
- 2) Roofs
- 3) Mechanical and Infrastructure
- 4) Building Envelope
- 5) Interiors and Finishes

Requests for project disclosures by the institutions utilizing school bonds and sources other than state funding are analyzed to ensure the type of project and funding source are appropriate. Then these projects are listed and included as disclosed projects and recommended as a part of the capital appropriation request.

Once the capital appropriation request is assembled, it is presented to the Board for approval. Upon approval by the Board it is forwarded to the Tennessee Higher Education Commission for consideration and approval.

THEC Policy for Capital Recommendations

In the fall of each year both governing boards submit to THEC their capital outlay and capital maintenance requests in priority order. In addition to the capital outlay and capital maintenance requests the governing boards submit a listing of revenue funded projects (disclosed projects) that each governing board may possibly present to the State Building Commission during the upcoming fiscal year.

THEC staff reviews the project requests and, utilizing priorities and criteria established by THEC policy, develops a unified capital outlay priority recommendation for capital projects. The staff recommendation is presented to the Tennessee Higher Education Commission for approval. Approved actions are then transmitted to the Department of Finance and Administration for review and consideration in the annual appropriation request.

In accordance with THEC policy, a project listed on an approved disclosed projects list that has not received State Building Commission approval within two years will be eliminated from the disclosed status. The governing board does have the option to again disclose that project in a future appropriation cycle.

Project Review and Approval Process – Revenue Funded Projects

- (1) A project request is initiated by an Institution. The project is expected to relate to that Institution's five-year campus master plan.
- (2) The project is reviewed by the Board of Trustees or the Board of Regents, as the case may be, and, if approved, forwarded to THEC staff and to the State School Bond Authority.
- (3) THEC staff reviews the project to determine its educational need and compatibility with the institution's master plan and ensure that the financial plan supports the debt service requirements. THEC staff then forwards its comments and recommendations to the State Building Commission staff.

At the same time, TSSBA staff reviews the project's financial feasibility to determine if sufficient revenue has been pledged to cover the debt service for the project. The staff then forwards its comments and recommendations to the State Building Commission.

(4) The project is then presented to the State Building Commission for approval. The State Building Commission is an agency of the State of Tennessee whose permanent members consist of the Governor, Lieutenant Governor, Speaker of the House of Representatives, Comptroller of the Treasury, Secretary of State, State Treasurer, and Commissioner of Finance and Administration. The State Architect serves as its Chief Staff Officer.

(5) Upon approval by the State Building Commission, the project is forwarded to TSSBA staff, which considers the project for inclusion under the *Second Program Financing Agreement* with the Board of Trustees or the Tennessee Board of Regents. TSSBA staff then recommends the project for funding to the School Bond Authority.

(6) Upon approval for funding by TSSBA, the project proceeds immediately to detailed architectural design. When planning and specifications are complete, they are forwarded to the State Architect's

office for review and submission to the State Building Commission for approval.

Capital Construction for Tennessee's Public Institutions of Higher Education – Need, History, and Outlook

Physical Facilities and the Aging Infrastructure

The annual *Physical Facilities Inventory* (PFI) is used to categorize space into educational and general (E&G) space and auxiliary space for each public higher education institution in Tennessee. E&G space provides classroom space, class laboratory space, administrative and faculty office space, and space for student services. Auxiliary space provides dormitory space, dining facilities, athletic facilities, recreational facilities, and parking space.

Table G provides the square footage breakdown for the State's public colleges and universities, technology centers, and non-formula units. Data presented in the remaining tables in the Appendix concentrates on entities where revenue funded projects are generated.

The FY2006-07 PFI, Table G, indicates that Tennessee's public institutions of higher education contain a total of 53,001,437 gross square feet in 2,046 buildings. Of this total,

- 35,750,779 gross square feet or 67 percent represents E&G space;
- 17,250,658 gross square feet or 33 percent represents Auxiliary space.

Additionally, 64 percent of college and university E&G space is currently over 20-years old and un-renovated as indicated in Table H and Table I.

Capital Projects Funding

There is currently a robust capital outlay and capital maintenance program in Tennessee supported by state funds, although in two of the last five years capital outlay funding was less than historical levels. In FY2002-03 and FY2003-04 there was no capital outlay funding; although, in FY2003-04 \$13 million was provided to comply with a court-ordered desegregation program. The capital maintenance program was not affected as much as the capital outlay program and has seen increases in state funding in the last three years as well. Table J and Table K indicate capital outlay and capital maintenance funding histories over the last five years.

Projections for capital outlay projects that are supported from state funds for 2006-07 through 2010-2011 indicate a return to a more historic pattern of expenditure estimates. The estimated cost for the capital outlay and capital maintenance projects identified for E&G space

in FY2006-07 through FY2010-11 totals \$1.9 billion as indicated in Table L.

Disclosed Projects Funding

Table M, Disclosed Projects, FY2002-03 through FY2006-07, indicates for the disclosed projects listed in the past five years the annual initial estimated project cost averaged \$285,571,627 per year with an average of \$188,410,700 or 66 percent funded through TSSBA.

It is important to note the annual disclosed projects listing indicates the projects each System anticipates for the upcoming appropriation cycle. A number of projects listed did not come to fruition due to various factors such as a grant not being awarded, design estimates being greater than the amount budgeted, or a campus redirecting its priorities. The lower portion of Table M provides an analysis by System and by project status for the number of disclosed projects identified in the past five years.

For the 371 projects that were disclosed over the past five years:

- 218 projects or 59 percent are in design, under construction, or have been completed.
 - The estimated project cost for these 218 projects totals \$785,515,917 with \$548,463,500 funded through TSSBA.
 - This level of TSSBA funding represents 58 percent of the total amount originally proposed for TSSBA funding
- 153 projects or 41 percent have been cancelled, replaced, or not recommended for SBC approval.
 - The estimated project cost for these 153 projects totals \$642,342,220 with \$393,590,000 funded through TSSBA.
 - 56 projects totaling \$216,280,000 with \$111,640,000 in proposed TSSBA funding are on an active disclosure list and have not been brought forward for SBC approval.
 - 27 projects totaling \$193,062,220 with \$149,200,000 in proposed TSSBA funding have been cancelled or replaced.
 - 70 projects totaling \$233,000,000 with \$132,750,000 in proposed TSSBA funding have been on an active disclosure list for over two years and have not been brought forward. By THEC policy, these projects will be eliminated from the disclosure list.

The University of Tennessee and the Tennessee Board of Regents could not provide a listing for the disclosed projects they anticipate beyond the 2007-2008 fiscal year. The availability of a dependable long-range projection for projects in this category is unlikely because a significant

portion of project costs are provided through gifts, grants, auxiliary funds, operating funds, and other funds.

Estimated project cost for the 112 disclosed projects listed in Table N for FY2007-08 totals \$502 million. From this amount, \$363.8 million or 72 percent is proposed to be funded through the Tennessee State School Bond Authority.

Current TSSBA Funding at the Institutions

State school bond funding is primarily utilized by universities. Community colleges generally have fewer projects and rely more heavily on commercial paper transactions. Table O and Table P provide details on current TSSBA and commercial paper funding levels. Total debt from these two sources is managed and controlled by the Comptroller of the Treasury and the Department of Finance and Administration. An extensive review process to determine financial feasibility protects the state from unwarranted debt.

Estimated replacement value for the facilities of nine universities and 13 community colleges totals \$5.4 billion. According to data from the TSSBA, the total outstanding school bond debt for these institutions totals \$703.6 million, or 12.9 percent of the total replacement value as indicated in Table Q.

Higher Education Enrollment in Tennessee

Over the past five years Fall Term Headcount Enrollment has increased 5.6 percent (Table R). Over the same period, Fall Term Full-Time Equivalent (FTE) Enrollment indicated in Table S has increased 5.3 percent. The FTE enrollment is a measure of the instructional workload generated by students taking courses. One FTE is equal to registration in 15 undergraduate credit hours or 12 graduate credit hours, whether taken by one student or by the combination of several students. The State uses FTE as a measure of enrollment in determining funding for the institution.

These stable enrollments support existing and proposed debt by virtue of their maintenance and mandatory fee payments. Over the last five years FTE enrollment indicates an average annual increase of 1.2 percent. The Tennessee Education Lottery Scholarship (TELS) program was implemented in Fall 2004 and the First-time Freshman headcount enrollment has not increased significantly from the level prior to the program's implementation. Student enrollment is projected to increase 3.5 percent over the next five years (Table T).

Tennessee's FTE enrollment in the universities currently ranks number eight out of the 16 states in the Southern Regional Education Board

(SREB) and number nine for the two-year institutions. Table U indicates FTE Enrollment in Public Colleges and Universities in the SREB.

The Tennessee Higher Education Commission has not observed any appreciable changes in postsecondary enrollment patterns since the advent of the TELS program. An analysis of first time freshmen headcount indicates no abnormal differences in enrollment the three years prior to the lottery when compared to the three years since the program's inception:

Year	Change in %	Year	Change in %
2000-2001:	5.5%	2003-2004:	6.4%
2001-2002:	-0.1%	2004-2005:	-1.4%
2002-2003:	2.7%	2005-2006:	3.4%
Total:	7.4%		8.3%

At present time, there is no reason to believe that the TELS program is creating an unusually increased demand for public postsecondary education within the State of Tennessee.

Conclusion

The State of Tennessee has a well defined process for the presentation and approval of all capital outlay projects that address E&G space needs and revenue funded projects (disclosed projects). Tennessee public higher education adheres to that process and receives considerable state support for capital projects that address E&G space needs including capital maintenance project funding.

Those disclosed projects requiring TSSBA approval to utilize bonds or commercial paper must complete an additional review process to determine the adequacy of the revenue stream to support the proposed financing. In addition, guidelines are in place that limit the level of debt service fees to 10 percent of the institution's maintenance fee rate.

The overarching question is whether or not public higher education institutions in Tennessee have an unusually high level of facilities currently financed and/or a rapidly increasing demand for facilities to be financed by TSSBA approved bonds and commercial paper. As part of the annual capital recommendation process, each governing board is required to identify all disclosed projects that they anticipate will be presented to the State Building Commission in the upcoming fiscal year. However, as the data indicates, many projects on the list will not come forward in the year they are disclosed. For example 371 projects totaling \$1,427,858,137 were originally disclosed in the five-year history of disclosed projects presented in this report when in actuality only 218 projects, or 59 percent, totaling \$785,515,917 have been presented to the State Building Commission for approval and are currently under construction or have been completed. Of the 218 approved projects 58

percent of the financing is through TSSBA approved bonds or commercial paper totaling \$548,463,500. The remaining 42 percent, or \$237,052,417, of the project costs are financed by gifts, grants, auxiliary revenue, and/or other funds. The previous five-year period is seen as being representative of the level of revenue funded projects expected in the future.

Regarding future demand that could influence the number of disclosed projects, the data presented in the report indicates Tennessee institutions are experiencing historically consistent enrollment growth even with the addition of the Tennessee Education Lottery Program. Maintenance and mandatory fees in Tennessee are near the SREB average. In addition, Tennessee's public higher education institutions' maintenance fees approximate the average fee rate that is charged by their peer institutions.

With all factors considered there is sufficient revenue flexibility to sustain the current and future bond and commercial paper debt envisioned for capital construction projects in Tennessee under the existing and anticipated future conditions.

