

**Tennessee Higher Education Commission
Breakdown of Outcomes-Based Formula Components
Impact on 2015-16 State Appropriations**

This analysis examines the impact of individual outcome changes on each institution's 2015-16 state appropriations. It isolates the impact that each outcome had on the bottom line distribution of state funding, institution by institution. All else being equal, if an institution's outcomes or other formula components had not changed in the 2015-16 formula, and remained as they were in the 2014-15 formula, this analysis isolates the state appropriation gained or lost.

The starting point for the analysis is a scenario where all other institutions' 2015-16 formula data is updated, except the institution under analysis. This represents the change in state appropriations the institution would have experienced if its data (both outcomes and other formula components) had not changed in the 2015-16 formula. The analysis then adds new data, one outcome at a time, and calculates the resulting state appropriation impact.

Additional explanation is provided as footnotes on the 'CC' and 'University' tabs. Also, a summary of the 2015-16 THEC recommended state funding and the 2015-16 Final Work Program are provided for reference.

Impact of Outcomes Formula Components on 2015-16 THEC Recommended State Appropriations

Starting Point	APSU			ETSU			MTSU			TSU		
	\$ 633,100 Effect	Outcome Change	Outcome Weight	\$ 734,500 Effect	Outcome Change	Outcome Weight	\$ 1,317,700 Effect	Outcome Change	Outcome Weight	\$ 489,900 Effect	Outcome Change	Outcome Weight
Students Accumulating 24 hrs	\$ (26,200)	-2.0%	3.0%	\$ (73,700)	-4.8%	3.0%	\$ (149,700)	-5.7%	3.0%	\$ 36,300	4.0%	3.0%
Students Accumulating 48 hrs	\$ 3,000	0.1%	5.0%	\$ (55,000)	-2.2%	5.0%	\$ (223,000)	-4.7%	5.0%	\$ 7,100	0.5%	5.0%
Students Accumulating 72 hrs	\$ 104,100	3.5%	7.0%	\$ (31,000)	-0.8%	7.0%	\$ (124,700)	-1.6%	7.0%	\$ 39,900	2.0%	7.0%
Bachelors and Associates	\$ 909,000	7.1%	25.0%	\$ 861,600	5.0%	25.0%	\$ 669,900	2.2%	25.0%	\$ (409,300)	-4.4%	25.0%
Masters / Ed Specialists	\$ 99,800	2.2%	20.0%	\$ 66,600	0.9%	15.0%	\$ (231,700)	-2.2%	15.0%	\$ 432,600	8.9%	15.0%
Doctoral / Law Degree	\$ -	0.0%	0.0%	\$ 409,100	14.1%	7.5%	\$ 134,500	19.0%	7.5%	\$ 214,200	8.8%	7.5%
Research and Service	\$ (40,900)	-11.3%	10.0%	\$ (169,200)	-5.0%	12.5%	\$ (777,400)	-22.9%	12.5%	\$ (21,900)	-0.5%	12.5%
Transfers Out with 12 hrs	\$ 42,000	9.0%	10.0%	\$ 6,500	1.5%	5.0%	\$ 29,700	4.2%	5.0%	\$ 4,700	2.0%	5.0%
Degrees per 100 FTE	\$ 146,700	6.9%	10.0%	\$ 145,100	6.4%	10.0%	\$ 124,200	5.7%	10.0%	\$ (100,000)	-4.7%	10.0%
Six-Year Graduation Rate	\$ 176,800	7.4%	10.0%	\$ 176,800	6.1%	10.0%	\$ 101,100	3.5%	10.0%	\$ 245,200	11.2%	10.0%
Faculty Salary	\$ 78,300	0.3%		\$ 534,300	1.2%		\$ 769,700	1.2%		\$ 360,300	1.2%	
E&G sf (less portables)	\$ 700	0.0%		\$ 167,100	2.4%		\$ 25,100	0.2%		\$ (105,800)	-1.7%	
Rate for E&G sf	\$ 74,100	3.0%		\$ 133,200	3.0%		\$ 177,900	3.0%		\$ 106,500	3.0%	
Portable E&G sf	\$ -	0.0%		\$ -	0.0%		\$ -	0.0%		\$ -	0.0%	
Rate for Portable E&G sf	\$ -	3.0%		\$ -	3.0%		\$ -	3.0%		\$ -	3.0%	
20+ Yr Old sf	\$ -	0.0%		\$ 4,100	0.4%		\$ (21,100)	-2.0%		\$ 73,700	10.2%	
Rate for 20+ Year Old sf	\$ 11,900	3.0%		\$ 29,600	3.0%		\$ 30,100	3.0%		\$ 23,200	3.0%	
Rate for Utilities	\$ 21,800	1.2%		\$ 31,500	1.2%		\$ 51,800	1.2%		\$ 31,400	1.2%	
Rent	\$ 14,900	40.3%		\$ 1,700	2.2%		\$ (2,200)	-1.8%		\$ (10,700)	-75.0%	
Equipment	\$ 24,300	4.8%		\$ 53,500	6.1%		\$ 59,700	3.6%		\$ 47,000	5.0%	
Performance Funding	\$ (18,400)	-1.1%		\$ (25,000)	-1.1%		\$ (275,500)	-7.1%		\$ (82,100)	-5.6%	
Out of State Tuition Deduction	\$ (226,000)	20.4%		\$ (1,148,700)	16.1%		\$ (438,800)	13.1%		\$ (1,357,800)	18.3%	
Legislative Initiatives	\$ -	0.0%		\$ -	0.0%		\$ -	0.0%		\$ -	0.0%	
Total Increase	\$ 2,029,000			\$ 1,852,600			\$ 1,247,300			\$ 24,400		

Note: This table presents the estimated effects of each component of the Outcomes-Based Funding Formula on the THEC recommended state appropriation to each institution. Outcome changes are the percent changes in the weighted outcomes from the 2014-15 formula to the 2015-16 formula.

How to read this table: Using East Tennessee as an example, the starting point (Cell E5) of \$734,500 represents the difference between 2014-15 and 2015-16 appropriations due to the funding formula if East Tennessee's data had stayed at 2014-15 levels while all other institutions' data changed to 2015-16 levels. This is the beginning "base" on which the effects of East Tennessee's changes in 2015-16 are built.

