



# Preliminary Thoughts on Financial Impacts

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# External Constraints

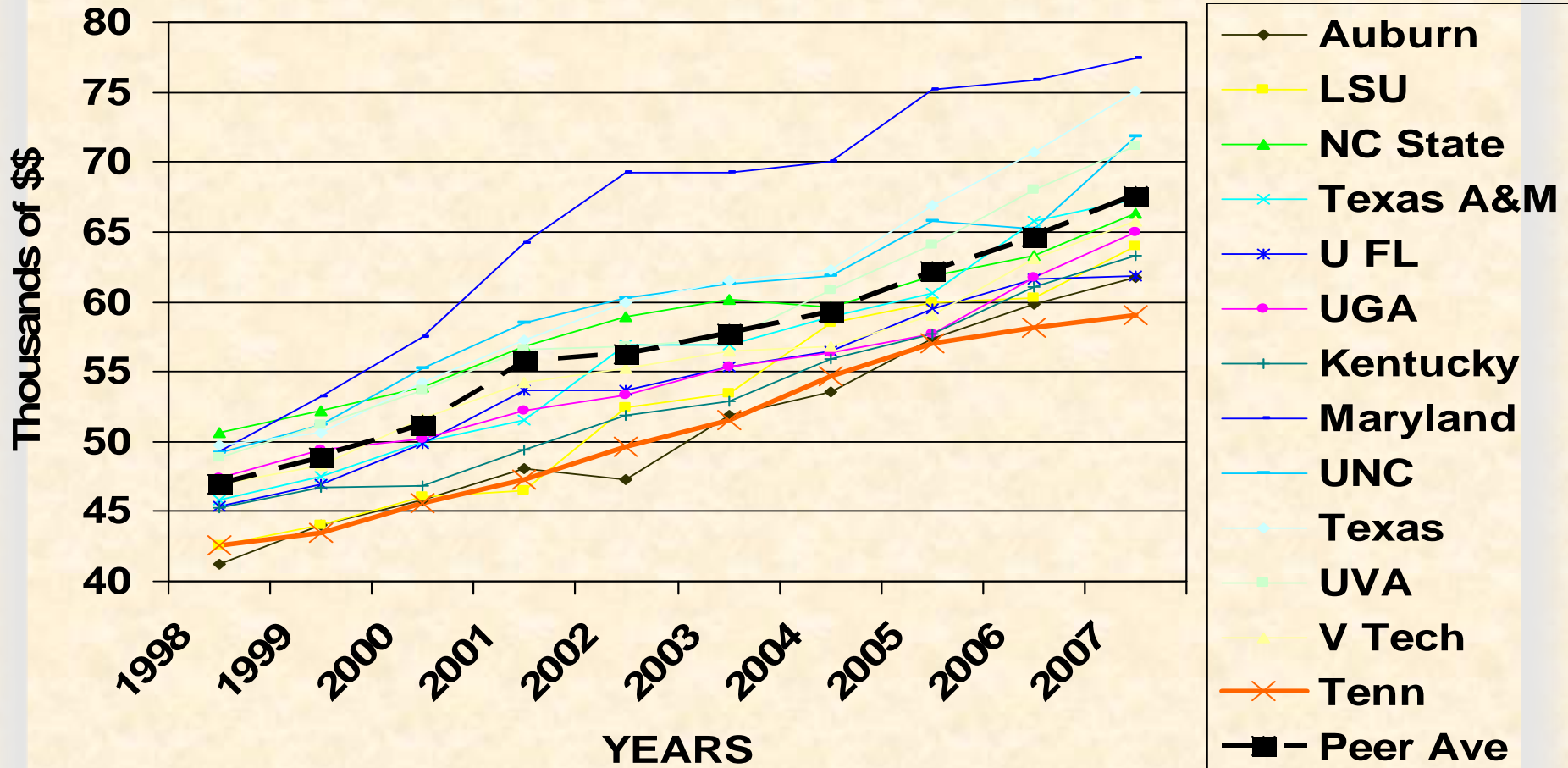
- ✓ Demographic issues: HS graduates
- ✓ Economic forecasts: Do we target right areas?
- ✓ Higher education in TN: How do we fit in?
- ✓ Political changes: How will political changes impact our plan?