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TABLE A
TENNESSEE PUBLIC COLLEGES AND UNIVERSITIES
Total Undergraduate Maintenance and Mandatory Fees

	2002-03	2003-04	% Increase	2004-05	% Increase	2005-06	% Increase	2006-07	% Increase	5-Year % Change
Austin Peay State University	\$ 3,454	\$ 4,004	15.9%	\$ 4,224	5.5%	\$ 4,635	9.7%	\$ 4,837	4.4%	40.0%
East Tennessee State University	3,311	3,839	15.9%	4,059	5.7%	4,487	10.5%	4,637	3.3%	40.0%
Middle Tennessee State University	3,426	3,990	16.5%	4,210	5.5%	4,576	8.7%	4,766	4.2%	39.1%
Tennessee State University	3,252	3,788	16.5%	4,008	5.8%	4,384	9.4%	4,534	3.4%	39.4%
Tennessee Technological University	3,266	3,750	14.8%	3,970	5.9%	4,396	10.7%	4,562	3.8%	39.7%
University of Memphis	3,704	4,234	14.3%	4,480	5.8%	5,084	13.5%	5,256	3.4%	41.9%
Chattanooga State Technical Community College	\$ 1,771	\$ 2,095	18.3%	\$ 2,223	6.1%	\$ 2,413	8.5%	\$ 2,507	3.9%	41.6%
Cleveland State Community College	1,737	2,067	19.0%	2,195	6.2%	2,395	9.1%	2,483	3.7%	42.9%
Columbia State Community College	1,731	2,055	18.7%	2,183	6.2%	2,383	9.2%	2,471	3.7%	42.7%
Dyersburg State Community College	1,731	2,055	18.7%	2,183	6.2%	2,393	9.6%	2,481	3.7%	43.3%
Jackson State Community College	1,731	2,057	18.8%	2,185	6.2%	2,395	9.6%	2,483	3.7%	43.4%
Motlow State Community College	1,735	2,059	18.7%	2,187	6.2%	2,389	9.2%	2,479	3.8%	42.9%
Nashville State Technical Community College	1,725	2,049	18.8%	2,177	6.2%	2,367	8.7%	2,455	3.7%	42.3%
Northeast State Technical Community College	1,751	2,075	18.5%	2,203	6.2%	2,403	9.1%	2,491	3.7%	42.3%
Pellissippi State Technical Community College	1,761	2,085	18.4%	2,213	6.1%	2,413	9.0%	2,503	3.7%	42.1%
Roane State Community College	1,745	2,069	18.6%	2,197	6.2%	2,397	9.1%	2,485	3.7%	42.4%
Southwest Tennessee Community College	1,731	2,055	18.7%	2,183	6.2%	2,397	9.8%	2,485	3.7%	43.6%
Volunteer State Community College	1,737	2,061	18.7%	2,189	6.2%	2,383	8.9%	2,471	3.7%	42.3%
Walters State Community College	1,735	2,059	18.7%	2,187	6.2%	2,381	8.9%	2,469	3.7%	42.3%
University of Tennessee at Chattanooga	\$ 3,550	\$ 3,852	8.5%	\$ 4,093	6.3%	\$ 4,500	9.9%	\$ 4,688	4.2%	32.1%
University of Tennessee at Knoxville	4,056	4,450	9.7%	4,749	6.7%	5,290	11.4%	5,576	5.4%	37.5%
University of Tennessee at Martin	3,498	3,830	9.5%	4,134	7.9%	4,493	8.7%	4,665	3.8%	33.4%
Averages	\$ 2,461	\$ 2,844	17%	\$ 3,020	6%	\$ 3,316	10%	\$ 3,445	4%	40.0%

TABLE B
SOUTHERN REGIONAL EDUCATION BOARD (SREB) INSTITUTIONS
Median Annual Maintenance Fees and Mandatory Fees for Full-Time Undergraduate

State	2001-02	2002-03	2003-04	2004-05	2005-06
Four Year Institutions					
Alabama	\$3,294	\$3,532	\$3,842	\$4,243	\$4,466
Arkansas	\$3,209	\$3,458	\$3,851	\$4,468	\$4,700
Delaware	\$4,486	\$4,873	\$5,397	\$5,965	\$6,389
Florida	\$2,556	\$2,696	\$2,908	\$3,092	\$3,268
Georgia	\$2,478	\$2,576	\$2,784	\$2,906	\$3,044
Kentucky	\$2,787	\$3,126	\$3,590	\$4,176	\$4,814
Louisiana	\$2,441	\$2,515	\$2,928	\$3,240	\$3,346
Maryland	\$4,504	\$4,974	\$5,564	\$5,976	\$6,376
Mississippi	\$3,205	\$3,536	\$3,536	\$3,837	\$3,994
North Carolina	\$2,350	\$2,795	\$2,927	\$3,273	\$3,410
Oklahoma	\$2,180	\$2,346	\$2,763	\$3,007	\$3,270
South Carolina	\$3,868	\$4,704	\$5,460	\$6,100	\$6,668
Tennessee	\$3,190	\$3,454	\$3,852	\$4,134	\$4,500
Texas	\$2,892	\$3,278	\$3,830	\$4,182	\$4,788
Virginia	\$3,670	\$4,277	\$4,899	\$5,291	\$5,730
West Virginia	\$2,585	\$2,816	\$3,168	\$3,621	\$3,922
SREB States Average	\$3,106	\$3,435	\$3,831	\$4,219	\$4,543

Two-Year Institutions					
Alabama	\$2,040	\$2,040	\$2,520	\$2,700	\$2,700
Arkansas	\$1,260	\$1,600	\$1,650	\$1,760	\$1,840
Delaware	\$1,701	\$1,806	\$1,932	\$2,088	\$2,196
Florida	\$1,514	\$1,583	\$1,695	\$1,773	\$1,911
Georgia	\$1,450	\$1,522	\$1,582	\$1,656	\$1,742
Kentucky	\$1,450	\$1,536	\$2,370	\$2,760	\$2,940
Louisiana	\$1,405	\$1,490	\$1,708	\$1,836	\$1,877
Maryland	\$2,379	\$2,553	\$2,695	\$2,806	\$2,927
Mississippi	\$1,260	\$1,402	\$1,424	\$1,600	\$1,726
North Carolina	\$1,010	\$1,128	\$1,166	\$1,255	\$1,324
Oklahoma	\$1,550	\$1,626	\$1,923	\$2,109	\$2,270
South Carolina	\$1,720	\$2,136	\$2,600	\$2,836	\$3,000
Tennessee	\$1,623	\$1,735	\$2,059	\$2,187	\$2,395
Texas	\$1,086	\$1,088	\$1,248	\$1,345	\$1,430
Virginia	\$1,159	\$1,488	\$1,883	\$2,006	\$2,134
West Virginia	\$1,536	\$1,560	\$1,936	\$2,624	\$2,624
SREB States Average	\$1,509	\$1,643	\$1,899	\$2,084	\$2,190

Sources: SREB- State Data Exchange; SREB analysis of the National Center for Education Statistics; Integrated Postsecondary Education Data System (IPEDS) Institutional Characteristics data sets.

TABLE C
UNDERGRADUATE MAINTENANCE and MANDATORY FEES
Compared to Institutional Peers

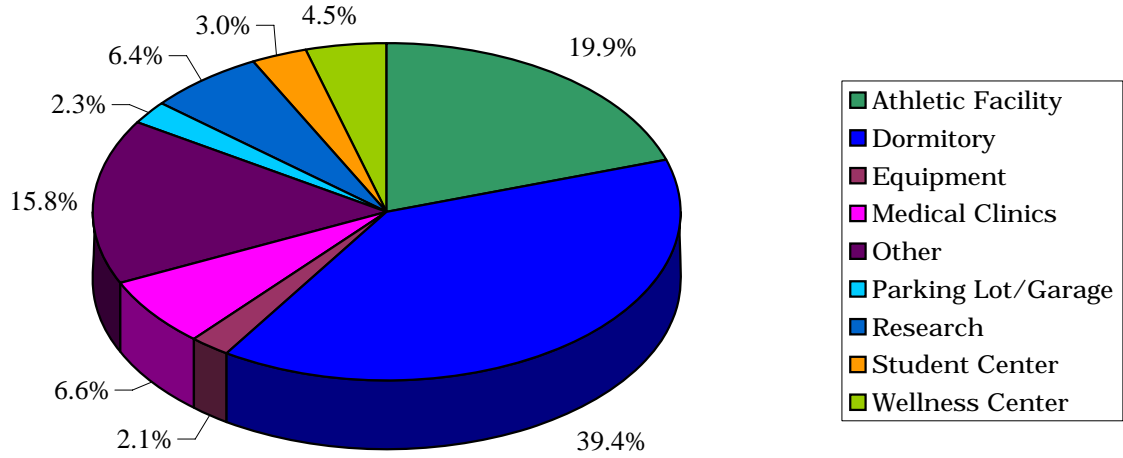
		2006-07 In-State Undergraduate			2006-07 In-State Undergraduate
Universities			Universities		
Institution					
1 University of Virginia, Main Campus		7,845	1 University of Louisville (KY)		7,830
2 University of Maryland, College Park		7,906	2 University of South Carolina, Columbia		7,808
3 Virginia Polytechnic Institute (V Tech)		6,973	3 The University of Houston (TX)		6,450
4 University of Kentucky		6,510	4 George Mason University (VA)		6,408
5 Texas A&M College Station		6,399	5 Texas Tech University		6,339
6 University of Texas at Austin		6,312	6 Virginia Commonwealth University		5,819
7 University of Tennessee Knoxville		5,576	7 University of Alabama		5,278
8 Auburn University (AL)		5,496	8 University of Memphis		5,256
9 University of Georgia		4,964	9 University of Oklahoma Norman Campus		5,110
10 University of North Carolina, Chapel Hill		4,876	10 Georgia State University		4,890
11 North Carolina State University		4,678	11 University of Arkansas, Fayetteville		4,590
12 Louisiana State University		4,620	12 University of South Florida		3,416
13 University of Florida		3,206	13 Florida International University		3,406
	Average	5,815		Average	5,612
1 Salisbury State University (MD)		6,412	1 The University of Texas at Arlington		6,400
2 Jacksonville State University (AL)		5,070	2 Old Dominion University (VA)		6,098
3 Texas A&M University-Corpus Christi		4,946	3 The University of Texas at El Paso		5,264
4 Morehead State University (KY)		4,870	4 Eastern Kentucky University		5,192
5 Sam Houston State University (TX)		4,860	5 East Tennessee State University		4,637
6 Austin Peay State University		4,837	6 The University of South Alabama		4,502
7 Appalachian State (NC)		3,870	7 University of Arkansas Little Rock		4,020
8 Valdosta State University (GA)		3,466	8 Appalachian State (NC)		3,870
9 North Carolina Central University		3,395	9 University of North Carolina, Charlotte		3,841
10 North Carolina A&T University		3,348	10 East Carolina University (NC)		3,816
11 Florida A & M University		3,264	11 University of North Carolina at Greensboro		3,762
12 Morgan State University (MD)		3,102	12 Florida Atlantic University		3,427
13 McNeese State University (LA)		2,792	13 Florida A & M University		3,264
	Average	4,116		Average	4,455
1 George Mason University (VA)		6,408	1 South Carolina State University		7,278
2 The University of Texas at Arlington		6,400	2 Delaware State University		6,126
3 University of North Texas		6,112	3 Old Dominion University (VA)		6,098
4 Old Dominion University (VA)		6,098	4 Northern Kentucky University		5,448
5 Georgia State University		4,890	5 Virginia State University		5,440
6 Middle Tennessee State University		4,766	6 Georgia State University		4,890
7 University of Southern Mississippi		4,593	7 Sam Houston State University (TX)		4,860
8 University of North Carolina at Greensboro		3,762	8 University of Arkansas, Fayetteville		4,590
9 University of Central Florida		3,492	9 Tennessee State University		4,534
10 Florida Atlantic University		3,427	10 Alcorn State University (MS)		4,156
11 Florida International University		3,406	11 University of North Carolina, Charlotte		3,841
12 University of New Orleans		3,292	12 North Carolina A&T		3,348
13 Georgia Southern		3,210	13 Florida A&M University		3,264
	Average	4,591		Average	4,945
1 Morgan State University (MD)		6,204	1 Morgan State University (MD)		6,204
2 The University of Texas at El Paso		5,264	2 Murray State University (KY)		4,998
3 Murray State University (KY)		4,998	3 Sam Houston State University (TX)		4,860
4 Sam Houston State University (TX)		4,860	4 University of Tennessee Chattanooga		4,688
5 University of Alabama-Huntsville		4,848	5 University of North Carolina Wilmington		4,081
6 Tennessee Technological University		4,562	6 University of Arkansas Little Rock		4,020
7 The University of South Alabama		4,502	7 Louisiana Tech University		3,942
8 Louisiana Tech University		3,942	8 Appalachian State University (NC)		3,870
9 Appalachian State (NC)		3,870	9 Western Carolina University (NC)		3,623
10 Western Carolina University (NC)		3,623	10 University of North Florida		3,353
11 University of North Florida		3,353	11 North Carolina A&T		3,348
12 North Carolina A&T University		3,348	12 University of West Florida		3,312
13 Florida A & M University		3,264	13 Florida A & M University		3,264
	Average	4,340		Average	4,073
Community Colleges					
1 Winthrop University (SC)		9,500	1 Bluegrass Community and Technical College (KY)		3,270
2 Salisbury State University (MD)		6,412	2 Florence Darlington Technical College (SC)		3,074
3 Frostburg State University (MD)		6,392	3 Anne Arundel Community College (MD)		2,860
4 Radford University (VA)		5,746	4 James H Faulkner State Community College (AL)		2,790
5 Northern Kentucky University		5,448	5 Tennessee Community Colleges		2,482
6 Arkansas Tech University		5,280	6 Delaware Technical And Community College-Owens		2,280
7 Jacksonville State University (AL)		5,070	7 Virginia Western Community College		2,182
8 Murray State University (KY)		4,998	8 Rose State College (OK)		2,148
9 Sam Houston State University		4,860	9 Middle Georgia College		2,028
10 University of Tennessee Martin		4,665	10 Palm Beach Community College (FL)		1,995
11 University of North Carolina Wilmington		4,081	11 McLennan Community College (TX)		1,950
12 Appalachian State (NC)		3,870	12 Southwest Mississippi Community College		1,800
13 Western Carolina		3,623	13 National Park (Garland County) Community College (AR)		1,730
	Average	5,440	14 Southern West Virginia Community And Techn College		1,704
			15 Central Piedmont Community College (NC)		1,555
			16 Delgado Community College (LA)		1,550
				Average	2,194