Next, the estimated effect of the first outcome -- Students Accumulating 24 hours -- is determined. East Tennessee had a 4.8% decline (Cell F7) for this outcome between 2014-15 and 2015-16. East Tennessee's performance on this outcome resulted in a loss of \$73,700 (E7) in recommended appropriations in 2015-16.

The effects of the next outcome -- Students Accumulating 48 hours -- is then determined. Here, East Tennessee declined 2.2% (F8) from 2014-15 to 2015-16, which corresponds to a loss of \$55,000 (E8) in recommended appropriations in 2015-16.

This process is repeated for the remaining formula outcomes, faculty salary multiplier and fixed costs. Appropriations gained or lost due to East Tennessee's performance in 2015-16 are then summed (Cell E30) for the total change in recommended appropriations from 2014-15 to 2015-16 of \$1,852,600. This amount corresponds to East Tennessee's change in recommended appropriations highlighted in Column E on the '2015-16 THEC Recommendation' tab.

Impact of Outcomes Formula Components on 2015-16 THEC Recommended State Appropriations

Starting Point	TTU			UM			UTC			UTK		
	\$ 589,300 Effect	Outcome Change	Outcome Weight	\$ 1,699,600 Effect	Outcome Change	Outcome Weight	\$ 713,000 Effect	Outcome Change	Outcome Weight	\$ 3,550,700 Effect	Outcome Change	Outcome Weight
Students Accumulating 24 hrs	\$ 96,900	7.3%	3.0%	\$ (46,100)	-3.2%	2.0%	\$ 17,800	1.2%	3.0%	\$ (99,100)	-4.8%	2.0%
Students Accumulating 48 hrs	\$ 59,100	2.8%	5.0%	\$ 29,400	1.3%	3.0%	\$ (7,100)	-0.3%	5.0%	\$ 29,900	0.9%	3.0%
Students Accumulating 72 hrs	\$ 122,300	3.8%	7.0%	\$ 110,400	2.6%	5.0%	\$ 31,400	1.0%	7.0%	\$ 68,700	1.1%	5.0%
Bachelors and Associates	\$ 530,500	4.2%	25.0%	\$ 1,025,600	4.2%	25.0%	\$ 1,081,300	9.9%	25.0%	\$ 259,400	1.2%	15.0%
Masters / Ed Specialists	\$ (1,090,100)	-19.9%	15.0%	\$ 122,800	0.9%	15.0%	\$ 4,100	0.1%	15.0%	\$ 277,200	1.4%	15.0%
Doctoral / Law Degree	\$ 15,400	3.9%	5.0%	\$ 67,500	0.5%	10.0%	\$ 74,700	5.5%	5.0%	\$ 1,177,300	4.2%	10.0%
Research and Service	\$ (76,900)	-7.1%	10.0%	\$ (237,900)	-2.6%	12.5%	\$ (43,800)	-3.6%	10.0%	\$ (363,700)	-1.2%	15.0%
Transfers Out with 12 hrs	\$ 73,900	10.3%	10.0%	\$ 63,100	11.7%	5.0%	\$ 166,300	13.8%	10.0%	\$ 57,600	8.1%	5.0%
Degrees per 100 FTE	\$ 23,600	1.1%	10.0%	\$ 97,900	5.6%	7.5%	\$ 123,600	6.6%	10.0%	\$ 18,000	0.6%	10.0%
Six-Year Graduation Rate	\$ 137,200	4.3%	10.0%	\$ 292,000	6.7%	15.0%	\$ 141,300	5.0%	10.0%	\$ 704,100	7.6%	20.0%
Faculty Salary	\$ 81,500	0.3%		\$ 703,000	0.9%		\$ 84,100	0.3%		\$ (7,300)	0.0%	
E&G sf (less portables)	\$ 48,000	0.8%		\$ 474,700	3.9%		\$ 685,800	11.1%		\$ 297,300	1.5%	
Rate for E&G sf	\$ 100,900	3.0%		\$ 239,100	3.0%		\$ 118,600	3.0%		\$ 349,900	3.0%	
Portable E&G sf	\$ -	0.0%		\$ -	0.0%		\$ 600	5.5%		\$ -	0.0%	
Rate for Portable E&G sf	\$ -	3.0%		\$ -	3.0%		\$ -	3.0%		\$ -	3.0%	
20+ Yr Old sf	\$ (31,200)	-3.2%		\$ (16,000)	-0.9%		\$ 125,100	22.8%		\$ 7,300	0.3%	
Rate for 20+ Year Old sf	\$ 28,300	3.0%		\$ 50,600	3.0%		\$ 20,000	3.0%		\$ 76,900	3.0%	
Rate for Utilities	\$ 29,500	1.2%		\$ 56,200	1.2%		\$ 34,900	1.2%		\$ 102,600	1.2%	
Rent	\$ -	0.0%		\$ 4,400	3.3%		\$ -	0.0%		\$ 35,000	32.2%	
Equipment	\$ 33,700	4.0%		\$ 3,300	0.3%		\$ 25,900	5.1%		\$ (450,500)	-6.9%	
Performance Funding	\$ -	0.0%		\$ (260,500)	-6.5%		\$ (40,100)	-3.1%		\$ (222,600)	2.2%	
Out of State Tuition Deduction	\$ (765,500)	25.2%		\$ (759,900)	8.6%		\$ (135,900)	3.8%		\$ (431,900)	10.4%	
Legislative Initiatives	\$ -	0.0%		\$ -	0.0%		\$ -	0.0%		\$ -	0.0%	
Total Increase	\$ 6,400			\$ 3,719,200			\$ 3,221,600			\$ 5,436,800		

Note: This table presents the estimated effects of each component of the Outcomes-Based Funding Formula on the THEC recommended state appropriation to each institution. Outcome changes are the percent changes in the weighted outcomes from the 2014-15 formula to the 2015-16 formula.

How to read this table: Using University of Tennessee, Chattanooga as an example, the starting point (Cell H53) of \$713,000 represents the difference between 2014-15 and 2015-16 appropriations due to the funding formula if UT Chattanooga's data had stayed at 2014-15 levels while all other institutions' data changed to 2015-16 levels. This is the beginning "base" on which the effects of UT Chattanooga's changes in 2015-16 are built.

Next, the estimated effect of the first outcome -- Students Accumulating 24 hours -- is determined. UT Chattanooga had a 1.2% increase (Cell I55) for this outcome between 2014-15 and 2015-16. UT Chattanooga's performance on this outcome resulted in a gain of \$17,800 (H55) in recommended appropriations in 2015-16.