# Financial Constraints

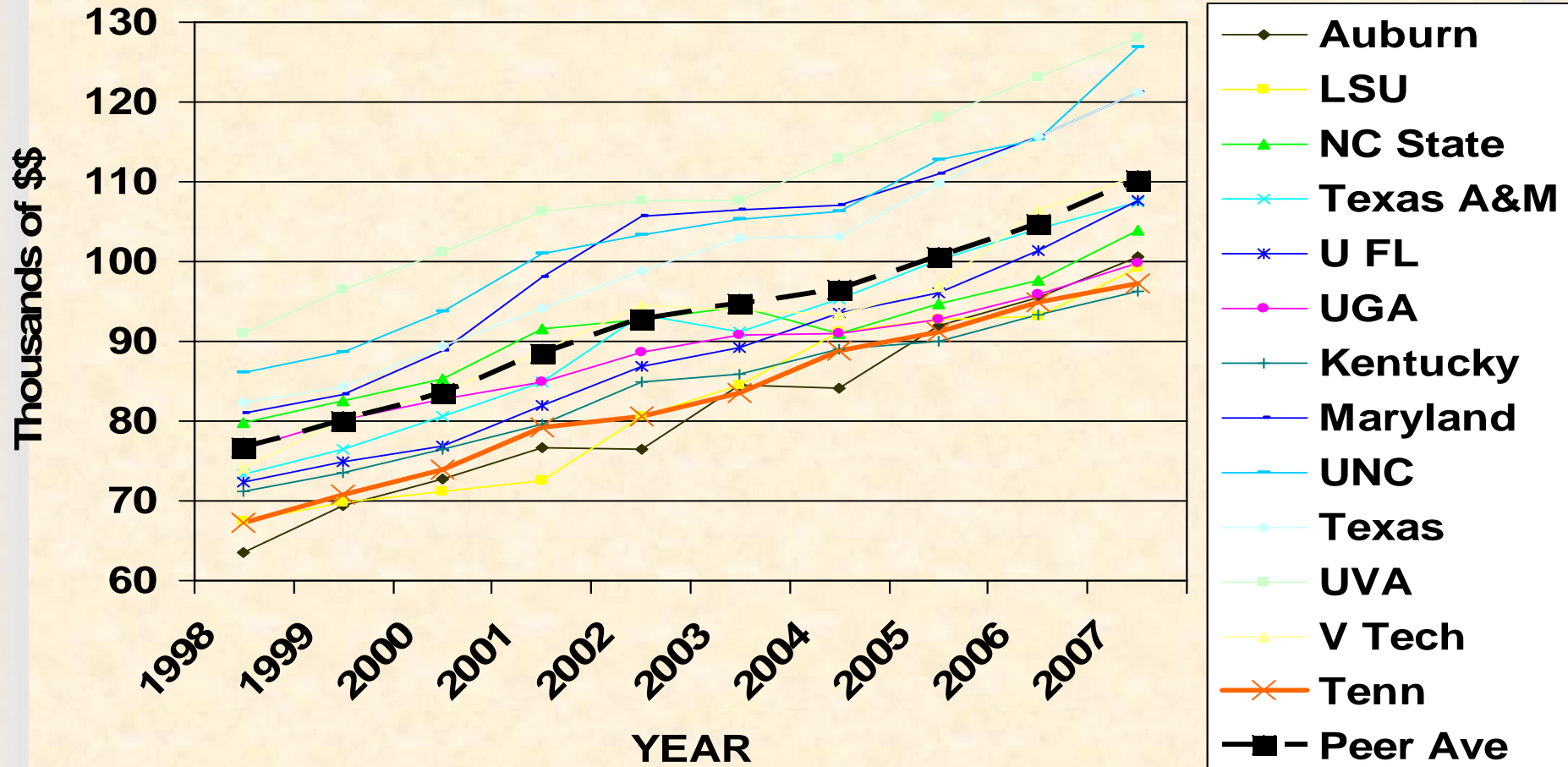
- A key area for any strategic plan
- Some funding is ours (or partly ours): tuition
- Fundraising will help with enhancements
- State allocations will be most important for success

## Faculty Salaries: Asst Professors





## Faculty Salaries: Full Professors





# To Bring Faculty to Parity

- Parity with THEC Peers: \$8M + ;  
\$1M in fringe benefits
- Top 25 Public Institutions and to  
selected AAU institutions:  
\$12,738,000, and \$12,277,000,  
respectively



# Additional Instructional Costs

- Assume 25% shortfall in graduate stipends = \$8M increase
- 300 faculty = \$22M + \$3M = \$25M recurring
- 2,000 new graduate students = \$7.5M for stipends + \$3M for fee waivers = \$10.5M
- Total bill for academic side (minus staff, operating) roughly \$52.5M recurring

# Mitigating Factors

- Some funding already allocated for capital projects
- Tuition brings us ~\$6K per in-state student; for 6,000 additional students, \$36M
- Will need significant infusions of recurring state funding
- Must be more precise with financial needs



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