TABLE D
STUDENT DEBT SERVICE FEES
As a Percent of Undergraduate Maintenance Fees
2006-07

	Annual Debt Service	Undergraduate Maintenance Fees	Percent
Austin Peay State University	\$274	\$3,828	7.2%
East Tennessee State University	\$180	\$3,828	4.7%
Middle Tennessee State University	\$166	\$3,828	4.3%
Tennessee State University	\$130	\$3,828	3.4%
Tennessee Technological University	\$58	\$3,828	1.5%
University of Memphis	\$192	\$4,388	4.4%
Chattanooga State Technical Community College	\$0	\$2,230	0.0%
Cleveland State Community College	\$0	\$2,230	0.0%
Columbia State Community College	\$0	\$2,230	0.0%
Dyersburg State Community College	\$0	\$2,230	0.0%
Jackson State Community College	\$0	\$2,230	0.0%
Motlow State Community College	\$0	\$2,230	0.0%
Nashville State Technical Community College	\$0	\$2,230	0.0%
Northeast State Technical Community College	\$0	\$2,230	0.0%
Pellissippi State Technical Community College	\$30	\$2,230	1.3%
Roane State Community College	\$0	\$2,230	0.0%
Southwest Tennessee Community College	\$0	\$2,230	0.0%
Volunteer State Community College	\$0	\$2,230	0.0%
Walters State Community College	\$0	\$2,230	0.0%
University of Tennessee at Chattanooga	\$220	\$3,748	5.9%
University of Tennessee at Knoxville	\$104	\$4,830	2.2%
University of Tennessee at Martin	\$174	\$3,916	4.4%

TABLE E

**Project Types Funded by TSSBA
For Fiscal Years 2001 - 2006 (1)**

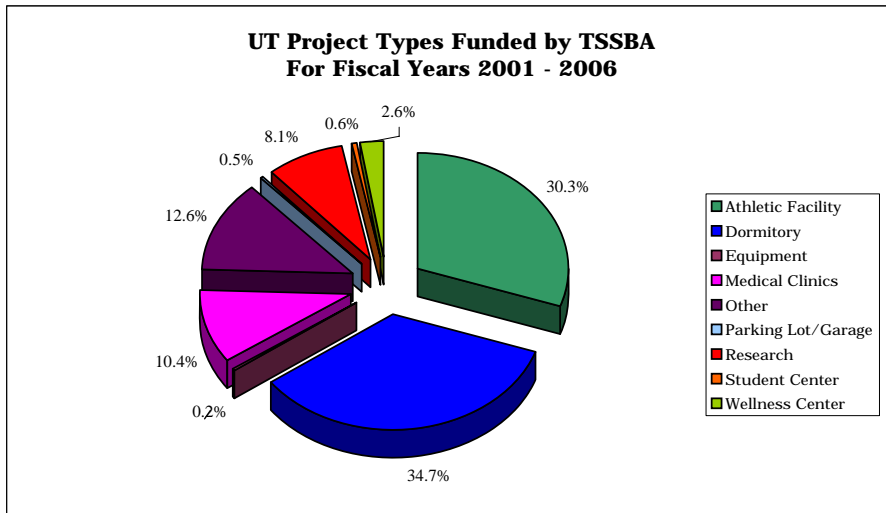


**Project Types Funded by TSSBA
For Fiscal Years 2001-2006**

Athletic Facility	\$ 146,990,000.00
Dormitory	291,153,500.00
Equipment	15,589,842.00
Medical Clinics	48,994,750.00
Other	116,761,080.04
Parking Lot/Garage	16,755,926.00
Research	47,266,949.04
Student Center	22,500,000.00
Wellness Center	33,500,000.00
	<u>\$ 739,512,047.08</u>

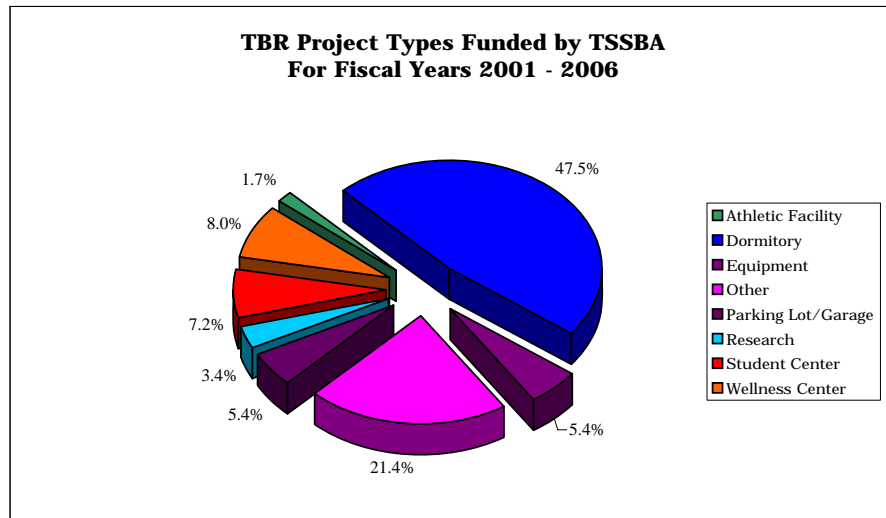
(1) Data provided by the Tennessee State School Bond Authority

TABLE F



**UT Project Types Funded by TSSBA
For Fiscal Years 2001-2006**

Athletic Facility	\$ 142,325,000.00
Dormitory	163,032,500.00
Equipment	1,029,042.00
Medical Clinics	48,994,750.00
Other	59,068,000.00
Parking Lot/Garage	2,125,000.00
Research	38,090,834.00
Student Center	3,000,000.00
Wellness Center	12,000,000.00
	<u>\$ 469,665,126.00</u>



**TBR Project Types Funded by TSSBA
For Fiscal Years 2001-2006**

Athletic Facility	\$ 4,665,000.00
Dormitory	128,121,000.00
Equipment	14,560,800.00
Medical Clinics	-
Other	57,693,080.04
Parking Lot/Garage	14,630,926.00
Research	9,176,115.04
Student Center	19,500,000.00
Wellness Center	21,500,000.00
	<u>\$ 269,846,921.08</u>

TABLE G
FY2006-07 PHYSICAL FACILITIES INVENTORY
Institutional Square Footage by Usage

	TOTAL NUMBER OF BLDGS	TOTAL Gross SqFt	TOTAL E&G SqFt	TOTAL Auxiliary SqFt
Austin Peay State University	72	1,813,013	1,237,621	575,392
East Tennessee State University	103	3,024,302	2,048,680	975,622
Middle Tennessee State University	177	4,524,320	2,692,336	1,831,984
Tennessee State University	78	2,663,799	1,755,543	908,256
Tennessee Technological University	137	2,736,119	1,715,899	1,020,220
University of Memphis	216	5,845,948	4,011,434	1,834,514
TBR 4-Yr Institutions' Total	783	20,607,501	13,461,513	7,145,988

Chattanooga State Technical Community College	12	502,707	458,975	43,732
Cleveland State Community College	15	336,361	330,718	5,643
Columbia State Community College	22	336,687	329,665	7,022
Dyersburg State Community College	18	207,214	205,644	1,570
Jackson State Community College	11	338,549	335,802	2,747
Motlow State Community College	17	295,769	288,068	7,701
Nashville State Technical Community College	15	335,654	332,644	3,010
Northeast State Community College	17	257,279	252,463	4,816
Pellissippi State Technical Community College	19	539,530	534,832	4,698
Roane State Community College	32	665,996	650,999	14,997
Southwest Tennessee State Community College	34	838,616	819,182	19,434
Volunteer State Community College	18	406,651	395,766	10,885
Walters State Community College	32	766,243	736,318	29,925
TBR 2-Yr Institutions' Total	262	5,827,256	5,671,076	156,180

Tennessee Technology Centers	95	1,999,309	1,999,309	0
East Tennessee State University College of Medicine	13	622,948	622,948	0
East Tennessee State University Family Practice	3	43,850	43,850	0
Tennessee State University Nursery Crop Research	6	38,581	38,581	0

TBR Institutions' Total	1,162	29,139,445	21,837,277	7,302,168
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University of Tennessee at Chattanooga	82	2,514,731	1,694,119	820,612
University of Tennessee at Knoxville	214	13,666,859	6,669,535	6,997,324
University of Tennessee at Martin	78	2,203,878	1,333,036	870,842
University of Tennessee Health Science Center	44	3,539,906	2,289,148	1,250,758
University of Tennessee Veterinary Medicine	10	274,904	274,904	0
University of Tennessee Space Institute	20	249,381	240,427	8,954
University of Tennessee Agricultural Experiment Stations	343	1,109,050	1,109,050	0
University of Tennessee Agricultural Extension	93	303,283	303,283	0
UT Institutions' Total	884	23,861,992	13,913,502	9,948,490

Grand Total	2,046	53,001,437	35,750,779	17,250,658
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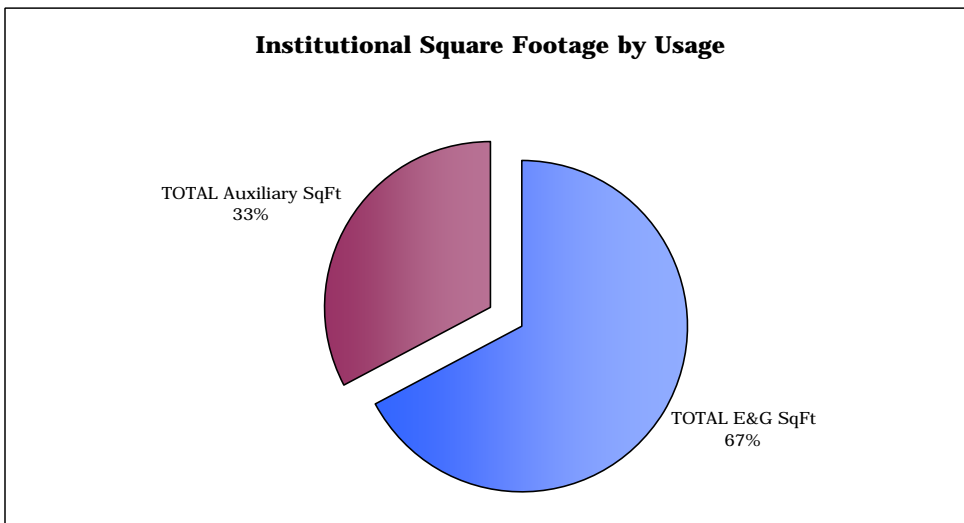


TABLE H
FY2006-07 PHYSICAL FACILITIES INVENTORY
Age and Building Count - Educational and General (E&G) Space
Formula Units w/o Technology Centers