The effects of the next outcome -- Students Accumulating 48 hours -- is then determined. Here, UT Chattanooga declined 0.3% (I56) from 2014-15 to 2015-16, which corresponds to a loss of \$7,100 (H56) in recommended appropriations in 2015-16.

This process is repeated for the remaining formula outcomes, faculty salary multiplier and fixed costs. Appropriations gained or lost due to UT Chattanooga's performance in 2015-16 are then summed (Cell H78) for the total change in recommended appropriations from 2014-15 to 2015-16 of \$3,221,600. This amount corresponds to UT Chattanooga's change in recommended appropriation highlighted in Column E on the '2015-16 THEC Recommendation' tab.

Impact of Outcomes Formula Components on 2015-16 THEC Recommended State Appropriations

Starting Point	UTM		
	\$ 419,700	Outcome	Outcome
	Effect	Change	Weight
Students Accumulating 24 hrs	\$ (68,000)	-6.6%	3.0%
Students Accumulating 48 hrs	\$ (78,600)	-4.8%	5.0%
Students Accumulating 72 hrs	\$ (80,700)	-3.4%	7.0%
Bachelors and Associates	\$ 655,500	6.7%	30.0%
Masters / Ed Specialists	\$ (96,700)	-7.0%	15.0%
Doctoral / Law Degree	\$ -	0.0%	0.0%
Research and Service	\$ (50,400)	-16.3%	10.0%
Transfers Out with 12 hrs	\$ 22,700	4.3%	10.0%
Degrees per 100 FTE	\$ 209,600	7.8%	15.0%
Six-Year Graduation Rate	\$ 36,600	2.4%	5.0%
Faculty Salary	\$ 131,900	0.6%	
E&G sf (less portables)	\$ (194,900)	-4.4%	
Rate for E&G sf	\$ 80,400	3.0%	
Portable E&G sf	\$ 600	0.0%	
Rate for Portable E&G sf	\$ -	3.0%	
20+ Yr Old sf	\$ 54,500	8.3%	
Rate for 20+ Year Old sf	\$ 21,700	3.0%	
Rate for Utilities	\$ 19,200	1.2%	
Rent	\$ 123,000	48.0%	
Equipment	\$ 7,700	1.7%	
Performance Funding	\$ 27,000	-2.1%	
Out of State Tuition Deduction	\$ (173,900)	6.2%	
Legislative Initiatives	\$ -	0.0%	
Total Increase	\$ 1,066,900		

Note: This table presents the estimated effects of each component of the Outcomes-Based Funding Formula on the THEC recommended state appropriation to each institution. Outcome changes are the percent changes in the weighted outcomes from the 2014-15 formula to the 2015-16 formula.

How to read this table: For UT Martin, the starting point (Cell B101) of \$419,700 represents the difference between 2014-15 and 2015-16 appropriations due to the funding formula if UT Martin's data had stayed at 2014-15 levels while all other institutions' data changed to 2015-16 levels. This is the beginning "base" on which the effects of UT Martin's changes in 2015-16 are built.

Next, the estimated effect of the first outcome -- Students Accumulating 24 hours -- is determined. UT Martin had an 6.6% decline (Cell C103) for this outcome between 2014-15 and 2015-16. UT Martin's performance on this outcome resulted in a loss of \$68,000 (B103) in recommended appropriations in 2015-16.

The effects of the next outcome -- Students Accumulating 48 hours -- is then determined. Here, UT Martin decreased 4.8% (C104) from 2014-15 to 2015-16, which corresponds to a loss of \$78,600 (B104) in recommended appropriations in 2015-16.

This process is repeated for the remaining formula outcomes, faculty salary multiplier and fixed costs. Appropriations gained or lost due to UT Martin's performance in 2015-16 are then summed (Cell B126) for the total change in recommended appropriations from 2014-15 to 2015-16 of \$1,066,900. This amount corresponds to UT Martin's change in recommended appropriation highlighted in Column E on the '2015-16 THEC Recommendation' tab.

Impact of Outcomes Formula Components on 2015-16 THEC Recommended State Appropriations

Starting Point	Chattanooga			Cleveland			Columbia			Dyersburg		
	\$ 482,400 Effect	Outcome Change	Outcome Weight	\$ 160,900 Effect	Outcome Change	Outcome Weight	\$ 223,600 Effect	Outcome Change	Outcome Weight	\$ 134,200 Effect	Outcome Change	Outcome Weight
Students Accumulating 12 hrs	\$ (151,400)	-6.6%	6.0%	\$ (67,500)	-6.2%	6.0%	\$ (39,700)	-4.1%	4.0%	\$ (107,500)	-10.7%	6.0%
Students Accumulating 24 hrs	\$ (135,200)	-6.3%	7.0%	\$ (71,800)	-7.5%	7.0%	\$ (59,900)	-5.7%	5.0%	\$ (71,900)	-8.5%	7.0%
Students Accumulating 36 hrs	\$ (92,600)	-4.9%	7.0%	\$ (59,500)	-7.5%	7.0%	\$ (33,500)	-3.3%	6.0%	\$ (29,000)	-4.4%	7.0%
Dual Enrollment	\$ 53,500	7.9%	5.0%	\$ 124,600	17.1%	10.0%	\$ 111,000	12.3%	10.0%	\$ 51,100	10.6%	5.0%
Associates	\$ 84,100	8.0%	5.0%	\$ 118,300	9.2%	15.0%	\$ 69,600	5.4%	10.0%	\$ 54,100	8.1%	10.0%
1-2 Year Certificates	\$ 21,700	11.9%	5.0%	\$ (1,200)	-8.9%	1.0%	\$ -	0.0%	4.0%	\$ 3,000	24.6%	2.0%
<1yr Certificates	\$ 31,900	25.4%	5.0%	\$ 30,600	9.6%	9.0%	\$ -	0.0%	1.0%	\$ 9,300	49.6%	8.0%
Job Placements	\$ 1,162,400	31.1%	20.0%	\$ (30,000)	-6.4%	5.0%	\$ (24,300)	-4.5%	5.0%	\$ 55,200	10.9%	10.0%
Remedial & Developmental Success	\$ 37,700	3.1%	10.0%	\$ 35,600	4.1%	20.0%	\$ (15,900)	-2.4%	10.0%	\$ 93,500	9.3%	20.0%
Transfers Out with 12 hrs	\$ 37,800	4.3%	15.0%	\$ (1,300)	-0.3%	10.0%	\$ (13,500)	-1.3%	20.0%	\$ 11,600	3.1%	15.0%
Workforce Training (Contact Hours)	\$ (463,400)	-5.4%	10.0%	\$ 22,700	15.1%	5.0%	\$ (48,100)	-3.4%	5.0%	\$ 102,000	68.4%	5.0%
Awards per 100 FTE	\$ 42,600	12.1%	5.0%	\$ 37,400	10.5%	5.0%	\$ 131,200	8.1%	20.0%	\$ 60,700	19.6%	5.0%
Faculty Salary	\$ (73,200)	-0.3%		\$ (22,700)	-0.3%		\$ (33,000)	-0.3%		\$ (19,600)	-0.3%	
E&G sf (less portables)	\$ 88,700	3.1%		\$ (95,600)	-7.5%		\$ 119,000	8.0%		\$ -	0.0%	
Rate for E&G sf	\$ 51,100	3.0%		\$ 22,100	3.0%		\$ 27,500	3.0%		\$ 23,300	3.0%	
Portable E&G sf	\$ -	0.0%		\$ -	0.0%		\$ -	0.0%		\$ -	0.0%	
Rate for Portable E&G sf	\$ -	3.0%		\$ -	3.0%		\$ -	3.0%		\$ -	3.0%	
20+ Yr Old sf	\$ (93,600)	-19.3%		\$ 66,800	35.8%		\$ (32,300)	-16.1%		\$ (11,600)	-11.6%	
Rate for 20+ Year Old sf	\$ 11,900	3.0%		\$ 7,300	3.0%		\$ 4,800	3.0%		\$ 2,500	3.0%	
Rate for Utilities	\$ 14,500	1.2%		\$ 5,600	1.2%		\$ 8,600	1.2%		\$ 5,400	1.2%	
Rent	\$ 4,200	3.6%		\$ 7,900	9.8%		\$ (1,900)	-1.5%		\$ -	0.0%	
Equipment	\$ (4,900)	-0.9%		\$ 13,500	8.2%		\$ 8,600	4.7%		\$ 9,900	12.2%	
Quality Assurance	\$ (54,500)	-4.1%		\$ 14,100	3.4%		\$ (26,200)	-4.3%		\$ -	0.0%	
Out of State Tuition Deduction	\$ (117,600)	8.8%		\$ (4,300)	5.5%		\$ (101,400)	80.9%		\$ (24,500)	42.8%	
Legislative Initiatives	\$ -	0.0%		\$ -	0.0%		\$ -	0.0%		\$ -	0.0%	
Total Increase	\$ 938,100			\$ 313,500			\$ 274,200			\$ 351,700		

Note: This table presents the estimated effects of each component of the Outcomes-Based Funding Formula on the THEC recommended state appropriation to each institution. Outcome changes are the percent changes in the weighted outcomes from the 2014-15 formula to the 2015-16 formula.

How to read this table: Using Cleveland State as an example, the starting point (Cell E5) of \$160,900 represents the difference between 2014-15 and 2015-16 appropriations due to the funding formula if Cleveland State's data had stayed at 2014-15 levels while all other institutions' data changed to 2015-16 levels. This is the beginning "base" on which the effects of Cleveland State's changes in 2015-16 are built.

Next, the estimated effect of the first outcome -- Students Accumulating 12 hours -- is determined. Cleveland State had a 6.2% decline (Cell F7) for this outcome between 2014-15 and 2015-16. Cleveland State's performance on this outcome resulted in a loss of \$67,500 (E7) in recommended appropriations in 2015-16.

The effects of the next outcome -- Students Accumulating 24 hours -- is then determined. Here, Cleveland State declined 7.5% (F8) from 2014-15 to 2015-16, which corresponds to a loss of \$71,800 (E8) in recommended appropriations in 2015-16.

This process is repeated for the remaining formula outcomes, faculty salary multiplier and fixed costs. Appropriations gained or lost due to Cleveland State's performance in 2015-16 are then summed (Cell E32) for the total change in recommended appropriations from 2014-15 to 2015-16 of \$313,500. This amount corresponds to Cleveland State's change in recommended appropriations highlighted in Column E on the '2015-16 THEC Recommendation' tab. THEC's Community College recommendation is only for the sector as a whole. Institutional detail is for informational purposes only.

Impact of Outcomes Formula Components on 2015-16 THEC Recommended State Appropriations