INSTITUTION	TOTAL NUMBER OF BLDGS	E&G Buildings										TOTAL NUMBER OF E&G BLDGS	TOTAL GROSS Sqft	Sqft of E&G Bldgs	E&G SqFt <11 YRS OLD	E&G SqFt 11-20 YRS OLD	E&G SqFt 21-30 YRS OLD	E&G SqFt 31-40 YRS OLD	E&G SqFt 41-50 YRS OLD	E&G SqFt >50 YRS OLD	E & G Sq/Ft Unrenovated Prior to 1985
		# BLDGS <11 YRS OLD	# BLDGS 11-20 YRS OLD	# BLDGS 21-30 YRS OLD	# BLDGS 31-40 YRS OLD	# BLDGS 41-50 YRS OLD	# BLDGS >50 YRS OLD	% of Total	% of Total	% of Total	% of Total										
Austin Peay State University	72	42	3	2	4	4	5	5	24			1,813,013	1,237,621	324,375	115,132	234,877	142,380	83,386	337,471	402,383	
East Tennessee State University	103	67	5	10	10	10	8	28			3,024,302	2,200,176	239,392	32,025	511,893	497,158	320,475	681,164	1,533,503		
Middle Tennessee State University	177	103	31	6	7	19	20	20			4,524,320	2,719,697	921,519	142,445	121,481	755,252	320,475	458,252	725,776		
Tennessee State University	78	61	12	8	16	7	4	14			2,663,799	1,813,760	162,519	178,611	431,556	131,589	131,589	450,828	1,287,576		
Tennessee Technological University	137	80	9	7	23	23	2	16			2,736,119	1,722,915	72,788	197,979	289,124	685,932	71,595	445,497	3,276,265		
University of Memphis	216	119	13	3	31	12	53				5,845,948	4,016,473	348,861	389,769	123,253	1,827,511	467,063	860,016	8,815,508		
TBR 4 Yr Institutions' Buildings Total	783	472	74	35	63	94	51	155	60%	9%	4%	67%	2,069,094	1,015,961	1,712,184	4,367,323	1,312,452	3,233,228	64%		
% of Total																					
Chattanooga State Technical Community College	12	12	1	1	8	2	0	0			502,707	458,975	11,086	61,314	235,049	151,526	0	0	0	325,587	
Cleveland State Community College	15	15	0	0	5	10	0	0			336,361	330,718	0	0	66,652	264,066	0	0	0	329,295	
Columbia State Community College	22	22	6	0	5	11	0	0			336,687	329,665	54,331	0	58,210	217,124	0	0	0	278,041	
Dyersburg State Community College	18	17	6	1	2	6	1	1			207,214	259,349	92,062	15,000	3,248	133,883	14,100	1,056	0	102,238	
Jackson State Community College	11	11	3	1	0	7	0	0			338,549	335,802	101,210	338,549	0	228,645	0	0	0	195,813	
Midlow State Community College	17	17	5	5	0	7	0	0			295,769	351,770	125,175	77,345	0	149,250	0	0	0	103,379	
Nashville State Technical Community College	15	8	1	2	4	0	0	0			335,654	332,644	71,402	66,296	76,867	116,079	0	0	0	0	
Northeast State Community College	17	17	3	4	5	5	0	2			257,279	252,463	84,469	46,632	76,962	44,400	1,536	76,647	43,189		
Pellissippi State Technical Community College	19	13	3	6	0	1	1	2			539,530	554,835	78,356	352,776	45,520	137,216	14,915	2,250	31,249		
Roane State Community College	32	23	9	2	5	3	3	1			665,396	666,570	335,617	90,089	88,483	120,687	0	0	0	242,864	
Southwest Tennessee State Community College	34	29	3	3	15	8	0	0			838,616	819,182	86,067	119,276	493,152	120,687	0	0	0	613,839	
Volunteer State Community College	18	18	1	7	7	3	0	0			406,651	405,766	25,200	119,145	115,117	146,304	0	0	0	121,334	
Walters State Community College	32	32	11	7	8	5	0	1			766,243	736,318	258,327	7,068	86,242	236,671	0	0	0	333,124	
TBR 2 Yr Institutions' Buildings Total	262	234	52	38	62	72	5	5	89%	22%	16%	100%	1,323,302	960,888	1,301,982	1,991,371	30,551	227,963	2,719,952	47%	
% of Total																					
University of Tennessee at Chattanooga	82	52	7	6	8	5	5	21			2,514,731	1,667,836	204,496	85,675	664,208	216,803	146,609	350,045	1,087,757		
University of Tennessee at Knoxville	214	151	19	9	13	21	19	70			13,666,859	6,188,729	653,400	357,355	420,508	1,638,261	1,006,493	2,112,712	4,683,568		
University of Tennessee at Martin	78	53	4	4	4	18	10	13			2,203,878	1,341,706	34,157	194,678	89,946	548,112	310,104	164,649	1,104,289		
UT Formula Units Total Buildings	374	256	30	19	25	44	34	104	68%	12%	7%	50%	637,708	1,174,662	2,403,176	1,463,266	2,627,406	6,871,614	75%		
% of Total																					
TBR 4 Yr and 2 Yr Totals	1,045	706	126	73	125	166	56	160			26,434,757	19,546,698	3,392,396	1,976,849	3,014,166	6,358,894	1,343,203	3,461,191	11,535,460		
UT Total	374	256	30	19	25	44	34	104			18,385,468	9,198,271	892,053	637,708	1,174,662	2,403,176	1,463,266	2,627,406	6,871,614		
Formula Units Total w/o TTC's	1,419	962	156	92	150	210	90	264			44,820,225	28,744,969	4,284,449	2,614,557	4,188,828	8,762,070	2,806,469	6,088,597	18,407,074		
% of Total Formula Units Buildings	68%	16%	10%	16%	22%	22%	9%	27%			64%	15%	15%	9%	15%	30%	10%	21%	64%		

TABLE I

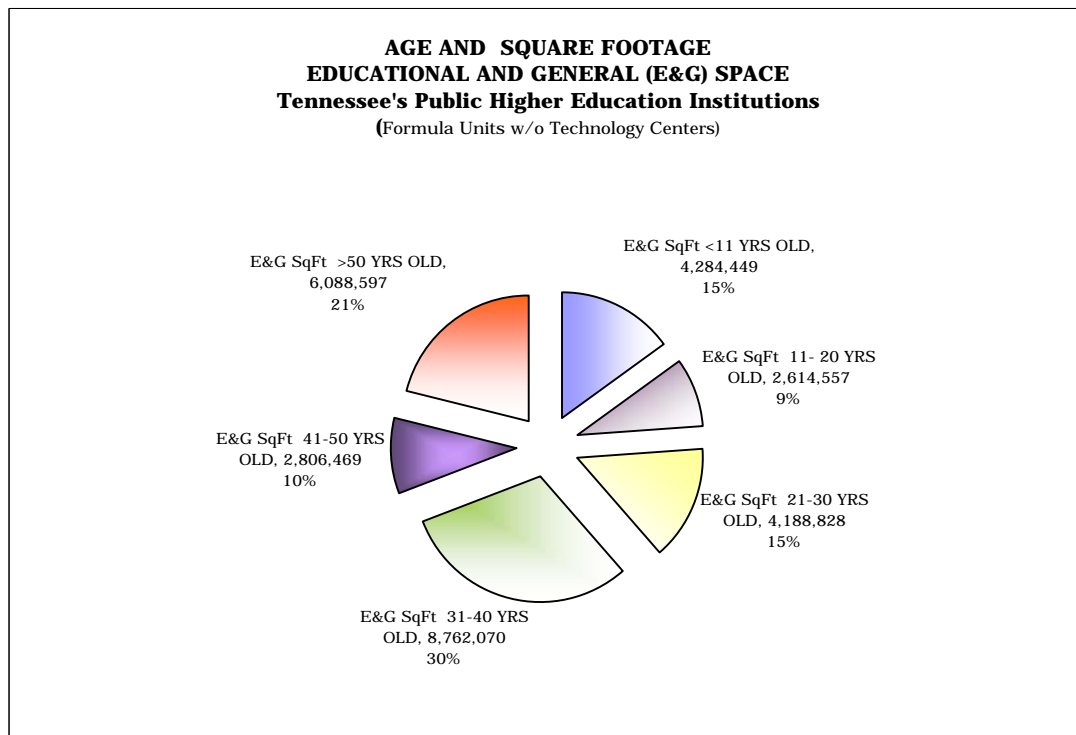
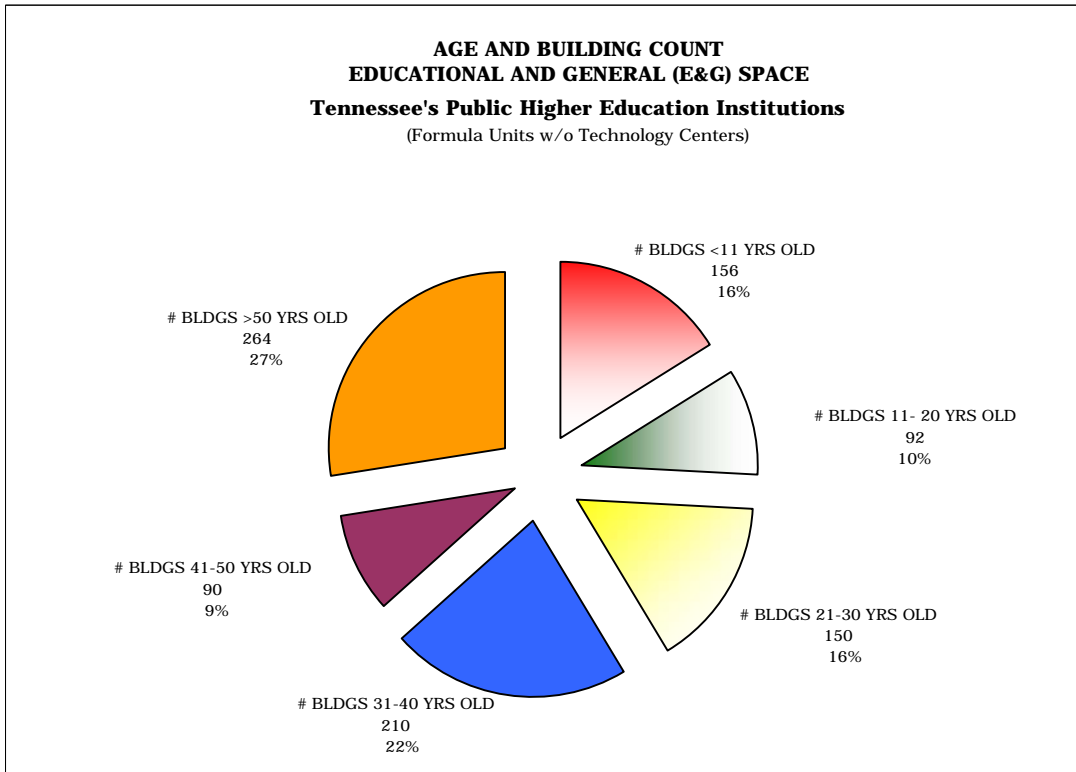


TABLE J

**CAPITAL OUTLAY FUNDING HISTORY
Current Year and Four Previous Years**

FY	SYSTEM	THEC REC	GOVERNOR REC	LEGISLATIVE ACTION	% Approp
5-Year Total FY02-03 to FY06-07	TBR	\$ 703,510,000	\$ 306,090,000	\$ 287,730,000	40.9%
	UT	\$ 1,061,210,000	\$ 256,605,000	\$ 232,905,000	21.9%
	TOTAL	\$ 1,764,720,000	\$ 562,695,000	\$ 520,635,000	29.5%
	% of THEC REC		31.9%	29.5%	
2006-07	TBR	\$ 175,500,000	\$ 114,680,000	\$ 114,680,000	65.3%
2006-07	UT	\$ 176,345,000	\$ 89,205,000	\$ 89,205,000	50.6%
	TOTAL	\$ 351,845,000	\$ 203,885,000	\$ 203,885,000	57.9%
	% of THEC REC		57.9%	57.9%	
2005-06	TBR *	\$ 133,110,000	\$ 32,990,000	\$ 84,740,000	63.7%
2005-06	UT	\$ 140,500,000	\$ 37,000,000	\$ 70,500,000	50.2%
	TOTAL	\$ 273,610,000	\$ 69,990,000	\$ 155,240,000	56.7%
	% of THEC REC		25.6%	56.7%	
2004-05	TBR**	\$ 147,510,000	\$ 75,210,000	\$ 75,210,000	51.0%
2004-05	UT	\$ 85,300,000	\$ 73,200,000	\$ 73,200,000	85.8%
	TOTAL	\$ 232,810,000	\$ 148,410,000	\$ 148,410,000	63.7%
	% of THEC REC		63.7%	63.7%	
2003-04	TBR	\$ 118,650,000	\$ -	\$ -	0.0%
2003-04	UT	\$ 327,525,000	\$ -	\$ -	0.0%
	TOTAL	\$ 446,175,000	\$ -	\$ -	0.0%
	% of THEC REC		0.0%	0.0%	
2002-03	TBR ***	\$ 128,740,000	\$ 83,210,000	\$ 13,100,000	10.2%
2002-03	UT	\$ 331,540,000	\$ 57,200,000	\$ -	0.0%
	TOTAL	\$ 460,280,000	\$ 140,410,000	\$ 13,100,000	2.8%
	% of THEC REC		30.5%	2.8%	

* TBR funding includes \$750,000 appropriated by the Legislature for planning the new UoM Law School

**TBR funding includes \$6,570,000 appropriated by the Legislature for the Forensic Pathology Renovation project at ETSU-CoM