Starting Point	Jackson			Motlow			Nashville			Northeast		
	\$ 197,800	Outcome Change	Outcome Weight	\$ 191,000	Outcome Change	Outcome Weight	\$ 294,200	Outcome Change	Outcome Weight	\$ 250,400	Outcome Change	Outcome Weight
	Effect			Effect			Effect			Effect		
Students Accumulating 12 hrs	\$ (83,200)	-7.0%	6.0%	\$ (12,900)	-1.0%	6.0%	\$ 8,000	0.5%	4.0%	\$ (76,300)	-7.2%	4.0%
Students Accumulating 24 hrs	\$ (110,200)	-9.9%	7.0%	\$ (19,400)	-1.6%	7.0%	\$ (46,800)	-2.8%	5.0%	\$ (89,200)	-7.7%	5.0%
Students Accumulating 36 hrs	\$ (54,900)	-6.0%	7.0%	\$ (50,300)	-4.7%	7.0%	\$ (40,100)	-2.3%	6.0%	\$ (52,500)	-4.3%	6.0%
Dual Enrollment	\$ 69,100	13.7%	5.0%	\$ 53,200	11.0%	5.0%	\$ 6,600	1.1%	5.0%	\$ 43,900	12.0%	5.0%
Associates	\$ (150,000)	-5.9%	20.0%	\$ 58,200	4.5%	10.0%	\$ 225,700	7.5%	20.0%	\$ 155,700	4.6%	20.0%
1-2 Year Certificates	\$ 8,600	57.6%	3.0%	\$ -	0.0%	0.0%	\$ 33,400	23.8%	7.0%	\$ 11,000	2.4%	17.0%
<1yr Certificates	\$ 26,400	56.1%	7.0%	\$ 10,400	28.4%	5.0%	\$ 204,700	43.9%	13.0%	\$ 6,800	75.7%	3.0%
Job Placements	\$ (30,600)	-4.2%	5.0%	\$ 12,800	3.2%	10.0%	\$ (162,800)	-10.9%	10.0%	\$ 500,200	40.8%	10.0%
Remedial & Developmental Success	\$ 4,800	0.5%	15.0%	\$ (40,900)	-5.5%	10.0%	\$ 3,600	0.3%	10.0%	\$ 20,700	4.9%	5.0%
Transfers Out with 12 hrs	\$ 22,700	6.7%	10.0%	\$ (40,500)	-3.4%	20.0%	\$ 26,200	3.6%	10.0%	\$ 12,200	2.8%	10.0%
Workforce Training (Contact Hours)	\$ 26,900	6.9%	5.0%	\$ (17,700)	-11.2%	5.0%	\$ 17,000	2.0%	5.0%	\$ 32,900	22.8%	5.0%
Awards per 100 FTE	\$ 34,200	4.2%	10.0%	\$ 106,400	8.5%	15.0%	\$ 20,000	8.0%	5.0%	\$ 96,300	11.5%	10.0%
Faculty Salary	\$ (29,300)	-0.3%		\$ (28,700)	-0.3%		\$ (43,700)	-0.3%		\$ (35,400)	-0.3%	
E&G sf (less portables)	\$ 139,500	11.2%		\$ 2,400	0.2%		\$ 327,500	17.1%		\$ (3,000)	-0.2%	
Rate for E&G sf	\$ 26,300	3.0%		\$ 27,600	3.0%		\$ 42,500	3.0%		\$ 24,400	3.0%	
Portable E&G sf	\$ -	0.0%		\$ -	0.0%		\$ (28,500)	-100.0%		\$ -	0.0%	
Rate for Portable E&G sf	\$ -	3.0%		\$ -	3.0%		\$ -	3.0%		\$ -	3.0%	
20+ Yr Old sf	\$ -	-0.2%		\$ (1,300)	-1.3%		\$ -	0.0%		\$ -	0.0%	
Rate for 20+ Year Old sf	\$ 4,200	3.0%		\$ 3,700	3.0%		\$ -	3.0%		\$ 4,300	3.0%	
Rate for Utilities	\$ 6,200	1.2%		\$ 6,100	1.2%		\$ 10,300	1.2%		\$ 6,700	1.2%	
Rent	\$ 2,400	3.1%		\$ -	0.0%		\$ 35,800	111.1%		\$ 150,400	26.1%	
Equipment	\$ 6,100	2.7%		\$ 21,500	18.4%		\$ 16,400	8.2%		\$ 36,000	9.9%	
Quality Assurance	\$ (28,700)	-5.1%		\$ (72,800)	-14.0%		\$ (8,500)	-1.0%		\$ (43,900)	-6.0%	
Out of State Tuition Deduction	\$ 1,200	-0.9%		\$ (48,400)	40.1%		\$ (208,300)	99.6%		\$ (2,400)	18.4%	
Legislative Initiatives	\$ -	0.0%		\$ -	0.0%		\$ -	0.0%		\$ -	0.0%	
Total Increase	\$ 89,500			\$ 160,400			\$ 733,200			\$ 1,049,200		

Note: This table presents the estimated effects of each component of the Outcomes-Based Funding Formula on the THEC recommended state appropriation to each institution. Outcome changes are the percent changes in the weighted outcomes from the 2014-15 formula to the 2015-16 formula.

How to read this table: Using Northeast State as an example, the starting point (Cell K56) of \$250,400 represents the difference between 2014-15 and 2015-16 appropriations due to the funding formula if Northeast State's data had stayed at 2014-15 levels while all other institutions' data changed to 2015-16 levels. This is the beginning "base" on which the effects of Northeast State's changes in 2015-16 are built.

Next, the estimated effect of the first outcome -- Students Accumulating 12 hours -- is determined. Northeast State had a 7.2% decline (Cell L58) for this outcome between 2014-15 and 2015-16. Northeast State's performance on this outcome resulted in a loss of \$76,300 (K58) in recommended appropriations in 2015-16.

The effects of the next outcome -- Students Accumulating 24 hours -- is then determined. Here, Northeast State declined 7.7% (L59) from 2014-15 to 2015-16, which corresponds to a loss of \$89,200 (K59) in recommended appropriations in 2015-16.

This process is repeated for the remaining formula outcomes, faculty salary multiplier and fixed costs. Appropriations gained or lost due to Northeast State's performance in 2015-16 are then summed (Cell K83) for the total change in recommended appropriations from 2014-15 to 2015-16 of \$1,049,200. This amount corresponds to Northeast State's change in recommended appropriations highlighted in Column E on the '2015-16 THEC Recommendation' tab. THEC's Community College recommendation is only for the sector as a whole. Institutional detail is for informational purposes only.

Impact of Outcomes Formula Components on 2015-16 THEC Recommended State Appropriations

Starting Point	Pellissippi			Roane			Southwest			Volunteer		
	\$ 458,500 Effect	Outcome Change	Outcome Weight	\$ 315,700 Effect	Outcome Change	Outcome Weight	\$ 433,500 Effect	Outcome Change	Outcome Weight	\$ 298,600 Effect	Outcome Change	Outcome Weight
Students Accumulating 12 hrs	\$ (75,300)	-2.8%	6.0%	\$ (37,000)	-6.9%	2.0%	\$ (206,400)	-8.6%	4.0%	\$ (58,400)	-8.5%	2.0%
Students Accumulating 24 hrs	\$ (87,500)	-3.3%	7.0%	\$ (33,900)	-5.2%	3.0%	\$ (224,300)	-9.3%	5.0%	\$ (60,700)	-7.5%	3.0%
Students Accumulating 36 hrs	\$ (96,600)	-4.3%	7.0%	\$ (45,000)	-4.8%	5.0%	\$ (229,300)	-10.1%	6.0%	\$ (57,200)	-4.9%	5.0%
Dual Enrollment	\$ 127,300	8.3%	10.0%	\$ 123,900	6.8%	10.0%	\$ 40,900	18.2%	5.0%	\$ 172,000	9.1%	10.0%
Associates	\$ 567,400	11.6%	20.0%	\$ 68,500	1.9%	20.0%	\$ (3,000)	-0.2%	10.0%	\$ 54,200	1.6%	20.0%
1-2 Year Certificates	\$ -	0.0%	0.0%	\$ 18,800	17.0%	6.0%	\$ (4,800)	-17.1%	2.0%	\$ -	0.2%	4.0%
<1yr Certificates	\$ 323,400	66.4%	5.0%	\$ (27,900)	-40.2%	14.0%	\$ (27,200)	-2.0%	18.0%	\$ 34,000	3.1%	16.0%
Job Placements	\$ 271,500	19.8%	10.0%	\$ (67,400)	-2.4%	15.0%	\$ (63,200)	-3.2%	10.0%	\$ 97,200	11.2%	5.0%
Remedial & Developmental Success	\$ 24,600	4.1%	5.0%	\$ (3,600)	-0.9%	5.0%	\$ 94,000	2.3%	20.0%	\$ (63,200)	-6.0%	10.0%
Transfers Out with 12 hrs	\$ 147,300	11.7%	15.0%	\$ (5,400)	-1.0%	10.0%	\$ 10,800	2.6%	5.0%	\$ 25,500	2.5%	15.0%
Workforce Training (Contact Hours)	\$ (223,700)	-9.4%	10.0%	\$ 57,600	2.5%	5.0%	\$ 243,700	15.7%	5.0%	\$ 190,700	10.2%	5.0%
Awards per 100 FTE	\$ 43,900	13.3%	5.0%	\$ 34,500	7.8%	5.0%	\$ 41,600	8.9%	10.0%	\$ 23,100	6.8%	5.0%
Faculty Salary	\$ (66,200)	-0.3%		\$ (43,600)	-0.3%		\$ (59,000)	-0.3%		\$ (45,500)	-0.3%	
E&G sf (less portables)	\$ 292,300	12.0%		\$ 35,200	1.2%		\$ 50,500	1.2%		\$ 199,200	12.0%	
Rate for E&G sf	\$ 51,800	3.0%		\$ 54,500	3.0%		\$ 80,100	3.0%		\$ 35,200	3.0%	
Portable E&G sf	\$ (7,800)	-16.9%		\$ -	0.0%		\$ -	0.0%		\$ -	0.0%	
Rate for Portable E&G sf	\$ -	3.0%		\$ -	3.0%		\$ -	3.0%		\$ -	3.0%	
20+ Yr Old sf	\$ 4,800	1.6%		\$ (7,800)	-3.1%		\$ 1,800	0.3%		\$ 8,500	7.0%	
Rate for 20+ Year Old sf	\$ 9,000	3.0%		\$ 7,300	3.0%		\$ 16,200	3.0%		\$ 3,600	3.0%	
Rate for Utilities	\$ 12,700	1.2%		\$ 13,300	1.2%		\$ 18,700	1.2%		\$ 8,500	1.2%	
Rent	\$ -	0.0%		\$ 5,500	7.2%		\$ (74,100)	-75.0%		\$ -	0.0%	
Equipment	\$ 54,100	11.7%		\$ 6,100	2.8%		\$ 89,100	16.8%		\$ 38,900	14.9%	
Quality Assurance	\$ 51,000	4.3%		\$ (90,500)	-10.2%		\$ (62,600)	-5.2%		\$ (112,900)	-13.3%	
Out of State Tuition Deduction	\$ (221,200)	56.4%		\$ (62,400)	20.2%		\$ (28,800)	11.1%		\$ (202,300)	93.5%	
Legislative Initiatives	\$ -	0.0%		\$ -	0.0%		\$ -	0.0%		\$ -	0.0%	
Total Increase	\$ 1,661,300			\$ 316,400			\$ 138,200			\$ 589,000		

Note: This table presents the estimated effects of each component of the Outcomes-Based Funding Formula on the THEC recommended state appropriation to each institution. Outcome changes are the percent changes in the weighted outcomes from the 2014-15 formula to the 2015-16 formula.

How to read this table: Using Pellissippi State as an example, the starting point (Cell B107) of \$458,500 represents the difference between 2014-15 and 2015-16 appropriations due to the funding formula if Pellissippi State's data had stayed at 2014-15 levels while all other institutions' data changed to 2015-16 levels. This is the beginning "base" on which the effects of Pellissippi State's changes in 2015-16 are built.

Next, the estimated effect of the first outcome -- Students Accumulating 12 hours -- is determined. Pellissippi State had a 2.8% decline (Cell C109) for this outcome between 2014-15 and 2015-16. Pellissippi State's performance on this outcome resulted in a loss of \$75,300 (B109) in recommended appropriations in 2015-16.

The effects of the next outcome -- Students Accumulating 24 hours -- is then determined. Here, Pellissippi State declined 3.3% (C110) from 2014-15 to 2015-16, which corresponds to a loss of \$87,500 (B110) in recommended appropriations in 2015-16.

This process is repeated for the remaining formula outcomes, faculty salary multiplier and fixed costs. Appropriations gained or lost due to Pellissippi State's performance in 2015-16 are then summed (Cell B134) for the total change in recommended appropriations from 2014-15 to 2015-16 of \$1,661,300. This amount corresponds to Pellissippi State's change in recommended appropriations highlighted in Column E on the '2015-16 THEC Recommendation' tab. THEC's Community College recommendation is only for the sector as a whole. Institutional detail is for informational purposes only.

Impact of Outcomes Formula Components on 2015-16 THEC Recommended State Appropriations

Starting Point	Walters		
	\$ 366,000 Effect	Outcome Change	Outcome Weight
Students Accumulating 12 hrs	\$ (64,200)	-5.3%	4.0%
Students Accumulating 24 hrs	\$ (77,300)	-6.9%	5.0%
Students Accumulating 36 hrs	\$ (93,800)	-7.9%	6.0%
Dual Enrollment	\$ 232,800	16.3%	10.0%
Associates	\$ 226,000	6.4%	20.0%
1-2 Year Certificates	\$ 1,200	26.5%	1.0%
<1yr Certificates	\$ (36,800)	-3.4%	19.0%
Job Placements	\$ 26,500	2.2%	5.0%
Remedial & Developmental Success	\$ 3,100	0.4%	10.0%
Transfers Out with 12 hrs	\$ 22,400	4.6%	10.0%
Workforce Training (Contact Hours)	\$ (484,800)	-12.0%	5.0%
Awards per 100 FTE	\$ 54,400	13.6%	5.0%
Faculty Salary	\$ (50,200)	-0.3%	
E&G sf (less portables)	\$ 38,000	1.2%	
Rate for E&G sf	\$ 64,200	3.0%	
Portable E&G sf	\$ -	0.0%	
Rate for Portable E&G sf	\$ -	3.0%	
20+ Yr Old sf	\$ -	0.0%	
Rate for 20+ Year Old sf	\$ 7,800	3.0%	
Rate for Utilities	\$ 14,600	1.2%	
Rent	\$ 7,200	7.7%	
Equipment	\$ 9,700	3.4%	
Quality Assurance	\$ (20,600)	-2.0%	
Out of State Tuition Deduction	\$ 24,200	-10.2%	
Legislative Initiatives	\$ -	0.0%	
Total Increase	\$ 270,400		