*** Geier Funding

TABLE K
CAPITAL MAINTENANCE FUNDING HISTORY
Current Year and Four Previous Years

FY	SYSTEM	THEC REC	GOVERNOR REC	LEGISLATIVE ACTION	% Approp
5-Year Total FY02-03 to FY06-07	TBR	\$ 572,150,000	\$ 131,018,000	\$ 131,018,000	22.9%
	UT	\$ 416,580,000	\$ 98,480,000	\$ 98,480,000	23.6%
	TOTAL	\$ 988,730,000	\$ 229,498,000	\$ 229,498,000	23.2%
	% of THEC REC		23.2%	23.2%	
2006-07	TBR	\$ 50,020,000	\$ 31,458,000	\$ 31,458,000	62.9%
2006-07	UT	\$ 37,605,000	\$ 20,425,000	\$ 20,425,000	54.3%
	TOTAL	\$ 87,625,000	\$ 51,883,000	\$ 51,883,000	59.2%
	% of THEC REC		59.2%	59.2%	
2005-06	TBR	\$ 259,180,000	\$ 26,940,000	\$ 26,940,000	10.4%
2005-06	UT	\$ 140,500,000	\$ 17,300,000	\$ 17,300,000	12.3%
	TOTAL	\$ 399,680,000	\$ 44,240,000	\$ 44,240,000	11.1%
	% of THEC REC		11.1%	11.1%	
2004-05	TBR	\$ 62,950,000	\$ 38,480,000	\$ 38,480,000	61.1%
2004-05	UT	\$ 38,475,000	\$ 38,475,000	\$ 38,475,000	100.0%
	TOTAL	\$ 101,425,000	\$ 76,955,000	\$ 76,955,000	75.9%
	% of THEC REC		75.9%	75.9%	
2003-04	TBR	\$ 100,000,000	\$ 11,260,000	\$ 11,260,000	11.3%
2003-04	UT	\$ 100,000,000	\$ 7,750,000	\$ 7,750,000	7.8%
	TOTAL	\$ 200,000,000	\$ 19,010,000	\$ 19,010,000	9.5%
	% of THEC REC		9.5%	9.5%	
2002-03	TBR	\$ 100,000,000	\$ 22,880,000	\$ 22,880,000	22.9%
2002-03	UT	\$ 100,000,000	\$ 14,530,000	\$ 14,530,000	14.5%
	TOTAL	\$ 200,000,000	\$ 37,410,000	\$ 37,410,000	18.7%
	% of THEC REC		18.7%	18.7%	

**TABLE L
CURRENT YEAR CAPITAL FUNDING REQUEST AND FUTURE CAPITAL FUNDING NEEDS
5-Year Summary**

CAPITAL OUTLAY			CAPITAL MAINTENANCE			CO and CM COMBINED TOTAL		
THE UNIVERSITY OF TENNESSEE								
Fiscal Year	Number of Projects	Cost *	Fiscal Year	Number of Projects	Cost *	Fiscal Year	Number of Projects	Cost *
2006-07	9	\$176,345,000	2006-07	23	\$37,605,000	2006-07	32	\$213,950,000
2007-08	3	\$87,140,000	2007-08	16	\$29,850,000	2007-08	19	\$116,990,000
2008-09	4	\$77,200,000	2008-09	18	\$30,950,000	2008-09	22	\$108,150,000
2009-10	4	\$49,400,000	2009-10	14	\$31,700,000	2009-10	18	\$81,100,000
2010-2011	Unspecified	\$49,400,000	2010-2011	16	\$32,350,000	2010-2011	16+	\$81,750,000
	20+	\$439,485,000		87	\$162,455,000		107+	\$601,940,000
		50%			43%			49%
		36%			36%			36%
		33%			36%			34%
		24%			35%			27%
		23%			10%			16%
		35%			25%			
TENNESSEE BOARD OF REGENTS								
Fiscal Year	Number of Projects	Cost *	Fiscal Year	Number of Projects	Cost *	Fiscal Year	Number of Projects	Cost *
2006-07	21	\$175,500,000	2006-07	75	\$50,020,000	2006-07	96	\$225,520,000
2007-08	10	\$155,670,000	2007-08	42	\$52,560,000	2007-08	52	\$208,230,000
2008-09	5	\$157,220,000	2008-09	17	\$55,330,000	2008-09	22	\$212,550,000
2009-10	Unspecified	\$158,760,000	2009-10	24	\$59,270,000	2009-10	24+	\$218,030,000
2010-2011	Unspecified	\$163,560,000	2010-2011	Unspecified	\$278,560,000	2010-2011	Unspecified	\$442,120,000
	36+	\$810,710,000		158+	\$495,740,000		194+	\$1,306,450,000
		50%			57%			51%
		64%			64%			64%
		67%			64%			66%
		76%			65%			73%
		77%			90%			84%
		65%			75%			
COMBINED SYSTEM TOTAL								
Fiscal Year	Number of Projects	Cost *	Fiscal Year	Number of Projects	Cost *	Fiscal Year	Number of Projects	Cost *
2006-07	30	\$351,845,000	2006-07	98	\$87,625,000	2006-07	128	\$439,470,000
2007-08	13	\$242,810,000	2007-08	58	\$82,410,000	2007-08	71	\$325,220,000
2008-09	9	\$234,420,000	2008-09	35	\$86,280,000	2008-09	44	\$320,700,000
2009-10	4+	\$208,160,000	2009-10	38	\$90,970,000	2009-10	24+	\$299,130,000
2010-2011	Unspecified	\$212,960,000	2010-2011	Unspecified	\$310,910,000	2010-2011	Unspecified	\$523,870,000
	56+	\$1,250,195,000		245+	\$658,195,000		301+	\$1,908,390,000

* The cost amounts indicate proposed capital outlay and capital maintenance projects that, if approved, will be funded with State appropriations and/or General Obligation bonds.

TABLE M
DISCLOSED PROJECTS FY2002-03 to FY2006-07 *

Project Count	Institution	Initial Estimated Project Cost	PROPOSED FUNDING			
			TSSBA	Gifts	Grants	Other
19	Austin Peay State University Total	\$ 21,387,420	\$ 9,290,000	\$ 1,162,700	\$ 3,080,000	\$ 7,854,720
37	East Tennessee State University Total	\$ 163,081,000	\$ 77,031,000	\$ 29,710,000	\$ 15,200,000	\$ 27,820,000
55	Middle Tennessee State University Total	\$ 267,740,000	\$ 192,490,000	\$ 48,790,000	\$ 2,500,000	\$ 9,880,000
25	Tennessee State University Total	\$ 96,039,717	\$ 32,190,000	\$ 23,485,000	\$ 28,489,717	\$ 325,000
12	Tennessee Technological University Total	\$ 40,540,000	\$ 36,550,000	\$ 1,800,000	\$ 1,250,000	\$ 940,000
53	University of Memphis Total	\$ 314,390,000	\$ 247,560,000	\$ 34,450,000	\$ 3,000,000	\$ 14,570,000
4	East Tennessee State University College of Medicine Total	\$ 12,690,000	\$ 7,500,000	\$ 740,000	\$ 3,710,000	\$ 740,000
3	TBR System Projects Total	\$ 37,770,000	\$ 37,770,000	\$ -	\$ -	\$ -
5	Cleveland State Community College Total	\$ 2,340,000	\$ 2,340,000	\$ -	\$ -	\$ -
4	Columbia State Community College Total	\$ 1,500,000	\$ 1,500,000	\$ -	\$ -	\$ 990,000
1	Chattanooga State Technical Community College Total	\$ 140,000	\$ 140,000	\$ 70,000	\$ -	\$ -
3	Jackson State Community College Total	\$ 1,060,000	\$ 750,000	\$ 310,000	\$ 310,000	\$ 180,000
4	Molloy State Community College Total	\$ 2,350,000	\$ 1,320,000	\$ 2,350,000	\$ -	\$ -
7	Nashville State Technical Community College Total	\$ 760,000	\$ 760,000	\$ 760,000	\$ -	\$ -
4	Northwest State Technical Community College Total	\$ 2,007,000	\$ 2,375,000	\$ 1,310,000	\$ 697,000	\$ 100,000
6	Pellissippi State Technical Community College Total	\$ 2,475,000	\$ 5,100,000	\$ 505,000	\$ 1,045,000	\$ 815,000
5	Reame State Community College Total	\$ 1,045,000	\$ 1,045,000	\$ -	\$ -	\$ -
12	Southwest Tennessee Community College Total	\$ 6,420,000	\$ 16,250,000	\$ -	\$ -	\$ -
6	Volunteer State Community College Total	\$ 1,500,000	\$ 1,500,000	\$ -	\$ -	\$ -
1	Tennessee Technology Center at Ripley Total	\$ 9,580,000	\$ 5,420,000	\$ 2,710,000	\$ 700,000	\$ 750,000
8	University of Tennessee at Chattanooga Total	\$ 308,945,000	\$ 249,232,500	\$ 22,912,500	\$ 2,850,000	\$ 21,590,000
71	University of Tennessee at Knoxville Total	\$ 73,580,000	\$ 72,400,000	\$ 970,000	\$ 185,000	\$ 25,000
10	University of Tennessee at Martin Total	\$ 43,248,000	\$ 1,170,000	\$ 240,000	\$ 14,778,000	\$ 790,000
11	University of Tennessee Health Science Center Total	\$ 550,000	\$ 550,000	\$ 470,000	\$ 790,000	\$ 550,000
1	University of Tennessee Institute of Agriculture Total	\$ 1,427,858,137	\$ 942,053,500	\$ 230,585,200	\$ 72,512,717	\$ 67,310,000
371	Grand Total	\$ 1,427,858,137	\$ 942,053,500	\$ 230,585,200	\$ 72,512,717	\$ 67,310,000
			66%	16%	5%	5%
74	5-Year Average	\$ 285,571,627	\$ 188,410,700	\$ 46,117,040	\$ 14,502,543	\$ 13,462,000
						\$ 17,853,344
						\$ 2,066,000

Project Count	Institution	Estimated Project Cost	PROPOSED FUNDING			
			TSSBA	Gifts	Grants	Other
270	5-Year Total - TBR	\$991,955,137	\$603,831,000	\$203,732,700	\$54,699,717	\$44,550,000
	Percent Funding Type		61%	21%	6%	4%
	5-Yr Average	\$198,391,027	\$120,766,200	\$40,750,540	\$10,939,943	\$8,910,000
						\$14,938,344
101	5-Year Total - UT	\$435,903,000	\$338,222,500	\$26,832,500	\$17,813,000	\$22,760,000
	Percent Funding Type		78%	6%	4%	5%
	5-Yr Average	\$87,180,600	\$67,644,500	\$5,366,500	\$3,562,600	\$4,552,000
						\$2,895,000
						\$0

Project Count	Institution	Estimated Project Cost	PROPOSED FUNDING			
			TSSBA	Gifts	Grants	Other
56	Total Projects on an Active Disclosure List that have not been brought forward	\$216,280,000	\$111,640,000	\$46,955,000	\$15,575,000	\$15,360,000
						\$10,950,000
27	Total Projects cancelled or replaced	\$193,062,220	\$149,200,000	\$15,230,000	\$3,710,000	\$1,150,000
						\$23,772,220
70	Total Projects on an Active Disclosure List over 2-Years old and have not been brought forward **	\$233,000,000	\$132,750,000	\$60,450,000	\$16,200,000	\$10,210,000
						\$13,210,000
153	Total for All Projects not brought forward, cancelled, or replaced	\$642,342,220	\$393,590,000	\$122,635,000	\$35,485,000	\$26,720,000
						\$47,932,220
41%	Percent of 5-Year Totals	45%	42%	53%	49%	40%
						54%
218	Total for Projects in design, under construction, or completed	\$785,515,917	\$548,463,500	\$107,950,200	\$37,027,717	\$40,590,000
						\$41,334,500
59%	Percent of 5-Year Totals	55%	58%	47%	51%	60%
						46%
						98%

* Institution totals indicate the proposed funding when the project was first submitted to THEC
 **By policy, a project that is listed on an approved Disclosed Projects listing and has not received SBC approval within two years will lose its disclosed status.