Note: This table presents the estimated effects of each component of the Outcomes-Based Funding Formula on the THEC recommended state appropriation to each institution. Outcome changes are the percent changes in the weighted outcomes from the 2014-15 formula to the 2015-16 formula.

How to read this table: For Walters State, the starting point (Cell B158) of \$366,000 represents the difference between 2014-15 and 2015-16 appropriations due to the funding formula if Walters State's data had stayed at 2014-15 levels while all other institutions' data changed to 2015-16 levels. This is the beginning "base" on which the effects of Walters State's changes in 2015-16 are built.

Next, the estimated effect of the first outcome -- Students Accumulating 12 hours -- is determined. Walters State had a 5.3% decline (Cell C160) for this outcome between 2014-15 and 2015-16. Walters State's performance on this outcome resulted in a loss of \$64,200 (B160) in recommended appropriations in 2015-16.

The effects of the next outcome -- Students Accumulating 24 hours -- is then determined. Here, Walters State declined 6.9% (C161) from 2014-15 to 2015-16, which corresponds to a loss of \$77,300 (B161) in recommended appropriations in 2015-16.

This process is repeated for the remaining formula outcomes, faculty salary multiplier and fixed costs. Appropriations gained or lost due to Walters State's performance in 2015-16 are then summed (Cell B185) for the total change in recommended appropriations from 2014-15 to 2015-16 of \$270,400. This amount corresponds to Walters State's change in recommended appropriations highlighted in Column E on the '2015-16 THEC Recommendation' tab. THEC's Community College recommendation is only for the sector as a whole. Institutional detail is for informational purposes only.

2015-16 State Appropriations Distribution Recommendation

	A	B	C	D	E = C + D	F = E + A	G = E / A	H = F / B
			Breakdown of 2015-16 Changes					
Academic Formula Units	2014-15 Appropriation ¹	2015-16 Formula Calculation	Outcomes Formula Adjustments	Share of New Funding	2015-16 Changes	2015-16 Recommendation	Percent Change	Percent Funded
TBR Universities								
Austin Peay	\$34,239,800	\$58,535,000	\$936,300	\$1,092,700	\$2,029,000	\$36,268,800	5.9%	62.0%
East Tennessee	48,048,900	80,537,000	349,100	1,503,500	1,852,600	49,901,500	3.9%	62.0%
Middle Tennessee	82,830,300	135,694,500	(1,285,900)	2,533,200	1,247,300	84,077,600	1.5%	62.0%
Tennessee State	32,088,900	51,828,300	(943,100)	967,500	24,400	32,113,300	0.1%	62.0%
Tennessee Tech	38,394,000	61,974,900	(1,150,600)	1,157,000	6,400	38,400,400	0.0%	62.0%
University of Memphis	89,331,900	150,177,000	915,700	2,803,500	3,719,200	93,051,100	4.2%	62.0%
Subtotal	\$324,933,800	\$538,746,700	(\$1,178,500)	\$10,057,400	\$8,878,900	\$333,812,700	2.7%	62.0%
Community Colleges²								
Chattanooga	\$26,008,100	\$43,489,000	\$126,200	\$811,900	\$938,100	\$26,946,200	3.6%	62.0%
Cleveland	8,843,700	14,779,000	37,600	275,900	313,500	9,157,200	3.5%	62.0%
Columbia	12,349,500	20,373,700	(106,100)	380,300	274,200	12,623,700	2.2%	62.0%
Dyersburg	7,317,900	12,378,000	120,600	231,100	351,700	7,669,600	4.8%	62.0%
Jackson	11,095,700	18,052,000	(247,500)	337,000	89,500	11,185,200	0.8%	62.0%
Motlow	10,656,700	17,458,000	(165,500)	325,900	160,400	10,817,100	1.5%	62.0%
Nashville	15,861,200	26,782,000	233,200	500,000	733,200	16,594,400	4.6%	62.0%
Northeast	13,224,100	23,036,000	619,200	430,000	1,049,200	14,273,300	7.9%	62.0%
Pellissippi	23,429,800	40,495,000	905,300	756,000	1,661,300	25,091,100	7.1%	62.0%
Roane	17,399,500	28,592,000	(217,400)	533,800	316,400	17,715,900	1.8%	62.0%
Southwest	24,677,200	40,050,000	(609,500)	747,700	138,200	24,815,400	0.6%	62.0%
Volunteer	16,216,000	27,122,000	82,700	506,300	589,000	16,805,000	3.6%	62.0%
Walters	20,350,200	33,280,000	(350,900)	621,300	270,400	20,620,600	1.3%	62.0%
Community College Subtotal	\$207,429,600	\$345,886,700	\$427,900	\$6,457,200	\$6,885,100	\$214,314,700	3.3%	62.0%
UT Universities								
UT Chattanooga	\$37,501,400	\$65,724,000	\$1,994,900	\$1,226,700	\$3,221,600	\$40,723,000	8.6%	62.0%
UT Knoxville ³	176,044,900	292,897,000	(31,000)	5,467,800	5,436,800	181,481,700	3.1%	62.0%
UT Martin ³	26,049,700	43,764,000	249,900	817,000	1,066,900	27,116,600	4.1%	62.0%
Subtotal	\$239,596,000	\$402,385,000	\$2,213,800	\$7,511,500	\$9,725,300	\$249,321,300	4.1%	62.0%
Total Colleges and Universities	\$771,959,400	\$1,287,018,400	\$1,463,200	\$24,026,100	\$25,489,300	\$797,448,700	3.3%	62.0%
TN Colleges of Applied Technology	\$55,346,600	\$89,665,000	(\$1,463,200)	\$1,673,900	\$210,700	\$55,557,300	0.4%	62.0%
Total Academic Formula Units	\$827,306,000	\$1,376,683,400	\$0	\$25,700,000	\$25,700,000	\$853,006,000	3.1%	62.0%

1 - Recurring funding.