TABLE N
Governing Board Disclosure List
Revenue-Funded Projects FY 2007-08

The University of Tennessee										
<u>Institution</u>	<u>Project Description</u>	<u>Fund Source</u>	<u>Estimated Cost</u>	<u>TSSBA</u>	<u>Gifts</u>	<u>Grants</u>	<u>Auxiliary</u>	<u>Operating</u>		
UTC	Wellness Center Pool	TSSBA	\$ 7,300,000	\$ 7,300,000						
UTC	Lockmiller Apartments Upgrade	TSSBA	\$ 3,500,000	\$ 3,500,000						
UTC	Campus Entrances	Gift	\$ 250,000		\$ 250,000			\$ 75,000		\$ 150,000
UTK	Barr Building	Operating and Auxiliary Funds	\$ 225,000							
UTHSC	Parking Lot Improvements	TSSBA	\$ 1,000,000	\$ 1,000,000						
UTHSC	Elevator and Fire Alarm Systems Upgrades - Five Buildings	Auxiliary Funds	\$ 400,000				\$ 400,000			
UTHSC	Eye Institute	Auxiliary and Gift Funds	\$ 1,500,000		\$ 200,000					
UTHSC	Food Service Renovations	Food Service Vendor	\$ 500,000		\$ 500,000					
UTHSC	Bookstore Renovations	Bookstore Contractor	\$ 500,000		\$ 500,000					
UTHSC	910 Madison Building Renovations	Operating Funds	\$ 200,000							\$ 200,000
UTK-AG	Improvements to Ag Research Facilities - East TN	Operating Funds	\$ 500,000							\$ 500,000
UTK-AG	Improvements to Ag Research Facilities - West TN	Operating Funds	\$ 500,000							\$ 500,000
UTK-AG	Improvements to Ag Research Facilities - Middle TN	Operating Funds	\$ 500,000							\$ 500,000
UTK-AG	Greenville 4-H Center Improvements	TSSBA	\$ 2,100,000	\$ 2,100,000						
UTK-AG	Eastern District Office Improvements	Operating Funds	\$ 300,000							\$ 300,000
UT-AG	Bio-Energy Research Lab Improvements	Operating and Grant Funds	\$ 750,000			\$ 250,000				\$ 500,000
UTK	Residence Hall	TSSBA and Auxiliary Funds	\$ 41,500,000	\$ 40,500,000			\$ 1,000,000			\$ 1,300,000
UTK	Classroom Upgrades	Operating Funds	\$ 1,300,000							
UTK	Student Health Clinic - Phase I	TSSBA and Auxiliary Funds	\$ 12,000,000	\$ 10,000,000			\$ 2,000,000			\$ 1,000,000
UTK	Library Commons Renovation - Phase I	Operating Funds	\$ 1,000,000							\$ 1,000,000
UTK	Dining Services Improvements	Gift	\$ 2,500,000		\$ 2,500,000					
UTK	Parking Garage - Volunteer Boulevard and Pat Head Summitt Drive	TSSBA and Auxiliary Funds	\$ 18,000,000	\$ 17,000,000			\$ 1,000,000			
UTK	Parking Garage Cherokee Campus	TSSBA and Auxiliary Funds	\$ 7,500,000	\$ 7,000,000			\$ 500,000			
UTK	Sororities	TSSBA and Auxiliary Funds	\$ 45,165,500	\$ 40,649,000			\$ 4,516,500			
UTK	Forensic Academy	TSSBA	\$ 12,500,000	\$ 12,500,000						
UTK	Laurel Apartments Parking Garage Improvements	TSSBA	\$ 3,000,000	\$ 3,000,000						\$ 400,000
UTK	Andy Holt Tower Improvements	Operating Funds	\$ 400,000							
UTK	Neyland Stadium Painting	Auxiliary Funds	\$ 2,000,000				\$ 2,000,000			
UTK	Toby McKenzie and Brenda Lawson Athletic Center Improvements	TSSBA	\$ 3,000,000	\$ 3,000,000						
UTK	Neyland Stadium Renovations - Phase III	TSSBA and Auxiliary Funds	\$ 45,000,000	\$ 30,000,000			\$ 15,000,000			
UTK	Tennis Stadium Improvements	Gifts	\$ 3,000,000		\$ 3,000,000					
UTK	Thompson-Boling Arena Renovations Phase II	TSSBA	\$ 5,750,000	\$ 5,750,000						
UTK	Data Support Building Improvements	Operating Funds	\$ 800,000							\$ 800,000
UTK	Research Laboratory Building	TSSBA	\$ 30,000,000	\$ 30,000,000						
UTM	Business Administration Building Addition	Gifts	\$ 1,500,000		\$ 1,500,000					
UTM	Beef Barn Teaching Facility Expansion	Operating Funds	\$ 340,000							\$ 340,000
UTM	Dining Services Improvements	Gift	\$ 275,000		\$ 275,000					
UTM	Football Field Improvements	Auxiliary and Gift Funds	\$ 860,000		\$ 250,000		\$ 610,000			
UTSI	Airport Facilities Replacement	Operating Funds	\$ 40,000							\$ 40,000
39	TOTAL - THE UNIVERSITY OF TENNESSEE		\$ 257,455,500	\$ 213,299,000	\$ 8,975,000	\$ 250,000	\$ 28,401,500	\$ 6,530,000		
Tennessee Board of Regents										
Institution										
Statewide	Housing Fire Safety Upgrades	TSSBA	\$ 11,000,000	\$ 11,000,000						
APSU	Archwood Exterior Renovations	Operating Funds	\$ 450,000							\$ 450,000

TABLE N
Governing Board Disclosure List
Revenue-Funded Projects FY 2007-08

Tennessee Board of Regents - Continued										
<u>Institution</u>	<u>Project Description</u>	<u>Fund Source</u>	<u>Estimated Cost</u>	<u>TSSBA</u>	<u>Gifts</u>	<u>Grants</u>	<u>Auxiliary</u>	<u>Operating</u>		
APSU	Astronomy Observatory	Gifts	\$ 500,000		\$ 500,000					
APSU	Athletic Facilities Improvements	Gifts	\$ 400,000		\$ 400,000					
APSU	Athletic Field House Construction	Gifts	\$ 4,000,000		\$ 4,000,000					
APSU	Baseball Stadium Upgrades	Gifts	\$ 300,000		\$ 300,000					
APSU	Browning Building Elevator Installation	Operating Funds	\$ 230,000							\$ 230,000
APSU	Campus-wide Paving	Auxiliary	\$ 1,200,000				\$ 1,200,000			
APSU	Emerald Hills Roof Replacements	Auxiliary	\$ 900,000				\$ 900,000			
APSU	Meacham Apartments HVAC Replacement	Auxiliary	\$ 200,000				\$ 200,000			
APSU	Morgan University Center Renovations	Auxiliary	\$ 680,000				\$ 680,000			
APSU	Undergraduate Housing Construction	Auxiliary	\$ 21,000,000				\$ 21,000,000			
ETSU	Downtown Clinic	Federal and State Grants	\$ 1,750,000			\$ 1,750,000				
ETSU	Housing Renovations	TSSBA	\$ 5,000,000	\$ 5,000,000						
ETSU	New Family Student Housing	TSSBA	\$ 17,220,000	\$ 17,220,000						
ETSU	Outdoor Track and Field Facility Construction	TSSBA and Gifts	\$ 4,000,000	\$ 4,000,000						
ETSU	Parking Garage Construction	TSSBA	\$ 15,000,000	\$ 15,000,000						
ETSU	Tennis Complex Construction	TSSBA and Gifts	\$ 3,800,000	\$ 3,800,000						
ETSU	University Innovation Park Infrastructure	Federal and State Grants	\$ 3,000,000			\$ 3,000,000				
ETSU	WETS-FM Expansion	Gifts	\$ 280,000		\$ 280,000					
ETSU	WETS-FM Transmitter Plant Replacement	Federal Grant	\$ 380,000			\$ 380,000				
ETSU	Alumni Pathway	Gift Funds	\$ 250,000		\$ 250,000					
ETSU	Baseball Facility Development Phase I	Gift Funds	\$ 6,000,000		\$ 6,000,000					
ETSU	University School Access Road Modifications	Operating Funds	\$ 250,000					\$ 250,000		
ETSU	Early Childhood Learning Suite Development	Operating Funds	\$ 170,000					\$ 170,000		
ETSU CoM	Johnson City Family Medicine Facility	Operating Funds	\$ 5,630,000					\$ 5,630,000		
MTSU	MT Building Conference Center	Operating Funds	\$ 500,000					\$ 500,000		
MTSU	Corlew and Cummings Hall Housing Renovation	TSSBA	\$ 19,100,000	\$ 19,100,000				\$ 19,100,000		
MTSU	Greek Row Development Phase II	TSSBA	\$ 9,750,000	\$ 9,750,000				\$ 9,750,000		
TSU	Apartment Housing Phase III	TSSBA	\$ 17,900,000	\$ 17,900,000				\$ 17,900,000		
TSU	Elliott Hall Historic Preservation Phase II	Federal Grant	\$ 1,000,000			\$ 1,000,000				
TSU	HBCU Conference Facility	Federal Grant	\$ 10,000,000			\$ 10,000,000				
TSU	Performing Arts Facility Music Studio	Federal Grant	\$ 3,200,000			\$ 3,200,000				
TSU	Poultry Plant Relocation	Federal Grant	\$ 5,650,000			\$ 5,650,000				
TSU	Research Facility Laboratory and Administration Areas	Federal Grant	\$ 1,840,000			\$ 1,840,000				
TSU	Residence Center Ventilation Upgrades	TSSBA	\$ 2,400,000	\$ 2,400,000				\$ 2,400,000		
TSU	Hale Stadium Improvements	NFL Grant, TSSBA, and Gift Funds	\$ 3,200,000	\$ 2,700,000	\$ 250,000			\$ 250,000		
TSU	Hankal Hall Renovations *	Operating Funds	\$ 1,500,000					\$ 1,500,000		
TSU	NBIC Roof and Drainage Improvements	NBIC Revenue and Reserve Funds	\$ 580,000					\$ 580,000		
TSU	Lawson Hall and CARP Building Roof Replacements	Federal Grant	\$ 200,000			\$ 192,500		\$ 7,500		
TTU	Intramural Sports Scorekeeper Structures	Auxiliary	\$ 140,000					\$ 140,000		
TTU	Dorm Fire Safety Improvements Phase III	Auxiliary Funds	\$ 510,000				\$ 510,000			
TTU	New Residence Halls Phase II	TSSBA	\$ 24,540,000	\$ 24,540,000				\$ 24,540,000		
UoM	Annex Facility Completion	Operating Funds	\$ 540,000					\$ 540,000		
UoM	Athletic Facilities Improvements	Gifts	\$ 600,000		\$ 600,000					
UoM	Chucalissa Improvements	Gifts	\$ 360,000		\$ 360,000					
UoM	Electrical Generation Project	TSSBA	\$ 9,440,000	\$ 9,440,000				\$ 9,440,000		
UoM	Jones Hall Cafeteria HVAC Upgrade	Auxiliary	\$ 510,000					\$ 510,000		
UoM	Jones Hall Cafeteria Window Replacement	Auxiliary	\$ 190,000					\$ 190,000		
UoM	Millington Facility Tower Upgrades	TSSBA	\$ 7,350,000	\$ 7,350,000				\$ 7,350,000		
UoM	Mynder Hall Façade Restoration and Roof Replacement	Auxiliary	\$ 1,950,000					\$ 1,950,000		
UoM	Richardson Towers Entrance Modifications	Auxiliary	\$ 400,000					\$ 400,000		

TABLE N
Governing Board Disclosure List
Revenue-Funded Projects FY 2007-08

Tennessee Board of Regents - Continued										
<u>Institution</u>	<u>Project Description</u>	<u>Fund Source</u>	<u>Estimated Cost</u>	<u>TSSBA</u>	<u>Gifts</u>	<u>Grants</u>	<u>Auxiliary</u>	<u>Operating</u>		
UoM	Robison Hall Renovations	Operating Funds	\$ 3,000,000					\$ 3,000,000		
UoM	Smith Dorm Elevator Replacement	Auxiliary	\$ 130,000				\$ 130,000			
UoM	Traffic and Circulation Improvements	Federal Grant	\$ 3,000,000			\$ 3,000,000				
UoM	Richardson Towers HVAC	Auxiliary Funds	\$ 1,080,000				\$ 1,080,000			
UoM	Smith Dorm Fire Safety Upgrade	TSSBA	\$ 1,300,000	\$ 1,300,000						
CSTCC	Master Plan Development	Operating Funds	\$ 180,000					\$ 180,000		
COSCC	Bookstore Construction - Williamson County Center	Operating Funds	\$ 170,000					\$ 170,000		
COSCC	Natorium Renovation	Operating Funds	\$ 680,000					\$ 680,000		
NSCC	Clement Building Generator	Operating Funds	\$ 100,000					\$ 100,000		
NSCC	Data Center Halon System Replacement	Operating Funds	\$ 200,000					\$ 200,000		
NSCC	Southeast Center Second Floor Renovations	Operating Funds	\$ 350,000					\$ 350,000		
NSTCC	North Parking Lot Construction	Operating Funds	\$ 260,000					\$ 260,000		
PSTCC	New Portable Classroom / Office Structure	Operating Funds	\$ 340,000					\$ 340,000		
RSCC	Fire Protection System - Knox County Site	Operating Funds	\$ 130,000					\$ 130,000		
RSCC	Observatory Dome Base	Operating Funds and Gift Funds	\$ 50,000		\$ 30,000			\$ 20,000		
STCC	F Building Renovations	Operating Funds	\$ 180,000					\$ 180,000		
STCC	Verties Sails Weight Room Addition	Operating Funds	\$ 400,000					\$ 400,000		
STCC	Warehouse Renovation	Operating Funds	\$ 1,100,000					\$ 1,100,000		
VSCC	Softball Field Press Box	Operating Funds	\$ 420,000					\$ 420,000		
WSCC	Ball Field Bleachers and Facilities Upgrades	Gifts and Operating Funds	\$ 250,000		\$ 250,000					
WSCC	Greenville / Greene County Center Safety Corrections **	Gift Funds	\$ 4,500,000		\$ 4,500,000					
73		TOTAL - TENNESSEE BOARD OF REGENTS	\$ 244,760,000	\$ 150,500,000	\$ 17,720,000	\$ 30,262,500	\$ 29,470,000	\$ 16,807,500		
112		GRAND TOTAL DISCLOSED PROJECTS	\$ 502,215,500	\$ 363,799,000	\$ 26,695,000	\$ 30,512,500	\$ 57,871,500	\$ 23,337,500		

TABLE O
TENNESSEE STATE SCHOOL BOND AUTHORITY FUNDING
Principal Amount of Debt Outstanding by Institution (1)
As of March 1, 2007 (Unaudited)

	First Program Bonds (2)	Second Program Bonds	Commercial Paper Outstanding (3)	Non-Authority Debt	Total Debt
University of Tennessee System					
University of Tennessee at Knoxville	\$ 9,162,253	\$ 168,741,900	\$ 48,308,909	\$ -	\$ 226,213,061
University of Tennessee at Chattanooga	\$ 688,424	\$ 43,939,974	\$ 20,262	\$ -	\$ 44,648,660
University of Tennessee at Martin	\$ 73,960	\$ 29,413,398	\$ 9,755,789	\$ 55,791	\$ 39,298,938
University of Tennessee Health Science Center	\$ 1,359,976	\$ 43,424,000	\$ 3,390,450	\$ -	\$ 48,174,427
University of Tennessee System Total	\$ 11,284,613	\$ 285,519,272	\$ 61,475,410	\$ 55,791	\$ 358,335,086
Tennessee Board of Regents					
Austin Peay State University	\$ 136,396	\$ 36,255,216	\$ 613,493	\$ -	\$ 37,005,105
East Tennessee State University	\$ 100,221	\$ 32,717,232	\$ 21,781,822	\$ 2,242,000	\$ 56,841,275
Middle Tennessee State University	\$ 229,284	\$ 92,809,307	\$ 27,622,556	\$ -	\$ 120,661,147
Tennessee State University	\$ 1,100,000	\$ 38,252,688	\$ 775,000	\$ -	\$ 40,127,688
Tennessee Technological University	\$ 59,667	\$ 12,003,401	\$ 4,538,067	\$ -	\$ 16,601,135
University of Memphis	\$ 190,819	\$ 56,853,676	\$ 1,295,788	\$ -	\$ 58,340,283
TBR 4-Yr Institutions' Total	\$ 1,816,387	\$ 268,891,521	\$ 56,626,725	\$ 2,242,000	\$ 329,576,633
TBR 2-Yr Institutions' Total					
Chattanooga State Technical Community College	\$ -	\$ 1,278,041	\$ 2,287,868	\$ -	\$ 3,565,909
Cleveland State Community College	\$ -	\$ 612,764	\$ -	\$ -	\$ 612,764
Columbia State Community College	\$ -	\$ 119,047	\$ -	\$ -	\$ 119,047
Dyersburg State Community College	\$ -	\$ 421,638	\$ -	\$ -	\$ 421,638
Jackson State Community College	\$ -	\$ 606,351	\$ -	\$ -	\$ 606,351
Motlow State Community College	\$ -	\$ 620,318	\$ -	\$ -	\$ 620,318
Nashville State Technical Community College	\$ -	\$ 64,343	\$ 757,217	\$ -	\$ 821,559
Northeast State Community College	\$ -	\$ 1,084,335	\$ -	\$ -	\$ 1,084,335
Pellissippi State Technical Community College	\$ -	\$ 1,717,831	\$ -	\$ -	\$ 1,717,831
Roane State Community College	\$ -	\$ 2,314,190	\$ -	\$ -	\$ 2,314,190
Southwest Tennessee State Community College	\$ -	\$ 1,455,532	\$ -	\$ -	\$ 1,455,532
Volunteer State Community College	\$ -	\$ 559,183	\$ -	\$ -	\$ 559,183
Walters State Community College	\$ -	\$ 1,810,636	\$ -	\$ -	\$ 1,810,636
TBR 2-Yr Institutions' Total	\$ -	\$ 12,664,208	\$ 3,045,085	\$ -	\$ 15,709,292
Tennessee Board of Regents Total	\$ 1,816,387	\$ 281,555,728	\$ 59,671,810	\$ 2,242,000	\$ 345,285,925
Grand Total	\$ 13,101,000	\$ 567,075,000	\$ 121,147,220	\$ 2,297,791	\$ 703,621,011

(1) Data provided by the Tennessee State School Bond Authority

(2) Includes full accretion of College Savings Bonds.

(3) Excludes Commercial Paper not allocated to Institutions as of March 1, 2007 (see Appendix F).

TABLE P
TENNESSEE STATE SCHOOL BOND AUTHORITY
 Authority-Approved Projects For Commercial Paper Funding (1)
 As of March 1, 2007 (Unaudited)

	<u>Projects Authorized</u>	<u>Projects Authorized but Unfunded</u>
University of Tennessee System		
University of Tennessee at Knoxville	\$ 209,560,126	\$ 161,876,218
University of Tennessee at Chattanooga	\$ 12,000,000	\$ 11,979,738
University of Tennessee at Martin	\$ 61,746,251	\$ 51,365,462
University of Tennessee Health Science Center	\$ 22,476,510	\$ 19,086,060
Total for the University of Tennessee System	\$ 305,782,887	\$ 244,307,477
Tennessee Board of Regents		
Austin Peay State University	\$ 7,294,182	\$ 6,680,689
East Tennessee State University	\$ 77,818,965	\$ 56,037,143
Middle Tennessee State University	\$ 71,171,119	\$ 43,548,564
Tennessee State University	\$ 6,745,000	\$ 5,970,000
Tennessee Technological University	\$ 4,750,000	\$ 211,933
University of Memphis	\$ 49,340,000	\$ 48,044,212
TBR 4-Yr Institutions' Total	\$ 217,119,266	\$ 160,492,541
Cleveland State Community College	\$ -	\$ -
Chattanooga State Technical Community College	\$ 2,316,000	\$ 28,132
Dyersburg State Community College	\$ -	\$ -
Jackson State Community College	\$ -	\$ -
Motlow State Community College	\$ -	\$ -
Nashville State Technical Community College	\$ 797,000	\$ 39,783
Northeast State Technical Community College	\$ -	\$ -
Pellissippi State Technical Community College	\$ 1,730,000	\$ 1,730,000
Roane State Community College	\$ -	\$ -
Southwest Tennessee Community College	\$ 2,350,000	\$ 2,350,000
Volunteer State Community College	\$ -	\$ -
Walters State Community College	\$ -	\$ -
TBR 2-Yr Institutions' Total	\$ 7,193,000	\$ 4,147,915
 Total for the Tennessee Board of Regents	 \$ 224,312,266	 \$ 164,640,456
 Grand Total	 \$ 530,095,153	 \$ 408,947,933

(1) Data provided by the Tennessee State School Bond Authority

TABLE Q
TENNESSEE STATE SCHOOL BOND AUTHORITY FUNDING
as a Percentage of Institutional Facilities Value

	<u>Replacement Value (1)</u>	<u>Total Debt (2)</u>	<u>Debt as a % of Value</u>
University of Tennessee System			
University of Tennessee at Knoxville	\$ 1,956,490,582	\$ 226,213,061	11.6%
University of Tennessee at Chattanooga	\$ 250,700,540	\$ 44,648,660	17.8%
University of Tennessee at Martin	\$ 172,545,128	\$ 39,298,938	22.8%
University of Tennessee Health Science Center	\$ 397,121,524	\$ 48,174,427	12.1%
University of Tennessee System Total	\$ 2,776,857,774	\$ 358,335,086	12.9%
Tennessee Board of Regents			
Austin Peay State University	\$ 129,641,199	\$ 37,005,105	28.5%
East Tennessee State University	\$ 293,463,401	\$ 56,841,275	19.4%
Middle Tennessee State University	\$ 539,247,023	\$ 120,661,147	22.4%
Tennessee State University	\$ 277,878,048	\$ 40,127,688	14.4%
Tennessee Technological University	\$ 273,794,365	\$ 16,601,135	6.1%
University of Memphis	\$ 570,797,755	\$ 58,340,283	10.2%
TBR 4-Yr Institutions' Total	\$ 2,084,821,791	\$ 329,576,633	15.8%
Chattanooga State Technical Community College	\$ 46,263,680	\$ 3,565,909	7.7%
Cleveland State Community College	\$ 40,387,055	\$ 612,764	1.5%
Columbia State Community College	\$ 30,300,681	\$ 119,047	0.4%
Dyersburg State Community College	\$ 31,138,365	\$ 421,638	1.4%
Jackson State Community College	\$ 32,125,434	\$ 606,351	1.9%
Motlow State Community College	\$ 29,850,595	\$ 620,318	2.1%
Nashville State Technical Community College	\$ 33,513,855	\$ 821,559	2.5%
Northeast State Community College	\$ 30,087,380	\$ 1,084,335	3.6%
Pellissippi State Technical Community College	\$ 60,929,110	\$ 1,717,831	2.8%
Roane State Community College	\$ 55,171,140	\$ 2,314,190	4.2%
Southwest Tennessee State Community College	\$ 85,787,500	\$ 1,455,532	1.7%
Volunteer State Community College	\$ 37,824,559	\$ 559,183	1.5%
Walters State Community College	\$ 63,476,555	\$ 1,810,636	2.9%
TBR 2-Yr Institutions' Total	\$ 576,855,909	\$ 15,709,292	2.7%
Tennessee Board of Regents Total	\$ 2,661,677,700	\$ 345,285,925	13.0%
Grand Total	\$ 5,438,535,474	\$ 703,621,011	12.9%

(1) Data provided by the Tennessee Higher Education Commission - annual Physical Facilities Inventory report

(2) Data provided by the Tennessee State School Bond Authority

TABLE R
HIGHER EDUCATION ENROLLMENT IN TENNESSEE
 5-Year History of Fall Term Headcount Enrollment

Institution	2002	2003	% Change	2004	% Change	2005	% Change	2006	% Change	5-Year
	Four-Year Institutions									
Austin Peay State University	7,482	7,623	1.9%	8,650	13.5%	8,814	1.9%	9,207	4.5%	23.1%
East Tennessee State University *	11,365	11,624	2.3%	11,869	2.1%	11,894	0.2%	12,390	4.2%	9.0%
Middle Tennessee State University	21,163	21,744	2.7%	22,322	2.7%	22,554	1.0%	22,863	1.4%	8.0%
Tennessee State University	8,881	9,024	1.6%	9,100	0.8%	8,880	-2.4%	9,038	1.8%	1.8%
Tennessee Technological University	8,890	9,107	2.4%	9,217	1.2%	9,312	1.0%	9,733	4.5%	9.5%
University of Memphis	19,797	19,911	0.6%	20,668	3.8%	20,465	-1.0%	20,562	0.5%	3.9%
Tennessee Board of Regents 4-Year Institutions Total	77,578	79,033	1.9%	81,826	3.5%	81,919	0.1%	83,793	2.3%	8.0%
University of Tennessee at Chattanooga	8,524	8,528	0.0%	8,689	1.9%	8,656	-0.4%	8,923	3.1%	4.7%
University of Tennessee at Knoxville **	25,945	25,219	-2.8%	25,671	1.8%	26,294	2.4%	26,560	1.0%	2.4%
University of Tennessee at Martin	5,714	5,770	1.0%	6,098	5.7%	6,478	6.2%	6,888	6.3%	20.5%
University of Tennessee Health Science Center	2,039	2,067	1.4%	2,139	3.5%	2,260	5.7%	2,425	7.3%	18.9%
University of Tennessee System Total	42,222	41,584	-1.5%	42,597	2.4%	43,688	2.6%	44,796	2.5%	6.1%
Four-Year Institutions Total	119,800	120,617	0.7%	124,423	3.2%	125,607	1.0%	128,589	2.4%	7.3%
Two-Year Institutions										
Chattanooga State Technical Community College	8,411	8,120	-3.5%	8,121	0.0%	7,836	-3.5%	8,060	2.9%	-4.2%
Cleveland State Community College	3,127	3,161	1.1%	2,962	-6.3%	3,027	2.2%	2,947	-2.6%	-5.8%
Columbia State Community College	4,506	4,613	2.4%	4,697	1.8%	4,747	1.1%	4,522	-4.7%	0.4%
Dyersburg State Community College	2,362	2,515	6.5%	2,477	-1.5%	2,457	-0.8%	2,586	5.3%	9.5%
Jackson State Community College	3,949	3,993	1.1%	3,963	-0.8%	3,859	-2.6%	4,099	6.2%	3.8%
Motlow State Community College	3,631	3,478	-4.2%	3,539	1.8%	3,407	-3.7%	3,833	12.5%	5.6%
Northeast State Technical Community College	4,592	4,836	5.3%	5,085	5.1%	4,860	-4.4%	5,145	5.9%	12.0%
Nashville State Technical Community College	6,874	6,766	-1.6%	7,021	3.8%	7,198	2.5%	7,192	-0.1%	4.6%
Pellissippi State Technical Community College	7,795	7,563	-3.0%	7,562	0.0%	7,686	1.6%	8,188	6.5%	5.0%
Roane State Community College	5,233	5,385	2.9%	5,331	-1.0%	5,155	-3.3%	5,353	3.8%	2.3%
Southwest Tennessee Community College	11,039	11,629	5.3%	11,791	1.4%	11,556	-2.0%	11,446	-1.0%	3.7%
Volunteer State Community College	6,979	6,991	0.2%	7,044	0.8%	7,150	1.5%	7,370	3.1%	5.6%
Walters State Community College	5,902	6,214	5.3%	5,905	-5.0%	5,879	-0.4%	5,738	-2.4%	-2.8%
Two-Year Institutions Total	74,400	75,264	1.2%	75,498	0.3%	74,817	-0.9%	76,479	2.2%	2.8%
Grand Total	194,200	195,881	0.9%	199,921	2.1%	200,424	0.3%	205,068	2.3%	5.6%