2 - THEC's Community College recommendation is only for the sector as a whole. Institutional detail displayed here is for informational purposes only.

3 - Does not include recurring funds appropriated to UT Martin for the Parsons Center (\$200K) or to UT Knoxville for the engineering college (\$3M). These appropriations are included as Program Initiatives.

2015-16 Budget Summary Work Program Final

Academic Formula Units	2014-15	2015-16		2015-16 Recurring Cost Increases			2015-16 Non-Recurring		2015-16			2015-16 Recurring Adjustments				2015-16	2015-16			Change in Recurring Appropriations	Recurring Percent Change
	Recurring Appropriations	Outcomes Productivity	Revised Base	Outcomes/ Productivity	Salary Increase	Insurance Increase	401k Match	Cost Increases	Recurring Base Request	Non-Recurring Base Request	Total Base Request	Global Adjustments	Salary Increases	Reorganization	Other Adjustments	Non-Recurring Adjustments	Recurring Appropriations	Non-Recurring Appropriations	Total State Appropriations		
TBR Universities																					
Austin Peay	\$34,239,800	\$936,300	\$35,176,100	\$1,092,700	\$562,000	\$136,900	\$42,000	\$0	\$36,967,700	\$42,000	\$37,009,700	\$16,000	\$0	\$0	\$0	\$14,800	\$36,983,700	\$56,800	\$37,040,500	\$2,743,900	8.0%
East Tennessee	48,048,900	349,100	48,398,000	1,503,500	921,800	265,700	91,400	-	51,089,000	91,400	51,180,400	(10,900)	-	-	350,000	5,028,100	51,428,100	5,119,500	56,547,600	3,379,200	7.0%
Middle Tennessee	82,830,300	(1,285,900)	81,544,400	2,533,200	1,430,700	346,900	125,600	-	85,855,200	125,600	85,980,800	1,500	-	-	-	37,900	85,856,700	163,500	86,020,200	3,026,400	3.7%
Tennessee State	32,088,900	(943,100)	31,145,800	967,500	613,100	159,500	45,400	-	32,885,900	45,400	32,931,300	6,100	-	-	-	16,700	32,892,000	62,100	32,954,100	803,100	2.5%
Tennessee Tech	38,394,000	(1,150,600)	37,243,400	1,157,000	724,600	176,700	70,300	-	39,301,700	70,300	39,372,000	(4,300)	-	-	-	19,200	39,297,400	89,500	39,386,900	903,400	2.4%
University of Memphis	89,331,900	915,700	90,247,600	2,803,500	1,716,000	351,200	83,200	1,000,000	95,118,300	1,083,200	96,201,500	21,300	-	-	-	2,648,400	95,139,600	3,731,600	98,871,200	5,807,700	6.5%
Subtotal	\$324,933,800	(\$1,178,500)	\$323,755,300	\$10,057,400	\$5,968,200	\$1,436,900	\$457,900	\$1,000,000	\$341,217,800	\$1,457,900	\$342,675,700	\$29,700	\$0	\$0	\$350,000	\$7,765,100	\$341,597,500	\$9,223,000	\$350,820,500	\$16,663,700	5.1%
UT Universities																					
UT Chattanooga	\$37,501,400	\$1,994,900	\$39,496,300	\$1,226,700	\$739,600	\$187,200	\$84,500	\$0	\$41,649,800	\$84,500	\$41,734,300	\$24,900	\$0	\$0	\$0	\$12,000	\$41,674,700	\$96,500	\$41,771,200	\$4,173,300	11.1%
UT Knoxville	179,044,900	(31,000)	179,013,900	5,467,800	2,799,100	634,800	291,400	-	187,915,600	291,400	188,207,000	(25,300)	-	-	-	44,500	187,890,300	335,900	188,226,200	8,845,400	4.9%
UT Martin	26,249,700	249,900	26,499,600	817,000	467,500	124,800	64,100	-	27,908,900	64,100	27,973,000	(16,800)	-	-	-	6,500	27,892,100	70,600	27,962,700	1,642,400	6.3%
Subtotal	\$242,796,000	\$2,213,800	\$245,009,800	\$7,511,500	\$4,006,200	\$946,800	\$440,000	\$0	\$257,474,300	\$440,000	\$257,914,300	(\$17,200)	\$0	\$0	\$0	\$63,000	\$257,457,100	\$503,000	\$257,960,100	\$14,661,100	6.0%
Community Colleges	\$207,429,600	\$427,900	\$207,857,500	\$6,457,200	\$3,315,400	\$730,700	\$312,200	\$0	\$218,360,800	\$312,200	\$218,673,000	\$103,100	\$0	\$0	\$0	\$179,300	\$218,463,900	\$491,500	\$218,955,400	\$11,034,300	5.3%
Total Colleges and Universities	\$775,159,400	\$1,463,200	\$776,622,600	\$24,026,100	\$13,289,800	\$3,114,400	\$1,210,100	\$1,000,000	\$817,052,900	\$2,210,100	\$819,263,000	\$115,600	\$0	\$0	\$350,000	\$8,007,400	\$817,518,500	\$10,217,500	\$827,736,000	\$42,359,100	5.5%
TN Colleges of Applied Tech	\$55,346,600	(\$1,463,200)	\$53,883,400	\$1,673,900	\$676,500	\$136,300	\$61,000	\$0	\$56,370,100	\$61,000	\$56,431,100	(\$26,200)	\$0	\$0	\$0	\$31,700	\$56,343,900	\$92,700	\$56,436,600	\$997,300	1.8%
Total Academic Formula Units	\$830,506,000	\$0	\$830,506,000	\$25,700,000	\$13,966,300	\$3,250,700	\$1,271,100	\$1,000,000	\$873,423,000	\$2,271,100	\$875,694,100	\$89,400	\$0	\$0	\$350,000	\$8,039,100	\$873,862,400	\$10,310,200	\$884,172,600	\$43,356,400	5.2%