* Includes ETSU Medical School

** Includes UT Space Institute and UT Veterinary College

TABLE S
HIGHER EDUCATION ENROLLMENT IN TENNESSEE
5-Year History of Fall Term FTE Enrollment

Institution	2002	2003	% Change	2004	% Change	2005	% Change	2006	% Change	5-Year
	Four Year Institutions									
Austin Peay State University	6,079	6,278	3.3%	6,939	10.5%	7,336	5.7%	7,443	1.5%	22.4%
East Tennessee State University *	9,664	9,936	2.8%	10,070	1.4%	10,185	1.1%	10,594	4.0%	9.6%
Middle Tennessee State University	18,151	18,735	3.2%	19,037	1.6%	19,139	0.5%	19,355	1.1%	6.6%
Tennessee State University	7,703	7,716	0.2%	7,662	-0.7%	7,462	-2.6%	7,464	0.0%	-3.1%
Tennessee Technological University	7,554	7,509	-0.6%	7,559	0.7%	7,562	0.0%	7,900	4.5%	4.6%
University of Memphis	15,696	15,720	0.2%	16,128	2.6%	15,910	-1.4%	15,946	0.2%	1.6%
Tennessee Board of Regents 4-Year Institutions Total	64,846	65,894	1.6%	67,394	2.3%	67,593	0.3%	68,702	1.6%	5.9%
University of Tennessee at Chattanooga	7,050	7,138	1.2%	7,326	2.6%	7,317	-0.1%	7,564	3.4%	7.3%
University of Tennessee at Knoxville **	23,221	22,730	-2.1%	23,141	1.8%	23,642	2.2%	24,016	1.6%	3.4%
University of Tennessee at Martin	5,311	5,265	-0.9%	5,570	5.8%	5,833	4.7%	5,968	2.3%	12.4%
University of Tennessee Health Science Center	1,977	2,008	1.5%	2,062	2.7%	3,412	65.4%	3,583	5.0%	81.2%
University of Tennessee System Total	37,559	37,141	-1.1%	38,099	2.6%	40,205	5.5%	41,131	2.3%	9.5%
Four-Year Institutions Total	102,404	103,035	0.6%	105,494	2.4%	107,797	2.2%	109,833	1.9%	7.3%
Two-Year Institutions										
Chattanooga State Technical Community College	5,264	5,186	-1.5%	5,124	-1.2%	4,890	-4.6%	5,054	3.4%	-4.0%
Cleveland State Community College	2,200	2,224	1.1%	2,088	-6.1%	2,103	0.7%	2,034	-3.3%	-7.5%
Columbia State Community College	3,108	3,082	-0.8%	3,145	2.1%	3,120	-0.8%	2,963	-5.0%	-4.7%
Dyersburg State Community College	1,657	1,819	9.8%	1,770	-2.7%	1,744	-1.4%	1,693	-2.9%	2.2%
Jackson State Community College	2,713	2,743	1.1%	2,702	-1.5%	2,573	-4.8%	2,791	8.5%	2.9%
Motlow State Community College	2,556	2,436	-4.7%	2,465	1.2%	2,392	-3.0%	2,566	7.3%	0.4%
Northeast State Technical Community College	2,968	3,112	4.9%	3,334	7.2%	3,142	-5.8%	3,374	7.4%	13.7%
Nashville State Technical Community College	3,757	3,769	0.3%	3,889	3.2%	4,074	4.8%	4,083	0.2%	8.7%
Pellissippi State Technical Community College	5,208	5,013	-3.7%	4,963	-1.0%	4,963	0.0%	5,149	3.7%	-1.1%
Roane State Community College	3,767	3,775	0.2%	3,850	2.0%	3,603	-6.4%	3,738	3.7%	-0.8%
Southwest Tennessee Community College	7,141	7,361	3.1%	7,561	2.7%	7,332	-3.0%	7,306	-0.4%	2.3%
Volunteer State Community College	4,525	4,426	-2.2%	4,483	1.3%	4,553	1.6%	4,677	2.7%	3.4%
Walters State Community College	3,867	4,067	5.2%	3,864	-5.0%	3,826	-1.0%	3,872	1.2%	0.1%
Two-Year Institutions Total	48,729	49,013	0.6%	49,238	0.5%	48,315	-1.9%	49,300	2.0%	1.2%
Grand Total	151,133	152,048	0.6%	154,732	1.8%	156,112	0.9%	159,133	1.9%	5.3%

* Includes ETSU Medical School
 ** Includes UT Space Institute and UT Veterinary College

TABLE T

Headcount Enrollment Projections to 2010

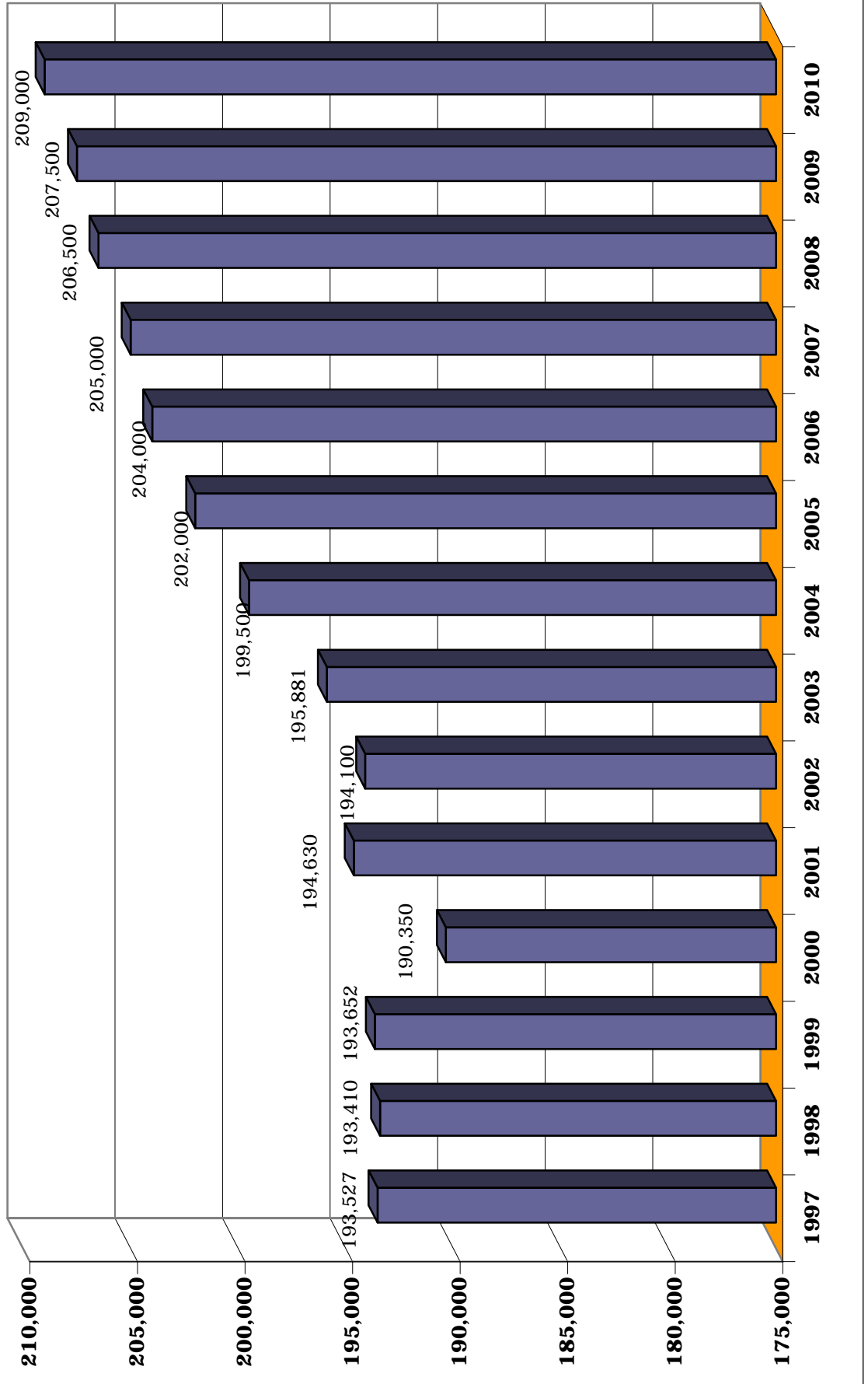


TABLE U
SOUTHERN REGIONAL EDUCATION BOARD (SREB) INSTITUTIONS
Full-Time-Equivalent Enrollment in Public Colleges and Universities

State	2001-02	2002-03	2003-04	2004-05	2005-06
Four Year Institutions					
Alabama	106,910	109,826	113,902	115,515	115,873
Arkansas	56,274	57,635	59,073	60,794	62,161
Delaware	21,443	21,994	22,230	22,103	22,353
Florida	205,958	215,446	225,439	232,591	241,404
Georgia	143,517	153,873	163,130	166,617	167,316
Kentucky	87,480	90,818	94,580	96,060	96,201
Louisiana	132,335	134,235	136,704	137,710	133,628
Maryland	83,609	86,790	88,318	88,027	89,121
Mississippi	57,738	58,803	59,285	60,799	60,645
North Carolina	145,747	152,893	158,255	165,066	171,132
Oklahoma	77,854	83,672	85,626	87,126	87,211
South Carolina	75,677	77,877	79,008	79,499	80,263
Tennessee	103,298	105,753	106,813	107,781	108,105
Texas	361,974	383,289	399,542	407,213	409,946
Virginia	152,884	157,390	163,391	164,323	167,729
West Virginia	56,273	57,882	55,778	53,334	54,280
SREB States Total	1,868,971	1,948,174	2,011,074	2,044,560	2,067,366
Two-Year Institutions					
Alabama	55,941	61,538	63,823	61,870	61,295
Arkansas	28,665	32,434	35,167	36,673	38,085
Delaware	7,702	8,156	9,143	9,483	8,055
Florida	258,145	279,208	294,380	298,170	291,798
Georgia	35,956	41,072	45,532	48,678	49,932
Kentucky	31,085	33,592	44,473	44,389	43,642
Louisiana	22,684	26,033	28,821	29,829	24,764
Maryland	59,905	65,337	68,387	69,215	78,736
Mississippi	49,372	52,848	56,328	57,745	57,086
North Carolina	179,413	194,171	209,899	214,612	226,217
Oklahoma	38,783	44,004	46,886	48,444	48,886
South Carolina	56,613	60,126	64,085	64,452	64,082
Tennessee	49,677	51,445	52,701	52,512	51,259
Texas	343,856	372,184	390,614	398,104	401,985
Virginia	84,963	91,285	93,576	93,170	94,098
West Virginia	6,191	6,831	11,596	15,258	15,164
SREB States Total	1,308,949	1,420,264	1,515,410	1,542,604	1,555,085

Source: SREB-State Data Exchange.